Qingling Motors Co., Ltd.

2025 Environmental, Social and Governance ("ESG") Report

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About This Report

This Environmental, Social and Governance Report (the "Report") provides information of Qingling Motors Co., Ltd. (the "Company") and its subsidiaries (collectively, the "Group" & "We") on its full-scale implementation of environmental, social and sustainable development concepts, and measures and performance in relation thereto in 2025. The Report is to be read in conjunction with the "Corporate Governance Report" contained in the 2025 Annual Report of the Group so as to have an overall understanding of the environmental, social and governance performance of the Group.

Scope of the Report

The Report covers the businesses which the Group has control over and has significant influence in their environmental and social aspects, and discloses the main measures and activities conducted by the Group during the period from 1 January 2025 to 31 December 2025 (the "Reporting Period"). The scope of the Report includes the Group and its subsidiaries.

Basis of Preparation

The Report is prepared by the Group in accordance with Appendix C2 *Environmental, Social and Governance Reporting Code* (the "ESG Reporting Code") of the Main Board Listing Rules on The Stock Exchange of Hong Kong Limited (the "Hong Kong Stock Exchange"). The Report has complied with the mandatory disclosure requirements and "comply or explain" provisions of the *Environmental, Social and Governance Reporting Code*, and has been prepared in accordance with the reporting principles of materiality, quantitative, balance and consistency

During the preparation of the Report, the Group applied the above reporting principles as follows:

Materiality: The Group adopts a materiality assessment approach to identify material issues during the Reporting Period. For details, please refer to the section headed "Identification and Analysis of Material Issues";

Quantitative: The Group discloses the standards, methods, assumptions or calculation tools used in quantitative indicators where feasible;

Balance: The Report should provide an unbiased picture of the Group's performance during the Reporting Period. It should avoid selections, omissions, or presentation formats that may inappropriately influence a decision or judgment by the report reader;

Consistency: The preparation method of the Report is basically consistent with that of the previous year, and explanations are made on the changes in the disclosure calculation method or key performance indicators.

Language of the Report

The Report is published in two versions, Traditional Chinese and English. If there is any inconsistency between the Traditional Chinese version and English version, the Traditional Chinese version shall prevail.

Stakeholder Engagement

Thanks to the participation and support contributed by the internal stakeholders in preparation of this Report, the Group is able to have a clearer understanding of its progress in environmental and social aspects. You may access electronic version of this report by clicking “Investor Relations” at the official website of the Group (http://www.qingling.com.cn) or the website of the HKEX HKEXnews (http://www.hkex.com.hk).

Feedbacks

The Group looks forward to receiving any valuable comments from the readers and please send the comments to the Group by the following means:

Office of Qingling Motors Co., Ltd.

Address: No.1 Xiexingcun, Zhongliangshan Jiulongpo District, Chongqing, China

Postcode: 400052

Tel: 8623-65262233 65262277

Email: hk1122@qingling.com.cn

1 About Us

The Group was established by Qingling Motors (Group) Company Limited and Japan Isuzu in 1985. The Group was the first Sino-foreign joint venture in Chongqing since the city's reform and opening-up. The Group issued H shares in Hong Kong Stock Exchange in 1994.

The Group's core businesses mainly include the manufacturing, sales, maintenance and spare parts supply of high-quality commercial vehicles. Focusing on the industry development trends of "electrification, intelligentization, connectivity and sharing", the Group fully leverages world-leading technologies to continuously optimize its business layout and product portfolio. The Group has fostered a dual-brand development pattern featuring the parallel development of the Isuzu brand and its own brands. It has established three major product lines: traditional fuel vehicles, battery electric vehicles and hydrogen fuel cell vehicles. Meanwhile, it has perfected its four industrial layouts covering "commercial vehicles, special-purpose vehicles, engines and components", realizing coordinated development across the entire industrial chain and consolidating its core competitiveness in the industry. With sound operational strength and prominent industry influence, the Group has been honored with such accolades as "China's Top 500 Manufacturing Enterprises", "National Quality & Integrity Benchmark Enterprise" and "Chongqing Manufacturing Leading (Chain-Master) Enterprise", demonstrating its benchmark status and sense of responsibility in the commercial vehicle sector.

2 Statement of the Board of Directors

The Group deeply recognizes the regulatory responsibility of the board of directors in identifying, evaluating, and managing environmental, social, and governance (ESG) matters, as well as the importance of excellent corporate governance for sustainable development.

The board of directors is committed to integrating this concept into the overall strategy and business planning of the Group. This concept not only reflects the Group's emphasis on environmental protection and social responsibility while pursuing economic benefits, but also demonstrates the Group's long-term consideration for future development. To this end, the Group has established a comprehensive ESG management framework system and established an ESG working group whose main responsibilities include developing ESG management strategies and related systems and processes, identifying, evaluating, prioritizing and managing important ESG related matters, etc., so as to assist the board of directors in managing and supervising the Group's ESG related affairs from top to bottom. During the Reporting Period, the board of directors studied and familiarized itself with the requirements outlined in the latest consultation conclusions on environmental, social, and governance matters issued by the Hong Kong Stock Exchange, supervised and approved the Group's ESG management strategy and guidelines, and comprehensively evaluated important ESG matters and their priorities, as well as the management process of potential risks and opportunities brought about by these matters to the Group's business.

In addition, the Group firmly implemented risk management and internal monitoring measures to ensure the establishment of appropriate and effective ESG risk management and internal monitoring systems so as to evaluate and determine ESG related risks. From the perspective of risk management and opportunity review, it also considered and approved the Group’s ESG related goals, and evaluated and reviewed the progress of achieving these goals. We will continue to improve the ESG management system, consciously integrate the concept of sustainable development into ESG management and information disclosure work, and continuously improve the ability and level of risk prevention and control of the Group.

3 Corporate Governance

Qingling Motors regards corporate governance as its cornerstone, through the establishment of a scientific and rigorous governance framework, a diverse and inclusive decision-making mechanism, deeply integrating ESG principles into every aspect of its operations. And a steadfast commitment to compliance and ethics, Qingling Motors is dedicated to creating an exemplary model of corporate governance, so as to generate lasting value for the environment, society, and the sustainable development of the Group.

3.1 Corporate Governance

3.1.1 Corporate Governance Structure

The Board of Directors, as the ultimate governance body, is responsible for discharging the corporate governance duties of the Group. It formulates the overall strategy of the Group, monitors the performance of the management, and oversees relevant risk and control systems to ensure the effective implementation of the Group's development plans.

To systematically assist the Board in discharging its duties and to conduct in-depth oversight of key areas, the Board has established three specialized committees under its auspices: the Nomination Committee, the Audit Committee and the Remuneration Committee. Each committee operates in accordance with its clear terms of reference, takes charge of specific core matters, and provides professional support and recommendations to the Board, jointly forming a well-structured governance system with clear division of responsibilities.

3.1.2 Board Independence and Diversity Development

The Board attaches great importance to the independence and objectivity of its decision-making. Independent non-executive directors provide independent and objective judgment and recommendations for the Board's decisions, and play a crucial oversight role in key areas including connected transactions, director nomination, remuneration review and financial auditing. All three specialized committees are chaired or composed mainly or entirely of independent non-executive directors with appropriate qualifications, which ensures the independence and effectiveness of the oversight functions from an organizational structure perspective.

Recognizing that diverse perspectives and experience help enhance decision-making quality and corporate governance standards, the Group has adopted a Board diversity policy. When nominating and selecting Board candidates, the Group actively considers complementarity in respect of gender, age, cultural and educational backgrounds, professional experience and skills, so as to support the long-term sustainable development of the Group.

Indicator	**2025**	**Unit**
Number of board members	11	Persons
Number of female board members	1	Persons

Percentage of female board members	9.1%	Percentage
Number of independent board members	4	Persons
Percentage of independent board members	36.4%	Percentage

3.2 ESG Governance

3.2.1 ESG Governance Structure

The Group has established an ESG governance structure with the Board of Directors at its core. As the ultimate decision-making and supervisory body, the Board leads the Group's ESG initiatives, with all functional departments implementing them in a coordinated manner under its overall supervision. The key duties of the Board are as follows:

- Approve the Group's ESG strategy, key policies and management guidelines;
- Identify, assess, prioritize, and manage significant ESG-related matters;
- Evaluate ESG-related risks, and ensure the establishment of an appropriate and effective ESG risk management and internal control system；
- Approve the Group's ESG objectives and regularly review their progress.

3.2.2 Communication of the Stakeholders

The Group places great emphasis on sustained communication and interaction with all stakeholders. A systematic communication mechanism has been established to conduct two-way exchanges with internal and external stakeholders including investors, customers, employees, suppliers, communities and regulators through diversified channels on a regular basis. The Group actively listens to their feedback and expectations, and effectively integrates the outcomes into the optimization of its ESG strategy and improvement of daily operations, so as to jointly create long-term value.

Stakeholder	Communication Mechanism	Expectations of the Stakeholders	Key Focus Issues
Government	• Daily management • Meetings • Monitoring and inspections • Monthly report to the	• Compliance with laws • Paying taxes according to the law	• Risk management • Corporate governance • Business ethics

	SASAC (work report)	• Emissions management • Support local development	• Investor relations management • Environmental management • Waste water management • Waste gas management • Water resource management • Material and waste management • Climate change response • Biodiversity conservation measures
Shareholders	• Shareholders' meeting • Information disclosure • Activities promoting investor relations	• Continued development and return to shareholders • Information disclosure and investor relations • Corporate governance and risk control • Compliant operations	• Risk management • Corporate governance • Investor relations management • R&D and innovation • Information security and privacy protection
Clients	• Call center • After-sales services • Repair station	• High-quality products • High-quality services before and after sales • Consumer communication channels • Protecting the	• Product quality • Customer service • Information security and privacy protection

		rights and interests of the clients	
Employees	• Employee trainings • Employee activities and employee care • Monthly digest • Conversation with the disciplinary inspection commission • Corruption reporting procedures	• Guarantee of salaries and welfare • Favorable working environment and development platform • Equal opportunities for promotion and development • Occupational Health and Safety • Smooth communication channels	• Labor relations management • Occupational health and safety • Employee training and development
Partners	• Project negotiations • Assessment and inquiry • Communications in the course of cooperation • Supplier assessment and evaluations • Open bidding and tendering • Information-based construction • Tip-off procedures	• Keeping promises • Equal, open and fair procurement • Transparent procurement agreement • Development with mutual benefits	• Supply chain management • Business ethics • Information security and privacy protection
Community	• Charitable donations	• Environmental protection • Raising public awareness • Promoting community harmony	• Community contribution • Environmental management • Wastewater management • Waste gas management

			• Water resources management • Materials and waste management • Fight climate change • Biodiversity conservation measures

3.2.3 Identification and Analysis of Material Issues

The Group has established a systematic process for the identification and analysis of material issues, ensuring that ESG management focuses on the key areas with the greatest impact on business operations and stakeholders. We adopt a variety of approaches, including questionnaires, industry benchmarking and data analysis, to identify, screen, assess and prioritize a broad range of ESG issues across two dimensions: "importance to stakeholders" and "importance to the Group". Based on the assessment results, we develop a materiality matrix, which provides clear guidance for the formulation of the Group's ESG strategy, the setting of targets and the prioritization of disclosures.

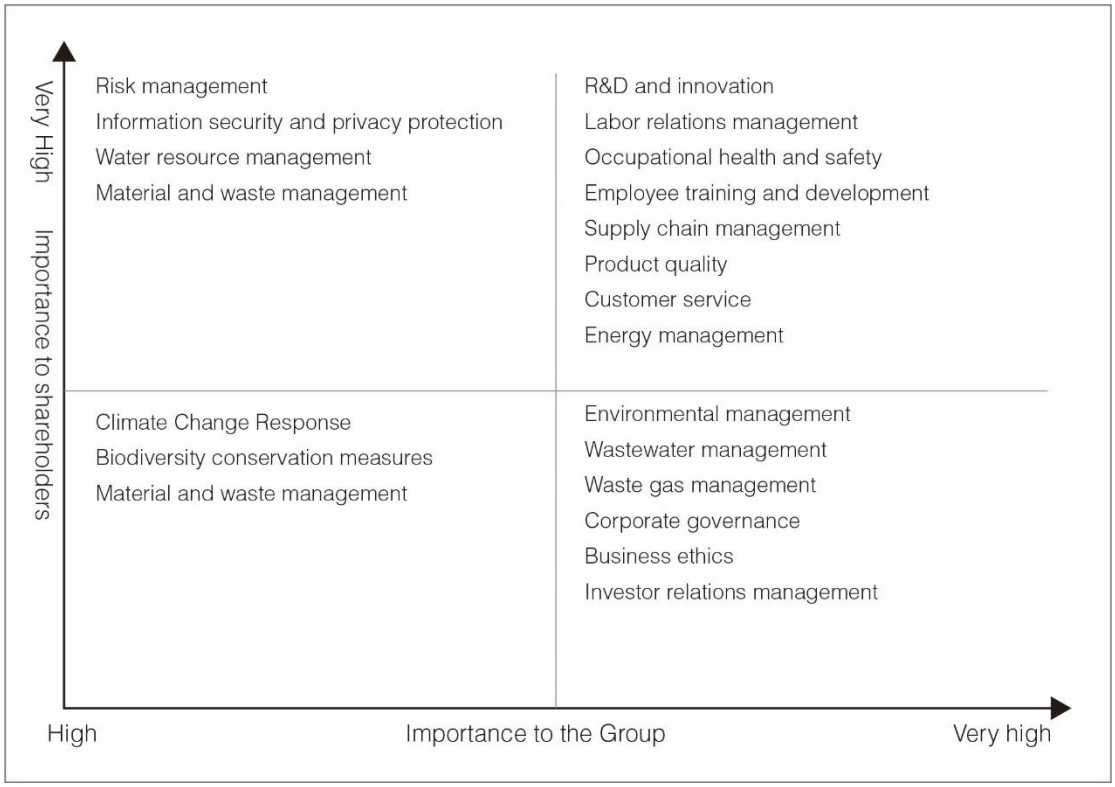


Figure - Materiality Matrix of Qingling Motors

3.3 Compliance and Business Ethics

The Group strictly complies with relevant laws and regulations such as the *Company Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China*, the *Tendering and Bidding Law of the People's Republic of China*, and the *Anti Unfair Competition Law of the People's Republic of China*, abides by business ethics and firmly opposes any form of corruption, bribery and money laundering. To systematically implement compliant operations, the Group has formulated and implemented a series of internal policies, including the *Bidding Management Measures*, *Interim Measures for Performance Benefits and Business Expenditure Management*, and *Provisions on Reiterating the Discipline of Clean and Honest Work of Leading Cadres*, so as to standardize operations and prevent risks. During the Reporting Period, there were no concluded corruption-related lawsuits.

In the practice of supply chain management, the Group signed the *Basic Contract for Parts Procurement* and the *Transparent Procurement Agreement with suppliers*, clearly stipulating transaction standards and integrity requirements. It restricts the conduct of both parties in an institutionalized manner, guarantees a fair, just and open procurement process, and builds a sunlit, transparent and win-win supply chain ecosystem.

The Group has established a reporting and investigation mechanism, formulated and implemented the *Work Rules for Handling Reports and Complaints by Discipline Inspection and Supervision Authorities*, and set up multiple channels for complaints and reporting such as hotlines and email addresses to ensure unimpeded and timely response to reporting. As the supervisory bodies, the Group's Commission for Discipline Inspection and the Office of the Supervisory Commissioner handle all types of reports seriously in accordance with regulations. By strengthening case investigation, conducting special inspections, routine supervision, and carrying out regular warning education and reminder talks, the Group has systematically established and consolidated a long-term mechanism of "dare not corrupt, cannot corrupt, do not want to corrupt", and continuously built a solid clean governance defense line for the Group.

The Group has continuously strengthened the development of a culture of integrity and systematically carried out a series of publicity and implementation activities for integrity culture, including work conferences on the development of Party conduct and a clean government, special study, education and warning conferences, integrity talks, and warning education activities. These efforts have enhanced the bottom-line thinking and compliance awareness of personnel in key positions, and jointly fostered a clean and upright internal environment. During the Reporting Period, approximately 200 anti-corruption training sessions were conducted. Directors participated in anti-corruption training for an average of 24 hours, while employees participated in such training for an average of 16 hours.

4 Environmental Protection

Qingling Motors actively responds to the national "dual carbon" strategy, fully integrating the green and low-carbon concept into its operation and management. By strengthening environmental management and implementing green practices, it achieves a win-win goal of environmental sustainability and economic value.

4.1 Environmental Management System

The Group strictly complies with national laws and regulations including the *Environmental Protection Law of the People's Republic of China*, the *Environmental Impact Assessment Law of the People's Republic of China*, the *Regulations on the Administration of Pollutant Discharge Permits*, and the *Measures for the Administration of the Law-based Disclosure of Environmental Information by Enterprises*. It has established a sound environmental management system and formulated a series of internal systems such as environmental protection management responsibility systems at all levels and a management system for environmental protection equipment and facilities. Regular monitoring is conducted on various pollution sources including waste gas, wastewater and noise to ensure environmental compliance and effective management. During the Reporting Period, the capital investment in safety and environmental protection amounted to RMB 10.64 million.

The Group has continuously improved its environmental risk prevention and control system and environmental incident emergency management system, revised the *Sudden Environmental Incident Risk Assessment Report* and the *Sudden Environmental Incident Emergency Plan*, identified and managed key environmental risk units, and formulated graded response measures for sudden environmental incidents. Meanwhile, the Group has clarified environmental responsibilities at all levels, conducted regular inspections, and carried out routine emergency drills and training to strengthen the prevention, response and disposal capabilities for sudden environmental incidents.

4.2 Waste Gas Emissions

The Group strictly complies with national and local laws, regulations and standards including the *Air Pollution Prevention and Control Law of the People's Republic of China*, the *Chongqing Comprehensive Emission Standards for Air Pollutants*, and the *Air Pollutants from Automotive Manufacturing Surface Coating*. It has set a target of 100% compliant exhaust gas emissions and continuously optimizes the supervision and management system for exhaust emissions to ensure the implementation of the emission target.

During the Reporting Period, the Group systematically upgraded its air pollution prevention and control capabilities in strict accordance with the Grade B performance standards for air pollution prevention and control. The major measures include:

- Optimization of Raw and Auxiliary Materials: Screening and upgrading were conducted on all 26 types of paint in use, among which 18 types have met the Grade B standard requirements. For the remaining 8 non-compliant types, the Group assisted suppliers in re-formulating and verifying compliance, effectively reducing volatile organic compound

(VOCs) emissions from paint.

- Clean Transportation Transition: An investment of RMB 3.2 million was made to newly purchase 27 transport vehicles of China V emission standard or above or new energy vehicles; RMB1.2 million was invested to retrofit 14 forklifts through "fuel-to-electricity conversion", meeting the Grade B performance standard requirements for air pollution prevention and control.
- Treatment of Fugitive Emissions: An investment of RMB 1.05 million was made to implement technological renovation of waste gas collection and treatment at three locations, namely the paint warehouse, hazardous waste temporary storage area and wastewater treatment station, achieving compliant waste gas emissions and converting fugitive emissions into organized emissions. Among them, the activated carbon adsorption process was adopted in the paint warehouse and hazardous waste temporary storage area to effectively reduce volatile organic compound (VOCs) emissions; the combined process of "microbial tower + caustic scrubbing" was applied in the wastewater treatment station, significantly reducing the emissions of malodorous gases such as hydrogen sulfide and ammonia.
- Digital Transportation Supervision: An investment of RMB 40,000 was made to build a new access control system, which was connected to the monitoring platform of the Municipal Ecological Environment Bureau, realizing digital and real-time supervision of emissions.

4.3 Wastewater Discharge

The Group strictly adheres to the *Law of the People's Republic of China on Prevention and Control of Water Pollution*, the *Integrated Wastewater Discharge Standard*, the *Water Quality Standards for Sewage to be Discharged into Municipal Sewers* and other national and local provisions, sets a target of 100% compliant disposal of wastewater, and continuously improves the wastewater management system to ensure that all wastewater is discharged in compliance with laws and regulations after effective treatment.

The Group continuously improves its wastewater management system to ensure compliant disposal of both domestic wastewater and production wastewater. Domestic wastewater in the plant area is treated specially before being connected to the municipal pipe network, while production wastewater (mainly coating wastewater) is treated through a dedicated treatment station equipped with online monitoring devices, realizing real-time monitoring of discharged water quality and stable compliance. Through regular maintenance and operation optimization, the Group ensures the efficient operation of various treatment facilities and ensures that discharged wastewater meets the Class I discharge standard of the *Integrated Wastewater Discharge Standard*.

4.4 Waste Management

The Group strictly complies with the requirements of relevant laws and regulations, such as the *Solid Waste Pollution Prevention and Control Law of the People's Republic of China*, the

Pollution Control Standard for the Storage and Disposal Sites of General Industrial Solid Waste, and the *Pollution Control Standard for Hazardous Waste Storage*, and has formulated internal systems including the *Solid Waste Management Responsibility System*, the *Regulations on the Management of Hazardous Waste Storage Sites*, and the *Hazardous Waste Management System* to regulate the whole-process control of waste from classification, collection and storage to disposal. The Group has set clear waste reduction targets: the total amount of hazardous and non-hazardous waste generated per RMB 10,000 of output value will be reduced compared with the previous year.

To achieve the above targets, the Group has adopted multi-level management measures.

- Source Reduction: Lean production organization has been implemented to optimize production processes and reduce ineffective operating hours, thereby minimizing waste generation at the source.
- Process Control: Supervision and inspection have been strengthened at key production sites such as coating production sites. Full utilization of materials such as paint and thinners is required, and standardized operations are enforced to reduce the generation of contaminants and packaging materials.
- End-of-pipe Disposal: Classified control and differentiated disposal are strictly implemented.
    1. General industrial solid waste: After sorting recyclables, the Group entrusts them to qualified enterprises for resource utilization. Non-recyclable portions are managed through internal accounts, stored in classified fixed locations, and ultimately collected and disposed of uniformly by municipal sanitation units.
    2. Domestic waste: After classified collection by the Group, it is disposed of uniformly by the sanitation department.
    3. Hazardous waste: Strict special management is implemented, with standardized special storage sites established. All hazardous waste is entrusted to qualified professional institutions for compliant transfer and disposal. Regarding disposal methods, the Group explicitly requires disposal units to prioritize incineration and other treatment approaches for treating sludge and other waste, so as to minimize or avoid landfill as much as possible.

4.5 Packaging Materials Management

The Group integrates the concept of circular economy into its operation and management, adheres to the principle of reduction in the use of packaging materials, and is committed to optimizing packaging design and application to reduce material consumption, while focusing on the environmental impact control throughout its life cycle.

Indicator	**2025**	**Unit**
Packaging Material Consumption – Wooden Products	913	m^3

Packaging Material Consumption – Paper Products	40,638	m^3
Packaging Material Consumption – Iron Cases	120	Pieces

4.6 Energy Management

The Group strictly complies with laws and regulations such as the *Energy Conservation Law of the People's Republic of China*, sets targets for energy conservation and consumption reduction, and systematically promotes energy conservation and emission reduction. The Group has established full-time positions for energy management and formulated a series of internal policies including the *Measures for Management of Energy Conservation* and the *Equipment Utilities Management and Assessment System*. During the Reporting Period, the Group obtained energy system certification.

During the Reporting Period, the Group set clear energy management and control targets: power consumption per vehicle produced was 816 kWh/vehicle; gas consumption per vehicle produced was 119.67 cubic meters per vehicle. To achieve these targets, the Group has adopted a number of energy conservation and consumption reduction measures:

- Consolidate the management foundation: Establish and standardize the operation of the energy management system, and promote energy efficiency improvement through standardized and systematic management; decompose annual energy conservation targets to each manufacturing unit and implement regular assessments to ensure accountability.
- Optimize operational efficiency: Implement lean production to shorten ineffective operating hours by optimizing processes; strictly control equipment startup and shutdown time to reduce standby energy consumption; and strengthen inspections of "leakage and spillage" at production sites, with timely rectification of identified problems.
- Upgrade equipment and technology: Gradually phase out high-energy-consuming equipment, and give priority to high-efficiency and energy-saving equipment in new construction or technical renovation projects; strengthen the management of electrical equipment to avoid no-load operation during non-working hours.
- Regulate energy use behavior: Strictly implement the usage regulations for energy-consuming equipment such as air conditioners, clarify requirements for start-stop temperatures and time periods, and cultivate good electricity use habits among employees.
- Foster an energy-saving culture: Convey the energy-saving concept to all employees through organizing publicity exhibitions, issuing energy-saving proposals and other means, encourage energy-saving behaviors to extend from the workplace to family life, and create a green and low-carbon atmosphere.

4.7 Water Resource Management

The Group incorporates the improvement of water resource utilization efficiency into the core link of operation and management, systematically formulates and implements a series of water-saving strategies and management measures, and is committed to achieving refined management of water resource consumption.

The Group has set clear water resource management and control targets: the target water consumption per vehicle produced is set at 5.44 tonnes/vehicle. To ensure the achievement of this target, the Group has adopted multi-dimensional management initiatives:

- Decompose water-saving targets to each manufacturing unit, conduct regular assessment and evaluation, and strengthen the implementation of responsibilities.
- Formulate measures for the rational utilization of water and supervise the implementation of relevant work.
- Carry out routine inspections of water usage points and pipe networks, timely identify and rectify the problem of " leakage and spillage " to reduce water resource loss.
- Install water-saving signs at all water usage points, continuously carry out internal publicity and education, and foster a water-saving culture with the participation of all employees.

4.8 Biodiversity Management

The Group fully integrates the concept of ecological sustainability into its environmental management system, systematically identifies potential impacts of project construction and production operations on natural resources and regional biodiversity, implements full-process risk prevention and control as well as systematic governance, and establishes a risk early warning and emergency response mechanism, striving to continuously reduce the impact of industrial activities on the natural ecology.

4.9 Climate Change Response

Qingling Motors fully recognizes the systemic risks and transition opportunities brought about by climate change, regards them as key issues affecting the long-term sustainable development of the enterprise, and deeply integrates climate change response into the Group's strategy and governance framework. By identifying, assessing and managing climate-related risks and opportunities, the Group actively promotes the achievement of low-carbon transformation.

4.9.1 Governance

The Group has incorporated climate change response into its routine management processes. The board of directors assumes ultimate oversight responsibility for climate-related risks and opportunities, reviews and deliberates on climate change response strategies, supervises the setting of relevant targets, and guides the integration of climate factors into the Group's overall strategy

and risk management system.

4.9.2 Strategy

The Group comprehensively assessed the likelihood of climate risks and their potential impacts with qualitative approach, identifying the possible negative effects of climate change on the Group's assets, supply chain, trade, and transportation, as well as the potential opportunities arising from the green transition. Based on this assessment, a list of climate change risks and opportunities was compiled, and corresponding response measures were formulated.

In 2025, we further identified physical and transition risks related to the Group's operations. Aligning with the Group's strategy and development, we developed targeted response measures:

- Risks arising from climate change

Risk Category	Risk Description	Response Measures
Increasingly Stringent Environmental Regulations	With the advancement of "Dual Carbon" strategy, environmental regulations are expected to become increasingly stringent, potentially imposing higher requirements on the Group's existing business models.	Strengthen the tracking and interpretation of domestic and foreign environmental regulations, and adjust production and operation strategies in advance to meet the latest requirements.
Changed Industry Standards	Due to the continuous rise in technical standards and entry barriers within the new energy vehicle industry, the Group's existing products and technologies may struggle to adapt to market changes.	Actively participate in the development of industry standards, promote technological innovation, and develop new products that meet future standards.
Fluctuations in Raw Material Supply	Climate change may lead to rising raw material prices or supply chain disruptions; in particular, the stability of key components (such as battery materials) may be affected.	Diversify the supply chain layout, establish an emergency reserve mechanism, and reduce the risk of dependence on a single supplier.
Rising Customer Environmental Expectations	Increasing customer demands for product environmental sustainability and eco-friendliness may result in the Group's existing products failing to meet market requirements	Enhance communication with customers to gain a deeper understanding of their needs and develop targeted low-carbon, high-efficiency product solutions.
Carbon Market Compliance Risk	As carbon quotas are tightened year by year, the Group faces the risk of	Promote low-nitrogen transformation of boilers and

	excessive emission and being required to purchase additional quotas, which will increase its financial burden.	treatment of coating waste gas, build an emission monitoring platform, and accurately control carbon emission intensity.
Extreme Weather Impact	Sustained high temperatures, heavy rainfall and other extreme weather events caused by climate change may lead to equipment failures, posing risks to production continuity.	Strengthen emergency capacity building through regular training and drills to ensure rapid and scientific response.

- Opportunities arising from climate change

Opportunity Category	Response Measures
Hydrogen energy industry development	Leverage Qingling's strengths in hydrogen fuel cell commercial vehicles, continue to expand the deployment of hydrogen energy vehicles, and promote the construction of the Chengdu-Chongqing Hydrogen Corridor.
Policy support	Actively seek policy support from local governments and relevant departments, utilize tax incentives, subsidies, and other policy benefits to drive green

	technology R&D and industrial application.
Industry standards upgrade	View changes in industry standards as opportunities, consolidate market position through technological innovation and industrial upgrading, and build differentiated competitive advantages.
Carbon trading market	Participate in the carbon trading market, generate revenue by selling carbon quotas or credits, and simultaneously advance the Group's carbon emission reduction efforts.

4.9.3 Risk Management

The Group attaches great importance to the potential risks posed by climate change, adheres to the principle of "prevention first, combining prevention and control", systematically identifies and assesses physical risks and transition risks, establishes a closed-loop management system covering identification, assessment, response and improvement, and effectively enhances the corporate climate resilience.

4.9.4 Indicators and Targets

To systematically promote the low-carbon transition, the Group has set clear targets for managing and controlling greenhouse gas emission intensity: greenhouse gas emissions per RMB 10,000 of output value will be lower than the previous year.

Indicator	2025	Unit
Direct (Scope 1) greenhouse gas emissions	10,442.88	Tonnes CO_2e
Direct (Scope 1) greenhouse gas emission intensity	0.31	Tonnes CO_2e /per vehicle produced
Indirect (Scope 2) greenhouse gas emissions	20,990.77	Tonnes CO_2e
Indirect (Scope 2) greenhouse gas emission intensity	0.63	Tonnes CO_2e /per vehicle produced

5 Human Resources Management

Qingling Motors has always adhered to the people-oriented management philosophy, strictly complied with labor laws and regulations, safeguarded the legitimate rights and interests of employees, and strived to create a safe, healthy and inclusive working environment. Through a systematic training and development mechanism, it supports the growth of employees and realizes the common development of talents and the enterprise.

5.1 Employee Rights and Interests Protection

The Group strictly abides by the national laws and regulations such as the *Labor Law of the People's Republic of China* and the *Labor Contract Law of the People's Republic of China*, and has formulated systems including the *Campus Recruitment Management Measures* and the *Social Recruitment Management Measures* to standardize the whole-process management of employment and effectively safeguard all legitimate rights and interests of employees.

The Group firmly prohibits forced labor and child labor in any form, and strictly implements identity verification prior to employment. In the event of any relevant violations, the Group will immediately terminate improper employment, make proper arrangements for the involved personnel and hold them accountable in accordance with regulations, ensuring that employment practices are always in line with laws, regulations and international human rights standards.

The Group provides equal employment opportunities in its employment practices, prohibits any form of discrimination based on gender, age, ethnicity, religious belief, disability status, household registration and other factors, and explicitly opposes harassment in any form, committing to building and maintaining an inclusive, equal and respectful working environment.

Case - Launching a Series of Themed Activities for Female Employees
In March 2025, the Trade Union of Qingling Group organized a knowledge quiz competition for female employees under the theme of "Women's Wisdom Gathers at Qingling · Her Power Builds the Future". The quiz covered ideological and political knowledge, protection of female employees' rights and interests, and the Group's key operational priorities, attracting the active participation of more than 400 female employees and fully demonstrating the striving and promising spirit of women in the new era. All branch trade unions and subsidiary companies simultaneously held celebratory activities such as fun sports meets and spring outings to enrich the cultural life of female employees.




Figure - On-site scene of the series of themed activities for female employees

5.2 Compensation and Benefits

In terms of compensation management, the Group has established the *Compensation System Management Measures* and a compensation management system centered on job value, individual competence and performance contribution. The system is designed to provide market-competitive compensation rewards and ensure the fairness and incentive effect of internal distribution.

In terms of welfare protection, the Group fully pays endowment insurance, medical insurance, unemployment insurance, work-related injury insurance, maternity insurance and housing provident fund for employees in accordance with the law, and fully implements statutory welfare benefits. Meanwhile, the Group has built a multi-level supplementary welfare system, including enterprise annuity and supplementary medical insurance, aiming to provide employees with more comprehensive and long-term living and health protection.

The Group is committed to building a comprehensive and multi-level humanistic care system. We organize a variety of cultural and sports activities to promote employees' physical and mental health as well as communication and integration. In terms of life support, the Group provides festival condolences, family care and comprehensive logistics services (such as employee canteen subsidies and employee dormitories), striving to create an inclusive, supportive and belonging working atmosphere.

Case - Qingling Group Launches the "Cool Care" Campaign for the Summer Heat
In July 2025, as Chongqing experienced a prolonged heatwave, the Group launched the "Cool Care" campaign, distributing heatstroke prevention supplies such as beverages and watermelons to all employees. Group leaders visited frontline staff in the workshops to extend their regards. Meanwhile, the Group collaborated with its clinic to popularize heatstroke prevention knowledge, enhance mobile medical services and distribute medical supplies. A combination of these measures was adopted to effectively implement heatstroke prevention and cooling work, safeguard the physical and mental health of employees, and ensure safe production during the summer.



Figure - Group leaders distributing heatstroke prevention supplies to frontline employees

5.3 Training and Development

The Group is committed to building a clear and sustainable career development path for employees, and has formulated and implemented the *Position System Management Measures* and the *Management Measures for the Cultivation, Utilization and Evaluation of High-Skilled Personnel*, providing institutional guarantees for the growth of skilled talents.

The Group has established a systematic and multi-level employee training system, adopting diversified forms such as internal lecturer teaching, online theoretical learning, and selecting outstanding employees to participate in offline face-to-face teaching. For special equipment operation and special types of work, professional training is carried out on a regular basis. In terms of skill improvement, theoretical and practical training is conducted for high-skilled personnel by their job categories, and special technical courses such as NC programming and mold design analysis are offered. In addition, for key positions such as team leaders, characteristic courses covering management practice and external perspectives are set up to comprehensively improve the overall quality of the backbone team.

Case - Mold Company Launches Special Training on Weight Reduction in Mold Design
In August 2025, the Technology Center of the Mold Company organized a special training session focusing on the methods and skills of structural weight reduction design for forming and trimming molds. Nine engineers and assistant engineers participated in the 1.5-hour training, gaining a systematic understanding of key design techniques. The training aims to control mold weight from the source and effectively reduce subsequent casting costs.



Figure - Special training on weight reduction in mold design

5.4 Occupational Health and Safety

The Group strictly complies with the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* and other relevant laws and regulations, and has established a systematic occupational health and safety management system to effectively safeguard the safety and health of employees in the workplace.

The Group fully implements the occupational health surveillance system. During the Reporting Period, 100% of the employees required to undergo occupational health examinations completed the check-ups, with all results being normal. In accordance with the law, the Group regularly conducts monitoring of occupational disease hazard factors, audits of the occupational health and safety management system, and completes the current situation assessment of occupational health, so as to provide a safe and healthy working environment for employees. In addition, the Group pays special attention to the potential occupational health risks arising from the update of processes, materials and equipment, and improves the corresponding occupational health protection procedures and management measures through special assessments.

6 Work Safety

Work safety is the cornerstone of the Group's sound operation. Qingling Motors has established a work safety management system covering all production links, strictly implemented occupational health and safety measures, and continuously advanced the institutionalization of work safety. By strengthening employee safety training, improving the risk prevention and control mechanism, and fostering an occupational safety culture of "Everyone emphasizes safety, everything prioritizes prevention", the Group effectively ensures orderly production operation and the health and well-being of employees, providing a solid underpinning for high-quality development.

6.1 Work Safety Management System

The Group has always adhered to the principle of "Safety First, Prevention at the Core", strictly complied with the *Work Safety Law of the People's Republic of China* and *the Basic Norms for Work Safety Standardization of Enterprises*, fully implemented the work safety responsibility system, and established a systematic work safety management system. During the Reporting Period, the Mold Company obtained the Level 2 Work Safety Enterprise Certification.

During the Reporting Period, the Group carried out the construction of work safety standardization and engaged a third-party professional institution to conduct a comprehensive diagnostic assessment. Starting from such elements as objective and responsibility, system management, on-site management, risk control, hidden danger investigation and treatment, emergency management, and education and training, the Group conducted a systematic review and improvement of the management system. In response to the 38 issues identified in the assessment, the Group fully completed the rectification and simultaneously implemented a number of on-site work safety infrastructure upgrading projects, including the systematic renewal of safety signs, the installation of protective devices for key electrical equipment, the improvement of electrical circuit diagrams, the setting of physical isolation in confined spaces, and a series of hidden danger treatment for power distribution facilities and other links, which effectively raised the standardization level of the Group's work safety production.

6.2 Work Safety Management Measures

The Group continued the three-year action for tackling the root causes of work safety, consolidating the foundation of work safety production.

- Responsibility Implementation: The Group strictly implemented the work safety responsibility system; in accordance with the principle of "hierarchical management and line-specific responsibility", it signed work safety responsibility objectives with all levels of departments and personnel, and consolidated the management responsibilities at all levels.
- Risk Control: The Group regularly organized hazard identification and risk assessment, with a focus on the risks brought by new processes, new equipment and new materials, timely improved operating procedures and management regulations, and fully implemented control measures; formulated special measures for seasonal risks and key construction projects and ensured their in-place implementation.

- Hidden Danger Investigation: The Group strictly implemented the "daily, weekly and monthly" hidden danger investigation system; improved the self-inspection, self-reporting and self-rectification mechanism for major potential safety hazards to ensure a 100% on-schedule rectification rate of such hazards. During the Reporting Period, 846 hidden dangers were identified and treated, with a rectification completion rate of 99.92%.
- Emergency Capacity Building: The Group continuously strengthened emergency rescue management, enhanced the preparation of emergency supplies, and conducted regular emergency drills to improve the ability to respond to emergencies.

The Group actively pursued the strategy of "Technology Empowers Work Safety". By continuously strengthening the construction of scientific and technological basic support capacity, promoting equipment renewal and technological transformation, phasing out backward processes and equipment, and introducing new practical safety technologies and equipment, the Group comprehensively raised the level of intrinsic safety. The key technological transformation projects carried out during the Reporting Period include:

- Upgrade and transform the outdated fire control mainframe in the painting spray booth to solve the problems of system aging and poor reliability, making it comply with the current regulatory requirements.
- Transform the vertical ladders at the exhaust gas sampling ports in the frame workshop into inclined ladders to reduce the safety risks for personnel during climbing.
- Complete the comprehensive transformation of the power distribution room of the air compressor station in the coating manufacturing department, as well as the electrical circuits of lighting and fans in some production lines, eliminating the hidden danger of circuit aging.
- Supplement and improve the video monitoring system at important locations in the factory area and production zones to strengthen the real-time supervision of on-site operation behaviors.

Indicators	**2025**	**Unit**
Number of work-related fatalities	0	Person
Proportion of work-related fatalities	0	%
Lost workdays due to work-related injuries	0	Day

6.3 Fostering of Safety Culture

The Group attaches great importance to the systematic cultivation of safety culture, and continuously improves the overall safety literacy and risk prevention capacity of the organization by improving the regular communication mechanism and carrying out full-staff, all-round safety education and training.

The Group regularly organizes various safety regular meetings and special meetings to ensure that safety requirements and work arrangements are effectively implemented at all levels. Every year, the Group formulates a systematic safety training and education plan, and continuously carries out diversified training on safety rules and regulations, operating procedures, operational skills, warning education and emergency response for different groups such as managers at all levels, frontline employees and special operation personnel. During the Reporting Period, the Group organized a total of more than 22,000 person-times of safety education and training at all levels and of all types, among which the training and certification rate of 253 special operation personnel reached 100%.

Case - Launching Themed Training for the National Fire Safety Day
During the National Fire Safety Day in 2025, focusing on the theme of "Fire Safety for All, Life First", the Group invited professional instructors to deliver special lectures on fire safety knowledge. The training focused on fire safety responsibilities, fire hazard investigation, emergency response procedures and analysis of typical cases, with safety person-in-charges and safety officers of all departments participating. Through systematic explanation, the fire safety awareness and performance capacity of responsible entities at all levels were further strengthened.



Figure - Fire safety knowledge training

7 Product Responsibility

Driven by innovation as its core principle, Qingling Motors strictly adheres to intellectual property regulations and establishes a sound management mechanism to support technological innovation. Leveraging intelligent production lines and a rigorous quality testing system, the Group is committed to achieving zero-defect products and providing high-quality offerings to the market. Meanwhile, the Group has set up a nationwide 24/7 service hotline to efficiently respond to and handle customer inquiries and complaints, ensuring that customer needs are met with genuine attention and care, and continuously enhancing customer satisfaction and brand trust.

7.1 Product Quality and Safety

The Group prioritizes product quality and safety, strictly following laws and regulations such as the *Product Quality Law of the People's Republic of China* to formulate a series of internal systems including the *Physical Quality Compliance Program* and the *Product Identification and Traceability Control Procedure*, thereby ensuring stable quality and compliance of products throughout the entire process from manufacturing to delivery. For product quality management, the Mold Company has formulated and implemented procedural documents such as the *Product Service Release Control Procedure*, the *Non-Conforming Product Control Procedure*, the *Corrective and Preventive Action Control Procedure*, and the *Continuous Improvement Control Procedure*, effectively managing product process inspections and shipment quality. These documents comprehensively regulate production process inspections, non-conforming product disposal, and continuous quality improvement.

The Group has established a high-standard quality management system covering the "the entire process, every links, and all elements", adhering to the principle of "Who designs who is responsible, who makes who is responsible, who inspects who is responsible". We have launched 28 special quality management activities including 2-minute checks, torque management, online inspections and so on through innovation. By adopting means such as process evaluation and special audits, we promote continuous improvement throughout the entire manufacturing process, enhance the stability and reliability of process quality, and resolutely ensure that defective products are not accepted, not manufactured, and not delivered.

The Group focuses on the intelligent manufacturing upgrade of six key assemblies: engine, transmission, axle, vehicle body, frame, and carriage, as well as the development of intelligent vehicle inspection capabilities. By the end of the Reporting Period, 6 intelligent production lines and 4 digital workshops have been built, and an advanced automated inspection system from components to whole vehicles has been established. During the Reporting Period, the Group newly constructed three intelligent vehicle inspection lines for pickups, light trucks, and medium-to-heavy trucks, as well as two vehicle appearance inspection lines. Laser scanning, infrared detection and other technologies are fully applied on these lines to conduct 100% automated inspection of 235 items including braking, safety, and emissions for whole vehicles, ensuring that no substandard vehicles leave the factory and realizing an intelligent and digital closed-loop quality control.

The Group has formulated the *Measures for Recall of Defective Automobiles* and established a

systematic and standardized recall management system for defective automobile products to effectively fulfill its responsibility for user safety. The Group has set up a recall handling team composed of minister-level leaders from multiple departments including the Quality Management Department, Production Department, Product Development Department, Production Technology Department, After-sales Service Department, and Sales Department, which is responsible for reviewing and handling safety or compliance issues that may trigger recalls. During the Reporting Period, the percentage of total sold or shipped products subject to recall for safety and health reasons was 0%.

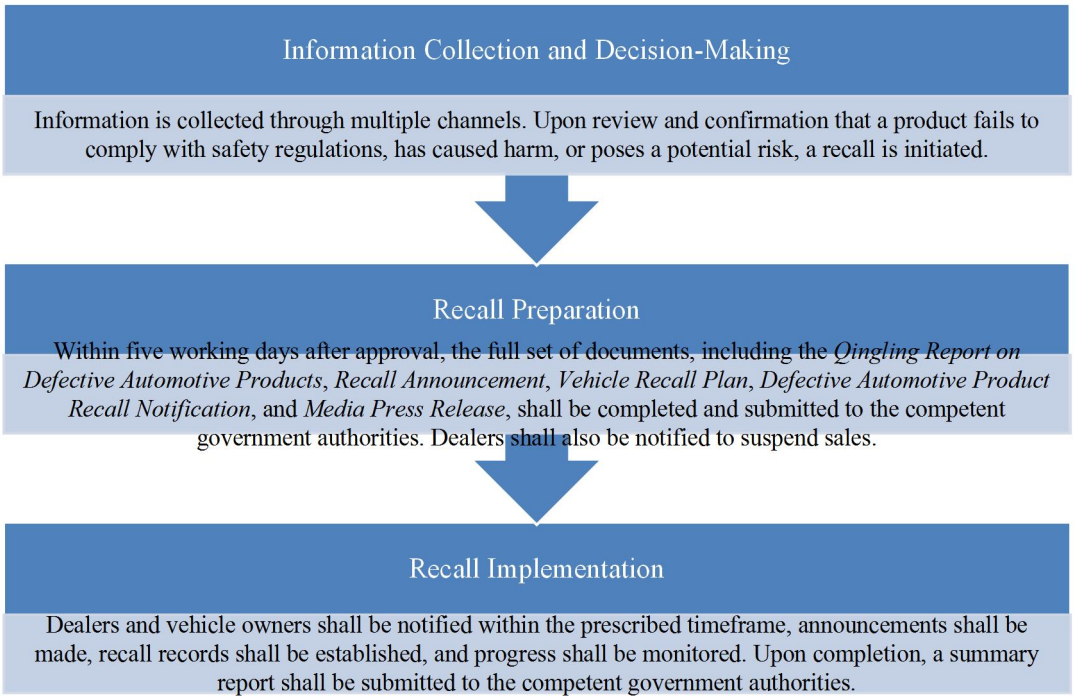


Figure - Recall Process

Case - Mold Company Carries out Specialized Quality Training
In November 2025, the Fitter Team of the Fabrication Department at the Mold Company organized an on-site specialized training session focused on typical quality issues such as cracking and necking of sample parts, as well as corresponding inspection methods. The training covered 23 employees and lasted for one hour. It strengthened the team's capability to address quality issues and provided effective support for subsequent mold fitting and overall quality improvement.



Figure - Specialized Quality Training Session

7.2 Intellectual Property Protection

The Group formulated and implemented the *Patent Management Measures* to standardize the end-to-end management of patents, promote technological innovation, foster the development of independent intellectual property rights, and continuously enhance technological competitiveness and market performance.

In response to the national "Belt and Road" initiative, the Group has advanced the registration of the "Qingling" trademark in 44 countries worldwide. To ensure the effectiveness and security of its international intellectual property portfolio, the Group has implemented systematic risk management and control measures, including:

- Conducting intellectual property distribution analysis: A dedicated database was established based on overseas applications for the "QINGLING" trademark, enabling a systematic review of the overseas trademark layout and the collection of trademark portfolios of competitors.
- Performing predictive and early-warning analysis of foreign trademarks: The Group reviewed trademark laws, regulations, judicial precedents, and policy trends in target markets. Combined with the distribution of intellectual property and the status of rights holders, it assessed potential dispute risks, issued early warnings to the Group in a timely manner, and provided decision-making support.
- Advancing trademark-related corporate research: The Group continuously carried out international market research and strengthened its trademark early-warning analysis efforts.

7.3 Customer Service

The Group is committed to building a comprehensive, efficient, and customer-centric service system. A nationwide 24/7 service hotline has been established to ensure that customer inquiries,

complaints, and needs receive timely responses. Through the formulation and implementation of the *Customer Records Management Procedure*, the Group strictly manages customer information, rigorously prevents data leakage, and effectively safeguards customer privacy rights.

In terms of complaint handling and quality improvement, the Group has established a standardized closed-loop management process. For each piece of customer feedback, professional staff are arranged to coordinate resolutions through on-site or remote means, ensuring that issues are properly addressed. The Group has formulated the *Customer Satisfaction Survey Process* to systematically collect customer opinions through multiple channels, including telephone interviews, questionnaires, and in-person interviews. The results are thoroughly analyzed and used to continuously drive product and service optimization.

The Group places great emphasis on capacity building within its offline service network. Regular professional skills and service training are organized to continuously enhance the expertise and responsiveness of service personnel. The Group is dedicated to providing customers with professional, convenient, and reliable service experiences, thereby reinforcing customer trust and brand loyalty.

8 Partners

Qingling Motors adheres to a cooperation philosophy centered on openness, collaboration, and mutually beneficial development. By pursuing joint technological breakthroughs with industry-leading enterprises, the Company has achieved key technological advancements. It has also established an end-to-end supply chain management system to drive continuous improvements in sustainability among its suppliers.

8.1 Promoting Industry Development

Qingling Motors actively serves the national "Dual Carbon" strategy, leveraging hydrogen fuel cell commercial vehicles as a key breakthrough. By establishing a strategic partnership with Bosch, the Company has deepened collaborative R&D in hydrogen fuel cell technology and jointly tackled core technical challenges such as hydrogen fuel cell engines. As a result, it has achieved 12 key technological breakthroughs and obtained 108 patents, forming four product series covering light-duty, medium-duty, and heavy-duty trucks. These products feature comprehensive technical advantages including high power, low hydrogen consumption, long service life, and enhanced safety and reliability, driving an overall leap in the technological level of hydrogen fuel cell commercial vehicles. To ensure the technological leadership and supply stability of key components, the Group has partnered with industry-leading enterprises to build a technology-leading component supply chain system that supports product upgrades and innovation-driven development.

Case - The World's Largest Hydrogen Fuel Cell Commercial Vehicle Demonstration Project
Qingling Motors spearheaded the implementation of the "Qingling Hydrogen Corridor" project, creating the world's largest hydrogen energy transportation demonstration project for "coal transportation from Xinjiang". By leveraging the region's abundant wind and solar resources, ample supply of by-product hydrogen, strong demand for coal outbound transportation, and robust policy support for the hydrogen energy industry, the Group has developed a regional and scalable sustainable business model and established a complete operating system. The project has completed the delivery of the first 500 units of 49T hydrogen fuel cell heavy-duty trucks, which have been put into operation. Concurrently, vehicle operation data collection, energy efficiency assessment, and economic analysis have been carried out to effectively mitigate risks associated with technology application and market promotion. As a national-level model project for hydrogen-powered transportation, the "Qingling Hydrogen Corridor" has not only achieved a breakthrough in commercial operation but has also validated the reliability and adaptability of hydrogen fuel cell heavy-duty trucks in extreme environments through real-world operations, providing the industry with a replicable and scalable hydrogen transportation solution.



Figure - Hydrogen Fuel Cell Commercial Vehicle Demonstration Project

8.2 Supply Chain Management

The Group has established an end-to-end management system covering supplier admission, evaluation, supervision, and exit, driving the supply chain toward greater compliance, sustainability, and accountability. The Group strictly adheres to national laws and regulations, including the *Contract Law of the People's Republic of China* and the *Product Quality Law of the People's Republic of China*, and has formulated internal policies such as the *Management Measures for the Procurement of New Socially Sourced Parts* and the *Supplier Performance Evaluation Management Measures*, which define processes for site selection, pricing, and quality control. Technical reviews and comprehensive assessments are conducted through cross-departmental collaboration to ensure that suppliers meet the Group's requirements in terms of technology, quality, and delivery capabilities.

In the supplier admission process, the Group selects partners based on comprehensive assessment results, with a focus on key factors such as raw materials and quality provided by suppliers. Preferred partners are selected to establish strategic relationships. The primary considerations are as follows:

- Social considerations: Whether suppliers comply with labor laws and avoid malpractices such as child labor or forced labor; suppliers are required to adhere to business ethics standards, including anti-corruption and anti-bribery, and to refrain from unfair competition

- Environmental considerations: Whether suppliers have established a robust environmental management system; evaluation of whether suppliers adopt energy-saving and emission-reduction measures in their production processes, and whether they effectively manage the discharge of pollutants such as waste, wastewater, and exhaust gases.

During the Reporting Period, the Group's supply system comprised 351 active parts suppliers. By region, there were 350 domestic suppliers and one overseas supplier.

The Group has formulated the *Supplier Performance Evaluation Management Measures* to enhance performance assessment and dynamic adjustment mechanisms. Suppliers are evaluated annually across three dimensions: quality, supply assurance, and commercial aspects. Suppliers that fail to meet the standards are phased out, ensuring full-process supervision. In parallel, the *Supplier Exit Management Process* has been revised to standardize the exit process across the board. Whether suppliers voluntarily withdraw or are terminated due to underperformance, all cases are handled in accordance with established procedures, ensuring the stability and traceability

of the supply chain system.

The Group has established and improved a procurement and payment management system, which explicitly requires that amounts due to small and medium-sized suppliers be “paid in full and paid promptly”, and prohibits the abuse of market dominance to delay payments. Improvements have been made across four areas: policies, mechanisms, processes, and information-based controls, to prevent the occurrence of malicious overdue payments, thereby supporting the stable operation and sustainable development of these suppliers.

Case - Suppliers’ General Meeting
The Group regularly convenes the Suppliers’ General Meeting, which serves as a key platform for communication and collaboration with partners. At the meeting, the Group systematically reviews issues that occurred over the past year, conducts in-depth analyses of representative cases, and summarizes key lessons learned.



Figure - Suppliers’ General Meeting

9 Community Investment

The Group actively fulfills its corporate social responsibility by formulating the *Measures for Management of Charity and Public Benefit Campaigns* and supporting community development and social welfare through systematic charitable donations. During the Reporting Period, the Group's cumulative donation amount reached RMB 2.5012 million.

In terms of employee volunteer services, the Group has established the *Measures for Management of Employee Volunteer Services* and developed an information-based management system, creating an end-to-end management mechanism covering "application, approval, implementation, feedback, and evaluation". This enables digital management of volunteer registration, service records, and service hour verification, ensuring standardized processes and traceable data. During the Reporting Period, the cumulative service hours contributed by employees exceeded 200 hours. The Group launched several volunteer service programs focusing primarily on community environment and rural revitalization, guiding employees to contribute to society and fostering positive interaction between the Company and the community.

Case - "Green Home Co-construction Campaign" Volunteer Activity
Qingling Motors launched the "Green Home Co-construction Campaign" annual volunteer service program, organizing a total of 12 collective actions throughout the year covering three key communities in the city. During the year, a cumulative total of 86 employee participants contributed over 200 volunteer service hours. Focusing on community environmental governance, activities included green belt cleaning, waste removal, and vegetation maintenance, effectively improving the living environment of residents and benefiting over 1,500 community members. Through sustained resource investment, the initiative not only enhanced community livability but also strengthened employees' sense of social responsibility and collective honor, promoting the institutionalization and normalization of volunteer services.



Figure - Green Belt Cleaning and Remediation Action in Xiexingcun

Case - Rural Revitalization Volunteer Service
In November 2025, the Secretary of the Party Committee and Chairman of Qingling Group led a delegation to Youyang County to conduct rural revitalization research and promote the implementation of assistance projects, including the construction of a community service

center, sports facilities, and a navel orange industrial base. A cage truck was donated to Pianbai Township to address material transportation challenges in the mountainous area. During this process, the Group organized a volunteer service team composed of Party members and young employees to participate in rural development in Cuanya Village and Miaoba Village, assisting in the preparation of the “Qingling Extracurricular Study Center” and the promotion of consumption assistance products. Employees actively participated in consumption assistance by purchasing Youyang navel oranges and other agricultural specialty products, using their spending power to boost villagers’ income. Through a coordination mechanism combining stationed village assistance and employee volunteerism, the Group integrates social responsibility into its daily operations, guiding employees to fulfill their mission in serving society and consistently conveying Qingling’s commitment to social good.



Figure - Rural Revitalization Volunteer Service

10 Performance Data

The data calculation methods used in this report are indicated where appropriate. Unless otherwise stated, the data range in this section includes the Group's production-related data.

Use of Resources

Use of Resources	Unit	2025	2024	2023
Energy, water and material consumption				
Indirect energy				
Purchased electricity	mWh	37,247.19	36,323.39	34,563.56
	mWh/per vehicle produced	1.12	/	1.14
Direct energy				
Pipeline natural gas	mWh	51,160.88	48,413.48	50,317.84
	mWh/per vehicle produced	1.53	/	1.66
Gasoline	mWh	300.88	1,430.87	686.25
	mWh/per vehicle produced	0.01	/	0.02
Diesel	mWh	133.96	0	6,752.54
	mWh/per vehicle produced	0.002	/	0.22
Raw material				
Steel products	Tonnes	14,997.66	14,959	10,541.15
	Tonnes/per vehicle produced	0.45	/	0.35
Water resource				
Purchased freshwater	Tonnes	484,948.00	407,556.00	467,709.00
	Tonnes/per vehicle produced	14.53	/	15.45
Packing materials consumption				
Wooden	m^3	913	567	392

Use of Resources	Unit	2025	2024	2023
products	m^3/per vehicle produced	0.03	/	0.01
Paper products	m^2	40,368.00	40,155.00	35,148.00
	m^2/per vehicle produced	1.21	/	1.16
Iron cases	Pieces	120	82	21
	Piece/per vehicle produced	0.004	/	0.69×10^{-3}

Emissions and disposed wastes

Emissions and disposed wastes		Unit	2025	2024	2023
Production of wastes					
Hazardous wastes	Total hazardous waste emissions	Tonnes	172.04	357.26	/
	Hazardous waste emission density	Tonnes/per vehicle produced	0.005	/	/
	Number of discarded printer toner cartridges	Pieces	48	93	/
	Discarded light tubes and bulbs	Pieces	150	326	/
	Discarded dry batteries	Pieces	76	150	/
Non-hazardous waste	Total non-hazardous waste emissions	Tonnes	13	11.64	/
	Non-hazardous	Tonnes/per	0.39×10^{-3}	/	/

Emissions and disposed wastes		Unit	2025	2024	2023
	waste emission density	vehicle produced			
	Quantity of office paper used	Tonnes	13	11.64	/
Emission of air pollutants[1]					
Nitrogen oxides (NO_x)		Tonnes	0.87	0.84	0.83
		Tonnes/per vehicle produced	2.61×10^{-5}	/	2.74×10^{-5}
Sulfur dioxide (SO_2)		Tonnes	0	0	0
		Tonnes/per vehicle produced	0	0	0
Particles (PM)		Tonnes	0.22[2]	6.05	6.11
		Tonnes/per vehicle produced	6.59×10^{-6}	/	2.02×10^{-4}
Volatile organic compounds (VOCs)		Tonnes	70.432[3]	/	8.746
		Tonnes/per vehicle produced	2.11×10^{-3}	/	2.89×10^{-4}
GHG emissions[4]					
Total GHG emissions (Scope 1 and Scope 2)		Tonnes CO2e	31,433.65	32,479.72	31,917.22
		Tonnes/per vehicle produced	0.94	1.07	1.00
Scope 1 Direct Emissions (Use of stationary sources and vehicles)		Tonnes CO2e	10,442.88	10,145.57	12,768.12
		Tonnes/per vehicle produced	0.31	/	0.42
Scope 2 Indirect Emissions (Purchased electricity)		Tonnes CO2e	20,990.77	19,491.13	19,711.60
		Tonnes/per vehicle produced	0.63	/	0.65

[1] The Group's air pollutant emissions are calculated based on the Group's test data and the amount of taxable pollutants discharged.
[2] The significant decrease in particulate matter emissions concentration during the Reporting Period was attributed to the replacement of dust filter bags and the cleaning of air filter cartridges in the dust removal facilities.
[3] The increase in volatile organic compounds (VOCs) emission concentration during the Reporting Period was due to the fact that consumables such as filter cartridges, activated carbon, and catalysts were replaced in 2024 and had not yet reached their replacement cycle by 2025, while monitoring results remained within permissible limits.
[4] The GHG emission information for the Reporting Period was calculated by the Group itself with reference to the relevant statistical methods. Scope 1 direct emissions were calculated with reference to the *Guidelines for Calculation Methods and Reporting of Greenhouse Gas Emissions from Enterprises in Other Industries (Trial)* issued by the National Development and Reform Commission of the People's Republic of China; Scope 2 indirect emissions were calculated with reference to the *Guidelines for Notice on the Management of Greenhouse Gas Emission Report of Power Generation Enterprises in 2023-2025* issued by the Ministry of Ecology and Environment of the People's Republic of China (the calculation factors adopted the national grid average emission factor in 2023).

Emissions and disposed wastes	Unit	2025	2024	2023
Waste water emissions				
Waste water	Tonnes	65,350	65,350	61,930
	Tonnes/per vehicle produced	1.96	/	2.05

Employees

Employment	Unit	2025	2024	2023
Number of employees	Persons	3,084	2,952	2,844
Number of employees by gender				
Male	Persons	2,441	2,309	2,202
Female	Persons	643	643	642
Number of employees by employment type				
Full-time	Persons	3,084	2,952	2,844
Part-time	Persons	0	0	0
Number of employees by age group				
Below 30 years old	Persons	681	616	557
30 to 50 years old	Persons	1,585	1,615	1,594
Over 50 years old	Persons	818	721	693
Number of employees by region				
Mainland China	Persons	3,084	/	/
Overseas	Persons	0	/	/
Hong Kong, Macao, and Taiwan	Persons	0	/	/
Employee turnover rate by gender				
Male	Percentages	5.4%	6.5%	5.7%
Female	Percentages	1.6%	1.5%	1.4%
Employee turnover rate by age group				
Below 30 years old	Percentages	3.9%	4.5%	3.4%

Employment	Unit	2025	2024	2023
30 to 50 years old	Percentages	2.5%	3.1%	3.0%
Over 50 years old	Percentages	0.8%	1.0%	0.9%
Employee turnover rate by region				
Mainland China	Percentages	7.2%	/	/
Overseas	Percentages	0%	/	/
Hong Kong, Macao, and Taiwan	Percentages	0%	/	/

Health and Safety

Health and safety of employees	Unit	2024	2023	2022
Number of work-related fatalities	Persons	0	0	0
Percentage of work-related fatalities	Percentages	0%	0%	0%
Lost days due to work-related injury	Persons	0	0	0

Training

Personnel training	Unit	2025	2024	2023
Number of employees who received training	Persons	1,833	1,872	1,823
Percentage of employees trained by gender				
Male	Percentages	25.3%	27.5%	73.34%
Female	Percentages	9.4%	9.8%	26.66%
Percentage of employees trained by employment type				
Senior management	Percentages	100%	100%	100%

Personnel training	Unit	2025	2024	2023
Middle management	Percentages	100%	100%	100%
Grass-roots employees	Percentages	16.8%	24.7%	21.4%
Average training hours completed per employee by gender				
Male	Hours	8.1	8.1	11.90
Female	Hours	3.1	2.2	5.05
Average training hours completed per employee by employment type				
Senior management	Hours	22.7	27.7	24
Middle management	Hours	65.8	31.2	72
Grass-roots employees	Hours	14.6	10.9	10

11 Appendix C2 HKEx ESG Reporting Code Index

Mandatory Disclosure Requirements	Description	Relevant Chapter(s) or Explanation of the Report
Governance Structure	A statement issued by the Board of Directors which contains the following: (i) A disclosure of the oversight from the Board of Directors of ESG issues; (ii) The ESG management approach and strategy of the Board of Directors, including the process used to evaluate, prioritize and manage material ESG related issues (including risks to the issuer's businesses); and (iii) How the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	2. Statement of the Board of Director
Reporting Principles	Describe or explain how the reporting principles have been applied in preparing ESG reports: materiality, quantitative, consistency.	About the Report
Reporting Scope	Explain the reporting scope of the ESG report and describe the process for selecting which entities or businesses to include in the ESG report. If the reporting scope changes, the issuer should explain the difference and the reasons for the change.	About the Report

General Disclosures and KPIs	Description	Relevant Chapter(s) or Explanation of the Report
Environmental		
Aspect A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to waste air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste. Note: Exhaust gas emissions include nitrogen oxides, sulfur oxides, and other pollutants regulated by national laws and regulations. Hazardous waste refers to that which is defined by national regulations.	4.2 Waste Gas Emissions 4.3 Wastewater Discharge 4.4 Waste Discharge 4.9 Climate Change Response
KPI A1.1	The types of emissions and respective emissions data	10 Performance Data

KPI A1.2	[Deleted on 1 January 2025]	
KPI A1.3	Total hazardous waste produced (in tonnes) and, (if applicable) where appropriate, intensity (e.g. per unit of production volume, per facility)	10 Performance Data
KPI A1.4	Total hazardous waste produced (in tonnes) and, (if applicable) where appropriate, intensity (e.g. per unit of production volume, per facility)	10 Performance Data
KPI A1.5	Description of emissions target(s) set and steps taken to achieve them	4.2 Waste Gas Emissions 4.3 Wastewater Discharge 4.4 Waste Discharge 4.9 Climate Change Response
KPI A1.6	Description of how hazardous and nonhazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them	4.4 Waste Management
Aspect A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources (Including energy, water and other raw materials) Note: Resources can be used for production, storage, transportation, buildings, electronic equipment, etc	4.5 Packaging Materials Management 4.6 Energy Management 4.7 Water Resource Management
KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility)	10 Performance Data
KPI A2. 2	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	10 Performance Data
KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	4.6 Energy Management
KPI A2. 4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them	4.7 Water Resource Management
KPI A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	10 Performance Data
Aspect A3: Environment and Natural Resources		
General Disclosure	Policies on minimizing the issuer's significant impact on the environment and natural resources	4.5 Energy Management
KPI A3.1	Description of the significant impacts of business activities on the environment and natural resources and the actions taken to manage them	4.5 Energy Management
Social		

Aspect B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	5.1 Employee Rights and Interests Protection
KPI B1.1	Total number of employees categorized by gender, employment type (e.g., full- time or part-time), age group, and region.	10 Performance Data
KPI B1.2	Employee turnover rate categorized by gender, age group, and region.	10 Performance Data
Aspect B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards	6.1 Work Safety Management System
KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	10 Performance Data
KPI B2.2	Lost days due to work injury	10 Performance Data
KPI B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored	5.4 Occupational Health and Safety
Aspect B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities Note: Training refers to vocational training and may include internal and external courses paid for by the employer.	5.3 Training and Development
KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	10 Performance Data
KPI B3.2	The average training hours completed per employee by gender and employee category	10 Performance Data
Aspect B4: Labour Standards		
General Disclosure	Information on:	5.1 Employee Rights and

	(a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour	Interests Protection
KPI B4.1	Description of measures to review employment practices to avoid child and forced labour	5.1 Employee Rights and Interests Protection
KPI B4.2	Description of steps taken to eliminate such practices when discovered	5.1 Employee Rights and Interests Protection
Aspect B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain	8.2 Supply Chain Management
KPI B5.1	Number of suppliers by geographical region	10 Performance Data
KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	8.2 Supply Chain Management
KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	8.2 Supply Chain Management
KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	8.2 Supply Chain Management
Aspect B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress	7.1 Product Quality and Safety
KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	7.1 Product Quality and Safety
KPI B6.2	Number of products and service-related complaints received and how they are dealt with	7.3 Customer Service
KPI B6.3	Description of practices relating to observing and protecting intellectual property rights	7.2 Intellectual Property Protection
KPI B6.4	Description of quality assurance process and recall procedures	7.1 Product Quality and Safety
KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored	7.3 Customer Service

Aspect B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering	3.3 Compliance and Business Ethics
KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the Reporting Period and the outcomes of the cases	3.3 Compliance and Business Ethics
KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored	3.3 Compliance and Business Ethics
KPI B7.3	Description of anti-corruption training provided to directors and employees	3.3 Compliance and Business Ethics
Aspect B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests	9 Community Investment
KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	9 Community Investment
KPI B8.2	Resources contributed (e.g. money or time) to the focus area	9 Community Investment

Climate- related Disclosure Indicators	**Description**	**Relevant Chapter(s) or Explanation of the Report**
Governance	Disclose information about the governance bodies or individuals responsible for monitoring climate-related risks and opportunities, including how competencies are determined, how often risks and opportunities are informed, how they are considered in decision-making, how targets are monitored and met, and the role of the management in the relevant processes and their integration with internal functions	4.9 Climate Change Response
Strategy - Business Model and Value Chain	Describe the current and expected impacts of climate-related risk opportunities on business models and value chains, indicating areas of concentration	4.9 Climate Change Response
Strategy - Strategies and Decision-Making	Disclose strategies and plans to address risk opportunities, including business model changes, adaptation or mitigation efforts, transformation plans,	4.9 Climate Change Response

	ways to achieve climate goals, and resource provision plans for actions and previous planned progress	
Indicators and Targets - Greenhouse Gas Emissions	Disclose the absolute total greenhouse gas emissions in Scope 1, Scope 2 and Scope 3 during the Reporting Period, provide details on the measurement method, input data, assumptions and reasons for changes, and disclose Scope 2 emissions by geographical basis and Scope 3 inclusion categories	4.9 Climate Change Response
Indicators and Targets - Climate-Related Goals	Disclose climate-related qualitative and quantitative targets, including the defined indicators, objectives, scope of application, timeframes, baseline periods, interim milestones, target types, and alignment with international agreements; disclose the methodology used to establish and review these targets, the indicators used to monitor progress, and the analysis of target performance and trends. For greenhouse gas emission targets, specify the gases covered, emission scopes, total or net target, etc.	4.9 Climate Change Response

12 Feedback Form

Thank you for reading the *Qingling Motors Co., Ltd 2025 ESG Report*. In order to provide more valuable information to the stakeholders and improve its ability and level of fulfilling social responsibilities, the Group would welcome any advice or suggestions you might have about this report.

You can send this form to any of the following:

E-mail address: hk1122@qingling.com.cn

Mailing address: No.1 Xiexingcun, Zhongliangshan Jiulongpo District, Chongqing, China

1. How would you rate your overall opinion of the Qingling Motors ESG Report?

□ Very High □ High □ Neutral □ Low □ Very Low

2. How would you rate your opinion of the economic, social and environmental responsibilities of Qingling Motors?

Economic responsibility	□ Very High □ High □ Neutra □ Low □ Very Low
Social responsibility	□ Very High □ High □ Neutra □ Low □ Very Low
Environmental responsibility	□ Very High □ High □ Neutra □ Low □ Very Low

3. Please rate the effectiveness of this Report in reflecting the economic, social and environmental impact on Qingling Motors brought about through its social responsibility practices?

□ Excellent □ Good □ Fair □ Poor □ Terrible

4. How would you rate your opinion of the clarity, accuracy and completeness of the information, data and indicators this Report has disclosed?

Clarity	□ Very High □ High □ Neutra □ Low □ Very Low
Accuracy	□ Very High □ High □ Neutra □ Low □ Very Low
Completeness	□ Very High □ High □ Neutra □ Low □ Very Low

5. Do you find this Report in easy-to-read contents and formatting?

□ Yes □ Neutral □ No

6. Feel free to share any comments or suggestions you may have on Qingling Motors and this report:

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Thank you very much for your gracious gesture and valuable time!