



LOTUS TECHNOLOGY INC.



SUSTAINABILITY REPORT **2025**

CONTENTS

ABOUT THE REPORT	02
MESSAGE FROM MANAGEMENT	03

01 STRENGTHENING THE FOUNDATION OF GOVERNANCE

CORPORATE GOVERNANCE	11
BUSINESS ETHICS	14
DATA SECURITY AND PRIVACY PROTECTION	17
TRANSPARENT TAX PRACTICES	21

03 BUILDING A GREEN VALUE CHAIN

TACKLING CLIMATE CHANGE	33
GREEN OPERATIONS	38
NATURE POSITIVE	42

ABOUT LOTUS TECH	04
SUSTAINABILITY MANAGEMENT	05

02 RESHAPING THE MOBILITY VISION

DRIVING INNOVATION	23
EXCELLENT QUALITY	25
SAFE MOBILITY	29
PREMIUM SERVICE	31

04 CO-CREATING THE FUTURE THROUGH SYNERGY

EMPLOYEE WELL-BEING	44
SUSTAINABLE SUPPLY CHAIN	51
INDUSTRY COLLABORATION	53
COMMUNITY ENGAGEMENT	54

GRI STANDARDS INDEX	55
VERIFICATION STATEMENT	59
FEEDBACK	60



ABOUT THE REPORT

REPORT PROFILE

This is the fourth sustainability report released by Lotus Technology Inc. The report is published annually and provides a systematic and transparent overview of the Company's sustainability strategy, practices, and key performance. The report is intended for global stakeholders, addressing their expectations and concerns regarding the Company's sustainability efforts while demonstrating the Company's firm commitment to corporate citizenship and driving the industry's green transition.

REFERENT EXPLANATION

For readability, "Lotus Tech", "the Company" or "we" in this report refers to Lotus Technology Inc. and its subsidiaries.



REPORTING SCOPE

Unless otherwise specified, this report covers relevant information regarding Lotus Tech and its subsidiaries, as well as the Lotus Global Smart Factory¹. The report covers the period from January 1, 2025 to December 31, 2025, and includes additional information beyond the stated reporting period.

COMPILATION CONFORMANCE

The report has been prepared in accordance with the *GRI Sustainability Reporting Standards* (GRI Standards 2021) issued by the Global Sustainability Standards Board (GSSB). It also references the Sustainability Accounting Standards Board (SASB) Standards, the United Nations Sustainable Development Goals (SDGs), the International Financial Reporting Sustainability Disclosure Standard 1-General Requirements for Disclosure of Sustainability-related Financial Information (*IFRS S1*) and International Financial Reporting Sustainability Disclosure Standard 2- Climate-related Disclosures (*IFRS S2*), published by the International Sustainability Standards Board (ISSB).

REPORTING DATA

The information and data used in this report has been collected, consolidated and reviewed by relevant departments.

DISCLAIMER

This report contains forward-looking statements, including future development goals and investment plans, that only involve the events or information on the date the statements are made. Building upon the Company's current expectations, assumptions, estimates and forecasts, such forward-looking statements are based on the existing industrial and regulatory environments. Future uncertainties and other unpredictable factors may cause the actual results, performance or achievements to be materially different from those in forward-looking statements. The Company undertakes no obligation to update any forward-looking statements in this report.

ACCESS TO THE REPORT

This report is available in electronic version at www.group-lotus.com to view or download.

Address: 18 Vine Hill, London

Postal Code: EC1R 5DZ

E-mail: esg@lotuscars.com.cn

¹ The Lotus Global Smart Factory is a manufacturing and production base under Zhejiang Geely Holding Group. It supports the production of Lotus Tech's products and constitutes a core component of the global manufacturing and delivery system for the Lotus Tech.

MESSAGE FROM MANAGEMENT

2025 was a pivotal year for Lotus Tech to further deepen its strategic transformation and steadily promote sustainable development in the global intelligent luxury mobility sector. Over the past year, adhering to our original mission of "Leading the Future through Innovation and Driving Growth through Sustainability," we fully implemented ESG principles amidst profound changes in the global industrial environment and intensified market competition. We integrated environmental protection, social responsibility, and corporate governance into our corporate strategy and daily operations, addressing challenges with responsibility and innovation, and responding to market expectations with long-term value creation.

Lotus Tech remains committed to technological innovation and high-quality products as its core driving forces, accelerating its global business layout and product portfolio optimization. In terms of product innovation, the newly developed high-performance super hybrid SUV – For Me—equipped with the all-new 900V LOTUS HYBRID Powertrain, officially commenced pre-sales in March 2026. This model is the first global Hyper Hybrid model developed under the LTS (Lotus Tuned Specification), Lotus Tech's independent engineering tuning standard, further consolidating Lotus Tech's technical foundation and brand value in the high-performance new energy sector. With its exceptional performance, advanced intelligent architecture, and luxury experience, it has garnered significant market attention and helped the Company build a new engine for future sustainable growth.

Regarding business and market performance, Lotus Tech actively optimized its product structure and market strategy. Despite cyclical fluctuations in the industry affecting delivery volumes, the Company achieved month-on-month delivery growth, demonstrating business resilience and market competitiveness. We continued to strengthen our brand influence and channel layout globally, deepening localization strategies to build momentum for future growth.

In terms of globalization and organizational integration, the Company continued to advance the "One Lotus" global strategy and made substantial progress in the acquisition and integration of Lotus UK. This is expected to further strengthen R&D synergy, supply chain integration, and global brand operational efficiency, laying a solid foundation for the efficient collaboration of the global business system.

We are acutely aware that sustainable development must be centered on ecological civilization. In 2025, the Company continued to practice green manufacturing and environmentally friendly production principles, actively improving energy efficiency and reducing its operational carbon footprint. We promoted environmental performance improvements through various green technologies and low-carbon solutions. Furthermore, Lotus Tech remains dedicated to innovation in intelligent driving, autonomous driving, and mobility technology. We actively collaborate with partners to promote the application and implementation

of these technologies globally, jointly exploring safer, smarter, and greener future mobility models.

In corporate governance, the Company consistently adheres to high-standard governance structures and compliant operations. We continue to strengthen risk management and internal control systems, improve transparency and the implementation of responsibilities, and strive to build robust, long-term corporate value that benefits all stakeholders.

Social responsibility is a vital component of Lotus Tech's values. We actively participate in community development, user safety education, and industry public welfare activities. Through various channels, we promote safe driving and green mobility principles, fulfilling our role as a responsible corporate citizen.

Looking ahead, we will continue to uphold long-termism, prioritizing both innovation-driven growth and sustainable development. We will continuously optimize our products and services, enhance our ESG performance and governance capabilities, and maintain our leading position in the global high-end intelligent mobility sector. By doing so, we aim to create long-term value for shareholders, deliver exceptional experiences to users, and contribute positive energy to society.

Daxue Wang
Lotus Tech Chairman of ESG Committee

ABOUT LOTUS TECH

Lotus Tech is a leading global provider of intelligent and luxury mobility solutions under the iconic British brand "Lotus". The Company was listed on the Nasdaq stock exchange on 2024, marking a significant step into global capital markets. With over seven decades of racing heritage and proven leadership in the automotive industry, the Lotus brand symbolizes market-leading standards in performance, design, and engineering. Integrating exceptional performance, forward-looking design, and cutting-edge engineering technologies, the Company continues to set new standards for luxury electric vehicles.

Empowered by the strategic support of Geely Holding Group, Lotus Tech has constructed an efficient asset-light operational model and a global R&D system, focusing on core technological breakthroughs in electrification, digitization, and intelligence. We have introduced electric vehicle models that set new standards for automotive excellence, including LOTUS ELETRE, a luxury hyper-SUV, and LOTUS EMEYA, a luxury hyper-GT. We are accelerating the expansion of our next-generation luxury intelligent electric product portfolio, driving sustainable growth and creating long-term value for all stakeholders.

Sustainability is at the core of Lotus Tech's initiatives and practices. Lotus Tech is not only a member of the United Nations Global Compact (UNGC) but also an active participant in the IFRS Partnership for Early Awareness of Sustainability Disclosure Today (P4EAST), adhering to high international ESG standards and

committed to deeply aligning its ESG management system with the United Nations Sustainable Development Goals (SDGs) to contribute to global objectives. The Company integrates climate change mitigation into its long-term sustainability strategy and proactively addresses nature-related risks and challenges, driving the full value chain towards a green and low-carbon development path. Aligned with the global pace of electrification in the automotive industry, the commercialization of low-carbon technologies, and supply chain emission reductions, the Company adheres to scientific and pragmatic principles in establishing medium- and long-term greenhouse gas (GHG) emission reduction targets and pathways, while steadily advancing the management of Scope 1, Scope 2, and key Scope 3 emissions. Through close collaboration with partners, Lotus Tech actively promotes the automotive industry's transition toward a green and low-carbon future.



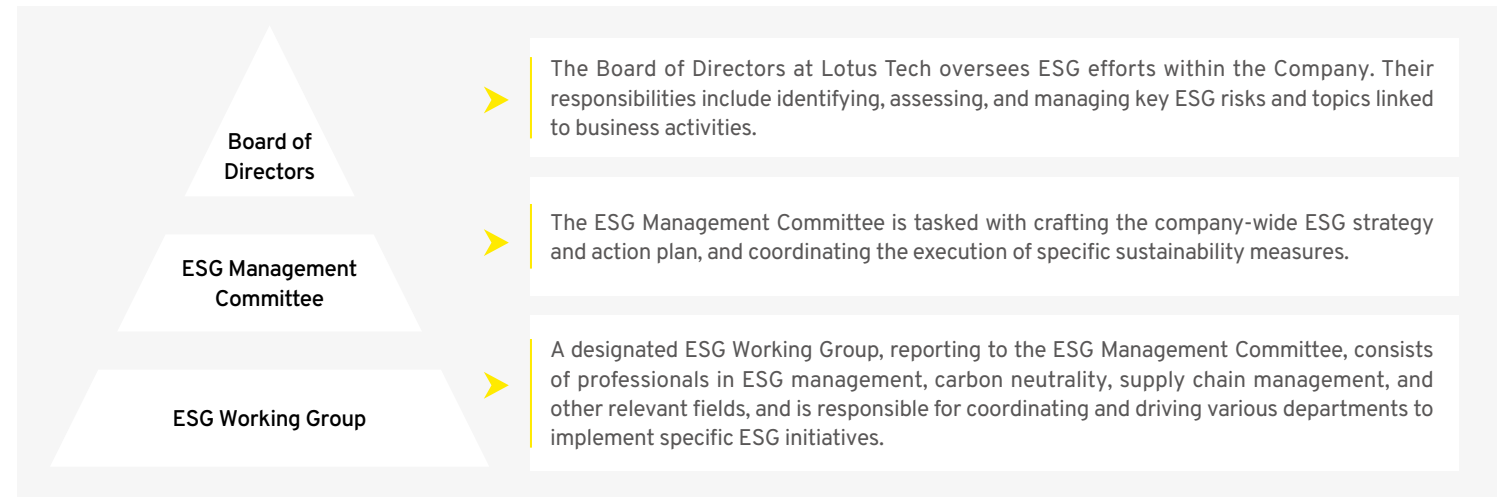
SUSTAINABILITY MANAGEMENT

Lotus Tech regards sustainability as a key direction for long-term value creation and systematically integrates ESG factors into strategic decision-making and daily management. The Company continuously improves its ESG governance system, enhances operational transparency, and actively responds to the concerns of various stakeholders. Through regular materiality assessment and management, Lotus Tech steadily strengthens its ESG risk management and response capabilities, providing systematic support for steady business growth and the achievement of sustainable development goals. As a member of the United Nations Global Compact (UNGC), the Company embraces its Ten Principles and commits to responsible business practices that support the UN Sustainable Development Goals (SDGs).



ESG MANAGEMENT SYSTEM

ESG management is deeply integrated into the daily operations and decision-making system of Lotus Tech. By establishing a clear governance structure and well-defined responsibilities, the Company continuously improves its sustainability governance capabilities. Lotus Tech has developed a three-tier management system consisting of the Board of Directors, the ESG Management Committee, and the ESG Working Group to enhance the coordination and execution consistency of ESG-related efforts and ensure effective implementation of ESG initiatives.

















Lotus Tech ESG Governance Structure

To strengthen execution and performance evaluation, the Company has integrated ESG metrics into its overall management performance assessment system, conducting quarterly, semi-annual, and annual evaluations across areas such as ESG risk management, ESG integration into business operations, and plan execution. This approach aims to drive sustainable operations management and enhance the Company's long-term competitiveness.

In addition, to enhance company-wide ESG awareness and practical capabilities, Lotus Tech has established an ESG communication and training mechanism covering all employees. The Company conducts regular training on ESG fundamentals, compliance management, information security, carbon management, biodiversity conservation, and other topics, promoting the integration of sustainability principles into corporate values and employees' daily workflows.

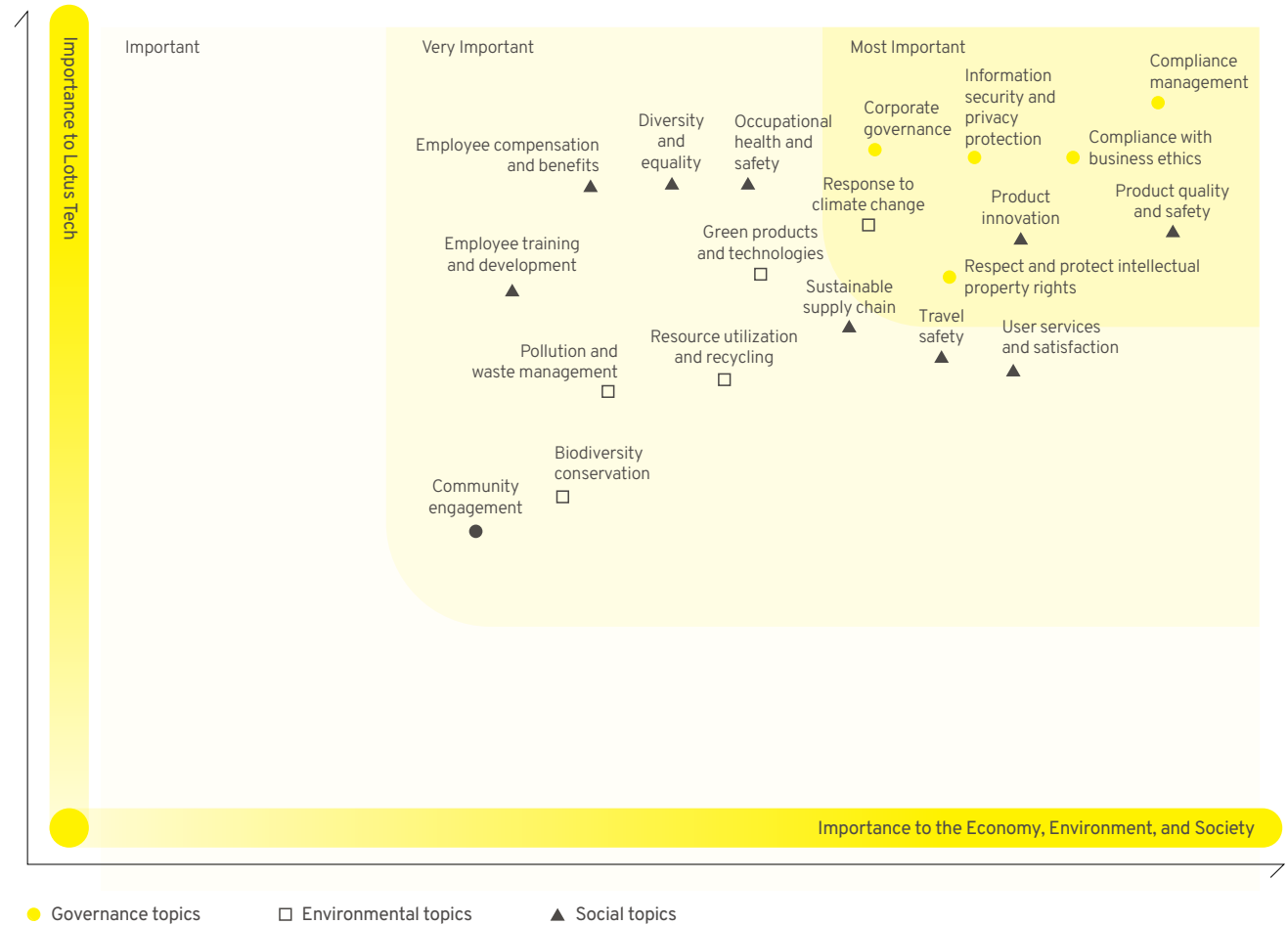
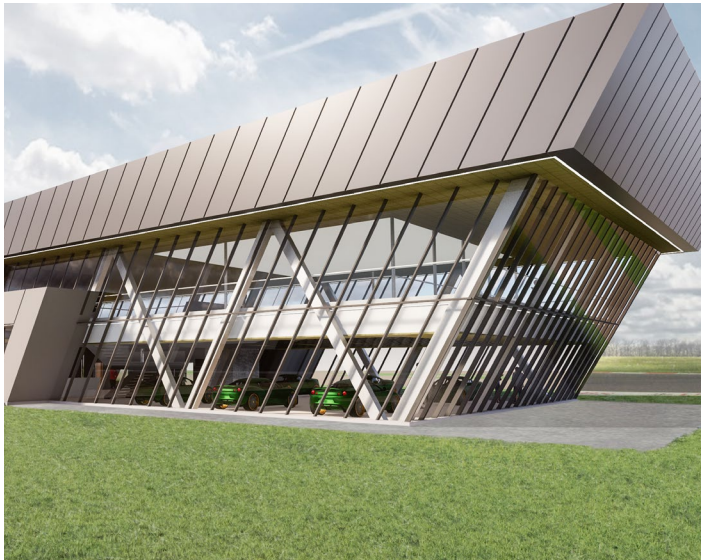
ESG STRATEGY

Lotus Tech takes the UN Sustainable Development Goals (SDGs) as a strategic guide, embedding them deeply into the Company's long-term vision and action system for sustainable development. An ESG strategic framework has been established to direct activities throughout the value chain, ensuring the full integration of ESG principles into the Company's core values, business decisions, and daily operations. During the reporting period, the Company achieved substantial progress in areas of transparent governance, nature positive, climate neutrality, sustainable supply chain, inclusion and equality, and community contribution.

ESG Strategic Pillars	Strategic Plans	Strategic Progress	Contributions to SDGs
Transparent Governance	<ul style="list-style-type: none"> ▶ Establishing a "proactive" compliance management system ▶ Empowering partners in sustainable development ▶ Increasing information transparency ▶ Building a responsible automotive data governance system 	<ul style="list-style-type: none"> ▶ Strengthened the compliance management system by conducting regular risk assessments and audits, and enhanced employees' compliance awareness. ▶ Standardized anti-trust management in R&D cooperation and information sharing processes. ▶ Five subsidiaries have obtained ISO/IEC 27001:2022 information security management system certification. ▶ Wuhan Lotus Technology Co., Ltd. has obtained ISO/IEC 27701:2019 privacy information management system certification. ▶ The marketing system, hybrid cloud system, and connected vehicle service system have completed third-tier certification for information security multi-level protection, while the after-sales service system has obtained second-tier certification. 	 
Nature Positive	<ul style="list-style-type: none"> ▶ Increasing the proportion of renewable materials used ▶ Energy efficiency improvement ▶ Biodiversity conservation 	<ul style="list-style-type: none"> ▶ Reduced the environmental footprint of products through efficient vehicle design and increased use of recycled materials. ▶ Strengthened energy efficiency improvements and established an efficient energy management system. ▶ Collaborated with local governments at operating locations to establish strategic partnerships for biodiversity conservation. 	 
Climate Neutrality	<ul style="list-style-type: none"> ▶ National green factory ▶ Low-carbon operation ▶ Developing low-carbon and circular production models 	<ul style="list-style-type: none"> ▶ Conducted climate risk management and opportunity response based on Lotus Tech's long-term sustainable development strategic goals. ▶ Promoted green office practices and low-carbon business travel. ▶ Increased the proportion of renewable energy used at the Lotus Global Smart Factory. 	  
Sustainable Supply Chain	<ul style="list-style-type: none"> ▶ Supply chain ESG risk management ▶ Supplier communication and capacity building ▶ Conflict minerals management 	<ul style="list-style-type: none"> ▶ Integrated sustainability capabilities into the supplier evaluation system. ▶ Systematically enhanced the traceability of conflict minerals and other key raw materials through digital management platforms and third-party professional support. 	
Inclusion and Equality	<ul style="list-style-type: none"> ▶ Supply chain ESG risk management ▶ Supplier communication and capacity building ▶ Conflict minerals management 	<ul style="list-style-type: none"> ▶ Continued to promote cross-cultural exchange activities. ▶ Continued to implement women's leadership development programs. ▶ Three subsidiaries have obtained ISO 45001:2018 occupational health and safety management system certification. 	  
Community Contribution	<ul style="list-style-type: none"> ▶ Establishing a management system for public welfare projects ▶ Instituting a safety function development and management system to mitigate mobility risks and ensure the safety of road participants ▶ Advancing the social application of data value 	<ul style="list-style-type: none"> ▶ Focused on public welfare fields such as children's education, care for vulnerable groups, and ecological protection, exploring innovative charitable models. ▶ Established a vehicle reliability verification system covering extreme environments and complex operating conditions, and upgraded core battery safety technologies. ▶ Optimized intelligent cockpit and interaction experience. ▶ Participated in the formulation of industry standards. 	  

MATERIALITY ASSESSMENT

To deeply understand and effectively respond to the concerns of its stakeholders, Lotus Tech regularly invites key stakeholders to participate in the identification and assessment of sustainability material topics. Employing the dual materiality analysis approach, the Company evaluates topics from two dimensions: their impact on the external economy, environment, and society, as well as their relevance to the Company's business model, operations, strategy, and financial performance, while continuously optimizing its materiality management matrix. During the reporting period, based on the Company's operations and business progress, Lotus Tech reviewed the topic framework and made necessary adjustments to ensure that the management of material topics continues to effectively identify and address key impacts, risks, and opportunities, and to guide the Company's strategic execution and sustainability disclosure for the year.



STAKEHOLDER COMMUNICATION

Lotus Tech regards stakeholders as important partners in sustainability and is committed to building long-term, stable relationships with them. The Company continuously listens to and responds to their expectations, systematically integrating them into its strategic planning and business decision-making processes. Lotus Tech has cultivated a strong, transparent, and stable partnership with key stakeholders, including shareholders and customers. Through ongoing and diverse communication mechanisms, the Company actively shares its sustainability vision and progress, collaborates with stakeholders to identify and manage critical issues, and works together to advance long-term value co-creation and a mutually beneficial future.



Stakeholders	Focus	Communications and Response Methods		
Government and regulators	<ul style="list-style-type: none"> ▶ Compliance management ▶ Energy conservation and emission reduction 	<ul style="list-style-type: none"> ▶ Promotion of industrial development 	<ul style="list-style-type: none"> ▶ Periodic reports and announcements ▶ Government-enterprise symposium 	<ul style="list-style-type: none"> ▶ Carbon neutrality strategy formulation ▶ Provision of jobs
Shareholders and investors	<ul style="list-style-type: none"> ▶ Business development ▶ Compliance management 	<ul style="list-style-type: none"> ▶ Product and technological innovation ▶ Financial performance 	<ul style="list-style-type: none"> ▶ Periodic reports and announcements ▶ General meeting of shareholders and roadshow 	<ul style="list-style-type: none"> ▶ Communication via email and phone ▶ Investor relations website
Employees	<ul style="list-style-type: none"> ▶ Employee rights and interests ▶ Occupational health and safety 	<ul style="list-style-type: none"> ▶ Diversity and equal relationship ▶ Training and development 	<ul style="list-style-type: none"> ▶ Daily communication and meetings ▶ OA platform 	<ul style="list-style-type: none"> ▶ Employee training ▶ Employee satisfaction survey
Customers	<ul style="list-style-type: none"> ▶ Responsible marketing ▶ Product quality and safety 	<ul style="list-style-type: none"> ▶ Product and technological innovation 	<ul style="list-style-type: none"> ▶ Promotional activities ▶ Social media 	<ul style="list-style-type: none"> ▶ Customer satisfaction survey ▶ Feedback and complaint handling
Partners	<ul style="list-style-type: none"> ▶ Business development ▶ Supply chain empowerment 	<ul style="list-style-type: none"> ▶ Product and technological innovation 	<ul style="list-style-type: none"> ▶ Visits and exchanges ▶ Supplier review 	<ul style="list-style-type: none"> ▶ Supplier/distributor training
Industry associations	<ul style="list-style-type: none"> ▶ Product quality and safety ▶ Product and technological innovation 	<ul style="list-style-type: none"> ▶ Sustainable mobility 	<ul style="list-style-type: none"> ▶ Industry information exchange and sharing ▶ Participation in formulating industry standards 	<ul style="list-style-type: none"> ▶ Involvement in cooperative projects
Community	<ul style="list-style-type: none"> ▶ Community development 	<ul style="list-style-type: none"> ▶ Public welfare donation 	<ul style="list-style-type: none"> ▶ Provision of jobs 	<ul style="list-style-type: none"> ▶ Participation in voluntary activities

2025 LOTUS TECH FACTS

Economic Performance

Operating revenue
US\$ **519** million

Annual vehicle deliveries
6,520 units

Annual comprehensive gross margin
9 %

Governance Performance

- ▶ During the reporting period, the Company received no allegations regarding anti-unfair competition or violations of anti-monopoly laws and regulations
- ▶ Obtained EU **R155 Cyber Security Management System certification** and **R156 Software Update Management System certification**
- ▶ Lotus Tech has established an intellectual property portfolio covering patents, trademarks, software copyrights, and domain names
- ▶ Conducted "**Compliance Culture Month**" special activities to enhance the risk identification and response capabilities of all employees

Environmental Performance

- ▶ Received the "**Green Development Award**" in the 2025 China Automotive Industry Sustainability Practice Case issued by the China Association of Automobile Manufacturers
- ▶ Lotus Tech's *Leading the "Nature Positive" Business Model to Shape a Sustainable Future for the Automotive Industry* was selected as a "**2025 Typical Case of Industrial and Commercial Biodiversity Conservation**" by the Center for Environmental Education and Communications of the Ministry of Ecology and Environment.
- ▶ 2025 United Nations Global Compact Climate Ambition Accelerator (UNGC-CAA) corporate partner.

Social Performance

- ▶ Granted **829** patents, covering technical fields such as vehicle architecture, intelligent cockpit, intelligent driving, and fast charging
- ▶ Hold **549** registered trademarks (including "ELETRE" and "EMEYA")
- ▶ EMEYA once again received **the highest quality performance award in the premium battery electric vehicle segment** from the China Automotive Quality Performance Study (AQR) in 2025
- ▶ **No** recall events for lifestyle electric vehicle
- ▶ During the reporting period, conducted **four** employee satisfaction surveys, with an overall satisfaction score of **92**
- ▶ During the reporting period, achieved a **94%** employee participation rate in the online training course "Stay Safe, Stay Alert - Traffic Safety Training"



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Sound corporate governance provides solid institutional safeguards and a decision-making framework for the long-term development of Lotus Tech. Guided by the principles of transparency and efficiency, we continue to optimize our governance structure and decision-making processes, and integrate sustainability into corporate strategy, supporting the Company's steady and sustainable operations and development through systematic governance practices.



STRENGTHENING THE FOUNDATION OF GOVERNANCE

CORPORATE GOVERNANCE

Board Governance Structure and Responsibilities

Lotus Tech's Board of Directors has established three specialized committees: the Audit Committee, the Compensation Committee, and the Nominating and Corporate Governance Committee. As the core governance body, the Board is responsible for formulating and overseeing the Company's overall strategy, monitoring the Company's operational and financial performance, and ensuring the effective operation of its internal control and risk management systems. Each committee performs oversight responsibilities over relevant operations and management matters in accordance with its professional functions, and provides professional advice to the Board, thereby enhancing the overall effectiveness of corporate governance.

In the selection and appointment of directors, the Company upholds the principles of both diversity and professionalism. The selection process considers not only candidates' professional knowledge, industry experience, and management capabilities, but also multidimensional factors such as gender, cultural background, and professional experience, with a view to building a decision-making team with broad perspectives and complementary thinking. Currently, the Board is composed of experienced members whose areas of expertise cover automotive engineering, investment management, financial management, supply chain operations, brand strategy, and R&D innovation, providing multidimensional professional insights for the Company's strategy formulation and business development. As of this report, the Board of Directors consists of 7 members, including 2 female and 2 independent directors. For more details on corporate governance, please refer to the Lotus Tech [Investor Relations website](#).

As of this report

The Board of Directors consists of members

7

Including female

2

Independent directors

2



Risk Prevention and Control

Lotus Tech has established a risk and internal control management system with clearly defined responsibilities and effective coordination. In terms of risk management, the Company has established the Risk Management Committee as the highest decision-making body, responsible for reviewing risk strategies and major risk matters. The Risk Management Working Group under the committee serves as the executive body, responsible for implementing specific processes and advancing relevant measures. In terms of internal control, the Company has established an internal control system based on the COSO (Committee of Sponsoring Organizations of the Treadway Commission) framework and has set up an independent Internal Audit Department. The department reports directly to the Audit Committee and conducts independent and objective assessments and supervision of the design and operating effectiveness of the risk management and internal control systems. The Company has formulated core policies, including *Lotus Tech Comprehensive Risk Management Method*, *Lotus Tech Internal Audit Charter*, *Internal Control Management Measures* and *Enterprise Risk Management Measures*, forming a complete management closed loop covering risk identification, analysis, evaluation, response, and ongoing review and reporting.

The Company regularly audits potential risk exposures and develops supporting control measures for identified risks. During the reporting period, the Audit Committee held regular meetings and maintained independent communication with management, the Internal Audit Department, and external auditors. It also conducted special audits across multiple key areas and business processes, including incubation projects, overseas business expansion, expense reimbursement, after-sales services, advertising and promotional expenses, and call center operations. Meanwhile, the Company continued to provide risk awareness training for employees and systematically enhanced employees' risk identification, prevention, and response capabilities through case studies and other methods.

Compliance Management

Lotus Tech provides systematic safeguards for the Company's full compliance with laws and regulations by continuously improving its compliance governance system. During the reporting period, we further strengthened the existing compliance governance system. As the highest responsible body for compliance management, the Board of Directors regularly reviewed the effectiveness of the compliance system and major compliance risk matters, and held quarterly compliance meetings. The legal and compliance team led by the Chief Compliance Officer is responsible for advancing and implementing specific initiatives to ensure the robust operation of risk management processes. At the policy level, the Company has issued and implemented the *Code of Business Conduct and Ethics* as the basic code of conduct for all employees. The Legal and Compliance team continuously monitors domestic and international regulatory developments and makes necessary updates to internal policies accordingly to maintain their timeliness and applicability.

To identify and manage compliance risks in operations, Lotus Tech has established a regular risk assessment mechanism. During the reporting period, in light of the progress of overseas business, we focused on assessing the completeness and effectiveness of policies in key areas such as export controls and trade sanctions, in order to respond to the complex international regulatory environment and ensure the compliant operation of global business.

Lotus Tech has established a multi-channel compliance reporting mechanism, including email, telephone, and third-party online platforms such as Whistle B, to encourage employees, customers, business partners, and other stakeholders to seek advice or report potential violations. The Company is committed to maintaining strict confidentiality of whistleblower information and report content. All reported matters are reviewed by the Compliance and Discipline Inspection departments in accordance with relevant policies, and confirmed violations are handled in accordance with the *Rules for the Implementation of Compliance Supervision and Punishment* and other applicable provisions. During the reporting period, the Company had no compliance-related whistleblowing cases.



Compliance consultation email: Lotus.legalcompliance@lotuscars.com.cn



Employee and supplier compliance reporting email: jubao@lotuscars.com.cn



Customer reporting hotline: 4008520888



Customer reporting email: info@lotuscars.com.cn

To embed compliance management into organizational capabilities, Lotus Tech continued to strengthen compliance awareness among all employees. During the reporting period, the Company conducted compliance training covering all employees, focusing on key areas such as information security, data protection (including GDPR compliance²), connected vehicle (ICTS) rules³, and anti-fraud, with an emphasis on fostering a culture of "understanding risks and complying with compliance requirements".

2025 "Compliance Culture Month" Special Campaign



In September 2025, Lotus Tech successfully held the "Compliance Culture Month" special campaign. Through multiple formats, including the "Jishixue" online platform, Feishu meetings, and dedicated offline training sessions, the Company carried out comprehensive compliance culture communications for all employees and personnel in key positions, further reinforcing compliance awareness across the organization, enhancing risk identification and response capabilities, and providing strong support for the deepening and implementation of the Company's overall compliance culture.



CEO Emphasized Compliant Operations During Compliance Culture Month



² GDPR: The EU's *General Data Protection Regulation*.

³ Connected Vehicle (ICTS) Rule: *Securing the Information and Communications Technology and Services Supply Chain: Connected Vehicles*. Issued by the Bureau of Industry and Security (BIS) of the U.S. Department of Commerce, this rule is intended to address significant risks to U.S. national security posed by certain transactions involving information and communications technology and services (ICTS) related to connected vehicles.

BUSINESS ETHICS

Lotus Tech places great importance on business ethics and integrity in operations, and regards them as fundamental principles for the Company's long-term development. We strictly comply with laws and business ethics across all business processes, and continue to build a transparent and accountable operating environment through optimized governance structures and regular oversight mechanisms. These efforts further strengthen long-term trust among stakeholders and provide a solid foundation for sustainable corporate development.

Anti-Corruption

As the highest governance body for ESG matters, the Board of Directors assumes ultimate oversight responsibility for business ethics issues, including anti-corruption and anti-unfair competition, and promotes the Company's business operations in accordance with high standards of business ethics. The Company's Discipline Inspection and Compliance departments serve as the dedicated executive bodies for anti-corruption and business ethics management, and are responsible for the day-to-day management of corruption risks, investigation of reported matters, and disciplinary actions for violations. We have formulated core policies, including the *Lotus Tech Anti-Corruption Compliance Policy*, which clearly define prohibited conduct, management processes, and handling mechanisms, providing clear behavioral guidance for all employees and business activities.

At the same time, we actively extend business ethics requirements to our partners. Through the *Supplier Code of Conduct* and the signing of integrity commitment letters, we clearly communicate our expectations and requirements for suppliers in areas such as anti-corruption, fair dealing, and integrity-based cooperation. On this basis, we regularly organize dedicated anti-corruption training for suppliers to continuously enhance the compliance awareness and risk prevention capabilities of all parties. During the reporting period, we organized compliance training and examinations for all employees, focusing on core topics such as anti-corruption and anti-bribery. Through mandatory training and examinations, we effectively strengthened employees' awareness of integrity in professional conduct.

Anti-Monopoly

Lotus Tech is committed to maintaining a fair, open, and transparent market environment, and strictly complies with relevant laws and regulations, including the *Anti-Monopoly Law of the People's Republic of China* and the *Anti-Unfair Competition Law of the People's Republic of China*. In our business activities, we consistently uphold the principles of voluntariness, equality, fairness, and good faith. We designate the Legal Department as the centralized management department for antitrust compliance, responsible for conducting compliance oversight across the Company's business processes, identifying potential risks, and assessing, tracking, and handling major risk matters. To translate these compliance requirements into specific action guidelines, we have formulated a series of internal policies, including the *Anti-Unfair Competition Compliance Management Measures* and the *R&D Cooperation - Anti-monopoly Compliance Management Measures*, providing clear behavioral standards and process guidance for business scenarios such as R&D cooperation.

To effectively prevent and respond to potential antitrust risks that may arise during cooperation, we have established control mechanisms throughout the entire process of business cooperation, covering the stages before, during, and after cooperation, to support the orderly implementation of all cooperation activities within the compliance framework. During the reporting period, the Company did not receive any allegations concerning unfair competition or violations of laws and regulations related to antitrust.



Preparation before cooperation

- ▶ **Establishment of a "Clean Team":** A "Clean Team" is established, composed of personnel who have received specialized compliance training and are independent of the day-to-day operations team. The team is responsible for handling restricted information that may be involved in the cooperation and is effectively segregated from the Company's day-to-day operations team to reduce compliance risks.
- ▶ **Execution of a "Clean Team Agreement":** A legally binding agreement is jointly executed with the partner to clearly define the scope and purpose of information exchange, confidentiality obligations, and responsibilities, providing a basis for subsequent compliant operations.

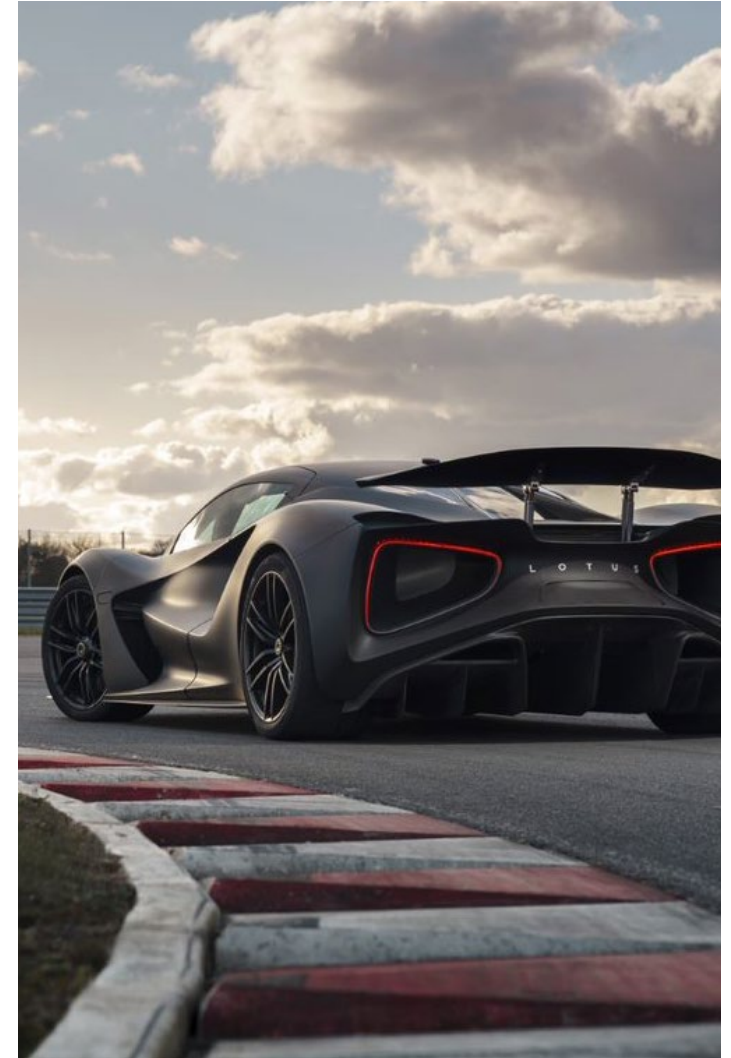
Control during cooperation

- ▶ **Strict restriction on the sharing of sensitive information:** The exchange of core sensitive business information directly related to market competition is expressly prohibited. Only technical or general data necessary for the cooperation may be shared within the framework of the agreement.

Ongoing supervision

- ▶ **Full involvement of the Compliance Department:** The Legal and Compliance Department reviews, provides guidance, and supervises implementation at key stages of the cooperation to ensure that operations comply with regulatory requirements and internal agreements, and to identify and mitigate potential risks in a timely manner.

Anti-Monopoly Compliance Control Process



Intellectual Property Protection

Lotus Tech strictly complies with relevant intellectual property laws and regulations, and regards intellectual property as an important asset for the Company's innovation-driven development. We have established a policy system covering the creation, protection, application, and risk management of intellectual property, primarily including the *Patent Asset Management Procedure*, *Intellectual Property Reward Scheme*, *Copyright Management Measures*, and *Patent Infringement Litigation Risk Response Management Measures*, providing an institutional foundation for the standardized implementation of intellectual property work. The Legal and Intellectual Property team, as the dedicated department, is responsible for policy execution and implementation, identification and prevention of infringement risks, and provision of professional support for business development.

In terms of intellectual property risk response, we emphasize proactive early warning and source management. When potential patent infringement risk clues are identified, we initiate a standardized response process in accordance with the *Patent Infringement Litigation Risk Response Management Measures*, so as to mitigate risks while better safeguarding the Company's legitimate rights and interests.

<p>Preliminary assessment</p>	<p>The Legal Department conducts a prompt assessment of the nature of the incident, preliminary evidence, and potential impact, and determines the urgency and basic direction of the incident.</p>
<p>Internal communication</p>	<p>In-depth communication is conducted with relevant technical, product, and other business units to fully understand the technical background, R&D process, and business details involved in the incident.</p>
<p>Professional investigation</p>	<p>Technical and legal due diligence is conducted to analyze the validity and stability of the patent involved, and to assess the likelihood and extent of infringement risks.</p>
<p>Risk assessment and decision-making</p>	<p>Based on the investigation results, a professional infringement risk assessment report is prepared, and response strategies and plans are formulated.</p>
<p>Coordinated handling</p>	<p>Corresponding actions are taken within the legal framework in accordance with the established strategies. Disputes are resolved through negotiation, administrative procedures, or judicial channels, with a view to reducing the risks and impact of patent infringement litigation.</p>

Standardized Response Process for Patent Infringement Incidents

As of the end of the reporting period

Lotus Tech had established an intellectual property portfolio covering patents, trademarks, software copyrights, and domain names:

Granted patents

829

Registered trademarks

549

Software copyrights

55

Registered domain names

113



DATA SECURITY AND PRIVACY PROTECTION

Lotus Tech strictly complies with applicable regulations in the jurisdictions where it operates, including the *European Union's General Data Protection Regulation (GDPR)*, the *Personal Information Protection Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, and the *Several Provisions on Management of Automobile Data Security (for Trial Implementation)*, in carrying out information security work. The Company has also established a supporting internal management policy system covering physical security, data security, endpoint management, supplier control, access control, and other areas, forming a systematic security strategy.

In terms of organizational structure, we have established a four-level governance system with the Security Management Committee as the decision-making level. The Safety and Environmental Management Office and the Information Security team serve as the management level, each business department serves as the execution level, and Geely Holding Group and independent third parties are introduced to perform supervisory functions, further clarifying the division of responsibilities and enhancing coordination efficiency.

Information Security

In terms of the management system, Lotus Tech has established an information security management system in accordance with the *ISO/IEC 27001:2022 Information Security Management System Standard*, defining various management procedures, including internal audits, and continuously improving information security-related processes and technical measures. For vehicle cybersecurity, Lotus Tech has established dedicated cybersecurity management and software update systems. During the reporting period, Wuhan Lotus Cars Co., Ltd. obtained the EU R155 Cybersecurity Management System certification and the R156 Software Update Management System certification, meeting leading international regulatory requirements for vehicle cybersecurity.

To effectively implement governance requirements for data security and privacy protection, Lotus Tech has established a multidimensional information security risk management and execution system covering policy processes, technical protection, proactive monitoring, and emergency response, and continues to enhance its overall security protection capabilities through systematic management measures. As of the end of the reporting period, the marketing system, hybrid cloud system, and IOV service system had obtained the third-tier certification for the information security multi-level protection of information systems, while the after-sales service system had obtained the second-tier certification for the information security multi-level protection of information systems. During the reporting period, the Company did not pay any fines arising from information security vulnerabilities or other cybersecurity incidents.



Policy and process management

A series of information security management policies and procedures have been established to define the management principles and operating procedures for each process:

- ▶ **Access control:** In accordance with the *Access Control Management Procedure*, the Company implements the "principle of least privilege", under which employees are granted only the system and data access permissions necessary to perform their work, with timely adjustments made when their positions or responsibilities change.
- ▶ **Data lifecycle protection:** In accordance with the *Data Security Management Measures*, the Company follows the principles of legality, legitimacy, and minimum necessity, classifies and grades data, and implements security controls throughout the entire data lifecycle.
- ▶ **Supply chain information security management:** The *Supplier Security Management Procedure* has been formulated to standardize the supervision, assessment, and ongoing management of suppliers' information security, extending security requirements to key supply chain processes.
- ▶ **Security incidents and emergency response:** The Company has formulated the information security incident management procedure, requiring employees to report security incidents in a timely manner, and has established emergency response plans and regular drill mechanisms to ensure that incidents are handled promptly and effectively.

Technical protection and proactive defense

At the technical level, the Company continues to strengthen its security protection capabilities:

- ▶ **Defense-in-depth system:** A multi-layered defense-in-depth system covering network boundaries, hosts, applications, data, and other layers has been established, with dedicated technical platforms such as data loss prevention deployed to enhance overall security protection capabilities.
- ▶ **System development and operations security:** Through policies such as the *Security Development Management Procedures*, the *Bug and Patch Security Management Measures*, and the *Security Change Management Measures*, security requirements are embedded into the system development lifecycle. New systems must pass security penetration testing before launch. During operation, regular vulnerability scanning and assessment are conducted, and all changes follow a controlled change management process.

Risk assessment and continuous monitoring

A regular risk monitoring and assessment mechanism has been established to conduct daily monitoring of information security risks. A comprehensive information security risk assessment is conducted at least once a year to identify new threats and vulnerabilities, driving the continuous improvement of management processes and protection technologies.

Information Security Protection System



Based on the implementation of technical and management protection measures, Lotus Tech also places great importance on enhancing security awareness among all employees. Through regular training, assessments, and incentives, we promote the integration of information security requirements into employees' daily behaviors and actively foster a security culture with the participation of all employees.

Regular training and assessment

- ▶ Employees are required to sign confidentiality agreements upon onboarding, clearly defining their information security responsibilities.
- ▶ A regular annual training and assessment mechanism for information security and privacy protection has been established. The Company conducts relevant thematic training for all employees each year, covering basic security rules, data protection regulations, common risk prevention, and other topics, and verifies learning outcomes through tests to ensure the continuous improvement of employees' security protection awareness and capabilities.

Positive incentive mechanism

- ▶ To encourage employees to proactively participate in security work, channels have been established for reporting security risks and incident clues, and employees are encouraged to provide reasonable suggestions on security work.
- ▶ A special information security reward mechanism has been established. Units or individuals that make outstanding contributions to information security work are recognized and rewarded. Through positive incentives, the Company strengthens employees' enthusiasm and sense of honor in participating in security development.

Information Security Awareness Enhancement Measures

As of the end of the reporting period

Wuhan Lotus Technology Co., Ltd., Wuhan Lotus Cars Sales Limited, Wuhan Lotus Cars Co., Ltd., Lotus Technology Innovative Limited, and Lotus Cars Europe B.V., five subsidiaries of Lotus Tech, had obtained ISO/IEC 27001:2022 Information Security Management System certification.



Privacy Protection

Lotus Tech places great importance on protecting users' privacy rights and interests, strictly conducts management work in accordance with privacy protection laws and regulations in the jurisdictions where it operates globally, and actively benchmarks against industry best practices. Based on the ISO/IEC 27701:2019 Privacy Information Management System Standard, we have established a privacy compliance management framework covering global business operations and publicly released the *Lotus Privacy Notice*, clearly stating our commitment to protecting the privacy rights and interests of users and other stakeholders. As of the end of the reporting period, Wuhan Lotus Technology Co., Ltd. has obtained ISO/IEC 27701:2019 Privacy Information Management System certification.

To effectively safeguard user autonomy and data security, we continue to implement privacy protection requirements through a combination of multilayered technical measures and management processes.

Privacy protection by design

- ▶ **Vehicle-side data anonymization:** Data desensitization capabilities are integrated into production vehicles to anonymize data uploaded to the cloud. For information such as pedestrians outside the vehicle and license plates, for which authorization cannot be obtained, irreversible color-block masking and other measures are adopted.
- ▶ **Data collection and processing minimization:** Smart cockpit functions do not collect personal information by default and are enabled only after explicit user authorization. Original audio files from the voice assistant are automatically deleted within 14 days. Sensitive data such as seat preferences and external dashcam videos are not transmitted to the cloud.



Transparent Disclosure and User Authorization

- ▶ **Clear notification:** Lists of personal information collection and use are released to users through channels such as the app, clearly explaining the purposes of data use.
- ▶ **Enhanced consent:** The processing of sensitive personal information follows the principle of "separate consent", and users are provided with options for the authorization period, either a single use or a 12-month validity period, to safeguard users' right to know and right of control.



In addition, we extend privacy protection requirements to value chain management and have formulated the *Measures for the Administration of Third Party Processing of Personal Information*, establishing a full-process control procedure covering supplier admission, contract signing, and ongoing audits. To strengthen the compliance awareness of supply chain personnel, we require supplier personnel who access the Company's systems and data to sign confidentiality commitments and information security notices.

As of the end of the reporting period

Confirmed complaints involving infringement of customer privacy

0 case

Confirmed incidents involving the leakage, theft, or loss of customer data

0 case

Employees participating in information security and privacy protection-related training and passing the test

832 employees

Total training hours over

1,248 hours

TRANSPARENT TAX PRACTICES

Lotus Tech follows the tax guidelines set forth by the Organization for Economic Co-operation and Development (OECD), and is committed to building a compliant and transparent tax management system. To this end, we have established internal tax management policies and set up a dedicated tax management team to coordinate tax matters across all regions where the Company operates, covering daily tax administration, tax risk management, and tax compliance planning.

In terms of tax risk management, we have established a closed-loop management mechanism covering risk identification, assessment, monitoring, and control, with clearly defined roles and responsibilities for each process. We also prevent tax compliance risks through measures including special risk inspections. Meanwhile, we maintain regular, open, and professional communication with local competent tax authorities and actively cooperate with relevant tax administration work, to improve the timeliness and accuracy of tax filings and tax payments. To further enhance the transparency and credibility of our tax practices, we regularly engage independent third-party external professional advisors to issue tax attestation reports or professional opinions on material tax matters, to support the compliance of our tax treatments.

We continue to strengthen the professional capabilities of the tax management team and relevant business personnel, and regularly organize participation in various tax-themed training sessions held by tax authorities and professional institutions. These sessions cover areas including export tax rebates, corporate income tax and cross-border taxation, to support our tax management are aligned with the Company's business development needs.



02

Lotus Tech integrates the concept of sustainable development into its mobility vision, leading electric mobility technological innovation, building a solid foundation for its products and services with exceptional quality and safety standards, and consistently responding responsibly to customer needs and stakeholder concerns, thereby promoting the construction of a low-carbon, safe, and inclusive future mobility ecosystem.



RESHAPING THE MOBILITY VISION

DRIVING INNOVATION

Technological innovation is the cornerstone of Lotus Tech's long-term core competitiveness. To systematically advance its innovation activities, the Company continuously improves its technological innovation management system, actively promotes the implementation of measures such as the *Copyright Management Measures* and the *Trademark Management Measures*, and through systematic and institutionalized management empowerment, steadily strengthens its R&D foundation and enhances innovation capabilities, driving continuous breakthroughs and innovation in products and technologies.

As of the end of the reporting period, Lotus Tech had obtained 829 granted patents across multiple jurisdictions, including Chinese mainland, the United States, Japan, and the United Kingdom, covering technical fields such as vehicle architecture, intelligent cockpit, intelligent driving, and fast charging. In addition, the Company holds 549 registered trademarks (including "ELETRE" and "EMEYA"), 55 software copyrights related to corporate operations, and 113 registered domain names.

Lotus Tech has established a comprehensive intellectual property incentive and publicity system, fully stimulating innovation vitality through institutional safeguards and cultural dissemination. We continuously improve internal management systems such as the Lotus Tech Intellectual Property Reward Measures and Patent Asset Management Procedures, ensuring that the intellectual property management system is closely aligned with the Company's organizational structure and business strategy, providing solid support for innovation activities.



During the reporting period

R&D investment was approximately

US\$ **171** million

Innovative Products

Lotus Tech focuses on core user needs, delivering diverse, high-value intelligent luxury mobility solutions through continuously evolving smart experiences and leading powertrain technologies.

In the realm of smart experiences, the company leverages OTA⁴ technology to build a feature upgrade system covering the entire product lifecycle. We continuously provide function upgrades and service expansions for delivered vehicles. On the foundation of optimized core experiences such as the intelligent cockpit and intelligent driving, we deeply integrate the brand's racing DNA – "Born for Drivers, Ultimate Control, Driving Pleasure." In 2025, Lotus Tech continues to strengthen its technical systems and compliance capabilities, completing an in-depth interpretation of the latest Euro-NCAP regulations and passing the EU R171 regulation SMS system audit. In terms of data compliance, we have established a compliant data transmission framework covering all Lotus-branded projects under development, ensuring all data-related operations strictly adhere to the latest national regulatory requirements. This lays a solid compliance foundation for the continued evolution and safe deployment of our intelligent driving systems.

In the realm of powertrain technology, Lotus Tech launched the high-performance super hybrid SUV – For Me – equipped with the all-new 900V LOTUS HYBRID Powertrain. This vehicle features Lotus' self-developed "LOTUS HYPER HYBRID" system, offering a comprehensive mobility solution that combines ultimate performance with efficient refueling and recharging.

⁴ OTA (Over-The-Air) is a core technical capability of intelligent connected vehicles. It specifically refers to the technology that remotely completes updates, optimizations, bug fixes, or functional configurations of vehicle software, firmware, configuration files, and even underlying electronic control unit (ECU) programs via mobile communication networks (4G/5G) or Wi-Fi, without relying on physical connections.

Lotus For Me

Ultimate Performance	Efficient Energy	Safety Protection	Eco-Friendly Materials
<ul style="list-style-type: none"> ▶ 952Ps front and rear dual-motor hybrid e-drive: Combined with Lotus lightweight DNA, 0-100 km/h acceleration in as fast as 3.3 seconds ▶ Uncompromised performance after 80+ full-throttle accelerations: Features industry-first deep oil cooling for stator and rotor, increasing thermal load capacity by 50%, ensuring sustained acceleration performance 	<ul style="list-style-type: none"> ▶ 900V high-voltage architecture: Efficiently utilizes electrical energy to enhance range ▶ 1,416 km CLTC combined range, 420 km CLTC all-electric range ▶ 150kW ultra-high power generator: Adds 25+ kWh of charge per hour during 120 km/h highway cruising, extending the vehicle's overall range 	<ul style="list-style-type: none"> ▶ Full-temperature domain thermal management: Constructs a systematic T-shaped heat exchange architecture, increasing heat exchange area by 300% and heat exchange performance by 180%, ensuring the battery remains in optimal condition ▶ Full-temperature domain intelligent thermal management: AI BMS uses an intelligent thermal dynamic algorithm, reducing single heating energy consumption by 28%, with battery heating degradation rate only approx. 4% 	<ul style="list-style-type: none"> ▶ Alcantara: Ultimate lightweight, softer and more breathable than genuine leather, wear-resistant and easy to maintain. ▶ Eco-friendly material: 100% animal-free, 99% of solvents recyclable.

In the realm of material selection, Lotus Tech consistently adheres to the philosophy of sustainability. Through systematic product eco-design, the company extensively utilizes recyclable and renewable eco-friendly materials in vehicle manufacturing, controlling environmental impact at the source.

Lotus ELETRE, Lotus EMEYA

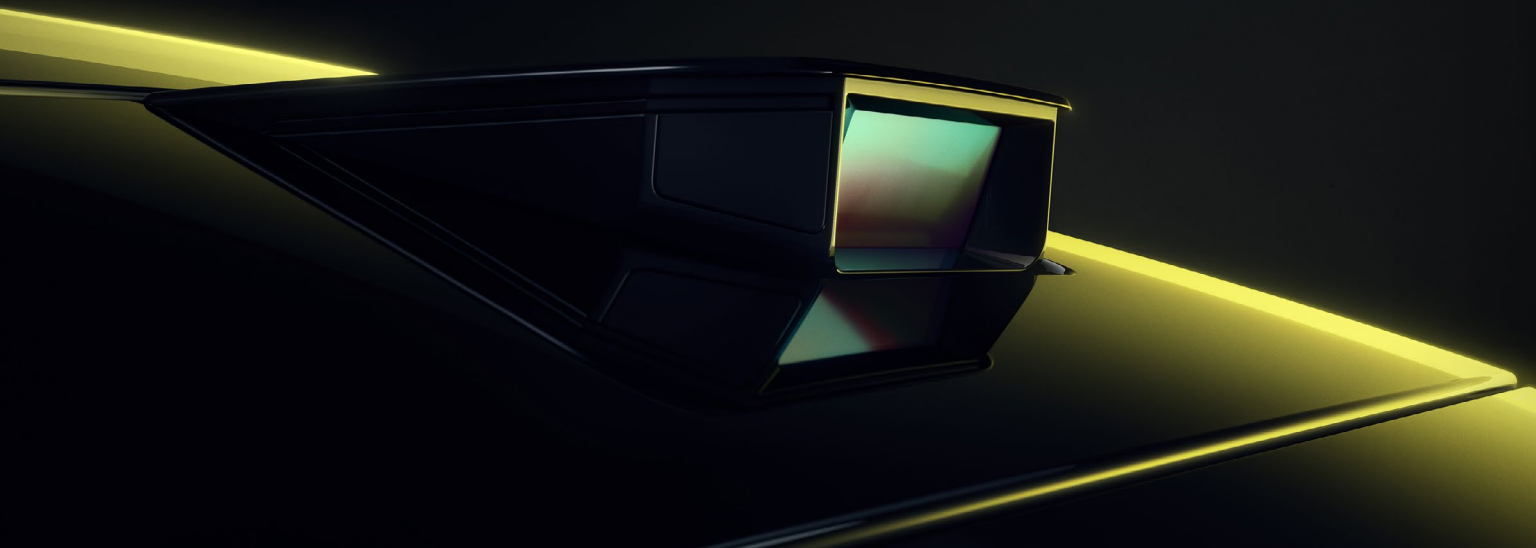
- ▶ The exterior adopts lightweight materials such as carbon fiber and carbon ceramics. The steel-aluminum hybrid body features an aluminum content close to 50%, achieving significant weight reduction
- ▶ Eco-friendly materials including recycled aluminum and recycled steel are utilized, improving the overall recyclability rate of vehicle materials
- ▶ WYRON recycled yarn, sourced from post-consumer textiles, is incorporated
- ▶ The nylon used in the carpet is made from recycled materials
- ▶ All interior adhesives utilize environmentally friendly water-based or hot-melt adhesives
- ▶ Seats use Ultrafabric PU, an animal-free material produced with recycled water

Performance

In 2025, EMEYA once again received the

highest

quality performance in the premium battery electric vehicle segment from the China Automotive Quality Performance Study (AQR)



EXCELLENT QUALITY

Lotus Tech relies on a stringent quality control system and world-leading technologies to deliver intelligent, safe, and healthy mobility experiences to users. Based on the ISO 9001 quality management system, the Company has innovatively built an All-in-One quality management system covering the entire business chain, including design and development, production manufacturing, supplier management, logistics, and after-sales service. We have established quality objectives across multiple dimensions, such as global market quality performance, customer satisfaction, software reliability, manufacturing process quality, and system management. During the reporting period, all quality objectives were fully achieved.

To ensure the efficient operation and continuous optimization of this system, we have established a global quality governance framework encompassing technical, managerial, and decision-making levels. We have also set up three major centers: the Global Command Center, the Global Quality Cultivation Center, and the Global Information Center. Through a clearly structured and collaborative operating mechanism, these centers systematically drive the in-depth implementation of quality management.

▶ Global Command Center

Coordinates global quality objective management and resource allocation, assesses and handles abnormal situations, and organizes the implementation of global quality evaluation and validation mechanisms.

▶ Global Quality Cultivation Center

Drives the development and coordination of the global quality system, facilitates quality technology exchanges and manufacturing quality collaboration, and continuously cultivates a quality culture of full participation and the pursuit of excellence.

▶ Global Information Center

Responsible for the collection and analysis of Voice of the Customer across global markets, public sentiment monitoring, and warranty information; conducts customer quality research, and leverages digital platforms to drive the integrated processing and intelligent application of quality data.

Global Quality Governance System

Lotus Tech strictly complies with domestic and international laws and regulations, including the *Product Quality Law of the People's Republic of China* and the *European Union's Product Liability Directive (85/374/EEC)*. The Company also adheres to regulatory requirements such as the Measures for the Access Administration of On-road Vehicle Manufacturers and Products, the *EU Regulation 2018/858 (Whole Vehicle Type Approval – "WVTA")*, and the *China Compulsory Certification (CCC) for Motor Vehicle Products*. To systematically implement compliance and quality control requirements, the Company has developed and implemented internal management procedures, such as the *New Vehicle Product Design and Development Control Procedure*, which covers the entire product lifecycle from design and development to end-of-life disposal, ensuring quality control throughout the product process.

Based on compliance, we systematically identify key control points for product quality by incorporating product functional requirements and applying Design Failure Mode and Effects Analysis (DFMEA). We implement risk prevention design at the development stage, embedding quality management into the entire process from product development to manufacturing execution.

During the reporting period, Lotus Tech continued to implement supplier management mechanisms such as the *Risky Supplier Management Method*, extending unified quality standards and management systems to all links of the supply chain, enabling seamless quality control and collaboration across the value chain. We actively communicate quality management requirements to suppliers and leverage the supplier quality management IT system to continuously track and dynamically monitor their implementation, ensuring that quality requirements are effectively fulfilled throughout the supply chain.

Quality Control Across the Product Lifecycle

Development Stage

During the development stage, Lotus Tech implements a review mechanism featuring 11 milestones and 57 gateways to control quality throughout the development process including architecture, mechanical systems, electronics, power propulsion, and vehicle integration. Virtual simulation software (CAE) is utilized to simulate, optimize, and analyze the performance of components and vehicles, enabling early validation to significantly improve development quality and efficiency.

During component development, the Company conducts audits and evaluations of 30 key elements in accordance with procedures such as the *Advanced Product Quality Planning (APQP) Control Procedure for Parts Quality Development*, identifying quality issues and achieving rapid closure to strictly control product quality. All components must complete approval in accordance with the *Production Part Approval Process (PPAP)* before proceeding to mass production supply.



Manufacture Stage

Lotus Tech embraces flexible, modular, and lean production principles, fostering a culture of employee involvement and continuous improvement to systematically enhance vehicle product quality and consistency. We have integrated multiple intelligent technologies throughout the manufacturing process, including the application of 3D vision simulation technology, AI-driven error prevention across 46 configurations, online automatic inspection of key body dimensions, round-the-clock torque data monitoring and alert push, as well as automatic expiration warnings for materials via the Warehouse Management System (WMS), ensuring precision and reliability in manufacturing.

We conduct systematic vehicle quality inspections in accordance with internal standards such as the *Vehicle Audit Standard*. Using the 0.8 km NVH test road and the 3 km multifunctional test track, we complete vehicle quality evaluations covering 21 typical road conditions. During audit sampling inspections, we insist on reviewing vehicle quality control points from a user-centric perspective, ensuring consistent quality performance of production line vehicles and delivering products that meet the Company's standards and user expectations.

Additionally, in accordance with documents such as the *Management Measures of Outsourcing Components Inspection*, the *Nonconforming Product Control Procedures*, and the *Traceability Management Procedures*, we conduct regular testing and validation of components and vehicles, achieving full-chain quality control and traceability management from procurement to production.

Validation Stage

We have established a vehicle reliability validation system covering extreme environments and complex operating conditions. As of the end of the reporting period, the cumulative global test mileage of LOTUS ELETRE, EMEYA, and For Me has exceeded 6 million kilometers. Testing coverage spans Asia, Europe, Oceania, and the Americas, with test environment temperatures ranging from -40°C to 50°C and test altitudes ranging from -150 m to 5,200 m.

Recall of Products

Lotus Tech strictly complies with Chinese regulations, including the Regulations on the *Administration of Defective Motor Vehicle Products Recall* and its implementing rules, and actively adheres to local recall-related laws and regulations in all global operating markets. To systematically manage global product recall activities, we have developed and implemented the *Measures for the Administration of Product Recall*, which standardize the recall process for vehicles in sale to effectively protect user rights and social and public interests.

Lotus Tech has established an efficient recall response mechanism and a closed-loop management framework covering decision-making, execution, and coordination, ensuring rapid identification and resolution of potential product safety risks. Once an internal recall decision is confirmed, we will immediately complete filing with the competent authorities, simultaneously initiate user notification, repair resource allocation, and implementation plans, striving to complete the recall process as quickly as possible to minimize impact on users.

Quality Culture

Lotus Tech regularly conducts quality training, quality culture promotion activities, and other initiatives to further enhance employee quality awareness. At the same time, the Company extends its quality culture to the dealer network. During the reporting period, the Company held a total of 107 training sessions on dealer service quality management, totaling 488 hours, achieving a 100% participation rate among dealers that have commenced operations. Recognized for its excellence in quality management practices, the Company has received high acclaim from external stakeholders and won several quality management-related awards from organizations including the China Association for Quality.

For Me Technical Training



During the reporting period, we launched a technical training and certification program for mechatronic technicians specifically for the new For Me model, adopting a teaching model combining theoretical instruction, hands-on practice, and on-site certification. The training content covers theoretical teaching and practical skills training for core modules including the powertrain system, thermal management system, and chassis system, ensuring that mechatronic technicians fully master the key technologies of the new model. The implementation of this project has effectively enhanced the professional capabilities of the service team, providing a solid foundation for after-sales service quality and customer safety following the new vehicle launch.



The Company aspires to "become the global leader renowned for exceptional experiences" as its quality vision, persistently adheres to a user-centric approach, continuously promotes the "For the Drivers" brand philosophy, and drives full employee participation to proactively build a quality-centric corporate culture. During the reporting period, we hosted the 4th Lotus Quality Month series of events under the theme "Pursuing Excellence Through Quality, Uniting as One." Through various activities such as quality competitions and specialized training sessions, we created a strong atmosphere where "everyone cares about quality and everyone prioritizes quality," effectively enhancing employees' quality awareness and practical capabilities.



Lotus Tech Quality Month Activities

During the reporting period

Recall events for Lotus Tech lifestyle electric vehicle models

0

3 subsidiaries

Wuhan Lotus Technology Co., Ltd., Wuhan Lotus Cars Co., Ltd., and Wuhan Lotus Cars Sales Co., Ltd. – have all obtained ISO 9001 quality management system certification

Vehicle safety defect complaint events investigated by government or regulatory authorities

0



SAFE MOBILITY

Lotus Tech has always placed safety at the core of product development, committed to building a comprehensive and intelligent protection system for all road participants. The Company takes the highest levels of global authoritative safety rating systems as its R&D benchmarks, continuously conducting vehicle safety performance development and technological iteration, systematically building safety development and emergency response capabilities covering the entire product lifecycle.

To lay a solid safety foundation from the source, the Company has developed and strictly implements a series of protocols, including the *Vehicle Passive Safety Attribute Development Management Measures*, the *Product Cybersecurity Management Manual*, and the *Product Network Security Management Handbook*, establishing a structured risk management and control process to achieve proactive identification and systematic prevention of safety risks.

In terms of operations and response, the Company has built a closed-loop "monitoring-reporting-analysis-resolution-optimization" emergency response mechanism based on protocols such as the *Management Measures of Emergency Service for User Major Incidents*, the *Product Cyber Security Emergency Plan Management Measures*, and the *After Sales Vehicle Monitoring and Management Program*. Through regular drills, the Company continuously improves response efficiency to ensure rapid and effective action when safety incidents occur.

Active Safety

Lotus Tech continues to drive the iteration and application of intelligent driving technologies in the active safety domain. On highways, the Highway Pilot function enables intelligent assisted driving on highways and ramps across the full speed range of 0-150 km/h based on the user's preset navigation route. It features full-speed intelligent cruise control, speed limit integration, lane keeping, autonomous lane changes, driver-controlled lane changes, and automatic on-ramp/off-ramp navigation. This function has achieved full coverage across mainland China.

In urban scenarios, the Urban Pilot function supports assisted driving on city roads at speeds ranging from 0 to 80 km/h along the navigation route. It covers a series of complex scenario functions including full-speed cruise control, intersection navigation, autonomous lane changes, and pedestrian/

Passive Safety

In the area of passive safety, the Company develops vehicles targeting the highest ratings of global mainstream safety evaluation systems, including five-star ratings from Euro-NCAP, NHTSA-NCAP, and C-NCAP, as well as the AAA rating from IIHS and the top rating from C-IASI. For the body structure, a combination of aluminum, high-strength steel, and hot-formed steel is adopted, with high-strength materials accounting for approximately 95% of the application. Through structural topology optimization technology, the Company achieves a balance between lightweighting and high strength, significantly enhancing vehicle crash safety and occupant protection.

obstacle vehicle avoidance, further expanding the applicability boundaries of the intelligent driving system.

During the reporting period, Lotus Tech achieved several key milestones in the intelligent driving domain, successfully obtaining L4 autonomous driving road test licenses in Hangzhou and Suzhou. The Company also advanced the Lotus Robotics self-developed Robotaxi project into actual operation. In terms of international compliance, the Lotus Technology Group SMS safety management system, led and established by Lotus Robotics, became one of the world's first to pass the UN R171 SMS safety management system audit, establishing a complete regulatory and systemic foundation for the introduction of advanced intelligent driving systems into the European market.



Battery Safety

In the field of battery safety, Lotus Tech is committed to building a systematic protection system covering all temperature ranges and scenarios, providing users with safer and more reliable power battery solutions. The Company strictly follows regulatory standards from the EU, China, South Korea, and other regions, conducting multi-dimensional stringent tests including insulation resistance, short-circuit protection, voltage endurance, thermal runaway, and seawater immersion. The Company also enforces internal enterprise standards that are higher than national requirements, continuously driving technological iteration and safety improvement. Through multi-level technological integration of structure, materials, monitoring, and protection, the Company systematically builds a full-link battery safety system from cell to pack and from design to operation.

High-Level Fire Barrier

The battery pack uses phlogopite fire-resistant material, achieving a UL94 V0 flame retardancy rating, building a highly reliable fire protection structure for the battery and significantly enhancing fire resistance under extreme conditions to minimize fire risk.

Multi-Layer Insulation

Adopts industry-first same-side compact "thermal-electrical separation" patented technology, actively isolating the cell pressure relief valve from high-voltage connections through a dedicated flow channel to achieve physical thermal-electrical separation. This design completely eliminates the risk of short-circuit arcing, effectively suppresses heat propagation to high-voltage components, and increases cell volume utilization by 5% while maintaining the same level of safety as traditional opposite-side solutions.

Active Cooling and Thermal Management

Innovatively applies T-shaped three-dimensional matrix thermal system components arranged on the cell sides, increasing system heat exchange area by 300%. In extreme thermal scenarios, it can actively trigger water circulation to rapidly cool abnormal cells, effectively blocking heat transfer between cells.

NTP 3.0 Full-Temperature Domain Thermal Propagation Prevention Technology

Integrates eight major technology modules – cloud monitoring, real-time protection, multi-layer insulation, efficient heat absorption, automatic warning, millisecond-level disconnection, active cooling, and unimpeded heat exhaust – delivering full-link protection from normal monitoring to extreme intervention, ensuring that the battery system only emits smoke and does not catch fire under extreme conditions.



Network Security

Lotus Tech has established a systematic vehicle cybersecurity management system and software update management system. Among its subsidiaries, Wuhan Lotus Cars Co., Ltd. has successfully obtained both EU R155 Cyber Security Management System and R156 Software Update Management System certifications, marking that the Company has achieved international standards in vehicle lifecycle cybersecurity and sustainable software updates.

PREMIUM SERVICE

Lotus Tech consistently upholds the "For the Drivers" brand proposition, focusing on users' core needs for high-quality mobility, and is committed to providing reliable, comfortable, and worry-free user experiences through professional services throughout the entire product lifecycle.

Responsible Marketing

Lotus Tech strictly complies with laws and regulations governing advertising, marketing, and consumer protection in all operating markets. Based on internal policies such as the *Media Placement Management Measures*, the Company systematically reviews and manages advertising content and communication plans to ensure that all external information is truthful and accurate, avoiding any false, exaggerated, or misleading claims.

In promoting information transparency and protecting users' right to know, the Company has established diversified information channels including its official website, APP, mini-program, offline stores, and dedicated service groups, ensuring that users have timely and comprehensive access to product and service updates. Meanwhile, the Company strictly enforces product labeling regulations, clearly disclosing on product labels information such as supplier details, product traceability, recyclability labels, and certification models. To ensure user safety, the Company prepares and publishes detailed product manuals and instructional videos, clearly explaining product features, safety precautions, and emergency handling procedures to help users use products correctly and with confidence.

During the reporting period

Lotus Tech conducted dealer training both online and offline over

50 sessions

Reaching approximately

25,000 person-times

Enhancing User Satisfaction

Lotus Tech takes enhancing user satisfaction as its core objective, continuously improving the full-service system covering pre-sales, in-sales, and after-sales. The Company has developed and implemented policies such as the *Partnership Admission Control Procedure* and the *Lotus Dealership Operation Standard Guidebook* to standardize service standards across the global distribution network. Through the *Implementation Rules for the Evaluation of Lotus Dealership Operation Process*, the Company systematically monitors dealership operation quality and service processes.

To ensure efficient service delivery and closed-loop resolution of user issues, the Company has established a full-link response mechanism covering remote warning, fault diagnosis, and repair execution in accordance with the *Management Procedures for Vehicle Monitoring After-sales Service*. Upon triggering of vehicle fault alerts, remote diagnostic engineers assess fault severity in real-time and provide solutions, while dealerships simultaneously implement repairs, ensuring report closure within 24 hours to effectively protect user vehicle safety. At the same time, the Company strictly enforces the *Customer Complaint Handling Management Measures*, standardizing the processes for receiving, handling, and providing feedback on customer complaints to ensure timely and effective resolution.

To continuously strengthen the capability building of its service teams, the Company has established an integrated online and offline training system, systematically enhancing the professional competence of dealer teams. The Company conducts offline special training programs focusing on driving skills, brand awareness, and customer service, while also establishing an online learning platform covering product knowledge,

service processes, and job skills, providing service personnel with full-process support from learning and assessment to evaluation. Additionally, through pre-job capability certification mechanisms, we ensure the professionalism and consistency of service quality.

In terms of user feedback and continuous improvement, the Company conducts monthly satisfaction surveys covering test drives, sales, delivery, and after-sales service in accordance with the *Customer Satisfaction Management Measures*. The survey results are systematically integrated into business process optimization to drive continuous improvement in service experience.

During the reporting period

Violations related to product, service information and labeling

0

Violations related to marketing

0



Lotus Tech deeply recognizes the systemic challenges posed by global climate change. From a full value chain perspective, we systematically construct a collaborative management system covering climate change mitigation, green operations, ecological protection, and sustainable supply chains. Through technological innovation and operational optimization, we continuously reduce the environmental impact of ourselves and our value chain, striving to play a leading role in the industry's low-carbon transition and contribute substantial efforts toward achieving sustainable development goals.



BUILDING

A GREEN VALUE CHAIN

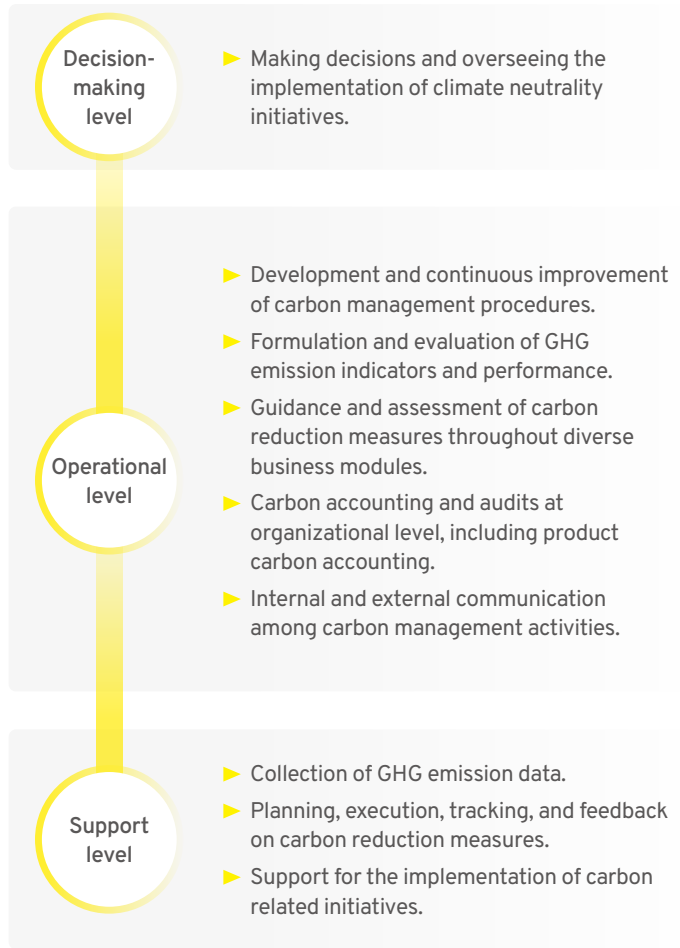
TACKLING CLIMATE CHANGE

Facing the severe challenges of global climate change, Lotus Tech deeply recognizes its systemic impact on industry transformation and long-term corporate development. We continuously improve our climate governance system, deepen the identification and management of climate-related risks and opportunities, and take energy conservation and carbon reduction as our core strategy and pathway. We focus on enhancing operational and developmental resilience, actively driving the green and low-carbon transition of the automotive industry.

In 2025, a sustainability expert from the Company joined the Expert Advisory Group (EAG) for the Science Based Targets initiative (SBTi) automotive sector standard project. By deeply participating in the formulation of global automotive industry science-based carbon target standards, Lotus Tech drives the low-carbon transition of the entire industry chain through industrial practices.

GOVERNANCE

Lotus Tech has established a three-tier climate governance structure with clearly defined rights and responsibilities, comprising the decision-making, operational, and support levels, to systematically advance its full value chain carbon neutrality goals. Within this system, the decision-making level serves as the highest leadership and supervisory body responsible for approving climate strategies and core targets; the operational level coordinates the formulation of carbon management procedures, sets emission reduction targets, guides the review of mitigation measures, and manages internal and external communication and accounting; and the support level, consisting of various business units, is responsible for data collection and the implementation of specific emission reduction actions to ensure that management requirements are fulfilled. The three-tier structure forms a management closed-loop through clear reporting and collaboration mechanisms, strengthening the management of climate risks and opportunities while driving the steady realization of the Company's carbon neutrality goals.



STRATEGY

To achieve Lotus Tech's long-term sustainability strategic goals, we systematically evaluate relevant climate policies and standards. Based on scenario analysis, we cautiously identify the challenges and potential opportunities under different climate pathways.

In alignment with the transition pathways outlined by the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA), we have established three distinct climate scenarios: 1) the energy system continues to evolve in line with current trends (a "business-as-usual" scenario); 2) the global average temperature increase is limited to below 2°C above pre-industrial levels; and 3) the global average temperature rise is limited to below 1.5°C above pre-industrial levels. By analyzing greenhouse gas emission trajectories under each scenario, we identify and evaluate potential pathways to achieve Lotus Tech's long-term sustainability strategic goals, exploring the most resilient and feasible options.

To systematically manage climate-related impacts, we identify and analyze climate change risks and opportunities that our operations and production activities may face, in accordance with the guidelines of the *International Financial Reporting Sustainability Disclosure Standard 2 – Climate-related Disclosures* (IFRS S2). We assess their potential impacts on all aspects of business operations and develop corresponding response strategies and solutions, enabling proactive management and effective response to climate risks.



Risk Types	Risk Description	Potential Impacts	Potential Financial Impacts	Countermeasures
Acute risk	Extreme weather events such as typhoons, floods, and heavy rainfall	<ul style="list-style-type: none"> ▶ Acute extreme weather events such as typhoons and heavy rainfall may directly affect the daily operations of manufacturing bases. Meanwhile, disasters like floods and earthquakes could disrupt key links in the supply chain, thereby interfering with production plans. 	<ul style="list-style-type: none"> ▶ Increased operating costs ▶ Increased property losses 	<ul style="list-style-type: none"> ▶ Developing extreme weather contingency plans, strengthening hazard identification, and ensuring safe production and management.
Chronic risk	Persistent high temperatures and rising average temperatures	<ul style="list-style-type: none"> ▶ Systematic climate changes, such as persistent high temperatures and sea-level rise, will increase supply chain volatility and the uncertainty of production and operations 	<ul style="list-style-type: none"> ▶ Increased operating costs 	<ul style="list-style-type: none"> ▶ Investing in enhancing energy efficiency and boosting resource recycling to decrease reliance on energy and resources. ▶ Collaborating with domestic and international regulators and industry chain stakeholders to coordinate systematic decarbonization and supply chain climate resilience construction.
Policy and legal risk	Climate change-related regulatory and disclosure requirements	<ul style="list-style-type: none"> ▶ With climate policies continuing to tighten in Europe and other regions—such as the <i>EU Carbon Border Adjustment Mechanism</i> (CBAM) and the <i>new EU Battery Regulation</i>, which impose mandatory requirements on battery carbon footprints, recycled material proportions, and "battery passports"—the Company faces significant compliance costs and market access pressures. 	<ul style="list-style-type: none"> ▶ Increased operating costs 	<ul style="list-style-type: none"> ▶ Actively engaging with industry associations and public policy/regulation research groups to track and analyze climate-related policy, legal, and disclosure trends, while formulating response strategies and conducting strategic layout in advance. ▶ Setting product carbon footprint and organizational-level GHG emission management targets, clarifying phased reduction pathways, and continuously optimizing the energy structure and energy efficiency.
Technology risk	Requirements arising from updates to technology and production equipment	<ul style="list-style-type: none"> ▶ The application of low-carbon technologies and materials will increase R&D investment and some raw material costs. ▶ The transition to a low-carbon manufacturing model requires the introduction of new processes and equipment, which may accelerate the phase-out cycle of existing production equipment and lead to risks of premature asset impairment. 	<ul style="list-style-type: none"> ▶ Increased operating costs ▶ Increased material costs 	<ul style="list-style-type: none"> ▶ Continuously increasing R&D investment in the low-carbon sector, focusing on the development and large-scale application of cost-effective low-carbon technologies and materials to enhance decarbonization in products and production processes. ▶ Establishing and refining the energy management system to promote refined and digital energy management, steadily enhancing energy utilization efficiency.
Market risk	Energy price fluctuations and rising resource costs	<ul style="list-style-type: none"> ▶ Rising prices for traditional energy and non-renewable resources may lead to increased manufacturing and overall product costs, putting pressure on corporate profitability. 	<ul style="list-style-type: none"> ▶ Increased operating costs 	<ul style="list-style-type: none"> ▶ Boosting the proportion of renewable energy usage in manufacturing through self-built photovoltaic projects to gradually reduce reliance on traditional energy sources. ▶ Actively promoting the R&D and application of circular materials to improve resource utilization efficiency and reduce reliance on non-renewable resources.

Opportunities Types	Potential Climate Opportunities	Potential Impacts	Potential Financial Impacts	Countermeasures
Energy sources	Development needs for renewable energy	<ul style="list-style-type: none"> ▶ The transition to renewable energy is expected to lower operational energy costs while reducing compliance expenses related to climate regulations, tax burdens, and greenhouse gas (GHG) emission trading fees. 	<ul style="list-style-type: none"> ▶ Lower operational costs 	<ul style="list-style-type: none"> ▶ Expanding the use and increasing the share of renewable energy. ▶ Optimizing the overall energy structure.
Product and market	Growing demand for low-carbon products in emerging markets	<ul style="list-style-type: none"> ▶ With the development of intelligent driving and shared mobility technologies, as well as the growth of low-carbon mobility concepts, the increasing consumer preference for new energy vehicles (NEVs) and eco-friendly products may drive higher market demand and sales growth. 	<ul style="list-style-type: none"> ▶ Increased revenue 	<ul style="list-style-type: none"> ▶ Strengthening the NEV transition strategy across all brands. ▶ Enhancing R&D investment. ▶ Promoting the development and market launch of Battery Electric Vehicle (BEV) models.
Resource efficiency	Adoption of higher-efficient production and logistics methods	<ul style="list-style-type: none"> ▶ Higher production and logistics efficiency can lower enterprise costs while reducing greenhouse gas emissions. 	<ul style="list-style-type: none"> ▶ Lower operational costs 	<ul style="list-style-type: none"> ▶ Optimizing processes and enhancing operational efficiency to achieve cost reduction and decarbonization.



Carbon Reduction Actions

To achieve the carbon neutrality goal, Lotus Tech deeply integrates emission reduction actions into all stages of the full value chain and has updated the *Lotus Tech Carbon Management Procedure* based on business development. We carry out full value chain carbon reduction practices across the stages of supply chain, manufacturing, operations, logistics, and product use. Through management optimization and technological innovation, we continuously reduce carbon emissions and strive to build a green, efficient, and sustainable carbon management system.

Supply Chain Carbon Reduction

To systematically drive carbon reduction across the value chain, Lotus Tech conducts environmental impact analysis on key raw materials such as aluminum based on raw material natural capital assessments. We deeply analyze the impacts and dependencies on nature throughout the stages from bauxite mining, primary processing, and component production to vehicle manufacturing.

For newly nominated suppliers, we encourage them to set quantitative carbon reduction targets for key raw materials, covering dimensions such as greenhouse gas (GHG) emission intensity, renewable electricity usage proportion, and recycled material application proportion. To ensure effective implementation, we align targets with core Tier 1 suppliers before nomination and sign dedicated commitment letters to jointly plan implementation pathways and promote the green and low-carbon transition of the full value chain.

Notably, by signing the *Commitment Letter on Carbon Emission Reduction Targets* with newly nominated suppliers, we explicitly defined carbon emission targets during the component nomination stage for the For Me model, promoted the use of low-carbon raw materials such as hydro-powered aluminum, and advanced supplier carbon footprint accounting. As a result, the carbon footprint of a single component from the pilot site was reduced by 54% compared with that from non-pilot site, contributing to a reduction of 1.465 tons of raw material-related carbon emissions per For Me vehicle.

Manufacturing Carbon Reduction

The Lotus Global Smart Factory integrates green manufacturing concepts throughout the full value chain, from planning and construction to production and operation. By utilizing renewable energy, advancing energy-saving processes and equipment, and implementing digital management and intelligent production, we continuously reduce carbon emissions during the manufacturing process. During the reporting period, following the *General Principles for Implementation and Assessment of Zero-carbon Factory* (T/CIECCPA 030-2023), the factory was rated as a leading-level "Zero-Carbon Factory" by the China Industrial Energy Conservation and Cleaner Production Association. This designation was based on its exceptional performance in building and process energy efficiency, resource recycling, and smart energy management.

Office Operations Carbon Reduction

Lotus Tech systematically integrates sustainability concepts into its operations, actively building a green office and low-carbon development model. In 2025, the Company released the *Lotus Tech Energy Conservation and Low-Carbon Office Management Rules* to systematically reduce park operational carbon emissions through full-process energy conservation control across office scenarios, consolidating the foundation for green and low-carbon operations. We implement environmental protection principles during the architectural design stage. The Lotus Tower in Shanghai received LEED ID+C Gold certification by adopting recyclable building materials, low-VOC paints, and high-efficiency energy-saving equipment in its interior design, effectively reducing its operational carbon footprint. Furthermore, we strictly enforce energy-saving standards for air conditioning and lighting in daily operations and leverage digital means to strengthen equipment control and systematically reduce energy consumption. In daily business travel management, we encourage employees to choose railway travel over air travel through incentives in the business travel system, reducing travel carbon emissions while saving costs.

We also extend green concepts to channels and value chain segments. In store design, we widely apply external wall insulation, energy-saving glass, and intelligent temperature control systems to enhance energy efficiency, further saving electricity by optimizing natural lighting and

illumination control. In the field of business travel, we continue to promote the electrification of official vehicles and encourage employees to prioritize low-carbon transportation methods such as high-speed rail for short- and medium-distance trips, thereby effectively reducing the overall carbon footprint.

Logistics Carbon Reduction

To reduce carbon emissions in the logistics and transportation sector, the Lotus Global Smart Factory systematically advances the construction of a green logistics system by promoting automated and intelligent equipment as well as clean energy transportation vehicles. In the warehousing phase, the factory applies intelligent equipment such as automated guided vehicles (AGVs) and fully automated unmanned picking and handling robots to enhance warehousing operation and inspection efficiency, reducing energy consumption and operational losses from repetitive manual tasks. Additionally, through route optimization and intelligent scheduling in the transportation phase, we continue to increase the application proportion of pure electric vehicles in short-haul transport, effectively reducing transportation mileage and fossil energy consumption to systematically lower greenhouse gas emissions in the logistics process.

End-user Carbon Reduction

Lotus Tech is dedicated to providing users with intelligent, efficient, and green full-scenario energy replenishment solutions. By applying fully liquid-cooled split-type charging power cabinets and DC-BUS architecture, we continuously enhance energy efficiency and enable direct integration with clean energy sources such as photovoltaics and hydrogen power, maximizing the utilization of renewable energy and grid synergy. Simultaneously, we continue to expand the flash charging network in core business districts and build smart super-charging stations that integrate photovoltaic, energy storage, charging, and robot technologies. By connecting to third-party shared charging networks, we further expand the coverage of energy replenishment services, building an efficient and convenient green energy replenishment ecosystem for vehicle owners.

RISK MANAGEMENT

Lotus Tech integrates climate-related risks and opportunities into its corporate risk management system, establishing a dedicated management system and mechanism. Through refined risk management, we strive to mitigate the impact of climate-related risks on the Company, providing a safeguard for long-term stable operations and sustainable development. The Group coordinates the identification of climate risk categories and business impact assessments, guiding business units to develop specific response strategies based on these findings. Furthermore, we implement routine monitoring of significant climate risks, continuously refine risk prevention and mitigation mechanisms, and deploy corresponding mitigation and adaptation measures.



METRICS and TARGETS

To steadily achieve Lotus Tech's long-term sustainability strategic goals, we have established a systematic emission reduction pathway and performance management system, achieving phased progress. At the operational level, we continue to implement deep decarbonization initiatives, including enhancing energy efficiency, expanding the use of renewable energy, and advancing the low-carbon transition of production and operations through the procurement of International Renewable Energy Certificates (I-RECs). We clearly commit to gradually reducing reliance on carbon credit offsets and shifting toward a long-term pathway centered on substantial emission reductions as we move toward our long-term sustainability goals. During the reporting period, we were selected as a corporate partner for the 2025 UN Global Compact Climate Ambition Accelerator (UNGC-CAA)⁵.

We have established normalized GHG emission monitoring and accounting mechanisms to ensure the reduction process is measurable and traceable. In the future, we will continue to optimize carbon data management and further integrate carbon neutrality goals into business decision-making and supply chain synergy, ensuring the implementation of emission reduction actions across all segments to achieve final climate targets.

⁵ Climate Ambition Accelerator (CAA): A global corporate capacity-building program launched by the United Nations Global Compact. It aims to support companies in setting and implementing science-based carbon reduction pathways aligned with the goals of the Paris Agreement, driving climate action and accelerating low-carbon transition.

⁶ Since 2023, Lotus Tech has shifted its GHG inventory boundary methodology from the equity share approach to the operational control approach. Scope 1 includes direct emissions from stationary and mobile source combustion and anthropogenic fugitive source emissions. Scope 2 includes indirect emissions from purchased electricity and heat used in operations such as offices, directly-operated stores, test fleets. Scope 3 includes emissions from upstream and downstream transportation and distribution, business travel, purchased goods and services, employee commuting, waste disposal, product use, and end-of-life treatment within the full value chain.

⁷ Emissions from the use of services: Operational emissions (Scope 1 & 2) from Lotus Global Smart Factory.

During the reporting period, Lotus Tech's GHG emission data⁶ is as follows:

Indicator	Unit	Lotus Tech		
		2025	2024	2023
GHG emissions (Scope 1)	tCO ₂ e	385.38	633.6	1,072.9
GHG emissions (Scope 2) Location-based	tCO ₂ e	4,663.37	5,999.7	5,357.9
GHG emissions (Scope 3)	tCO ₂ e	192,963.34	307,460.5	279,014.5
In which: emissions from upstream transport and distribution for goods	tCO ₂ e	1,087.65	1,715.4	1,694.5
In which: emissions from downstream transport and distribution for goods	tCO ₂ e	3,745.00	7,761.1	4,244.3
In which: emissions from business travel	tCO ₂ e	2,559.65	3,227.2	9,386.8
In which: emissions from purchased goods	tCO ₂ e	77,345.29	126,636.2	126,477.2
In which: emissions from employee commuting	tCO ₂ e	1,045.95	1,620.5	/
In which: emissions from the disposal of solid and liquid waste	tCO ₂ e	334.75	607.2	1,050.7
In which: emissions from the use of services that are not described in the above subcategories ⁷	tCO ₂ e	6,722.58	8,514.6	15,959.0
In which: emissions from the use of sold products	tCO ₂ e	98,667.85	155,450.1	118,706.5
In which: emissions from the end-of-life treatment of sold products	tCO ₂ e	1,454.62	1,928.2	1,495.5
Total (Scope 1, 2, 3)	tCO ₂ e	198,012.09	314,093.8	285,445.3

GREEN OPERATIONS

Lotus Tech upholds the philosophy of green operations and is committed to building a refined environmental management system. By reducing water consumption, adopting efficient waste treatment and recycling technologies, and implementing environmentally friendly production methods, we continuously reduce the consumption of and dependence on natural resources. We also continuously improve environmental management standards to achieve a cleaner and greener production and operation model.



Environmental Management

Lotus Tech strictly complies with environmental laws and regulations in the locations where it operates. We have formulated and implemented internal environmental management policies such as the *Management Procedure for Prevention and Control of Solid Waste Pollution*, the *Management Procedure for Air Pollution Prevention and Control*, the *Control Procedure for Environmental Factor Identification and Assessment*, and the *Control Procedure for HSE Monitoring*. To further optimize our environmental management system, we have established an EHS Management Office to coordinate environmental management work. Based on normalized identification of environmental factors and evaluation of risks and opportunities, we set environmental targets and implement control measures to effectively reduce environmental impacts. As of the end of the reporting period, Wuhan Lotus Cars Co., Ltd., Hangzhou Flash Charging New Energy Co., Ltd., and Lotus Global Smart Factory obtained ISO 14001:2015 environmental management system certification.

Additionally, we conducted sessions on the interpretation and response to ESG rules in key global markets and specialized training on Lotus ESG environmental issues. These efforts aim to enhance the team's understanding of international compliance requirements and deeply integrate environmental management knowledge into business practices, systematically raising employees' environmental management and compliance awareness.

2025 Awards

The Key Automotive Raw Materials Natural Capital Assessment Project was honored with the

"Green Development Award" for 2025 China Automotive Industry Sustainability Practice Case guided

by the China Association of Automobile Manufacturers (CAAM) and presented by the GoldenBee Think Tank.

Waste Management

Lotus Tech strictly follows laws and regulations such as the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes*. We have formulated and implemented internal management policies including the *Management Procedure for Prevention and Control of Solid Waste Pollution*, explicitly defining the waste classification and control mechanism. The solid waste generated in our production and operations primarily consists of non-hazardous waste, such as industrial and domestic waste, as well as hazardous waste, including organic solvents and contaminated materials. To further reduce the environmental impact of waste and improve resource efficiency, we continuously carry out waste recovery and resource utilization.

Non-hazardous Waste

- Implement classified collection for non-hazardous waste such as domestic and general solid waste, and entrust professional third-party units with standardized disposal.
- Establish specialized power battery recovery points to promote the recovery and second-life utilization of waste batteries, facilitating resource circulation across the full value chain.

Hazardous Waste

- Achieve recovery of paint from main pipelines in the painting shop.
- Implement separate collection and classified storage for hazardous waste generated during production and operations, and regularly hand it over to units holding hazardous waste business licenses for safe and compliant disposal.

Indicator	Lotus Tech ⁸			
	Unit	2025	2024	2023
Water consumption	m ³	156,165.0	161,887.0	180,878.0
Total wastewater discharge	m ³	90,773.0	82,747.0	101,429.5
Hazardous waste discharge	Tonnes	71.3	143.6	372.0
Non-hazardous waste discharge ⁹	Tonnes	3,071.4	1,272.7	2,379.1
Waste recycled	Tonnes	2,366.0	280.4	1,033.4
NO _x emissions	Tonnes	2.0	2.4	2.9
SO _x emissions	Tonnes	0.9	0.9	1.5
VOCs emissions	Tonnes	3.0	1.7	3.0
COD emissions	Tonnes	1.8	1.9	2.4

Resource Management

Energy Management

Lotus Tech highly values energy management in its production and operations, striving to build an efficient energy management system to accelerate the operational carbon neutrality process. By implementing green building standards, carrying out energy-saving equipment and process modifications, deepening digital intelligent control, utilizing waste heat recovery, and deploying renewable energy, we improve energy utilization efficiency while achieving carbon reduction, laying a low-carbon operational foundation for the Company's sustainable development throughout the full value chain.

In Lotus Tech's global office operations, we formulated and implemented the *Lotus Tech Park Energy Conservation and Low-Carbon Office Management Rules*, enhancing overall energy utilization efficiency through refined management methods. In the production management of the Lotus Global Smart Factory, we identified and rectified 62 energy waste issues involving idle operation and leakages through energy consumption cross-checks and night inspection mechanisms, representing a 76% year-on-year decrease in such issues. During non-production periods such as holidays, we implement a rigorous equipment shutdown plan covering various energy media including electricity, compressed air, and chilled water. Furthermore, we optimized the operating periods and lighting logic for factory streetlights through several rounds of scientific analysis, achieving an annual electricity saving of 38,580.5 kWh in public lighting areas. During the reporting period, the Lotus Global Smart Factory obtained ISO 50001 energy management system certification.

⁸ The reporting scope for non-hazardous waste includes Lotus Tech's consolidated companies and Lotus Global Smart Factory; the reporting scope for other data is Lotus Global Smart Factory.

⁹ Non-hazardous waste includes domestic waste and general industrial solid waste. The amount of waste generated is calculated based on regional default values from Table 2A.1 (MSW generation and treatment data), Chapter 2, Volume 5 of the 2006 IPCC Guidelines for National Greenhouse Gas Inventories and the number of regional employees.



Relying on the ISO 50001 energy management system, we carried out activities such as identifying energy-saving laws and regulations and conducting energy-saving publicity for Earth Day to foster energy-saving awareness among all employees.



Earth Day Activities

While strengthening energy management, we actively introduce and implement process improvements and equipment technical upgrades based on the actual energy usage characteristics of each workshop. During the reporting period, we completed several core energy-saving technical initiatives.

Temperature control optimization for electrical cabinets in the welding shop

Optimize the operation of backpack air conditioners and fans for electrical cabinets by setting them to start at 35°C and stop at 30°C; Conduct regular filter cleaning to significantly reduce standby energy consumption during non-production periods.

Economic operation modification of active filter cabinets in the factory

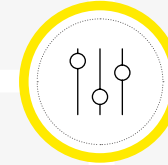
Implement shutdown controls for 11 filter cabinets during holidays and non-production days based on load characteristics to eliminate invalid power consumption when harmonic content is low; Enhance energy efficiency while reducing equipment heat and extending the service life of components.

Chilled water system modification in the power station

Use plate heat exchangers to reduce energy consumption in the chilled water system by switching to plate heat exchanger operation and stopping small chillers when the outdoor temperature is below 10°C during non-production days; Maximize the use of natural cooling sources and extend the service life of the chillers.

Energy saving optimization in the body shop

Systematically analyze energy consumption data of equipment in the stamping and welding shops to identify key energy-consuming parameters; Develop and implement continuous optimization measures for high-energy-consuming equipment.



Energy-saving Initiatives

To construct a green and low-carbon energy supply system, we continue to promote the large-scale application of renewable energy in production and operations. In 2025, the electricity generated by photovoltaics at the Lotus Global Smart Factory reached 22,263.1MWh. Of this total, self-generated and self-consumed electricity was 8,122.4MWh, accounting for 49.3% of the factory's total operational electricity consumption. The remaining surplus was fed into the grid, with a total on-grid electricity volume for the full year of 14,150.7MWh.

In 2025

The electricity generated by photovoltaics at the Lotus Global Smart Factory reached

22,263.1 MWh

Self-generated and self-consumed electricity was

8,112.4 MWh

Share of total electricity consumption for factory production and operation

49.3%

The total on-grid electricity volume for the full year reached

14,150.7 MWh

During the reporting period, our energy consumption data is shown as below:

Indicator	Unit	2025			2024		
		Manufacturing ¹⁰	Operation ¹¹	Total	Manufacturing	Operation	Total
Natural gas	m ³	609,354.0	7,728.0	617,082.0	974,913.0	18,445.8	993,358.8
Gasoline	L	0.0	28,675.7	28,675.7	0	4,709.2	4,709.2
Diesel	L	1,741.0	5.6	1,746.6	2,244.0	0	2,244.0
Electricity	kWh	16,465,209.0	8,881,119.2	25,346,328.2	19,812,485.6	12,068,444.5	31,880,930.1
In which: purchased renewable electricity ¹²	kWh	0.0	148,984.0	148,984.0	0	727,901.2	727,901.2
In which: on-site renewable electricity (photovoltaic)	kWh	8,112,383.0	0.0	8,112,383.0	9,384,326.6	0	9,384,326.6
In which: non-renewable electricity	kWh	8,352,826.0	8,732,135.2	17,084,961.2	10,428,159.0	11,340,543.3	21,768,702.3
Purchased heat	GJ	0.0	153.4	153.4	0	564.0	564.0

¹⁰ The reporting scope for manufacturing energy consumption is the Lotus Global Smart Factory.

¹¹ The reporting scope for operational energy consumption is Lotus Tech's consolidated companies.

¹² The Company has purchased International Renewable Energy Certificates (I-RECs) corresponding to its purchased electricity consumption. These certificates are not included in the scope of renewable electricity statistics and disclosures presented in this report.

Water Resource Management

Lotus Tech deeply integrates water resource management into its production and operations, enhancing resource utilization efficiency through systemic water-saving measures. The Lotus Global Smart Factory has introduced water-saving processes and circulating water systems, utilizing the Lotus Lake for rainwater harvesting and purification, with reclaimed water reused for factory greenery and cleaning. On the operational side, sales outlets have fully adopted water-saving terminals and are equipped with car wash water recycling systems, effectively reducing water consumption. During the reporting period, the Lotus Global Smart Factory achieved the total annual volume of reclaimed water reaching 28,000 cubic meters.



NATURE POSITIVE

Lotus Tech actively responds to and follows the guidance of the *Kunming-Montreal Global Biodiversity Framework* reached at the 15th Meeting of the Conference of the Parties (COP15) to the UN *Convention on Biological Diversity*, systematically integrating biodiversity conservation goals into the Company's strategy and operations. We continuously conduct assessments and disclosures of biodiversity impacts, dependencies, and related risks across our business operations and value chain. The site selection and construction of the Lotus Global Smart Factory strictly followed local ecological protection planning and completed systematic Environmental Impact Assessments (EIAs), ensuring that operational activities meet ecological environment standards.

Additionally, we extend biodiversity management to the upstream of the industrial chain, innovatively conducting natural capital assessments at the raw material level to identify and quantify nature-related impacts and dependencies throughout the full value chain from resource acquisition to product manufacturing. Based on this, we formulate scientific management strategies and collaborate with partners to explore nature-positive business pathways, promoting sustainable development while enhancing commercial value. During the reporting period, Lotus Tech's *Leading the "Nature Positive" Business Model to Shape a Sustainable Future for the Automotive Industry* was selected as a "2025 Typical Case of Industrial and Commercial Biodiversity Conservation" by the Center for Environmental Education and Communications, Ministry of Ecology and Environment.



Biodiversity and Forest Silviculture in Longguan Townshi



Lotus Tech has engaged in deep collaboration with Longguan Township in Haishu District, Ningbo, to jointly promote biodiversity conservation practices. The two parties collaborated to build a provincial-level forest biodiversity integrated observation station, constructing a multi-dimensional monitoring network of "fixed stations + mobile transects + intelligent imagery." This network has effectively recorded various rare and protected species and discovered new regional species records. Building on this, we collaborated to create the nation's first Nature Note creative camp, forming an ecological education closed-loop of "observation, research, popularization, and study." Furthermore, Longguan Township implemented "One Tree, One Policy" scientific protection and rejuvenation measures for ancient and famous trees, combining pine population protection with natural study routes to effectively increase public attention and participation in biodiversity conservation.



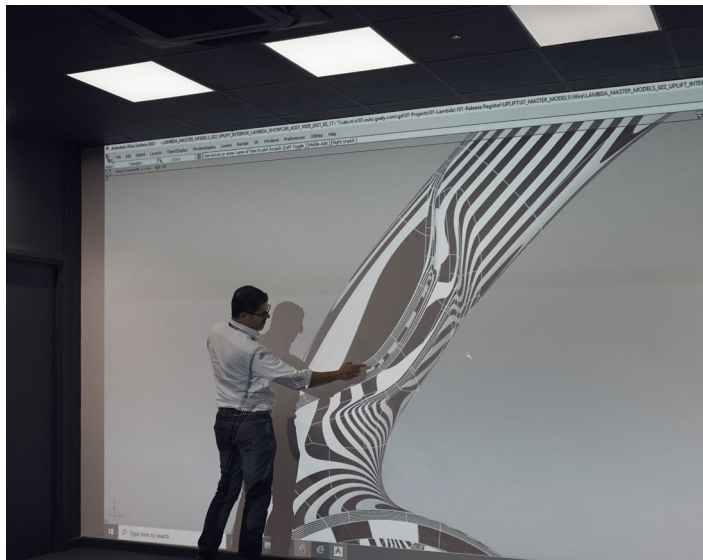
Employees are the core force driving the sustainable development of an enterprise. We uphold a people-oriented approach by protecting employees' rights and interests, supporting their growth, and safeguarding occupational health and safety. In supply chain management, we promote green, low-carbon, and responsible procurement to build a sustainable and traceable cooperation network. Through in-depth collaboration with upstream and downstream partners across the industrial chain, as well as research institutions and universities, we share the value of technology and data and promote the overall upgrading of the industry. Furthermore, we actively engage in community development, respond to the concerns of diverse stakeholders, and give back to society through public welfare and responsible practices. This chapter systematically presents our comprehensive actions and achievements in creating economic, environmental, and social value from four dimensions: employee well-being, sustainable supply chain, industry collaboration, and community engagement.

CO-CREATING THE FUTURE THROUGH SYNERGY



EMPLOYEE WELL-BEING

Talent is Lotus Tech's most valuable asset and the core force driving us forward. We are committed to building a workplace that respects diversity, unlocks potential, and safeguards safety and health, deeply integrating employees' personal growth with the Company's long-term development. Through a systematic talent development mechanism, comprehensive protection of employee rights and interests, a robust health and safety protection system, and active industry and community collaboration, we continuously strengthen organizational capabilities and co-create a sustainable future of value with employees, partners, and society.



EMPLOYEE RIGHTS AND INTERESTS

To build harmonious and stable labor relations and continuously stimulate organizational vitality and employee engagement, Lotus Tech is committed to establishing a fair and transparent employee rights protection system. We strictly comply with the laws and regulations of the jurisdictions where we operate, and have established and implemented systematic management policies and practical mechanisms in areas such as equal employment, employee care, and democratic management, actively fostering a workplace with a sense of belonging, trust, and strong development opportunities.

Talent Recruitment

Lotus Tech strictly complies with the laws and regulations of the jurisdictions where it operates, including the *Charter of Fundamental Rights of the European Union*, the *Labor Law of the People's Republic of China*, and the *Labor Contract Law of the People's Republic of China*, and adheres to the principle of compliant employment. We have formulated internal management policies, including the *Recruitment Management Policy* and the *Labor Protection Procedure for Female Employees and Underage Workers*, which explicitly prohibit the recruitment of child labor. We also require that all recruitment information must not contain any discriminatory content based on gender, targeted characteristics, region, or other factors, thereby effectively safeguarding equal employment opportunities.

In recruitment practices, we continue to optimize talent acquisition and assessment processes, with a focus on improving the precision and efficiency of talent matching while ensuring compliant and equal recruitment. By optimizing assessment tools and expanding recruitment channels, we have attracted outstanding talent from diverse backgrounds. At the same time, we actively promote internal talent mobility and position development opportunities, providing support for employees' long-term development and laying a solid talent foundation for the advancement of the Company's strategy.

Institutional safeguards for equality

Internal recruitment management policies are strictly implemented to prohibit child labor and discriminatory recruitment at the institutional level, ensuring that all job postings and recruitment processes meet the basic requirements of equality and compliance.

Targeted talent assessment

Based on general assessment tools, customized assessment solutions are developed for specific positions to improve the accuracy of talent evaluation and position matching, effectively reducing the risk of talent mismatch.

Diversified recruitment channels

Cooperation with high-quality professional recruitment service providers is maintained, while multiple channels, including internal referrals, campus recruitment, social recruitment, and industry-specific events, are comprehensively leveraged to broadly attract outstanding talent from diverse backgrounds.

Talent mobility across the holding group

Active integration into the holding group's talent ecosystem is promoted, and the internal recruitment channel under the "Vitality Program" is opened to provide employees with development opportunities across business units, enabling the efficient allocation and long-term development of talent within the holding group.

Talent Acquisition Management System

As of the end of the reporting period

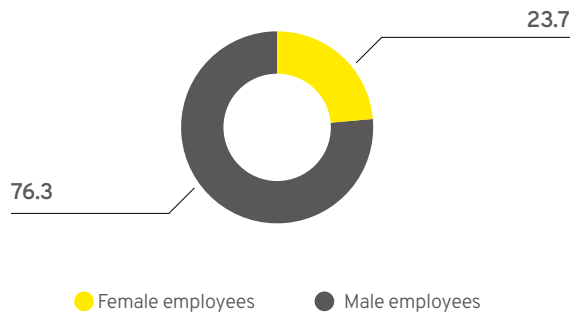
Lotus Tech had

1,132

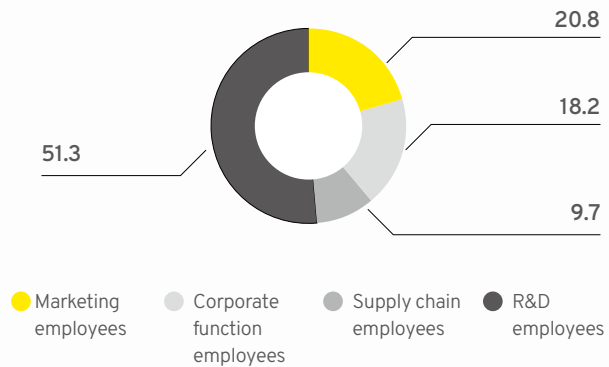
regular full-time employees, as well as several interns and labor dispatch workers.

Employee data by category are as follows:

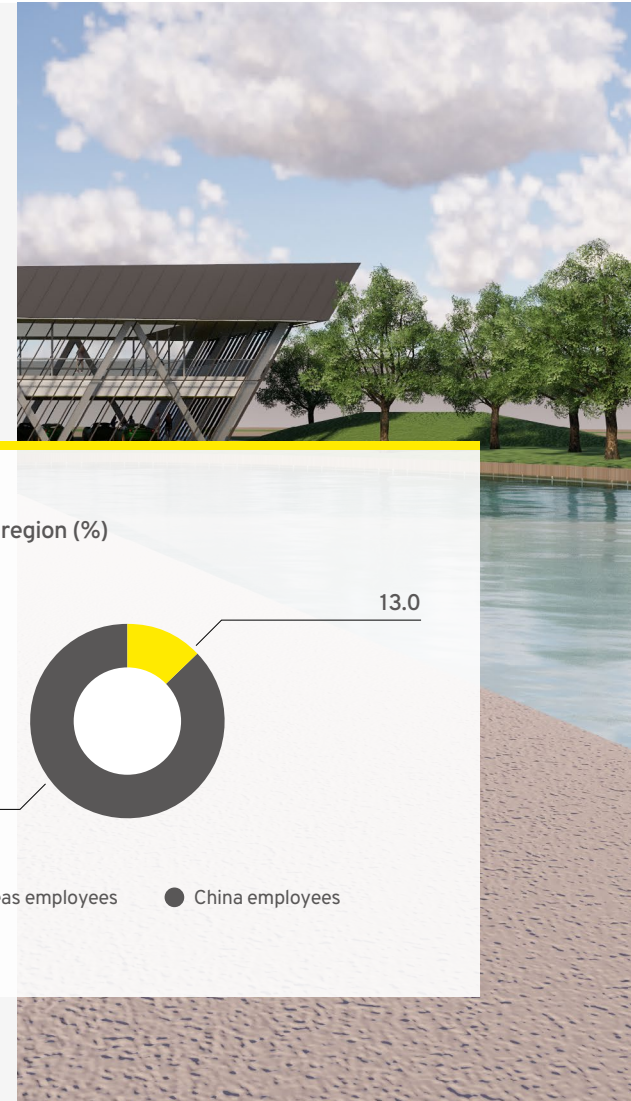
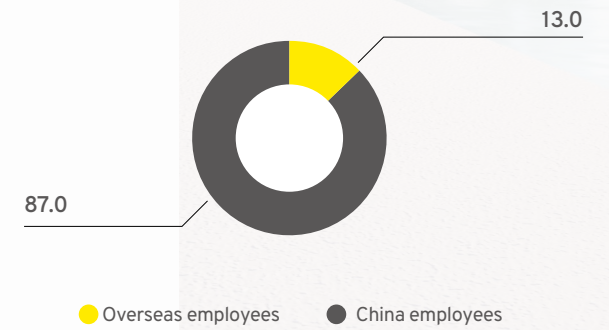
Employees by gender (%)



Employees by function (%)




Employees by region (%)



Rights Protection

Lotus Tech strictly complies with applicable laws and regulations in the jurisdictions where it operates, including 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 internal management policies such as the *Employee Handbook*. The Company explicitly prohibits any work-unrelated discrimination based on race, color, religion, gender, sexual orientation, age, nationality, genetics, disability, or other factors, and is committed to ensuring that every employee is treated fairly and has full opportunities for development.

To ensure accessible channels for rights protection and safeguard employee rights and interests, we have established complaint mechanisms such as a human rights compliance reporting email, encouraging employees to proactively report concerns. Reported matters are investigated in a timely manner and handled fairly. During the reporting period, the Company did not experience any major adverse human rights impact incidents, nor were any human rights remediation measures implemented at its operating locations.



Lotus Tech compliance reporting email:
jubao@lotuscars.com.cn

On the basis of safeguarding employees' fundamental rights and interests, we actively fulfill our commitment to diversity and inclusion through a series of dedicated programs, creating a more friendly and supportive work environment and development platform for different employee groups.

Women Employee Care Program



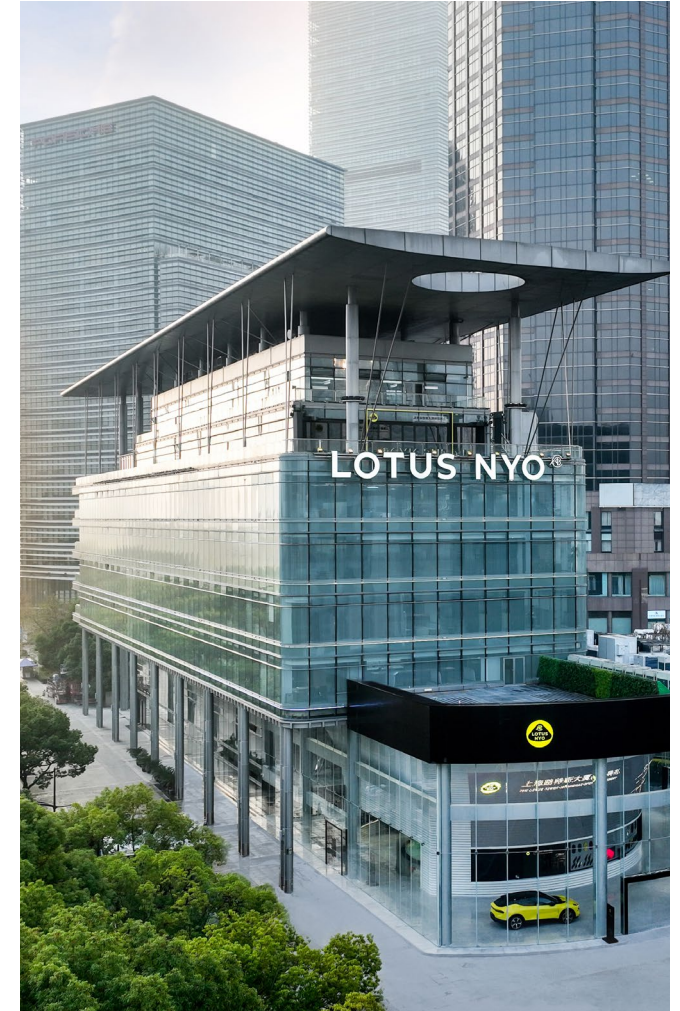
The Company places great importance on protecting the rights and interests of women employees and supporting their career development. "Caring Mother and Baby Rooms" that meet scientific childcare standards have been set up in the workplace, providing breastfeeding, nursing, and rest functions to offer convenience for women employees during pregnancy and lactation.

In terms of career development, the Company continues to advance women's development plans. Through dedicated skills training and talent development programs, the Company creates more equal opportunities for women employees to demonstrate their capabilities and realize their potential.

Global Cultural Integration Program



The Company regards "valuing diversity, appreciating diversity, and encouraging differences" as the core of its culture of respect, and actively promotes cross-cultural exchange and integration. By organizing global employee town halls and launching cultural discussions and integration activities, we build an equal and open communication platform for employees from diverse backgrounds, encourage them to provide suggestions on the Company's operations and development, and continuously enhance organizational cohesion and innovation vitality.



Communication and Care

Lotus Tech firmly believes that an open and transparent communication mechanism is key to building harmonious labor relations and enhancing employees' sense of belonging. Through regular effectiveness surveys, institutionalized channels for democratic participation, and prompt responses to employee feedback, we continue to listen to employees' voices and translate them into concrete actions for management improvement and employee care.

Employee effectiveness and satisfaction survey mechanism

We conducted anonymous effectiveness and satisfaction surveys covering all employees annually, with questionnaire content dynamically updated. During the reporting period, four surveys were conducted, and the overWall satisfaction score was 92 points. Survey results are directly used to identify areas for improvement and drive management decisions, ensuring that employees' voices are effectively heard and responded to.

Democratic participation and rights protection mechanism

We have established trade union organizations to represent employees' rights and interests, achieving 100% trade union coverage in China. Trade union representatives participate in the review of key policies, including compensation and benefits, and take part in the formulation of important policies such as the *Employee Handbook* through democratic procedures.

Employee Communication Mechanism

Lotus Tech is committed to building a comprehensive and diversified benefits support system for employees. In accordance with internal policies such as the *Employee Care Incentive Program*, the Company provides statutory protections as required by law, while also helping employees effectively balance work and life and enhance their overall well-being through comprehensive commercial insurance, health care initiatives, flexible work arrangements, and family support programs.

Additional Insurance Coverage

In addition to statutory social insurance, commercial supplemental medical insurance and a family health insurance plan for all employees are provided, building a multilayered health risk protection system.

Flexible Work Arrangements

Flexible work arrangements are implemented based on the actual conditions of each operating location, enhancing work flexibility and supporting employees in better coordinating work and personal life.

Health Care Support

Annual health checkups, mental health services, and health allowances are provided to support employees' participation in health management and sports activities.

Family Support Program

Quarterly benefits, holiday benefits, and birthday care are provided. During childbirth, partner childbirth, adoption, or shared childcare periods, paid leave and holiday wage protection are provided in accordance with the law.

Employee Benefits System

TALENT DEVELOPMENT

Lotus Tech regards talent as the organization's most valuable asset and stimulates employees' potential and supports their continuous growth by building a forward-looking development system. Through empowerment programs by level and category, professional capability building, and the accumulation of organizational knowledge, we ensure that every employee receives sufficient development support, thereby providing a solid talent foundation for the Company's strategic transformation and long-term success.

Training and Empowerment

Lotus Tech places great importance on the professional training and development of talent, and has established a training and empowerment system deeply integrated with business operations in accordance with the *Training Management Measures*. On this basis, we have established three parallel career development paths for employees, covering management, professional, and technical tracks. By introducing a competency model and combining it with performance evaluation, we accurately identify employee capability gaps and design tiered and graded development plans, providing systematic learning resources and growth support for employees across all development paths.

We carried out a number of targeted empowerment programs for different talent groups, including immersive onboarding training for new employees, senior-level co-creation and integration activities for senior management, and a full-chain tiered training system for frontline sales talent, aiming to provide systematic and personalized growth support for talent at all levels.

<p>New employees</p> <p>An immersive onboarding training program is carried out through corporate culture communications, team integration activities, and position-specific skills training, helping new employees quickly integrate into the team and understand and identify with the Company's values.</p>	<p>Senior management</p> <p>A senior-level co-creation platform is established, and integration activities and experience-sharing sessions are organized to help management broaden strategic perspectives and enhance team leadership. During the reporting period, the Company conducted one senior management integration activity.</p>
<p>Frontline sales talent</p> <p>In 2025, we established a tiered growth roadmap training system covering 'Experience Advisors, DCC (outbound call specialists), and Sales Management', fully covering key stages such as new employee onboarding, professional capability enhancement, and leadership development. Targeted empowerment is provided for sales personnel at different career stages to ensure the continuous advancement of sales team capabilities.</p>	

Talent Training System


In addition to the regular training system by level and category, Lotus Tech places great importance on building future-oriented digital capabilities. We continue to advance the "Data Security and Digital Application Talent Development Program" to help employees in key positions master cutting-edge digital skills, strengthen data compliance awareness, and enhance their overall quality and professional capabilities in the context of industrial digitalization.

Additionally, we encourage employees to pursue continuous learning and self-improvement. For external training plans approved in accordance with the *Training Management Procedure*, each business unit implements the plans and reimburses the relevant training expenses, while providing corresponding support and incentives for employees who obtain external professional qualifications and certifications.

During the reporting period 

Employee training expenditure
approximately RMB **1.81** million 

Total training hours
7,515 hours 

Average training hours per employee
7.6 hours 

Compensation Incentives

Lotus Tech is committed to building a fair, transparent, and competitive total compensation incentive system to attract, motivate, and retain outstanding talent. In accordance with the *Compensation Management Measures* and the *Performance Management Measures*, we have established a comprehensive compensation assessment mechanism based on position value, guided by performance and capabilities, and integrated with values assessment. Meanwhile, we regularly review and update annual compensation standards with reference to market compensation benchmarks, the Company's performance, and price indices, to ensure the external competitiveness and internal fairness of overall compensation levels.

We have established a multidimensional compensation structure covering fixed compensation, variable compensation, and short-, medium-, and long-term incentives. To continuously stimulate employees' creativity and sense of belonging, the Company has developed diversified incentive approaches, including short-term and immediate rewards closely linked to performance, as well as medium- and long-term incentives such as equity and options that are aligned with the Company's long-term value growth, with the aim of achieving mutual success between employees' personal value and the Company's development.

Short-term and immediate incentives

These include project team bonuses and immediate rewards, and are designed to provide timely recognition and returns for employees' outstanding performance contributions and positive behaviors, stimulating enthusiasm and innovation vitality in daily work.

Medium- and long-term incentives

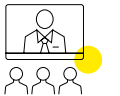
The Company has established a long-term incentive mechanism that includes equity incentives, deeply aligning core talent with the Company's long-term development. In 2025, we systematically upgraded the plan and launched a new round of phased-vesting option incentive scheme for core backbone employees. The scheme optimized vesting conditions and further linked them to the Company's overall performance and individual performance, reinforcing the concept of "growing together and sharing value" and guiding employees to jointly advance the realization of the Company's medium- and long-term strategies.

The Company strictly adheres to the principle of equal pay for equal work to ensure fairness in compensation decisions. During the reporting period, the proportion of employees who regularly received performance and career development reviews was 100%.

During the reporting period

The proportion of employees who regularly received performance and career development reviews was

100%



OCCUPATIONAL HEALTH AND SAFETY

Lotus Tech always places the protection of employees' physical and mental health and workplace safety as a top priority. We have established a standardized occupational health and safety management system and are committed to creating a safe and healthy working environment for all employees through a clear governance structure, rigorous policies and processes, comprehensive risk management, and ongoing training and care.

We have established a three-tier safety governance structure comprising the Safety Management Committee, the Safety and Environmental Management Office, and various business departments, and have incorporated safety performance into relevant assessment systems.

To effectively respond to various emergencies, we have formulated a comprehensive emergency rescue plan and equipped workplaces with necessary emergency rescue supplies and standard-compliant labor protection equipment. We have established an internal first-aid team and conducted junior first-aid training to ensure that employees master basic first-aid knowledge and skills. In 2025, through the online training course "Stay Alert to Safety at All Times - Traffic Safety Training", we achieved an employee participation rate of 94%, continuously strengthening employees' safety awareness and risk prevention capabilities.

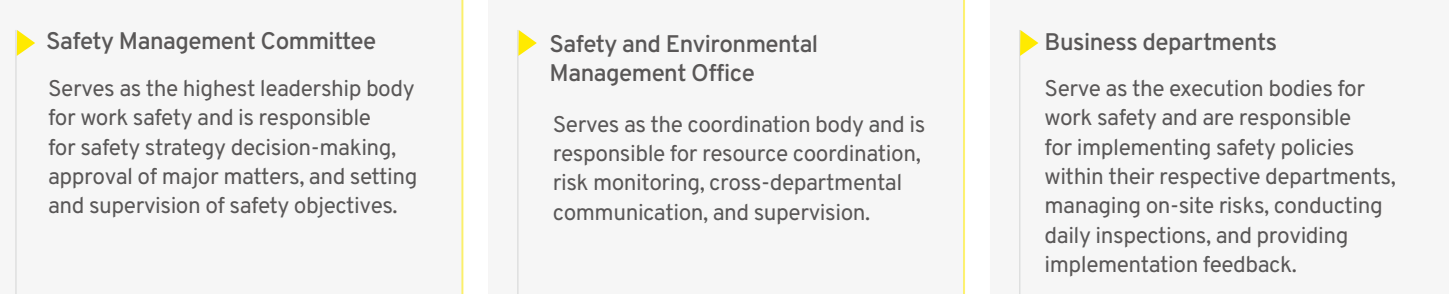
Employee Mental Health Care

We also pay close attention to employees' mental health. Through employee assistance programs such as the EAP Smart Mental Platform and the LifeWorks platform, we provide employees with professional, confidential, and timely psychological counseling services and resources, actively fostering a positive, harmonious, and caring workplace atmosphere.

During the reporting period

Employees receiving health and safety training	Total health and safety training hours completed by employees
1,137 person-times	700 hours
Employee work-related injury incidents	Employee work-related fatalities
0 case	0 person
Lost workdays due to work-related injuries	
0 day	

Three-Tier Governance Structure for Occupational Health and Safety Management



We have formulated a series of internal management policies, including the *EHS Management Manual*, the *Hazard Identification and Evaluation Control Procedure*, and the *Hazard Identification and Assessment Control Procedure*, which define standardized processes covering risk identification, assessment and control, as well as emergency response, investigation, and handling of incidents, providing a solid institutional safeguard for occupational health and safety work. In certain overseas offices, we have also established partnerships with external professional health organizations to provide additional guidance and support for teams.

As of the end of the reporting period, three subsidiaries and affiliated entities of Lotus Tech, namely Wuhan Lotus Technology Co., Ltd., Hangzhou Flash Charging New Energy Co., Ltd., and Lotus Cars Global Smart Factory, had obtained ISO 45001:2018 certification.

Risk Control and Health Monitoring

In accordance with the *Hazard Identification and Assessment Control Procedure* and the *Occupational Disease and Hazard List*, we systematically identify hazards and occupational disease hazard factors in production and operations, and conduct risk assessment and control. Employees in special positions identified as being exposed to occupational hazards are included in the special health monitoring scope. Annual physical examinations that include occupational health monitoring items are arranged for these employees, and individual occupational health monitoring records are established for them, while hazard notification obligations are fully fulfilled. The Company regularly signs the *Work Safety Commitment Letter* with employees to clarify safety responsibilities.

SUSTAINABLE SUPPLY CHAIN

Lotus Tech takes the construction of a 'resilient supply chain system' as its core orientation. Adhering to management principles of compliance, efficiency, and sustainability, we integrate sustainability requirements into full value chain management of our suppliers. We have formulated and implemented internal management policies such as the *Procurement Control Procedure* and *Supplier Code of Conduct* to ensure fairness, transparency, and compliance in procurement activities. We set explicit requirements for suppliers in key areas including business ethics, environmental protection, labor rights, and responsible mineral procurement. By establishing a supply chain management organizational structure with clear rights and responsibilities, we ensure effective control throughout the supplier management process and are committed to working with value chain partners to achieve sustainability goals.

Supplier Access

Lotus Tech is committed to building a robust and sustainable supply chain ecosystem. We leverage the Geely Holding Group ecosystem for supply chain procurement and strive to establish long-term, stable cooperative relationships with high-quality, compliant suppliers. The procurement of basic automotive components is coordinated through the resources of Geely Holding Group, with core vehicle suppliers highly shared across the Group.

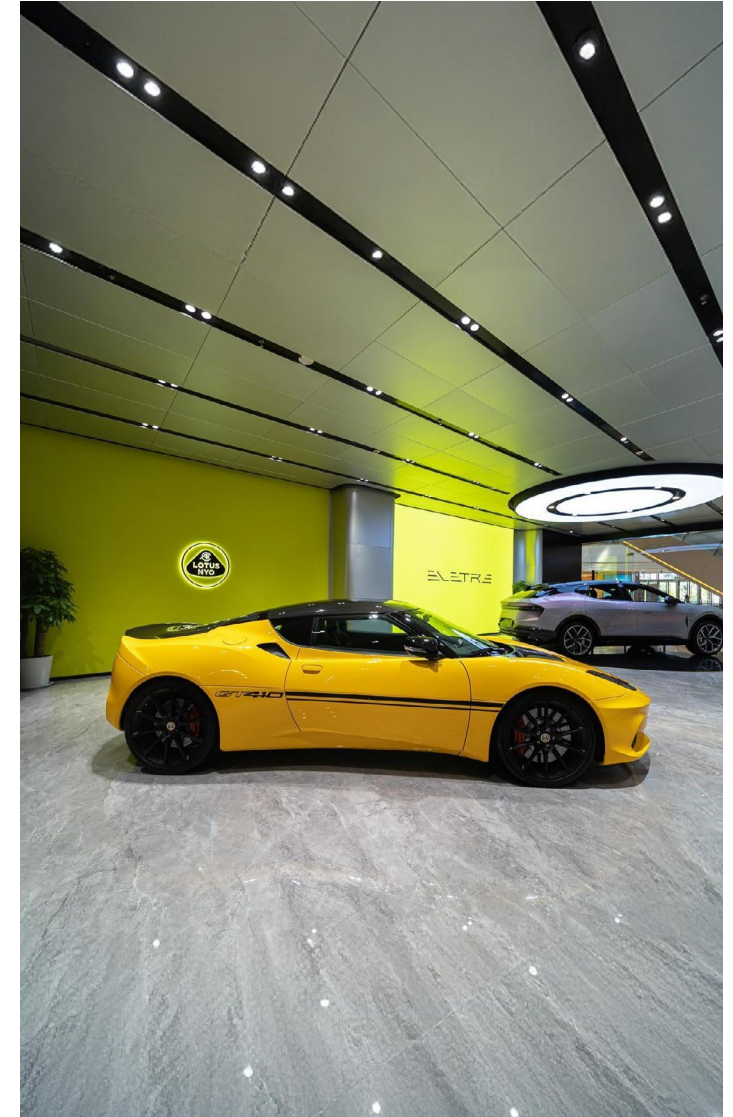
We strictly abide by internal management policies such as the *Measures of Supplier Access Evaluation* and the *Supplier Performance Evaluation Management Measures*. We conduct comprehensive and systematic evaluations of potential suppliers across five dimensions: sustainability performance, R&D and technical capabilities, quality control levels, production guarantee capabilities, and comprehensive operational management. Additionally, we set clear access requirements for key certifications based on supplier categories, such as IATF 16949 quality management system, ISO 14001 environmental management system, and ISO 45001 occupational health and safety management system, ensuring that suppliers entering the system possess compliant, reliable, and stable comprehensive management capabilities.

Supplier Audit and Evaluation

During the daily audit and evaluation process, the Company follows the *Measures for Supplier Evaluation Management*, taking business cooperation performance as the core orientation. Through regular communication, performance evaluation, and comprehensive assessment, we systematically evaluate supplier compliance and management capabilities. We continuously identify areas for improvement and drive supplier capability enhancement to optimize supply chain management and cooperation quality.

Supplier Exit Management

Lotus Tech strictly implements the *Supplier Comprehensive Exit Management Measures* to standardize the supplier exit process. We have established a routine supplier performance evaluation mechanism to systematically identify management weaknesses and potential risks in areas such as sustainability. We provide targeted improvement suggestions and support to help suppliers enhance their management levels. For suppliers that violate the Supplier Code of Conduct, we take graduated measures based on the severity of the violation, including required rectification within a time limit, suspension of cooperation, termination of the relationship, or cancellation of orders, ensuring a healthy and sustainable supply chain system.



Supplier Empowerment

To continuously improve the sustainability of the supply chain, Lotus Tech conducts routine capability building and collaborative communication with key and core suppliers. During the reporting period, we organized a total of ten specialized empowerment training sessions covering core modules such as supply chain sustainability, conflict minerals management, carbon management practices, the Supplier Code of Conduct, and the interpretation of compliance policies and acts. The total training time reached approximately 1,400 hours. Additionally, we maintain regular strategic communication with core suppliers, synchronizing the Company's sustainability planning and key requirements through specialized meetings to jointly build a green and sustainable supply chain ecosystem.

During the reporting period

We covered core modules such as supply chain sustainability, conflict minerals management, carbon management practices, the Supplier Code of Conduct, and the interpretation of compliance policies and acts.

We organized a total of
10
specialized empowerment
training sessions

The total training time reached
approximately
1,400 hours

As of the end of the reporting period, among Tire 1 suppliers

Signed the *Supplier Code of Conduct*

81.84%

Obtained ISO 14001
Environmental Management
System certification

85.12%

Obtained ISO 45001 Occupational
Health and Safety Management
System certification

79.58%

Obtained IATF 16949 Automotive
Quality Management System
certification

92.73%

Key Raw Materials Traceability

To strengthen risk control in areas such as human rights and the environment, Lotus Tech is committed to improving the traceability management of key raw materials and conducting due diligence on key suppliers. We strictly comply with regulatory requirements such as the EU Conflict Minerals Regulation and have formulated the Supplier Code of Conduct to further clarify traceability responsibilities and compliance requirements for conflict minerals and other key materials. We require suppliers to provide traceability information for key materials contained in their products and implement responsible procurement management procedures. If key materials in products, components, or raw materials provided by suppliers originate from conflict-affected and high-risk areas as defined by the Organization for Economic Co-operation and Development (OECD) guidelines, they must immediately notify Lotus Tech.

During the reporting period, we further promoted the systematization and digitalization of raw material traceability management. With the support of Geely Holding Group, we connected to its digital conflict minerals management platform and has engaged the professional third-party firm Assent to implement annual standardized management. During the reporting period, we performed conflict minerals management for multiple suppliers involving key minerals such as tin, tantalum, tungsten, and gold (3TG). Some suppliers have already completed data submission using the Conflict Minerals Reporting Template (CMRT). With the professional support of digital tools, we can more efficiently trace the origin of raw materials, identify potential risks, and implement corresponding control measures.



INDUSTRY COLLABORATION

The healthy development and technological advancement of the industry depend on close collaboration and knowledge sharing across the industrial chain. Lotus Tech actively participates in key areas such as industry standard-setting, technology alliances, and testing and demonstration. Leveraging its technological expertise and practical experience, the Company works with industry partners to jointly promote the standardization, safety enhancement, and scaled application of technologies in the automotive industry, particularly in intelligent connected vehicles and autonomous driving.

Contributing to Industry Standard-Setting

The Company and its subsidiaries actively participate in the discussion and formulation of national- and industry-level technical standards, contributing to the establishment of unified and science-based technical specifications. We have joined relevant working groups of the China Automotive Standardization Technical Committee and participated in the research of several important standards, including *Safety Requirements for Combined Driving Assistance Systems*, *Artificial Intelligence for Vehicles*, and *Coordinate Systems for Intelligent Connected Vehicles*. In addition, as a member of the Automotive Functional Safety Standardization Promotion Center of the China Technology Standards Innovation Base (Automotive), Wuhan Lotus Technology Co., Ltd. has been deeply involved in technical and standards research in the field of functional safety.

Joining Industry Technology Alliances

To promote exchanges and cooperation in cutting-edge technologies, our subsidiary Ningbo Lotus Robotics Co., Ltd. joined the China Industry Innovation Alliance for Intelligent and Connected Vehicles and serves as a council member. It also became a member of the C-ICAP Intelligent Driving Working Group under the Automotive Evaluation Management Center of China Automotive Technology and Research Center Co., Ltd. Through participation in these alliances and working groups, we work with industry peers to jointly discuss key technological pathways such as combined driver assistance, and promote the implementation and application of innovative technologies.



COMMUNITY ENGAGEMENT

Lotus Tech actively fulfills its corporate social responsibility and is committed to giving back to communities through organized public welfare activities, supporting educational equity and women's development. In accordance with the *Measures for the Management of Lotus Tech Public Welfare Projects (2023 Trial Version)*, we plan and carry out community care initiatives, extending care to employees and broader social groups.

Supporting the Development of Hani Women Through Red Rice

In March 2025, we partnered with the China Women's Development Foundation to participate in the "@Her Entrepreneurship Program". We purchased red rice grown by Hani women in Yunnan Province and distributed it to all women employees of the Company as Women's Day benefits. By supporting Hani women in achieving economic independence through their labor, the initiative reflected our practical commitment to rural women's development. This activity directly benefited local Hani women and also encouraged employees within the Company to pay attention to and support more women in realizing their self-worth, conveying the belief in equality that "everyone's contribution deserves to be seen, and everyone's potential should not be defined".



Donating Books to Masha Primary School to Light the Way for Reading

In June 2025, Lotus Tech continued its "Little Seed Reading Pack" public welfare initiative, once again focusing on the development of rural education. During the "520" public welfare packing activity, employees personally prepared more than 330 sets of carefully selected books for children at Masha Primary School in Hezhang County, Guizhou Province, and included handwritten postcards, hand-drawn comics, and warm messages in each reading pack, embedding encouragement and companionship in every word. This gift, sent across 3,000 kilometers, arrived on the eve of Children's Day, bringing local students abundant extracurricular reading materials and emotional connection. Through concrete actions, the initiative supported the balanced allocation of educational resources and inspired children's interest in learning and motivation for growth. Over the past two years, the initiative has covered two provinces, with a total of 664 employees participating, 1,992 books donated, and 1,328 letters exchanged, continuously using "books" as a bridge and "letters" as a medium to convey the warmth of the enterprise and the care of society.



GRI STANDARDS INDEX

Statement of use	Lotus Tech and its subsidiaries have reported in accordance with the GRI Standards for the period from January 1, 2025 to December 31, 2025.
GRI Standards	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION	
			REASON	EXPLANATION
GRI 2: General disclosures				
2-1	Organizational details	About the Report		
2-2	Entities included in the organization's sustainability reporting	About the Report		
2-3	Reporting period, frequency and contact point	About the Report		
2-4	Restatements of information	About the Report		
2-5	External assurance	Verification Statement		
2-6	Activities, value chain and other business relationships	About the Report		
2-7	Employees	Employee Well-being		
2-8	Workers who are not employees	Employee Well-being		
2-9	Governance structure and composition	ESG Governance Corporate Governance		
2-10	Nomination and selection of the highest governance body	Corporate Governance		
2-11	Chair of the highest governance body		Not Applicable	The Company has already disclosed relevant information in the Annual Report and will therefore not repeat the disclosure in this Report.
2-12	Role of the highest governance body in overseeing the management of impacts	ESG Governance		
2-13	Delegation of responsibility for managing impacts	ESG Governance		
2-14	Role of the highest governance body in sustainability reporting	ESG Governance		
2-15	Conflicts of interest		Not Applicable	The Company has already disclosed relevant information in the Annual Report and will therefore not repeat the disclosure in this Report.
2-16	Communication of critical concerns	Stakeholder Communication		
2-17	Collective knowledge of the highest governance body	ESG Governance		

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION	
			REASON	EXPLANATION
2-18	Evaluation of the performance of the highest governance body		Not Applicable	The Company has already disclosed relevant information in the Annual Report and will therefore not repeat the disclosure in this Report.
2-19	Remuneration policies		Not Applicable	The Company has already disclosed relevant information in the Annual Report and will therefore not repeat the disclosure in this Report.
2-20	Process to determine remuneration		Not Applicable	The Company has already disclosed relevant information in the Annual Report and will therefore not repeat the disclosure in this Report.
2-21	Annual total compensation ratio		Confidentiality Restrictions	Due to confidentiality requirements, the information is not disclosed publicly at this time.
2-22	Statement on sustainable development strategy	About Lotus Tech		
2-23	Policy commitments	Business Ethics		
2-24	Embedding policy commitments	Business Ethics		
2-25	Processes to remediate negative impacts	Business Ethics		
2-26	Mechanisms for seeking advice and raising concerns	Business Ethics		
2-27	Compliance with laws and regulations	For details, please refer to the relevant sections of the report.		
2-28	Membership associations	Community Engagement		
2-29	Approach to stakeholder engagement	Stakeholder Communication		
2-30	Collective bargaining agreements		Information unavailable/incomplete	This information is not currently covered by the Company's ESG management scope. The Company will gradually expand the scope of information covered in the future and consider disclosing such information when it is brought within scope.
GRI 3: Material topics				
3-1	Process to determine material topics	Materiality Assessment		
3-2	List of material topics	Materiality Assessment		
3-3	Management of material topics	Materiality Assessment		
GRI 101: Biodiversity				
101-1	Policies to halt and reverse biodiversity loss	Nature Positive		

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION	
			REASON	EXPLANATION
101-2	Management of biodiversity impacts	Nature Positive		
101-3	Access and benefit-sharing		Information unavailable/incomplete	This information is not currently covered by the Company's ESG management scope. The Company will gradually expand the scope of information covered in the future and consider disclosing such information when it is brought within scope.
101-4	Identification of biodiversity impacts	Nature Positive		
101-5	Locations with biodiversity impacts	Nature Positive		
101-6	Direct drivers of biodiversity loss	Nature Positive		
101-7	Changes to the state of biodiversity	Nature Positive		
101-8	Ecosystem services	Nature Positive		
GRI 201: Economic performance				
201-1	Direct economic value generated and distributed		Not Applicable	The Company has already disclosed relevant information in the Annual Report and will therefore not repeat the disclosure in this Report.
201-2	Financial implications and other risks and opportunities due to climate change	Tackling Climate Change		
201-3	Defined benefit plan obligations and other retirement plans	Employee Well-being		
201-4	Financial assistance received from government		Not Applicable	The Company has already disclosed relevant information in the Annual Report and will therefore not repeat the disclosure in this Report.
GRI 202: Market presence				
202-1	Ratios of standard entry level wage by gender compared to local minimum wage		Confidentiality Restrictions	Due to confidentiality requirements, the information is not disclosed publicly at this time.
202-2	Proportion of senior management hired from the local community		Information unavailable/incomplete	This information is not currently covered by the Company's ESG management scope. The Company will gradually expand the scope of information covered in the future and consider disclosing such information when it is brought within scope.
GRI 203: Indirect economic impacts				
203-1	Infrastructure investments and services supported	Community Engagement		
203-2	Significant indirect economic impacts		Confidentiality Restrictions	Due to confidentiality requirements, the information is not disclosed publicly at this time.
GRI 204: Procurement practices				
204-1	Proportion of spending on local suppliers		Confidentiality Restrictions	Due to confidentiality requirements, the information is not disclosed publicly at this time.

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION	
			REASON	EXPLANATION
GRI 205: Anti-corruption				
205-1	Operations assessed for risks related to corruption	Corporate Governance		
205-2	Communication and training about anti-corruption policies and procedures	Business Ethics		
205-3	Confirmed incidents of corruption and actions taken	Business Ethics		
GRI 206: Anti-competitive behavior				
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Business Ethics		
GRI 207: Tax				
207-1	Approach to tax	Transparent Tax Practices		
207-2	Tax governance, control, and risk management	Transparent Tax Practices		
207-3	Stakeholder engagement and management of concerns related to tax	Transparent Tax Practices		
207-4	Country-by-country reporting		Information unavailable/incomplete	This information is not currently covered by the Company's ESG management scope. The Company will gradually expand the scope of information covered in the future and consider disclosing such information when it is brought within scope.
GRI 301: Materials				
301-1	Materials used by weight or volume		Information unavailable/incomplete	This information is not currently covered by the Company's ESG management scope. The Company will gradually expand the scope of information covered in the future and consider disclosing such information when it is brought within scope.
301-2	Recycled input materials used	Green Operations		
301-3	Reclaimed products and their packaging materials	Green Operations		
GRI 302: Energy				
302-1	Energy consumption within the organization	Green Operations		
302-2	Energy consumption outside of the organization	Green Operations		
302-3	Energy intensity		Information unavailable/incomplete	This information is not currently covered by the Company's ESG management scope. The Company will gradually expand the scope of information covered in the future and consider disclosing such information when it is brought within scope.
302-4	Reduction of energy consumption	Green Operations		
302-5	Reductions in energy requirements of products and services	Green Operations		
GRI 303: Water and effluents				
303-1	Interactions with water as a shared resource	Green Operations		

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION	
			REASON	EXPLANATION
303-2	Management of water discharge-related impacts	Green Operations		
303-3	Water withdrawal	Green Operations		
303-4	Water discharge	Green Operations		
303-5	Water consumption	Green Operations		
GRI 305: Emissions				
305-1	Direct (Scope 1) GHG emissions	Tackling Climate Change		
305-2	Energy indirect (Scope 2) GHG emissions	Tackling Climate Change		
305-3	Other indirect (Scope 3) GHG emissions	Tackling Climate Change		
305-4	GHG emissions intensity	Tackling Climate Change		
305-5	Reduction of GHG emissions	Tackling Climate Change		
305-6	Emissions of ozone-depleting substances (ODS)		Information unavailable/incomplete	This information is not currently covered by the Company's ESG management scope. The Company will gradually expand the scope of information covered in the future and consider disclosing such information when it is brought within scope.
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Green Operations		
GRI 306: Waste				
306-1	Waste generation and significant waste-related impacts	Green Operations		
306-2	Management of significant waste-related impacts	Green Operations		
306-3	Waste generated	Green Operations		
306-4	Waste diverted from disposal	Green Operations		
306-5	Waste directed to disposal	Green Operations		
GRI 308: Supplier environmental assessment				
308-1	New suppliers that were screened using environmental criteria	Sustainable Supply Chain		
308-2	Negative environmental impacts in the supply chain and actions taken	Sustainable Supply Chain		
GRI 401: Employment				
401-1	New employee hires and employee turnover		Confidentiality Restrictions	Due to confidentiality requirements, the information is not disclosed publicly at this time.
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Well-being		
401-3	Parental leave	Employee Well-being		

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION	
			REASON	EXPLANATION
GRI 402: Labor/management relations				
402-1	Minimum notice periods regarding operational changes	Employee Well-being		
GRI 403: Occupational health and safety				
403-1	Occupational health and safety management system	Employee Well-being		
403-2	Hazard identification, risk assessment, and incident investigation	Employee Well-being		
403-3	Occupational health services	Employee Well-being		
403-4	Worker participation, consultation, and communication on occupational health and safety	Employee Well-being		
403-5	Worker training on occupational health and safety	Employee Well-being		
403-6	Promotion of worker health	Employee Well-being		
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Employee Well-being		
403-8	Workers covered by an occupational health and safety management system	Employee Well-being		
403-9	Work-related injuries	Employee Well-being		
403-10	Work-related ill health	Employee Well-being		
GRI 404: Training and education				
404-1	Average hours of training per year per employee	Employee Well-being		
404-2	Programs for upgrading employee skills and transition assistance programs	Employee Well-being		
404-3	Percentage of employees receiving regular performance and career development reviews	Employee Well-being		
GRI 405: Diversity and equal opportunity				
405-1	Diversity of governance bodies and employees	Employee Well-being		
405-2	Ratio of basic salary and remuneration of women to men		Confidentiality Restrictions	Due to confidentiality requirements, the information is not disclosed publicly at this time.
GRI 406: Non-discrimination				
406-1	Incidents of discrimination and corrective actions taken	Employee Well-being		
GRI 407: Freedom of association and collective bargaining				
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		Information unavailable/incomplete	This information is not currently covered by the Company's ESG management scope. The Company will gradually expand the scope of information covered in the future and consider disclosing such information when it is brought within scope.
GRI 408: Child labor				

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION	
			REASON	EXPLANATION
408-1	Operations and suppliers at significant risk for incidents of child labor		Information unavailable/incomplete	This information is not currently covered by the Company's ESG management scope. The Company will gradually expand the scope of information covered in the future and consider disclosing such information when it is brought within scope.
GRI 409: Forced or compulsory labor				
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor		Information unavailable/incomplete	This information is not currently covered by the Company's ESG management scope. The Company will gradually expand the scope of information covered in the future and consider disclosing such information when it is brought within scope.
GRI 410: Security practices				
410-1	Security personnel trained in human rights policies or procedures		Information unavailable/incomplete	<p>This information is not currently covered by the Company's ESG management scope. The Company will gradually expand the scope of information covered in the future and consider disclosing such information when it is brought within scope.</p> <p>This information is not currently covered by the Company's ESG management scope. The Company will gradually expand the scope of information covered in the future and consider disclosing such information when it is brought within scope.</p>
GRI 411: Rights of indigenous peoples				
411-1	Incidents of violations involving rights of indigenous peoples		Not Applicable	The Company's core business is less relevant and therefore is not disclosed in the ESG report.
GRI 413: Local communities				
413-1	Operations with local community engagement, impact assessments, and development programs	Community Engagement		
413-2	Operations with significant actual and potential negative impacts on local communities		Not Applicable	The Company's core business is less relevant and therefore is not disclosed in the ESG report.

GRI STANDARD	DISCLOSURE	LOCATION	OMISSION	
			REASON	EXPLANATION
GRI 414: Supplier social assessment				
414-1	New suppliers that were screened using social criteria	Sustainable Supply Chain		
414-2	Negative social impacts in the supply chain and actions taken	Sustainable Supply Chain		
GRI 415: Public policy				
415-1	Political contributions		Not Applicable	The Company's Code of Business Conduct is clearly defined, so there is no monetary contribution to political campaigns or organizations, lobbyists and other tax-exempt groups whose role is to influence political campaigns or legislation.
GRI 416: Customer health and safety				
416-1	Assessment of the health and safety impacts of product and service categories	Excellent Quality Safe Mobility		
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Excellent Quality		
GRI 417: Marketing and labeling				
417-1	Requirements for product and service information and labeling	Premium Service		
417-2	Incidents of non-compliance concerning product and service information and labeling	Premium Service		
417-3	Incidents of non-compliance concerning marketing communications	Premium Service		
GRI 418: Customer privacy				
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Security and Privacy		

VERIFICATION STATEMENT

ASSURANCE STATEMENT

REPORT ON SUSTAINABILITY ACTIVITIES IN THE LOTUS TECHNOLOGY INC.'S SUSTAINABILITY REPORT FOR 2025

NATURE OF THE ASSURANCE/VERIFICATION
 SGS-CSTC Standards Technical Services Co., Ltd. (hereinafter referred to as SGS-CSTC) was commissioned by Lotus Technology Inc. (hereinafter referred to as Lotus Tech) to conduct an independent assurance of the Sustainability Report for 2025 (Chinese version) for the period of January 1, 2025 to December 31, 2025.

INTENDED USERS OF THIS ASSURANCE STATEMENT
 This Assurance Statement is provided with the intention of informing all Lotus Tech's Stakeholders.

RESPONSIBILITIES
 The sustainability information in the Sustainability Report for 2025 and its presentation are the responsibility of Lotus Tech's ESG governing body and the management. SGS-CSTC has not been involved in the preparation of any of the material included in the Sustainability Report for 2025.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of assurance based upon sufficient and appropriate objective evidence.

SGS-CSTC hereby states that it shall not be held responsible or liable for any direct, indirect, incidental, or consequential damages or losses arising from or in connection with the use of information provided in this report.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE
 The assurance of this report has been conducted according to the AA1000 Assurance Standard (AA1000AS v3), a standard used globally to provide assurance on sustainability-related information across organizations of all types, including the evaluation of the nature and extent to which an organization adheres to the AccountAbility Principles (AA1000AP, 2018).

The assurance of this report has been conducted according to the following Assurance Standards:	
Assurance Standard	Level of Assurance
AA1000AS v3 Type 2	Moderate

SCOPE OF ASSURANCE AND REPORTING CRITERIA
 The scope of the assurance included evaluation of quality, accuracy and reliability of specified performance information as detailed below and evaluation of adherence to the following reporting criteria:

Reporting Criteria
AA1000 AccountAbility Principles (2018)
GRI Standards 2021 (With Reference to)

ASSURANCE METHODOLOGY
 The assurance comprised a combination of pre-assurance research, interviews with relevant employees on-site at 7th Floor, Lotus Sports Car Building, 800 Century Avenue, Pudong New Area, Shanghai, P.R. China, and remote at 17F, B-building, Chuangzhi Center, Haipu Rd., Cixi, Ningbo City, Zhejiang Province, P.R.China, including documentation and record review and validation where relevant. This assurance engagement was restricted to the group level of Lotus Tech and did not include traceability of all original data from subordinate institutions.

LIMITATIONS
 Data drawn directly from independently audited financial accounts and intensity data calculated based on financial data has not been checked back to source as part of this assurance process.

The greenhouse gas emissions related data in the Sustainability Report for 2025 was calculated by Lotus Tech. In the context of the present assurance engagement, our procedures were limited to sample-based validation.

This assurance engagement was limited to conducting interviews with departmental managers and selected employees of Lotus Tech, in addition to reviewing relevant documents and records.

INDEPENDENCE AND COMPETENCE
 The SGS Group of companies is the world leader in inspection, testing and certification, operating in multiple countries and providing services. As an affiliate of SGS Group, SGS-CSTC affirm our independence from Lotus Tech, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment.

FINDINGS AND CONCLUSIONS

ASSURANCE OPINION
 On the basis of the methodology described and the assurance work performed, we believe that the specified performance information included in the scope of assurance is accurate, reliable, has been fairly stated. The Lotus Tech's Sustainability Report for 2025 has been prepared in accordance with the Four Principles of AA1000.

We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting.

ADHERENCE TO AA1000 ACCOUNTABILITY PRINCIPLES (2018)

INCLUSIVITY
 The Lotus Tech's Sustainability Report for 2025 has demonstrated that the organization identified its stakeholders, collected their expectations and concerns, established methods for stakeholder communication and engagement, and undertaken various forms of dialogue and interaction with them.

MATERIALITY
 The Lotus Tech's Sustainability Report for 2025 has reasonably disclosed significant issues and indicators that materially affect stakeholder evaluations and decisions, reflecting the organization's most significant impacts on economic, environmental, and social matters based on the concerns raised by relevant stakeholders.

RESPONSIVENESS
 The Lotus Tech's Sustainability Report for 2025 has demonstrated the established channels for stakeholder interaction and has fully addressed stakeholder concerns and expectations. Additionally, it has provided transparent responses on material issues to an appropriate extent.

IMPACT
 The Lotus Tech's Sustainability Report for 2025 has provided an account of the monitoring and measurement of the principal activities' impacts concerning environmental, social, and governance (ESG) issues.

QUALITY AND RELIABILITY OF SPECIFIED PERFORMANCE INFORMATION
 On the basis of the methodology described and the verification work performed, we checked management documents, HR system data, receipts, minutes of meetings, ISO certifications, etc. We have confidence that the specified performance information included in the scope of assurance is reliable at a moderate level of scrutiny for Lotus Tech.

ADHERENCE TO GRI STANDARDS 2021
 The assurance team concludes that the Lotus Tech's Sustainability Report for 2025 has been prepared with reference to the requirements of GRI Standards 2021.

RECOMMENDATIONS
 All observations pertaining to commendable practices, sustainable development activities, and managerial recommendations identified throughout the assurance process have been thoroughly communicated with relevant management divisions of Lotus Tech to serve as a reference for their ongoing efforts towards continuous improvement.

Signed:

For and on behalf of SGS-CSTC

David Xin
 Sr. Director – Business Assurance
 16/F Century Yuhui Mansion, No. 73, Fucheng Road, Beijing, P.R. China

May, 13th, 2026
 WWW.SGS.COM

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FEEDBACK

Dear stakeholders,

Thank you for reading the Lotus Tech's Sustainability Report 2025. We highly value your feedback and valuable suggestions to help us continuously improve.

Please tick the appropriate box ✓

Do you think this report adequately represents the significant information about Lotus Tech's environmental, social, and governance aspects?

yes no unclear

Do you think the indicators disclosed in this report are clear, accurate, and complete?

yes no unclear

Do you think the content arrangement and style design of this report are easy to read?

What other information do you think needs to be known but is not reflected in this report?

Do you have any suggestions for Lotus Tech's future publication of sustainability report?

Please send your opinions to: esg@lotuscars.com.cn

Thanks for your feedback!

