比亚迪股份有限公司
BYD COMPANY LIMITED



Sustainability Report 2025

BUILD YOUR DREAMS

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About This Report

This report is the *Sustainability Report* of BYD Company Limited (hereinafter "BYD" or "the Company") and its subsidiaries (hereinafter "the Group", "Group" or "we") for the year 2025. The last report was published in March 2025. BYD has steadfastly upheld the commitment to information transparency and long-term development by publishing an annual stand-alone report since 2010. This report details our governance, strategies, goals, practices and performance across the three core pillars of sustainability including environmental, social and governance.

Scope of Report

This is an annual report covering the period from 1 January 2025 through 31 December 2025 (hereinafter "the reporting period"). To enhance the comparability and completeness of the content of this report, some content is retroactive to previous years or extended to future years, as appropriate.

The scope of management strategies for material topics, key economic performance indicators, and key social performance indicators reported in this report is consistent with that presented in the *BYD Company Limited Annual Report 2025,* covering all entities within the Group, excluding the Company's associates and joint ventures. This report covers the automobiles, automobile-related products, electronics, and other product businesses. The scope of key environmental performance indicators reported in this report covers operational sites of the Company and its subsidiaries over which the Company has operational control, excluding overseas sites and sales stores. If this report states otherwise regarding the scope of any information, that statement shall prevail. The scope of this report has been carefully defined to precisely reflect the performance of the Company and its subsidiaries in the adoption and implementation of ESG policies. Aligned with the business segments outlined in the Annual Report, it enables readers to draw meaningful comparisons and insights between ESG performance and financial performance.

Unless otherwise stated, the data in this rep ort are denominated in RMB.

Reporting Standards

This report is prepared in accordance with Appendix C2 *Environmental, Social and Governance (ESG) Reporting Code* of the Main Board Listing Rules of the Stock Exchange of Hong Kong Limited (hereinafter the "HKEX ESG Reporting Code"), and *Self-Regulatory Guidelines No.17 for Companies Listed on Shenzhen Stock Exchange — Sustainability Report (For Trial Implementation)* (hereinafter "SZSE Guidelines"). This report is also referencing an array of sustainability reporting standards, frameworks and initiatives, including the *Sustainability Disclosure Standards for Business Enterprises No. 1 – Climate (trial)* (hereinafter "Climate Standard") issued by the Ministry of Finance of the People's Republic of China and eight other ministries and departments, the *European Sustainability Reporting Standards (ESRS)* issued by the European Financial Reporting Advisory Group, the Sustainability Reporting Standards of the Global Reporting Initiative (GRI) (hereinafter "GRI Standards"), the *International Financial Reporting Standard S1: General Requirements for Disclosure of Sustainability-related Financial Information (IFRS S1)* and the *International Financial Reporting Standard S2: Climate-related Disclosures (IFRS S2)* (hereinafter referred to as the "ISSB Standards") issued by the International Sustainability Standards Board (ISSB), the United Nations' Sustainable Development Goals (SDGs) and the IWA 48:2024 *Framework for implementing environmental, social and governance (ESG) principles* of the International Organization for Standardization (ISO).

An index of the main topics and indicators of some above-mentioned reporting standards is detailed in the appendix to this report for quick reference.



Reporting Principles

This report is prepared in accordance with the reporting principles in the HKEX ESG Reporting Code, including:

- Materiality: This report highlights the disclosure of issues identified through a materiality assessment as they may have a material impact on stakeholders and BYD's businesses.
- Quantitative: This report provides quantitative information, together with explanations, on KPIs and the criteria, methodologies, assumptions and calculation tools used to enable readers to assess and verify the performance of BYD's ESG policies and management systems.
- Balance: This report provides an unbiased picture of BYD's ESG performance based on reliable information sources and statistical methods, avoiding statements or presentation formats that may inappropriately influence a decision or judgment by the report reader.
- Consistency: Unless otherwise stated, we use consistent methodologies for this report to allow for meaningful comparisons of ESG data over time.

This report also refers to the reporting principles of the GRI Standards, including:

- Accuracy: Report information that is correct and sufficiently detailed to allow an assessment of BYD's impacts.
- Balance: Report information in an unbiased way and provide a fair representation of BYD's negative and positive impacts.
- Clarity: Present information in a way that is accessible and understandable.
- Comparability: Select, compile, and report information consistently to enable an analysis of BYD's impacts over time and an analysis of these impacts relative to those of other organizations.
- Completeness: Provide sufficient information to enable an assessment of BYD's impacts during the reporting period.
- Sustainability context: Report information about BYD's impacts in the wider context of sustainable development.
- Timeliness: Report information on an annual basis and make it available in time for information users to make decisions.
- Verifiability: Gather, record, compile, and analyze information in such a way that the information can be examined to establish its quality.

Confirmation and Approval

All data and materials presented in this report are derived from BYD's public information, internal official documents, statistical reports and third-party questionnaire survey results. The Board of Directors (the Board) of the Company oversees the content of this report to ensure that it does not contain any false presentations, misleading statements or material omissions. The Board assumes responsibility for the truthfulness, accuracy and completeness of the content herein.

This report was approved for release by the Board on 27 March 2025.

Access to the Report

This report can be viewed and downloaded either at the "Sustainable Development" page of BYD Group's website (www.bydglobal.com), or at the official website of HKEXnews (https://www.hkexnews.hk) or at the "Disclosure/Listed company information/Listed company announcements" page of SZSE (https://www.szse.cn/). This report is available in Traditional Chinese, Simplified Chinese and English. In case of any inconsistency between the Chinese and the English versions, the Simplified Chinese version shall prevail.

Contact

We hereby express gratitude to all stakeholders who provided us with advice and suggestions in the compiling of this report and promise to keep improving the quality of our reporting. For any advice and suggestion, please contact BYD by:

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Message from the Chairman



Wang Chuanfu

BYD Company Limited

Chairman and President

Entering the 21st century, the Fourth Industrial Revolution represented by green energy swept the world, promoting industrial structural adjustment, transformation and upgrading, and becoming a powerful engine of global economic development. As a firm practitioner of the green dream, BYD adheres to the problem-solving orientation and technological innovation-driven approach. Through the development of solar energy, energy storage and electric vehicles, it opens all links of the entire industry chain from energy acquisition, storage to application, and is committed to using secondary energy to drive the development of transportation system. After a long period of persistence, BYD has been fortunate enough to stand at the forefront of the times in recent years and embark on a path of green innovation and development. It has ranked first in global new energy vehicle sales for four consecutive years and has represented Chinese brands among the top ten global automobile group sales for three consecutive years. Looking back on this road of green development, we have been extremely firm.

Technology gives us the confidence to press ahead. Automobile is one of the largest industries in the world, and all links such as production, use and industrial chain have a profound impact on the environment. Therefore, it is an important responsibility of automobile companies to manage carbon emissions in the entire supply chain and value chain. As a technology-driven enterprise, BYD has built a bottomless "Technology Pool" and continues to help improve global air quality and achieve carbon neutrality goals through technological breakthroughs. In 2025, BYD will sell more than 4.6 million New Energy Vehicles (NEVs), of which overseas sales will exceed 1 million vehicles, reducing global carbon emissions by 46.6 million tons, equivalent to planting 780 million trees. All these data are not only full of the hard exploration of BYD's 120,000 R&D engineers' day and night but also explain our confidence to always stick to the original intention of green dreams.

Openness gives us the strength to break new ground. The high-quality development of the manufacturing industry is inseparable from the division of labor and cooperation of the global industrial chain and the global consumer market. Based on domestic circulation, BYD promotes the domestic and international double circulation, actively absorbs global wisdom and participates in global collaboration. On the one hand, it shares various technologies with global counterparts, including cooperation in batteries, motors, electronic controls, etc., to realize the transition from independent innovation to comprehensive open innovation; On the other hand, actively promote localized production and create products with local brand attributes. In 2025, BYD new energy vehicles entered more than 100 overseas countries and regions, bringing more job opportunities to local communities and contributing China's strength to the global shift toward green mobility.

Responsibility gives us the solid footing to sustain our journey. Any enterprise exists in society, and it is a social enterprise and the product of the times. As a leading enterprise in New Energy Vehicles (NEVs), BYD plays the role of a reservoir for the manufacturing industry to solve employment, helps solve social problems, and provides equal development opportunities for 869,622 employees around the world. At the same time, a RMB 3 billion Educational Charity Fund was set up for university scholarships and new energy vehicles technology science popularization. In 2025, a donation agreement reached with 127 universities across the country to help cultivate more scientific and technological talents and promote the development of science and education. All along, BYD has deeply implemented new development concepts, implemented ESG work into corporate development, and built a solid bottom line for compliance operations. Because we firmly believe that enterprises that actively assume social responsibilities have the most competitiveness and vitality and will become more solid.

Our dream is lofty and simple. In the final analysis, it is to use green technology and innovative development to bring well-being to future generations and sustainability development to the earth. BYD will live up to the trust of society and the expectations of the industry, strive to achieve carbon neutrality across the whole value chain by 2045, and be a pioneer in global sustainable development!

Message from the Chief Sustainability Officer



Zhao Jianping

BYD Company Limited

Vice President &
Chief Sustainability Officer (CSO)

In 2025, BYD released the DREAMS sustainability philosophy, which is composed of six pillars: Decarbonization, Revolution, Equity, Alliance, Moral-integrity and Shared-value. Over the past year, we have deeply integrated the DREAMS philosophy into every aspect of our corporate strategy and operations, adhering to a goal-oriented approach to transform the concept into practice. We have comprehensively and systematically fulfilled our sustainable development commitments, earning positive attention and recognition from the international community.

In 2025, our MSCI ESG rating has risen to AA, and in January 2026, our S&P Global Corporate Sustainability Assessment Score (ESG Score) has risen to 60 points, ranking among the top echelon of Chinese enterprises in ESG. This recognition has strengthened our confidence in further improving ESG governance. We continue to fulfill our sustainable development commitment to stakeholders with more transparent information disclosure, more closed-loop governance results, and more responsible value chain impact.

Decarbonization

Guided by the 2045 carbon neutrality across the whole value chain goal, BYD continues to promote clean energy use and energy efficiency improvement in its own operating Aspects, develops the "i Di Carbon Chain" Carbon Management Platform, and actively participates in the construction of the first batch of National-level Zero-Carbon Industrial Park; We pay attention to the closed-loop management and control of resources throughout the life cycle, establish a sound battery recycling and cascade utilization network, and help the development of circular economy. Through the promotion of New Energy Vehicles (NEVs), we accelerate the electrification of global transportation and promote green travel with leading technology and large-scale production. In addition, BYD's photovoltaic and energy storage solutions are widely used around the world, helping to build new power systems and empower the clean transformation of the global energy structure.

Revolution

BYD adheres to the development concept of "Technology Based, Innovation Oriented", maintains high-intensity R&D Investment, and creates a "Technology Pool" represented by disruptive green technologies such as Blade Battery, e^4 Platform, Fifth-generation DM Technology, DiSus Intelligent Control System, God's Eye, and Flash Charging. We regard safety as the most important product responsibility. Through continuous technological iteration, we provide users around the world with a safer, more efficient and greener travel experience, and use technological innovation to satisfy people's yearning for a better life.

Equity

BYD is committed to creating an equal and inclusive workplace environment to stimulate innovation and protect the background of engineers in an inclusive atmosphere. We adhere to the people-oriented, put employee health and safety first, and continuously optimize the occupational health and safety management system. At the same time, through the construction of "Well-being Park" and the improvement of NPS satisfaction, employees feel their basic necessities of life, such as food, clothing, housing and transportation will feel more at ease and comfortable. We establish a fair and transparent promotion channel and incentive system, so that every effort can be seen. Through systematic training and project practice, we support employees to continuously outdo themselves, so that every step of growth can converge into the driving force of BYD.

Alliance

BYD cooperates with all stakeholders to promote sustainable development from consensus to ecosystem co-construction. At the beginning of 2025, we jointly launched the CS-ESG (China Supply-chain ESG) rating platform for Chinese suppliers with the China Enterprise Reform and Development Research Association and 28 leading enterprises. During the year, we held 12 supplier exchange conferences and 36 technical exchange meetings, including overseas special meetings in Brazil and Indonesia, to help partners grow together through technology sharing and mutual learning of standards. At the same time, we jointly build a localized manufacturing system with global partners, build an efficient, resilient and co-prosperous reliable supply chain network, and cooperate with upstream and downstream companies to strengthen risk response capabilities to ensure stable global business operations.

Moral-integrity

Integrity and compliance are the lifelines of our operations. The governance structure of BYD continues to be optimized, and a Strategy and Sustainability Committee is established under the Board of Directors to conduct top-level supervision and management of sustainable development issues. We have established a strict risk control and internal audit system to ensure the highest ethical and legal standards in in accordance with for business activities. In the digital era, we put customer information security and privacy protection at the top of our priority, and the relevant management system has obtained several international authoritative certifications to protect customer trust with practical actions.

Shared-value

BYD pursues long-term value creation for all stakeholders. We repay the trust of shareholders with solid technology and steady performance, and at the same time let the temperature of technology benefit a wider range of people. At present, Di Spaces in Zhengzhou and Tianjin have opened, becoming popular science bases for the public to understand new energy vehicles immersively; We set up a 3 billion BYD Educational Charity Fund, joined hands with 127 universities to motivate more than 6,000 students during the year, and built a nationwide educational collaboration system. From shareholders to communities, from science popularization to student assistance, we are always committed to making the results of green development perceivable and sharable.

BYD's sustainable development journey is built on a straightforward principle — anchor technology in reality, and turn responsibility into results. Looking forward to the future, BYD will continue to deepen the DREAMS philosophy with pragmatic actions, meet challenges and seize opportunities, and integrate sustainability throughout the entire business process. We will make persistent efforts, join hands with global partners, and use solid technology and open collaboration to continue to promote the vision of "Cool the Earth by 1 ℃" to reality.

About Us

BYD was established on November 18, 1994, headquartered in Shenzhen, Guangdong Province. Its business spans four major industries, i.e., automobile, electronics, renewable energy, and rail transit. It is among the Fortune 500 companies, and listed both on Hong Kong and Shenzhen Stock Exchanges.

BYD's mission is to deliver "Technological innovations for a better life". We regard promoting the realization of the "Three Green Dreams", continuously improving the global ecological environment, and benefiting all mankind as our most important social responsibility. BYD highly respects technology and encourages innovation, taking technology as the company's core competitiveness and innovation as the fundamental driving force for the company's continuous development. "Excellence, pragmatism, passion and innovation" are BYD's corporate culture.

Business of the Company

BYD is actively pursuing global market expansion, with established operations spanning the Asia-Pacific region, Europe, the Middle East and Africa (MEA), and the Americas.



Europe

UK Italy Sweden Austria
Norway France Spain ……
Ireland Germany Hungary

Asia-Pacific

Mainland China Hong Kong (China) Macau (China) Thailand Australia
New Zealand Malaysia Indonesia Singapore Vietnam
Japan ……

Americas

Brazil Uruguay Mexico Costa Rica Colombia Paraguay
Chile Panama Ecuador Dominican Republic ……

Middle East and Africa

Saudi Arabia Oman South Africa Mauritius UAE Qatar
Morocco Kuwait Jordan Tunisia ……

Automobile

As the world's largest new energy vehicle enterprise, BYD has mastered the core technologies for the whole industry chain of New Energy Vehicles (NEVs) in terms of battery, motors, and controllers. Carving a path from independent innovation to all-round and open-minded innovation, BYD keeps leading the accelerated evolution of new energy vehicles worldwide. Through years of strenuous efforts, BYD has seized unprecedented growth opportunities with its groundbreaking technologies like Blade Battery, DM-i Super Hybrid Platform, Super e-Platform, e4 Platform, DiSus Intelligent Body Control System, Tianshen-BYD Driving-assistance System, and Flash Charging. In 2025, BYD delivered 4,600,000 new energy vehicles, and won the global new energy vehicle sales championship. In the same year, BYD's overseas sales exceeded 1,000,000 units, achieving a year-on-year surge of 145%. In January 2026, BYD delivered around 210,000 new energy vehicles. The operating footprints of BYD new energy vehicles have covered more than 400 cities in more than 100 countries and regions around the world, continuously providing green technologies and products to global consumers.

Electronics

BYD Electronic (International) Company Limited (stock code: 285.HK) was spun off and listed on the Hong Kong Stock Exchange in 2007, and included in the Hang Seng TECH Index in 2024. It has developed into a global leading provider of high-tech innovative products. With core technological advantages in electronic information, artificial intelligence, 5G and IoT, thermal management, new materials, precision mold, and digital manufacturing, BYD Electronics delivers one-stop solutions to clients worldwide. It features an extensive business scope that spans diverse market sectors, including smartphones, tablet PCs, new energy vehicles, AIDC, smart home, gaming hardware, drones, 3D printers, IoT, robots, and communication equipment.

Renewable Energy

As a provider of integrated renewable energy solutions, BYD produces relevant products like batteries, solar energy products, and energy storage products, building a complete industry chain from energy generation and storage to application. The Company's renewable energy products cover consumer 3C batteries, power batteries, photovoltaic-storage integration, and other fields. BYD's complete industry chain has enabled it to stay ahead of trends in the industry. Featuring high safety, long service life, and long duration and free of nickel or cobalt, Blade Battery has passed the nail penetration test, the industry's toughest single-cell battery test, and is highly recognized by the market. Leveraging its Blade Battery, the Company pulled LFP-powered vehicles back on the main track of the industry almost all on its own. BYD currently provides solar energy and energy storage solutions in Germany, Japan, Switzerland, Canada, Australia, South Africa, and other developed and emerging renewable energy markets.

Rail Transit

BYD has exerted its integrated innovation advantage, and extended its electric vehicle industry chain to rail transit by launching the medium-capacity SkyRail and low-capacity SkyShuttle with full proprietary intellectual property rights, filling the technological gap in rail transit. In April 2021, the world's first autonomous SkyShuttle municipal demonstration line was launched in Chongqing, marking its commercial application. In December 2022, the first SkyShuttle municipal line was launched in Pingshan, Shenzhen, as another move for pilot demonstration. In May 2023, China's first tourism-oriented SkyShuttle line was launched in Changsha, which became an important example of modernizing the tourism industry. In August 2024, Xi'an's first SkyShuttle demonstration line began operation, representing a typical application of low-capacity transportation systems nationwide. In 2025, China's first circular SkyShuttle line, the Jinan Innovation Zone SkyShuttle Line, officially began operation. The development and application of the SkyShuttle has injected strong momentum into the sustainable development of urban transit in China, and contributed solutions to global urban transit governance.

Guided by solution-oriented mindset and driven by technological innovation, BYD has been growing while solving social problems, and actively engaging in philanthropy for 32 years after its founding.In 2024, BYD announced the 3-Billion-Yuan Charity Fund Program to promote the development of education. For fulfilling its social responsibility and advocating the sustainable strategy on a global scale, BYD has received accolades such as the Zayed Sustainability Prize, and the UN DESA Energy Grant, and has been one of the Companies that Change the World listed by the Fortune. BYD aims to deliver technological innovations for a better life by taking solid steps to propel the industrial sector and being dedicated to innovation.



2025 BYD Milestones

January

The mid-to large-sized intelligent flagship MPV "BYD Xia" was officially launched. All models in the series are standard-equipped with the 5R12V "God's Eye" DiPilot-100 advanced intelligent driving assistance system and are equipped with the Fifth-generation DM Technology.



February

BYD released the Integrated Vehicle Intelligence Strategy, constructing the "God's Eye" technology matrix. All models in the series are equipped with advanced intelligent driving assistance. Among them, the "God's Eye C" has been first installed in 21 launched models, covering the RMB 70,000-to 200,000 market segments.



March

BYD released the "Super e-Platform", which is equipped with Megawatt Flash Charging for Electric Vehicles (EVs), 30,000-rpm motors, and a new generation of automotive-grade silicon carbide power chips, achieving a full-dimensional upgrade of the core three-electric systems. The platform is first installed in the flagship models, Han L and Tang L, ushering in a new era of "Charging as Fast as Refueling".



April

The groundbreaking ceremony of BYD's passenger car factory in Cambodia was held in Sihanoukville. It is the first new energy vehicles production base in the country, marking the official launch of BYD's localization operation in Cambodia. It will promote the development of the local NEV industry with innovative technologies.



May

BYD held an official inauguration ceremony for its European headquarters in Budapest, Hungary. Hungarian Prime Minister Viktor Orbán, Wang Weizhong, Deputy Secretary of the Guangdong Provincial Party Committee and Governor of Guangdong Province, Gong Tao, Chinese Ambassador to Hungary, Wang Chuanfu, Chairman and President of BYD, Stella Li, Executive Vice President of BYD, and Li Wei, Vice President of BYD, attended the ceremony and jointly witnessed this significant milestone in China-Europe cooperation in the new energy sector.



June

BYD's first batch of jointly-built Megawatt Flash Charging stations were put into operation in Shenzhen, contributing to the construction of the "Super-Charging City 2.0" and helping Shenzhen build a world-leading super-charging infrastructure network.



2025 BYD Milestones

July

BYD ranked 91st in the 2025 Fortune Global 500 list. This is BYD's fourth consecutive year on the list, and it has successfully entered the global top 100. BYD's record-high ranking this time is a testament to its commitment to technological innovation and global breakthroughs.



August

BYD Racing Circuit was opened in Zhengzhou. Centered around the user-oriented concept, it creates a comprehensive experience space integrating all terrains and scenarios, lowering the threshold of traditional racing circuits and allowing the public to easily experience extreme driving control, practicing the concept of "Racing for All".



September

The track-special edition model YANGWANG U9X refreshed the global vehicle speed record at 496.22 km/h and achieved a lap time of 6 minutes 59.157 seconds on the Nürburgring Nordschleife in Germany for the first time. It achieved a double-dimensional breakthrough in top speed and lap time, setting a new milestone for the R&D of NEV technology.



October

BYD made an appearance at the 2025 Japan Mobility Show, globally debuting the K-EV BYD RACCO model customized for the Japanese market. It launched the "pure-electric + hybrid" Strategy and officially introduced the first plug-in hybrid model, Sea Lion 06DM-i, to the Japanese market.



November

BYD became an official partner of COP30, contributing 130 NEVs to provide shuttle services for heads of state and guests from various countries attending the conference, ensuring low-carbon transportation during the conference and contributing to the "Cool the Earth by 1℃" initiative.



December

On December 18, BYD's 15 millionth NEV, the DENZA N8L, rolled off the production line. BYD completed the leap of 10 million vehicles in only 13 months, once again refreshing the "acceleration" of China's NEV development.



BYD Awards in 2025 (Partial)

2025 "World Urban Car" Champion – BYD SEAGULL
World Car Awards

2025 Fortune Global 500, Rank 91
Fortune Magazine

2025 Kantar BrandZ Most Valuable Global Automotive Brand, Rank 6
Kantar BrandZ

2025 Hurun China 500 Top 10
Hurun Research Institute

2025 Top 100 Global Influential Companies
TIME Magazine

2025 Best Practice Case for Corporate Governance of Listed Companies
China Association for Public Companies

2025 National Product and Service Quality Integrity Commitment Enterprise
China Quality Inspection Association

16th Tianma Award for Investor Relations Management of Listed Companies
Securities Times

2025 China's Top 500 Private Manufacturing Enterprises, Rank 3
All-China Federation of Industry and Commerce

2025 COMPANY BEST Annual Enterprise
AUTOBEST (Europe)

2025 Driver's Choice Award "Most Favorite Brand"
Autotrader (UK)

Asia Automotive Award 2025 – "Best Rapid Development Network Award"
Grand Prix (Thailand)

ReclameAqui Consumer Word-of-Mouth Award
ReclameAqui (Brazil)

Best Electric Mobility Solution
Car and Driver (Spain)

Legend Award 2025 Global Excellence in Sustainable Mobility Leadership
Xataka (Spain)

Annual Performance of Sustainable Development

Decarbonization

4.6 million new energy vehicles (NEVs) sold, maintaining as global NEVs sales champion

46.6 million tCO_2e[1]
Carbon reduction by NEVs

776.6 million trees
Equivalent to planting

7.29 billion kWh of renewable energy purchased

Ranking 1st in the automobile sector among China's Top 100 green electricity consumers

Participated in the Ministry of Finance's climate disclosure pilot program for **TCFD** reporting

RMB 2.04 billion
Invested in environmental protection

100%
Compliance in waste emissions

3
National zero-carbon industrial parks

10
National green factories

Revolution

RMB 63.4 billion R&D investment, accounting for **7.89%** of total revenue

Over 120,000
R&D personnel

71,094
Cumulative global patent applications

Above 95%
(for three consecutive years)
Customer satisfaction

98%
Factories certified with ISO 9001 / IATF 16949

Awarded **"China Patent Gold Award"** & **"China Design Gold Award"**

Over 10 vehicle models
5-Star/5-Star+ Safety Ratings

Equity

869,622
Total global employees

30%
Female employees

11%
Ethnic minorities

5,326
Employees with disabilities

13,000
Graduates in campus recruitment

2,380
Postdoctoral trained

62,000
Skilled talents trained

53.68
Average training hours per employee

Forbes " World's Top Companies for Women" and "World's Best Employers"

Over RMB 4 billion Employee Share Ownership Plan (ESOP),
25,000 Employees benefited

380,000 Global employees covered in human rights due diligence

Alliance

Over 15,000
Suppliers

36
Supplier technology exchange Conferences

1,569 On-site supplier audits

Over 70% Assessed as high-quality partners

Over 200
RMI-certified smelters and refineries Identified through supplier due diligence

Moral-integrity

RMB 53.3 billion
Total domestic tax payment

0
Business ethics violations

100%
Coverage of integrity training for new hired management personnel

12
Suppliers terminated cooperation for violations of integrity principle

Shared-value

RMB 804 billion
Operating revenue

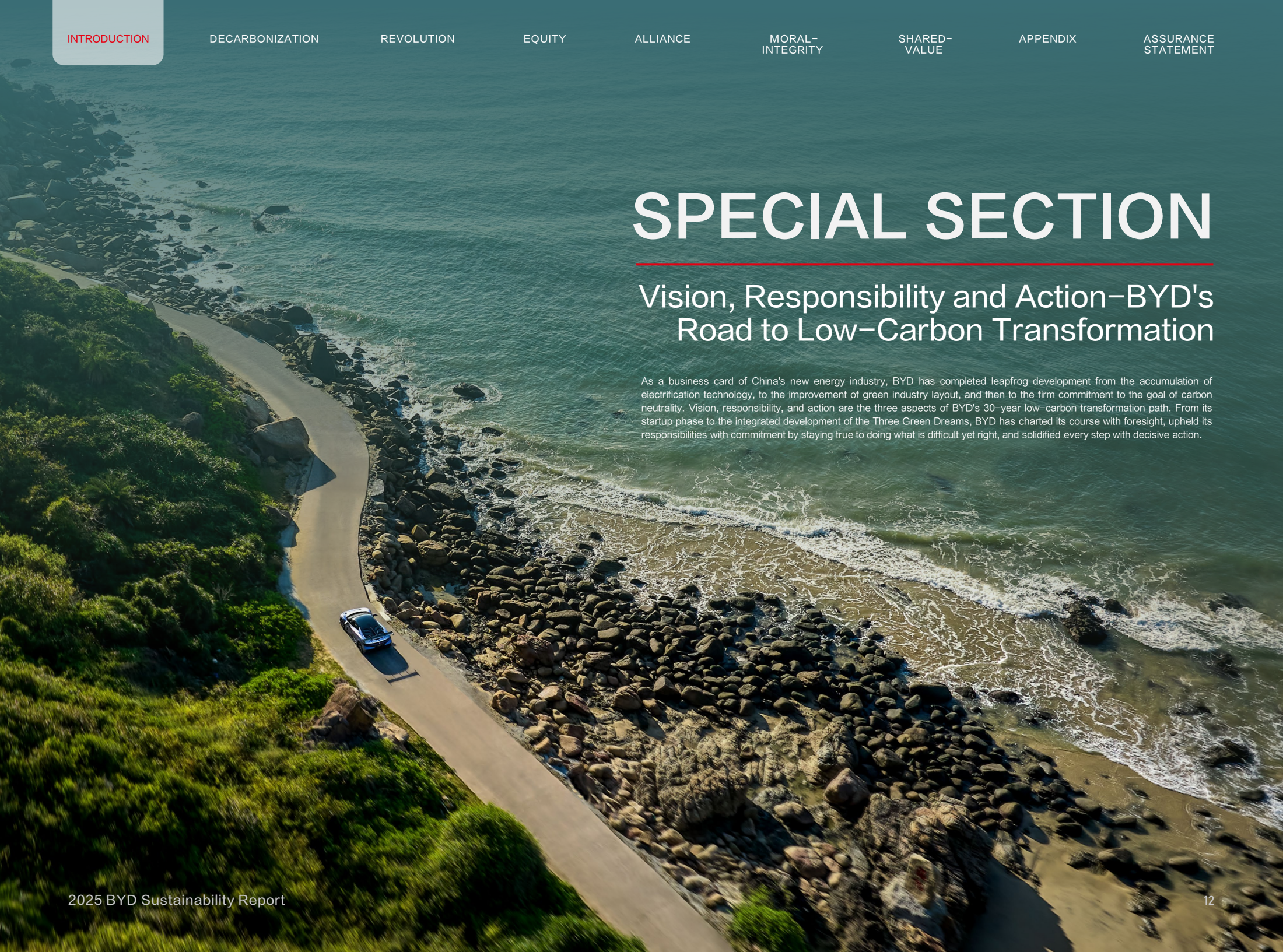
Up 3.46%
y-o-y

RMB 32.6 billion
Net profit attributable to Shareholders of the parent company

RMB 157 million Total donation expenditure
RMB 3 billion Education Philanthropy Fund

Partnering with **127** China universities with **Over 6,000** students supported

[1] The data is based on measurable statistics, with the accounting scope covering both the energy production phase and vehicle use phase of NEVs, compared to traditional fuel vehicles



SPECIAL SECTION

Vision, Responsibility and Action-BYD's Road to Low-Carbon Transformation

As a business card of China's new energy industry, BYD has completed leapfrog development from the accumulation of electrification technology, to the improvement of green industry layout, and then to the firm commitment to the goal of carbon neutrality. Vision, responsibility, and action are the three aspects of BYD's 30-year low-carbon transformation path. From its startup phase to the integrated development of the Three Green Dreams, BYD has charted its course with foresight, upheld its responsibilities with commitment by staying true to doing what is difficult yet right, and solidified every step with decisive action.

Vision-Green Insight and Mission

Looking back on 2025, this is a year that carries multiple sustainability milestones. In the global aspects, 2025 marks the 10th anniversary of the adoption of the United Nations' Sustainable Development Goals (SDGs) and the Paris Agreement (2015), the 20th anniversary of the China's concept of "Lucid waters and lush mountains are invaluable assets" (2005), and the 30th anniversary of the inauguration of the Conference of the Parties process of the UNFCCC (1995).

In the chronology of BYD, 2025 marks the 10th anniversary of the company's Full Industry Chain and Full-Market new energy strategy, as well as the 10th anniversary of receiving the first-ever "UN Powering the Future We Want Award" for the new energy industry since the founding of the United Nations (2015). It also marks the 20th anniversary of the conceptual origins of its vision to address climate and energy challenges through the Three Green Dreams—solar power, energy storage, and electric vehicles (2005).

Extending our view further back, we can trace the momentous first step in transforming scientific foresight (see the next page for Academician Qian Xuesen's advisory letter to the State Council) into a long march of reality-it was exactly thirty years ago (1995) that BYD commenced R&D on rechargeable batteries. Subsequently, under the "Electric Vehicle Major Industrial Technology Project" of the Ninth Five-Year National Key Technologies R&D Program (1996-2000), BYD participated in the subtask of "Developing Retrofitted Electric Vehicles," successfully developing nickel-based batteries for electric vehicles and retrofitting the first nickel-battery electric vehicle.

1992
The letter from Qian Xuesen to the State Council initiated the development of electric vehicles

1994
BYD was founded

1995
The inauguration of the COP process of the UNFCCC
Initiate the research and development of secondary rechargeable batteries

2005
The concept of "Lucid waters and lush mountains are invaluable assets"
The conceptual origin of BYD Three Green Dreams

2008
The first mass-produced new energy vehicle, F3DM, rolls off the production line

2015
UN SDGs and the *Paris Agreement* adopted
Propose a "full industrial chain + full market" new energy strategy.
Honored with the UN Energy Special Award

2016
Propose the vision of "Cooling the Earth by 1℃"
Twice awarded the Zayed Future Energy Prize

2022
A complete halt to the production of Full Combustion Engine Vehicles

2024
Set a goal of achieving carbon neutrality across the entire value chain by 2045

2025
Disclose TCFD climate information
iDi Carbon Chain Management Platform goes online

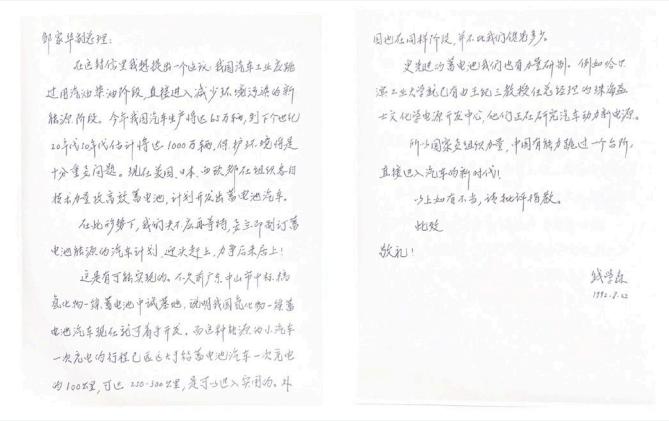
Along these milestones, every step of BYD's low-carbon transformation road is clearly visible: since our founding on November 18, 1994, we have integrated green genes into our blood, from starting a business in the battery field to officially entering the automobile industry in 2003, and then launcing the world's first dual-mode electric vehicle F3DM that does not rely on professional charging stations in 2008, making important contributions to the industrialization of Chinese New Energy Vehicles (NEVs). During this period, a complete green business layout was gradually formed: solar energy, energy storage power stations, electric vehicles and electrified rail transit, building a green and low-carbon ecological closed loop from energy acquisition, storage to application. In 2016, we put forward the "Cool the Earth by 1 ℃" vision, completely ceased production of fuel vehicles in 2022, set a clear carbon neutrality goal in 2024, and publicly released the 2045 carbon neutrality across the whole value chain commitment.

On May 23, 2025, the Bulletin of Chinese Academy of Sciences (a journal indexed in both CSSCI and CSSD) published in its 40th volume, issue 5, a research paper titled "BYD: Practice and Reflection on Driving Green Development through Integrated Innovation" by Wang Chuanfu, Chairman and President of BYD Company Limited. This paper systematically reviews BYD's development journey over the past 30 years and elaborates on the company's experience and strategic reflections on promoting green development with integrated innovation as its core strategy.

Qian Xuesen's Letter and BYD's Original Mission of New Energy

On August 22, 1992, Dr. Qian Xuesen, a famous scientist, pointed out in a letter to Vice Premier Zou Jiahua: "China's automobile industry should skip the stage of using gasoline and diesel and directly enter the stage of new energy to reduce environmental pollution." This vision was highly valued by the central government, and the State Council immediately organized relevant departments to study it after receiving Dr.Qian's letter. In that year, the State Planning Commission allocated RMB 15 million in the "Eighth Five-Year Plan" to launch the research project of "Research on Key Technologies of Electric Vehicles". At the same time, a group of professors and experts across the country began to study new energy electric vehicles one after another. Although more of them were concept cars at that time, the "seeds" of new energy vehicles had already been sown.

The crux of an electric vehicle is the battery. As a representative of battery manufacturing, BYD began to develop vehicle power batteries in 1996, and became attached to the sub-task of the "Ninth Five-Year Plan" national research project "Major Science and Technology Industry Project of Electric Vehicles" undertaken by Guangdong Province, and achieved results in high-performance nickel battery modification vehicles. This early development has made the company's understanding of the new energy industry particularly deep. Today, BYD's original mission of new energy hasfound profound resonance through thirty years of practice.



Dr. Qian Xuesen's personal letter displayed in Di Space · New Energy Vehicles Science Museum

Addressing climate change has become a global consensus. To achieve net-zero emissions in the transportation sector, the core lies in comprehensive electrification. According to the IEA (International Energy Agency)[2] *Global EV Outlook 2025*, global new energy vehicle sales will exceed 20 million units in 2025, accounting for more than a quarter of global vehicle sales, and the penetration rate is expected to exceed 40% in 2030; IRENA (International Renewable Energy Agency) report[3] also pointed out that in order to achieve the 1.5 ℃ temperature control goal, the global electric vehicle stock needs to increase eight times in 2030 compared with 2023, and the synergy between road transportation electrification and renewable energy is imperative.

Focusing on China, this year is the final year of the "Made in China 2025" strategy. The country's early layout of low-carbonization and intelligence has laid the foundation for the industry to build a green innovation system. In 2025, China's new round of nationally determined contributions (NDC) targets propose a "1 +3 +3" package target system with absolute emission reductions across the economy as the core, marking a new stage of climate governance.

Based on the global wave of new energy transformation and the key node of the three-step strategy for building China into a manufacturing power, BYD regards this trend as a mission and opportunity. In-depth emission reduction in the transportation sector is a multi-dimensional systematic project that requires the coordination of technology, policy, market and society. As a leading enterprise, based on technological innovation, BYD has targeted the carbon reduction goal of the entire industry chain, promoted technological iteration in batteries, electric drives, photovoltaics and other fields, and adapted to global regional carbon reduction needs through localized innovation.

In 2025

BYD new energy vehicles' global sales reached another peak, with total annual sales exceeding **4.6** million vehicles, maintaining as global NEVs sales champion;

Compared with traditional fuel vehicles, the entire life cycle of new energy vehicles (covering the energy production and vehicle use phase) that can be counted in 2025 achieved a carbon emission reduction of **46.6** million tCO2e, equivalent to planting **776.6** million trees[4].



[2] IEA：IRENA: Global Electric Vehicle Outlook 2025 https://iea.blob.core.windows.net/assets/7ea38b60-3033-42a6-9589-71134f4229f4/GlobalEVOutlook2025.pdf

[3] IRENA：Source: Development policy to promote the electrification of road transport based on renewable energy http://portal.nstl.gov.cn/reportFront/getReportDetailFront.htm?serverId=27&uuid=da9de25dcfd7787fe8e13b1e4c2a3028&controlType=openhome

[4] The calculation of "cumulative carbon dioxide emission reduction of 46.6 million tons" is based on the Evaluation Method for Carbon Emission Reduction of Electric Vehicle in Driving Phase and EPA standards

Responsibility-Green Technology and Products

Today, when green transformation has become a global consensus, BYD takes "making new energy vehicles to reduce dependence on fossil energy and reduce pollution" as its original intention. With its profound technological accumulation and clear product path, it provides consumers with a way from fuel vehicles. A reliable path for a smooth transition to New Energy Vehicles (NEVs). We are committed to building a complete set of solutions covering efficient hybrid, convenient energy replenishment and intelligent experience, promoting "good technology for everyone" and making new energy a more attractive travel option.

BYD directly addresses users' core concerns with a series of technological breakthroughs, bringing the value of green travel to life. The fifth-generation DM hybrid technology reduces the fuel consumption to an extremely low level of 2.6 liters per 100 kilometers under the NEDC cycle, fulfilling the commitment to reduce reliance on fossil fuels with less fuel consumption. At the same time, the "megawatt flash charging" technology is launched, achieving the world's highest peak charging speed of "2 kilometers per second" in mass. In March 2026, BYD's 2nd Generation Blade Battery and FLASH Charging Technology set a new global record for the fastest mass-production charging speed. It successfully overcame the worldwide challenges of "slow charging" and "difficulty charging in low temperatures" in the first phase of electrification, fundamentally addressing users' concerns about charging convenience when switching from fuel vehicles to new energy vehicles. To further promote the popularization of pure electric travel, BYD has released the world's first mass-produced "all-domain kilovolt high-voltage architecture" super e-platform for passenger vehicles, raising the core components such as batteries, motors, power supplies, and air conditioners to 1,000V. Through fundamental technological innovation, it brings electric vehicles into the kilovolt era and sets a new benchmark for efficient and energy-saving pure electric technology development globally.

The green transformation is not merely an upgrade in technology, but also a reshaping of energy utilization methods and social values. BYD has broken the boundaries between transportation and energy by collaborating with Octopus Energy, the largest energy supplier in the UK. They have established the world's first "vehicle + equipment + service" one-stop V2G (Vehicle-to-Grid) ecosystem through a "technology integration + service integration" model. This enables every electric vehicle to not only meet travel needs but also become a green node participating in grid interaction, guiding users to join energy optimization at the social level with a very low threshold. At the same time, BYD deeply integrates green, safety, and intelligence into product development. Through technologies such as AI energy consumption management and intelligent body control, it enhances the driving experience while reducing the carbon footprint throughout the product's life cycle. It also expands international cooperation with a core of new energy vehicle product matrices and smart transportation solutions, exporting green initiatives and low-carbon practices globally. These innovations transform the social value of green travel into tangible benefits for users – lower usage costs, more reliable range assurance, and smarter energy interaction, making the choice of new energy vehicles a wise decision that benefits both individuals and global sustainable development. In 2025, BYD's SEALION 7 received a four-star rating under the new European Green NCAP regulations and was awarded the "Category winner" of 2025, demonstrating its green strength recognized by international authorities.

Successful Conclusion of the First Phase of Electrification: 2nd Generation Blade Battery and FLASH Charging Technology

In March 2026, BYD unveiled the 2nd Generation Blade Battery and FLASH Charging Technology. It achieves charging in 5 minutes and full charge in 9 minutes at normal temperature, with only an additional 3 minutes at −30° C, setting a new global record for fastest mass-production charging speed. The battery supports over 1,000 km of ultra-long range, exceeds new national safety standards, and FLASH Charging Technology minimally impacts battery lifespan.

Simultaneously, BYD launched the world's highest-power 1,500kW single-gun Flash Charge e pile in mass production and initiated the "Flash Charge China" strategy. This includes a grid-friendly super-fast discharge energy storage system, with plans to build 20,000 BYD Flash Charge stations by end-2026.



BYD Launches 2nd Generation Blade Battery and FLASH Charging Technology

Byd's "Three Green Dreams" Has Footprints All Over the World, Helping the Low-carbon Transformation of the Global Transportation System

Relying on core technologies such as the Blade Battery and CTC, BYD covers different urban forms, climatic conditions and market segments with customized products-from high-density urban transportation to large-scale bus operations in alpine regions, from family travel to public services, with full-scenario solutions to adapt to the diverse global travel needs. By the end of 2025, BYD's operating footprint in new energy vehicles has spread to more than 400 cities in more than 100 countries and regions around the world, continuing to provide green technologies and products to global consumers, and helping the world move towards net-zero emissions with full-scenario solutions.



Japan's 35th RJC Imported Car of the Year Award



Accelerating the Electrification of Public Transportation in Belgium

Action-Green Governance and Practice

In order to achieve the 2045 carbon neutrality across the whole value chain goal, BYD has taken solid actions to promote green governance. In 2025, we voluntarily purchased more than 5.22 million green certificates and approximately 2.06 million MWh of green electricity, and were selected into the list of China's top 100 green electricity consumers (21), ranking 1st in the automobile sector among China's Top 100 green electricity consumers. Through the digital carbon management platform, we empower the low-carbon design of products, promote the transformation of manufacturing side with the construction of zero-carbon parks, and work with all sectors of society to promote green public welfare-from the donation of carbon assets in the National Games to the COP30 initiative, we implement green governance practices throughout every process.

Digital Intelligent Carbon Management

In order to undertake the national 3060 strategic deployment and anchor BYD's core goal of "achieving carbon neutrality across the whole value chain by 2045", in 2025, we built a digital carbon management platform "i Di Carbon Chain" Carbon Management Platform as the core carrier to support the digital and intelligent transformation of corporate carbon management. The platform focuses on organizational carbon and product carbon modules to achieve accurate monitoring of corporate operational carbon emissions and efficient accounting of product life cycle carbon footprints, while meeting the needs of automatic accounting of vehicle carbon data and international compliance report generation. The launch of this platform is not only a strategic measure for BYD to deepen green development, but also our proactive layout to cope with the global green trade trend.

As of the end of the Reporting Period, the "i Di Carbon Chain" Carbon Management Platform has passed ISO 14064[5] and ISO 14067[6] certifications, and has been authoritatively endorsed in terms of carbon management compliance, accounting professionalism and technical support capabilities, injecting solid green momentum for BYD to respond to international trade requirements and reshape sustainable competitiveness.

ATTO 2's Carbon Footprint Report Drives Low-carbon Product Upgrades

On November 20, 2025, BYD held the launch ceremony of the "i Di Carbon Chain" Carbon Management Platform and the release ceremony of the carbon footprint report of ATTO 2 models at its Shenzhen headquarters. According to the ISO14067 standard, the report accounts for the carbon emissions throughout the life cycle of vehicles, and quantifies them through the principle of "direct collection and direct calculation" to provide data support for emission reduction in various markets.

The results show that ATTO 2 models are expected to have approximately 34% emission reduction potential by 2035. Accordingly, BYD has formulated a phased optimization plan, covering aspects such as improving durability and energy efficiency, strengthening Green Procurement, and increasing the utilization rate of recycled materials and renewable energy.

For more details about, please refer to the ATTO 2 Vehicle Carbon Footprint Report.



"i Di Carbon Chain" Carbon Management System Assessment Statement

Zero-carbon Park Development

While BYD deeply roots the green concept in product design, it also integrates low-carbon operations throughout the entire production and manufacturing chain. BYD has launched the Pingshan Headquarters (Shenzhen) zero-carbon certification work in 2021, and obtained the "Zero Carbon Park" certification through overall promotion of energy structure optimization, green transportation, procurement and operation upgrades. We actively participate in the construction of National-level Zero-Carbon Industrial Park. In December 2025, the list of the first batch of National-level Zero-Carbon Industrial Park was announced, and of the three major parks[7] in BYD were selected, systematically promoting the low-carbon transformation of the manufacturing side.

The economic development zones where BYD's three major parks are located, namely Zhengzhou, Henan, Shantou, Guangdong, and Xining, Qinghai, were successfully selected into the "National Zero-Carbon Park Construction List (First Batch)" jointly issued by the General Office of the National Development and Reform Commission, the General Office of the Ministry of Industry and Information Technology, and the General Affairs Department of the National Energy Administration.

Relying on its own advantages in new energy technology, BYD has deployed photovoltaic energy storage systems on a large scale in the park, built an intelligent green transportation network, fully applied new energy vehicles and charging facilities, and built an internal green cycle system of energy "acquisition-consumption".

BYD is committed to providing the industry with replicable zero-carbon manufacturing models, and fulfilling carbon neutrality across the whole value chain's commitment with technological innovation and efficient management.



BYD Shantou Park



BYD Xining Park



BYD Zhengzhou Park

[5] ISO 14064 certification is a greenhouse gas quantification, monitoring, reporting and verification standard system formulated by the International Organization for Standardization (ISO) (ISO). It aims to provide enterprises with a scientific framework to accurately manage carbon emissions, promote low-carbon transformation and enhance sustainable competitiveness

[6] ISO 14067 certification is an international standard certification that specifies requirements and guidelines for quantifying and communicating the Product Carbon Footprint (CFP). It provides a clear methodology for assessing product-related greenhouse gas emissions throughout the life cycle from raw material extraction to disposal

[7] BYD Shantou Park is located in Haojiang Industrial Park, Shantou, Guangzhou; BYD Xining Park is located in Nanchuan Industrial Park, Xining Economic and Technological Development Zone; BYD Zhengzhou Park is located in Zhengzhou Airport High-tech Industrial Development Zone

Drawing a Low-carbon Blueprint Together

Low-carbon transformation is the common mission of the entire value chain. While consolidating its internal carbon management capabilities, BYD has further broken down ecological barriers externally, joined hands with core partners in the ecosystem such as cross-industry enterprises, government departments and international institutions to build a green development community with complementary advantages, and gathered emission reduction efforts through industrial synergy.

Through diversified methods, BYD has radiated low-carbon practices from its own operating scope to the social public sphere, explored innovative paths for green lifestyle dissemination, and gradually penetrated low-carbon concepts into diverse scenarios of social development, in order to contribute to promote implementation of the national Dual-Carbon strategy.

Empowering Events to Reduce Carbon: BYD Helps the National Games Achieve the Goal of Carbon Neutrality

On August 15, 2025, National Ecology Day, BYD responded to the call of the Shenzhen Municipal Ecological Environment Bureau and donated 30,000 tons of carbon assets (including carbon quotas and inclusive carbon emission reductions) to the Shenzhen Division of the 15th National Games and Paralympic Games.), together with three other companies, donated a total of 100,000 tons, setting a national donation record for large-scale events, providing key support for the event to offset residual carbon emissions according to the carbon neutral path, and demonstrating the company's responsibility for collaborative carbon reduction.



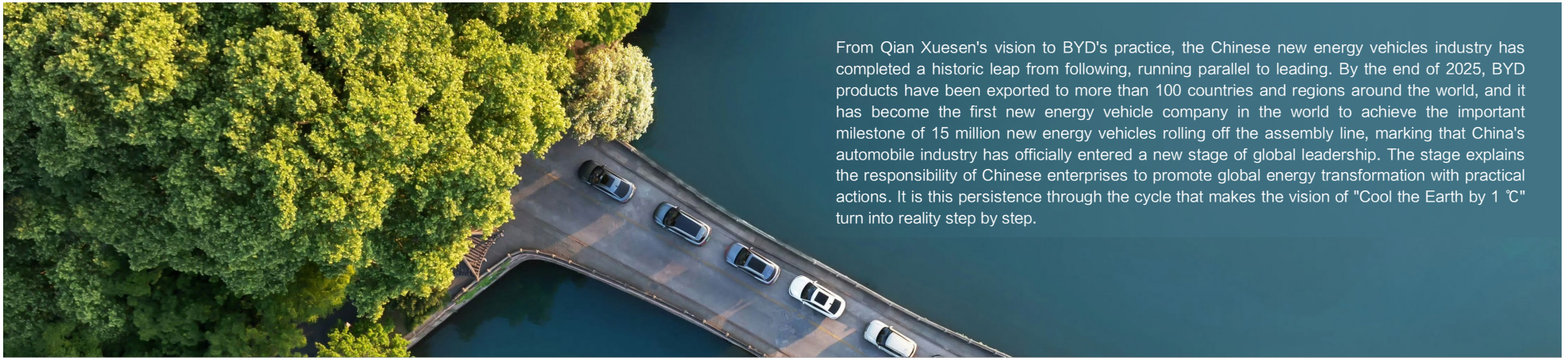
On the Scene of the "Carbon Neutrality Themed Donation Event"

BYD Deeply Participates in COP30 and Promotes the Standardization of Electricity Carbon Emission Accounting

In November 2025, BYD, as the official partner of COP30, provided 130 new energy vehicles in Belem, Brazil, to provide connection services for the conference. After the conference, 30 of them will be permanently donated to the local area to help build green transportation. During the meeting, State Grid Corporation of China, together with 51 companies including BYD, launched the *Global Initiative on Spatial and Temporal Electricity Carbon Emission Factors* to promote the innovation of precise time and space in electricity carbon emission accounting, which was recognized by international institutions.



BYD's Speech at COP30



From Qian Xuesen's vision to BYD's practice, the Chinese new energy vehicles industry has completed a historic leap from following, running parallel to leading. By the end of 2025, BYD products have been exported to more than 100 countries and regions around the world, and it has become the first new energy vehicle company in the world to achieve the important milestone of 15 million new energy vehicles rolling off the assembly line, marking that China's automobile industry has officially entered a new stage of global leadership. The stage explains the responsibility of Chinese enterprises to promote global energy transformation with practical actions. It is this persistence through the cycle that makes the vision of "Cool the Earth by 1 ℃" turn into reality step by step.

SUSTAINABILITY MANAGEMENT

BYD adheres to the brand mission of "Technological innovations for a better life" and integrates the concept of sustainable development with the company's business strategies. We take it as our responsibility to achieve the green dream. Relying on leading technologies and diversified products, we promote and deepen sustainable development management practices, actively fulfil our corporate citizenship responsibilities, and contribute to the global sustainable development process.

Goals and indicators responded to in this chapter:
SDGs:



HKEX ESG Reporting Code
Governance Structure 13

SZSE Guidelines
Stakeholder communication

ESRS
ESRS-2 GOV-1, GOV-2, GOV-3, SBM-2, SBM-3, IRO-1, IRO-2

GRI Standards
2-12, 2-13, 2-14, 2-26, 2-29, 3-1, 3-2, 3-3

Sustainable Governance

Board Statement

As the highest decision-making body, BYD's Board of Directors assumes overall responsibility for the Group's sustainable development governance and discusses sustainable development-related matters at least once a year. The Board has established a Strategy and Sustainable Development Committee, which is responsible for reviewing sustainable development policies and goals to ensure alignment with the Group's long-term strategy and to continuously improve decision-making efficiency and professionalism. The ESG Management Committee holds quarterly meetings to study sustainable development issues and systematically provides professional advice to the Strategy and Sustainable Development Committee to ensure closed-loop management of sustainable development topics.

The Company has formulated the position of Chief Sustainability Officer (CSO), who is responsible for advancing the formulation and implementation of relevant management policies, actions, indicators, and goals regarding targets concerning the significant impacts, risks, and opportunities (IRO) of sustainable development and regularly reports on their effectiveness and implementation progress to the management and the Board.

The Company has established the *BYD Sustainable Development Management*, which clearly defines the roles and responsibilities, reporting mechanisms, and management strategies pertaining to sustainable development, thereby ensuring the effectiveness of its management.

Sustainable Development Structure

Board of Directors

- Take overall responsibility for BYD's sustainable development.
- Ensure the establishment of appropriate and effective sustainability IRO management, internal control and information disclosure mechanisms, and facilitating their integration into BYD's overall risk management and internal control systems.
- Formulate BYD's sustainability management policies, strategies, management priorities, and targets.
- Review BYD's performance in relation to sustainability-related targets on a regular basis.
- Approve the information disclosed in BYD's reports.

Strategy and Sustainable Development Committee

As appointed by the Board, the Committee is responsible for:

- Conduct research on business-related sustainable development IRO.
- Review the appropriateness and effectiveness of the sustainable development IRO management, internal control, and information disclosure mechanisms.
- Discuss the sustainable development management policies, strategies, priorities, and targets approved by the Board of Directors, implementation plans and provide recommendations to the Board for deliberation.
- Review and approve the management's sustainable development proposals, form written opinions, and supervise subsequent implementation.
- Report to the Board of Directors on any subsequent actions or improvement matters and provide recommendations.

ESG Management Committee

- Based on the sustainable development management policies, strategy, management priorities, and targets, organize the preparation or revision of sustainable development management systems, work plans, and implementation plans, and coordinate the allocation of necessary resources.
- Regularly review the implementation progress and deviations of the work plans and propose corrective recommendations.
- Establish and improve the sustainable development IRO management, internal control, and information disclosure systems and ensure their implementation.
- Report to the Board of Directors and the Strategy and Sustainable Development Committee on the above matters and provide recommendations.

ESG and Sustainable Development Team

- Research the global ESG industry trends, track global sustainable development-related laws and regulations, and analyze ESG topics of concern to key stakeholders.
- Draft sustainability policies and targets, refine management systems, work plans, and implementation plans, and promote their execution.
- Provide recommendations on the sustainable development governance structure, IRO management, internal control, and information disclosure mechanisms.
- Establish and maintain the ESG data monitoring system, and track and evaluate key ESG indicators
- Regularly collect and organize ESG data and information, and prepare ESG reports
- Promote communication and cooperation with external stakeholders
- Coordinate sustainability training and awareness initiatives

Business Units and Business Divisions

- Appoint designated ESG management personnel to be responsible for the overall sustainable development work of the business unit or business division they belong to, and participate in ESG special meetings
- Establish an ESG topic management system, undertake sustainable development management work, formulate work plans and implementation plans, and ensure their execution
- Responsible for the collection, organization, submission and compilation of ESG data and information
- Conduct sustainability training and awareness initiatives

To continuously improve the skills of Board members in sustainable development governance, a total of three ESG training sessions were held for the Board members this year, covering topics such as sustainable development regulatory requirements and climate change, to support them in acquiring the professional knowledge required for their roles. We link the sustainable development-related performance indicators with 10% of the remuneration of the executive directors and senior management, covering dimensions such as climate change, product quality, and occupational safety, to strengthen their accountability in sustainable development governance and incentivize their relevant contributions.

Stakeholder Engagement

BYD maintains open, transparent and regular communication with stakeholders to build trust and confidence and work together with all parties for common development. We actively establish diversified communication methods and channels to timely understand and respond to the expectations and demands of stakeholders.

Stakeholders	Governments and Regulators	Shareholders and Investors	Customers and Consumers	Employees	Suppliers and Partners	Industry Associations	Media and the Public
Concerns and Expectations	• Compliant operation • Corporate governance • Support for local economies	• Profitability and returns • Product and technological innovation • Sustainable development management level	• Product quality and safety • Customer service quality • Product and technological innovation • Customer information and privacy protection	• Occupational health and safety • Protection of employee rights and interests • Employee development and training • Employee compensation and benefits	• Product and technological innovation • Product quality and safety • Sustainable supply chain management	• Product and technological innovation • Product quality and safety • Promotion of industry development	• Lawful and compliant operations • Community engagement and philanthropy • Driving local employment
Communication Methods and Responses	• Compliance monitoring • Regular information disclosure • Provision of employment opportunities	• General meetings of shareholders and investor communication channels • Regular information disclosure • Enhanced sustainable development risk management and control	• Implementation of a quality management system • Customer satisfaction survey • Product promotions and launch events • Strengthened data security management	• Daily safety inspections • Establishment of grievance communication mechanisms • Provision of skills training • Organization of employee care activities	• Project collaboration • Investigations and audits • Building a responsible supply chain	• Participation in industry exchanges • Participation in the formulation of industry standards • Collaboration on relevant R&D projects	• Robust governance mechanisms • Implementation of public welfare activities • Provision of employment opportunities

Double Materiality Assessment

As a key step in the management and disclosure preparation of sustainability matters, BYD conducts regular Double Materiality Assessment on ESG topics. We refer to the guidelines of the SZSE Guidelines and the ESRS, and combine professional methodologies to formulate an assessment process, scoring method, and ranking model. We assess our impact on the environment and society (impact materiality) as well as the sustainability-related financial risks and opportunities we face (financial materiality).

Assessment Methods and Assumptions

We conducted a systematic review and internal evaluation on the assessment methods and results, as well as the feasibility of quantification. Given that quantifying the impacts, risks, and opportunities related to sustainable development still faces relatively high complexity at this stage, this year's assessment still primarily relies on qualitative analysis, and is supplemented by quantitative verification where data availability permits.

Scope

This assessment covers the Group's own operational scope and systematically considers the following two dimensions: In terms of impact materiality assessment, we take into account the positive and negative impacts, as well as actual and potential impacts related to ESG topics; in terms of financial materiality assessment, we focus on evaluating the financial risks and opportunities (including actual and potential ones) posed by the issues on the business.

Stakeholder Engagement

Since the application of the double materiality principle has a profound impact on our management and disclosure affairs and involves numerous ESG topics, and part of its assessment criteria require a foundational understanding of the industry, we invite a wide range of internal and external stakeholders to participate in the impact materiality assessment, while limiting the stakeholders in the financial materiality assessment to a limited number of internal senior management and external sustainability experts.

Scoring Methodology

We assess material issues based on multiple factors, including the impact on revenue, cash flow, compliance, and reputation, as well as the likelihood of occurrence. Each factor constitutes a part of the overall assessment, and a five-point Likert scale is used for scoring, where 1 represents the least impact and 5 represents the greatest impact.

Thresholds

We have set clear thresholds for material determination. Any issue whose scoring result meets this threshold is deemed to have a material impact, risk, or opportunity.

Assessment Process and Results

To regularly identify and manage impacts, risks, and opportunities related to sustainable development, BYD conducts regular Double Materiality Assessment, which serve as the core basis for formulating sustainable development policies, strategies, priorities, and goals. Our assessment process includes the following four key steps:

01 Outlining of Sustainability Topics → 02 Identification of Impacts, Risks, and Opportunities → 03 Stakeholder Engagement → 04 Verification and Results

01 Outlining of Sustainability Topics

Based on BYD's strategic planning and business strategy, and in combination with the latest sustainable development trends and the industry situation, we use the requirements of the the ESG code of the HKEX, the SZSE Guidelines, the ESRS, internal management dimensions related to sustainable development, and third-party rating agencies as classification criteria. We separated the "Waste Management/Circular Economy" issue from the previous year into two issues: "Waste Management" and "Circular Economy". Finally, we established the 2025 sustainable development issue library, which includes 18 issues.

Environmental

1. Response to Climate Change
2. Energy Management
3. Waste Management
4. Circular Economy
5. Water Resource Management
6. Nature and Biodiversity

Social

7. Customer Privacy Protection
8. Occupational Health and Safety
9. Labor Rights
10. Talent Management
11. Community Engagement
12. Innovation and R&D
13. Product Responsibility
14. Responsible Supply Chain

Governance

15. Economic Performance
16. Stakeholder Engagement
17. Business Ethics
18. Corporate and Sustainability Governance

02 Identifying of Impacts, Risks, and Opportunities

Based on the above sustainability–related issues, we identified relevant impacts, risks, and opportunities through the following steps:

- Performed an in–depth analysis of each stage in the value chain, identified relevant activities, and identified 34 positive and negative impact factors in the governance, social, and environmental aspects related to BYD.
- Based on the requirements of the sustainability policy and the trends of BYD's sustainability management, identified 33 risk and opportunity factors related to BYD.
- To ensure the accuracy and completeness of the above analysis results, we invited internal employees to review and confirm the results. On this basis, stakeholders were further invited to provide feedback on these impacts, risks, and opportunities.

03 Stakeholder Engagement

In this stage, multiple perspectives were integrated for scoring. In the previous year, we invited various stakeholders to evaluate the impact materiality of 34 positive and negative sustainability impact factors and the financial materiality of 33 risk and opportunity factors, and collected feedback from more than 500 stakeholders.

Participating Groups

- BYD employees
- Directors and BYD executives
- Customers
- Shareholders
- Suppliers
- Distributors and partners
- Industry association
- Governments and regulators
- Media and the public.

Assessment Factors

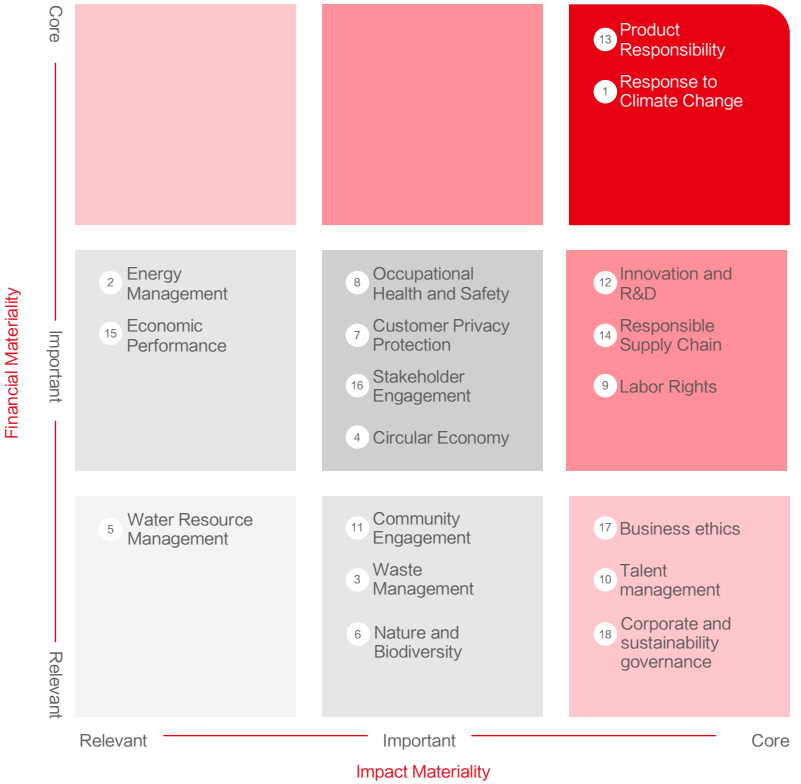
Impact Materiality: BYD's positive and negative impacts on the environment, society, and economy in this issue, including the magnitude of the impact (the degree of impact on stakeholders, the economy, or the environment), scope (the coverage of affected stakeholders), irremediability, and likelihood of occurrence.

Financial Materiality: The impact of this issue on BYD's revenue, profit, cash flow, compliance, and reputation, together with its likelihood of occurrence.

04 Verification and Results

During the reporting period, we fully reviewed and validated the previous year's assessment results, and conducted in–depth validation of the issue priorities with internal and external core stakeholders through channels such as interviews and questionnaires to ensure that the assessment results accurately reflect the macro trends of the industry and the risks and opportunities related to the company's sustainable development. The list of key issues for this year has been reviewed by the Strategy and Sustainable Development Committee and finally approved by the Board of Directors.

BYD Double Materiality Matrix



The assessment results show that our core issues are Product Responsibility and Response to Climate Change, and the important issues are Innovation and R&D, Responsible Supply Chain, and Labor Rights.

The following table shows the materiality levels of the impacts, risks, and opportunities related to the core and important issues, as well as the corresponding actions.

Impacts, Risks, and Opportunities of Core and Important Issues

Core and Important Topics		Level of Impact Materiality		Level of Financial Materiality		Timeframe[8]	Our Response
		Positive	Negative	Risk	Opportunities		
Core Topics	Product Responsibility	●●○ [9] Adhere to product responsibility and high-quality services to build consumer trust and loyalty.	●●● Ignoring product responsibility and quality may lead to safety issues, product recalls, and customer dissatisfaction.	●●○ Product defects may trigger regulatory penalties, financial losses, and damage the manufacturer's reputation for failing to comply with production standards.	●●● Emphasizing Product responsibility and high-quality services can enhance brand reputation, increase customer loyalty, and expand market share.	Medium-term	Uphold Product Responsibility Focus on Customer Experience
	Response to Climate Change	●○○ Help mitigate climate change and benefit society by reducing carbon emissions, decreasing dependence on fossil fuels, and promoting the development of sustainable energy.	●●○ Ignoring this issue may lead to increased air pollution and climate change, causing harm to society and affecting the health, livelihoods, and rights of millions of people.	●○○ Stricter environmental regulations (such as carbon taxes) may increase costs, and the growing demand for electric vehicles is driving consumers towards low-carbon products, intensifying the pressure on enterprises to fulfill their environmental responsibilities.	●●● The government's climate regulations can drive long-term investment in energy infrastructure and promote sustainable growth. In addition, conforming to the decarbonization trend helps increase BYD's valuation and supports its business model for achieving net-zero emissions.	Medium-to-long-term	Response to Climate Change
Important Topics	Innovation and R&D	●●○ Investment in R&D drives the development of advanced electric vehicle technologies, improves performance, and enhances customer satisfaction.	●●● Insufficient R&D investment could weaken BYD's competitiveness in the electric vehicle market, lead to obsolete products, missed market growth opportunities, and affect sustainability commitments.	●●○ Stringent emission standards and increased consumer demand for energy-efficient products may lead to financial risks for companies due to rising costs and loss of revenue.	●●● Actively investing in innovative technologies and sustainable development practices can create valuable business opportunities, enhance market position, and enhance business resilience.	Medium-term	Lead Industry Development
	Responsible Supply Chain	●○○ Promoting sustainable development in wider areas of society.	●●● Improper supplier management policies and practices may exacerbate negative social and environmental impacts.	●●○ Failure to effectively assess and monitor suppliers in accordance with ESG standards may lead to compliance, reputation, and performance risks. Supply chain instability can disrupt operations and increase costs.	●●● Implementing sustainable sourcing can optimize supply chain management and enhance brand reputation while improving cost efficiency and market competitiveness.	Medium-to-long-term	Practice Responsible Procurement
	Labor Rights	●●○ Strengthen labor rights management in operations and supply chains to respect individual rights.	●●● Failure to effectively manage labor rights issues may infringe on workers' rights and interests, leading to unsafe working environments, inadequate wages and exploitation.	●●○ Ignoring human rights issues or engaging in unethical business practices can harm employees and stakeholder rights, creating reputational, operational and legal risks.	No significant opportunities were identified for this issue.	Short-term	Ensure Employee Rights

"Product Responsibility" and "Response to Climate Change" hold high financial materiality, with their changes posing the most significant impact on the Group's value. They have been formally integrated into the Group's overall risk management process.

Product responsibility falls under the Quality and Compliance sub-category of Operational risks, with key risk indicators including product recalls and reputational losses. Response to climate change is classified under the Policy and Transition sub-category of Strategic risks. Guided by the TCFD framework, scenario analyses (such as carbon pricing and energy efficiency standards) are used to quantify potential financial impacts, which are then incorporated into the annual risk assessment matrix and updated in the capital allocation process. The double materiality assessment aligns with existing risk management practices, enabling a closed-loop process for issue identification, prioritization, and response, and is included in the annual review by the Board's Strategy and Sustainable Development Committee.

[8] Based on the characteristics of our own operations and upstream/downstream value chain, BYD identifies sustainability-related risks and opportunities using a time horizon of short-term (within 1 year), medium-term (1 to 5 years), and long-term (beyond 5 years)

[9] The thresholds for Levels 1, 2, and 3 are determined by the percentage rankings within the range. The calculation method is to multiply the value by 3 and round it to two decimal places. Level 1 corresponds to 0% - 33.33%, Level 2 corresponds to 33.34% - 66.66%, and Level 3 corresponds to 66.67% - 100%

Sustainable Development Strategy & Goals

Led by the brand vision of "Cool the Earth by 1℃", BYD has systematically identified seven key stakeholders, including customers, employees, shareholders, suppliers, distributors and partners, governments and industry associations, the media and the public. Through the "Double Materiality Assessment" method, we have deeply analyzed their sustainable development demands. Combining with BYD's material sustainable development issues, we have formulated the "DREAMS" sustainable development strategic framework.

During the reporting period, we set clear short-term, medium-term and long-term quantitative goals around six core dimensions, broke down specific implementation paths and action plans, and simultaneously established a performance indicator management system. We decomposed the goals to each business unit and ensured the effective implementation and continuous improvement of the Sustainability Strategy through regular tracking and evaluation.

Decarbonization

Strive to achieve carbon neutrality across the whole value chain by 2045

Reduce the carbon emission intensity in the Group's own operations by **50%** by 2030 compared with 2023

Strive to use **100%** recycled/recyclable packaging materials

Ensure **100%** compliance of the waste emissions

We are committed to reducing carbon emissions through new energy vehicles and renewable energy technologies to contribute to the global carbon neutrality goal. Through technological innovation, we promote the development of electric vehicles, solar energy and energy storage systems to support the global energy transition. At the same time, we actively promote green operations, production energy conservation and carbon reduction to reduce resource consumption and pollutant emissions, aiming to build a greener and lower-carbon future.

Revolution

100% of factories are certified to ISO 9001 or IATF 16949 certification

Continuously update and iterate to keep the company's technologies and products in a leading position

The number of published and authorized patent applications increase steadily

Maintain a high proportion of R&D Investment

We adhere to technology innovation as the driving force, launch disruptive green technologies to improve the performance and safety of New Energy Vehicles (NEVs). Through innovative technologies, we provide users with a safer and more intelligent driving experience. We actively cooperate with global scientific research institutions and enterprises to promote the progress of global new energy technologies.

Equity

Performance evaluations cover **100%** of employees

By 2030, **100%** of employees receive ESG and human rights training

The number of occupational diseases **⩽3**

No major safety production or casualty accidents occur

Committed to promoting inclusiveness within the enterprise and the supply chain, and providing employees with equal development opportunities. Through a comprehensive training system, enhance employees' skills and professional qualities to ensure that everyone can find their own stage.

Alliance

By 2026, 2028, and 2030, the proportion of suppliers passing desktop assessments reach **60%**、**80%** and **90%**, respectively

By 2026, conduct on-site audits of **100%** suppliers in mainland China

Conduct a comprehensive analysis of environmental and human rights risks in the critical raw material supply chain and formulate appropriate measures for all critical raw material suppliers

Actively cooperate with suppliers, customers, governments, and communities to incubate clean energy solutions and jointly promote the development of the new energy industry. By establishing a green supply chain, ensure the sustainable procurement of raw materials and work together with all parties to build a greener and more sustainable ecosystem.

Moral-integrity

Ensure at least **1** female director, and no less than **1/3** of independent directors

Ensure that each director receives ESG training every year

100% of new employees receive anti-corruption training every year

Always adhere to the business principles of integrity and uprightness to ensure compliant operations and the fulfillment of social responsibilities. Through transparent management and strict internal supervision, conduct enterprise operation and management practices with the highest ethical standards and actively communicate with stakeholders to ensure that our decisions and actions can meet social expectations.

Shared-value

The expected recall fulfillment rate remains at **100%** or above

By 2028, the number of registered company volunteers increases by **10%** compared to 2025

Establish a RMB **3** billion Education Philanthropy Fund to support the development of science and technology education in China

Committed to sharing development achievements with shareholders, customers, employees, and society at large: providing high-quality products and services to meet customer needs; continuously innovating and expanding business to create value for shareholders; providing a good environment and development opportunities to enhance employee satisfaction; supporting community development, educational philanthropy, and environmental protection to give back to society.

Global Impact of Sustainable Development

BYD adopts a dual-track approach of "localization and sustainability" in its global operations. In the face of a complex global macro-environment, we deeply recognize that a truly multinational enterprise is not merely an exporter of green products but also a co-creator of regional economic and social value. We embed responsible supply chain development, the innovative application of green technologies, in-depth localized integration, diverse community philanthropy, and robust labor and human rights safeguards across all our global operations. We are committed to leaving a long-lasting positive impact in every footprint we establish worldwide.

Asia-Pacific

In October 2025, BYD achieved the delivery of the 100,000th new energy vehicle in Thailand, marking a deeper integration of the company with local communities in the Asia-Pacific region. We respect local religious beliefs, traditional festivals, and customs, organizing folk activities such as Songkran to integrate into the local society through respect and inclusiveness. We actively engage in biodiversity conservation, carrying out practices in forest restoration, species protection, and alpine ecosystem management in Nepal. Simultaneously, we continuously focus on the growth of children and adolescents, participating in local educational support programs to contribute to the development of the next generation. Faced with natural disasters in the region, BYD responded swiftly and took proactive responsibility, mitigating the impact on communities through means such as financial donations and material assistance, thereby demonstrating commitment and care through tangible actions.



Europe

BYD has established our European headquarters in Budapest, Hungary, fully advancing the implementation of its localization strategy. We are putting into practice our "Made in Europe for Europe" development strategy, collaborating with top European partners like Voestalpine to build a green supply chain system. We are continuously increasing local procurement rates, effectively reducing the carbon footprint across the entire chain, while creating numerous local jobs and stimulating the intrinsic vitality of the regional economy. At the 2025 Munich International Motor Show (IAA Mobility 2025), We showcased our cutting-edge models and innovative technologies, signaling our unwavering commitment to deepening our presence in the European market. We are not merely a new energy brand from China, but a global brand deeply integrated into Europe, serving Europe, and building Europe together.



The Middle East and Africa (MEA)

At the 2026 World Future Energy Summit (WFES) held in Abu Dhabi, UAE, BYD unveiled its "Haohan" system equipped with the world's largest mass-produced energy storage blade battery at 2,710Ah capacity. This GW-scale grid-forming energy storage solution provides critical support for large-scale solar grid integration in desert regions. We have reached a deep consensus with the UAE government and local industry partners on building a clean energy ecosystem. Through industrial investment and technological empowerment, we are fully committed to supporting the implementation of the UAE's "Net Zero Emissions Strategy 2050," driving the historic transition from traditional fossil fuels to a green future across the Middle East and Africa region.



The Americas

In 2025, BYD's milestone 14 millionth new energy vehicle rolled off the production line at its Bahia, Brazil factory. While bringing low-carbon, clean transportation systems to Latin America, we have placed labor rights protection and community welfare enhancement at the core of our factory operations. This year, the Brazil factory has established a Human Rights Committee to standardize local human rights management. Through systematic assessments and frequent, transparent communication with local stakeholders, we effectively identified potential labor and human rights risks and proactively developed mitigation and remediation measures. We have fully integrated human rights principles and social responsibility into the entire operational process of our overseas factories, demonstrating our leadership and accountability.



BYD ESG Honors in 2025 (Partial)

ESG Ratings

MSCI ESG RATINGS AA
RATING ACTION DATE: November 04, 2025
LAST REPORT UPDATE: November 12, 2025

MSCI
ESG Rating: AA

S&P Global

S&P Global Corporate Sustainability Assessment
ESG Score: 60

Wind ESG 比亚迪 2025评级 AAA

Wind ESG Rating:
AAA

Hang Seng Corporate Sustainability Index Series

Hang Seng Corporate Sustainability Benchmark Index

SILVER | Top 15% ecovadis Sustainability Rating NOV 2025

Ecovadis Silver Medal: Passenger Vehicle Plant in Changzhou, Battery Plant in Chuzhou, Commercial Vehicle Plant in Hangzhou

ESG Honors

福布斯 Forbes

2025 Forbes China ESG 50 List

Harvard Business Review 哈佛商业评论

2025 New Growth ESG Innovation Practice List

鳳凰網 IFENG.COM

2025 Phoenix Star Best Listed Companies – CSR Excellence Award

网易新闻 财经

2025 Annual ESG Model Enterprise – NetEase News Finance

汽车工业节能与绿色发展评价中心 Energy-saving and Green-development Assessment Center for Automobile Industrial EACA

2025 "Five-Star" Carbon Management System Evaluation Certificate for Automobile Enterprises

UNIDO UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

2025 Carbon Neutrality Technology Solution Collection Award

中国上市公司协会 CHINA ASSOCIATION FOR PUBLIC COMPANIES

2025 Best Practice Case for Sustainable Development of Listed Companies

www.news.cn 新华网 NEWS www.xinhuanet.com

2025 Green Low-Carbon Empowered High-Quality Development Practice Case

中国汽车工业协会 China Association of Automobile Manufacturers

2024-2025 China Automotive Industry Sustainability Report Case

CEEC

2025 Typical Case of Biodiversity in Business

DECARBONIZATION

BYD has always been deeply concerned about the Earth's environment, forming a consistent green dream — we are committed to developing solar power, energy storage and electric vehicles for a sustainable future of mankind, countries, communities and cities to get rid of dependence on fossil energy from three major aspects: acquisition, storage and application. We build a green energy ecosystem with an integrated new energy solution to consolidate the strategic foundation. Through decarbonization operations covering the whole value chain and continuous technological innovation, we promote carbon reduction in the value chain, transform the green concept into the inherent driving force for the coordinated development of the enterprise and the natural environment, and safeguard the future of the Earth.



Targets and metrics in this chapter:

SDGs

HKEX ESG Reporting Code

A1, A2, A3, Part D

SZSE Guidelines

Response to Climate Change, Pollutant Emissions, Waste Treatment, Ecosystem and Biodiversity Conservation, Environmental Compliance Management, Energy Use, Water Use, Circular Economy

ESRS

E1-1, E1-2, E1-3, E1-4, E1-5, E1-6, E1-8, E1-9, E2-1, E2-2, E2-3, E2-4, E2-5, E2-6, E3-1, E3-2, E3-3, E3-4, E4-1, E4-2, E4-3, E5-1, E5-2, E5-3, E5-4, E-5

GRI Standards

101-1, 101-2, 101-3, 101-4, 101-5, 101-6, 101-7, 101-8, 301-1, 301-2, 301-3, 302-1, 302-3, 302-4, 302-5, 303-1, 303-2, 303-3, 303-4, 303-5, 305-1, 305-2, 305-3, 305-4, 305-5, 305-7, 306-1, 306-2, 306-3, 306-4, 306-5, 308-1, 308-2

Response to Climate Change

Against the backdrop of continuous global warming and frequent extreme weather events, response to climate change has become a core issue concerning the common destiny of humanity. In 2025, COP30 reaffirmed the goals of the *Paris Agreement*, adhered to the 1.5℃ temperature control limit, and emphasized the need for rapid and deep emissions reduction and accelerated clean energy transition, leading the world into a crucial stage of "from commitment to implementation". This year, BYD referenced the disclosure frameworks such as the ISSB IFRS S2, the HKEX ESG Reporting Code, the SZSE Guidelines and the Climate Standard, comprehensively and transparently demonstrating our practical achievements in the field of response to climate change. We also participated in the first pilot disclosure test of the Chinese Climate-related Disclosure Standard organized by the Ministry of Finance of the People's Republic of China during the reporting period. Drawing from our corporate practices, we provided feedback and recommendations, thereby contributing practical insights to advance the globally consistent application of China's sustainable disclosure standards.

As a global leader in the new energy vehicle industry, we put forward the brand initiative of "Cool the Earth by 1 ℃", with the "Three Green Dreams" of solar power, energy storage and electric vehicles as the strategic core. In 2024, we have set our sights on achieving carbon neutrality across the whole value chain by 2045, advancing the low-carbon transformation of the entire industrial chain through a multi-pronged approach. We deeply integrate climate governance into the core of the enterprise strategy and operations. While actively responding to the risks and opportunities brought by climate change, we take practical actions to respond China "dual carbon" targets, and join hands with global stakeholders to gather the strength for green development and jointly build a resilient and low-carbon future.

In 2025

- Selected for the 4th Global Call for Carbon Neutrality Technology Solutions of the United Nations Industrial Development Organization in 2025



- Received the 2025 "Five-Star" Carbon Management System Evaluation Certificate for Automobile Enterprises, issued by the Automotive Industry Energy Conservation and Green Development Evaluation Center



- Won the 2025 Zero Carbon Earth • Singularity Award, part of the Zero Carbon Earth Series Awards selected by authoritative institutions including the UN Sustainable Development Goals Global Collaboration Project and the Energy Foundation
- Ranked among the top 50 in the "2025 Research Report on Carbon Neutrality Contribution of Chinese Enterprises" released by China Institute of Energy Economics(CIER)
- Selected for the "2024 Climate Action Typical Case Collection" initiative jointly launched by Weather China, National Center for Climate Change Strategy and International Cooperation and Xinhuanet



Climate Governance

BYD has established a climate governance structure led by the Board of Directors, consisting of the "Strategy and Sustainable Development Committee – ESG Management Committee – ESG and Sustainable Development Department – ESG management personnel of each business unit/division". Personnel at all levels have professional backgrounds and capabilities to promote the implementation of climate-related decisions, forming a full-process control system with clear rights and responsibilities and efficient coordination. The Group has clarified the responsibilities and reporting systems at each level of its climate governance framework by issuing the *Implementation Rules for the Strategy and Sustainable Development Committee* and the *BYD Company Sustainable Development Management.*

BYD Climate Governance Framework

Level	Responsibilities	Professional Competence	Reporting Frequency
Board of Directors	As the highest decision-making body: • Assume overall responsibility and supreme oversight responsibility for climate-related risks and opportunities • Review climate strategies, targets and relevant major investment decisions	The Board of Directors consists of 6 directors, including senior experts in new energy and experts in the fields of finance and risk management	Hold at least 1 meeting per year. During the reporting period, the Board of Directors (including the Strategy and Sustainable Development Committee) held 1 meeting
Strategy and Sustainable Development Committee	A committee established under the authorization of the Board of Directors: • Responsible for submitting proposals to the Board of Directors for review and decision-making, and subject to the supervision of the Board of Directors • Supervise and inspect the implementation progress of the Group's climate strategy and targets, and review the achievement of climate targets • Evaluate the impact of climate-related risks and opportunities on the Company's strategy, and provide suggestions for decisions on climate strategy, targets, investments, etc.	The Committee members have 10-30 years of professional experience in the new energy and green low-carbon fields	Hold at least 1 meeting per year
ESG Management Committee	Composed of the Group President, CSO, and General Managers of each business unit/division: • Coordinate and allocate climate-related resource inputs • Oversee and review the progress of achieving climate targets and the implementation progress of specific measures	The director of the ESG Management Committee is the Group President; other members cover key climate related functions such as procurement, R&D, and production	Hold at least 1 meeting every quarter
ESG and Sustainable Development Department	As a dedicated executive department: • Coordinate climate and energy conservation and emission reduction-related actions and resources across the group • Report carbon reduction actions and climate target progress to the ESG Management Committee • Establish and maintain a carbon emission data monitoring system. • Track and analyze the dynamics of global climate policies and regulations	Have professional backgrounds in environmental science, new energy engineering, etc.	Report monthly to the CSO
ESG Management Personnel of Business Units / Divisions	Appoint dedicated or part-time ESG management personnel: • Coordinate business units/divisions to advance climate, energy conservation, and emissions reduction initiatives • Responsible for the regular collection, collation, and reporting of carbon emissions data for the business units/divisions • Conduct regular climate-related training and publicity	The members are senior employees of each business unit/division, with professional background in new energy	Hold meetings irregularly

In response to the intensifying global climate change, BYD tracks climate-related laws and regulations in key business regions and has established a multi-dimensional climate policy and regulation research mechanism. It focuses on the impact boundaries of policies on business and compliance time nodes to conduct risk response research: A dedicated team in BYD's Basic Science Research Institute delves into the research of laws and regulations in the green and low-carbon field and regularly reports and interprets the results to senior management to support decision-making; the ESG and Sustainable Development Department tracks external policy dynamics weekly and synchronizes key information with management and executive management; each overseas sales business department is equipped with an internal compliance department to ensure real-time tracking of local climate compliance requirements.

To enhance the professional capabilities of the Board of Directors and senior management in climate-related risks and opportunities, we conduct climate-related theme training for the Board of Directors at least once a year and conduct theme training for all climate governance, management, and execution personnel quarterly. The training content involves professional knowledge such as climate-related policy trends, dual-carbon goals, and energy management to support them in fulfilling their decision-making and supervision responsibility.

We link sustainability-related performance indicators to 10% of the compensation of executive directors and senior management. Among them, in the performance appraisal of senior executives responsible for the ESG field, climate-related performance indicators account for more than 40% of ESG indicators. The energy management assessment indicators of each business department have been implemented at the factory level, and the salary plans of employees in the energy management line include performance indicators related to low-carbon energy conservation. The climate factor salary linkage policy aims to recognize the contributions of all levels in climate management work and encourage them to achieve climate-related goals.

In 2025

Sustainability performance is linked to **10%** of the compensation for executive directors and senior management, with climate indicators accounting for over **40%**

We shared climate change and carbon management topics with the Board of Directors via email, covering **100%** of board members

We conducted **4** specialized training sessions on climate change and carbon management, over **2,600** hours with **1,100** attendances, covering **100%** of climate management and enforcement personnel

Climate Strategy

Analysis and Response to Climate-related Risks and Opportunities

To consolidate the foundation of climate risk management and seize the opportunities of low-carbon transformation, BYD systematically conducts special assessments of climate-related risks and opportunities. For climate-related physical risks, transition risks, and opportunities, it has established a systematic identification and analysis process, deeply analyzed their potential transmission paths to the Company's business model and all value chain links, and quantitatively evaluated the possible financial impacts, providing a decision-making basis for the company to build a climate-resilient development system and formulate a sustainability strategy.

Based on external macro trends and policy references, comprehensively considering factors such as industry characteristics, investment cycles, capital allocation, legal jurisdiction areas of relevant policies, risk nature, and asset service lives, we select within 1 year, 1 to 5 years, and over 5 years as the time ranges for physical risk assessment, and 2035, 2040, and 2050 as the time ranges for transition risk assessment to ensure that the assessment scope is in accordance with the macro market environment and the Company's business strategic direction.

We have identified a total of 20 categories of climate risks and opportunities that may have a potential impact on our industry. On this basis, the Company has built a comprehensive and scientific climate risk and opportunity database, which serves as an important support for this year's climate risk identification, assessment, and management.

BYD Climate Risk and Opportunity Database

Potential Climate Risks (15 categories)	Potential Physical Risks (11 categories)	• Potential acute physical risks: extreme low temperatures or cold waves, sudden droughts, heat waves, heavy precipitation (rain, hail, snow/ice), floods (coastal, river, rain, groundwater), cyclones/typhoons/hurricanes, landslides, wildfires • Potential chronic physical risks: sea level rise, changes in water stress, maximum or average temperature rise
	Potential Transition Risks (4 categories)	• Technology risks • Market risks • Policy and legal risks • Reputation risks
Potential Climate Opportunities (5 categories)		• Product opportunities • Adaptability opportunities • Market opportunities • Resource efficiency opportunities • Energy source opportunities

Physical Risks

Physical risk refers to the negative impact of extreme weather events and long-term climate trends caused by climate change on the Company's assets and production and operation activities.

During the reporting period, to further clarify the materiality level of potential physical risks, we distributed a physical risk survey questionnaire covering all domestic parks under the Group's four major industrial layouts. This initiative aimed to gain in-depth insights into the types of climate disasters experienced by parks, their occurrence frequency and impact level, as well as the primary response measures and resource allocation implemented. We assessed the likelihood of future risk escalation, evaluated the effectiveness of risk response measures, and produced BYD's physical risk materiality matrix. In the future, we will coordinate the overseas expansion of the evaluation system, incorporating the Group's overseas bases into the assessment scope in a phased and step-by-step manner.

Transition Risks

Transition risk refers to the relevant risks brought to enterprises due to a series of changes in policies, laws, technologies, markets, etc. during the process of society's transformation to a low-carbon economy in response to and adaptation to climate change.

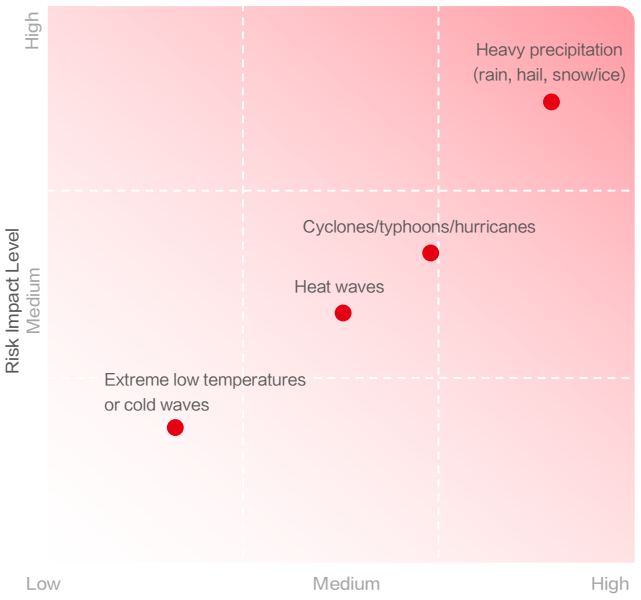
We referred to the definitions and classifications of transition risks in disclosure frameworks such as IFRS S2/TCFD, identified and evaluated four categories of transition risks, analyzed their impact materiality of BYD from two dimensions of the transition risks' exposure level and impact level, and produced a transition risk materiality matrix.

Climate Opportunities

Relying on its industrial chain layout in the automobile, electronics, new energy, and rail transit business, BYD actively seizes the historical opportunities in the wave of transportation electrification and builds the Company's lasting competitiveness in the energy structure transformation.

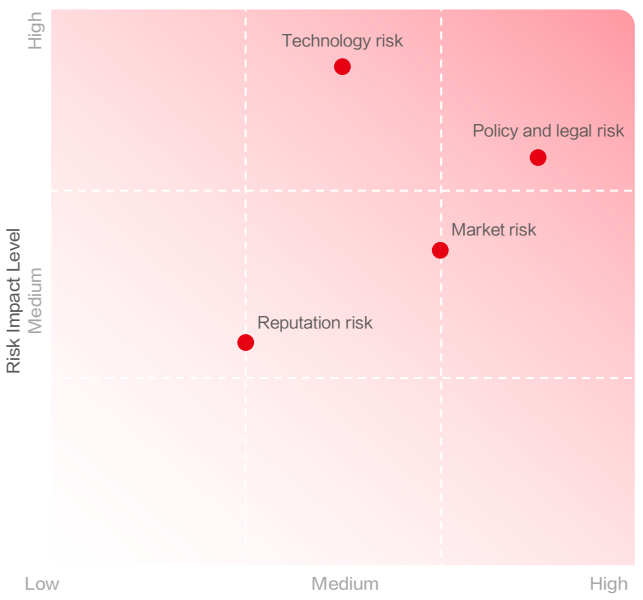
We referred to the definitions and classifications of climate opportunities in disclosure frameworks such as IFRS S2 and TCFD, identified and evaluated five categories of climate opportunities, analyzed their impact materiality on BYD from two dimensions of opportunity achievability and potential and scale, and produced a climate opportunity materiality matrix.

BYD Physical Risk Materiality Matrix

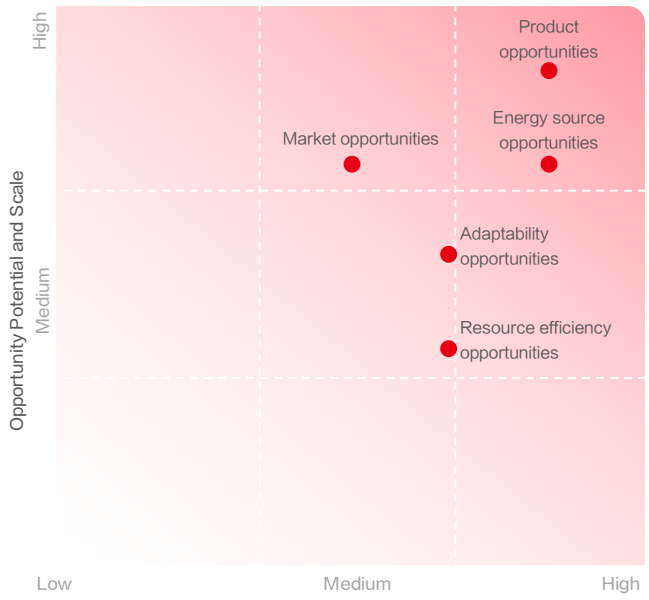


Note: After assessment, the remaining physical risks were determined to have low occurrence frequency and impact level, posing relatively minor risks to BYD. Therefore, they are not listed in the matrix

BYD Transition Risk Materiality Matrix



BYD Climate Opportunity Materiality Matrix



Physical Risks

Through analysis and assessment, we identified four categories of acute physical risks with more material impacts on Company's operations. Among these, heavy precipitation and cyclones/typhoons/hurricanes pose substantial threats, while heat waves and extreme low temperatures or cold waves exert moderate effects. The impacts from other risk categories remain relatively minor at present.

Building on this foundation, we further analyzed the temporal scope of these four critical physical risk drivers, their impact on the Company's own business operations and the upstream/downstream value chain, and mapped out financial impact transmission pathways. This provides a decision-making basis for the Company to assess its climate risk resilience and implement risk prevention and control measures. Concurrently, we plan to progressively quantify capital expenditures, financing, or investments allocated to climate-related risks and opportunities in the future.

Significant Physical Risks Identified By BYD

Risk Category	Risk Drivers	Impact Time Horizons	Impact on the Company's Business and Value Chain, and Financial Impact Transmission Path	Response Measures and Resource Allocation
Acute risk	Heavy precipitation (rain, hail, snow/ice)	Short-term, medium-term, and long-term	Upstream procurement; Production and operation; Downstream distribution • The high humidity brought by heavy precipitation accelerates the corrosion of metal equipment and the damage of electronic components due to moisture, resulting in an increase in the depreciation rate of fixed assets such as production equipment and testing instruments. Meanwhile, it increases the operation and maintenance costs and procurement investment expenditures, leading to an increase in operating expenses, asset impairment losses, and investment expenditures. • Heavy precipitation is likely to cause supply chain disruptions and transportation delays, affecting product delivery and leading to a decrease in operating income.	• Formulate special management measures and regulations, establish an emergency manpower network, and obtain and convey meteorological information in real-time. • Regularly clean drainage ditches and rainwater wells, reinforce factory building doors, windows, and rain shelters, set up storage areas at high terrain, and cut water grooves on waterlogged roads. • Conduct real-time monitoring relying on the MES (Manufacturing Execution System) and temperature/humidity/dew point detectors and ensure the smooth drainage of the pipe network. • In case of emergency, stack flood control sandbags and water baffles, seal low-lying areas, start drainage equipment, and evacuate personnel to emergency shelters.
Acute risk	Cyclones/ typhoons/ hurricanes	Short-term, medium-term, and long-term	Upstream procurement; Production and operation; Downstream distribution • Cyclones and secondary disasters cause inventory to be damaged by moisture; fixed assets depreciate faster due to soaking and impact, resulting in asset impairment losses. • The damage to assets and the increase in risks lead to an increase in insurance premiums. Meanwhile, the investment related to safety protection increases, resulting in an increase in operating expenses. • Ships cannot berth on time, causing disruptions in the supply of upstream raw materials and hindering the transportation and distribution of downstream products. This affects production and sales plans, leading to a decrease in operating income.	• Under the unified command of the emergency headquarters, monitor the typhoon path in real-time relying on hierarchical emergency teams and full-time patrol personnel. • Conduct regular publicity and mobilization to clarify evacuation routes. • Reinforce the building structure of factories and outdoor facilities, clean up high-altitude debris, and regularly inspect first-aid supplies. • In case of emergency, immediately stop outdoor operations, cut off water and electricity in dangerous areas, and arrange emergency personnel for on-duty patrols. • After the disaster, organize inspections of the damage to factories and equipment, and clear fallen trees and roadblocks.
Acute risk	Heat waves	Short-term, medium-term, and long-term	Production and operation • High temperatures cause power outages, halting production lines. At the same time, the health of employees is affected by high temperatures, leading to interruptions in production activities, causing damage to production capacity and a decrease in operating income. • High temperatures increase the frequency of use of cooling equipment such as air conditioners, raising energy costs. Meanwhile, the need to enhance safety inspections in high-temperature environments increases safety management costs, leading to an increase in operating expenses. • The maintenance costs due to equipment failures caused by high temperatures rise. At the same time, human-related expenditures such as the purchase of heat-prevention supplies and the payment of high-temperature subsidies increase, leading to an increase in operating expenses.	• Equip a logistics support team and emergency rescue personnel, as well as cooling supplies such as air conditioners, cooling fans, and anti-static equipment, and automatic fire-extinguishing systems. Provide high-temperature subsidies to staff in relevant positions. • Implement the renovation of building insulation and ventilation systems, and deploy AI-intelligent ice-water station control systems, online monitoring of workshop temperature and humidity, and automatic cooling control systems. • Use the MES to monitor the temperature and humidity in the workshop in real-time and set up automatic over-limit warnings. Implement closed-loop management and control of equipment in high-temperature areas, and install dedicated air conditioners and temperature detectors.
Acute risk	Extreme low temperatures or cold waves	Short-term, medium-term, and long-term	Upstream procurement; Production and operation; Downstream distribution • Low temperatures or cold waves increase the energy consumption of heat-preservation and heating equipment, raising energy costs and leading to an increase in operating expenses. • Low temperatures or cold waves reduce the power-supply efficiency of batteries and the operating efficiency of in-vehicle electronic devices. They also hinder employees' commutes and increase the difficulty of outdoor inspections, affecting production efficiency and increasing the risk of accidental safety, leading to a decrease in operating income. • To address the impact of low temperatures or cold waves on core components, it is necessary to increase R&D Investment in the low-temperature resistance and durability of batteries and in-vehicle electronic devices, leading to an increase in R&D Investment. • Weather conditions such as road icing and snow accumulation caused by low-temperature or cold waves lead to transportation disruptions, affecting the supply of raw materials and the rhythm of product delivery, resulting in a decrease in operating income.	• Rely on the park's HVAC system, waste heat recovery system, and high-efficiency insulation materials to implement insulation upgrades for workshops and key production equipment. • Track temperature changes in real time and conduct special anti-freezing inspections on key facilities such as water pipes and valves. • Allocate equipment maintenance and emergency support personnel. In case of an emergency, quickly start the heating system to ensure the stable operation of the heating and power supply networks. Adjust the production process if necessary.

Transition Risks

On this basis, we further analyzed the impact time horizons of various transition risk drives, their impact level on the Company's own business operations and the upstream and downstream value chains, sorted out the financial impact transmission paths, and summarized the Company's relevant response measures and resource allocation.

Significant Transition Risks Identified by BYD

Risk Category	Risk Drivers	Impact Time Horizons	Impact on the Company's Business and Value Chain, and Transmission Path of Financial Impact	Response Measures and Resource Allocation
Policy and legal risk	Rising prices of Greenhouse Gas Emissions allowances Strengthened emission reporting obligations Litigation risks Mandatory requirements and regulations for existing products and services	Medium–term and long–term	Upstream procurement; Production and operation; Downstream distribution • **Rising direct carbon costs:** High–energy–consuming raw material industries such as steel, aluminum, and cement have been included in the carbon market. The increase in their carbon costs will be transmitted through the supply chain, leading to higher procurement costs. • **Stricter disclosure standards:** The stricter requirements for carbon emission disclosure involve the cost of statistical calculation of carbon emission data, leading to an increase in sales and management expenses. • **Potential litigation risks:** The carbon emission–related regulations in global markets are changeable and complex. Violations may result in fines, litigation compensation, and reputational damage. • **Product carbon footprint regulation:** To meet the regulatory and market requirements for disclosing the carbon footprint of products throughout their life cycle, controlling carbon emissions in the supply chain may lead to adjustments in supplier selection criteria or production processes, resulting in increased management and R&D expenses.	• Equip with policy researchers and a team of carbon management experts to systematically track and respond to global climate and compliance policies. • Establish a regular policy tracking mechanism to monitor key domestic and international policies weekly. • Actively participate in standard setting and maintain close communication with regulatory authorities. • Regularly evaluate the impact of policies on business and the supply chain and formulate response plans.
Technology risk	Low–emission substitutes for existing products and services Failure in investing in new technologies Cost of transitioning to low–emission technologies	Medium–term and long–term	Production and operation • **Risks of replacement of battery technology routes:** If key breakthroughs are achieved in next–generation electrochemical systems such as solid–state batteries, it may pose a subversive threat to BYD's existing battery technology advantages and product lines, leading to a decrease in operating income and impairment losses of fixed assets and intangible assets. • **Risk of sunk costs in R&D investment:** The R&D investment in cutting–edge technologies is huge. If the technological path fails or commercialization lags, investment expenditure will increase. • **Competition risk of hydrogen fuel cell technology:** If significant progress is made in the field of commercial vehicles regarding hydrogen fuel cell technology, it will pose a structural risk to the market position of BYD's commercial vehicle business, resulting in a decrease in operating revenue and impairment losses of fixed assets and intangible assets. • **Pressure of capital expenditure:** Capacity construction, platform development, factory renovation, and the layout of charging and battery swapping networks all require continuous large–scale capital expenditure, leading to an increase in R&D expenses and investment expenditure.	• Form a green R&D team, equip it with technical experts, and invest special funds to focus on technological iterations such as lightweighting, recycled plastics, and high–efficiency motors. Meanwhile, make forward–looking arrangements in areas such as solid–state batteries and carbon capture. • Accelerate the transformation and application of R&D results by jointly building laboratories with industrial chain partners and sharing technology, process, and material data.
Market risk	Increase in raw material costs Uncertainty of market signals Ever–changing consumer behavior	Medium–term and long–term	Upstream procurement; Production and operation; Downstream distribution • **Increased compliance costs of green supply chain:** Meeting the ESG requirements of the global supply chain requires the establishment of a more complex and transparent management system, resulting in increased procurement and management fees. • **Risk of the decline and adjustment of industrial policies:** If the government reduces or cancels subsidies for electric vehicles, the profit margin may be compressed. • **Uncertainty of acceptance by consumers in the mainstream market:** When penetrating the mainstream consumer market, their concerns about safety, battery life, and charging may affect sales targets, leading to an increase in sales expenses and a decrease in operating revenue.	• Establish a consumer tracking and research mechanism and flexibly adjust the product line layout. • Allocate budgets for promoting green products, brand building funds, and funds for supply chain optimization. Rely on product carbon footprint accounting tools and green product R&D platforms to support market communication. • Incorporate green procurement requirements and carbon–related surveys into the supplier management system to enhance the resilience of the value chain.
Reputation risk	Shift in consumer preferences Reputation risks in certain industries Increased concerns or negative feedback from stakeholders	Medium–term and long–term	Downstream distribution • **Dependence on brand image and sustainability reputation:** If negative environmental issues are exposed, it will seriously damage the reputation, leading to increased sales expenses, decreased operating income, and impairment losses of intangible assets. • **Systematic environmental evaluation faced by high–environmental–risk industries:** BYD is involved in the battery business. The environmental impacts of manufacturing energy consumption, raw material extraction, and the issue of waste battery recycling may attract external attention to its environmental performance and potentially affect the value of its intangible assets. • **Divestment by institutional investors:** If institutional investors believe that BYD's climate risk management or transformation pace is insufficient, it may affect investors' trust and expectations, leading to increased financing costs.	• Actively carry out green marketing activities to strengthen the brand's environmental image. • Establish a communication mechanism with stakeholders, regularly publish Sustainability Reports, disclose the progress of climate actions, and actively obtain authoritative certifications such as green factories and SBTi. • Integrate ESG actions into brand communication and promote brand narratives through methods such as donating carbon assets and participating in low–carbon forums.

Climate Opportunities

On this basis, we further analyzed the impact time horizons of the driving factors of various climate opportunities, the impact level on the Company's own business operations and the upstream and downstream value chains, sorted out the financial impact transmission paths, and summarized the Company's relevant response measures and resource allocation.

Significant Climate Opportunities Identified By BYD

Opportunity Category	Risk Drivers	Impact Time Horizons	Impact on the Company's Business and Value Chain, and the Transmission Path of Financial Impact	Response Measures and Resource Allocation
Resource efficiency	Adopt more efficient production and transportation models Use recycled products Reduce water consumption	Medium-term and long-term	Production and operation • **Lean production management system:** Deploy IoT and AI monitoring in high-energy-consuming links and optimize processes; reduce production waste through value-stream analysis and lower energy and resource costs. • **Transportation optimization and route planning:** Establish zero-carbon internal logistics using self-developed electric heavy-duty trucks; apply AI to optimize the network, improve efficiency, and reduce transportation costs. • **Resource utilization:** Systematically classify, recycle, and reuse waste materials such as metals and plastics in the manufacturing process; establish a battery Lifecycle Management network, prioritize echelon use, efficiently recycle valuable metals, and reduce raw material procurement costs. • **Water resource utilization**: Invest in advanced water treatment and reuse facilities; Use high-efficiency cooling equipment with variable-frequency drives; Establish a park-level rainwater collection and utilization system to reduce resource costs.	• Establish an online energy monitoring system in some factories to monitor data such as electricity and natural gas in each production link, and achieve comprehensive control of energy consumption. • Use self-developed lithium-battery forklifts, which eliminate exhaust pollution while delivering significant energy savings compared to traditional fuel-powered forklifts. • Promote recycled plastics and apply lightweight materials such as magnesium alloys and aviation aluminum alloys to reduce the environmental impact of products throughout their lifecycle.
Energy source	Energy-saving renovation Use clean energy Participate in the carbon market	Medium-term and long-term	Production and operation Downstream distribution • **Facility energy-saving renovation:** Integrate photovoltaics, energy storage, and high-performance buildings in the planning of new bases; Implement LED lighting, upgrade high-efficiency HVAC systems, and conduct fine-grained management of building energy in existing factories to reduce energy costs. • **Promote the use of clean energy:** Promote the use of clean energy in factories and parks, achieve low-carbon charging networks. In the short term, it will increase operating expenses, while in the long term, it will reduce asset impairment losses. • **Carbon credit trading:** Accumulate surplus carbon credits through the sales of electric vehicles and sell them to increase other business revenues.	• Equip with energy management personnel and a technical renovation team and continuously invest in green electricity procurement funds and special funds for energy-saving technological transformation. • Cooperate with green electricity suppliers and power enterprises to expand the scope of green electricity procurement and pilot direct-connection projects for green electricity. • Deploy energy storage equipment and waste heat recovery systems, optimize the energy efficiency of air conditioners and motors, and rely on the AI intelligent system to achieve fine-grained and intelligent energy management. • Participate in low-carbon research in the industry and promote the formulation of relevant standards.
Product	Expansion of low-emission products Develop to meet the needs of climate change Consumers' preferences are shifting towards environmental protection	Medium-term and long-term	Downstream distribution • **Large-scale expansion of the energy storage system:** Extend the power battery business to the energy storage system field and develop "photovoltaic-energy storage-charging integration" charging stations and household energy storage systems, resulting in an increase in operating income. • **Develop customized insurance products:** Develop customized insurance for the special risks of electric vehicles and energy storage systems to eliminate customers' concerns and increase operating income. • **Energy management services:** Develop an AI-driven energy management platform to provide energy dispatch and carbon management Strategies for industrial parks and cities, resulting in an increase in operating income. • **Build a green brand image and lifestyle:** Through green practices across the entire industrial chain, materialize the brand proposition of "Technology, Green, Tomorrow" to enhance the value of intangible assets.	• Established a green product R&D and design team and allocated a budget for new product R&D. • Actively promote product R&D and iteration and continuously optimize the energy consumption performance of NEVs.
Market	Public sector incentives Enter new markets	Medium-term and long-term	Production and operation Downstream distribution • **Production and R&D incentive policies:** Actively apply for investment preferences, tax exemptions, and R&D funding support provided by local governments for the green industry to reduce expansion and innovation costs, resulting in a decrease in R&D expenses. • **In-depth penetration into the NEVs market:** Based on consolidating the mass market, increase brand premium through high-end brands; accelerate entry into overseas markets and expand market share by leveraging leading technological advantages, resulting in an increase in operating income.	• Strengthen the sales network of new energy products and layout overseas cooperation channels. Actively expand the international market and promote green products such as NEVs and energy storage systems overseas to meet the growing global demand for low-carbon products.
Adaptability	Enhance resilience to climate change Participate in investing in renewable energy projects	Medium-term and long-term	Production and operation • **Increased risk protection:** Purchase sufficient property insurance, business interruption insurance, etc. to transfer financial losses caused by extreme climate events. This will increase operating expenses in the short term but reduce asset impairment losses in the long term. • **Layout renewable energy projects:** Layout the entire industrial chain including silicon wafer processing, battery cell and photovoltaic module manufacturing, and photovoltaic systems, and launch an integrated solar energy storage and utilization solution.	• Purchase property insurance covering assets such as real estate, inventory, and equipment to transfer as much financial losses caused by natural disasters as possible. • Prospectively layout the Renewable Energy Business such as solar photovoltaics to diversify energy sources, increase business revenue, and enhance resilience to climate change.

Climate Scenario Analysis and Resilience Assessment

In response to the mainstream trend of climate information disclosure and the strategic needs of corporate sustainable development, BYD conducted in-depth Climate Scenario Analysis this year. By quantitatively assessing the potential impacts of key climate risks and opportunities on the Company's business operations and financial performance under different climate scenarios, it provides scientific support for the company to promote climate risk management and strategic planning.

Climate Scenario Setting

01 Physical Risk Scenario

We referenced the Shared Socioeconomic Pathways (SSPs) scenarios proposed in the Sixth Assessment Report of the United Nations Intergovernmental Panel on Climate Change (IPCC), selecting two representative scenarios as the basis for analysis:

- SSP1-2.6 Low Emissions Scenario (projected to result in a 1.7℃ global temperature rise by 2100) corresponds to sustainable socioeconomic development pathways and relatively low greenhouse gas emissions, leading to relatively gradual changes in the climate system.
- SSP5-8.5 High Emissions Scenario (projected to increase global temperatures by 4.4℃by 2100) corresponds to a high-intensity economic growth pathway and high greenhouse gas emission levels, resulting in a significant increase in the frequency and intensity of climate extremes.

02 Transition Scenario

We referenced the Global Energy and Climate (GEC) model developed by the IEA and selected two representative scenarios as the basis for transition risk analysis:

- Stated Policies Scenario (STEPS) ——corresponding to a high-emission path. This scenario is based on the energy and climate policies that have been implemented or clearly proposed by various countries, reflecting the mainstream development trends of current technology, market, and policies. It is expected that the global temperature rise will reach about 2.5℃ by 2100.
- Net Zero Emissions by 2050 Scenario (NZE 2050) ——corresponding to a low-emission path. This scenario is oriented towards achieving the global 1.5℃ temperature control target and proposes a transformation path for the energy sector. The core pillars include the electrification of clean energy, energy-efficiency improvement, the application of low-carbon fuels, and methane emission reduction.



Conclusions of Climate Scenario Analysis and Results of Resilience Assessment[10]

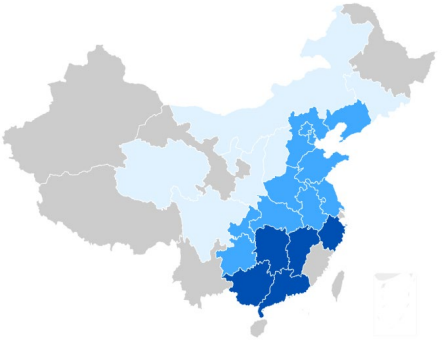
01 Results of Physical Risk Scenario Analysis[11]

This physical risk scenario analysis covers all domestic campuses under the Group's four major industrial layouts, focuses on the operating business units, and specifically analyzes the book-value losses of core assets such as buildings and equipment in the factory area.

Relying on the authoritative climate data of the IPCC, under the prediction framework of the SSP5-8.5 scenario in 2050, we focused on four important physical climate risks, namely heavy precipitation, heat waves, extreme low temperatures or cold waves, and typhoons, for the provinces where BYD's main factories are located. We carried out risk level classification and assessment work to systematically identify the risk characteristics and distribution patterns in each region.

Assessment Results of Material Physical Risk Levels of BYD's Main Domestic Factories[12]

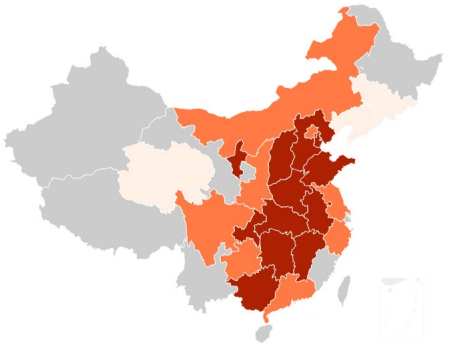
Distribution of heavy precipitation risk levels



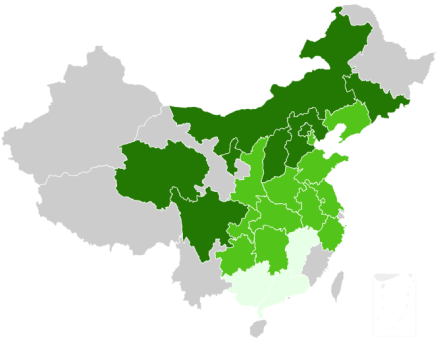
Distribution of cyclones/typhoons/hurricanes risk levels



Distribution of heat waves risk levels



Distribution of extreme low temperatures or cold waves risk levels



Note: Gray areas represent provinces where BYD's main production facilities are not located. Risk level distribution is calculated based on risk values derived from BYD's primary manufacturing sites. Darker shades on the provincial map indicate higher physical risk levels in those regions where facilities are situated

Through research, we found that the level distribution of the four material physical risks shows significant provincial and regional differences: the risks of heavy precipitation and typhoons are concentrated in the coastal provinces of South and East China. Among them, Guangdong Province, Guangxi Province, and Zhejiang Province have the highest levels of both risks. The heat waves risk areas cover many provinces in the north and south, with prominent risks in some provinces in North and Central China. The extreme low temperature/cold waves risks are mainly in the northern provinces.

[10] Statement of uncertainty:

There are inherent uncertainties associated with climate scenario analysis. The findings of such analysis are provided for reference purposes only in the evaluation of BYD's strategic resilience. They do not constitute a forecast of future climate conditions or financial performance, nor do they represent any legally binding commitment, guarantee, or liability undertaking. BYD shall not be held legally liable for any direct or indirect losses incurred by any stakeholder as a result of reliance on these analytical results

[11] Key scenario assumptions: Due to data availability constraints, the calculation of the potential financial impact of physical climate risks in this report only uses asset value as the core measurement indicator and does not currently incorporate the impacts of other transmission paths such as operational disruptions and production efficiency decline

This model assumes a single disaster occurs independently and does not consider the possibility of concurrent or secondary occurrences of compound and cascading disasters and their interaction mechanisms. At the same time, it does not incorporate the potential mitigation effects of future planned climate adaptation measures (such as infrastructure upgrades and the establishment of disaster warning systems)

[12] Based on three climate indicators from the IPCC database, namely "Maximum 1-day precipitation amount", "Number of days with maximum temperature above 35℃", and "Number of days with minimum temperature below 0℃", and combined with the provincial typhoon frequency and typhoon wind speed data output from BYD's independently developed climate scenario model, a visual analysis of climate risks in the provincial administrative regions where the main parks are located is carried out, and a multi-dimensional provincial granularity climate risk level distribution map is drawn

For the two material physical risks of heavy precipitation and typhoons that BYD faces, screening indicators for high-risk parks were set in the dimension of climate disasters (such as the frequency of extreme rainstorm events, rainstorm intensity, annual frequency of typhoon impacts, and typhoon wind speed). Considering geographical differences between coastal and inland areas, the pilot program must cover both types of regions. As a result, three parks prone to climate disasters, namely Shenzhen Kuichong, Wenzhou Yongjia, and Xiangyang Xiangzhou, were selected to conduct a pilot analysis of quantifying the financial impact of climate risks. We carried out full-dimensional data collection on the park assets. By combining the disaster frequency and intensity parameters under different future climate scenarios, the data was input into the asset vulnerability quantitative assessment module for operational analysis, and the average annual loss level of assets was comprehensively output.

Estimation of the Impact Ratio of Typhoon Risk on the Asset Values of BYD's High-Typhoon-Risk Parks[13]

	Year	SSP1-2.6 Scenario	SSP5-8.5 Scenario
Shenzhen Kuichong	2026	0.4159%	0.3565%
	2030	0.2987%	0.4439%
	2050	0.3548%	0.3570%
Wenzhou Yongjia	2026	0.1716%	0.1509%
	2030	0.1234%	0.1823%
	2050	0.1393%	0.1429%

Note: Different parks are marked with different colors. Within the same risk category and the same industrial zone, darker colors indicate higher risk levels

Estimation of the Impact Ratio of Heavy Precipitation Risk on the Asset Values of BYD's High-Heavy Precipitation-Risk Parks[13]

	Year	SSP1-2.6 Scenario	SSP5-8.5 Scenario
Shenzhen Kuichong	2026	0.5298%	0.5498%
	2030	0.5589%	0.5619%
	2050	0.5664%	0.5821%
Wenzhou Yongjia	2026	0.0681%	0.0717%
	2030	0.0749%	0.0701%
	2050	0.0779%	0.0759%
Xiangyang Xiangzhou	2026	0.0177%	0.0148%
	2030	0.0176%	0.0218%
	2050	0.0193%	0.0250%

Note: Different parks are marked with different colors. Within the same risk category and the same industrial zone, darker colors indicate higher risk levels

The calculation results show that under the SSP1-2.6 and SSP5-8.5 scenarios, the proportions of asset impacts of heavy precipitation and typhoon disasters on the three major parks (Shenzhen Kuichong, Wenzhou Yongjia, and Xiangyang Xiangzhou) present differential characteristics. The overall impact of heavy precipitation is higher than that of typhoons. The Shenzhen Kuichong Park is a high-impact area for both types of disasters. Among them, the impact of heavy precipitation increases slightly over time, and the impact is more significant in most years under the SSP5-8.5 scenario. The impact of typhoons shows large fluctuations between scenarios and years.

Climate Resilience Assessment

Based on the results of physical risk identification and importance assessment, BYD has formulated physical risk adaptation work for the Company's existing and newly developed businesses, achieving 100% nationwide business coverage. Under various climate scenarios and assessment years, the peak weighted impact proportion of heavy precipitation and typhoon disasters on the relevant factory assets with high natural vulnerability of the company is within 0.5%. Therefore, we believe that the overall impact on high-risk factories is within a controllable range, and we can infer that the direct impact of the two types of climate disasters on the Company's overall asset value is relatively limited in the short term.

At the same time, we calculated the main expenditures for the Company's physical risk response from 2023 to 2025, including preventive investment (procurement of flood, typhoon and storm surge prevention materials), post-disaster remediation costs (disaster repair and reconstruction expenses), and risk transfer expenditures (related insurance premiums). Based on our current financial impact assessment model, the aforementioned expenditures are projected to have an impact of less than 1% on key financial metrics such as the Company's operating costs.

In summary, the Group has developed a certain degree of resilience and adaptability in preventing and adapting to climate-related physical risks.

[13] The following asset losses are all direct losses of the assets owned by the factories

02 Results of Transition Scenario Analysis[14]

The regulatory carbon cost can reflect the impact level of regulatory carbon prices on enterprises. We referred to the IEA's predictions of carbon prices under different climate scenarios and calculated the possible financial impact of regulatory carbon prices on the Company under two climate scenarios based on BYD's current climate target path planning.

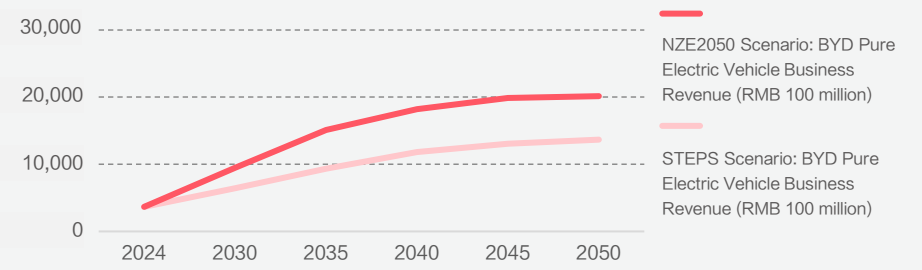
Climate change also brings relevant opportunities to BYD. We focused on the market growth potential of BYD's pure electric vehicle business segment, referred to the IEA's forecast data on pure electric vehicle sales, cost of capital, supply and demand of key mineral resources, etc., and evaluated BYD's growth opportunities in the pure electric vehicle business segment under two climate scenarios.

Estimated Financial Impact of Regulatory Carbon Costs on BYD's Operating Profit

Impact Ratio of Regulatory Carbon Cost on BYD's Operating Profit

	STEPS Scenario	NZE2050 Scenario
2035	0.5~1%	3~4%
2040	<0.5%	2~3%
2050	<0.1%	<0.1%

Forecasted Revenue for BYD's Pure Electric Vehicle Business Segment



The calculation results show that under the IEA STEPS scenario and the NZE 2050 scenario, the regulatory carbon cost that BYD needs to bear shows a decreasing trend year by year. However, overall, the regulatory carbon cost under the NZE 2050 scenario is higher than that under the STEPS scenario.

To systematically manage climate-related risks and seize transition opportunities, BYD has integrated climate factors into its corporate strategy and decision-making processes, formulating dedicated response strategies and measures. The Company has explicitly set the goal of "achieving carbon neutrality across the whole value chain by 2045". Centering on this objective, BYD is advancing initiatives to deepen energy conservation and carbon reduction in production operations, lead the transformation toward green transportation, drive the shift to green energy and low-carbon solutions, and build a green ecosystem across the value chain. Through concrete actions, the Company is steadily progressing toward realizing this goal.

For detailed strategic planning and implementation, please refer to the *Climate Action* section and the *Special Section - Vision, Responsibility and Action-BYD's Road to Low-Carbon Transformation* section of the Report.

[14] Key scenario assumptions: During the time frame of the scenario analysis, the government's carbon tax policy and the carbon market trading mechanism are fully effective and operating. Internal factors such as BYD's business market and main business remain unchanged. BYD conducts carbon reduction actions in accordance with the company's existing carbon reduction path plan



Climate Risk and Opportunity Management

Climate Risk and Opportunity Identification and Assessment Process

To actively respond to the challenges and opportunities brought by climate change, BYD has established a scientific and comprehensive climate risk and opportunity identification and assessment process, covering four key links: collection, identification, materiality assessment, and financial impact analysis. It comprehensively examines the physical risks, transition risks, and opportunities faced by the Company, and evaluates their potential financial impacts under different climate scenarios, providing a strong basis for the Company's risk prevention and control and strategic decision-making.

Collection

By researching historical disaster databases, tracking domestic and international climate policies and regulations, and reviewing relevant literature, we combine the climate characteristics of our operating locations with the Company's actual operations to build a climate risk and opportunity database covering all potential climate-related risks and opportunities.

Identification

Based on the climate risk and opportunity database, we determine a list of climate risks and opportunities closely related to the company's own operations and supply chain through on-site investigations, departmental interviews, and questionnaire surveys.

Materiality Assessment

Using a combination of desk research and questionnaire surveys, we conduct materiality assessments of physical risks, transition risks, and opportunities based on the dimensions of physical risk frequency/impact, transition risk exposure/impact, and opportunity feasibility/potential and scale, and develop a materiality matrix.

Financial Impact Analysis

Using climate scenario analysis, we select representative climate scenarios for key physical and transition risks/opportunities, calculate their corresponding risk/opportunity exposures, and conduct quantitative financial impact analysis for key climate risks and opportunities that currently have the conditions for quantification.

Climate Risk and Opportunity Management

BYD has integrated climate-related risks and opportunity management into the Company's existing risk management system, forming an institutionalized and normalized management closed-loop. The *BYD Company Risk Management* clearly covers environmental and climate-related management requirements, and has established a hierarchical management mechanism covering identification, assessment, response, and supervision to achieve full-process control of climate impacts, risks, and opportunities.

Working teams and business units/divisions

Conduct self-inspections and reviews of the management of climate-related risks and opportunities at least once a quarter. Identify deficiencies in a timely manner and make improvements. Submit inspection, review, and evaluation reports to the Risk Management Committee in a timely manner.

Risk Management Committee

Inspect and review the effectiveness of the implementation of climate-related risk and opportunity management work by working groups and business units/departments. Report to the Company's management in a timely manner through the reporting mechanism of the ESG and Sustainable Development Department and relevant departments.

For details of the Group's overall risk management mechanism, please refer to the *Strengthen Risk Management and Control* section of this report.

To monitor and ensure the effectiveness of climate risk and opportunity management, the Company has established a comprehensive management mechanism covering three major areas: emergency response, transition risks, and supply chain control.

1. In terms of emergency management, a closed-loop of early warning, command, and supervision is achieved through the "Three-prevention" system. The Environmental Safety Department monitors meteorological information in real-time and issues early warnings. The Risk Management Committee regularly evaluates the operational effectiveness and response quality of the system.

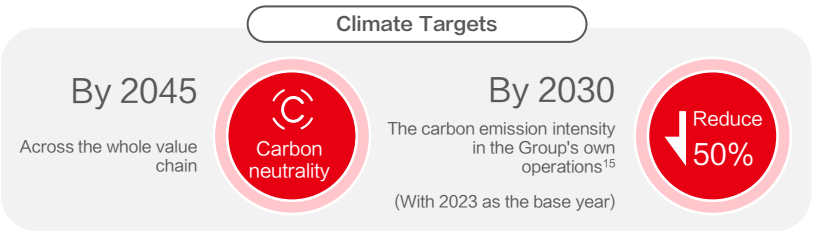
2. Regarding transition risks, the Company incorporates carbon emission compliance into the overall risk management process, conducts quarterly evaluations, and establishes a research team to dynamically track industry trends to ensure foresight. At the same time, it integrates climate opportunities into the business system, establishes an energy and carbon emission management system, regularly statistics performance indicators, and optimizes the green investment strategy.

3. Supply chain risk management relies on the supplier access mechanism and digital platform to strengthen emission visualization and traceability, and promotes collaborative control across the whole value chain.

Climate Metrics and Targets

Climate Targets

To implement the national strategy and support the *Paris Agreement*, BYD has announced its carbon neutrality target, striving to achieve carbon neutrality across the whole value chain by 2045. At the same time, we have set phased carbon reduction targets to reduce the carbon emission intensity in its own operations[15] by 50% compared to 2023. We regularly review and adjust the targets to adapt to changes in external policies and industry development. To achieve the 2045 carbon neutrality target, we explore the potential for energy consumption reduction based on actual energy consumption and production process characteristics and set short-and medium-term energy-saving and carbon-reduction targets. At the same time, to implement the assessment responsibility for energy-saving and carbon-reduction targets, relevant responsible persons will regularly evaluate and inspect energy-saving work. After taking all feasible emission reduction measures, we also plan to purchase high-quality, third-party certified carbon credits to offset the remaining emissions.



In 2025, subsidiaries of BYD Group, Shenzhen BYD Lithium Battery Company & Shanghai BYD Lithium Battery Company, have set validated short-term and long-term targets through the Science Based Targets initiative (SBTi). Guangxi FinDreams Battery Company has submitted its SBTi Net-zero commitment.

BYD Attended the 2025 Carbon Peak and Carbon Neutrality Forum

In October 2025, BYD's CSO was invited to attend the 2025 Carbon Peak and Carbon Neutrality Forum and the Shenzhen National Low-Carbon City Forum and delivered a keynote speech, sharing the group's carbon management practices.



2025 Carbon Peak and Carbon Neutrality Forum

[15] Refer to BYD scope 1 and 2

Climate Metrics

BYD has formulated and implemented internal policies such as the *BYD Carbon Emission Management* and the *BYD Carbon Emission Quantitative Management Regulations* to standardize the implementation path of carbon emission control and strengthen the management effect of the whole process. We collect carbon data from multiple sources across the full range with reference to the ISO 14064 standard and complete the review and verification through the "i Di Carbon Chain" Carbon Management Platform to ensure the accuracy and standardization of the data. In addition, we plan to conduct a survey of the carbon asset base, gradually build a carbon asset management system, formulate special management systems, and promote the implementation of relevant plans for carbon asset development, carbon trading, and internal carbon pricing.

For details of the Group's "i Di Carbon Chain" Carbon Management Platform, please refer to the *Special Section – Vision, Responsibility and Action–BYD's Road to Low-Carbon Transformation* section of this report.

In 2025

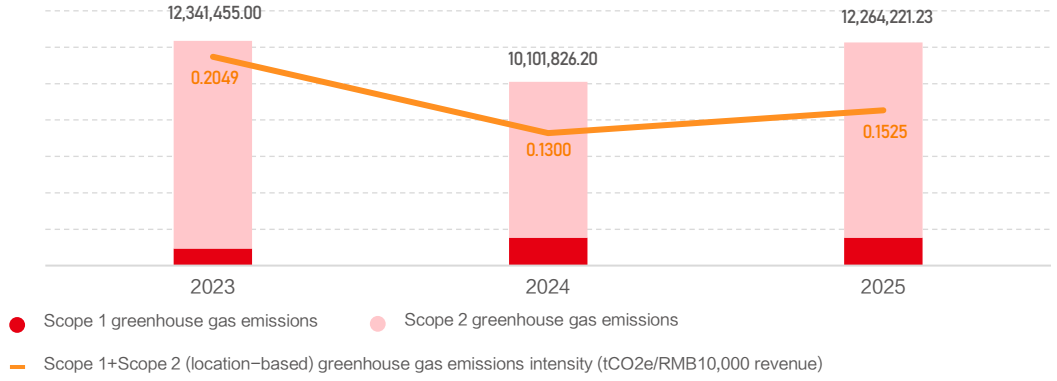
We have enhanced the precision of our carbon emissions accounting. Calculations indicate that during the reporting period, the Automobile business's carbon emissions (Scopes 1 and 2) amounted to approximately

1.73 million tCO_2e.

This corresponds to emission intensity as low as **0.38** tCO_2e per vehicle

Carbon Emissions Performance

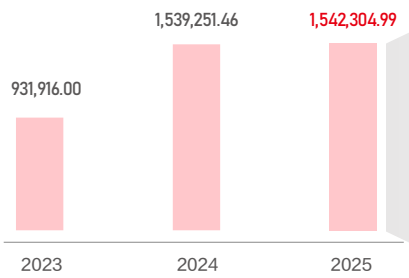
In 2025, we optimized our greenhouse gas emissions accounting methodology in accordance with internationally recognized standards such as the *IPCC 2006 National Greenhouse Gas Inventory Guidelines* and ISO 14064. Leveraging the "i Di Carbon Chain" Carbon Management Platform (ISO 14064 certified), we implemented intelligent data statistics and calculations, providing precise data support and scientific decision-making basis for achieving energy conservation and emission reduction targets.



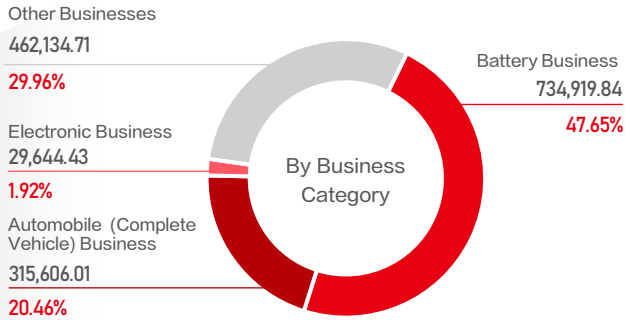
During the reporting period, BYD's total Scope 1 and Scope 2 (location-based) emissions for 2025 amounted to 12,264,221.23 tCO2e, representing an increase compared to 2024. This rise primarily resulted from the rapid expansion of the company's global business footprint and the concentrated release of production capacity at newly operational facilities. By upgrading efficient manufacturing processes, optimizing green energy structures, and deepening digital management, we will continue to actively advance our efforts toward achieving carbon neutrality and ensure that we meet our goals.

In 2025, we conducted a more detailed assessment of emissions performance across all business segments to precisely identify key areas for reduction. Inventory data indicates that the battery business constitutes the primary source of Scope 1 and Scope 2 (location–based) emissions for the Company, stemming from fossil fuel combustion during battery production and externally procured electricity. We will continue to focus on energy conservation and emission reduction improvements for these key emission sources.

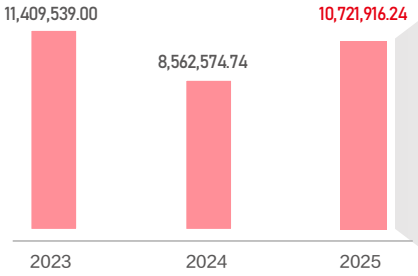
BYD Scope 1 Greenhouse Gas Emissions (tCO_2e)[16]



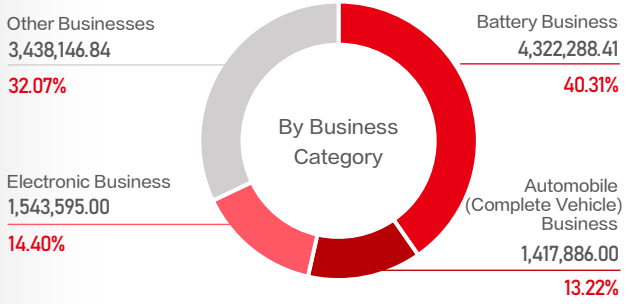
BYD Scope 1 Greenhouse Gas Emissions – By Business Category (tCO_2e)



BYD Scope 2 (Location–based) Greenhouse Gas Emissions (tCO_2e)[17]



BYD Scope 2 (Location–based) Greenhouse Gas Emissions – By Business Category (tCO_2e)



During the reporting period, to enhance the transparency of carbon emissions data disclosure, we adhered to the *GHG Protocol* and further refined our Scope 3 emissions accounting framework. We expanded the categories of Scope 3 emissions accounting by adding six new categories: purchased goods and services, upstream transportation and distribution, downstream transportation and distribution, processing of sold products, use of sold products, and disposal of sold products.

Scope 3 Emissions Category[18]	Emissions in 2025 (tCO_2e)
Category 1: Purchased Goods and Services	42,936,349.31
Category 3: Fuel– and energy–related Activities	2,197,810.64
Category 4: Upstream Transportation and Distribution	318,179.61
Category 6: Business Travel	108,906.62
Category 7: Employee Commuting	1,756.32
Category 9: Downstream Transportation and Distribution	3,154,484.86
Category 10: Processing of Sold Products	35,107.07
Category 11: Use of Sold Products	89,500,953.79
Category 12: End–of–life Treatment of Sold Products	1,760,454.44
Scope 3 Emissions Total	**140,014,002.65**

[16] Scope 1 greenhouse gas emission factors are sourced from IPCC 2006 and the Fourth IMO GHG Study

[17] Scope 2 greenhouse gas emission factors are sourced from the *Announcement on the Release of 2023 Power Sector Carbon Dioxide Emission Factors* and GB/T 32151.29—2024

[18] Scope 3 greenhouse gas emission factors are referred of:

Category 1: CEEIO

Category 3: Ecoinvent 3.11, Fourth IMO GHG Study and the *Announcement on the Release of 2023 Electricity Carbon Dioxide Emission Factors*

Category 4 and Category 9: Ecoinvent 3.11

Category 6 and Category 7: CPCD

Category 10: the *Announcement on the Release of 2024 Electricity Carbon Footprint Factor Data*

Category 11: the *Announcement on the Release of 2024 Electricity Carbon Footprint Factor Data, the Greenhouse Gases – Product Carbon Footprint Quantification Methods and Requirements – Industrial Vehicles (Draft for Comment)* and IPCC 2006

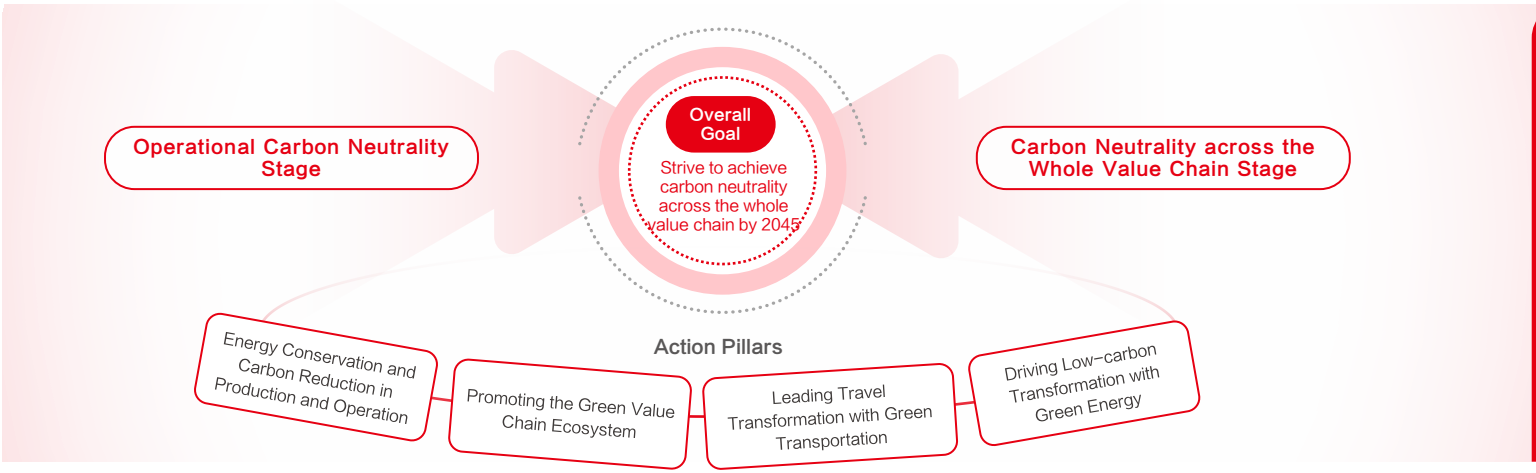
Category 12: Ecoinvent 3.11, the *Specifications for Carbon Emission Accounting and Reporting in the Value Chain of Automobile Manufacturers* and the *Greenhouse Gases – Product Carbon Footprint Quantification Methods and Requirements – Industrial Vehicles (Draft for Comment)*

During the reporting period, the Company's calculated Scope 3 carbon emissions totaled 140.01 million tCO2e. We have integrated Scope 3 carbon accounting into our routine management system, with the data deeply empowering internal emission reduction pathways and supplier low–carbon transition initiatives. This aims to establish a solid foundation for building a highly climate–resilient value chain ecosystem through meticulous end–to–end management.

For more climate–related metrics, please refer to the *Key Performance Indicators* in this report.

Climate Action

On the path of green development, BYD, as a new energy vehicles enterprise, firmly shoulders its corporate responsibilities. Based on supporting the country's dual-carbon goals and the 1.5℃ temperature control target of *the Paris Agreement,* BYD has set a goal of achieving carbon neutrality across the whole value chain by 2045, which is higher than the standard requirements. We are goal-oriented, focusing this year on key initiatives across multiple domains: enhancing energy efficiency and reducing carbon emissions in production operations; pioneering green transportation to transform mobility; leveraging green energy to drive low-carbon transition; and advancing a green ecosystem across the value chain. We explicitly position products as vital vehicles for achieving climate goals, supporting our overall climate objectives through the large-scale promotion of sustainable products like NEVs. Building on business development and data foundations, we will progressively refine relevant product-related management metrics into quantifiable, trackable targets.



In 2025

The Pingshan Park has obtained the

ISO 14068

Carbon Neutrality Certification[19]

Energy Conservation and Carbon Reduction in Production and Operation

BYD takes energy management as the strategic core in responding to climate change. It strictly abides by laws and regulations such as the *Energy Law of the People's Republic of China* and the *Law on Energy Conservation of the People's Republic of China*. Through dual measures of system improvement and energy-saving technological transformation, it systematically enhances energy use efficiency and helps achieve its own carbon neutrality goal. During the reporting period, we revised the *BYD Energy Conservation and Consumption Reduction Management Procedures*, refined energy management responsibilities, and strengthened the standardization and execution of energy management.

Energy Management System

By issuing the *Group Energy Saving Target Management Regulations*, we clarified the annual energy-saving targets of each business unit and promoted the implementation of energy-saving and consumption-reduction work through a standardized management mechanism. We established a scientific energy-saving performance appraisal mechanism, closely linked energy-saving targets with the work performance of each department, and planned to gradually decompose them to factories. Factories that fail to meet the targets will be required to bear more costs for green electricity or Renewable Energy Certificate (REC). Management focuses on assessing indicators such as the implementation rate of energy-saving projects, the proportion of renewable energy use, and the achievement rate of energy consumption intensity targets of business units/divisions. The executive level focuses on specific operating indicators such as the compliance rate of energy consumption targets of factories/workshops to ensure the implementation of energy management responsibilities.

We actively promote the in-depth implementation of the ISO 50001 Energy Management System and conduct regular energy audits. Through on-site inspections, data collection and analysis, we comprehensively evaluate energy use to provide a scientific basis for further targeted improvement of energy management. At the technical application level, focusing on key energy-consuming links, we continuously explore the synergistic effects of multiple technical paths. Through process innovation, equipment iteration, and intelligent control, we continuously improve the refined management level of energy use.

During the reporting period, to further strengthen professional reserves and promote energy-saving culture, we established an Energy-Saving Expert Group consisting of ten members. The expert group will focus on energy-saving diagnosis of each business unit, demonstration and acceptance of major energy-saving technological transformation projects, construction of the energy management training system, and technical training and experience sharing. We also integrate the energy-saving concept into the organizational culture. Through continuous publicity and education, skill training, and sharing of best practices, we enhance the energy-saving awareness and operational skills of all employees and create a good cultural atmosphere for all employees to participate in energy conservation.

[19] ISO 14068-1:2023 is an authoritative international standard issued by the International Organization for Standardization. With the core principles of giving priority to emission reduction, strengthening removal, and using offsets as a last resort, it provides a full-process quantification, implementation, verification, and disclosure method for carbon neutrality for entities such as organizations, products, and parks

Energy-saving and Carbon-reduction Measures

To achieve our energy-saving and carbon-reduction goals, we are advancing carbon reduction in our production and operations through two main approaches: clean energy substitution and energy-saving technological upgrades.

In terms of clean energy substitution, in 2025, we voluntarily purchased over 5.22 million RECs and approximately 2.06 million MWh of green electricity. Through the consumption of green electricity and the purchase of RECs, we achieved the use of clean electricity equivalent to 7.29 billion kWh, meeting our 2025 renewable energy usage target (35%). The Pingshan Park installed rooftop solar panels, generating over 5 million kWh of electricity during the year. In the Automobile business, some parks utilized abundant local geothermal resources to provide heating for new facilities, saving 1.29 million m^3 of natural gas annually.

In terms of energy-saving technological upgrades, we drive process upgrades through R&D to achieve synergistic optimization of processes and energy consumption; we improve high-energy-consumption production stages by installing high-efficiency equipment and conducting regular maintenance, recover waste heat and energy, and leverage intelligent control systems to enhance efficiency. During the reporting period, we advanced a total of 1,439 energy-saving technological upgrade projects, with key measures including the following:

Key Measures for Energy-saving Technological Upgrades in 2025

Improve Equipment Energy Efficiency	• The welding factory of the Automobile Business uses IT technology to enable one-key and scheduled dormancy of robots, saving more than 50% of energy per robot. It also uses various high-energy-efficiency energy-saving equipment and intelligent control technologies, saving 629,600 m^3 of gas annually. • The Battery Business has completed the transformation of air compressor stations and high-temperature air conditioners in 6 bases (with energy-saving rates of 17.4% and 30%). It has selected ultra-first-class energy-efficiency chillers, equipped natural gas boilers with waste heat recovery devices, and upgraded the burners with high-efficiency motors. • The Electronics Business uses self-developed electric servo systems to precisely control the pressure of compressed air, reducing carbon dioxide emissions by more than 13,000 tons annually. At the same time, it upgrades the vacuum generators in the ASSY and CNC processes to vacuum units and vacuum solenoid valves respectively, reducing the vacuum power consumption of the two processes by 90% and 96% and saving nearly 1 million kWh of electricity per month.
Optimize the Production Process	• The Automobile Business comprehensively reduces energy consumption in production, processing, and material transportation by balancing production line capacities, optimizing steel processing procedures, and adopting a short-process production mode. • The Battery business uses AI to accurately predict the capacity of battery cells, saving charging costs by RMB 4.53 million annually. It also forms a special team to promote the implementation of the technology. By using advanced production lines and replacing traditional heating with the graphene heating system, it reduces the energy consumption of the battery sheet-making process by about 70%.
Energy Recovery and Reuse	• The heating systems in each park of the Automobile Business are set up nearby, using high-energy-efficiency boilers and low-nitrogen burners, and equipped with waste heat recovery systems and high-efficiency thermal insulation materials. • The Battery Business has installed waste heat recovery devices at multiple heat emission points such as air compressor stations, boilers, and pole piece drying ovens in each park. Through technologies like compressed heat dryers, boiler air pre-heaters, and exhaust air heat recoverers, the heat recovery rate of the exhaust air from pole piece drying exceeds 80%. Additionally, the waste heat from boiler exhaust gas (30% thermal oil + 70% exhaust gas) is used for power generation, significantly improving energy utilization efficiency. • The Electronics Business recycles the heat-dissipated air from air compressors and diverts it to the warehouse for heating, effectively reducing the frequency of using air-conditioners in the constant-temperature room in winter, saving 71,200 kWh of electricity annually.
Intelligent Energy Efficiency Management and Control	• The Automobile Business has established an online energy monitoring system with the introduction of AI. Through intelligent transformation, it realizes the automatic control and information-based management of the air-conditioning system, lighting system, and metering system, enabling data-driven decision-making and achieving full-parameter and full-process control of energy consumption, resulting in a 27% annual comprehensive power saving. • The Battery Business deploys AI-based intelligent group control for the chilled water station, controlling the intelligent linkage of chillers water hosts, primary and secondary chilled water pumps, cooling water pumps, and cooling towers. It controls the startup load according to the end-user demand to determine the optimal energy-saving combination.

In 2025

7.29 billion kWh of renewable energy purchased

Achieved renewable energy usage target (**35%**) for 2025

Selected for China's Top **100** Green Electricity Consumers list

Ranked first among Chinese automakers in green electricity consumption

We advanced a total of **1,439** energy-saving technological upgrade projects,

saving a total of more than **74,774** tce,

which is equivalent to reducing carbon emissions by over **256,014** tCO_2e

Promoting the Green Value Chain Ecosystem

BYD actively promotes the sustainable development of the entire supply chain and has formulated the *BYD Supply Chain ESG Management Regulations*, incorporating green procurement and supplier carbon management into the core content. At the same time, we deepen supplier risk management and plan to include climate risks in the screening and evaluation system, focusing on verifying the greenhouse gas emissions and energy use of suppliers.

We also conduct quantitative assessments of product carbon footprint, strictly in accordance with standards such as ISO 14067 and PAS 2050, verifying the greenhouse gas emissions throughout the entire lifecycle, from raw material acquisition, production, distribution, use to waste disposal, to consolidate the data decision-making foundation for green product R&D.

In 2025

BYD's ATTO 2 New Energy Vehicles have obtained product carbon footprint third-party certification

BYD has calculated the product carbon footprints of **51** battery models, with **4** newly obtaining third-party carbon footprint certification

As of the end of the reporting period,

product carbon footprints had been calculated for **86** battery models, of which **10** models obtained third-party certification

Participating in Standard Setting

We actively participate in the compilation and review of industry carbon emission standards. Relying on our own practical experience, we support carbon footprint accounting work and contribute to the standardized construction of carbon management in the renewable energy business.

In 2025, we participated in the release of a total of 5 group standards:

- TCECRPA 012—2024 Quantification Methods and Requirements for Product Carbon Footprint of Greenhouse Gases-Power Batteries
- T/CSAE 410-2025 Quantification Methods and Requirements for Product Carbon Footprint of Greenhouse Gases-Electric Passenger Vehicles
- T/CSAE 411-2025 Quantification Methods and Requirements for Product Carbon Footprint of Greenhouse Gases-Automotive Power Batteries
- T/CSAE 412-2025 Quantification Methods and Requirements for Product Carbon Footprint of Greenhouse Gases-Automotive Drive Motors
- TCECRPA 013—2024 Quantification Methods and Requirements for Product Carbon Footprint of Greenhouse Gases-Light Electric Vehicles

London Climate Week "Mission 2025" Theme Event

In June 2025, BYD UK was invited to participate in the "Mission 2025" event during London Climate Action Week. Focusing on the industrial opportunities presented by climate action, BYD's Country Manager for the UK and Ireland attended the event and shared the company's strategic practices and experiences in driving the low-carbon transition of transportation and energy systems. The event brought together representatives from government agencies, international organizations, and industry leaders. Through participation in multi-stakeholder dialogues, BYD actively demonstrated its sense of responsibility as a leading new energy enterprise in global climate action, while continuing to strengthen communication and cooperation with policymakers and industry partners in the field of low-carbon transition.

BYD Cooperated with the CA100+ Data Platform to Complete the Assessment of Corporate Climate Policy Participation

During the reporting period, BYD was invited to cooperate with Influence Map under Climate Action 100+ (CA100+) to complete a special assessment of climate policy participation. CA100+ is the world's largest investor climate action initiative. Influence Map conducts independent analysis with actual climate policy participation, disclosure accuracy, and participation review as core indicators. By submitting data on dimensions such as direct policy advocacy and indirect participation through industry associations, it promotes the further implementation of zero-emission vehicle policies and green standards, providing transparent reference for investors and policy-makers.

Industry Exchange and Cooperation

We focus on technological cooperation and exchange in the green and low-carbon sector, effectively pooling global innovation resources to jointly advance the R&D and industrial application of cutting-edge technologies such as clean energy, circular materials, and energy efficiency optimization. Through technological collaboration, we foster the co-creation and shared benefits of a green industrial ecosystem, injecting new momentum into the global automotive industry's green transformation. In 2025, BYD will intensify multi-party collaboration and continuously expand its international cooperation network to jointly advance the global green transportation transition. Partnering with global collaborators, we will comprehensively explore and implement solutions to accelerate the adoption of clean technologies and sustainable mobility models, collectively advancing toward a new era of global automotive electrification.

BYD Joins Hands with Shenzhen Port Group to Establish a Joint Innovation Laboratory for Marine Green New Energy

In December 2025, the Joint Innovation Laboratory for Marine Green New Energy jointly established by BYD and Shenzhen Port Group was officially inaugurated. Based on the core drive of electric power energy, the laboratory empowers the sustainable development of the marine economy. BYD and Shenzhen Port Group deepen resource collaboration, focusing on four major fields: electric ships, green ports, zero-carbon logistics, and marine new energy, contributing new energy forces to the green development of the marine economy.



Inauguration Ceremony of the Joint Innovation Laboratory for Marine Green New Energy

Wuhan Rules and Research Institute of China Classification Society Signs a Technical Cooperation Framework Agreement with BYD

In July 2025, the Wuhan Rules and Research Institute of China Classification Society and Shenzhen BYD Lithium Battery Co., Ltd. signed a cooperation framework agreement in Shenzhen. The two sides conducted in-depth exchanges on topics such as the development prospects of battery-powered ships, the construction of shore-based charging and battery-swapping facilities, the safety testing and certification of marine power batteries, and the formulation of technical standards around the clean transformation of ship power under the dual-carbon strategy. Taking this signing as an opportunity, the two sides will deepen cooperation in areas such as the construction of the battery thermal safety laboratory, and standard improvement, helping to achieve high-quality integrated development of energy and shipping.



Wuhan Rules and Research Institute of China Classification Society Signs a Technical Cooperation Framework Agreement with BYD

BYD Reached an Exclusive Automotive Strategic Cooperation with the 10th Pakistan Super League

In May 2025, multiple BYD models, including the BYD SHARK 6, Seal, and YUAN PLUS, made their debut as the official vehicles of the 10th Pakistan Super League. They were presented as awards to the "Player of the Match," promoting the concept of green mobility in Pakistan.



BYD Became the Global Automotive Partner of Inter Milan Football Club

In July 2025, BYD established a three-year strategic partnership with Inter Milan Football Club and provided the club with approximately 70 NEVs, including pure electric and Super DM plug-in hybrid models, to help global fans and consumers integrate into the green development initiative.





Leading Travel Transformation with Green Transportation

BYD upholds its brand proposition of "Technology · Green · Future" to support its green dream. It constructs a zero-emission new energy ecosystem covering the acquisition, storage, and application of clean energy, promoting the full-industrial-chain connection and global layout of the new energy business and the Automobile Business. We use leading technologies to promote the popularization of new energy, respond to the social demand for sustainable development with diversified green products, provide global users with better green mobility and energy-use options, and inject more vitality and possibilities into the world's green future.

Since BYD put forward the "electrification of urban public transportation" strategy in 2010, it has been adhering to the original intention of "using electric vehicles to control pollution" to continuously promote the full-market electrification in the transportation field, forming the strategic layout of the "7 + 4" green transportation system. "7" refers to the seven conventional fields of private cars, taxis, urban public transportation, road passenger transportation, urban commodity logistics, urban construction logistics, and sanitation vehicles, "4" refers to the four special fields of storage, ports, airports, and mine-specific vehicles. Relying on this layout, BYD's diverse vehicle models have been widely used in urban roads, logistics transportation, public services, and hub scenarios such as airports and ports, effectively supporting the construction of green cities.

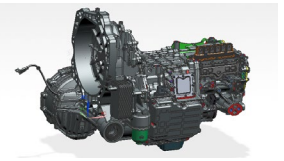
Green Upgrade of the Transportation System

BYD extends its green footprint to the global transportation system. Driven by its leading and efficient core technologies, it launches NEVs products and services featuring low emissions and high quality, providing sustainable, pollution-free, and intelligent green mobility solutions for many overseas countries and regions.

Through our diversified product portfolio and continuously evolving core technologies, we are accelerating the global popularization and upgrading of low-carbon transportation. While deepening the application of existing green technologies, we are also constantly making breakthroughs in the field of new energy vehicles, launching a number of innovative achievements, and continuously driving the transformation of green mobility.

Dual-Mode Off-Road (DMO) Architecture Leads the Energy-saving Upgrade in Off-road Scenarios

The DMO architecture leads the energy-saving upgrade in off-road scenarios. With the world's first longitudinally-mounted front-wheel-drive dual-motor assembly as the core, the vehicle's overall operating condition efficiency can reach 88%. The fuel consumption per 100 kilometers is about 7.8 liters, achieving a fuel-saving effect of about 35% compared with traditional mechanical off-road models.



DMO Architecture

Paint-free Technology Achieves Energy Conservation and Carbon Reduction Throughout the Entire Coating Production Process

BYD adds fillers such as metal powder and additives like scratch-resistant agents to the resin substrate. The materials are directly injection-molded. The core of this technology is to solve the appearance defects of the materials and ensure the weather resistance, impact resistance, and chemical resistance of the products. It has achieved mass production and application of paint-free products for multiple vehicle models. By eliminating the entire coating process, it reduces the high energy consumption of the spray coating line, effectively contributing to carbon emissions reduction.



Paint-free Technology Contributes to Low-Carbon Manufacturing

A Fleet of Eight Latest LNG Dual-fuel Clean Power Technology Ro-Ro Vessels

In September 2025, BYD's eighth car carrier, the "BYD JINAN," was delivered in Haimen, Jiangsu. Equipped with an LNG dual-fuel system, the vessel achieves approximately 18% fuel and power savings and reserves space for future zero-carbon ammonia fuel retrofitting, meeting full-cycle environmental and energy efficiency standards across all shipping regions. The vessel is equipped with BYD marine battery energy storage system and medium-voltage shore power systems, enabling peak load shifting, bow thruster control, and zero-emission operations throughout port berthing. Its design incorporates additional classification notations from Norway and China Classification Society, including One-Man Bridge (OMB), Unmanned Machinery Space (UMS), and green environmental protection class notations, enhancing overall performance and sustainability attributes.



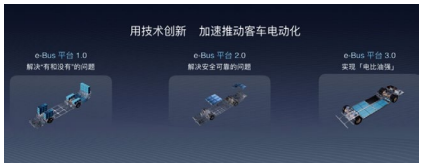
BYD's Car Carrier "BYD JINAN"

Electric Solutions for Urban Mobility

In the commercial vehicle field, our commercial vehicles have reached over 400 cities across more than 70 countries and regions on six continents worldwide. BYD continues to promote the implementation of new energy technologies in diverse application scenarios and has formed a systematic product portfolio in the electrification of urban mobility and urban logistics, covering urban buses, taxis, road passenger transport, urban commodity logistics vehicles, urban construction logistics vehicles, urban sanitation, as well as applications in warehouses, ports, airports, and mines, playing a positive leading role in promoting the green transformation of global new energy commercial vehicles.

e-Bus Platform 3.0 Drives the Green Upgrade of Buses, Making NEV Superior to ICE

In September 2025, BYD launched the e-Bus Platform 3.0, the first 1,000V platform for electric buses. Centered around the full-domain 1,000V high-voltage architecture and the multi-heat-source coupled thermal management system, the platform can reduce the overall vehicle energy consumption by up to 18%.



BYD e-Bus Platform 3.0

Intelligent Road Adaptation System Optimizes Vehicle Operation Efficiency

The intelligent road adaptation system can sense and accurately identify real-time changes in road gradients, dynamically optimizing the vehicle's power output and energy distribution strategy. It effectively reduces the vehicle's energy consumption per unit mileage and greenhouse gas emissions. While improving ride comfort and safety, it also provides technical support for green travel and low-carbon transportation operations.



Application Scenarios of the Intelligent Road Adaptation System

Pure-electric Sanitation Vehicles Promote Low-Carbon Operation of Urban Public Services

During the 80th Anniversary of the Victory of the World Anti-Fascist War, BYD T18 Pure Electric Chassis-Based Sanitation Vehicle was responsible for the sanitation support of the event. Combining coasting and braking energy recovery technologies, the vehicle is adapted to the frequent start-stop conditions of sanitation operations, reducing the overall vehicle energy consumption by up to 15%. It has achieved large-scale operations in many places, covering various operation scenarios such as cleaning, washing, and garbage transfer, empowering the green transformation of urban public services.



BYD T18 Pure Electric Chassis-Based Sanitation Vehicle

EL-Pro Series Forklifts Empower Green Factories

The 2.0-4.0T lithium-ion counterbalance forklifts in BYD's EL-Pro Series 2.0 are charged by plugging in, eliminating the need for battery replacement and maintenance. They are also equipped with an energy-saving LED lighting system. The lithium iron phosphate batteries used do not contain heavy metals or corrosive acid solutions, avoiding problems such as exhaust pollution and acid mist emissions. This helps to reduce environmental pollution during operations and environmental risks over the entire life cycle, promoting the manufacturing industry's progress towards sustainable development.



BYD EL-Pro Series Forklifts

Pure-electric Buses Provide Green Mobility Solutions

BYD's Chilean base, in collaboration with local operator Metbus, has deployed 950 pure-electric buses on a large scale in the Red Movilidad public transportation system in Santiago. These buses include high-capacity models such as articulated and double-decker buses, mainly serving high-traffic routes in the city center, and systematically replacing traditional diesel buses.



BYD Pure-electric Bus Fleet in Santiago, Chile

BYD Electric Trucks Partner with DHL to Advance Green Logistics Transformation in Europe

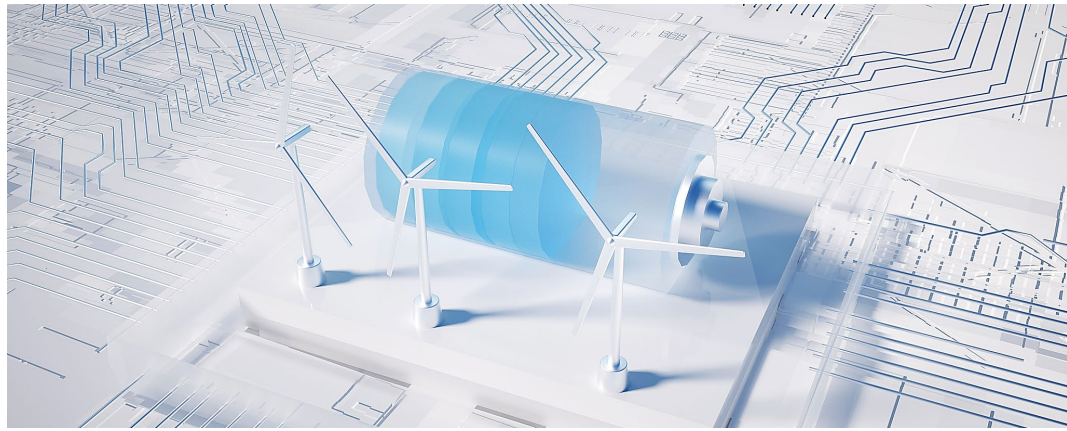
BYD has established a deep partnership with global logistics giant DHL to jointly advance the development of a zero-carbon logistics and warehousing parts service network in Europe. The two companies conducted trial operations of BYD's ETM6 electric trucks in Cologne, Germany. Test results conclusively demonstrate that compared to traditional diesel trucks, BYD's electric trucks achieve significant carbon emissions reductions, highlighting their practical value in lowering the carbon footprint of the logistics industry.



BYD Electric Trucks Begin Trial Operation in Cologne, Germany

Driving Low-carbon Transformation with Green Energy

BYD was the first to pioneer the "Photovoltaic-Storage Integration" business model in the renewable energy business. Relying on its advantage of full-industry chain vertical integration, BYD has established a clean energy closed-loop that integrates photovoltaic power generation, blade battery energy storage, and multi-scenario terminal applications. It has built an energy ecosystem that is "obtainable, storable, and deployable", contributing to the global energy system's transformation towards sustainability.

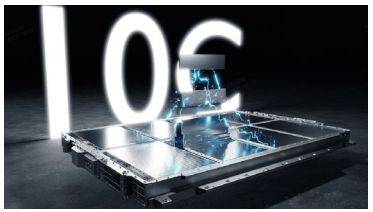


Batteries

We have established a comprehensive industrial chain in the battery sector, possessing 100% independent R&D, design, and manufacturing capabilities. Our product portfolio spans power batteries, energy storage and novel batteries, consumer batteries, and components, serving diverse applications across automobile, new energy, consumer electronics, and rail transit industries.

Megawatt Flash Charging Battery Achieves Revolutionary Technologies

BYD's Megawatt Flash Charging Battery constructs ultra-high-speed ion channels comprehensively from the cathode to the anode, reducing the battery's internal resistance by 50% and supporting a 10C ultra-high-voltage charging rate. Combined with the innovative design of the external electrode posts of the battery cells and the ultra-stable self-repairing SEI film technology, it reduces the heat generation of the battery cells by 50% and improves the lifespan of high-temperature batteries, by 35%. With the support of 1,000V high voltage and 1,000A high current, it achieves the world's largest mass-produced charging power of 1MW, with a peak charging speed of 2 km per second and 5 minutes of charging for 400 km of range.



Megawatt Flash Charging Battery

Collaborate with BHP Group Limited to Accelerate the Decarbonization Process in the Mining Scenario

In July 2025, FinDreams Battery, a subsidiary of BYD, signed a memorandum of understanding with BHP Group Limited to jointly explore the application of power battery systems in heavy-duty mining equipment and locomotives. This cooperation is in line with our commitment to achieving carbon neutrality across the whole value chain by 2045 and helps to open up a more sustainable future development path for the global resources industry.



BYD FinDreams Battery Has Reached a Memorandum of Understanding with BHP Group Limited

Commercial Vehicle Blade Battery Drives the Green Transformation of Trunk Logistics

BYD FinDreams Battery unveils its new generation commercial vehicle blade battery product matrix. The 600kWh power battery system for heavy-duty trucks features structural optimization, reducing vehicle weight by approximately 180kg. The 500kWh ultra-fast charging battery, paired with megawatt-level charging stations, enables vehicles to recharge for approximately 350 kilometers in just 18 minutes. This ultra-fast charging battery has achieved mass production at the thousand-unit level, operating reliably on core logistics routes. With an annual production capacity exceeding 10,000 vehicles, it supports the low-carbon electrification transformation of long-haul logistics.



BYD Commercial Vehicle Weight-Reduced Battery Pack

BYD Joins Hands with Global Battery Alliance to Lead the Green Transformation of Battery Industry

The Global Battery Alliance (GBA)[20] is committed to establishing a sustainable, responsible, and circular battery supply chain by 2030. As a member of the GBA, BYD's subsidiary, FinDreams Battery, participated in the alliance's second round of the "Battery Passport" pilot project. By collecting, exchanging, and organizing data on material sources, chemical composition, manufacturing history, and sustainability performance within the critical minerals supply chain, the company completed a pilot supply chain map. This ensures the traceability of production data and establishes an ESG scoring system for upstream enterprises, thereby effectively managing risks related to supply chain sustainability and helping to promote the fair, transparent, and green development of the global battery value chain.

[20] The Global Battery Alliance (GBA) is the first global battery association established by the World Economic Forum (WEF). Its mission is to build a sustainable, responsible, and equitable global battery supply chain by 2030 through the promotion of battery passports, traceability systems, and ESG (Environmental, Social, and Governance) initiatives.

Solar Photovoltaic

At the energy acquisition end, BYD actively deploys the entire industrial chain, including silicon wafer processing, battery cell and photovoltaic module manufacturing, and photovoltaic systems. The solar energy storage and utilization integrated solution we launched can ensure the balanced supply of electricity and the continuous and stable output of clean electricity, and is suitable for application scenarios such as household distributed photovoltaics, commercial and industrial distributed photovoltaics, large-scale ground power stations, agricultural-photovoltaic complementarity, and fishery-photovoltaic complementarity.

To promote industrial technological innovation and progress, we are continuously increasing the intensity of technology R&D and building a new intelligent production base. The new production line can complete the production and manufacturing of high-precision components, improving the performance of component products in terms of light absorption efficiency and environmental adaptability. At the same time, BYD Solar also promotes the performance upgrade of N-type photovoltaic products through technological upgrade measures such as silicon wafer thinning, silver paste technology update, and adhesive film technology iteration.

HALO Series High-Efficiency Modules Promote the Performance Upgrade of Photovoltaic Modules

BYD Solar's new-generation HALO Series HJT High-Efficiency Photovoltaic Modules have achieved double breakthroughs in high efficiency and high power. This series of modules uses N-type heterojunction battery technology, combined with Super Multi-Busbar (SMBB)/Zero Busbar technology (0BB), half-cell, and high-density packaging technology. The module efficiency can reach up to 23.66%, and the power can reach up to 735 watts. At the same time, the modules have multiple advantages such as excellent low-light response, low temperature coefficient, and low attenuation, and can achieve a bifacial rate of up to 95% with a natural bifacial structure, effectively increasing the power generation per unit area and reducing the cost per kilowatt-hour.



In addition, we implement the low-carbon concept throughout the entire lifecycle of solar modules, improve the manufacturing process of photovoltaic products, further reduce carbon emissions, and significantly lower the production cost of solar cells. This makes the cost of solar power generation comparable to that of coal-fired power, accelerating the popularization of solar power generation and enabling more families to benefit from clean energy.

Design & Material Selection

BYD Solar prioritizes low-carbon environmental protection across the entire life cycle from the initial stage of module design. Through waste-free and recyclable design, we optimize material selection, adopt recyclable or renewable materials, and promote the application of eco-friendly materials.

Supply Chain Management

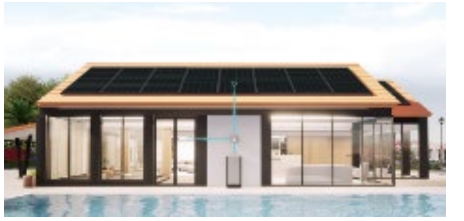
In the supply chain, BYD collaborates with green suppliers, optimizes logistics management to reduce transportation energy consumption and carbon emissions, and establishes a long-term supply chain management mechanism to regularly monitor energy consumption and carbon emissions.

Recycling & Disposal

We actively explore the disassembly and recycling of end-of-life PV modules, striving to build a complete product recovery and disposal system. We strictly comply with the *EU Waste Electrical and Electronic Equipment Directive* (WEEE Directive) to ensure proper handling of PV products at the end of their service life. Key materials of PV modules, such as glass, aluminum frames, solder ribbons, and solar cells, are recyclable. We use a variety of technical approaches to disassemble and process old modules, ensuring efficient resource utilization.

AURO Series TOPCon High-Efficiency Modules Promote Green Transformation

BYD Solar's AURO Series TOPCon high-efficiency modules deliver a 5% - 8% increase in power generation compared to traditional PERC modules, reducing material and land requirements per unit of electricity produced with greater efficiency. The AURO N Series employs low-temperature processing combined with poly-doping and metallization optimization, reducing silver consumption per cell by approximately 40% and effectively lowering manufacturing-stage carbon footprint. Featuring low degradation and recyclable encapsulation materials, these modules have become mainstream in PV installations, providing a replicable pathway for the industry's green transition.



BYD Solar AURO Series High-Efficiency Modules

Energy Storage

Since entering the energy storage field in 2008, BYD has been among the first Chinese companies to deploy in this sector. It has now become a global leader in electrochemical energy storage, ranking among the top echelon in the global energy storage industry. We focus on the R&D, promotion, and application of energy storage systems and equipment, and have developed business covering utility-scale energy storage, commercial & industrial energy storage, flash-charging, residential energy storage, power system, mobile storage and charging, integrated energy, new application and network energy. We are committed to providing customers with all-scenario, all-value, and all-ecology solutions to meet the diverse needs including energy storage, peak load shifting, valley filling, and frequency regulation, and to facilitating energy storage deployment alongside renewable energy generation and power ancillary services.

BYD Energy Storage's Grid-Scale Energy Storage Projects of 12.5 GWh, the World's Largest

In January 2025, BYD and Saudi Electricity Company successfully signed a contract for the world's largest grid-scale energy storage projects, with a capacity of 12.5GWh. This marks a new milestone for BYD in ultra-large-scale global energy storage projects. In April 2025, BYD Energy Storage commenced shipments with swift momentum, delivering 2,364 sets of MC Cube-T energy storage system to five project sites across Saudi Arabia. This operation once again shattered industry shipment speed records and redefined the global benchmark for large-scale energy storage projects. BYD Energy Storage efficiently completed preliminary production, shipment, and transportation. Leveraging robust resource allocation and efficient execution capabilities, it delivered professional operations and maintenance services, supporting seamless and accelerated advancement for this project.



MC Cube-T Energy Storage System

BYD Energy Storage GW-Scale Grid-Forming Energy Storage Solution

Haohan features world's largest-capacity 2,710Ah blade battery, 300% higher than that of the traditional batteries in the industry. Its minimum unit capacity reaches14.5MWh with a Vcts of 52.1%, 39.7% higher than industry standards. This makes system integration to an entirely new height, with fewer containers, a smaller footprint, and a more simplified management architecture. BYD Energy Storage has built a GW-scale grid-forming energy storage solution with Haohan, GC Flux PCS (Power Conversion System) and GC Master EMS (Energy Management System). With the fully self-developed products, we can provide a safe, economical, and replicable energy storage solution for new power systems from cell to grid, offering robust support for the development of renewable energy industries such as solar and wind power.



BYD Energy Storage GW-Scale Grid-Forming Energy Storage Solution

In 2025

By the end of the reporting period:

Our energy storage business covers **110** countries and regions

Over **650** energy storage projects delivered

Over **135** GWh cumulative shipments of energy storage systems



Practice Green Operations

BYD continuously improves its environmental management system, constantly enhancing the standardization and systematization of environmental governance, and promotes environmental management work with high standards and strict requirements. We have formulated and implemented a number of internal management policies, such as the *BYD Environmental Management Policy* and the *Group Energy Conservation and Consumption Reduction Management Procedures*, providing institutional guarantees for the unified standardization and effective implementation of environmental management work.

Regarding management structure, BYD has established a three-tier EHS committee framework composed of the corporate, regional, and business division levels, with the President of the Company serving as the head of the EHS committee, promoting the effective implementation of environment, health, and safety management requirements at all levels from top to bottom.

Environmental Management System

BYD continuously promotes the construction of the environmental management system. We have established an environmental management system covering all the Group's businesses in accordance with the ISO 14001 standards. The internal safety and environmental management expert team conducts regular audits and verifications, and conducts environmental impact audits on all factories every year. In 2025, we obtained the ISO 14001 Environmental Management System certification, covering 36.53%[21] of employees. At the same time, our environmental management system has also passed the effective certification inspection by the headquarters' safety and environmental management specialists, and the internal management requirements cover 100% of employees.

As of the end of 2025

BYD had **10** National Green Factories

3 National Green Supply Chain Management Enterprises

Environmental Management Objectives and Assessments

We set quantifiable and assessable environmental compliance management objectives around key environmental factors and embed relevant control measures into the daily operation process. At the same time, we use the assessment and reward-punishment mechanism as an important means of environmental management, formulating and implementing the *Group Safety and Environmental Protection Reward and Punishment Regulations*. In 2025, no significant environmental accidents[22] occurred at BYD's production and operation bases, and no environmental administrative penalties were received.

Waste Management

Achieve standardized collection, storage, transfer, and disposal of hazardous waste. Strictly implement the electronic waybill system and track the transfer process throughout to ensure zero illegal emissions and zero major environmental pollution incidents.

Wastewater Management

The wastewater discharge indicators such as COD and ammonia nitrogen meet 100% of the emission standards of the operating regions. Measures such as process optimization are adopted to further reduce the wastewater discharge.

Waste Gas Management

Ensure that the waste gas emissions during the production process are in accordance with national and local emission standards. Reduce the generation of waste gas by optimizing the production process and using low-VOCs raw materials.



[21] The coverage rate is calculated based on the proportion of the company's employees as of December 31, 2025

[22] Refers to a major (Level III) or higher sudden environmental incident as defined in the *Measures for Reporting Information on Sudden Environmental* Incidents, promulgated by Order No. 17 of the Ministry of Environmental Protection of the People's Republic of China

Environmental Risk Prevention and Control

We have formulated internal management systems such as the *BYD Environmental Factor Identification and Assessment Measures* to systematically identify and evaluate potential environmental risks in the production and operation process, and continuously improve the corresponding control and prevention measures to enhance the forward-looking identification and overall response capabilities for environmental risks. We incorporate environmental risk prevention and control requirements into the plant design and production operation processes, regularly conduct environmental safety hazard investigations and governance, and equip with necessary environmental emergency supplies and equipment as required to reduce the possibility of environmental risks from the source.

In terms of emergency management, we have established an emergency management system and supporting response procedures for environmental pollution accidents, and formulated environmental emergency plans covering environmental impact factor identification, risk point investigations, hazard governance, and prevention measures. Tailored to the specific conditions of each production site, we implement a tiered response and local management mechanism. Depending on the severity of an incident, we activate corresponding emergency response protocols to ensure environmental pollution events are promptly and effectively controlled.

At the same time, we regularly organize emergency drills to ensure the standardization and effectiveness of environmental risk disposal. During the reporting period, each BYD business unit, in line with its own business characteristics, regularly organized emergency drills and special disposal training around major environmental risk scenarios such as hazardous chemicals, hazardous waste, abnormal wastewater and waste gas, covering key areas such as production parks, warehouses, and supporting facilities. Through multi-business unit and multi-scenario emergency drill practices, we continuously tested and improved the operability of environmental emergency plans, effectively enhancing employees' emergency response and on-site disposal capabilities for sudden environmental incident.

Environmental Protection Dissemination and Training

We continuously strengthen employees' awareness and ability in environmental protection, and conduct 100% training on topics such as environmental management compliance for all new employees. On this basis, we actively carry out special training every year around key issues such as environmental compliance management, waste reduction, and improvement of energy and water use efficiency to strengthen the environmental management level and environmental performance of all employees. In addition, for product development-related departments, we, in combination with the characteristics of sustainable product R&D, further incorporate sustainable design principles such as energy conservation and emission reduction, energy efficiency optimization, and the environmental impact of the product's entire life cycle into relevant professional training and technical exchanges to enhance the systematic consideration ability of environmental performance during the product development.

In 2025

we carried out a total of **2,874** environmental protection-related training sessions in the form of training lectures on topics including sustainable development regulatory requirements, carbon management and target setting, biodiversity protection, and environmental management compliance, with a total training duration of **149,485** hours, and more than **350,000** employees participated

This Year's Environmental Protection-related Series of Training

Environmental protection compliance management training

Conducted the DIAN Culture series of training, and continuously improved employees' awareness of environmental protection compliance and ability to prevent environmental risks through centralized lectures, excellent case selection, and cultural dissemination.

Waste management training

Provided training on the usage requirements of the hazardous waste management system, as well as training on solid waste classification methods, special inspection requirements, procurement processes, and relevant management systems to improve the standardization and effectiveness of waste management.

Energy management training

Organized special training and publicity management actions on energy conservation and consumption reduction to cover all employees from the grass-roots level to the management level, and promoted the concept of energy conservation through "strengthening awareness + improving management + enabling technology".

Water resource management training

Organized employees to participate in water resource management improvement training, covering the current situation of water resources, water-saving methods, etc., and promoted water-saving and sewage reduction-related content, shared excellent water-saving cases and experience to enhance employees' awareness of water conservation.

Waste and Pollution Management

BYD strictly complies with laws and regulations such as the *Environmental Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution*, the *Law of the People's Republic of China on the Prevention and Control of Water Pollution*, and the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste* and other relevant laws and regulations, as well as policy requirements such as the *Plan for the Comprehensive Management of Volatile Organic Compounds (VOCs) in Key Industries*. It formulates and implements relevant environmental management policies around key environmental impact areas such as waste management, wastewater and exhaust gas emissions, and noise pollution, including the *Group General Industrial Solid Waste Management Regulations*, the *BYD Solid Waste Management Procedures*, the *Group Wastewater, Waste Gas, and Noise Emission Monitoring and Control Measures*, the *Group Environmental Facility Operation and Management Regulations*, and the *Group New, Expansion, and Reconstruction Project Supporting Safety and Environmental Protection Engineering Construction and Operation Management Procedures*, to build a systematic management system covering pollution prevention and control, facility operation, and project lifecycle management, and continuously promote targeted pollution control measures during production operations and project construction.

In 2025

we invested approximately RMB **2.04** billion in the treatment of wastewater, waste gas, and solid waste.

The compliance rate of pollutant emissions such as wastewater, waste gas, and noise reached **100%**

Waste Management

We clarify the management procedures for various types of waste and the management responsibilities of relevant departments, and establish a waste management system covering the links of classified collection, storage, transportation, and disposal to ensure that waste is collected, labeled, and disposed of in a standardized and classified manner according to categories. We continuously strengthen the standardization and compliance of waste management. By conducting internal waste management audits and combining external evaluations and certifications such as green factories, we identify opportunities for improving waste performance and continuously improve the effectiveness of waste management.

General Solid Waste Management

Our general solid waste mainly includes industrial waste, domestic waste, and worthless waste materials. We advocate for the reduction and resource utilization of waste, set up waste sorting facilities, actively identify general solid waste that can be recycled, and promote its circular use to minimize the amount of landfill. For industrial solid waste that cannot be reused, we refine the classification requirements and clarify the disposal methods for different types of waste. At the same time, we entrust third-party institutions to transport, utilize, and dispose of general solid waste, and review the qualifications and technical capabilities of relevant service providers to ensure that the entire process is in accordance with the requirements of pollution prevention and control and compliance management.

We also actively identify opportunities for resource utilization and value transformation, and explore the path for waste to change from "disposal cost" to "resource value". Currently, we have initiated efforts to advance the deep processing and high-value utilization of various waste materials, including scrap electrical wires, thereby reducing environmental burdens while unlocking their potential economic value.

Waste Reuse Project

In 2025, BYD carried out classified management of reusable wooden pallets at production bases in Zhengzhou, Changzhou, Hefei, etc., for internal turnover and reuse or external sales for social reuse, effectively reducing the consumption of disposable materials and the generation of waste.

Hazardous Waste Management

Our hazardous waste mainly includes waste mineral oil, paint residue, waste organic solvents, etc. We comply with the laws, regulations, and management requirements of the operation location and implement standardized management throughout the entire process of hazardous waste collection, storage, transportation, and disposal. We classify and collect and pack waste with different hazardous characteristics, establish a hazardous waste management ledger, paste hazardous waste labels as required, review the label information before storage, and implement classified storage by area. We strictly implement the hazardous waste transfer manifest system, hand over hazardous waste to qualified third-party institutions for transfer and final disposal, and regularly review their transfer and disposal qualifications and disposal status to ensure the compliant disposal of hazardous waste.

In 2025, we further promoted the intelligent construction of hazardous waste management, achieving nationwide implementation of intelligent hazardous waste management systems. By deploying intelligent terminals and Internet of Things devices, we track the entire process of hazardous waste from its generation, enabling full-process traceability of its type, quantity, location, and flow; relevant data is synchronously uploaded to the government and central management platforms through the information system, effectively improving the refinement and informatization level of hazardous waste management.

While ensuring the compliant disposal of hazardous waste, we actively explore and implement measures to reduce hazardous waste generation. Through innovative waste management methods, we formulate reduction measures in terms of reducing the total amount of hazardous waste and the amount generated in workshops.

Hazardous Waste Reduction Project

In 2025, BYD comprehensively advanced its hazardous waste reduction and resource utilization initiatives. At its Chengdu semiconductor plant, technicians validated processes to precisely optimize production water and chemical usage protocols while maintaining stable product quality and increasing per-unit output. This resulted in a 25% reduction in purified water consumption, a 30% decrease in developer solution usage, and a 23.23% reduction in waste liquid volume, ultimately cutting annual waste acid generation by 193.8 tons.

Waste Gas Management

Our waste gas emissions mainly come from the manufacturing processes of complete vehicles and auto parts, battery manufacturing, electronic product manufacturing, and fuel combustion in industrial production. The waste gases include volatile organic compounds (VOCs), nitrogen oxides (NOx), sulfur oxides (SOx), particulate matter (PM), etc. We strictly comply with relevant national and local laws, regulations, standards, and policy requirements for waste gas management, and adopt standardized waste gas treatment processes and technologies to ensure zero violations and zero penalties for waste gas emissions. Through comprehensive and multiple measures, we improve the efficiency of waste gas management.

We use corresponding treatment processes for different types of waste gases. For waste gases with low concentration and large air volume, we use the zeolite rotor and regenerative oxidation process for disposal; for waste gases with high concentration, we prioritize solvent recovery and use technologies such as high-temperature incineration or catalytic combustion for treatment.

For organic waste gases, we popularize the use of regenerative thermal oxidizers for treatment and combine multi-stage filtration measures to improve the overall treatment effect. The comprehensive waste gas treatment efficiency can reach over 99%. At the same time, based on the equipment performance and environmental management requirements, we set an organic waste gas emission control target to maintain stable emission concentrations at less than one-third of the most stringent local standards under full-load production conditions. Through means such as optimizing operation management and equipment maintenance, we continuously improve the operation efficiency and stability of waste gas treatment facility.

While strengthening our own management of harmful substance emissions and waste, we extend relevant control requirements to the supply chain. We establish an environmental performance screening and auditing mechanism covering supplier access, evaluation, and continuous management. We conduct audits on the environmental protection and harmful substance emissions compliance of suppliers, focusing on their system construction, emission reduction target setting, disposal methods, and compliance performance in the management of emissions such as wastewater, solid waste, hazardous waste, and waste gas. For suppliers that do not meet the relevant environmental protection and harmful substance emissions requirements, we list it as a veto item or limit the scope of cooperation with them to ensure that the entire supply chain is in accordance with our management requirements for reducing harmful substance emissions. At the same time, we include transportation and logistics service providers in the emission control requirements and clearly state that during heavy pollution weather and daily operations, they must use vehicles that meet national emission standards or new energy vehicles to promote relevant parties in the supply chain to jointly reduce the risks of pollutant and harmful substance emissions.

In 2025, we continuously invested resources within our operating scope, carried out facility and equipment upgrades and process improvements, and optimized waste gas emission treatment methods, which greatly improved the effectiveness of air pollutant prevention and control and reduced overall waste gas emissions.

Waste Gas Reduction Project

BYD remains committed to reducing pollutant generation at the source. Through process evaluation and optimization, we have eliminated certain polluting processes, simultaneously enhancing environmental benefits and strengthening cost control. Addressing environmental concerns related to VOC-containing cleaning agents in PCB board washing processes at the Changsha Power Plant, the company innovatively adopted no-clean solder paste. This initiative strengthened incoming material quality control and upgraded factory dust extraction facilities, enabling the implementation of a no-clean process for motor PCB boards. This measure reduced cleaning agent usage by approximately three-quarters, projected to decrease annual VOC emissions by 166 tons and cleaning wastewater discharge by over 400 tons.

Source control of emissions

We have put into use water-based paint production lines in newly built automobile parks and carried out cleaner production projects in some parks. We use coatings with low (or no) VOCs content and strictly implement the national and local quality standards for the VOCs content limits of products to reduce the generation of air pollutants from the source.

Strengthen waste gas treatment

By taking measures such as sealing work equipment and places, improving processes, and effectively collecting waste gases, and investigating pollution sources with strong odors, significant impacts on visibility, large amounts of organic raw material usage, and obvious failures of waste gas collection facilities, we effectively manage the unorganized emission and diffusion of waste gases. At the same time, we build appropriate and efficient waste gas treatment facilities and technologies and regularly maintain and overhaul the waste gas treatment facilities to ensure the stable operation of waste gas treatment equipment.



Strengthen waste gas monitoring

We connect production line equipment and environmental protection treatment facilities to an automated system. When production fluctuations or equipment malfunctions lead to an increase in emission risks, the environmental protection facilities can adjust their operating status synchronously, and the waste gas emission concentration can be monitored and adjusted in real-time to reduce pollutant emissions and prevent environmental risks. At the same time, we continuously improve the management and reporting mechanism for waste gas monitoring data, regularly summarize and analyze the monitoring results, and improve the refinement and operational stability of waste gas emission management.

Wastewater Management

Our wastewater mainly comes from domestic sewage and industrial wastewater. We implement classified management of wastewater. Industrial wastewater enters the industrial wastewater treatment system in the industrial park in accordance with the principles of classified collection and treatment according to different qualities. Domestic sewage is discharged up to the standard after being treated by the septic tank in the park, ensuring the standardized disposal of wastewater.

Sewage treatment facilities are constructed in all major operation locations of BYD. We adopt processes such as physical-chemical coagulation sedimentation, air flotation separation sedimentation, and biological nitrogen and phosphorus removal. In accordance with the wastewater pollution monitoring system and testing plan, we regularly monitor key wastewater indicators such as pH value, chemical oxygen demand, and ammonia nitrogen. We also actively invest resources to optimize the wastewater treatment process and improve the wastewater quality. In 2025, all our wastewater discharge indicators are in accordance with national and local emission standards, and 100% of the wastewater is discharged up to the standard.

In addition, we continuously promote wastewater reduction and recycling. By optimizing processes and adjusting technologies, we reduce the use of chemical agents, promote the recycling of water in production lines and wastewater treatment stations, and reuse some treated wastewater in the treatment process of the wastewater station, effectively reducing fresh water consumption and sewage discharge. We also promote the separate treatment of rainwater, domestic sewage, and industrial wastewater, improve the pipeline network layout, and prevent the impact of wastewater overflow on the external environment. Through online real-time monitoring, regular third-party testing, and the wastewater emergency response plan, we continuously strengthen the risk prevention and control of wastewater discharge. Once a wastewater leakage event occurs, we will immediately activate the emergency plan and take control measures to prevent the spread of pollution.

Wastewater Management Improvement Project

In 2025, BYD completed a comprehensive upgrade of environmental operations at all wastewater treatment stations nationwide, driving enhanced wastewater treatment quality through standardized and refined management. The Company developed unified construction plans and operational manuals to standardize management across all wastewater stations. Measures such as segregated storage of materials improved spare parts management efficiency by 84%. Implementation of dual safety protocols achieved a 100% compliance rate in environmental audits. Simultaneously, technical improvements including water quality analysis, pipeline optimization, and chemical dosing process adjustments significantly increased wastewater reuse rates. This reduced per-ton water treatment costs by up to 50%, minimizing resource waste and lowering pollutant emissions.

Noise Management

We strictly abide by relevant noise management laws and regulations, such as the *Law of the People's Republic of China on Prevention and Control of Environmental Noise Pollution*, and refer to national and local standards, such as the *Emission Standard for Industrial Enterprises Noise at Boundary*, to ensure that the noise at the factory boundary meets environmental emission standards, and to reduce and prevent noise pollution and hazards. We have carried out technological upgrading on the noise of equipment such as the auxiliary facilities around the production workshop, environmental protection facilities, air compressor stations, and cooling towers. We have also taken measures such as sound insulation, noise reduction, sound absorption, and vibration damping on production equipment to reduce noise emissions. At the same time, we have formulated an environmental monitoring plan for the factory area and conduct annual inspections of the noise at the factory boundary.

Noise Improvement Project

In response to the high-intensity noise generated during the operation of the stamping process, BYD implemented noise control and transformation on the punch equipment in the Changsha Injections Moulding Production Department. An overall sound-insulation room was built using multi-layer composite sound-insulation and noise-elimination materials, and in combination with sound-insulation doors, silencers, and sound-absorption structures, the equipment vibration and airborne noise were jointly controlled. The noise in the punch operation area was reduced from 89.5 dB before the transformation to 78.8 dB, providing a replicable noise management solution for high-noise processes.



Water Resource Management

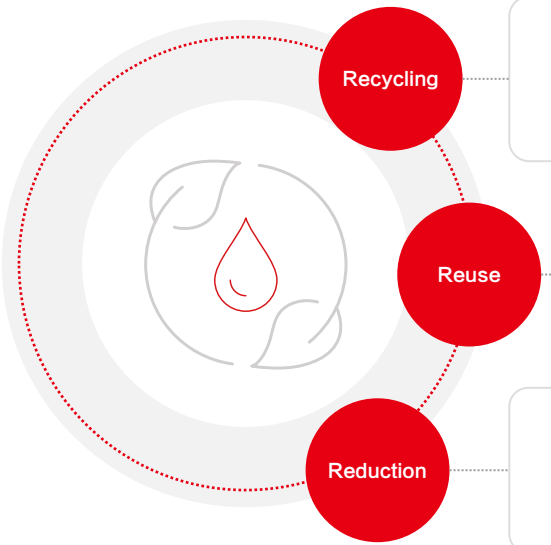
BYD strictly abides by the *Water Law of the People's Republic of China*. We conduct an assessment of the impact on water resources and the water environment during the site selection and planning stages of our production bases. The regional water resource conditions, water environmental carrying capacity, and water use safety are taken as important considerations to avoid locating production facilities in areas with water shortages or high water pressure. Our production and operation water mainly comes from the municipal water supply network, and the safety and stability of production water are ensured through centralized water supply and standardized operation and maintenance management. As of the end of the reporting period, there was no water shortage in all the locations of our production bases, and no incidents related to water use safety occurred. There are no major risks in accessing applicable water

We comply with the principle of "saving water, controlling the total water volume, planning water use, comprehensive utilization, and emphasizing efficiency". We formulate an annual water-saving development plan and continuously strengthen the refined management of water resources. We carry out water use assessments to reasonably determine the quota on water for each unit and annual targets to reduce water use, and supervise and manage the implementation to identify unreasonable water use situations and promote the improvement of water use efficiency.

Meanwhile, we implement the water resource utilization concept of "reduction, recycling, and reuse", adjust the water use structure, and continuously strengthen water-saving publicity. Through methods such as posting publicity slogans and signs and conducting water-saving training, we promote the implementation of the water-saving concept in production and operation, and continuously promote the optimization and improvement of water resource management.

Industrial Water Reuse Project

BYD Semiconductor implemented a project to recover backwash wastewater and deionized reverse osmosis (DIR RO) concentrate. After conducting water quality testing and assessment of the backwash wastewater and reverse osmosis system concentrate, confirming their conductivity and pollution index met reuse requirements, the company modified the piping system. This allows backwash wastewater to be recycled into the reclaimed water tank and DIR RO concentrate to be recycled into the equalization tank. Both are utilized for production auxiliary and circulating water processes. This initiative achieves an annual water savings of approximately 103,000 m^3, significantly enhancing water resource utilization efficiency while reducing the consumption of fresh water.



- Recycle and reuse equipment cooling water and condensed water. For example, in the Thai factory, recover the air-conditioning condensed water for use in the cooling tower
- Set up overflow return for the troughs involved in the cleaning line, reduce the overflow ports, and effectively improve water resource utilization through equipment that recycles cleaning water

- Establish a reclaimed water reuse system. After the treated domestic sewage and industrial wastewater meet the reuse standards, apply them to flushing the toilets in the staff dormitories, greening the industrial park, and cleaning the roads

- In accordance with the annual water-saving development plan, control the total water consumption at the source. Reduce the consumption of fresh water by optimizing the water use structure and promoting water-saving appliances and facilities
- Through sub-item metering and refined water use management, strengthen the daily maintenance of water supply pipelines and water use facilities to reduce the leakage rate and unnecessary losses

Circular Economy

In the process of promoting sustainable development, the circular economy has become the only way for the manufacturing industry to break through resource constraints and fulfill environmental responsibilities. BYD actively explores the path of green, circular, and low-carbon development, integrates the concept of resource closed-loop throughout the entire process of enterprise operation, and is committed to building a circular economy system with closed-loop resource flow and harmonious coexistence with the environment, leading the industry towards a new journey of green and high-quality development.

Sustainable Design

Lightweight Design : BYD implements the requirements of sustainable design. In the process of product development, construction, and operation, reduce resource consumption by researching and developing lightweight materials and innovating production processes.

Lightweight materials

High-strength steel	Replace low-strength materials with the third-generation advanced high-strength steel material (QP980-EL), achieving a weight reduction of about 10% per piece.
High-strength aluminum	Adopts an all-aluminum large frame with 100% aluminum material. Key components are made of 7-series aviation-grade aluminum alloy. Compared with steel frames, it achieves an industry-leading lightweight level.
Fiber composite materials	Natural hemp fiber composites, featuring low density, eco-friendly sources, excellent heat insulation and sound absorption, and high impact resistance, are applied to component door panels, achieving a 32% weight reduction compared with similar injection-molded parts.

Lightweight production process

Hot gas expansion process	Use ultra-high strength steel hot gas expansion process to form closed variable cross-section safety parts, replacing the traditional stamped plate anti-collision beams, achieving approximately 25% weight reduction.
Integrated door knocker process	Combining laser tailor welding technology with thermoforming technology to manufacture integrated door knocker, the weight is reduced by about 15~20% compared with traditional tailor welding thermoformed door knocker.

R&D and Application of Key Technologies for High-Safety Lightweight Vehicle Body of Premium New Energy Passenger Cars

Through the project "R&D and Application of Key Technologies for High-Safety Lightweight Vehicle Body of Premium New Energy Passenger Cars", BYD has innovatively developed a high-safety vehicle body architecture platform and a multi-material hybrid vehicle body composed of CFRP, aluminum alloy and high-strength steel. This has achieved the refined full- operating- condition design of lightweight components, as well as the innovation of the technical system for dissimilar material joining. The project has yielded 18 invention patents, 13 utility model patents, 1 national standard and 21 papers in SCI-indexed journals. It also won the 2025 Second Class Award for Scientific and Technological Progress from the China Society of Automotive Engineers (CSAE). This achievement marks a historic breakthrough in China for multi-material integrated high-safety CFRP vehicle body technology, and provides key technical support for the high-safety, high-performance and lightweight development of new energy vehicles.



Use of Recycled Material: BYD actively practices the concept of circular economy, takes the initiative to conduct full-chain compliance verification of recycled materials, and systematically promotes the implementation of the three-level verification process covering materials, components and complete vehicles. It has built a closed-loop management system ranging from material certification to vehicle compliance. With the core goal of proactively adapting to circular economy-related regulations such as the EU Regulations on the *Design for Circularity of Vehicles and on End-of-Life Vehicles*, we continue to strengthen the compliant application capacity and technical reserve of green materials, and consolidate our circular manufacturing capabilities with concrete actions.

BYD actively promotes the use of green recyclable materials, and uses a large number of aluminum alloys with strong recyclable properties in the metal parts of its products to realize metal recycling. For non-metallic components, we actively develop thermoplastic materials to replace thermosetting materials to improve the recyclability of component materials. Many BYD models have outstanding environmental performance, and their material recyclability rate exceeds the requirements of the *EU ELV 2005/64/EC Directive*, reaching the industry-leading level.

Model Name	Reusability[23]	Recyclability[24]
BYD YUAN UP	88.0%	97.7%
BYD SEALION 7	88.5%	97.7%
BYD SEAL 5	87.6%	98.0%
BYD SEAL 6	85.8%	98.5%
BYD Seagull	86.2%	97.5%
BYD Song Pro	86.6%	97.8%

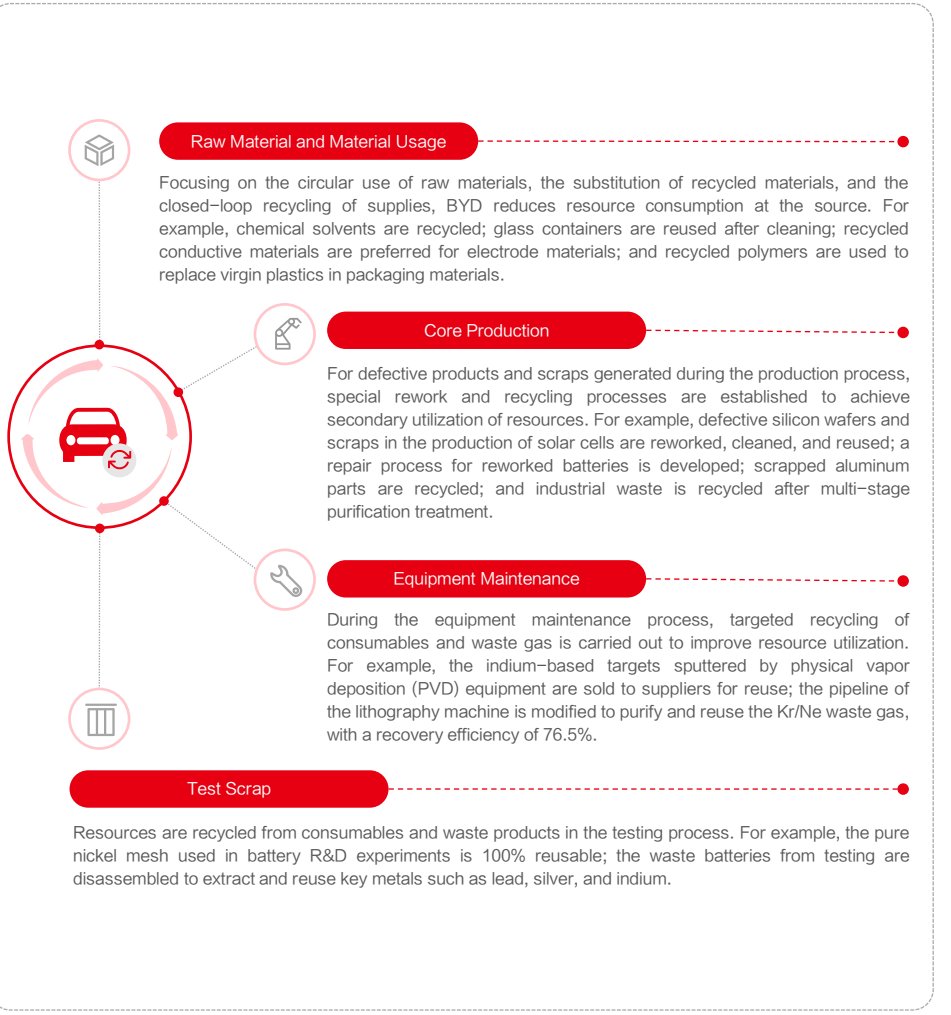
Value Extension: Guided by the development of the circular economy, BYD systematically extends the value and service life of products through technological innovation.

BYD Megawatt Flash-Charging Battery

Through the innovative design of the external poles of the battery cells and the ultra-stable self-repairing SEI film technology, BYD megawatt flash-charging battery reduces the heat generation of the battery cells by 50% and increases the service life of high-temperature batteries by 35%.

Process Cycle

Resource Recycling in the Production Process: BYD builds a resource recycling system in the production processes of multiple business lines to achieve efficient reuse of resources.



[23] The percentage of the vehicle mass that is reusable and/or recyclable

[24] The percentage of the vehicle mass that is reusable, recyclable and/or recoverable

Logistics Packaging Recycling: BYD continuously promotes the use and recycling of green packaging in the manufacturing and transportation processes. Special recycling areas are set up for material packaging boxes, cartons, foam boxes, and chemical barrels. BYD cooperates with suppliers to promote the use of recyclable packaging materials. In terms of material substitution, we replace single-use materials with durable, reusable, and space-efficient alternatives, enabling a circular model for packaging.

Shipping Carton Recycling

Some factories under the Electronics Business recycle assembled shipping cartons for reuse.

Recyclable Packaging Application

The Thailand base of the Automobile Business uses circular packaging instead of traditional disposable cartons and wooden boxes, with packaging material costs expected to be reduced by 30%–50% over the full life cycle.

Wafer Packaging Box

Some factories under the Electronics Business have launched recycling projects in cooperation with suppliers, realizing the reuse of wafer packaging boxes through standardized cleaning processes.

End-of-life Recycling

BYD actively responds to the *national Implementation Plan for the Extended Producer Responsibility System* and takes the initiative to assume the responsibility for the recycling of products such as New Energy Vehicles and power batteries. We have formulated relevant systems such as the *BYD Recycled Resources Sales Management Notice*, classifying materials into 10 major renewable resource material groups for refined management

Vehicle Material Recycling: BYD has built its own recycling lines. While ensuring product quality, we recycle and reuse waste generated during production, as well as components and raw materials derived from vehicle disassembly.

Spare parts recycling

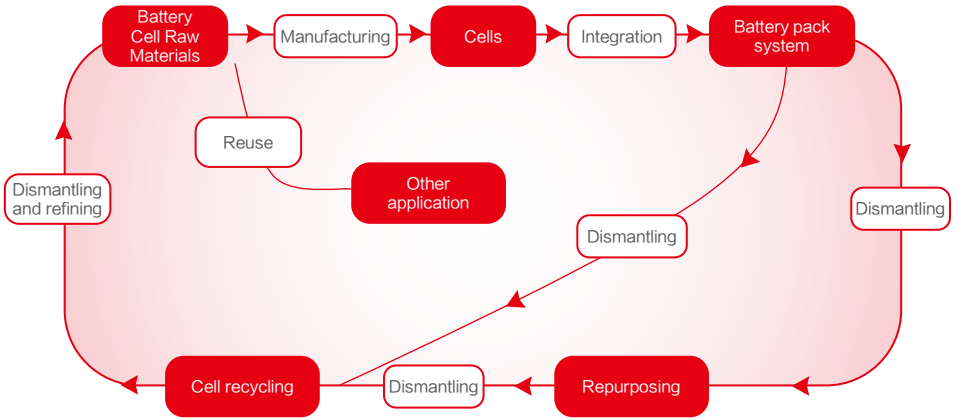
Discarded forklifts are dismantled into parts and components such as motors, waste oil, axles, and battery cases for classified recycling.

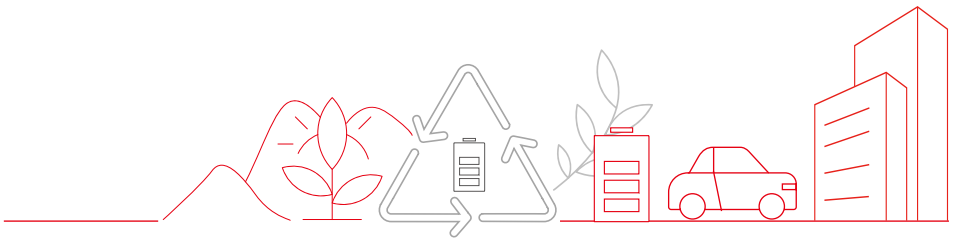
Raw material recycling

We recycle and reuse waste aluminum generated internally and from the dismantling of end-of-life vehicles. In 2025, we continued to promote the recycling of waste aluminum. The amount of recycled waste aluminum increased from 162,178.73 tons in 2024 to 188,906.82 tons, with a growth rate of 16%. Among them, the amount of recycled waste aluminum from vehicle components reached 112,079.72 tons, accounting for 59.33% of the total recycled volume.

Power Battery Recycling: BYD has deeply deployed in the power battery recycling business, creating a closed-loop recycling system for the entire power battery industry chain. Relying on the global recycling network, diversified repurposing scenarios, and high-value regeneration technologies, it realizes the efficient recycling of key metals and the circular reuse of resources

To ensure the timely, standardized, and effective recycling of waste and used battery, we have formulated regulations such as *The Traceability Management Process for the Recycling and Utilization of BYD New Energy Vehicle Power Batteries* in accordance with national requirements and standards such as *The Interim Measures for the Recycling and Utilization Management of New Energy Vehicle Power Batteries and Recovery of traction battery used in electric vehicle- General requirement (GB/T 44132-2024)*, clearly defining the battery recycling plan and implementation process. On December 5, 2025, at the "2025 Annual Conference of the China New Energy Vehicle Power Battery Recycling and Utilization Industry Collaborative Development Alliance" hosted by China Automotive Technology and Research Center Co., Ltd. (CATARC), Shenzhen BYD Lithium Battery Co., Ltd. was awarded the title of "2025 Outstanding Contribution Enterprise in Power Battery Recycling and Utilization Policy Research" for its remarkable contributions in constructing policy systems, developing standards, and exploring industrial collaboration mechanisms for power battery recycling and utilization.





In terms of recycling network development, we rely on industrial parks across the country to establish centralized storage outlets. With an extensive and efficient logistics system, we ensure the timely and effective waste and used battery. For overseas retired batteries, we collaborate with international recycling company under recycling agreements to manage the collection and treatment.

In terms of repurposing, we have established two repurposing battery production bases in Shanghai[25] and Shanwei. The retired power batteries are reprocessed into repurposing battery products, which are widely used in various fields such as backup power systems and solar streetlights, realizing the high-value use of batteries. We also record and track the information of repurposing batteries throughout the process to ensure the traceability of their quality and the monitoring of their flow, providing a strong guarantee for their safety and compliance.

In terms of recycling and reuse, the recycling factories under BYD dismantle and assess retired batteries, selecting appropriate methods for comprehensive utilization. By virtue of the core technology brought by the closed-loop value chain, the recycling factories have achieved efficient and refined dismantling and recycling. In addition, we have entered cooperation with recycling compliant companies in dismantling and recycling to improve the quality and efficiency of dismantling.

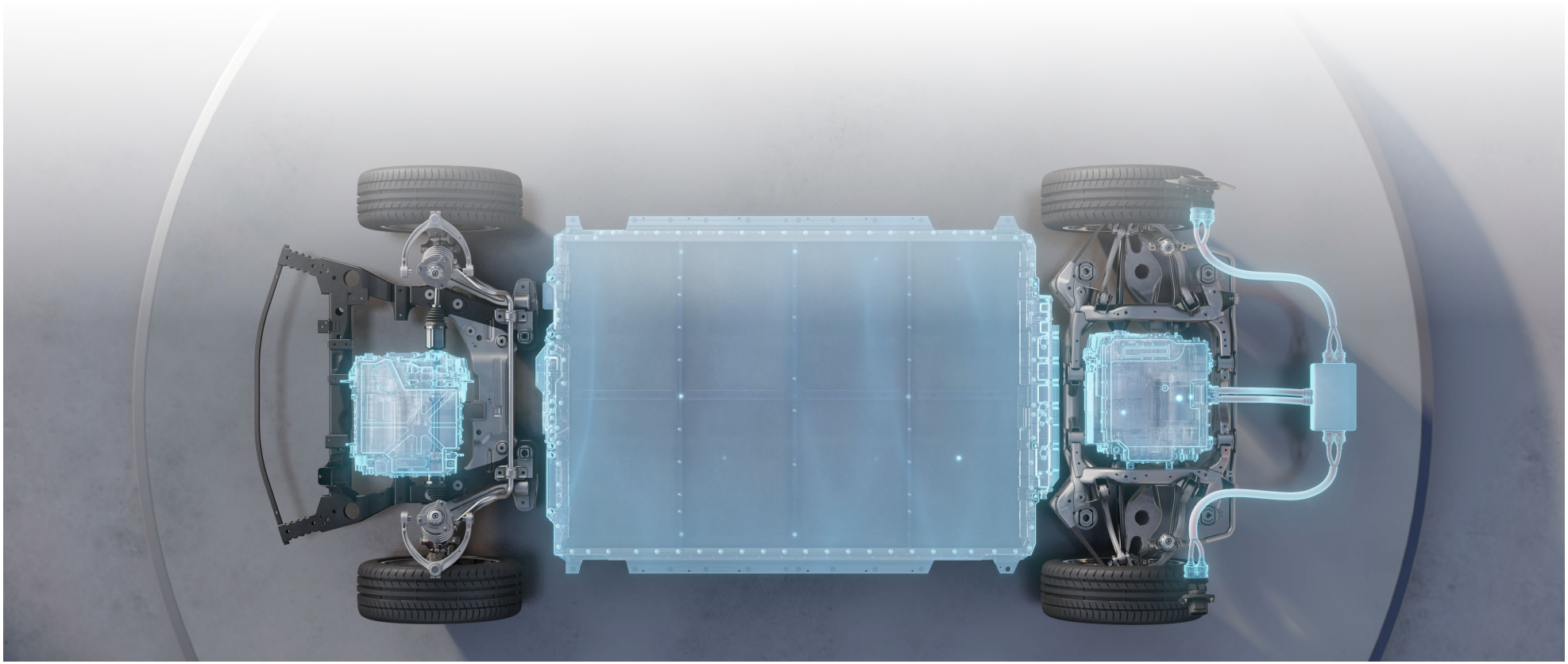
In 2025

BYD recycled more than

10,000 tons of power batteries and other types of batteries

Comprehensive recovery rate of metals from waste and used battery

lithium	copper foil	aluminum foil
90%	95%	95%



[25] The Shanghai Repurposing Production Base was selected into the second batch of enterprises meeting *the Industry Specification Conditions for Comprehensive Utilization of waste and used battery for New Energy Vehicles*, released by the Ministry of Industry and Information Technology of China

Control and Compliance Management of Hazardous Substances

Based on the concept of full life cycle management, BYD has built a hazardous substance control system covering the entire business chain to achieve industry-leading environmental compliance. We refer to *the Measures for the Administration of Restriction on the Use of Hazardous Substances in Electrical and Electronic Products*, *GB/T 30512-2014 Requirements for Prohibited Substances in Automobiles*, and *GB/T 19515-2023 Requirements and Calculation Methods of Reusable and Recyclable Utilization Rates of Road Vehicles*, as well as integrates *the European Union ELV Directive 2000/53/EC*, *the EU Directive on the Restriction of the Use of Certain Hazardous Substances in Electrical and Electronic Equipment* (RoHS Directive), *the Registration, Evaluation, Authorization and Restriction of Chemicals Regulations* (REACH), *the Stockholm Convention* (POPs) to improve whole-process control of products and materials in the areas of product design, purchasing, manufacturing and product delivery.

Product design

- Conduct banned substance testing on products, comprehensively identify related chemical substances used, and incorporate hazardous substance control technology into the design and development process to ensure that product design complies with relevant standards.

Material procurement

- Require product suppliers to provide product composition declaration forms, REACH questionnaires, test reports on hazardous substance regulations, compliance statements or commitments according to the relevant regulations of the shipping area.

Production manufacturing

- During the production and manufacturing process, strict controls are implemented against harmful substances, and personal protective equipment is provided to employees in relevant positions.

Product delivery

- Products are tested according to relevant industry testing methods to ensure they do not contain prohibited hazardous metal substances.

Hazardous Substance Control Measures and System Construction

To ensure the implementation of hazardous substance control, BYD has implemented the following measures:

Formulation of hazardous substance management policies	Develop and dynamically update management requirements such as *Requirements for Prohibited and Restricted Substances in Passenger Vehicles*, *Prohibited and Restricted Substances in Passenger Vehicles and Recycling Management Regulations*, *Requirements for Prohibited and Restricted Substances in Power Batteries*, *Environmental Management Substance Standards for the Electronics Business Unit*, *Requirements for Prohibited and Restricted Substances in Commercial Vehicles*, and pay attention to the updating of the industry's regulations in real time, so as to ensure that our internal management standards are always in sync with the latest global regulatory requirements.
Establishment of hazardous substance testing laboratory	Build a CNAS-accredited hazardous substance testing laboratory equipped with gas chromatography-mass spectrometry, high performance liquid chromatograph, which covers 100% of the testing capabilities for hazardous substances such as lead, mercury, cadmium, hexavalent chromium, polybrominated biphenyls and polybrominated diphenyl ethers required by national standards. Actively develop and establish testing capabilities for hazardous substances under overseas standards, including phthalates, short/medium-chain chlorinated paraffins, polycyclic aromatic hydrocarbons and perfluorinated compounds.
Traceability and control of hazardous substances in raw materials	Require suppliers to submit material composition data step by step through the industry's material data declaration system (CAMDS) to achieve data penetration at 4 levels of the supply chain (raw materials – components – assemblies – complete vehicles), and to submit third-party reports on the testing of hazardous substances in their products, so that hazardous substances can be traced back based on the supply chain.
Replacement of hazardous substances	Continuously track the latest domestic and international laws and regulations related to hazardous substance management (e.g., substances on the REACH SVHC candidate list) and the latest management requirements for restricted substances from customers. With the long-term goal of gradually eliminating key controlled hazardous substances, actively search for and adopt substitutes. This year, BYD Electronics formulated a list of prohibited hazardous chemical substances and implemented a control strategy of not introducing and directly eliminating substances on the list at the source to fundamentally ensure that products comply with environmental and safety standards, clearly banning hazardous chemical substances including PFOS, PFOA, PFHxS, decabromodiphenyl ether, and hexachlorobutadiene.
System certification	Shanghai BYD Co., Ltd. has obtained the IECQ QC080000 certification for Hazardous Substance Process Management System. Additionally, its affiliated Consumer Battery Testing Center, along with the BYD Co., Ltd. Material Analysis Testing Center and the BYD Automobile Industry Co., Ltd. Automotive and Parts Testing Center, have all received ISO 17025 laboratory accreditation.



IECQ QC080000 Hazardous Substance Management System Certification



ISO 17025 Testing and Calibration Laboratories Certification

Hazardous Substance Control Training

BYD conducts regular relevant training for employees in positions related to hazardous substances every year. The training content includes relevant laws and regulations on hazardous substances, management procedure documents, identification specifications, and customer requirements, aiming to comprehensively improve employees' awareness and ability in hazardous substance control.

Product Hazardous Substance Management System Training

In 2025, BYD's Consumer Battery Business Division collaborated with the Energy Storage and New Battery Business Division to conduct a specialized QC 080000 training session on the Hazardous Substances Management System. The training covered key departments such as product development, project management, and certification. It systematically interpreted domestic and international hazardous substances control standards, combined with in-depth analysis of battery industry cases and practical scenarios. Through discussions, Q&A sessions, and other formats, the training enhanced employees' ability to apply environmental regulations like RoHS and REACH, while strengthening their professional expertise in identifying, controlling, and mitigating hazardous substance risks.



Biodiversity Protection

BYD attaches great importance to biodiversity protection, strictly complies with relevant national and local laws and regulations, formulates and publishes the *Declaration on Biodiversity Conservation* and the *Declaration on No Deforestation*, and promises to follow the principle of ecological friendliness in production and business activities to reduce interference and impact on the natural ecosystem. We clearly define the Board of Directors as the highest decision-making body for biodiversity protection, fully responsible for relevant strategic decision-making and supervision to ensure that the company's performance in biodiversity protection is in accordance with the requirements of social and environmental sustainable development.

We integrate biodiversity risk identification and assessment into the environmental management and sustainability management systems. Combining with the business layout and project characteristics, we conduct an analysis of nature-related impacts and dependencies. During the reporting period, we took the battery business as a pilot to systematically conduct an assessment of the importance of biodiversity risks (see the FinDreams Battery Biodiversity Report for details). The project adopts a location-based approach, referencing the LEAP methodology proposed by the Task Force on Nature-related Financial Disclosures (TNFD). Combining with the biodiversity impact assessment tool, the integrated biodiversity assessment tool, and the ENCORE database, we identify whether the production base and its surrounding areas involve nature reserves, key biodiversity areas, and the distribution of endangered species. The assessment results are incorporated into the project site selection demonstration, construction and operation management, and risk management processes, supervised by the management and continuously optimized to guide the formulation and implementation of ecological protection measures. At the same time, we analyze the risks and opportunities related to biodiversity from short-term, medium-term, and long-term perspectives to support the Group's continuous improvement of nature-related risk management and decision-making.

Regarding the potential ecological impacts at different stages of the project, we formulate phased and focused biodiversity protection measures, linking risk prevention and control requirements with specific management actions. These measures cover the entire process of project site selection, construction, and operation management, promoting the extension of biodiversity management from assessment and identification to measure implementation and continuous improvement.



BYD's Biodiversity Conservation Measures

Site Selection & Planning Phase

Priority is given to already developed areas, avoiding the deployment of production facilities in nature reserves and ecologically sensitive zones. Before construction, we systematically conduct detailed ecological assessments and species surveys, comprehensively analyzing regional climate, water resources, soil, topography, and the distribution of flora and fauna. We evaluate the impact of construction projects on local ecosystems, identify potential ecological risks, and formulate targeted protection and mitigation measures.

Construction & Execution Phase

Implement standardized ecological protection and management measures, including pre–assessment and process control of vegetation clearing and land consolidation activities. We reasonably arrange construction methods to reduce soil erosion and disturbance to the surrounding ecological environment. For areas where vegetation removal is unavoidable, we conduct wildlife habitat surveys before construction to prevent unnecessary harm to wildlife and their habitats.

We deploy supporting wildlife protection and rescue measures within the project construction area. We conduct patrols, relocation, or timely rescue for affected animals within the construction disturbance zone, and prioritize release in adjacent, ecologically similar, and undisturbed areas to minimize the impact of construction activities on biodiversity.

Operation & Management Phase

Strengthen the management of environmental factors such as stormwater runoff, wastewater, and exhaust gas. We conduct real–time monitoring of wastewater and exhaust gas emissions to ensure compliance with discharge standards and prevent secondary impacts on surrounding ecosystems. At the same time, we continuously monitor the potential impacts of production activities on biodiversity. Through measures such as optimizing the plant drainage system, reducing light pollution, and preventing bird collisions, we minimize disturbance to surrounding species and promote the harmonious coexistence of industrial activities and the natural environment.

We have also incorporated biodiversity conservation requirements into our supply chain management system. According to the *Code of Conduct for BYD Supplier*, we require suppliers to comply with local laws and regulations, formulate and implement biodiversity conservation systems and measures, conduct risk identification and hidden danger investigations on the impacts on animals, plants, and related natural resources, and continuously reduce the negative impacts of business activities on biodiversity. At the same time, based on the *BYD Group's Supply Chain ESG Risk Management Measures*, we have set up a list of ESG red lines for the supply chain, strictly controlling behaviors that seriously damage ecosystems and biodiversity, such as deforestation. Relevant suppliers will be directly classified as high–risk objects and included in the scope of key management, effectively preventing and controlling biodiversity risks in the supply chain.

In addition, we actively carry out and participate in activities and practices related to biodiversity conservation, promoting public awareness and social collaboration through diverse means to support ecosystem and species conservation. In the future, BYD will continue to strengthen cooperation and communication with all sectors of society and explore practical paths to promote the harmonious coexistence of humans and nature through technological innovation.

BYD's CBCF Ecological Conservation Practice in Nepal —— Exploring a Systematic Governance Path for Highly Vulnerable Ecological Regions

BYD and CIMEX jointly established the CIMEX BYD Charity Foundation (CBCF) in Nepal in 2024, systematically advancing biodiversity conservation practices centered on forest restoration, species protection, and high–altitude ecological governance. The foundation has conducted localized afforestation and conservation initiatives for multiple consecutive years, establishing model forest restoration sites to enhance regional carbon sequestration capacity and ecological resilience while promoting the recovery of wild bird habitats; Supporting Ganges river dolphin conservation through funding, scientific monitoring, and community co–management mechanisms to advance long–term protection of endangered species and public awareness. Utilizing intelligent methods to clear historical waste in high–altitude areas while concurrently collecting ecological data, this initiative validates ecological governance models in extreme environments. This series of initiatives addresses biodiversity degradation and governance challenges in alpine and transboundary ecosystems. By integrating "technology–enabled solutions + community participation," it explores replicable pathways for ecological restoration and conservation, providing exemplary experience for corporate engagement in global biodiversity protection and fragile ecosystem management.









BYD's CBCF Ecological Conservation Practice in Nepal

REVOLUTION

BYD is committed to transforming scientific and technological innovation achievements into continuous upgrades of products and services. We adhere to the principle of "Innovation Oriented", deeply engage in the R&D of disruptive technologies, integrate intelligent networking technologies to improve product performance and safety, and collaborate with industries, academia, and research institutions to promote the collaborative progress of industry technologies. We believe in the concept of "Technology Based", taking product responsibility as the bottom line and strictly controlling the quality of products throughout their life cycles. We uphold the mission of "Technological Innovations for a Better Life", continuously optimizing the standards of the entire customer service process and efficiently responding to customer demands. We lay a solid foundation for quality with the Craftsmanship Spirit and win customer trust with high-quality services, providing global users with safer, more comfortable, and more intelligent travel solutions.



Targets and metrics in this chapter:

SDGs

HKEX ESG Reporting Code

GD-B6, KPI-B6.1, KPI-B6.2, KPI-B6.3, KPI-B6.4, KPI-B6.5

SZSE Guidelines

Innovation-driven, scientific and technological ethics, product and service safety and quality, data security and customer privacy protection

ESRS

S4-1, S4-2, S4-3, S4-4

GRI Standards

2-24, 3-3, 416-1, 416-2, 417-1, 417-2, 417-3, 418-1

Lead Industry Development

BYD builds an open and collaborative innovation system based on its forward-looking technology layout. We have created a global R&D network covering basic research to product application and achieved continuous precipitation of innovation results through the "Technology Pool" mechanism. Meanwhile, we promote the industry-wide sharing of innovation results through models such as technology licensing and standard co-construction. Through our open innovation practices, we accelerate the overall technological upgrade of the industrial chain, lower the industry's innovation threshold, and promote the sustainable development of the new energy vehicles industry and even society. We firmly believe in the inclusive value of technological innovation. BYD will continue to promote the flow and sharing of innovation elements in an open attitude, break through technological barriers with innovation, and promote the inclusive concept of equal access to science and technology.

Innovation Platform Development

BYD attaches great importance to the construction of innovative platforms. Guided by market demand and in compliance with applicable national laws and regulations, we carry out scientific research and technological development. Following the strategy of "exploring one generation, stockpiling one generation, and mass-producing one generation", we strengthen technical decomposition and closed-loop R&D capabilities to achieve seamless integration between technological breakthroughs and industrial applications. We are committed to building a R&D system and industrial ecosystem across technical fields, using cutting-edge technologies to deeply empower the integrated development of industries, and building up strength in technological R&D breakthroughs, professional talent cultivation, and industrial chain collaboration to consolidate the foundation of industrial development.

We have established 11 research institutes covering multiple fields such as basic science, automobile engineering, new automotive technology, and electronic technology. While delving deep into basic science research, we have achieved independent R&D of core technologies in the entire new energy industrial chain. To improve the efficiency of R&D collaboration, we flexibly adjust the organizational structure of each research institute based on technological development requirements and continuously optimize the R&D ecological layout. Through the collaborative upgrading of the business of each research institute and the in-depth integration of resources, we effectively achieve the efficient linkage between intelligent software and hardware R&D, further improving the efficiency of R&D resource allocation and the speed of technology transformation.

To flexibly respond to the constantly changing customer demands, we have built a dynamic technology ecosystem, "Technology Pool", to reserve core technologies in the entire industrial chain of new energy vehicles, such as batteries, motors, electronic control systems, and vehicle-grade chips, and incubate more intelligent application services from them. Among them, BYD's self-developed Fifth-generation Dual Model (DM) Technology has been continuously upgraded and improved, further reducing fuel consumption under power-deficit conditions. It is also deeply integrated with large AI models, promoting plug-in hybrid technology into a new stage of "strategy competition". BYD has launched the industry's first intelligent-electric integrated Xuanji Architecture, which, with its core capabilities such as comprehensive perception and centralized thinking, is deeply integrated with the plug-in hybrid platform to reconstruct the traditional automotive power system. In 2025, BYD completed the construction of the "God's Eye" technology matrix, providing new ideas and technological support for the digital and intelligent development of the industry.

This year, BYD joined China Media Group's "Brand Power Project" as a "Strategic Partner for CCTV's Science and Technology Power Strategy." Through technological innovation, BYD is driving high-quality economic development in China, showcasing the technological prowess and contemporary responsibility of the world's leading new energy vehicle manufacturer.

2025

R&D investment reached RMB **63.4** billion, accounting for **7.89%** of operating revenue, maintaining a high proportion of R&D investment



R&D Talent Reserve

Innovative R&D talents are the core driving force for BYD to continuously achieve technological breakthroughs and product iterations. We have gathered over 120,000 R&D personnel from 50 professional fields such as electronics, machinery, and electronic information to form the "BYD Talent Pool". This cross-field collaborative engineering team promotes in-depth exploration and rapid breakthroughs in frontier fields through professional integration and knowledge flow and is the talent foundation for BYD to maintain its core advantages in future industrial competition.

We have formulated internal systems such as the *BYD Patent Management Policy* and *the BYD Patent Reward and Penalty Management Policy*. By creating an attractive R&D incentive mechanism, we encourage employees to actively explore and innovate, thereby continuously expanding the scale of the R&D talent team.

We have developed a talent reserve plan for R&D managers and established a life-cycle management system covering the selection, training, appointment and assessment of key R&D talents. This system aims to comprehensively improve the overall quality and business capability of the R&D manager team, thus meeting the growing R&D demands. To promote communication and cooperation among R&D personnel, we have built an internal communication platform covering modules such as market insight, technological exchange, product experience sharing, and system problem-solving, accelerating the transfer of knowledge and the accumulation of experience, and promoting the formation of a good learning atmosphere and team-work spirit. In addition, we actively support R&D personnel to participate in external academic exchanges and cooperation projects. Each year, we select outstanding R&D personnel to participate in international academic conferences and technology exhibitions to communicate and discuss with global peers and broaden their international horizons.

2025

Research and Development Personnel reached **127,665**

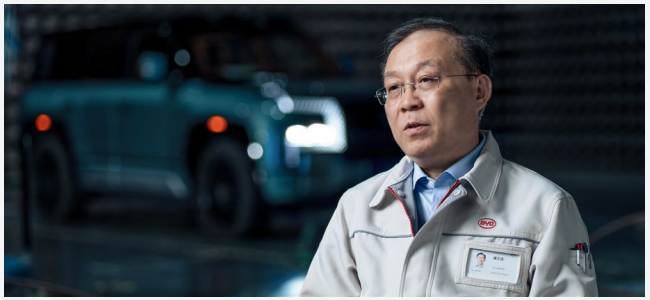
Year-on-Year Growth reached **4.99%**

The proportion in the total workforce reached **14.68%**

Practice of R&D Talent Echelon Construction – From "Ingenuity" to "Crowd of Talents"

On November 21, 2025, Lian Yubo, BYD's chief scientist and chief engineer, was elected an academician of the Chinese Academy of Engineering, winning the highest academic title in the field of Chinese engineering science and technology.

Since Lian Yubo joined BYD in 2003, he has led the team to achieve a breakthrough from the fuel-powered vehicle F3 to the world's first dual mode electric vehicle F3DM and made a leap from following to leading in core fields such as plug-in hybrid technology routes and Blade Battery systems. BYD has established a technology succession platform centered on leading talents like Academician Lian Yubo. This platform customizes R&D directions and fosters a tiered talent cultivation ecosystem through practical projects and industry-academia-research collaborations. By implementing a scientific training system, it achieves mutual success in individual growth and corporate innovation, setting an industry benchmark for synergistic development in technological innovation and talent cultivation.



Academician Lian Yubo

Empowerment Project for R&D Elites – Forging Composite Talents Integrating Market-Driven and Technological Innovation

BYD launched the "Diying Program" T-MBA Empowerment Project for R&D Elites this year, providing a one-month specialized training program for 30 newly promoted R&D managers across five major brand institutes. Centered on core modules of leadership development, technological foresight, market insight, and cross-disciplinary competence, the program employs a blended online-offline format. Through diverse formats including workshops and practical business simulations, it effectively enhances R&D managers' technical foresight and market sensitivity. This empowers them to efficiently translate user needs into innovative solutions, fostering a team of versatile R&D managers.

Introduction of AI Series Courses-Improving the Ability of Technical R&D Personnel to Master Frontier Technologies

Against the backdrop of artificial intelligence profoundly transforming the automotive industry, BYD advances AI-empowered training through a dual approach: actively introducing AI course series while simultaneously identifying and promoting advanced internal AI practices. By the end of the reporting period, BYD had conducted 47 specialized AI training sessions, reaching over 10,000 employees. This initiative has empowered key personnel such as R&D engineers to systematically master AI knowledge and enhance their ability to apply AI technologies in practical work scenarios. Concurrently, the company leveraged academic resources from top universities to host five specialized lectures on cutting-edge technologies, broadening employees' technical horizons.

Innovation Ecosystem Construction

BYD adheres to the concept of inclusive technology, actively shares technological achievements, and collaborates with upstream and downstream partners in the value chain to build a Collaborative Innovation Ecosystem. We use technology to empower industry upgrading and social sustainable development, enabling the technological dividends to benefit a wider range of fields.

We achieve product Iterative upgrading through innovation breakthroughs and are committed to transforming frontier technologies into a "smart, safe, and green" three-in-one travel experience. We pioneered the dual-cycle multi-modal AI large-model Xuanji Architecture, for the first time deeply integrating artificial intelligence into the overall Strategy of vehicle perception, decision-making, and control, and incubating a series of innovative functions such as DiSus System preview and e^4 Platform parking. This year, we built a full-scenario intelligent assisted driving system, promoting the high-order intelligent assisted driving technology of "God's Eye" to reach more users, making travel more convenient and driving safer.

While promoting its own product innovation, BYD actively cooperates with partners from all walks of life, integrates superior resources from different fields, gathers diverse wisdom and frontier technologies, explores the potential of digital technologies such as AI and big data, and is guided by the real-life needs of users. Together, they incubate a series of innovative achievements, promoting the transformation of automobiles from highly integrated mechanical products to "intelligent life forms" that can sense the environment, understand needs, and continuously evolve, and turning automobiles into intelligent mobile spaces that connect and empower users' diverse life scenarios.

BYD will continue to adhere to the concept of open collaboration, deepen cooperation with industry partners, and through the dual-track model of "self-research plus cooperation", continuously improve the intelligent assisted driving technology matrix, lead the Iterative upgrading of multi-field industries, promote high-order intelligent assisted driving from "usable" to "user-friendly", and continuously explore the infinite possibilities of the travel ecosystem.

Intelligent In-vehicle Drone "Lingyuan"-Expanding the Boundaries of Mobile Life through Cross-border Integration

In March 2025, BYD and DJI jointly unveiled the "Lingyuan" intelligent vehicle-mounted drone system. The system features a full-stack self-research in-vehicle intelligent hangar and a customized in-vehicle drone. The hangar incorporates an industry-first retractable in-vehicle landing pad solution, integrating multiple hardware components including an in-vehicle drone positioning module. It supports dynamic takeoff and landing at speeds below 25 km/h and has five core functions, including follow-up shooting, lowering the creation threshold for users.

This system represents BYD's practical implementation of building an "Intelligent Vehicle+" open ecosystem. Through cross-industry technological integration, it expands the application boundaries of automobiles as intelligent mobile terminals, providing a model for synergistic development between the automotive industry and the low-altitude economy sector.



"Lingyuan" Intelligent In-vehicle Drone System

The World's First Smart Connected Pet Safety Seat — Empowering the Construction of a Friendly Travel Ecosystem

In August 2025, BYD partnered with Goodbaby, a leading brand in maternal, infant, and children's products, to launch the world's first vehicle-connected smart pet safety seat. This innovative seat utilizes the ISOFIX interface compliant with EU child safety standards, enabling deep integration with in-vehicle systems. Through built-in sensors, owners can monitor their pets' status in real time, ensuring comprehensive safety during travel.

BYD has integrated considerations for pet safety during travel into its product design, fostering a more pet-friendly and responsible approach to mobility.



FANGCHENG BAO Ti 7 is Compatible with the Pet Protection Safety Seat

Intellectual Property Protection

Intellectual Property (IP) is the core asset of BYD. We build the cornerstone for innovative development through systematic layout and effective utilization of IP. We comply with relevant IP laws and regulations in the regions where we operate, such as *the Patent Law of the People's Republic of China* and *the Trademark Law of the People's Republic of China*, while protecting our own IP, we also fully respect the IP of others.

BYD has formulated a series of systems, including the *BYD Company Patent Application Procedures*, the *BYD Company Patent Classification Measures*, and the *BYD Company Patent Layout Management Rules*, to comprehensively standardize the company's IP management in terms of IP creation, protection, and operation. The Group continuously optimizes its IP management system, implementing full-life-cycle management for intangible assets such as patents, trademarks, and copyrights to ensure the safety and integrity of the Group's intangible assets. We actively promote the development of IP culture. In 2025, BYD conducted 72 IP training sessions, covering basic IP knowledge such as the writing of patent technical disclosure and patent searching, as well as courses on interpreting and developing valuable patents. The total training duration reached 85 hours, covering nearly 5,000 employees.

2025 BYD's Patents

Indexes	Data Unit	In 2025	Total
Patent Applications	**Item**	**11,093**	**71,094**
— Invention patents	Item	8,337	42,490
— Utility model patents	Item	1,979	21,889
— Design patents	Item	777	6,715
Granted Patents	**Item**	**6,175**	**42,108**
— Invention patents	Item	2,058	16,586
— Utility model patents	Item	3,130	19,833
— Design patents	Item	987	5,689

Winner of the China Patent Gold Award and the China Design Gold Award — Promoting the transformation of Intellectual Property (IP) value

At the 25th China Patent Awards, BYD achieved a breakthrough by winning two Gold Awards. The invention patent "Integrated Thermal Management System and Vehicle and Thermal Management Control Method" was awarded the China Patent Gold Award, while the exterior design of the DENZA D9 received the China Design Gold Award. As of the reporting period, the company has accumulated 3 China Patent Gold Awards and 3 China Design Gold Awards.

This award-winning technology pioneers an integrated architecture combining direct battery cooling/heating, efficient electric drive auxiliary heating, and heat pump air conditioning. It overcomes range limitations in extreme temperatures for electric vehicles while enhancing energy efficiency. Deployed across multiple BYD pure-electric models, it strengthens product competitiveness.

The DENZA D9's exterior design patent, incorporating the "π-Motion" design language, has garnered widespread global consumer recognition.





China Patent and Design Gold Awards

Industry Development Support

BYD is deeply involved in the development of national and industry standards, actively contributing professional wisdom and practical experience from the planning of technical routes to the establishment of key specifications. By leading or participating in the formulation of standards, BYD transforms its cutting-edge exploration in the Renewable Energy Business into industry consensus, and is committed to building a scientific, unified, and open technical standard system, providing a solid foundation for the electrification transformation of the automotive industry and helping the renewable energy industry achieve standardized, orderly, and high-quality development.

Extensive Efforts in National Standards

We focus on the safety field of electric vehicles, leading the revision of the national mandatory standards GB 18384-2020 *Safety Requirements for Electric Vehicles* and GB 38032-2020 *Safety Requirements for Electric Bus*, and participating in the drafting of GB 38031-2025 *Safety Requirements for Traction Batteries Used in Electric Vehicles*. We focus on the sub-fields of electric vehicles and lead the formulation of national standards for the access of new energy vehicles such as GB/T 18487.5-2024 *Electric vehicle conductive charging system—Part 5: DC charging system for GB/T 20234.3*, comprehensively optimizing the charging standards on the premise of ensuring the compatibility of old and new charging interfaces in China.

Leading Industry Standards

In 2025, BYD led the formulation of automotive industry standards such as QC/T 1230-2025 *Wheel-Edge Drive Axles for Electric Buses* and QC/T 222-2025 *Dump Trucks*, outputting based on long-term technological R&D accumulation to promote the unification of key component interfaces and performance standardization.

Pioneering a New Chapter in Group Standards

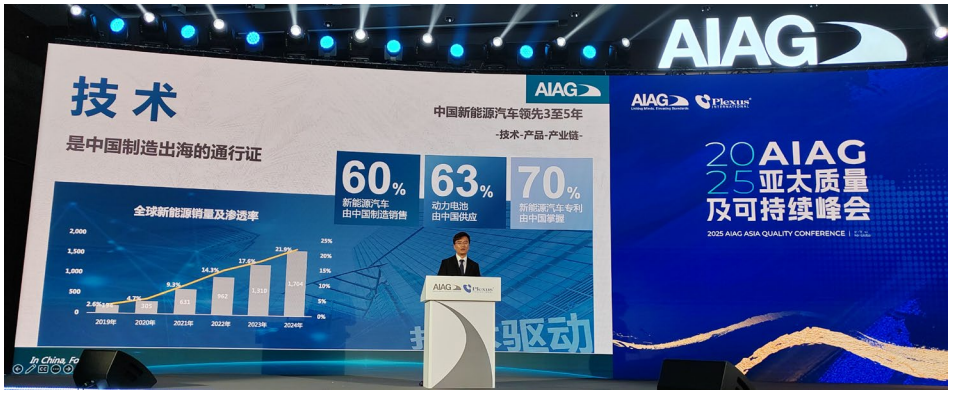
We joined hands with organizations and enterprises, such as China Automotive Engineering Research Institute and CATL, to jointly formulate two group standards: T/CECRPA 012-2024 *Quantification Methods and Requirements for Product Carbon Footprint of Greenhouse Gases-Power Batteries* and T/CECRPA013-2024 *Quantification Methods and Requirements for Product Carbon Footprint of Light-duty Electric Vehicle*. Against the global backdrop of carbon neutrality, the introduction of these two standards provides clear guidance on carbon accounting throughout the entire lifecycle of New Energy Vehicles (NEVs), empowers enterprises to precisely reduce carbon emissions, and leads the industry to initiate standardized green and low-carbon transformation.

Leading the Revision of Mandatory National Standards — Supporting Industrial Supervision and High-quality Development

In October 2025, the mandatory national standard GB 18384 *Safety Requirements for Electric Vehicles*, revised under the leadership of BYD, successfully passed the review by the National Technical Committee for Automotive Standardization and was officially released by the end of 2025. As one of China's first mandatory national standards in the electric vehicle sector, this standard plays a pivotal role in regulating industry production practices, guiding technological innovation, and supporting government oversight upon implementation.

This revision aligns with national strategic initiatives such as the *New Energy Vehicle Industry Development Plan (2021-2035)*, driving advancements in electric vehicle safety technology and phasing out outdated production capacity. BYD spearheaded the integration of premium industry resources to advance the revision, thereby fortifying the safety foundation of China's new energy vehicle industry.

In addition, BYD also plays an important role in industry organizations such as the China Association of Automobile Manufacturers and the China Society of Automotive Engineers. In 2025, we participated in domestic and international industry exchange activities such as the 32nd Annual Conference and Exhibition of the Society of Automotive Engineers of China and the 2025 World New Energy Vehicle Congress. While sharing our own innovative practices, we absorbed cutting-edge technological trends and are committed to promoting the formation of industry consensus and Ecosystem Co-construction.



BYD's Keynote Speech at 2025 AIAG Asia Quality Conference

Ethics in Science and Technology

In the era of intelligent and electrified development in the Automobile Business, BYD adheres to six technological ethics principles: "Respecting user privacy, avoiding bias and discrimination, enhancing security and transparency, consciously conducting self review, promoting human well-being, and complying with laws and regulations." In R&D activities such as scientific research, technology development, and application, we adhere to the moral guidance and behavioral norms of technology, integrating technological ethics into every innovation practice.

In the early stage of technology R&D, we pre-evaluate potential ethical risks for cutting-edge technologies such as autonomous driving and the Internet of Vehicles. For example, we assess whether the decision-making logic of autonomous driving endangers pedestrian safety and whether data collection infringes on user privacy. We ensure the quality of new technologies through a rigorous evaluation process. In the daily operation stage, we strictly adhere to the bottom line of data usage. When collecting users' driving and preference data, with the full authorization of customers, we use encrypted storage and transmission, limit access rights, and only authorized personnel can access the data for necessary business needs, preventing data leakage and abuse. We continuously conduct specialized training on technological ethics, requiring new employees and technical teams to participate regularly. We integrate ethical concepts such as respecting privacy and ensuring safety into daily work thinking, aiming to enhance the sensitivity of all employees to technological ethics, so that technological achievements can not only be advanced but also "for good". We have established a management mechanism for ethics violations in technology. We improve the investigation, disposal and accountability of violations, strengthen problem rectification and closed-loop management to uphold the ethical bottom line. No violations of technology ethics occurred as of the end of the reporting period.

BYD is committed to responsible AI and has established a governance framework spanning the full AI lifecycle in accordance with relevant requirements. The Company applies strict controls to high-risk applications, including facial recognition and intelligent driving, through tiered access management, clearly defined use cases and oversight protocols to guard against misuse. To promote transparency, BYD labels AI-generated content and intelligent driving outputs and informs users when they are interacting with AI systems. The Company has also implemented mechanisms to identify and address model drift, enabling continuous performance monitoring and timely optimization, and conducts regular assessments of fairness and bias to support fair and non-discriminatory outcomes. BYD works with suppliers to improve the environmental performance of AI data centers and reduce the ecological footprint. The Company also provides a channel for appeals relating to AI-driven decisions, monitors the sustainability impact of AI initiatives through relevant KPIs, and continues to align the AI governance framework with international standards and third-party assurance, reinforcing BYD's commitment to responsible AI.

BYD Technology and AI Ethics Policy

1. Respecting user privacy: Embed personal information protection throughout the AI lifecycle, comply strictly with applicable global data protection regulations, and mitigate the risks of data leakage, cyberattacks and inappropriate content through safeguards such as access controls, encryption, penetration testing, incident response, secure coding and content protection mechanisms.

2. Avoiding bias and discrimination: In data collection and algorithm development, we conduct ethical review based on the nature of the project, and avoid potential data and algorithm bias by considering diverse needs. We are striving to realize an inclusive, fair and non-discriminatory AI system.

3. Enhancing security and transparency: In the process of algorithm design, implementation and application, we enhance transparency, interpretability, comprehensibility, reliability and controllability, and strengthen the resilience, adaptability and anti-interference capability of AI systems. Gradually, we achieve systems that are verifiable, auditable, supervisory, traceable, predictable and trustworthy. Enhance the transparency and interpretability of AI systems by clearly disclosing their functionalities, boundaries, and data sources. Establish a well-defined accountability tracing mechanism, implement position-specific accountability and risk management procedures, and delineate the boundaries of AI applications to strictly prevent misuse.

4. Consciously conducting self-review: Integrate AI ethics into all stages of technology research and development, conduct proactive self-review, strengthen internal governance, and refrain from AI research and development that violates ethical standards. Identify and audit data bias, build diverse and balanced datasets to prevent algorithmic discrimination, establish human-machine collaboration mechanisms, define clear authority for human oversight, intervention and override, and strictly prohibit AI from making high-risk irreversible decisions without human review.

5. Promoting human well-being: The ultimate goal is to bring positive changes to society through technological innovation. We will strive to ensure that the products we develop can address practical issues, and improve the quality of life rather than cause harm or inequality. Promote the optimization of AI computing power and the application of energy-saving technologies, reduce energy consumption and carbon emissions in data centers, and prioritize the use of green energy.

6. Complying with laws and regulations: Ensure that all projects comply with applicable national and international legal and regulatory requirements, including data protection requirements such as the GDPR (EU General Data Protection Regulation) and ISO 42001. Adhere to global AI regulatory requirements, prohibit the development or deployment of manipulative AI systems, social scoring systems and prohibited biometric AI applications, and advance AI innovation and industrial applications in line with the principles of compliance, safety and social good.

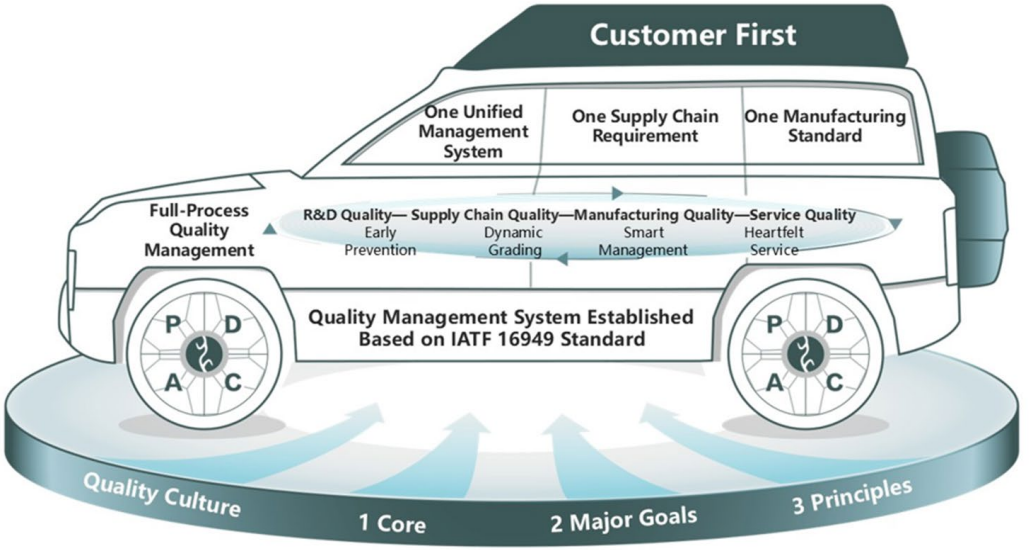
Uphold Product Responsibility

BYD adheres to the principle of "customer first" and builds a quality management system covering the entire product lifecycle. Through a systematic quality strategy and the construction of a quality culture involving all employees, we deeply integrate the quality awareness into every link of R&D, procurement, production, delivery, and service. We are committed to achieving the goal of "zero defects", creating high-quality products with a rigorous and responsible attitude, and strengthening the safety defense line for driving quality.

Product Quality Governance Structure

BYD has established a Chief Quality Officer (CQO) system and built a multi-level quality management structure with the CQO as the core. The Board is responsible for supervising product quality related work matters, the president appoints the vice president as the chief quality officer, and the group president is clearly the first responsible person, and quality management bodies are set up at the company level, division level and factory level respectively, with a quality and safety director and quality and safety officer as the responsible bodies. The Group has set up quality management bodies at the corporate level, business unit level and factory level, with quality and safety directors and quality and safety officers under them, and strictly regulated the quality management requirements at each level by signing authorization letters to ensure that the quality strategic plan is uploaded and downloaded and implemented in place, so as to implement the main responsibility for product quality and safety on a layer-by-layer basis.

In 2025, the authorization rate of quality safety responsibilities for the identified product quality and safety management personnel of the Group reached 100%.



BYD's Whole-process Quality Management System

Product Quality Assessment and Risk Management

BYD has established and continuously improved the quality management system, formulating management systems such as the *Group's Automobile Product Safety* and *Responsibility Control Procedures*, the *BYD Product Design and Development Management*, the *Group's Automobile Production Process Control Procedures*, the *Group's Automobile Finished Product Inspection Control Procedures*, and the *BYD Quality Manual*, covering the entire product manufacturing process, the entire supply chain, and the entire product life-cycle, emphasizing prevention first, strict compliance with rules, and closed-loop management.

Product Quality Assessment System

We comply with domestic and foreign laws, regulations, and quality system standards such as ISO 9001, IATF 16949, ISO/TS22163, the implementation rules of China Compulsory Certification (CCC), the *Administrative Measures on Admission of Road Motor Vehicle Manufacturers and Products,* the *Provisions on the Administration of the Access of New Energy Vehicles Manufacturers and Products,* the *Technical Specifications for Operation Safety of Motor Vehicle,* the *Safety Requirements for Electric Vehicles, and Regulation (EU) 2018-858.*

This year, we upgraded our internal quality management audit mechanism to the BYD Quality Star Rating System (BQS). Based on the IATF 16949 quality management system, BQS integrates three advanced methodologies – Excellence Performance Management, Quality Infrastructure (QI), and Digital Quality Management – to form a comprehensive, multi-dimensional evaluation model.

BQS deeply applies the PDCA (Plan-Do-Check-Act) audit concept. With the star-rating evaluation as the key measure, through measures such as system star-rating audits, special quality inspections, and on-site guidance, it focuses on the source, optimizes processes, and improves the quality management level and the physical quality of products.

With the comprehensive upgrade of BYD's internal product quality management audit mechanism, the corresponding assessment standards have also been systematically optimized. In 2025, a total of 247[26] BYD internal quality management star-rating audits were conducted , with a 100% coverage rate of audited factories. Among them, 1 factory reached the four-star level, 225 factories reached the three-star level, and factories reaching the three-star level or above accounted for 91.5% in total. We promote the continuous improvement of backward factories through the evaluation mechanism, encourage positive competition among factories in quality management, and effectively ensure the operation of the quality management.

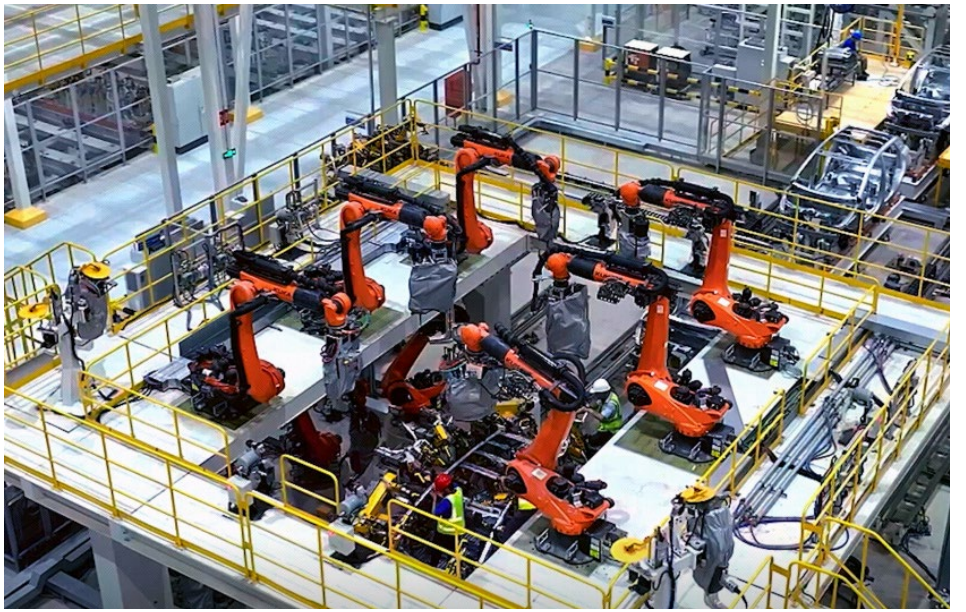
We implement the requirements of the ISO management system and the IATF 16949 standard, actively carry out quality management system certification, accept the audits and certifications of external third-party professional institutions, continuously optimize and standardize various management systems, explore internally and expand externally, and deeply promote the organic integration of internal and external quality management systems.

As of the end of the reporting period

98.11% Factories in the Group are certified with ISO 9001 / IATF16949

In addition, based on the full reference to external certification standards and the in-depth integration of self-developed standards, BYD launched the BYD Factory Manufacturing Capability (BMC) in 2025. It constructs a structured evaluation model around three core modules: standard operation, process quality, and intelligent manufacturing, covering the three-level management system of workshops, factories, and the group. With a clear structure and clear orientation, it effectively promotes the formation of a bottom-up and full-staff-involved mechanism for improving manufacturing capabilities.

We also improve the quality management efficiency through smart manufacturing and digital system upgrades. By deeply integrating cutting-edge technologies such as big data, artificial intelligence, and the Internet of Things into the production process, we transform the production line into an intelligent "organism" to achieve precise coordination of all links. Material distribution and equipment maintenance can be intelligently predicted, potential quality problems can be quickly and accurately discovered and recorded, the quality inspection efficiency can be improved, and the degree of production refinement and standardization can be enhanced.

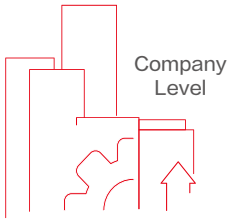


[26] The audit scope covers factories in China and does not include overseas factories

Product Quality Risk Management and Control System

We attach great importance to quality risk management and control, comply with the principle of "safety first, prevention first", and have established a three-level linkage risk management and control and response mechanism covering the company, business division, and product levels, gradually implementing safety responsibilities and promoting continuous improvement.

BYD's Three-level Linked Risk Management and Response Mechanism



Company Level

We have formulated and implemented institutional standards such as the *BYD Automobile Risk Control Management Procedure*, the *BYD Automobile Defective Vehicle Recall Control Program*, and the *BYD Passenger Vehicle Special Incident Handling Specification*, constructed a full-process risk early-warning system, and established an emergency response team centered around the quality responsible person, clarifying cross-departmental division of labor. The team is responsible for handling safety accidents, major safety hazards, and recalling defective vehicles to ensure rapid response and closed-loop management of risk events.



Business Unit Level

Each business unit shall formulate and implement the *Emergency Plan Management Procedure* at its own level in accordance with the company's system requirements, conduct risk investigations and daily monitoring throughout the entire production process from raw material receipt, and regularly organize emergency drills to ensure the effective implementation of risk prevention and control measures.



Product Level

In the early stage, conduct quality risk assessment, analyze and formulate risk response strategies according to the identified risk priority number (RPN). Develop documents such as *BYD Company FMEA Management and Control Procedures and BYD Passenger Vehicle Quality Problem Improvement Management Regulations*, and establish a dynamic management mechanism based on product quality and safety risk prevention and control. Monitor product quality risks throughout the entire process from R&D, incoming materials, production processes to shipment. Combine with the actual situation of each factory, formulate a quality and safety risk prevention and control list, and implement the requirements for self-inspection and self-correction to ensure that potential risks are always within the scope of prevention and control.

Through the coordinated linkage of the three-level mechanism, we carry out rectification in an orderly manner, evaluate the disposal effect and update the contingency plan. Finally, we solidify the mature measures into standard processes, achieve full-process control of product quality and safety risks, and fundamentally prevent the recurrence of similar problems.

Product Quality Management Strategy

BYD has formulated a group-level quality strategic plan. It comprehensively assesses the external environment such as industry development trends and market demand changes, and simultaneously benchmarks internal quality capabilities and management levels. It constructs a closed-loop system for dynamic monitoring, scientific evaluation, timely adjustment, and continuous improvement of strategic implementation to ensure the implementation of the strategy. Based on strategic guidance, we implement full-process quality management, strictly control product safety, and deepen the construction of quality culture, and build a full-chain product quality and safety guarantee system with systematic measures.

Full-process Quality Control

BYD has established a quality control system covering the entire product life cycle. It strictly manages each stage of the product from conceptual design to market promotion according to the PLM management system. Through the joint action of four links: quality planning, quality control, quality improvement, and quality assurance, it achieves strict control of each link in the entire product life cycle.

Quality Control in the R&D and Design Stage

In the product R&D stage, we establish a perfect product R&D management procedure to standardize multiple links such as product feasibility analysis, project approval, design and development planning, prototype production, small-batch trial production, and mass-production introduction. We ensure that every step of product R&D achieves precise control of quality. At the same time, we actively communicate with customers to understand their expectations for product quality and fully respond to market demand.

BYD's Quality Control Measures in the R&D and Design Stage

Feasibility analysis and project approval

Deeply understand customer needs and market trends, conduct comprehensive market research and professional analysis, including support from government industrial policies, patent investigation and circumvention, technical and manufacturing feasibility, etc.

Design, development planning and implementation

Utilize FMEA tools to identify and prevent potential risks, detect quality issues during the early stages of product development, and avoid late-stage changes and cost increases.

Sample production

Establish an online OTS process approval information system to ensure the rigor and high efficiency of the sample confirmation process.

Small-scale trial production and mass production introduction

Through new project quality capability evaluations, require factories to ensure that components successfully pass PPAP approval, laying a solid quality foundation for mass production of vehicles.

On the basis of the quality capacity evaluation of new projects, we simultaneously supervise the PPAP passing situation of each vehicle model after mass production to ensure that the quality of passenger vehicle production and parts meets the requirements. Through hierarchical control of quality performance, employee quality assessment, and incentives, we ensure that the implementation effect of quality requirements and the quality goals in the R&D and design stage form a corresponding closed-loop management.

As of the end of the reporting period

our automobile and parts testing center has obtained over **800** domestic and international standards recognized by CNAS.

Quality Control in the Production and Manufacturing Process

BYD implements full-process quality control from raw material intake to finished product shipment in the production and manufacturing process. We establish management procedures and inspection standards higher than compliance requirements. Based on in-depth understanding of product mechanisms and systematic planning, we ensure thorough implementation and full-staff responsibility. By enhancing employees' problem-awareness and establishing trial-and-error and review mechanisms, we form a closed-loop management of quality in the production and manufacturing process. We introduce advanced tools such as MSA, SPC, and error-proofing technology to promote the upgrade of intelligent manufacturing, achieving refined production management and intelligent quality monitoring.

In the quality inspection of production materials, we conduct detailed inspections, performance, and function tests on materials, semi-finished products, and finished products according to product quality planning and domestic and overseas product quality standards to ensure that the products used meet customers' quality expectations. BYD has established a complete automobile and parts testing center located in Shenzhen, Nanning, Xi'an and other places. It has more than 100 professional laboratories and over 2,000 professional testing personnel, equipped with more than 3,000 advanced devices. Its testing capabilities cover more than 4,000 items, covering seven major fields, namely, whole vehicle, safety, NVH, EMC, powertrain, parts and components and materials.

In the production and manufacturing process, we adopt a management method of inspecting each process to continuously optimize the standardization level of the manufacturing process. We regularly review the implementation of each factory, incentivize factories with excellent performance, and support lagging units for improvement, creating a positive quality management environment.

In the finished product shipment process, we comply with the principle of "zero tolerance" for quality problems. According to the *Group Automotive Finished Product Inspection Control Procedure,* we conduct strict inspections on all vehicles leaving the factory from multiple dimensions such as inspection preparation, finished product inspection, shipment requirements, abnormal handling, data analysis, and record-keeping. Combined with the application of advanced detection equipment, we use advanced instruments such as headlight testers, dynamic dynamometers, brake testers, exhaust gas analyzers, four-wheel aligners, and fault diagnostic instruments to conduct all-round inspections on vehicles to ensure the quality of vehicles leaving the factory.

All passenger cars, buses, and related safety-related parts (such as vehicle lights and rear-view mirrors) sold by BYD in China have passed the China Compulsory Certification (CCC). All vehicle models and related parts exported overseas have passed regulatory certifications according to local requirement.

Transparent Production and Full-link Quality Control-safeguarding Product Safety with Intelligent Manufacturing

On October 11, 2025, BYD's Shenzhen Shanwei factory welcomed a visit from CCTV News, offering the first comprehensive showcase of the FANGCHENG BAO Ti 7 model's end-to-end intelligent manufacturing system—spanning stamping, welding, painting, and final assembly.

BYD integrates quality management into the design phase, with each new vehicle undergoing nine quality gate checks and rigorous testing—including extreme environment simulations—from project initiation to market launch, ensuring safety and reliability throughout the product lifecycle.

Manufacturing consistency is ensured through precision engineering and digital systems: body stampings undergo micron-level blue light inspection, while welding achieves 100% automated spot welding. The final assembly line produces one vehicle every 51 seconds, each undergoing over 80 inspections and 25 dynamic road profile tests. Critical data is linked to individual vehicles, with systems automatically determining quality, achieving 100% quality control throughout the entire process.

This public traceability initiative fully demonstrates BYD's smart manufacturing capabilities and represents a significant practice in building user trust and advancing the industry's quality culture.



BYD's Chief Quality Officer was Interviewed by CCTV

Product Safety Guarantee

BYD adheres to the safety principle of "safety first, prevention-oriented, implementing safety responsibility system, and continuous optimization and improvement", and establishes and improves the product quality and safety responsibility system. We set up an automobile product safety committee to clarify safety responsibilities at all levels, promote continuous innovation in safety technology, and rely on an efficient monitoring platform and a rapid response mechanism to comprehensively improve the full-chain safety control ability from R&D, production to after-sales service, ensuring the continuous optimization of product safety performance and the effective protection of users' safety rights and interests.

We establish a "dual-domain" product safety management system, covering product safety management in the full-scope domain and the full-process domain. We have established a complete safety guarantee system in terms of safety architecture, safety system, and safety technology, covering areas such as battery safety, collision safety, high-voltage safety, and braking safety, comprehensively covering the field of product safety.

Product Safety Technology Innovation

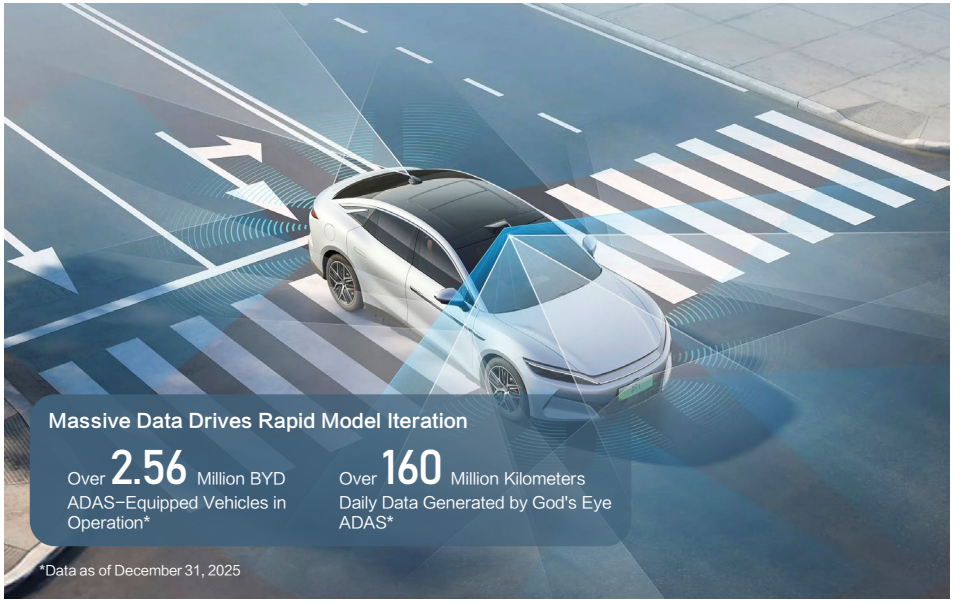
BYD continuously innovates in electric vehicle safety technology, developing disruptive technologies such as the e⁴ Platform's precise vehicle body attitude control and emergency floating function, as well as the e³ Platform's 140km/h high-speed tire blowout stability control function, ensuring the vehicle's safety and controllability in various situations. In terms of battery safety, the waterproof rating of our "Three Electric Systems" reaches IP69, and we are equipped with lithium iron phosphate batteries. The Blade Battery we developed can pass the most stringent Nail Penetration Test for single cells in the industry, redefining the safety standards for electric vehicles. In terms of vehicle body safety, BYD adopts Cell-to-Body (CTB) technology, directly integrating the battery cells into the battery pack and directly embedding the battery into the chassis structure to ensure the vehicle's structural strength and collision safety.

Ensuring Product Safety Performance

BYD has established multiple safety barriers covering the entire vehicle structure, restraint systems, and intelligent protection. Through high-strength vehicle body materials and reasonable collision energy-absorbing structures, combined with pre-warning seat belts, multi-airbag protection systems, and electronic stability programs, it provides users with basic protection at the physical Aspects.

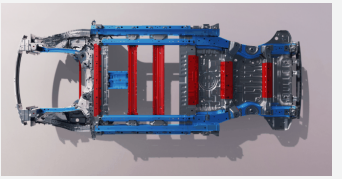
Construction of Intelligent Driving Safety System

BYD has developed the "God's Eye" by comprehensively applying technologies such as vehicle-road collaboration and intelligent assisted driving. Through multi-source perception fusion and real-time risk prediction, it provides early warnings or takes active intervention before potential dangers occur, offering forward-looking protection for driving safety in core scenarios. Based on an advanced data foundation, the "God's Eye" drives algorithm iteration through an end-to-end large model, continuously learning and optimizing driving behavior to provide a safer and more anthropomorphic assisted driving experience.



FANGCHENG BAO Ti 7-Setting a New Quality Benchmark with Intelligent Manufacturing and Comprehensive Safety System

The BYD FANGCHENG BAO Ti 7 centers on comprehensive safety design, focusing on extreme scenario protection. Leveraging its high-strength structure and innovative safety technologies, it delivers all-scenario mobility assurance for users. During the design phase, the Ti 7 employs a core body frame constructed from 2,000 MPa ultra-high-strength steel. It features blade batteries that resist ignition even when punctured, backed by a lifetime warranty for battery cells and the entire powertrain system. For active safety, the entire lineup comes standard with the God's Eye intelligent driving assistance system, integrating TSC (Tire Stability Control) for blowout stability, e4 emergency water flotation, and CTB (Cell-to-Body) integrated battery-body technology to handle diverse unexpected risks. During validation, the Ti 7 underwent extreme temperature testing from −40℃ to 60° C. Annual investments exceeding 100 million yuan were dedicated to collision testing, with over 500 test vehicles accumulating more than 4 million kilometers of driving—far surpassing international standards.



Appearance and Body Structure of BYD FANGCHENG BAO Ti 7

All the models we produce are in accordance with relevant market safety regulations and standards: the China Insurance Automotive Safety Index (C-IASI), the European Euro NCAP, the Australian ANCAP, etc. We use new technologies, high standards, and strong capabilities to ensure the safety of users in vehicle.

Outstanding Performance of BYD Products in Safety Tests:



2025 Safety Test Vehicles and Results	
HAN L	NESTA Six-Dimensional Electric Safety Certificate
SONG L	2023 China Insurance Automotive Safety Index (C-IASI) 1M3G+
TANG L	2024 C-NCAP 5-Star+ Safety Rating
BAO 8	2024 C-NCAP 5-Star Safety Rating
SEALION 07EV	2024 C-NCAP 5-Star Safety Rating
SEALION 7	Euro NCAP and Australia A-NCAP Dual 5-Star Safety Rating
DOLPHIN SURF	Euro NCAP 5-Star Safety Rating
SEAL 6	Euro NCAP 5-Star Safety Rating
E-VALI	Euro NCAP Commercial Vehicle 5-Star Safety Rating
DENZA B5	Australia A-NCAP 5-Star Safety Rating
SHARK 6	Australia A-NCAP 5-Star Safety Rating
ATTO 1	Australia A-NCAP 5-Star Safety Rating
SEAL	ASEAN NCAP 5-Star Safety Rating

Construction of Quality Culture

BYD has refined years of quality management experience to form a characteristic quality culture system (the "Quality Culture 123") structured around "one core, two major goals, and three principles". We have carried out various activities such as the Quality Month, skill competitions, quality lectures, and craftsman selection every year to strengthen the quality awareness and professional capabilities of all employees, promote the implementation of quality culture in all aspects of R&D, production, and service, and deepen employees' sense of identity and responsibility towards BYD's craftsmanship thinking and quality requirements.

We have built a product safety and quality training system that covers all employees and is implemented in a hierarchical manner. For new employees, we embed quality awareness training modules in the onboarding training to ensure that 100% of employees receive quality awareness and culture training at the entry stage. For management personnel, we have set up systematic professional ability certification courses, with a total of 3,016 training sessions held both at home and abroad, covering more than 6,357 people and a total training duration of 35,535 hours. In the quality and safety professional team, the Group currently has 2,341 quality and safety officers and 1,006 quality and safety supervisors, all of whom have completed training and assessment and are 100% certified to work.

We hold the "Quality Month" theme activity every September to promote the improvement of quality awareness and capabilities of all employees from top to bottom and create an atmosphere where everyone attaches importance to quality within the entire Group. In 2025, BYD's 7th Quality Month took "All Employees' Literacy, Focusing on the Special Improvement of BTS" as the theme, carrying out special topics such as literacy interpretation, on-site focus, problem clearance, and benchmark leadership, and holding multiple sub-venue activities in combination with the actual business of each division, aiming to clear all problems, build consensus, and lay a solid foundation for the Group's long-term quality development. To further create a work atmosphere that respects talents and upholds the Craftsmanship Spirit, we have organized craftsmanship selection within the group every year since 2019. In addition to carrying out the special "Quality Month" activities and craftsmanship selection, BYD adheres to the spirit of "Cultivate the people first then the product". Through regular quality training and in various forms such as skills competitions, knowledge contests, and individual evaluations, we promote the effective implementation of the quality culture. We hold skills competitions irregularly every year to cultivate outstanding talents with the Craftsmanship Spirit, providing strong professional support for ensuring product quality.

To promote the organic integration of the "Quality Culture 123" and business, we conduct the internal quality management team evaluation of Quality Improve Team (QIT). This is to test employees' awareness of the quality culture and the results of quality training. In 2025, a total of 44 excellent projects stood out in this year's QIT special evaluation activity, becoming excellent cases of the in-depth penetration and successful transformation of BYD's quality culture in business practice. We conduct systematic experience summaries of these excellent projects and promote them, aiming to enhance the quality awareness of all employees, consolidate the foundation of quality management, and steadily move towards higher-quality goals.

While deepening the internal product quality evaluation and consolidating the foundation of quality management, BYD actively participates in external authoritative quality rating competitions to verify its quality level against international advanced standards. Through open exchanges, we absorb advanced experiences and share our own experiences and technological achievements, fulfilling our long-term commitment to contributing professional experiences to promote the quality improvement of the industry.



Special Quality Culture Activity of Quality Lectures-Activating Staff's Quality Control Motivation

In September 2025, BYD launched the Quality Lecture Series—a specialized quality culture initiative aimed at "strengthening quality management and energizing all employees." By integrating international best practices with internal experience, the program reinforced the company's quality culture foundation.

The event featured lectures by senior experts in quality management, with over 100 core employees from key departments including production, quality inspection, and R&D participating. The curriculum adopted an "expert-led instruction + case study analysis" model, imparting internationally leading quality management concepts and methodologies. Experts applied real-world experience to translate theoretical knowledge into practical problem-solving capabilities. This initiative established a learning platform for employees to benchmark against global best practices, integrating the engineer culture of "pragmatism, innovation, pursuit of perfection, and deep exploration of underlying logic" with the acquired knowledge. It motivated the entire workforce to persistently strive toward the "zero-defect" objective.

Winning the International Gold Award at the 50th International Conference on Quality Control Circles (ICQCC) —— Demonstrating the Quality Confidence of Chinese Intelligent Manufacturing

In November 2025, two quality control (QC) teams from BYD jointly won the highest honor—the Gold Award—at the 50th International Conference of Quality Control Circles (ICQCC). Centered on the theme "Quality Leads the Future", this conference attracted over 1,000 top-tier quality achievements from 14 countries and regions worldwide, earning it the reputation as the "Olympics of Quality".

The Precision Casting QC Team from the Engine Plant stood out with their project "Improving the Casting Qualification Rate of BYD476ZQC-1 Oil Pan", while the QC Team from the GZB Plant excelled with their project "Reducing the Defect Rate of Negative Electrode FTT Welding in the Assembly Workshop" .

This recognition reflects BYD's long-term commitment to total quality management and deep cultivation of lean manufacturing culture. It conveys China's confidence in intelligent manufacturing quality to the world and will inspire more teams to continuously engage in quality improvement and innovation.

Product Quality Management Indicators and Goals

BYD adheres to technological innovation, keeps up with the pace of the times and the country, benchmarks against international and industry standards, strengthens its internal capabilities, and organically integrates digitalization with quality management. It promotes the upgrading of the quality management model and level around digitalization, informatization, interconnection, automation, and intelligence, realizing intelligent quality manufacturing. It sets the goals of "zero-defect" product quality and 100% coverage rate of factory's quality system certification. Through activities such as process audits, product audits, system audits, and policy-goal management, supplemented by hierarchical control, employee quality assessment, and incentives, it ensures the implementation of strategic content and the achievement of quality goals.



Focus on Customer Experience

BYD attaches great importance to the protection of customer rights and is committed to providing customers with high-quality products and services. We abide by the responsible marketing guidelines, attach great importance to customer privacy protection, and continuously optimize the full-link services of pre-sales, in-sales, and after-sales.

Responsible Marketing

BYD adheres to the guideline of "strict management, robust channels, service excellence, reputation enhancement, and brand building", and has established a comprehensive responsible marketing management system. It ensures the integrity and transparency of marketing activities through standardized systems and processes. We formulate multi-brand characteristic Strategies to convey diversified brand value propositions. By regularly organizing responsible marketing training for employees, we enhance the team's awareness of marketing responsibilities, ensure the compliance of marketing activities, and provide customers with true and accurate product information.

Responsible Marketing Management System

We strictly comply with relevant national laws and regulations, and formulate management documents such as the *Responsible Marketing Statement* and the *Group's External Publicity Management Policy* to standardize the entire process of formulating publicity and marketing content, internal review, channel release, and handling of violations.

The product data we present are all based on stringent actual tests, which enables customers to have a clear understanding before purchasing, thus ensuring what they see is what they get. We conduct thorough reviews of publicity copywriting and marketing materials to eliminate any ambiguous statements and excessive marketing tactics. In doing so, we guarantee the precision of vital information, including product performance, driving range and intelligent configurations, conveyed through our online sales channels and store publicity materials. We require our sales staff to strictly abide by the principle of good faith, truthfully introduce product performance effects, consumer rights and other information to customers, without concealing any important content, and fully respect customers' right to be informed.

We regularly review marketing and sales activities to ensure that relevant practices related to our products and services are legal and compliant. We monitor the dissemination of publicity materials in real time, and once any non-compliant materials are identified, we will initiate measures such as internal investigations, tracking and evidence collection for accountability purposes. Additionally, we will impose penalties on the involved parties in strict accordance with regulations.

Distribution Channel Management Mechanism

We apply the same management standards to our distributors as we do to our directly operated stores. Through professional training, we empower distributors to enhance their service awareness, working together to deliver high-quality, standardized service experiences to users worldwide.

BYD European Dealer Conference

In January 2025, the BYD European Dealer Conference was successfully held at BYD's global headquarters. Over 400 senior dealer representatives from multiple European countries gathered to discuss market opportunities, deepen cooperation consensus, further solidify mutual trust, and boost confidence in the long-term development of European channel partners.



2025 ROCK ON! Large-Scale Training Program Held at BYD Global Headquarters

In 2025, BYD grandly hosted the 2025 ROCK ON! specialized training program at its global headquarters. Nearly 200 overseas agents, marketing teams, and country managers from 36 countries and regions across all continents gathered to participate in this three-week professional training extravaganza. Centered around over 70 core themes including brand strategy, executive mentorship, benchmark visits, product technology, dealership tours, live-streaming sessions, case studies, and field research, the program comprehensively conveyed the company's latest developments, strategic initiatives, and technological achievements. It also standardized overseas marketing practices, effectively driving high-quality growth across global operations.



Multi-brand Characteristic Marketing

Brands under BYD, based on their unique service concepts and strategies, are committed to presenting our technology, products, and brand spirit to customers truly through sincere language, vivid scenarios, and immersive experiences.

Dynasty Series

Adhering to the service tenet of "selling a car, making a friend", we practice the service concept of "pursuing perfection with sincerity". We always put customer needs and satisfaction in the first place, to bring customers safe, quality products as well as warm, professional services. Through multi-dimensional empowerment, we enhance the operation ability of distributors, establish sustainable development concepts for distributors, and create long-term value for customers.

Ocean Series

Adhering to the service concept of "customer first', we always consider customer experience and trust as our core pursuit. We provide customers with reliable, cutting-edge products and "marine aesthetics", while providing attentive and efficient services. With the help of process optimization, service supervision, reputation building and capacity development, we win customers' trust with sincere, high-quality and personalized services.

FANGCHENGBAO Brand

Adhering to the service concept of "customer as a friend", we are committed to using technology to achieve personality affirmative action, to solve the "dichotomy" in user needs, and to "sell a car, make a friend, buy a car, make a group of friends! "As a service tenet, we have built a professional sales and service team to bring users the ultimate experience of Leopard's thoughtfulness, comfort and beauty, and carefree play.

DENZA Brand

Upholding the principle of "User First", DENZA has established an online and offline omni-channel model to provide customers with excellent services and after-sales protection. DENZA has continued to iterate and upgrade its new luxury service system, strictly manage and control store operations. In addition, a full-chain digitalized car buying service system has been established. Relying on the DENZA Automobile APP and applet to achieve visualization of the ordering system, users can enjoy a one-stop online car buying and use experience with transparent pricing and traceable progress.

YANGWANG Brand

Adhering to the service philosophy of "faith to honesty", YANGWANG provides customers with professional consultation and personalized solutions, while promptly responding to user feedback for continuous improvement. Through skill enhancement training courses, such as Tiejun certification training and specialized business training, YANGWANG enhances the theoretical knowledge and practical skills of sales staff, and fosters a professional sales service team that understands both products and customer needs.

Responsible Marketing Training

BYD is committed to cultivating a sense of responsibility within sales team. By providing systematic training courses and publicity activities, we ensure that sales staff comprehensively inform customers of accurate information, including product performance, configurations and risks, when carrying out marketing activities. We require our employees to have a thorough understanding of and comply with the Group's marketing, advertising, and sales policies. The use of exaggerated, misleading, or false information in any marketing materials is strictly prohibited. Employees must absolutely avoid resorting to illegal practices like commercial bribery to promote sales, and are strictly prohibited from making any false representations concerning products, services, and pricing. We strictly prohibit making false or misleading comparisons of our competitors' products or services.

We impart knowledge about the importance of responsible marketing, relevant laws and regulations, and practical skills to employees through various forms such as internal training courses, online learning platforms, and expert lectures. In 2025, we enhanced our full-brand and full-scenario marketing talent empowerment system, carried out special capacity building for key positions such as store general managers, front-line sales staff, and new media operators, and simultaneously promoted core projects such as product empowerment, new media guidance, and the construction of the dealer talent system. Throughout the year, a total of 68,206 trainees were covered, and the total training duration was 101,091 days, laying a solid talent foundation for the growth of BYD's marketing business.





BYD Offline Stores

Customer Privacy Protection

BYD upholds the commitment to compliance for customers' privacy protection by establishing and continually refining a management system that encompasses personal data policies, process specifications and training mechanisms. This ensures that the business operations fully comply with relevant laws and regulations in both domestic and international operating locations. We established the *BYD Group Personal Data Protection Management Regulation* and issued internal policies and guidelines such as the *BYD Group Personal Data Compliance Management Manual,* the *BYD Group Privacy Policy Compliance Guide,* the *BYD Privacy Design Guide*, and the *BYD Group Personal Data Protection Impact Assessment (PIA) Guide*. These documents have further improved our institutional system and enhanced the construction of the privacy protection organization, and standardized privacy protection management and operational practices.

We are committed to protecting the rights of all customers as data subjects. We have published on our official website the *BYD Privacy Protection Whitepaper* and the *BYD Group Personal Information and Privacy Protection Statement*, which are applicable to all business operations within the Group. These policies clearly affirm customers' rights to access, correct, and delete their personal data, and provide convenient channels for customers to exercise their rights, demonstrating our commitment to maximizing users' control over their personal data. Meanwhile, we are committed to handling customers' personal data in a legal and compliant manner, and adopt multi-effect means to comprehensively protect customer privacy compliance and security from multiple dimensions such as product design and development, and personal data processing lifecycle management.

Data Collection	Data Storage	Data Transmission	Data Sharing	Data Export	Users' Right
Before the collection of personal data, the user is fully informed of the purpose, manner and scope of the processing of personal data, and undertakes not to use the user's information for other undeclared purposes.	Comply with relevant national laws and policy documents to protect users' personal data storage security from unauthorized access, public disclosure, use, modification, damage or loss; In order to protect users' personal data, take reasonable data security measures, such as access control, minimum granularity authorization, the use of encryption algorithm In order to protect users' personal data, reasonable data security measures are taken, such as access control, minimum granularity authorization, encrypted storage using encryption algorithms and desensitization of sensitive personal data to ensure data integrity and confidentiality.	Strict data protection programs are in place, with encryption technology used to encrypt data during transmission and desensitization of sensitive personal data.	Prior to data sharing, risk assessment of data-sharing activities is conducted to ensure that risks after data sharing are controllable, and the data protection responsibilities of data recipients are clarified through contracts. Before data sharing, the sensitivity of data is assessed, and sensitive data to be shared are desensitised according to the results of the assessment.	When there is a need for personal data to go out of the country, a personal data protection impact assessment is carried out in accordance with relevant laws and regulations, policy documents and standards, and necessary data exit protection mechanisms are adopted, such as declaring a data exit security assessment and signing a standard contract.	Guaranteeing the user's right to information, decision-making and access, reproduction, correction, supplementation, deletion, withdrawal of consent, etc., allows the user to restrict or refuse the processing of his/her personal data. The closure of the user's rights represents the cancellation of the authorization, and the cancellation of the user's authorization prohibits the continued collection and use of the user's personal data. We implement explicit opt-in consent during data collection and support users to opt out at any time. Customers have the right to access, correct, delete their personal data or request data portability to other service providers in accordance with the law, and we provide convenient channels for customers to exercise such rights.

We have established a dedicated privacy protection organizational structure. Within this structure, the Compliance Committee, as the governing body, makes decisions on the company's compliance policies and major compliance work matters; the Intellectual Property & Legal Division, as the coordinating division, is responsible for the coordination of personal data protection work; the data compliance teams of business divisions, as the execution layer, are responsible for identifying risks related to personal data processing activities in their respective business divisions and supervising the implementation of various personal data protection requirements by the business departments in their divisions. The Audit & Supervision Division oversees the effective operation of relevant systems and policies for personal data protection management.

We have formulated clear rules for corrective and disciplinary measures against any conduct that violates the data privacy protection policy. Once a data privacy violation incident occurs, the company will immediately initiate a compliance investigation. Based on factors such as the severity of the violation and the impact scope, targeted disciplinary measures including corrective actions, accountability, and position reassignment will be taken, while concurrently addressing any identified data security control gaps.

The Group has obtained third-party security and privacy compliance certifications including ISO 27001, UN R155, and UN R156. The production processes of products from certain subsidiaries have also achieved ISO/SAE 21434 certification. In addition, 18 models such as the BYD HAN DM-i have successfully passed the four compliance requirements of the national automotive data security assessment and have obtained the "Automobile Privacy Protection" label and certification jointly issued by the China Association of Automobile Manufacturers (CAAM) and the Automotive Cybersecurity Working Committee of the China Cybersecurity Industry Alliance. BYD is among the first automakers to pass the assessment and receive authorization for this label.

We place high importance on fostering employees' privacy compliance awareness. We conduct customer privacy protection training, online legal compliance courses, and distribute official account articles for all employees to enhance their focus on data security and privacy protection work and disseminate privacy protection-related regulations and safeguarding knowledge. In 2025, our Group carried out a total of 56 special training sessions focusing training sessions on personal data compliance practices and procedures practices, published 7 official public account official account articles on privacy compliance, and the data compliance training reached 72,950 person-times.

In 2025, BYD experienced no major customer privacy breach incidents[27].

Personal Data Security Protection Management Measures of BYD

Incorporate personal data protection into operation and management	Identification of personal data security risks: We regularly conduct personal data protection impact assessments to identify potential compliance risks and promptly formulate corresponding mitigation measures
	Review of effectiveness of the personal data compliance system: We regularly review and maintain our personal data compliance system to comprehensively monitor and record management and implementation of privacy protection. Based on the review results, we promptly take improvement measures to achieve closed-loop management
	Emergency response mechanism: We have established a comprehensive emergency response process to quickly respond to personal data security events and accidents to ensure timely prevention and effective resolution of customers' personal data security risks
	Personal data security audit: We have established a regular audit mechanism for personal data security and privacy protection to ensure the effectiveness of personal data protection policies and processes
Work with partners to safeguard personal data security	Signing data processing agreements with partners, including suppliers and distributors: • Partners are required to comply with laws and regulations related to personal data protection and data security, and strictly implement personal data protection standards and requirements • Clarify the responsibilities and obligations of both parties in sharing, storing and transferring customer personal data

[27] A major event refers to an information security event defined as Level II or above in the "Regulations on Group Information Security Incident Management". It is an information security event that causes significant consequences for the entire company and has a serious impact on the company's brand image

Improvement of Customer Experience

BYD adheres to the concept of "satisfying customers, meeting and exceeding customer expectations", deeply understands and responds to the actual needs of different user groups. We have built a service support system covering the entire customer journey. With reliable product quality, diversified service touchpoints and professional after-sales support, we effectively safeguard customer rights and interests, continuously enhance customer trust, and consolidate the market foundation for long-term development.

In the pre-sales stage, BYD comprehensively understands customer needs by sorting out customer research feedback from online platforms and offline stores, analyzes potential service quality improvement points, and formulates targeted Strategies to achieve "anticipating what customers think and providing what customers need". We build a variety of service scenarios covering three links: car booking, car delivery and car use, and design a fast, accurate and innovative service response mechanism around customer needs to proactively meet customer needs.

BYD's Full-process Guarantee System for Customer Experience[28]

Vehicle Ordering

- Provide vehicle purchase consultation and customized vehicle selection services, which allows customers to choose vehicle models, colors, and configurations according to their own needs.
- Provide a reserved test drive experience service.

Vehicle Delivery

- Before delivery, the vehicle will be thoroughly cleaned and undergo a Pre-Delivery Inspection (PDI) to ensure it is in excellent condition.
- Perform a check on commonly used vehicle functions, such as air conditioning, lights, voice control, and ensure that the battery level is above 60% upon delivery.
- Introduce the five-sense services, which comprehensively upgrades the vehicle delivery experience through five senses of "sight, hearing, smell, taste and touch".

Vehicle Usage

- Provide comprehensive after-sales services, including free technical guidance, maintenance, repair, and troubleshooting services within the warranty period, and paid services for the same outside the warranty period.
- Introduce "Jingcheng Courtesy Car Service" service to meet car owners' transportation needs while their vehicles remain in the store.
- Provide high-quality and prompt delivery of OEM parts service, as well as parts recycling and emergency vehicle rescue services.







[28] Applicable to China's operational scope

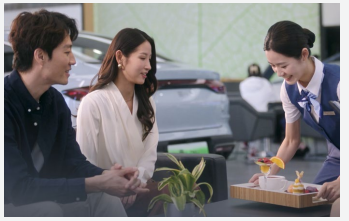
In the sales stage, BYD focuses on providing comprehensive and transparent product information, covering product specifications, performance characteristics, configuration options and usage scenario suggestions. At the same time, we formulate scientific and standardized service processes for diverse customer needs and set up detailed services such as "a bottle of water upon entering the store" and "a wet wipe upon leaving the store" to improve customer satisfaction. For the test-drive and car purchase links, we set up clear process guidelines to ensure professional and unobstructed experiences for customers. By integrating user-friendly services at key touchpoints, BYD is committed to creating a standardized, smooth and caring car purchase experience for customers.

Warm-hearted Service to Provide Customers With a Consistent and Excellent Experience

Based on the five major brand matrixes of Dynasty, Ocean, DENZA, YANGWANG and FANGCHENG BAO and user characteristics, BYD provides professional, efficient and brand-differentiated service experiences at every customer interaction node.

Dynasty Series: Striving for Perfection, Reaching for Distances with Sincerity

Our service team adheres to the principle of "heartfelt dedication," ensuring every aspect is tangible, perceptible, and dependable: a bottle of water upon arrival, a cup of tea at seating, complimentary WiFi and power banks—making every minute a delight for our guests. The showroom features a "Warmth Station" equipped with strollers, nursing kits, first-aid supplies, and feminine care products, embodying our heartfelt dedication to ensure every guest receives thoughtful attention.



Ocean Series: Diverse Interactions, Customized Memories

Continuously innovating in delivery forms, it has launched diverse delivery solutions such as the festival collective delivery "Extraordinary Enjoyment, Ten Thousand People in Journey" and customized scenario deliveries. By integrating professional standards with emotional resonance, every user's exciting moment of picking up a car becomes an unforgettable memory worth cherishing.



FANGCHENG BAO Brand: Making Friends with Customers, Smiling Service

The service team always adheres to the service concept of "making friends with customers" and implements the "smiling service" throughout the process. A "free convenience service station" is set up in the showroom, offering a variety of care services including children care, emergency charging, glasses cleaning, rain gear supply, and flat shoes for female test-driving. It attentively responds to customers' temporary needs during their stay in the store.



DENZA Brand: When in DENZA, Feels like a Spring Breeze

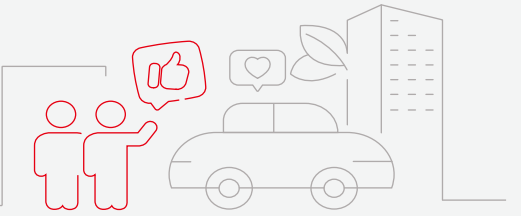
The DENZA service team pays attention to the actual needs of different user groups and provides customized services according to the diverse social needs. When facing deaf customers, the service team patiently and meticulously completes the whole-process communication through various means such as written communication and mobile phone editing.



YANGWANG Brand: Sincerity through Trust, Empowering Luxury

Centered around the "Five-Heart" service, the YANGWANG service team launches innovative city-specific services such as special drinks for solar terms, exclusive pick-up and drop-off, and off-road preparation. It pioneered six scenario-based test-drives, interpreting technological strength with the industry's unique experience. Relying on the national unified direct-sales channels, it ensures high-standard, highly-transparent, and consistent services.





After-sales Service and Recalls

BYD adheres to the long-term value concept, continuously improves the after-sales service level, impresses customers with sincere services, and consolidates the trust foundation established with customers.

BYD's Customer After-sales Service System[29]

Vehicle-use Support

Parking Service

Free parking services are provided for privileged car owners at over 80 airports and high-speed railway stations nationwide for up to 72 hours, and at over 20 hospitals for up to 4 hours.

Vehicle Pick-up and Delivery Service

Provide car pickup and delivery service. Our designated drivers will come to the customer's house to pick up and deliver vehicles before and after the vehicle maintenance, saving customers' time as they do not need to visit the store personally. The vehicle pick-up and delivery service network covers 95% of the prefecture-level cities, serving 1.67 million customers annually.

Replacement Vehicle Service

By providing vehicle support to service stores, BYD encourages them to offer replacement vehicle services to customers, solving the problem of customers' vehicle use when their cars are left in the store for overnight maintenance and ensuring worry-free vehicle use for customers. In 2025, BYD has a total of over 2,000 replacement vehicles, covering 308 cities and providing convenient services to over 50,000 customers.

Direct Inquiry to AI Technician

Round-the-Clock AI professional technicians are online, providing 100% real-time responses to questions and offering professional online answers to various customer doubts about vehicle usage in real time.

Sincere Starlight

Nearly half of the service stores in China have extended their evening business hours by two hours, covering 216 cities. In 2025, the total extended service hours for customers exceeded 400,000.

Jingcheng Car Maintenance

Relying on numerous after-sales service outlets and high-quality professional after-sales service capabilities, BYD has launched the "Sincere Family" service. This brand's car owners are welcome to invite owners of other brands to participate in the dual-benefit activity. Meanwhile, the "Sincere Car Maintenance" service has been upgraded to cover car owners of all brands, providing services such as maintenance, quick paint repair, car washing, and tire services.

Warranty Service

Complete Spare Parts

BYD has established a spare parts supply and distribution network with five central warehouses and 17 transit warehouses in China. The transportation speed is relatively fast, and the spare parts are relatively complete. The proportion of 24-hour delivery in 2025 reached over 80%.

Implementation of Three Guarantees

For vehicle quality problems caused by material quality or manufacturing processes, BYD's automobile service stores will conduct appraisals and provide free warranty services for customers to restore the vehicle's functions.

Three Guarantees Period[30]

For non-commercial vehicles, the whole-vehicle warranty period is 6 years or 150,000 kilometers (whichever comes first), the warranty period for core components is 8 years or 150,000 kilometers, and the power battery cells come with a lifetime warranty.

24-Hour Rescue Service

The rescue team will arrive at the scene within 2 hours if the distance is within 100 kilometers, within 4 hours if the distance is between 100-300 kilometers, and within 8 hours if the distance is over 300 kilometers.

Remote Diagnosis

Provide remote diagnosis and technical support for car owners without the need for them to visit the store.

Used Car Service

Used Car Platform

BYD has launched an officially certified used car platform to provide customers with a fair and worry-free used car replacement experience.

Comprehensive Inspection and Repair

By using advanced battery capacity algorithms and original-factory-level repair techniques, we ensure that the condition of each certified pre-owned car is true and transparent.

Nationwide Warranty and Lifetime Warranty for the Three-electric Systems

BYD's Jingcheng certified pre-owned cars offer nationwide warranty services and a lifetime warranty policy for the three-electric systems (battery, motor, and electronic control).

No-reason Return and Exchange Service

BYD's officially certified pre-owned cars support no-reason return and exchange within 10 days or 500 kilometers, providing consumers with more guarantees when purchasing a car.

Misjudgment Buy-back

BYD's officially certified pre-owned cars provide a 90-day misjudgment buy-back service guarantee, allowing customers to purchase cars without worries.

[29] Applicable to the operational scope in China. The service vouchers provided in actual sales shall prevail

[30] Please refer to the paper version of the "BYD Automobile Three Guarantees Certificate and Warranty Manual" provided with the vehicle for the specific content of the three guarantees certificate for household automobiles

In addition, we have built a comprehensive charging network and compiled the *Technical Standards for Private Charging Pile Installation of BYD Cars: Sincerely to Your Home*. Through measures such as the private charging pile installation construction safety month and charging pile inspections, we conduct strict quality control over the materials of charging piles and the installation construction process to ensure the safety of users' charging pile usage in all aspects. In 2025, BYD launched a community sharing service for home charging piles on the App platform, enabling car owners to safely and conveniently share their idle charging piles with neighbors. By building a "neighborhood mutual-assistance" model, we promote the efficient use of charging resources. The launch of the community sharing service for charging piles not only enriches the user service ecosystem but also improves the collaborative efficiency of community resources through the sharing economy. In a lightweight and reusable way, it promotes resource collaboration and low-carbon consensus within the community, forming an effective "soft energy-supplementing network".



An example of the service interface for BYD's community-shared charging piles

While improving physical services, BYD is also committed to deepening intelligent and digital after-sales services. By leveraging smart car technology, BYD provides innovative solutions for the after-sales service of New Energy Vehicles (NEVs), giving full play to the characteristics of intelligence, connectivity, and sharing, and creating online functions including service reservation, car pick-up and delivery, replacement car service, parking service, and real-time access to service progress. We launched the Jingcheng Connected system to achieve online intelligent management of the entire after-sales service business chain, improve the accuracy of workshop management and the efficiency of after-sales services, and enhance the transparency of vehicle maintenance.

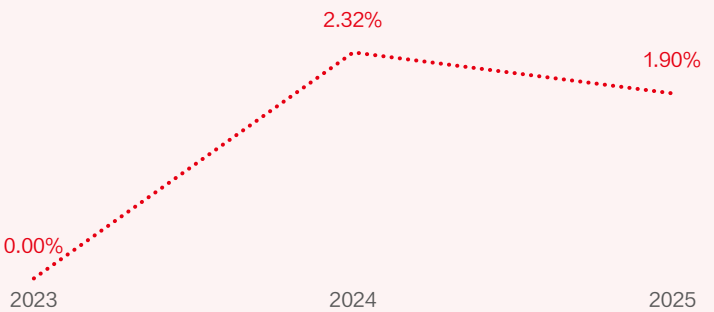
BYD strictly complies with relevant standards and regulations, including China's *Regulations on the Administration of Recall of Defective Automotive Products*, *Measures for the Implementation of Regulations on the Administration of Recall of Defective Automotive Products*, the European Union regulation (EU) 2018/858, IATF 16949, and the Compulsory Product Certification Implementation Rules. We have established the *BYD Company's Control Procedures for the Recall of Defective Automobiles*, covering aspects such as information filing, establishment and maintenance of information databases, confirmation of recall conditions, recall processes in China (including recall information confirmation, voluntary recalls, and mandatory recalls), and recalls of overseas automobile products.

We conduct in-depth analysis and evaluation of products suspected of having defects. Once it is confirmed that there are problems with the product vehicles, we will promptly stop production and sales and actively report to relevant government departments. At the same time, we will promptly communicate the details of the defects and solutions with car owners and submit a summary report of the recall plan in accordance with government regulations to ensure that the problems of defective cars are effectively and standardly handled and to reduce adverse impacts.

As the market continues to expand, we have continuously upgraded our quality management and safety standards, taken the initiative to identify potential hazards and implement recalls, and effectively protected the rights and interests of consumers. This year, BYD recalled 211,607 cars domestically. To ensure the driving safety of users, we timely discover and repair potential safety hazards of vehicles through the recall mechanism. Based on multiple dimensions such as the macro-environment, industry trends, and internal operations, we conduct a root-cause analysis of product recalls and formulate targeted improvement measures to reduce the risk of accidents.

BYD's Product Recall Rate in the Past Three Years[31]

	2023	2024	2025
Percentage of products recycled/recalled due to safety and health reasons	0.00%	2.32%	1.90%



[31] Changes in recall rate in 2024 compared to the previous year's reported disclosure. The statistical caliber is the number of vehicles recalled in the current year divided by the sum of sales in the year to which the corresponding recall batch belongs

Customer Communication and Satisfaction

BYD has built a multi-dimensional customer communication matrix and actively responds to customer demands. It utilizes the year-round open online platforms such as APPs, mini-programs, and social media, as well as offline activities to promptly convey the latest product updates and collect customer feedback. We have formulated a series of customer complaint management measures such as *BYD Company Customer Service and Communication Management and Management Process for After-Sales Rights Protection of the After-Sales Service Business Unit*. We have established a customer service hotline and a complaint feedback system. Customer service personnel handle customer complaints from various channels and dispatch the complaints to the corresponding service shops through the intelligent customer service system for follow-up and closed-loop processing to ensure that customer complaints are resolved quickly and effectively, and further improve the quality of customer service. In addition, we implement an AI service system, available 24/7 online to respond to customer needs at any time.

Customers may also file complaints and feedback through external platforms such as the State Administration for Market Regulation, the 12315 National Platform, 12365auto.com, and consumer associations. Upon receiving external complaints, we will dispatch orders to service outlets for focused improvement and support. In 2025, BYD's timely response rate to after-sales complaints reached 98.41%, and the resolution rate reached 96%.

BYD's Customer Communication Channels

- 400 Number (4008-303-666)
- Consumers' Association
- Online Media
- Manufacturers' Research and Return Visits
- Online Customer Service
- Government Organisations

We regularly conduct customer satisfaction surveys including NPS[32], the Voice of the Customer monitoring system, purchase satisfaction, delivery satisfaction, and test-drive satisfaction, covering all brands and all market owners under our banner. Our survey content covers the entire spectrum of vehicle-using scenarios including product quality, driving experience, sales, and after-sales. We listen to customers' opinions and suggestions from multiple dimensions, carefully analyze customer feedback and promptly implement improvement measures. We adjust product design, improve service processes, and formulate new service strategies based on the survey results. We continuously track the entire customer service lifecycle to evaluate the responsiveness to customer needs and the effectiveness of communication.

Overall Customer Satisfaction **97.4%**

Dynasty Series and Ocean Series	97.4%
YANGWANG brand	98.9%
DENZA brand	97.1%
FANGCHENG BAO brand	96.5%

Customer satisfaction

Partial List of BYD's Customer Service Honors in 2025

Awards received	Award-presenting unit
National Enterprise Committed to Product and Service Quality Integrity	China National Association for Quality Inspection
20th Anniversary of China Auto Golden Wrench Award · Outstanding Contribution Award	China Auto Market Magazine, Sohu Auto, and Auto & Driving Maintenance Media
Typical Case of Customer Service Innovation	China Consumers Magazine
First place in the after-sales service satisfaction of the China Quality Association's NEV-CACSI	User Committee of the China Quality Association

[32] NPS (Net Promoter Score) survey is a method for measuring customer loyalty and satisfaction, reflecting customers' overall satisfaction with and loyalty to a brand, service, or product. It serves as an important indicator for quantifying customer affinity toward a business and their willingness to promote it positively.

EQUITY

Based on the core business needs, BYD adheres the talent management and development concept of "performance evaluation for meritocrats appointment; competition and selection for differentiated allocation; inheritance and sharing for diversified development". Through continuous management innovation and professional services, it activates the internal driving force of the organization, strengthens the core competitiveness of talents, builds a fair, just, open and innovative growth and development environment for employees, and empowers the company's business development. At the same time, we are committed to building a comprehensive employee well-being system, focusing on employees' mental health needs, actively coordinating employees' communication and collaboration relationships, and enhancing team cohesion and centripetal force.



Targets and metrics in this chapter:

SDGs

HKEX ESG Reporting Code

GD-B1, KPI-B1.1, KPI-B1.2, GD-B2, KPI-B2.3, GD-B3, GD-B4, KPI-B4.1, KPI-B4.2

SZSE Guidelines

Employees

ESRS

S1-1, S1-2, S1-3, S1-4, S1-5, S1-6, S1-7, S1-8, S1-9, S1-10, S1-11, S1-12, S1-13, S1-14, S1-15, S1-16, S1-17

GRI Standards

2-23，201-3，3-3，401-1，401-2，403-1，403-2，403-3，403-5

403-6，403-7，403-8，404-2，404-3，405-1，406-1，408-1，409-1

Ensure Employee Rights

As a globally influential multinational enterprise, BYD upholds and complies with the guiding principles established by the United Nations Guiding Principles on Business and Human Rights (UNGP), the International Labor Organization (ILO), the Organization for Economic Co-operation and Development (OECD), the United Nations Global Compact (UNGC), the Responsible Business Alliance (RBA), and local workplace regulations where we operate. We consistently respond to employees' concerns, improve working conditions, promote a fair environment, and safeguard employees' human rights.

Employee Rights Protection System

BYD respects and safeguards the legitimate rights and interests of employees, establishing a comprehensive employee rights protection system to ensure that business operations, value pursuit, and brand building are based on a firm commitment to respecting human rights. We prohibit the use of child labor and forced labor, as well as harassment, abuse, violence, and any form of discrimination in the workplace.

We establish a labor and human rights management system with reference to the *SA8000 Social Accountability International Standard* and formulate the *BYD Group Human Rights Policy Statement and the Human Rights Protection Policy of BYD* to comprehensively and systematically safeguard employees' legitimate rights and interests.

The labor and human rights management systems of multiple production bases of BYD have obtained external certifications, including the SA8000 certificate for the Hangzhou Base of the Commercial Vehicle Business Unit and the RBA assessment for the BYD Vietnam Base.

Human Rights Protection System of BYD

- Prohibition of Child Labour
- Prohibition of Forced Labor
- Prohibition of Disciplinary or Violent Treatment
- Employee Treatment and Rest
- Equal Development
- Protection of Underage and Female Workers
- Human Rights Complaint Procedure
- Anti-discrimination and Harassment
- Ensuring Freedom of Association and Collective Bargaining


CTI
认证证书
Certification
比亚迪汽车工业有限公司杭州分公司
BYD Auto Industry Company Limited Hangzhou Branch
No.99,Qihang Road, Renhe Street,
Yuhang District,Hangzhou City,Zhejiang Province, P.R.China
Scope of application: Manufacturing bus
The Certification Body of Centre Testing International Group Co., Ltd.
certifies that
the Management System of the above organization has been audited and found to comply with the below requirements of
SA8000: 2014
Date of Issue: 2023-11-17
Date of Expiry: 2026-11-16
Signature
SA8000 Program Director
Certificate No.: CSA23N005

SA8000 Certificate for the Hangzhou Base of BYD Commercial Vehicle Business Unit


Responsible Business Alliance
Advancing Sustainability Globally
Recognition that
BYD ELECTRONICS (VIETNAM) COMPANY LIMITED
Lot CN-2A, Phu Ha Industrial Zone, Ha Loc Commune, Phu Tho Town, , Pho Tho Province, Vietnam , Phu Tho Town, Pho Tho Province, 290000
Vietnam
Completed the RBA Validated Assessment Program, achieving SILVER Status without any priority findings, earning a score of 165.9
Validated Audit Report: VAR-20250610-VNM-01A01-1
Audit date: June 10, 2025
Certificate issue date: June 28, 2025
Expiration date: June 12, 2027
Robert F. Lederer
CEO, RBA

RBA Assessment Certificate for BYD Vietnam Base

Labor Contracts and Working Hours Management

BYD complies with labor laws and regulations, signs labor contracts with employees in a language they understand in accordance with the law, ensures timely and full payment of wages, and safeguards the legitimate rights and interests of employees. We also strictly comply with local laws and regulations regarding regular working hours, overtime limits, and compensation. If it is indeed necessary to extend working hours due to production needs, we will ensure that employees voluntarily agree and that the overtime does not exceed the legal limit, and we will promptly and fully pay overtime wages or arrange for employees to rest.

We actively monitor and control working hours through the following measures to ensure that employees receive overtime pay:

Clarify policies and procedures

Clearly define working hours and overtime policies, require pre-approval for overtime, clarify the review process and compensation standards, enforce rest and work intervals, and set up monthly overtime limit warnings.

System warning

When an employee works continuously for longer than the set duration, the system will issue a warning near the deadline and enforce rest upon expiration.

Working hours monitoring

Provide real-time team working hours data dashboards for department heads and HR, including data such as the average working hours per person in the department, overtime hours, compensatory leave balance, and overtime cost trends.

Management optimization

Regularly analyze reports to identify departments, projects, and positions with high overtime, analyze the root causes, and drive management optimization.



Democratic Communication And Collective Negotiation

BYD regularly communicates with employees, allowing them to freely organize and form unions, carry out democratic elections, and also discuss collective negotiations. Written agreements are signed on matters such as labor compensation, working hours, rest and vacations, labor safety and health, vocational training, social insurance, and employee benefits to protect employees' rights and interests. We have established the *BYD Trade Union Management Regulations* to strengthen the standardization and normalization of trade union operations, ensure their sound functioning, and safeguard employees' legitimate rights and interests. The BYD Trade Union Federation actively participates in decision-making on major matters affecting employees' vital interests and has established a platform for mediating labor disputes. Employee representatives engage in regular, open, and direct communication with management regarding working conditions. All rules, regulations, and major matters concerning employees' vital interests are reviewed and voted on by the Employee Representative Assembly.

In 2025

BYD's labor union coverage in mainland China is **95.72%**

The employee representative conference coverage is **100%**

BYD held **69** communication meetings with employee representatives within Chinese Mainland

Discussing **192** topics

We fully guarantee employees' right to know, right to participate, and right to supervise. We widely solicit employees' opinions and suggestions, encourage employees to participate in the democratic management of the enterprise, adhere to the principles of fairness, justice, openness, and transparency, effectively stimulate the enthusiasm of employees to participate in communication, and improve the level of democratic management. Some of our factories actively undertake the functions of promoting legal knowledge, communicating employees' demands and mediating disputes. They are composed of representatives from employees, enterprises and trade unions. Through standardized and orderly operation, they promote the establishment of harmonious labor relations.

Wuxi Base Upgrades Employee Dormitories: Meeting Employees' Commuting and Living Needs

Regarding the problems such as the aging facilities of the original employee dormitories at the Wuxi base, "dormitory conditions" were included in the regular communication topics between front-line employees and trade union representatives. After collecting needs through visits, NPS surveys, etc., we formulated a detailed relocation plan. A survey conducted one week after the relocation showed that the survey recovery rate was 91.41%, and the overall satisfaction was 93.86%. The new dormitories fully meet the employees ' living needs, the average commuting time is shortened by 5 minutes, and the employee satisfaction has increased by 35.5% compared with before the relocation.

Salary Incentives

BYD has formulated the *BYD Compensation Management Policy* to establish a scientific, fair, reasonable, and value-contribution-oriented salary system. We provide employees with an attractive living wage and a variety of benefits such as performance awards, excellent employee awards, cafeteria meal subsidies, and housing subsidies. For specific working environments and positions, we provide night shift allowances, hardship allowances, support subsidies, and relocation allowances. For employees' personal development, we provide skill allowances to support their growth, ensure that employees' income can meet the local living standards, and create a harmonious and stable labor relationship. We regularly analyze the differences between employees' wage levels, local residents' living costs, and the wage levels of surrounding enterprises and the industry to ensure that employees' living wages continuously meet local compliance levels in the long term and that their wages during regular working hours are not lower than the local legal minimum wage.

All employees' salaries consist of a basic salary and performance bonuses. Variable pay includes profit sharing and equity incentives. We continuously improve the salary growth mechanism to closely link it with the company's operating performance and employees' personal value contributions. We also continue to deepen the profit-sharing mechanism to create a better working atmosphere and broader development space for employees.

We have built an incentive mechanism covering short-term, medium-term, and long-term aspects, closely linking performance evaluation, incentive pay, and talent development. We have an equity incentive plan to attract and retain outstanding employees and core backbones and encourage employees to create long-term value. We link employees' long-term incentive plans with sustainable performance to guide and motivate employees to actively practice the concept of sustainable development in their daily work. In addition, we have set up a service seniority award to pay tribute to and reward long-serving employees who have made outstanding contributions.

In 2025

Employee stock ownership plan with a total size not exceeding RMB **4.35** billion, benefiting approximately **25,000** employees,

which non-senior management personnel[33] account for **99%**

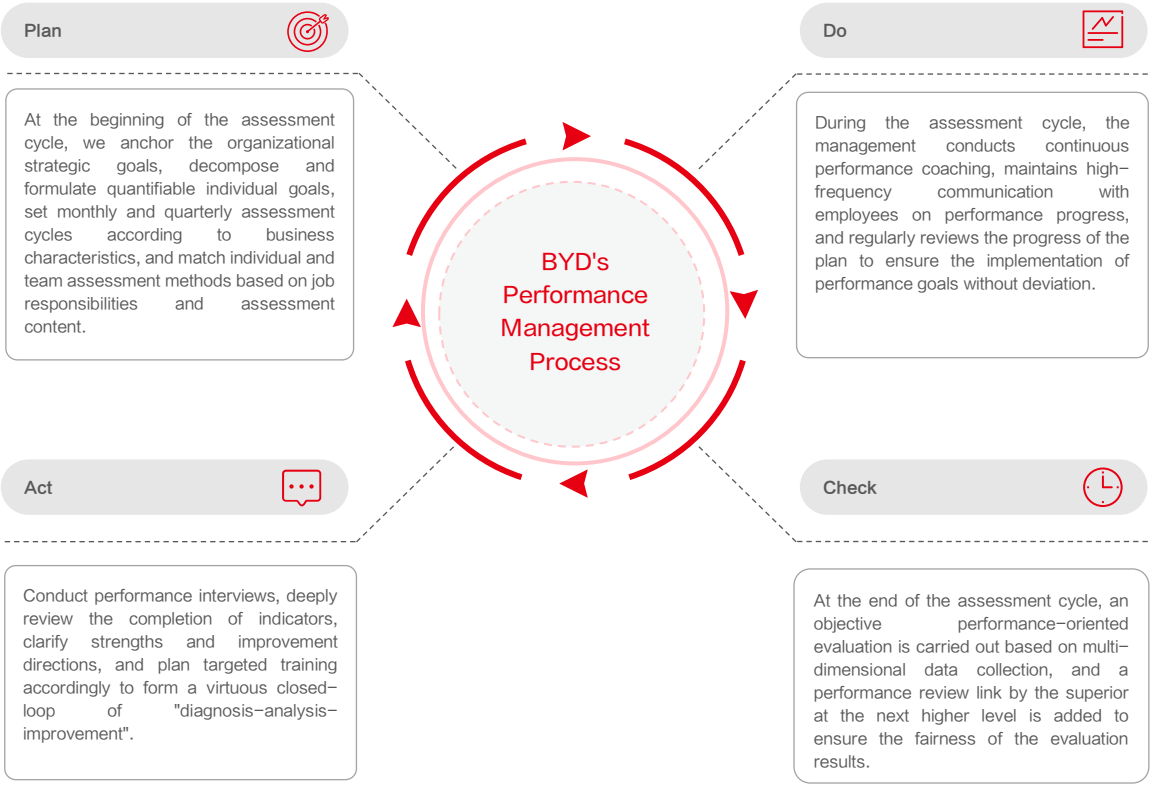
[33] Senior management personnel refer to directors, supervisors and senior management

Performance Evaluation

BYD has formulated the *BYD Employee Performance Management Regulations* and established a sound performance evaluation system. This system integrates management by objectives and Key Performance Indicators (KPIs), conducts monthly, quarterly, and annual assessments, and emphasizes process management and result application. Centred around individual goals, the system comprehensively covers work performance, professional qualities, and competency in its assessment dimensions.

Before the start of the assessment period, based on the team's strategic goals, individual annual key tasks were decomposed and formulated. We deeply participated in the entire process of performance management. During the execution, we established a regular communication and feedback mechanism based on agile dialogue to facilitate rapid and focused interaction and communication between managers and employees. Through the PDCA cycle, we promoted continuous improvement of the work, and at the same time, the entire process relied on a digital system to achieve agile recording and traceability. Through dynamic optimization of goal traction, process control, and result feedback, we promoted the simultaneous improvement of organizational and individual capabilities.

In addition, we implemented a performance-based salary system covering all employees, closely linking the performance evaluation results with salary incentives, effectively stimulating organizational vitality.



Employee Benefits

BYD is committed to establishing a comprehensive, fair and competitive salary and welfare system. The welfare covers all employees and encompasses various aspects such as daily life (staff dormitories, staff canteens, phone allowance, etc.), children's education, medical care, health insurance, zero-down-payment car purchase, and welfare housing purchase.

We strictly follow the laws and regulations of each operating location to provide insurance for all employees, such as legally paying social insurance for employees who have signed labor contracts in China, and purchasing commercial insurance for consultants, interns, etc. For overseas employees, based on the localization requirements of overseas bases such as Brazil, Thailand, Indonesia, and Germany, targeted commercial insurance, group accident insurance, medical insurance, and business travel insurance are configured to build a multi-level global guarantee system. In 2025, the social insurance contribution rate for employees with formal labor contracts reached 100%, and we actively purchase insurance for interns and other non-formal employees to effectively protect their legitimate rights and interests. We strictly abide by the laws and regulations of the countries and regions where we operate regarding working hours and holidays, ensuring that all employees legally enjoy paid annual leave, maternity leave, marriage leave, bereavement leave, paternity leave, and other welfare holidays. We respect the right of employees to use paid leave according to their own needs. In addition, based on job requirements, we implement flexible working hours arrangements, support employees for flexible clocking in, and set part-time job options for some positions. In terms of welfare allowances, we build a diversified selection system to meet the needs of different employees. For specific working environments and positions, we provide night shift allowances, hardship position allowances, support subsidies, relocation allowances for remote areas, etc.; as well as phone allowance, car allowance, and other subsidy support. For employees' personal development, we set skill allowances to encourage and support employees' career growth.

To ensure that employees can enjoy their annual leave rights, we have taken the following actions to promote the principle of "taking all the leave that should be taken":

Leave system guarantee

It is stipulated that the annual leave accrued in the current year should, in principle, be arranged within the same year. There is no carry-over system across years. For employees who have not used up their leave, the department they belong to should urge them to submit a situation explanation and formulate a plan for compensatory leave within a specified time limit.

Internal promotion

Regularly remind employees of the benefits of taking leave through channels such as emails, announcements, and meetings, and advocate a healthy work concept of combining work with rest.

Leave planning and tracking

Develop individual segmented leave plans, encourage employees to arrange their leave during the off-peak business seasons to balance work and rest needs. At the same time, track employees' annual leave and compensatory leave data quarterly, and promote implementation from top to bottom.

Management assessment

Incorporate "encouraging employees to take leave" into the assessment indicators for the management of business divisions.

Process optimization

Implement convenient measures such as the one-click leave-application function on mobile devices.

Flexible Work Arrangements for Employees During Typhoons-Effective Emergency Response and Considerate Care

In 2025, in response to the severe weather challenges brought by Typhoon No. 18 "Hagupit", BYD initiated its standardized disaster emergency response procedures, prioritizing employee safety and implementing differentiated and humanized work arrangements.

Upon the government's issuance of warnings and work stoppage notices, the company promptly followed its established contingency plan, categorizing and managing employees in affected areas: all production line workers were required to stop work and take leave as per regulations, with their salaries and benefits fully paid according to normal working standards during this period; office staff were fully transitioned to remote working, leveraging the company's pre-established remote collaboration systems to ensure the smooth and orderly operation of all business. Meanwhile, the company used internal platforms such as OA and Enterprise WeChat to simultaneously and clearly convey warning information, policy requirements, and specific arrangement details, ensuring that every employee was well-informed of their rights and benefits. Additionally, we provided specialized safety protection guidelines to employees and set up dedicated communication channels to offer timely and necessary support to those facing special difficulties due to the disaster.

Women's Rights and Family Care

For female employees, we provide comprehensive protection for pregnant, lactating, and postpartum women. In addition to the legal prenatal check-up leave, maternity leave, and nursing leave, we have widely built nursing rooms to create a people-oriented and caring work environment. Moreover, we provide childcare allowances for employees. 100% of employees are entitled to family leave (including childcare-related leave) .

In 2025

the number of female employees taking paid parental leave[34]: **9,481**, with a total of **467,814** days of leave

the number of male employees taking paid parental leave: **12,930**, with a total of **140,552** days of leave

43,955 employees have received assistance

the total amount of assistance funds is RMB **1,560,020**



Living Services and Guarantees

We focus on the four dimensions of "housing, transportation, education, and assistance" to enhance employees' sense of belonging and well-being.

Housing guarantee

To address employees' housing problems, we provide various means such as welfare housing purchases, staff dormitories, talent apartments, and housing subsidies to ensure stable housing for employees in the park.

Smart and green commuting

In terms of employees' commuting, we continue to increase the number of commuter buses and upgrade the infrastructure of commuter buses to be more intelligent. We are gradually phasing out old vehicles, implementing the "new energy" concept, and replacing all buses with new energy vehicles. We have added queuing fences to ensure the order and safety of boarding. We use information technology to launch the "Didi Bus" system, which allows employees to keep track of the real-time location of vehicles at any time without worrying about missing the bus. The system has an arrival reminder function to improve employees' convenience and sense of identity when taking the bus.

Support for children's education

We fully consider employees' parenting needs and have established Yadi School to reduce employees' parenting burden. Yadi School integrates international educational resources and inherits BYD's innovative genes to provide high-quality teaching resources for employees' children. In addition, we provide local primary school enrollment information for employees in some areas to help solve the problem of their children's school enrollment.

Difficulties assistance

We have established a regular assistance mechanism for employees in difficulty and actively carry out mutual assistance and relief actions to provide timely financial assistance and humanistic care for employees who have encountered unexpected changes or are in difficult living situations, and be a solid backing for employees.



Employee Shuttle Bus



Employee Canteen

[34] Paid parental leave refers to the paid leave provided to support caregivers during pregnancy and the period of child-rearing, in addition to the regular paid vacation

Human rights protection and Risk Management

Policies and Commitments

We have formulated the *BYD Group Human Rights Policy Statement* and the *Human Rights Protection Policy of BYD* and improved the *Group's Management Regulations on Prohibiting Forced Labor and Punitive Measures*. We promise to systematically identify, prevent, and mitigate human rights risks in business operations and the entire value chain, ensure that policy requirements are implemented throughout the organization, and continuously strengthen the compliance management ability of the entire process.

In 2025 there would be no instances of employing or using child labor, trafficking in labor, or forced labor within BYD's own operations, which would comply with relevant laws and regulations as well as the company's own policies.

Brazil Base Establishes Human Rights Committee to Standardize Local Human Rights Management

BYD Brazil Base has established a Human Rights Committee and a Supervision Committee of Superior Institutions, and formulated regulations to protect the rights and interests of workers, including protection from exploitation, discrimination, abuse, and unsafe working conditions. The scope of supervision covers the supply chain and partners to ensure they receive decent work and fair pay. The company maintains frequent communication with the union (an average of 2–3 times per month) to fully exchange employees' opinions.

Due Diligence and Impact Assessment

We have established a human rights due diligence process, promptly rectifying any issues discovered, and building a systematic closed loop to fulfill our human rights responsibilities.

BYD's Human Rights Due Diligence Process

Materiality Assessment	Implementation & Action	Continuous Improvement	Progress Disclosure
Identify and analyze key topics and their potential impacts	Take actions to reduce and prevent negative impacts	Evaluate the outcomes of actions and drive continuous improvement	Disclose information to stakeholders

Identify and Assess Potential Risks and Impacts

We comprehensively identify human rights–related issues, refine assessment indicators, and formulate targeted prevention, mitigation, and remediation measures to avoid, reduce, and correct potential human rights risks and impacts to the greatest extent.

Mitigation and Remediation Measures

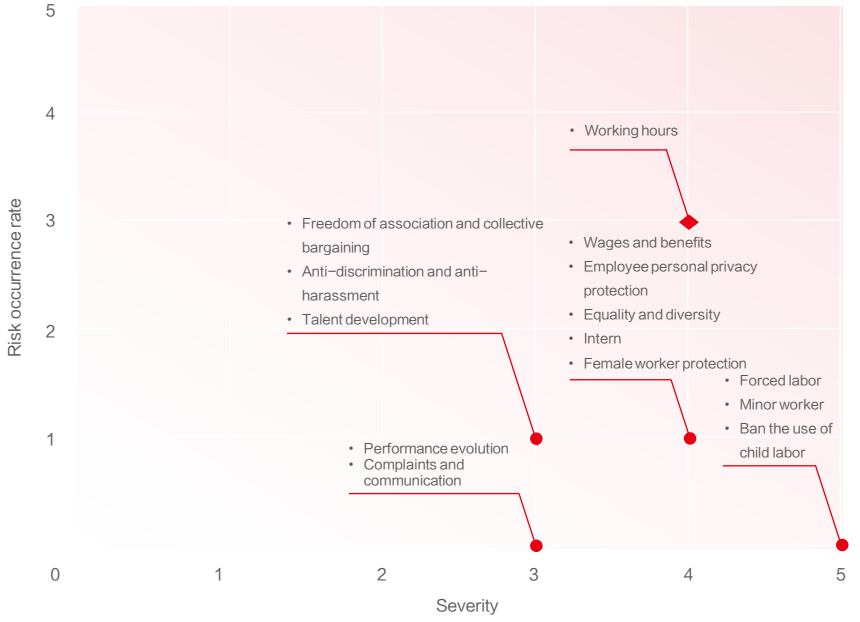
Based on the risk assessment results, we formulate mitigation and remediation measures for the identified high/medium-risk issues and also pay attention to other human rights issues to reduce negative impacts and promptly remedy affected employees.

Risk Assessment and Grading

We conduct in-depth risk assessments on various human rights issues through multiple methods such as internal visits, key data monitoring, document spot-checks, and interviews with employee representatives. We use general risk level assessment criteria and grade issues based on the dimensions of severity, frequency of occurrence, and urgency. In 2025, we prioritized human rights risk assessments in our own production and operation sites. The assessment scope covered multiple cities in China and countries or regions such as Hungary and Brazil, involving a total of approximately 380,000 of our own employees (including female employees, ethnic minorities, and foreign employees), accounting for 46.11% of the factories. Among them, human rights risks were identified in 1.60% of the factories, and 100% of the factories where human rights risks were identified took mitigation measures.

In 2025, after investigation and assessment, taking the "working hours" risk item as an example, we took a series of improvement and remediation measures.

Risk Assessment Distribution Map



Improvement and Remediation Measures for the "Working Hours" Risk

Improve the Control Mechanism	• Systematically upgrade working-hour management requirements in accordance with standards such as RBA and SA8000. The group and business units conduct staggered inspections of working-hour limits at two levels. Use the personnel system to limit the overtime submission limit and shift management, and combine with the early-warning system to monitor and prevent working hours.
Clarify Responsibility Implementation	• Delegate working-hour management responsibilities to the front-line of factory operations and include them in management indicators to strengthen the binding force of implementation. • Strengthen the training of heads of each operating area to ensure the effective implementation of management measures.
Information-based Control	• Analyze overtime data through the information platform, issue early warnings for abnormal working hours, and dynamically optimize shifts and production plans.
Mechanization for efficiency improvement	• Continuously improve the mechanization and automation level of the factory, optimize production processes and management methods, and reduce the dependence on manual working hours from the source.
Promotion and training	• Clarify the principle of "no coercion, no recommendation, and no promotion of extended working hours", and strengthen the compliance awareness of all employees through promotion and training.

In addition, we have developed special mitigation plans for 30 operating sites with non-compliant working hours identified in the due diligence investigation. The coverage rate of mitigation plans for non-compliant operating sites is 100%. We also continuously monitor the Risk Management of low-risk issues, regularly evaluate the effectiveness and adaptability of existing measures, and continuously improve the human rights control mechanism to ensure that our practices are in accordance with international human rights standards.

Complaint and Feedback Mechanism

We attach great importance to employees' opinions and the protection of their rights and interests. We have established a smooth and comprehensive employee complaint and feedback mechanism, encouraging employees to report any human-rights-related violations (including discrimination or harassment incidents) immediately. We have set up multiple complaint channels, including email (hrjd@byd.com), suggestion boxes, phone calls, and online and offline communication channels such as "HR Face-to-Face". Through the enterprise WeChat platform, we ensure that the complaint and feedback mechanism covers all employees, aiming to enhance the privacy, convenience, and timeliness of individual employee feedback.

Escalation Procedure for Human rights-related Reports (Including Discrimination or Harassment Incidents)

Report acceptance and graded response

- Multi-channel acceptance from internal and external sources.
- According to the urgency of the incident, we handle cases in a graded manner. Level-one trigger (emergency) incidents involve serious discrimination, violent threats, and repeated harassment (such as gender/race/disability discrimination), which must be reported to the Human Rights Compliance Group of the company's ESG Management Committee. Level-two (general) incidents refer to minor discrimination among employees (such as verbal offense, unreasonable job transfer, etc.), which are investigated by the Human Resources Department and the processing results are to be feedback within 15 working days. Level-three (to be investigated) incidents are problems with insufficient evidence or details to be verified (such as vague descriptions, no clear subject). For such incidents, we initiate preliminary verification and decide whether to escalate within 5 working days.

Investigation and escalation handling

- Independent investigation mechanism: The investigation team consists of human resources department/internal audit department (separated from the business line) to ensure "substantial independence" in evidence collection and investigation.
- Escalation conditions: If the investigation reveals that management covers up, tampers with the evidence, or the processing result is obviously unfair, it must be reported to the audit & supervision division immediately. If employees are dissatisfied with the processing result, they can safeguard their rights through the local labor arbitration.

Result feedback and legal protection

- Result feedback: After the complaint investigation is completed, typical cases are publicly criticized, and the complainant is informed of the investigation results.
- Protection Against Retaliation and Legal Accountability: The internal system includes whistleblower protection clauses and strictly prohibits any form of retaliation. Retaliation that involves illegal or irregular conduct will be held accountable according to the law.

We clarify the responsible roles and remedial procedures for complaint feedback to ensure fair and confidential handling. We have established a Whistleblower Protection mechanism and promise to prohibit any form of retaliation. Depending on the type of report and complaint, the responsible department will independently investigate relevant reports and take necessary corrective and disciplinary measures based on the facts and the degree of impact.

Training and Awareness Enhancement

We continuously strengthen human rights training and are committed to enhancing the awareness of human rights protection among all employees. We publicize human rights-related institutional norms on our internal website to ensure that all employees can access them at any time and be aware of their rights. In 2025, we added a training module on the ESG Governance and Human Rights Protection to the on-boarding training for new employees. The course covers core content such as human rights, freedom of association and collective bargaining, anti-discrimination and anti-harassment.

By 2025

The coverage rate of human rights training for new employees reached

100%[35]

BYD Europe ESG and Human Rights Training-Integrating the Concept of Human Rights into the Entire Business Process

In June 2025, in response to international sustainable development standards such as those of the United Nations, the European Union, CSRD, and CSDDD, and to enhance the ability to manage human rights risks in global supply chains, the European Automobile Sales Division of BYD conducted a comprehensive ESG and human rights training for all employees. The training was specially delivered by professionals from the human rights field, who provided in-depth analysis of the value of human rights due diligence in supply chain compliance and risk prevention. The training also examined the identification and response paths for human rights risks through cross-border case studies. The participants deepened their understanding of the company's human rights responsibilities and laid a solid foundation for BYD to integrate ESG and human rights concepts into the entire process of its overseas business and enhance its supply chain management capabilities.







[35] Data shows that new employees who joined the company after October 2025

Build an Equal Workplace

Employee Employment

BYD is committed to building a fair and transparent employee employment management system to lay a solid human resources foundation for the company's sustainable development. We understand employees are the cornerstone of the company's development and the key factor in promoting the company's innovation, growth and competitiveness. Therefore, we strictly abide by labor laws and regulations in China and other places where we operate to ensure that all employment practices are in accordance with legal requirements. We also provide comprehensive social insurance benefits for employees to ensure that every employee can enjoy all the rights granted by law. Regarding employee separation, we have established a standardized separation process in accordance with relevant laws and regulations to protect the legitimate rights and interests of separated employees.

Employer Awards in 2025 (Partial)

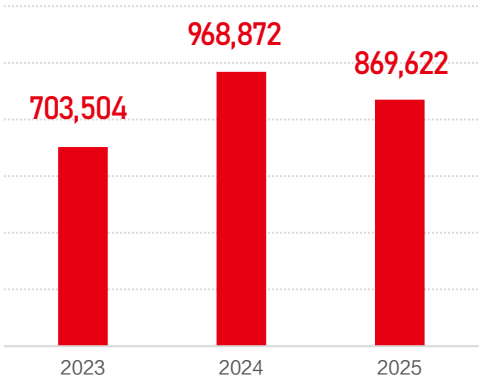
World's Best Employers	Forbes
2025 China Enterprise United Best Employer Award	The 2025 China Enterprises Joint Best Employer Award
Outstanding Contribution Unit in Thai Vocational Education ผู้มีอุปการะคุณต่ออาชีวศึกษาไทย	Ministry of Education, Thailand

Recruitment Management

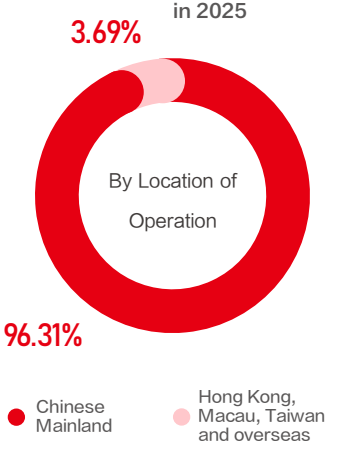
BYD complies with the *United Nations Convention on Human Rights*. Based on the *Universal Declaration of Human Rights*, the *United Nations Guiding Principles on Business and Human Rights*, as well as the employment laws and regulations of China and other locations where we operate, and in combination with various standard systems such as quality management, occupational health, environmental safety and social responsibility, we have established a set of comprehensive corporate codes of conduct and human resources management systems. We adhere to the principle of "equal opportunity and recruitment based on ability", are committed to eliminating discriminatory practices such as nationality, race, gender and religious belief in the recruitment and employment process, and strictly prohibit employment practices that violate human rights, such as forced labor, human trafficking and the use of child labour.

We have formulated several recruitment management regulations, such as the *Group Recruitment Management Regulations*, the *Group Social Recruitment Management Regulations*, the *Group Fresh Graduate Recruitment and the Employment Management Regulations*, the *Group Internal Recruitment Management Regulations*, and the *Group Child Labor and Minors Management Procedures*, to standardize key recruitment processes including the submission of recruitment demands, interview screening, approval of employment, and probationary period management. This ensures the fairness, transparency, and compliance of recruitment management, laying a solid foundation for building a healthy and fair working environment.

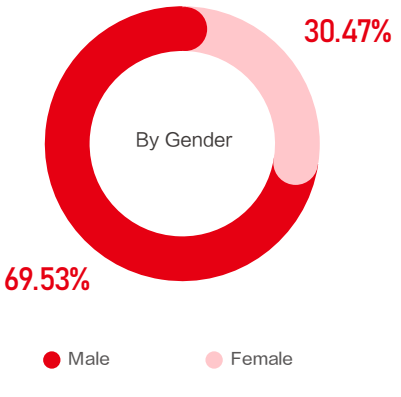
Total Number of Employees over the Past Three Years



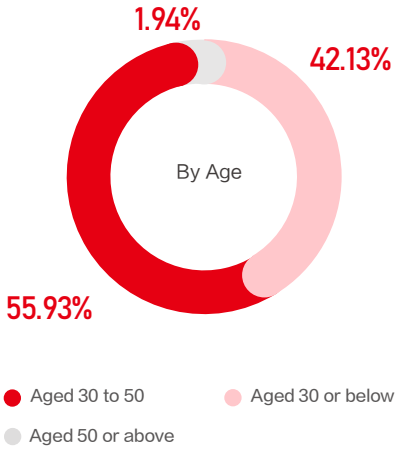
Employee Breakdown by Location of Operation in 2025



Employee Breakdown by Gender in 2025



Employee Breakdown by Age in 2025



Based on human resources planning, BYD conducts relevant planning and demand forecasting according to business development conditions, actively explores new recruitment methods and channels to enhance independent recruitment capabilities and increase talent density. At the same time, we have established an internal talent pool to encourage talent career development and experience accumulation, ensure the balance between human resources demand and supply, optimize human resources allocation and support the company's business development.

We actively cooperate with government agencies such as the Bureau of Human Resources and Social Security and the Employment Service Bureau to explore diversified employment channels and build employment platforms to attract local labor.

Recruitment Channels

Social Recruitment

We recruit elite talents globally. We select high-level, high-tech and top-notch talents in the industry according to industries, specialties and levels to make up for the experience shortage in our team.

In 2025, we introduced over **9,600** elite talents from all walks of life in society.

Graduate Recruitment

We cooperate with schools to deepen the talent segmentation in the four major industries, comprehensively layout the blank professional positions in the industries, build a three-dimensional and in-depth technical and management talent team to promote remarkable future development.

In 2025, we recruited **13** thousand fresh graduates, covering more than **500** types of positions and more than **400** majors.

Internal Recruitment

We build an internal human resources pool to cultivate a development environment for compound talents, provide reasonable personnel mobility, continuously optimize job suitability, ensure rapid response to demand and reduce human resources recruitment costs.

In 2025, more than **12,800** employees had internal transfers, reducing more than **840** externally recruited positions.

Blue-Collar Recruitment

We comprehensively break down the types and requirements of skilled positions in each industry, cooperate with vocational and technical schools to promote the industrialization of scarce skill majors. We have opened various online recruitment platforms to completely break through the cross-regional recruitment information barriers.

In 2025, we solved employment problems for **360** thousand people.

Local Employment Opportunities Created Overseas in 2025 (Partial)

Brazil

The Brazil Base has created employment opportunities for technical workers such as electricians and mechanics, as well as a large number of operator positions, providing **2,000** jobs for local people.

Thailand

In the pre-construction period of the Thailand Base, we dispatched senior employees to conduct capacity-building work locally, such as skill training, system establishment, and industrial implementation. This has created over **3,000** employment opportunities for local people.

Indonesia

To promote local employment, the Indonesia Base actively participated in government cooperation and organized offline job fairs, creating **582** employment opportunities for local people this year.

Hungary

The Hungary Base actively promotes local employment and has created **575** job opportunities for local people.

Equality and Inclusion

BYD is committed to building a diverse talent pool. We have stated our position in the *BYD Group Human Rights Policy Statement*, respecting the diversity of talents and eliminating differential treatment of employees and applicants based on factors such as ethnicity, race, gender, region, religious belief, and employment form. We provide equal employment opportunities for employees, oppose all forms of discrimination, and promote the formation of an inclusive work environment that respects different opinions, views, and beliefs.

Our compensation system complies with the principle of "Equal Pay for Equal Work". Salaries are determined based on objective factors such as job value, individual ability, performance, and work experience. We regularly review and analyze employee compensation data (including the gender pay gap) to ensure that our practices comply with the principle of "Equal Pay for Equal Work".

In the process of implementing the global development strategy, BYD always adheres to providing employees with equal and inclusive diversity talent development programs and activities. It establishes a talent development system in accordance with local regulations and culture based on local characteristics to ensure that all employees can have fair development opportunities. Meanwhile, BYD actively promotes cross-cultural exchanges and integration to create a dynamic, respectful, and inclusive working environment.

The Brazil Base Established the WISE Women's Excellence Committee to Safeguard the Equal Development Rights of Female Employees

To promote equality and inclusion and create an inclusive and friendly working environment for all female employees, the Brazil Base set up the women's committee "WISE-Women in Search of Excellence", which is committed to strengthening the voices of women within the company and enhancing their say within the company. One of the main goals of WISE is to create a safe and collaborative communication space to raise and discuss various gender issues and formulate measures to promote fairness, diversity, and inclusion.

We conduct training and organize cultural exchange and education activities to help employees deeply understand different cultural backgrounds, customs, and concepts, and cultivate the values of respect and inclusion. Through these activities, we actively promote the global cultural integration of equality and inclusion, enhance mutual understanding and recognition among employees from different backgrounds, improve the cross-cultural awareness of multi-ethnic employees, build a bridge for cross-cultural communication, and enhance employees' sense of belonging and integration. We provide anti-discrimination and anti-harassment training in the workplace for all employees. In October 2025 , we added the "ESG Governance and Human Rights Protection" training to the onboarding training for new BYD employees. The course covers content related to equality and inclusion such as anti-discrimination and anti-harassment.

Thailand Base	Organized Songkran Festival folk activities and Mid-Autumn Festival activities to promote exchanges between Chinese and Thai employees.
European Base	In the onboarding training for new employees and the employee guidebook, diversity, inclusion, and anti-discrimination are included as important training content for dissemination.
Brazil Base	Organized cultural education and exchange activities such as Chinese-Portuguese bilingual cultural classes and Family Open Days.

In 2025

The anti-discrimination and anti-harassment training covered

86 thousand people

BYD had approximately **96** thousand ethnic minority employees and

5,326 employees with disability



Adhere to Talent Investment

Talent plays a central role in BYD's development. More than half of BYD's senior management and core technical staff were developed from fresh college graduates in the past. A strong talent team provides solid support for technological innovation.

Talent Development System

BYD has established a multi-level and categorized talent cultivation system. The talent training covering all employees, continuously enhancing the company's talent competitiveness and strengthening the talent base.

We have constructed a comprehensive talent cultivation system, conducting targeted specialized training in management, skills, technology, and overseas local talents. We also simultaneously improve the employee career development transition plan and establish a clear and transparent promotion mechanism. We cover the entire cycle of talent growth with diverse cultivation measures, build an E-learning online learning platform, provide comprehensive empowerment for employees' ability improvement, offer solid support for employees to achieve sustainable career development, and promote the synchronous resonance of personal growth and enterprise development.

Regarding employees' career development, BYD aims to establish a fair and just talent development platform. Through management indicator reviews, technical title certifications, and skill level certification systems, we have created multiple talent development channels of "management + technology + skills + specialties". According to business needs, we conduct hierarchical and classified management of positions. Based on principles such as clear responsibilities, separation of powers and responsibilities, and risk prevention, we strictly control the rationality and effectiveness of position settings, laying a solid foundation for all human resources business modules and ensuring the normal operation of the company's business.

In 2025

The number of employees undergoing training
869,622

The total training hours for all employees
46,684,076



Empowering New Employees

We have tailored the "Future Star" training camp for fresh graduates, established a new employee training system covering five levels: the Group, business unit, business division, department and post. Through activities such as fresh-graduate visits to the BYD History Museum and mentor-led teaching, we focus on the integration and growth of fresh graduates, helping them quickly transform from campus students to professional employees.

We adhere to the concept of combining training with actual combat in talent cultivation and improving the abilities of fresh graduates in actual combat. We are willing and good at using fresh graduates, arranging them to participate in projects, take on topics, and accept tasks. They can assume key roles in projects and make important contributions to the company's rapid development.

Specialized Talent Cultivation

BYD has organized several specialized training programs to precisely match the growth needs of various types of talents and uses a professional cultivation system to help improve the abilities and realize the values of various talents.

Brazilian Vocational Skills Training Project

We carried out a vocational skills training project in Camacari, Brazil, and trained about 160 technical workers locally. Among them, 72 employees with excellent learning results went to BYD's Chinese headquarters for further training. During the training at the headquarters, they learned cutting-edge technologies and concepts and improved their own skills. After returning to Brazil, these employees effectively drove the improvement of the overall skills of local employees through skill sharing, contributing to the long-term development of the local industry.

Six Sigma Training

In 2025, we systematically launched the Six Sigma Green Belt and Black Belt training programs for employees in core business areas such as production, process, and quality to strengthen their leadership and promote digital improvement. The program adopts a dual-track model of "theoretical teaching + practical project coaching", with a training period ranging from 3 months to 1 year. Eventually, more than 140 projects were completed, achieving a total project revenue of over RMB 1 billion.

Talent Categories	Training Modes
Management Talents	BYD continuously conducts management talent training for grass-roots, middle-level, and senior-level employees. Based on the group's guidance, each business department carries out talent training programs for different management levels in combination with business and employee needs, including multiple management talent training programs, including "Team Leader Pioneer Training Camp", "Section Chief/Workshop Director Training" and "Manager Training Course".
Skilled Talents	BYD, based on the company's business development, constructs a distinctive skill-based talent development path according to industry and job characteristics, to better motivate employees' development. While building a professional development path for skilled talents, BYD continues to deepen the independent training system for skilled talents and actively explores, and practices diversified training models. We focus on the key skills and scarce skill positions for the group's development and build a full-chain management of skilled talents through methods such as "mentor-apprentice system", special classes, and school-enterprise cooperation. In 2025, BYD had internally trained more than 62,000 skilled talents.
R&D and Academic Talents	BYD has built a complete postdoctoral training system. It established a postdoctoral innovation practice base in 2017 and was approved as a national Postdoctoral Research Station in 2022, forming a training pattern of "three stations and four bases" in Shenzhen, Chongqing, and Xi'an. Relying on its industrial advantages, the company jointly trains high-level talents with universities, conducts research on core technologies such as Blade Battery, CTB, e^4 Platform, and Xuanji AI model, and promotes technology implementation and industrial transformation. As of the end of the reporting period, a total of 2,380 postdoctoral researchers had been trained, and 1,612 were currently in the station, ranking among the top in the country. BYD's postdoctoral researchers had undertaken more than 600 national, provincial, municipal, and industry-key scientific research projects and more than 5 research topics in total.
Local Overseas Talents	BYD actively fulfils its social responsibilities, helps overseas employees improve their professional skills and market competitiveness, enables their sustainable personal career development, cultivates local professional talent teams, enriches the local employment market, promotes the construction of the local employment ecosystem through talent development, and achieves win-win results for the enterprise and the local area.
Team Leader Pioneer Training Camp	Team leaders are the managers of the smallest production units on the front-line of production. Their comprehensive qualities, job awareness, and spirits directly affect the production and operation results. We attach great importance to the management ability of team leaders and continuously carry out a series of training programs called "Team Leader Pioneer Training Camp", providing standardized training content for team leaders to comprehensively improve their management and leadership abilities.

Support for Employees' Career Transition

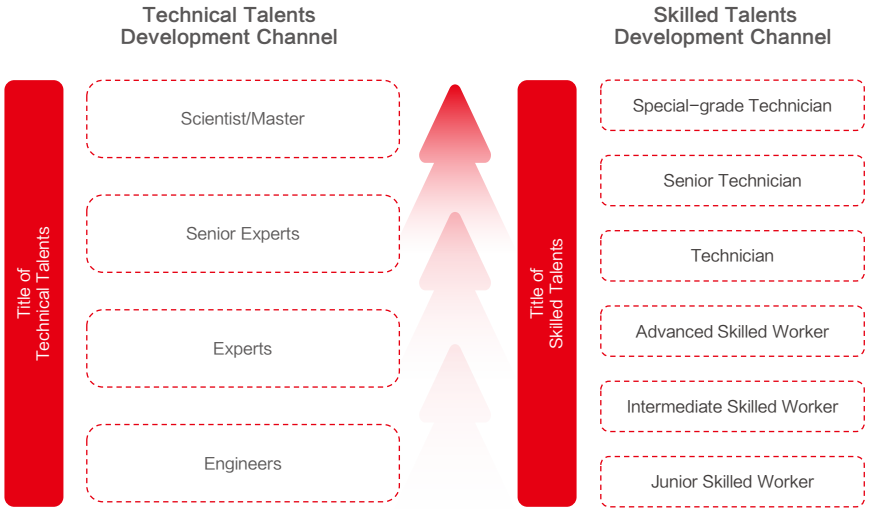
BYD attaches importance to employees' long-term career development and improves employees' career resilience and lifelong learning ability from multiple dimensions. To ensure that employees have sufficient employ ability after retirement or dismissal, we provide on-the-job training covering multiple dimensions such as professional skills, digital literacy, and psychological capital. The training content includes practical skills such as office software and AI tool applications, as well as language courses and mental health counselling, aiming to comprehensively enhance employees' comprehensive qualities and market competitiveness.

Promotion Mechanism Establishment

BYD is committed to building diversified talent development channels and adheres to creating a transparent and fair promotion mechanism, providing employees with a fair promotion environment and ensuring that every employee's effort and talent are treated fairly. We have established a scientific promotion mechanism where the management, technology, and skill channels are interconnected. The technical sequence is evaluated based on results and capabilities, the management sequence is based on comprehensive performance, the skill sequence is equipped with certification and conversion paths, and we continuously expand the coverage of skill certifications to stimulate the vitality of all employees.

BYD adheres to the principle of independently cultivating talents. It has established a talent development mechanism covering all employees and formulated the *BYD Company Training Management Regulations*, continuously improving a multi-level and diversified talent development system.

Partial Talents Development Channel



In 2025

Over **112** thousand talents in the technical field obtained technical titles, and many obtained expert-level or higher titles

A total of **96** thousand people were successfully promoted, of which **31%** were women

Academic Qualification Improvement

We launched the "Yuanmeng Plan" and carried out educational assistance activities for all employees with the support of local labor unions. Through the "Education Assistance Program", we provide employees with educational resources and subsidy support. This program is very popular among employees, helping them achieve their college dreams and promoting the transformation of junior industrial workers into middle-and senior-level industrial workers. In 2025, a total of 313 people at BYD benefited from the "Yuanmeng Plan".



Improve Employees' Well-being

Employee Engagement

Employee Communication

BYD attaches great importance to employees' ideas and opinions, and respects and protects employees' right to freely express themselves. In order to ensure efficient communication between employees and the Company, we have established a multi-level and multi-dimensional communication system, forming a four-level communication channel of "Group-Park-Division-Factory Workshop". By building an internal platform and feedback system, we can speed up information transmission and processing and improve communication efficiency. We have launched the "HR Face-to-Face" mini program embedded in the company's corporate WeChat, covering all employees. Using IT information technology and the Internet, employees can provide real-time feedback through the mini program. In order to ensure that communication channels are known to employees, we put up promotional posters on the factory floor and regularly strengthen the promotion of communication channels in employee meetings and training.

In addition to Written communication and Online channels, the company also holds symposiums and reception days to listen to employees' voices.

Face-to-face communication

- By having direct and in-depth face-to-face communication with employees and listening to their valuable suggestions, we can foster a more open and transparent work environment. We also organize activities such as "Factory Director Reception Day", "Workshop Roundtable", and "HR Face-to-Face" to build a barrier-free communication bridge.

Written communication

- The company has established a written communication channel centered on the "General Manager's Mailbox", "Employee Suggestion Box" and "Message Board", encouraging all employees to speak freely and actively provide feedback on their work demands and offer constructive suggestions.

Online channels

- Multiple QR code entrances have been set up and extensive publicity has been carried out within the factory premises to promote employee participation through technological means;
- An "HR Face-to-Face" mini-program embedded in the enterprise WeChat has been established to ensure that communication channels for all employees are covered.

To deeply understand the opinions of employees who may be easily affected or marginalized, the Thailand Base regularly conducts production line inspections, collects the views and opinions of front-line employees, follows up on the handling of problems until they are closed-looped, and conducts regular follow-up visits to ensure that the problems do not recur.

Employee Communication in Overseas Companies in 2025 (Partial)

Thailand

The Thailand Base has set up various employee feedback channels to collect employees' opinions on the company's management decisions and activities. Employees can provide information for the company's management decisions or activities through the Welfare Committee meeting. The company's management communicates directly with employee representatives every quarter and listens to employees' opinions and solves their problems through the monthly "Factory Director Reception Day" and "Face-to-Face" activities. The company has also created a QR code for opinion collection, a Feedback Box and an Employee Care official account to collect employees' views through multiple channels and provide employee care.

Indonesia

The Indonesia Base attaches great importance to the management of employee demands and complaints, has issued and made public relevant management systems, and formed a full-process mechanism for employees to voice their concerns and lodge complaints. To strengthen communication between management and employees, the company combines online Q&A and offline meetings to ensure smooth communication channels. The online Q&A is always open; offline employee meetings are regularly organized every quarter to further improve communication efficiency and transparency and effectively protect employees' rights and interests.

Brazil

The Brazil Base fully respects the freedom of association of local labor unions and employees and the legal right of labor unions to hold meetings. It promptly communicates and negotiates with labor unions on matters such as employee salaries, benefits, working hours and shifts, and adjusts salaries and benefits in accordance with the local state collective agreement (CCT).

Germany

The management of the Germany Base communicates with employees through Town-hall meetings and tea parties every year. The highest-level role responsible for communicating with employee representatives in the company is the General Manager of the German branch and the Deputy General Manager of the Battery Business Unit. Through full information exchange at meetings and tea parties, employees' views on product market potential, local customer preferences and competitor trends provide reference information for the company's management decisions and promote management to optimize decisions.

Nether-lands

The labor union representatives at the Netherlands Base discuss the proposed personnel management system, raise objections and demands. The Human Resources Department conveys the labor union's communication demands and coordinates with the management to adjust the policy issuance and implementation plan. At the same time, the labor union focuses on specific matters related to employee welfare and rights and interests irregularly, and the labor union representatives initiate negotiations with the management of the Human Resources Department.

The Thailand Welfare Committee Holds Employee Communication Meetings-responding to and Solving the Actual Demands of Front-line Employees

The Thailand Base has set up a welfare committee and established a regular communication mechanism of "quarterly regular meetings". Committee representatives collect employees' opinions and coordinate various departments to jointly solve problems based on the opinions of the majority of employees. In 2025, employee representatives actively communicated at the meeting and raised issues such as insufficient commuter shuttle bus routes, the long distance between the comprehensive building and the canteen, the need for ice-making machines, and the need for water dispensers. Through the welfare committee, employees' needs have been responded to.

Employees' opinions should not only be heard but also receive timely feedback and handling. We have established a comprehensive employee complaint handling mechanism with multiple complaint channels such as an internal email system and an anonymous complaint platform. When employees encounter unfair treatment or their personal rights are violated, they can provide feedback to the business division or the HR department. We have established the HRJD platform, which reports directly to the company's management and is independent, fair, and confidential. In 2025, employees filed 388 complaints through internal channels.

HRJD Platform

- After receiving a report, the handling staff should conduct investigations, collect evidence, etc. on the complaint/appeal matters within 15 working days and reach a final conclusion.
- The Human Resources Department is responsible for tracking and supervising the implementation of the conclusion.
- In accordance with the Whistleblower Protection system, during the entire process of handling complaints/appeals, relevant personnel involved in acceptance and investigation should keep secrets. Those who leak information will be punished in accordance with the company's relevant regulations on information security management. Those who retaliate against the complainant will be severely punished or held legally liable.

Employee Care

"1234" Employee Care System Methodology

1 Center

Employee Care System

Talking | Assessment | Wellness Education | Counseling | Mindfulness | Training

2 Platforms

Competition platform
- Annual EAP Project Competition

Publicity platform
- Corporate Wechat Official Account: EAP For Employee Care

3 Key Approaches

Hardware
- Set up psychological counseling rooms
- Establish configuration standards for psychological counseling equipment

Training
- Internal mental health trainers
- Professional EAP project team

Research
- Group mental health surveys
- Frontline employee engagement surveys

4 Services

Wellness Lecture Series

Peace of Mind Program

Happiness Project

AI Counseling

Employee Homes and Happy Parks

With the active advocacy of BYD in local communities and the full support of labor unions, employee homes have been built, and indoor and outdoor cultural and sports facilities have been upgraded to create a diversified space integrating leisure, entertainment, and learning for employees. The employee homes and parks are equipped with cultural and sports activity facilities and venues such as gyms, basketball courts, libraries, chess rooms, psychological counseling rooms, dance and yoga rooms, table-tennis rooms, billiards rooms, and community fitness areas to meet employees' leisure needs, encourage a work-life balance, and enrich employees' cultural life outside work.

We organize various employee care activities to enhance employees' sense of happiness. In 2025, we continued to carry out diversified employee care activities around the dual-track model of "cultural immersion + emotional connection" to comprehensively enhance employees' sense of belonging and identification with corporate culture.

Construction and Practice of Overseas Employee Care System-Cultural Integration and Heart-warming Company

In global operations, BYD is committed to building an inclusive, respectful, and caring work environment, and attaches great importance to the integration of cross-cultural teams and the improvement of employee well-being.

At the European headquarters, we have implemented a series of humanistic care measures. In terms of cultural integration, the company regularly holds celebration activities covering the Spring Festival, the Mid-Autumn Festival, and important local festivals. Through forms such as special delicacies, gift exchanges, and team games, it creates a relaxed and pleasant communication platform for Chinese and foreign employees, promotes cultural understanding and team cohesion, and makes employees far away from home feel the warmth of "home".

In daily life support, we also pay attention to employees' actual needs. There is an employee canteen in the park, which provides a variety of nutritionally balanced meals that take into account both Chinese and Western tastes every day and offers them at affordable prices to ensure that every employee can enjoy a healthy lunch. In addition, each office floor is equipped with self-service beverage stations that provide free coffee, tea, etc., creating a convenient and comfortable work-break experience for employees.

We believe that sincere care for employees and cultural respect are the solid foundation for building an efficient team and achieving sustainable development. We will continue to improve the overseas employee support system to enable every employee to gain a sense of belonging and grow in BYD's global family.





During the Spring Festival in 2025, the Group launched the "Happy Spring Festival" care activity, spreading warmth to 74 parks across the country and giving out more than 60,000 gifts in total. To enrich employees' spiritual and cultural life, we held the "BYD Factory Music Festival", which went through three stages: park competitions, regional competitions, and national competitions, covering 53 parks. Finally, 18 groups of outstanding musicians took the national stage, presenting an audio-visual feast integrating various styles such as pop, rock, and electronic music. During the company's anniversary celebration, we also specially launched a series of activities called the "Happy Family Month", allowing employees' family members to visit the company and jointly feel the pulse of the company's development.



Happy Family Month



BYD Music Festival

In addition, we also organize various employee activities such as the New Year's Day cultural and art gala "Stay True to the Original Aspiration and See the Future" in 2025 and the "Social Party for Single Youngsters". Through a variety of employee care activities, we aim to enrich employees' spiritual and cultural lives and encourage them to achieve a work-life balance.



New Year's Day Gala Event

Mental Health

BYD has set up an employee care center system, connected and integrated various care resources, and built a digital, timely and personalized online mental health service platform, which integrates various functions such as psychological counseling, psychological science popularization and worries to provide one-stop mental health services.

We established the Employee Care EAP official account. Adhere to the principle of "interesting, useful and informative", we build a publicity and service position for mental health services. Set up a "Heart Drift Bottle" to provide replies and suggestions to employees in need through peer to peer replies or anonymous answers through tweets. Interesting assessment and professional questionnaire, understanding one's personality, stress state, etc., and provide them with targeted development suggestions to promote self-growth. Regularly push psychological science articles, such as emotional adjustment, interpersonal communication, stress coping and other topics, popularize and disseminate psychological knowledge, and improve emotional adjustment ability. The employee care platform is far ahead in reading volume among the same type of WeChat official account, and is deeply loved by employees.

We have launched four services, namely the "Peace of Mind Program", "Workers' Lecture Hall", Happiness Project, and "Psychological Counseling". From safety guarantee, ability improvement, positive attitude cultivation to professional psychological support, we comprehensively cover employees from basic well-being to in-depth care, aiming to create a safe, healthy, harmonious, and sense-of-belonging work environment for every employee and comprehensively promote their physical and mental health.

Peace of Mind Program	With the core concept of "foresee, prevent, and protect", through systematic training and multi-channel publicity, we comprehensively enhance employees' safety awareness and risk prevention ability, building a solid barrier for their physical and mental health.	Workers' Lecture Hall	Using the labor union as a bridge and link, we actively establish connections with streets, communities, and hospitals. Centering around the concept of "employee-centered", we regularly invite experts to conduct training lectures covering various aspects such as emotion management, workplace psychology, parent-child relationship, health science popularization, and vocational skill improvement.
Happiness Project	Through the diversified model of "online community interaction + offline immersive experience", we transform the concept of positive psychology into daily practices that employees can perceive and participate in, systematically improving employees' sense of well-being and psychological capital. We have designed a series of online daily punch-in activities such as the "Happiness Cultivation Plan" and the "Mindful Life Plan" to stimulate employees' internal motivation to improve their sense of well-being independently. This series of plans covers more than 2,000 employees, and the activity satisfaction rate is as high as 95%. Data shows that participating employees have significantly improved in terms of physical and mental health, subjective well-being, and work efficiency.	Psychological Counseling	We have carried out the standardized construction of psychological counseling rooms, formulating management systems and construction standards to provide employees with a comfortable and private counseling environment. Through cooperation with local labor unions and professional third-party counseling institutions, we have equipped professional psychological counselors, with more than 700 counseling sessions per year. We have held several "Mind Relief Stores", conducting counseling combined with techniques such as mandala and sandplay to make counseling services more interesting and lightweight. In addition, we have introduced an AI psychological counseling service platform, providing 7/24-hour instant support to ensure that employees can obtain professional psychological assistance anytime and anywhere. It has successfully served more than 1,700 employees, effectively improving the accessibility and efficiency of mental health services.

We have formed an internal team of psychological lecturers with professional qualifications and a spirit of helping others. The internal lecturers, based on their expertise and work experience, provide colleagues with friendly and professional sharing sessions on topics such as stress reduction, management psychology, and self-exploration, and have received high praise from employees. In 2025, we further expanded the size of the lecturing team and conducted a systematic review of the course content to improve the training quality. By the end of 2025, a total of 34 lecturers were involved in providing services, and over 60 training sessions were conducted.

We established a "Heart Drift Bottle" platform for sharing personal thoughts and set up a group of enthusiastic EAP counseling response volunteers called "Confidants" within the organization. Through the "Empowerment – Assessment – Onboarding" training path, they master skills such as listening and empathetic response, and promptly respond to employees' emotional needs, creating a culture of mutual support and care within the company. By the end of 2025, 41 caring listeners had obtained their certificates and were in position, building a solid defense line for employees' mental health.

In addition, we conducted the 2025 Employee Psychological Survey. The psychological survey is a core measure for building a comprehensive psychological service system and promoting group-based mental health management. We meticulously planned and carried out the "Employee Mental Health Status and Service Intent Survey", with a rich questionnaire content covering the current status and actual usage of employees' mental health services, in-depth assessment of individual-level mental health conditions, and detailed assessment of emotional states. At the same time, the questionnaire explored the psychological conditions of employees at the organizational level, such as work pressure and workload, in order to comprehensively and deeply understand the mental state of employees and provide effective support. In 2025, 87.8% of the employees participating in the psychological survey were aware of mental health services, and 65.1% of the employees had participated in mental health activities.

Professional Psychological Counseling Services Enter the Park-Protecting Employees' Mental Health

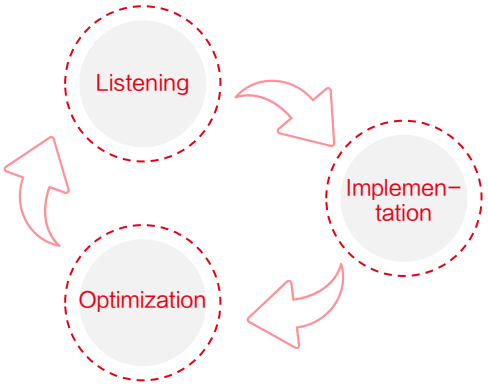
We have closely cooperated with the Shenzhen Federation of Trade Unions to bring the professional psychological counseling service of the "Worry-Relieving Team" to each park. In 2025, this service has been successfully carried out 12 times, with an employee satisfaction rate as high as 95%. Among them, 95% of the visitors believe that the counseling has effectively alleviated their psychological problems.

Employee Satisfaction

BYD has established an employee satisfaction NPS evaluation system and conducts employee satisfaction surveys every year. The survey dimensions include work happiness, job satisfaction, engagement, and psychological stress, etc., accurately capturing employees' demands, wishes, and feelings, and continuously optimizing employee services and management. In 2025, we set the employee satisfaction NPS goal: to keep the NPS ⩾ 70%. We demonstrate our care for employees through practical actions and actively improve employee satisfaction. In 2025, starting from the needs of employees, we identified the weak items in satisfaction and promoted improvement in a closed-loop form of "listening-implementation-optimization" to effectively solve the problems that employees are concerned about.

In the special optimization project of "cost-effectiveness of daily necessities", we visited 22 parks on-site, conducted price surveys on the businesses in the parks, and dug out pain-point problems through on-site interviews and on-the-spot price comparisons. We promoted the responsible departments to form a normalized price supervision mechanism and required that the prices in the park supermarkets should not be higher than those in external supermarkets of the same scale. At the same time, we sorted out excellent improvement practice cases and promoted them horizontally to other parks to respond to the needs of employees.

In the special project of "richness of cultural and sports facilities", we visited 26 parks on-site and interviewed more than 130 employees to listen to their real demands. Through a comprehensive investigation and analysis of the integrity, environment, hygiene, daily maintenance, etc. of cultural and sports facilities, we accurately identified the concerns and complaints of employees about cultural and sports facilities and jointly promoted rectification with the responsible departments. We increased cultural and sports facilities in a targeted manner, improved facility management, enriched cultural and sports activities, improved the quality of employees' amateur life, and met the cultural and sports needs of employe





In 2025

BYD has conducted a total of

4 employee NPS surveys among all employees

Employee satisfaction score is

74.88

Occupational Health and Safety (OHS) in Production

Occupational Health and Safety Management System

BYD has always regarded occupational health and safety as a key focus and is committed to the ultimate goal of "zero accidents". We have formulated and regularly updated systems such as the *BYD Safety and Health Policy*, the *Emergency Management Measures for BYD Production Safety Accidents*, the *BYD Safety and Environmental Supervision and Inspection Management Measures*, the *BYD Management Regulations on Classification and Grading of Potential Safety and Environmental Hazards,the BYD Management Regulations on Star Rating of Safe Factory*, and continuously improved internal regulations such as the *Group Production Safety Responsibility System*, the *Group Safety and Environmental Protection Reward and Punishment Regulations*, the *Group Occupational Health Management Measures*, the *Group Safety and Environmental Accident and Incident Investigation and Liability Handling Measures* to ensure that every link from top-level design to grass-roots implementation is closely connected and operates efficiently.

We have established a comprehensive occupational health and safety management structure, clearly defining responsibilities at all levels and enhancing our long-term safety mechanism. The BYD EHS Committee serves as the highest decision-making body for safety management, with the Company's President acting as the committee head and assuming full responsibility for production safety management. Quantitative performance indicators such as accident incidence rate, accident fatality rate, and hidden danger rectification rate have been established for this purpose. The BYD EHS Committee regularly evaluates the safety and health management performance of various departments, with assessment results directly linked to the performance-based compensation of the respective responsible persons.

In 2025

The ISO 45001 Occupational Health and Safety Management System of BYD covered

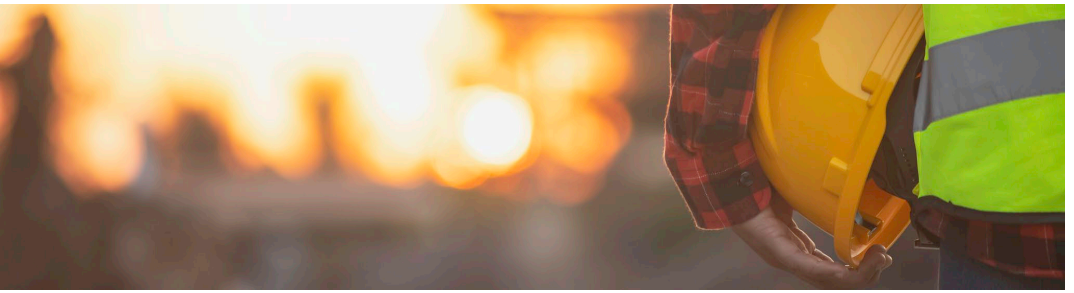
36.53%

of employees

We have established the internal occupational health and safety management system standard of BYD in accordance with the ISO 45001 standard, and the internal standard management covered

100%

of employees



Safety Management Responsibilities at All Levels

BYD EHS Committee

- Overall Planning: Responsible for formulating the company's overall safety and health strategies, guidelines, policies, and objectives to ensure alignment with the company's development strategy.
- Major Decision-making: Make decisions and handle major safety and health incidents and events, allocate necessary resources, and ensure proper resolution of key issues.
- Supervision and Approval: Approve the company's safety and health management systems, work project plans, and funding investment proposals; supervise the implementation of all departments to ensure effective policy execution.

Safety and Environmental Management Department

- Regulation Collection and Interpretation: Collect and identify domestic and foreign regulations, standards, and provisions on occupational health and safety, environmental protection, and energy conservation and consumption reduction, providing accurate regulatory basis for corporate decision-making.
- Target Management and Analysis: Lead the formulation, decomposition, and achievement analysis of BYD's occupational health and safety, environmental, and energy conservation and consumption reduction targets, providing data support for continuous improvement.
- System Construction and Maintenance: Organize and carry out publicity activities on occupational health and safety, environmental protection, and energy conservation and consumption reduction; organize safety and environmental impact assessments for new construction, reconstruction, expansion, and relocation projects (engineering); oversee the signing of contracts for environmental protection facilities, safety and environmental assessment projects, and hazardous waste disposal to ensure the smooth progress of the company's environmental work.

Other Departments

- Regulation Implementation and Execution: Fully implement occupational health and safety, environmental laws and regulations, standards, and the company's management systems within the department to ensure effective execution of all specified requirements.
- Target Decomposition and Assessment: Decompose BYD's occupational health and safety, environmental, and energy conservation and consumption reduction targets in detail at all levels of the business unit, conduct statistics and assessments on target achievement, and motivate employees to actively participate in safety and health management.
- System Establishment and Maintenance: Be responsible for the specific establishment, implementation, maintenance, and certification review of the department's environmental and occupational health and safety management systems to ensure their continuous and effective operation.
- Project Information Management: Collect information on new construction, reconstruction, expansion, and relocation projects within the department, and promptly declare to the Quality Department to cooperate with the company in project management.

In 2025

100% of the main person in charge of BYD's safety sign the "Safety Responsibility Statement"

BYD's internal safety audits cover **100%** of its production business divisions

Personnel coverage of industrial injury insurance was **100%**

We have clearly defined our production safety responsibilities and targets, which are systematically cascaded and implemented across all organizational levels. Production safety committees and dedicated safety management departments have been established at the company, business division, factory, and park levels to coordinate and manage safety-related affairs. At the same time, we enforce a production safety responsibility system that involves every employee. Through extensive publicity and the signing of production safety responsibility statements, we ensure that management personnel at all levels are fully accountable for production safety within their respective areas of responsibility.

In addition, we actively promoted the construction of the EHS information platform. We built the EHS information system of BYD Group from multiple dimensions such as compliance management and safe operation control, significantly improving management efficiency. In 2025, we empowered with AI, launched the safety and environmental protection AI project, and built a full-scenario safety and environmental protection AI monitoring platform. Through AI algorithms, we conducted real-time monitoring of large mechanized equipment and connected the equipment to further improve the EHS management level.

Health and Safety Risk Management and Control

BYD established a dual prevention mechanism, strictly implemented hazard identification and risk classification management and control, moved the safety defense line forward to the source of accidents, and nipped potential hazards in the bud through strict hidden danger investigation and governance. Through a sound risk classification management and control mechanism, we regularly carried out comprehensive risk identification and assessment, formed a risk list, managed and monitored hazard sources of different levels, uploaded the identified risk list to the EHS hazard identification and classification management and control system, urged personnel at all levels to inspect key sites, and took corresponding control measures.

We optimized risk control measures based on the risk list and inspection results. With the help of the monitoring and data analysis of the EHS information platform, we optimized business processes and further improved management efficiency. We strictly carried out internal safety audits and inspections. In 2025, we introduced AI cameras to intelligently identify and dynamically evaluate risk points; promoted safety management departments at all levels to analyze potential hazards, improve the detection rate of potential hazards, and formulated a red-line list for safety and environmental protection management and control based on the list of major potential hazards in the industry and the summary and analysis results of accident potential hazards in previous years to clarify management key points for each department. According to the implementation effect, we optimized the hidden danger inspection system and information system, further strengthened the dynamic linkage between on-site inspections and system data, and improved the efficiency of hidden danger governance.

We organized each business unit to carry out standardization work on occupational health. By analyzing the monitoring and evaluation reports, we sorted out the hazardous positions within the company, accurately identified the employees exposed to hazards, and ensured that occupational health examinations covered all relevant employees. At the same time, we analyzed the sources of on-site hazards and the reasons for exceeding the standards, formulated targeted mitigation measures, controlled the level of occupational hazards from the source, and provided employees with a work environment that is healthy for their occupations. In 2025, to prevent the occurrence of major accidents, we innovatively implemented a red-line list management mechanism. The red-line list clearly defined various processes, equipment, and sites that may cause serious casualties, as well as the corresponding red-line violations and control measures, and visualized the major risk points in the three core fields of safety, environmental protection, and fire protection. Each production base relied on the red-line list to actively identify high-risk hidden hazards and eliminated high-risk hidden hazards at the source through substitution, technological improvement, etc

In addition, we established a sound accident emergency handling and investigation process, and clarified the processes and mechanisms for accident reporting, accident investigation, accident handling, and subsequent rectification. In the event of a health and safety accident, on-site personnel should immediately report to the department head, and the head should promptly report to the office of the EHS Committee. The office of the EHS Committee organized relevant departments to form an investigation team, comprehensively investigated the cause and process of the accident, and put forward handling suggestions and preventive measures. We seriously dealt with the responsible units and responsible persons based on the investigation results. The responsible units formulated and implemented rectification measures, and the office of the EHS Committee was responsible for tracking and supervising the rectification situation to ensure the effective implementation of rectification.

At the same time, we formulated a strengthening plan for the factory EHS system. Based on the provisions of the ISO 45001 and ISO 14001 systems, we formulated the evaluation and review standards for the company's star-rated factories in occupational health, safety, and the environment. Through internal audits, self-evaluations, and counseling, we quantitatively evaluated the maturity of the safety and environmental protection business level of each factory.

The group's safety and environmental protection department audited and supervised the occupational health management in each park factory, checked the detection of on-site hazardous factors, the occupational health monitoring of employees, the distribution and wearing of labor protection supplies, and the effective operation of protective facilities, etc. to ensure the effective implementation of the system and effectively protect the occupational health and safety of workers.

Health and Safety Guarantee Mechanism

BYD established a sound health and safety guarantee mechanism, promptly arranged pre-job, in-job, and post-departure physical examinations for employees in risk positions. The physical examinations covered occupational diseases such as pneumoconiosis and noise-induced deafness; and we formulated labor protection equipment standards according to the production characteristics and hazardous factors of the factory, and regularly distributed labor protection supplies to employees to safeguard the health of employees.

In 2025, we revised the *Group Safety and Environment Management Regulations for Related Parties* and related agreements, improved the safety management responsibility system for related parties, clarified the responsibilities of various internal departments of BYD and related parties, and established a long-term supervision and assessment mechanism to ensure the implementation of responsibilities. We identified core related parties with significant impacts on safety and environment, implemented hierarchical management and control to improve the accuracy of management. At the same time, we built a digital platform to promote the full-process online management of safety and environment for related parties and improve management efficiency.

In terms of supplier management, we formulated EHS review and access terms for suppliers, incorporated occupational health and safety terms into procurement and contract requirements. Through on-site safety briefings, safety training, regular safety and environment inspections, and management meetings, we guided suppliers to continuously improve their own systems and standards to meet our supply-chain safety control requirements and jointly ensure the safety and health of supplier employees.

Safety Culture

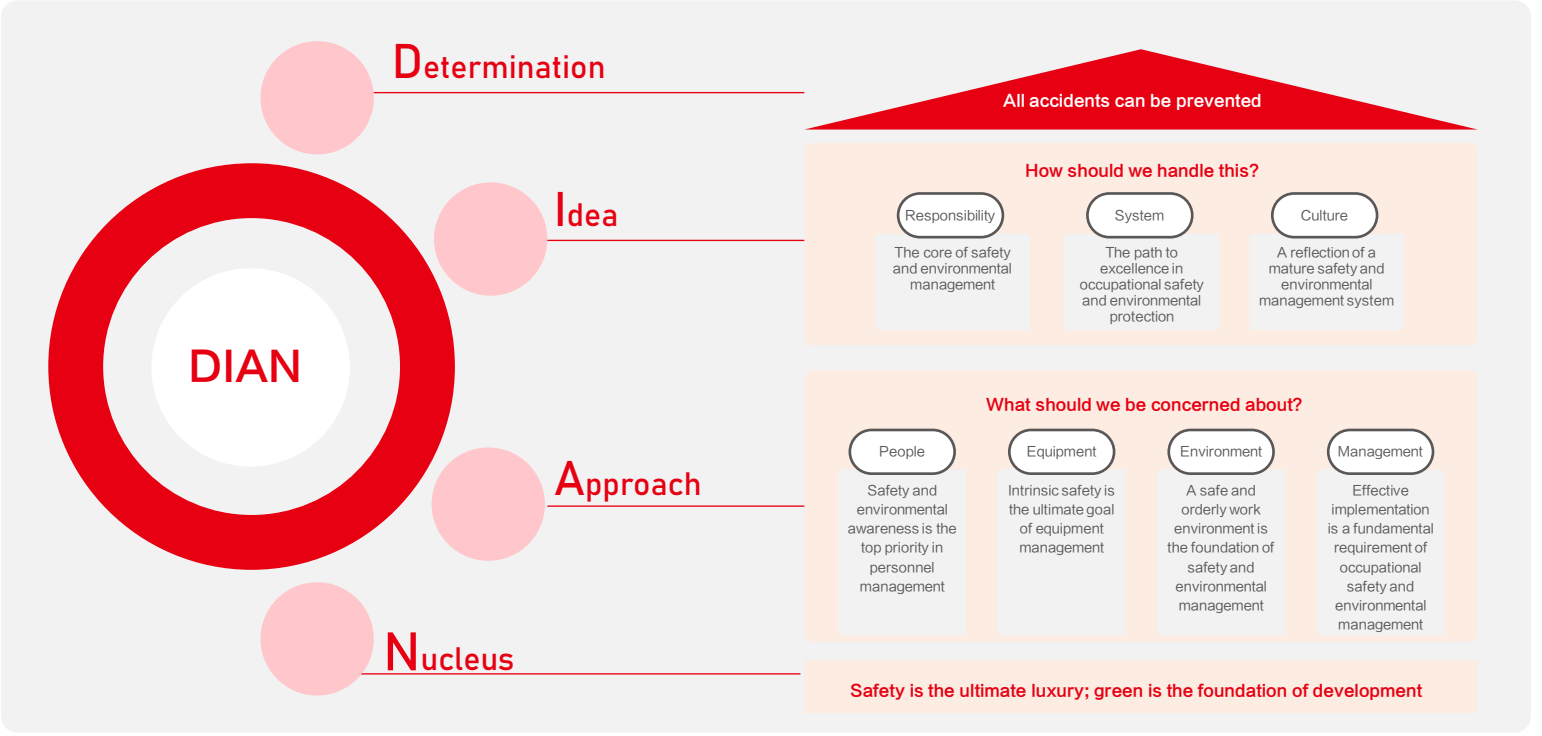
Health and Safety Training

BYD conducts annual safety production training to enhance employees' risk prevention capabilities. We have established a safety training system covering all employees and formulated the "Management Measures for Occupational Health, Safety and Environmental Protection Education and Training of BYD Company", offering corresponding safety education and training courses to different employee groups.

For newly recruited employees, we carry out the "Three-level Safety Education for New Employees at Onboarding". For in-service employees, we conduct the "Safety Education for In-service Employees" on a monthly basis. In addition, we have set up safety training courses for different management levels, including grass-roots management personnel, safety and environmental management personnel, newly promoted management personnel, general managers, deputy general managers, factory directors, department managers, etc. For special types of work and specific positions, we have set up specialized safety training and re-education courses to enhance the safety awareness of all employees.

In addition to daily safety training, we organize various safety publicity activities such as competitions, online learning, offline activities, and emergency drills through diverse training forms, including the "Morning Star Training", the "Hundred-day Accident-free Factory Competition", the "Safety Month", and the "Fire Protection Month". The main safety responsible persons such as the president and general managers, middle-level safety and environmental management cadres, in-service and newly recruited employees actively participate, effectively enhancing the awareness of safety responsibilities at all positions.

In 2025, we launched the 2.0 version of the safety culture brand "DIAN" culture, enriching the connotation of safety culture, clarifying the stance, views, methods, and core, and rooting the safety culture in all employees.



"DIAN" Culture-Setting a Benchmark for Safety Management

To promote the "DIAN" culture, we solicited case studies on the theme of "Outstanding EHS Outstanding DIAN People/Technological Innovation and Equipment Improvement" from all employees. Employees from various business divisions actively participated, and 315 excellent cases stood out. Through this case-solicitation activity, various business divisions actively shared methods for implementing safety culture and work experience in safety management, and the power of safety role models spread throughout the group.

ALLIANCE

The quality assurance, resilience building, and sustainable development level of the supply chain are directly related to the stability and long-term value of an enterprise's production and operation. BYD adheres to the supplier Lifecycle Management model. While strengthening the risk assessment in environmental, social and other dimensions, it provides all-round support and empowerment to partners, and is committed to building a responsible supply chain system and jointly creating a new pattern of prosperous development of the industrial chain ecosystem.



Targets and metrics in this chapter:

HKEX ESG Reporting Code
KPI-B5.2, KPI-B5.3, KPI-B5.4

SZSE Guidelines
Supply Chain Security

ESRS
S2-1

GRI Standards
2-24，3-3，308-1，414-1

Standardize Management System

BYD views the supply chain as an important extension of its core competitiveness. We integrate the procurement principles of "fairness, transparency, and competition" into our corporate development strategy and establish a closed-loop lifecycle management system covering supplier access, evaluation, grading, and exit. Through a comprehensive institutional system and digital management tools, we implement strict access screening and dynamic performance monitoring to ensure the efficient operation and compliance control of the supply chain system.

Supplier Lifecycle Management

We have established internal systems such as *the BYD Procurement Management, BYD Supplier Onboarding, Utilization, and Exit Management Regulations*, *BYD Group Supplier Audit Management Detailed Rules*, and *BYD Company Production Material Supplier Performance Assessment Management Detailed Rules*. These systems have formed a supply chain management system that covers the entire process from supplier access application, review, performance management, to exit, ensuring that suppliers comply with laws and regulations in terms of environmental protection, social responsibility, and corporate governance, thereby reducing supply chain risks.

Supplier Access Mechanism

Suppliers are required to sign and complete *the Anti-Commercial Bribery Commitment of BYD Supplier* and the *Code of Conduct for BYD Supplier* before cooperation, and respond to *the BYD Supplier Corporate Social Responsibility Questionnaire*. We guide and supervise suppliers to attach importance to business ethics, respect human rights, and protect the environment. We conduct regular review in purchasing practices towards suppliers to ensure the alignment of company's practices with *Supplier Code of Conduct for BYD Supplier* to avoid potential conflicts with ESG requirements. We set a one-vote veto clause for behaviors such as lack of continuous production capacity, unfair treatment of employees, withholding of employees' legal documents, illegal use of conflict minerals, and violation of environmental laws and regulations, and will not develop or import suppliers with such behaviors.

Dynamic Assessment and Audit

- Quality Audit: We conduct monthly scoring and quarterly grading of suppliers and manage new project cooperation by regularly adjusting supplier grades. In 2025, during the routine audits and evaluations of suppliers, we conducted a total of 1,569 on-site audits of suppliers in our system. 29.2% of the suppliers were downgraded and lost the qualification for new project cooperation due to non-compliance with BYD's requirements in terms of quality system, qualification threshold, environmental protection, labor and human rights.
- Annual Audit: Audits are conducted on-site or via video, covering all productive materials. From March 2023 to March 2026, we plan to achieve 100% coverage of supplier audits. And audits can be initiated at any time in case of major abnormalities.
- Due Diligence on Critical Raw Materials: We conduct investigations on the mineral supply chain of suppliers whose products contain or use critical materials such as tantalum, tin, tungsten, gold, lithium, nickel, cobalt, graphite in the manufacturing process.

Performance Grading Management

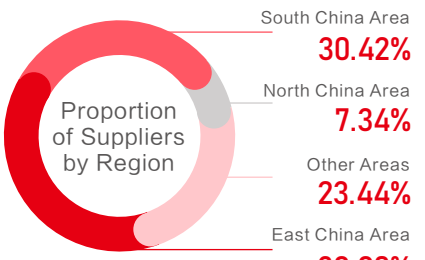
We conduct quality performance evaluations on productive materials for bulk supply. The evaluation objects are based on the unit of "supplier + material group + production location". We conduct monthly performance scoring and quarterly performance grade evaluations. For suppliers with a grade of C or below, we will issue *the Supply Quality Performance Evaluation Liaison Letter*, require suppliers to submit an 8D problem analysis report, and approve and confirm the 8D report until the problem is resolved.

Exit and Elimination Mechanism

For suppliers with audit issues or violations, we will provide them with enabling training and require them to make rectifications within a specified time. If they still fail to meet the requirements after rectification, we will stop cooperating with them.

Guarantee of Cooperation Stability

We also take various measures to ensure the stability of cooperation with suppliers. We establish long-term strategic partnerships with suppliers. Through signing agreements such as *the Procurement Contract, Design and Development Requirements*, and *General Procurement Rules*, we clarify the rights and responsibilities of both parties during the cooperation process, jointly formulate development goals, and enhance mutual trust and interdependence. Simultaneously, we strengthen communication and information sharing, and establish a transparent communication mechanism, such as regular quality meetings, a supplier appeal channel on the QMS system platform, and a supplier opinion collection email, to reduce cooperation frictions caused by information asymmetry. In response to potential risks such as market fluctuations and policy changes, we formulate emergency plans or measures, such as raw material backup plans, dual procurement strategies[36], and the construction of backup manufacturing bases[37], to enhance the supply chain's risk resistance ability.



Total number of suppliers

15,628

Complete supplier audits within 3 years

100%

[36] Select two independent suppliers for the same material, component, or service to reduce the reliance on a single supplier and enhance supply resilience

[37] The backup manufacturing bases located outside the core manufacturing bases can be quickly activated during emergencies to undertake the production tasks of the core manufacturing bases, so as to hedge against various risks on the supply and production sides and ensure continuous production capacity

Practice Responsible Procurement

BYD deeply integrates the concept of sustainable development into the entire procurement process and gradually establishes a comprehensive supply chain ESG management system. We actively manage the risks of critical minerals, environmental footprint, and human rights, ensure compliance operations, practice the concept of Green Procurement, and lead the sustainable development of the upstream and downstream of the industry.

Supply Chain ESG Management Requirement

BYD formulates the *BYD Supply Chain ESG Management Regulations* and *the BYD Supplier Corporate Responsibility Questionnaire* with reference to the relevant requirements of the United Nations Global Compact (UNGC), the International Labor Organization (ILO), the Organization for Economic Co-operation and Development (OECD), and the Responsible Business Alliance (RBA), etc., to clarify the requirements for suppliers in ESG management and continuously monitor suppliers' ESG performance. At the same time, BYD has established a procurement committee headed by the Chairman and President of the Board of Directors to continuously promote the ESG management. In 2025, we updated the *Code of Conduct for BYD Supplier* and required suppliers to sign it before commencing cooperation, to ensure that they understand and adhere to the latest sustainable development philosophy of the Group. In conjunction with policy requirements such as *the Code of Conduct for BYD Supplier* and the *BYD Group Human Rights Policy Statement*, the following is a summary of the detailed ESG management rules for the supply chain:

ESG Dimensions	Key Points of Concern	Requirements for Suppliers
Environment	Environmental Protection	It is recommended that suppliers establish and continuously improve their environmental management systems in accordance with standards such as ISO14001, give priority to the use of clean energy and conserve resources, pay attention to the control of toxic and harmful substances in products, and ensure that products and services comply with relevant environmental protection regulations such as EU RoHS, REACH, POPs, and US TSCA.
	Carbon Emissions and Climate Change	Suppliers should conduct organizational carbon verification, set carbon emission reduction targets, promote energy-saving technological transformation projects, and carry out Product Carbon Footprint accounting and supply chain emission reduction work.
	Resource Use	Suppliers should formulate energy management systems or procedures, give priority to the use of clean energy, phase out high-energy-consuming equipment and facilities required by the state, and reasonably transform and upgrade production equipment, facilities, and processes to save energy and reduce emissions.
	Pollutant and Waste Management	Suppliers should improve the management regulations for wastewater, waste gas, and waste, as well as the emergency response plan for sudden pollution accidents. They should adopt processes and equipment with high resource utilization rates and low pollutant emissions, as well as waste comprehensive utilization technologies and pollutant harmless treatment technologies to reduce the generation of pollutants.
Society	Labor and Human Rights Protection	Suppliers should comply with labor-related laws and regulations in China and other applicable countries and regions, and abide by all applicable laws, regulations, and ordinances that prohibit forced labor. Suppliers are required to ensure that they do not use any form of forced labor and do not use child labor at any stage of their business operations. They should also guarantee employees' rights such as freedom of association and collective bargaining.
	Equality and Diversity	Suppliers should treat employees fairly, promote equal employment opportunities and treatment for employees, and ensure that employees are not discriminated against based on race, color, age, gender, ethnicity, religion, belief, etc.
	Occupational Health and Safety (OHS)	Suppliers should provide employees with a safe, healthy, and pollution-free working environment, ensure that the physical environment such as temperature and noise in the workplace is legal and compliant, and minimize potential hazards in the workplace.
Governance	Business Ethics	Suppliers should ensure that they do not obtain improper benefits in any way during their business dealings with BYD, and ensure that their business operations comply with the highest standards of integrity and honesty.
	Conflict of Interest	Suppliers should strive to maximize the interests of both companies, avoid any conflict between the personal interests of employees and the interests of BYD. If they are aware of potential conflicts of interest, they should actively disclose and report them and take internal measures to resolve the conflicts.

Supply Chain ESG Management Training

In 2025，we conducted specialized training on supply chain ESG management through online teaching, topic including information disclosure standard and due deligence processes. This enabled procurement personnel to effectively supervise suppliers meeting BYD's supply chain ESG management requirements, laying a solid foundation for supply chain risk management in procurement operations. Additionally, we provided a specialized training session on "conflict minerals" for our supplier audit team through online teaching. This enhanced auditors' understanding of their roles and responsibilities in implementing supply chain ESG management and achieving long-term goals, thereby improving the effectiveness of due diligence.

Supply Chain ESG Risk Control

We prioritize ESG risk management in our supply chain. In 2025, BYD published the internal policy of *BYD Group's Supply Chain ESG Risk Management Measures* to supplement and improve the risk management system. BYD has established a supply chain ESG risk governance structure of "Risk Management Committee – Group Procurement Team – Procurement Teams of Various Business Units/Divisions", continuously monitoring the operation of supply chain ESG risk management. Based on the current business situation, a list of supply chain ESG risk items has been formulated, covering more than 20 risk items in three major sectors of society, environment, and governance, providing a comprehensive multi-dimensional assessment of supply chain ESG risks.

The ESG risk management and control process for the supply chain primarily encompasses four major steps of risk identification, risk assessment, risk mitigation, and risk monitoring. Through implementation methods such as due diligence and auditing, a complete closed-loop risk management chain is formed to ensure the sustainable development of the supply chain.

Risk Identification

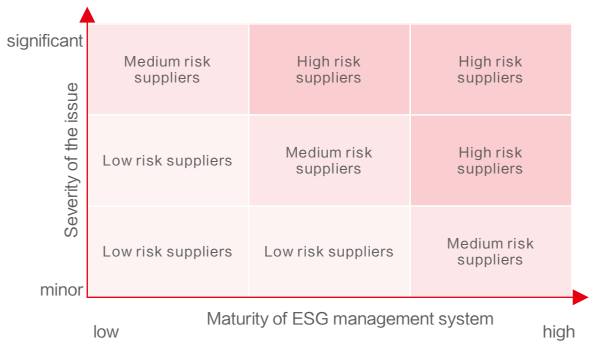
We conduct potential risk identification for suppliers from multiple dimensions, including raw materials, industry, and regional.

Risk Categories	Screening Criteria
Raw Material Risks	Raw materials such as cobalt, lithium, nickel, natural graphite, tantalum, tin, tungsten, gold, mica, and natural rubber that are under the key control of relevant international guidelines.
Industry Risks	Industries such as mining that have a relatively high probability of non-compliance events in terms of safety production standards, occupational health regulations, and labor relations compliance.
Regional Risks	Regions affected by conflicts, key biodiversity conservation areas, etc., which have relatively high risks due to political, economic, legal, or social factors.

Risk Assessment

Based on domestic / international laws and regulations, industry standards, etc., we have formed a list of ESG risk items in the supply chain. Risk screening and analysis are carried out through various methods, including collecting or reviewing relevant system certifications of suppliers, external evaluations of ESG performance, third-party ESG audit conclusions, and other basic data reviews, as well as special supply chain due diligence.

At any stage, once it is discovered and verified that a supplier has engaged in forced labor, deforestation[38] , illegal use of conflict minerals, or other behaviors that violate the ESG red lines of the supply chain, the supplier will be directly classified as a high-risk supplier.



Risk Mitigation

Based on suppliers with different risk levels, corresponding measures should be taken to ensure that risks are effectively mitigated and controlled.

Low risk suppliers	• Continuously monitor
Medium risk suppliers	• Adjust the cooperation status • Require suppliers to complete rectification within a specified time
High risk suppliers	• Require suppliers to submit risk mitigation plans • Develop internal risk response plans to reduce potential business risks

Risk Monitoring

For suppliers with medium and high risk levels, regularly track the implementation of risk mitigation plans, review the rectification status of suppliers from dimensions such as material completeness and effectiveness, and quarterly follow up on the risk mitigation of potential risk suppliers. For suppliers whose rectification has been verified as effective, reassess and adjust their risk level; for suppliers who fail to rectify on time, rectify inadequately, or refuse to rectify, upgrade their risk level, assess the subsequent cooperation status based on actual business needs, and develop detailed risk control and monitoring plans.

[38] Deforestation: According to *the EU Deforestation Regulation (EUDR)*, deforestation refers to the production of goods that contain, use, or are produced on land that was deforested after December 31, 2020; and in the case of products containing or made from wood, the wood was harvested from forests after December 31, 2020, leading to forest degradation

Supply Chain Due Diligence

BYD places great emphasis on supply chain compliance. In 2025, based on *the EU Corporate Sustainability Due Diligence Directive*, *the Guidelines for Responsible Supply Chain Due Diligence for Minerals from Conflict-Affected and High-Risk Areas* issued by the Organization for Economic Cooperation and Development (OECD) (hereinafter referred to as the "OECD Guidance"), *the Regulation (EU) 2023/1542 on Batteries and Waste Batteries*, and relevant legal and regulatory requirements, we established and gradually improved our supplier due diligence management system, officially releasing the management document *Detailed Rules for BYD Group's Supply Chain Due Diligence Management Operations*. BYD's supply chain due diligence strictly adheres to legal and regulatory requirements and is carried out based on the model of "group coordination and business unit collaboration". According to the requirements of each round of due diligence, we identify the corresponding supplier group scope, develop questionnaire templates that are suitable for BYD's characteristics and have high industry recognition, quickly promote first-tier suppliers to respond to due diligence work, advocate supply chain traceability and transparency improvement, efficiently complete questionnaire collection and data verification, to ensure the identification, prevention, and resolution of supply chain risks..

In 2025, BYD continued to advance due diligence on supply chain and carried out targeted special actions according to the requirements of various parties:

In terms of compliance with the EU Battery Regulation, BYD has actively responded to *the EU Corporate Sustainability Due Diligence Directive, the Regulation (EU) 2023/1542 on Batteries and Waste Batteries*, and relevant legal and regulatory requirements. We have incorporated the requirements for due diligence on key battery raw materials into the *BYD Group's Supply Chain Due Diligence Management Operating Rules*, in order to further improve the supplier due diligence management system. This year, we have accurately identified key materials for battery production by referring to *the OECD Guidelines*, and conducted due diligence on suppliers involved in cobalt, lithium, nickel, natural graphite, and other categories, effectively implementing the requirements for responsible supply chain management.

In terms of labor compliance in the supply chain, we systematically promoted the construction of the ESG management system for the supply chain at Brazil base during this year, conducted compliance risk identification, and implemented special due diligence for suppliers that may have labor compliance risks, in order to ensure supplier labor compliance and the legitimate rights and interests of employees. At the same time, we optimized the supplier access standards for Brazil base, incorporating labor compliance as a core evaluation factor for supplier access and ongoing cooperation, continuously strengthening the management and control of human rights risks in the supply chain, and steadily promoting the sustainable development of the global supply chain.



Responsible Mineral Procurement

We have established a responsible mineral procurement management mechanism in accordance with *the OECD Guidance* issued by OECD, *the Corporate Sustainability Due Diligence Directive* issued by the European Union, as well as the *Guidelines for Responsible Management of China's Mineral Supply Chain* issued by the China Chamber of Commerce of Metals, Minerals & Chemicals Importers & Exporters (CCCMC).

At the supplier access stage, BYD requires suppliers to comply with responsible mineral-related requirements. *Code of Conduct for BYD Supplier* mandates that suppliers establish a responsible mineral procurement management system and due diligence policies, and provide due diligence reports on minerals when requested by BYD. It advocates that suppliers should cascade and supervise the implementation of responsible mineral-related requirements to their sub-suppliers. Additionally, when signing *the BYD Corporate Social Responsibility Survey Form* (CSR), corresponding one-vote veto and deadline rectification items are set to ensure the compliant use of conflict minerals. BYD regularly conducts mineral supply chain investigations on suppliers that use key materials such as tantalum, tin, tungsten, and gold in their products or manufacturing processes, to ensure that the smelters, refineries, and mines involved in the use of mineral elements in the supply chain meet responsible mineral management requirements.

In 2025, based on the Conflict Minerals Reporting Template (CMRT) and the Extended Minerals Reporting Template (EMRT) provided by the Responsible Minerals Initiative (RMI), we developed the *BYD Due Diligence Questionnaire for Key Mineral Suppliers* to conduct due diligence on key raw material suppliers who have business dealings with BYD. In the future, we will continue to expand the scope of due diligence review for responsible mineral supply chains, improve the due diligence mechanism, develop rectification plans for issues identified during the investigation, and supervise the rectification process, promoting and monitoring a closed-loop risk management system.

Integrity in Procurement

BYD continues to strengthen the construction of integrity and honesty in its supply chain, adopting a "zero tolerance" attitude towards corruption in the supply chain. We have formulated *the BYD Company Business Partner Compliance Management Regulations*, encouraging partners to establish their own anti-corruption systems, and have signed *the Anti-Commercial Bribery Commitment of BYD Supplier* with them, clarifying the business ethics and requirements for all employees and suppliers. It is prohibited to directly or indirectly provide any loans, gifts, services, or other payments or other benefits to any company or individual, including BYD employees and their associates, third parties, through supplier staff or any third party.

Focusing on the main links and risk points of procurement, we proactively take measures to prevent and control integrity risks. We clarify the procurement process, achieve information management of key links in the procurement process, and ensure efficient and transparent procurement. We require all employees in procurement-related positions to undergo job rotation as stipulated, and provide integrity training for procurement-related personnel.

Meanwhile, we actively conduct business ethics training and promotion for suppliers through channels such as supplier conferences. During important time nodes like the Spring Festival and Loong Boat Festival, we send out *A Letter to BYD Partners* to reinforce their awareness of integrity and honesty, and strive to build a fair and transparent supply chain system.

If you discover any corruption in BYD's supply chain or need to lodge a complaint related to the supply chain, you can contact us by sending an email to tousu@byd.com. We will keep the information related to the complaint process confidential, and it is strictly prohibited to retaliate against the complainant and other individuals who provide valid information in any form. Violators will be dealt with severely according to company policies, and those who commit illegal or criminal acts will be held legally responsible.

As of the end of the reporting period

the number of smelters and refineries that have obtained RMI certification has exceeded

200

Green Procurement

We adhere to green procurement, establish and improve a green procurement system of "green suppliers and green raw materials", integrate the concepts of environmental protection and resource conservation into procurement activities, explore low-carbon and efficient transportation methods, reduce the use of packaging materials, and advocate the development of a circular economy.

Green Evaluation Mechanism	• According to the characteristics of materials, we require suppliers to provide system certification certificates such as ISO 14001. • Whether the incoming materials from suppliers are free of Hazardous Substances Process Management (HSPM) and whether they have signed the environmental management substance standards are included in the performance evaluation items.
Green Raw Materials	• We use environmentally friendly materials and reduce the use of harmful substances. For example, we gradually replace the materials of car floor mats with TPE floor mats that are formaldehyde-free, environmentally friendly, and odorless.
Green Logistics	• We use environmentally friendly transportation methods and fuels. For example, we promote low-carbon ocean transportation and use clean LNG dual fuels.
Green Packaging	• We promote the use of recyclable logistics packaging materials. For example, we gradually replace the cartons and wooden packaging boxes used in the transfer process of battery pack products with recyclable blister surround panels to reduce resource waste.

Build a Global Green Transportation Network

On September, 2025, BYD and Shenzhen Port Group Co., Ltd. held a signing ceremony for strategic cooperation on green ports. Upholding the development concept of "Technology-driven, Green Port", the two parties plan to jointly establish a laboratory, strengthen cooperation on electrification projects, and enhance cooperation and exchanges in fields such as marine power batteries, port energy storage products, and power sources for deep-sea robots. This aims to consolidate and enhance their market competitive advantages in the field of green ports and accelerate the journey towards a new era of low-carbon transportation.



Signing Ceremony for Strategic Cooperation on Green Ports

Promote Collaborative Development

BYD regards suppliers as close partners. Through communication platforms such as the supplier QBR[39] conference, we guide and encourage suppliers to actively participate in sustainable procurement and promote the upgrading of their capabilities. Meanwhile, we actively promote the localization of procurement layouts to achieve collaborative development and value creation with global industry chain partners.

In 2025

We held **12** supplier exchange conferences

36 supplier technology exchange conferences

Supplier Empowerment Training

We closely cooperate with suppliers, promoting the ESG concept and excellent industry ESG practices through platforms such as supplier conferences to guide and encourage them to actively engage in sustainable procurement actions.

In 2025, we launched a comprehensive supplier quality training program, actively encouraging suppliers to adopt automated equipment and establish a complete automated equipment management system to ensure the stability and traceability of process parameters. Meanwhile, we regularly provide quality training to suppliers, covering topics such as component spot checks, change management, IQS[40] and VDS[41] improvement, on-site service personnel management, and goods release management. We also implement daily layered audits, weekly quality meetings, and monthly on-site visits by dedicated engineers to ensure that products from the source to the final delivery meet strict quality standards, achieving common progress with suppliers.

"Hello, Partners" Supplier Exchange Conference

From May 24th to 25th, 2025, BYD held the "Hello, Partners" supplier exchange conference in the Qidi Hall at the Pingshan Headquarters (Shenzhen), inviting representatives from over 1,200 new suppliers to discuss the new development blueprint. This exchange conference conducted multi-dimensional discussions on key topics of Supply Chain Management, helping suppliers understand BYD's procurement rules and jointly promoting the development of the supply chain.



"Hello, Partners" Supplier Exchange Conference

Promotion of Performance Assessment Rules for Passenger Car Suppliers

On January 8, 2025, we issued notices to 477 key passenger vehicle suppliers to promote the passenger vehicle supplier performance appraisal rules. We explained the grade application and performance degradation trigger conditions, with a focus on the newly added assessment items and tightened rule modules, so as to strengthen suppliers' awareness of quality control.

Presentation of Management Requirements for Passenger Car Suppliers

On February 11, 2025, we presented management requirements to 738 passenger car suppliers, covering topics such as the quality performance of purchased parts, supplier audits and performance assessments, and supplier quality management requirements such as quality targets, new state management, one-process-one-inspection, and rapid response.

Commercial Vehicle Supplier Exchange Conferences

On November 26, 2025, we held an exchange meeting with 77 key commercial vehicle suppliers to conduct dissemination on management requirements such as quality achievements, supplier audits and performance evaluation rules.

[39] Refers to Quarterly Business Review

[40] Initial Quality Survey (IQS) refers to the number of issues that occur with a vehicle during the first three months after delivery to the owner and within the first three months of the owner's use

[41] Vehicle Dependability Study (VDS) refers to the number of problems that occur to vehicles during the ownership period of 1st to 6th year. It uses the number of problems found per 100 vehicles as an indicator, namely PP100

Localized Procurement Layout

BYD is committed to collaborative development with local suppliers and actively promotes the sustainable development of the global supply chain. This year, we successfully held the first BYD Brazil Supplier Recruitment Conference, aiming to tap into more local supplier resources and deepen partnerships with local enterprises. At the same time, we also held supplier exchange conferences in Brazil, Indonesia, and Europe, aiming to strengthen communication and cooperation with suppliers around the world. During the supplier exchange conferences, we conducted in-depth discussions on core issues of supply chain management, shared BYD‘s requirements on supply chain management and supplier behavior norms, emphasized the importance of localizing supply chain construction, and committed to promoting supplier compliance and jointly promoting sustainable business development.

"Driving the Future, Win-win Cooperation" BYD European Supplier Conference

In March 2025, The First BYD Commercial Vehicle European Supplier Conference was successfully held in Budapest.



The First BYD Commercial Vehicle European Supplier Conference

BYD Has Cooperated With Voestalpine, the World's Top Steel Technology Group

In June 2025, Stella Li, Executive Vice President of BYD, and Herbert Eibensteiner, CEO of voestalpine, signed an agreement in Vienna, making Voestalpine the core supplier for BYD's first automotive factory in Europe. Leveraging Voestalpine's local presence in Europe, the two parties have jointly established a local green supply chain in Europe, providing high-quality steel to support the stable operation of BYD's European production base.



BYD and Voestalpine Have Reached a Cooperation Agreement

The First BYD Brazil Supplier Recruitment Event & Supplier Exchange Meeting

On October 10 , 2025, the First BYD Brazil Supplier Recruitment Event was successfully held in Salvador, Bahia.

On October 15-16, 2025, the First BYD Brazil Supplier Exchange Meeting was successfully held at the BYD Brazil factory, marking a solid and crucial step in BYD's localization strategy in Brazil.



The First BYD Brazil Supplier Recruitment Event

BYD Indonesia Supplier Exchange Conference

In November 2025, the BYD Indonesia Supplier Exchange Meeting was successfully held in Jakarta, Indonesia.



Indonesia Supplier Exchange Conference

MORAL-INTEGRITY

BYD always adheres to the business principle of "Moral-integrity" and integrate high-standard business ethics into all aspects of corporate governance and operational management. We uphold the concept of sound operation, continuously optimize the development of the compliance management system through our compliance management system and a strict internal supervision system to ensure the that decision-making is both scientific and transparent. We abide by the business code of conduct, actively establish fair and trustworthy communication with stakeholders, strengthen our information protection mechanisms, and provide strong support for the Group's sustainable development and long-term value.

Goals and indicators responded to in this chapter:
SDGs:



HKEX ESG Reporting Code
KPI-B7.1, KPI-B7.2, KPI-B7.3

SZSE Guidelines
Anti-commercial bribery and anti-corruption; Anti-unfair competition

ESRS
G1-3, G1-4

GRI Standards
2-9，2-10，2-12，205-2，205-3，206-1，207-1，207-2，405-1

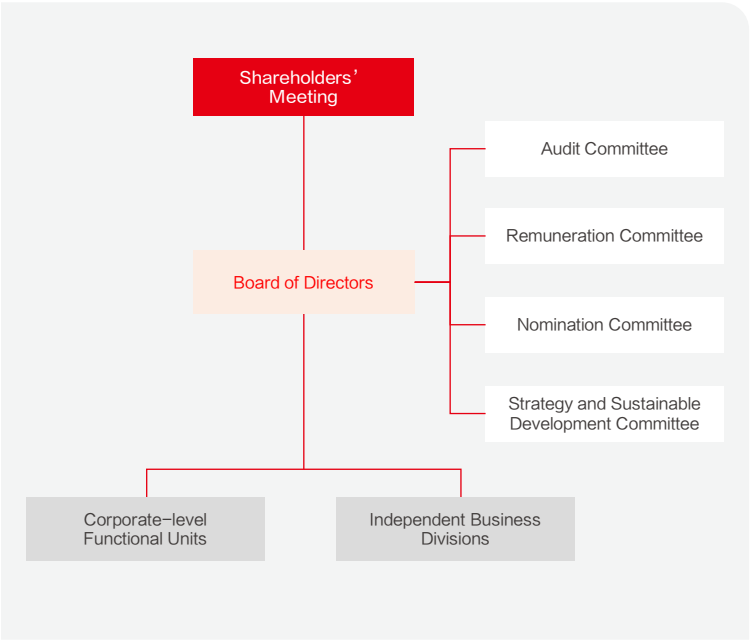
Strengthen the Governance Structure

BYD regards good corporate governance as the cornerstone of the Company's sustainable development. The Company has established a corporate governance structure with clear allocation of rights and responsibilities and effective checks and balances. Through the diversified and professional operation of the Board of Directors, the Company has established a scientific decision-making mechanism to ensure the compliance and resilience of its operations. The Company strictly complies with laws, regulations and normative documents including the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Corporate Governance Guidelines for Listed Companies* issued by the China Securities Regulatory Commission, the *Listing Rules of the Shenzhen Stock Exchange*, and the *Self-regulatory Supervision Guideline No. 1 for Listed Companies of the Shenzhen Stock Exchange — Standardized Operation of Main Board Listed Companies*. The Company also complies with the *Listing Rules of The Stock Exchange of Hong Kong Limited*, the *Corporate Governance Code* of the Securities and Futures Commission of Hong Kong, and the *Securities and Futures Ordinance*, as well as other relevant regulatory requirements. The Company continuously improves its governance mechanisms and enhances the quality of information disclosure to ensure the compliance and resilience of its operations.

Governance Structure

BYD has established a corporate governance structure consisting of the General Meeting of Shareholders, the Board of Directors, and the senior management. It operates in strict accordance with laws, regulations and the *Articles of Association* to ensure that each governance body exercises its rights and performs its duties as required. In 2025, the General Meeting of Shareholders, the Board of Directors, and senior management of the Group all conducted management decision-making and operational supervision in strict accordance with all applicable standardized operational rules and internal policies.

BYD Governance Structure



Responsibilities and Operation of the Board of Directors

BYD strictly adheres to regulations such as *the Articles of Association and the Rules of Procedure for Shareholders' Meetings* in the nomination and election procedures for members of the Board of Directors, and its members are elected by the General Meeting of Shareholders. The company's current Board of Directors comprises 6 directors, of whom 3 are independent directors, which meets the requirements of the *Administrative Measures for Independent Directors of Listed Companies and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited*. The proportion of independent directors on the Board is not less than one-third, and no independent non-executive director serves on the boards of more than three listed companies.

To further implement effective corporate governance, the Board of Directors has established an Audit Committee, a Remuneration Committee, a Nomination Committee, and a Strategy and Sustainable Development Committee. Each committee regularly reports significant matters and professional recommendations to the Board of Directors to assist in scientific decision-making

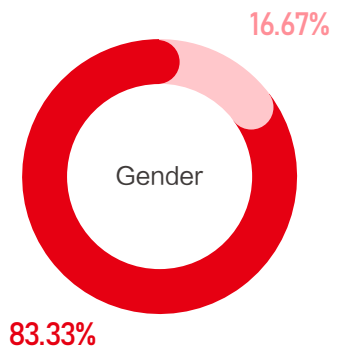
	Audit Committee	Remuneration Committee	Nomination Committee	Strategy and Sustainable Development Committee
Members	1 non-executive director and 3 independent non-executive directors	1 executive director, 1 non-executive director, and 3 independent non-executive directors	1 executive director, 1 non-executive director, and 3 independent non-executive directors	1 executive director, 2 non-executive directors, and 2 independent non-executive directors
Main responsibilities	Review the Group's financial reporting procedures, as well as its risk management and internal control systems.	Regularly review human resources management policies, make recommendations on the remuneration packages, compensation and benefit plans for directors and senior executives, review and/or approve matters related to share plans under Chapter 17 of the Listing Rules, and establish performance targets for the Group's senior management.	Review the structure, size, and composition of the Board of Directors. Provide recommendations to the Board of Directors on selecting candidates for directors and senior management positions, on the appointment and reappointment of directors, and on succession planning. The Committee is responsible for assessing the independence of independent non-executive directors and determining the policy for director nominations.	Conduct research and provide recommendations on the Group's long-term development strategy, major investment decisions, and sustainable development. Discuss the Group's sustainable development strategic plans, expected goals and policies. Supervise the implementation progress of sustainable development strategies and goals, and evaluate sustainability-related risks.

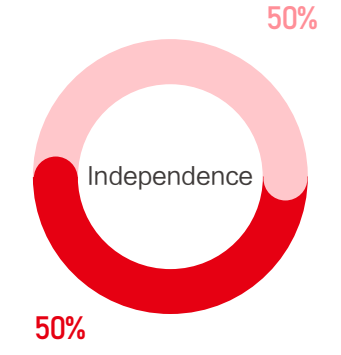
In 2025, in accordance with the *Company Law*, the *Guidelines for Articles of Association of Listed Companies*, and the latest self-regulatory rules of the Shenzhen Stock Exchange, the company systematically revised its *Articles of Association* and 23 governance policies and regulations. The relevant announcements were simultaneously disclosed on the CNINFO website. During the year, the Board of Directors efficiently promoted governance upgrades, convening a total of nine meetings. Motions including the revision of the Articles of Association and the update of the implementation rules for the Strategy and Sustainable Development Committee were reviewed and approved to ensure that the company's governance remains aligned with regulatory requirements at all times, and to continuously enhance the evidence-based and transparency of decision-making.

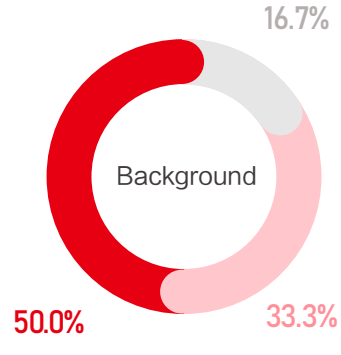
Board Diversity

BYD views board diversity as a key factor in enhancing governance effectiveness. We have formulated a Board Diversity Policy to ensure that the Board of Directors possesses the appropriate mix of skills, experience and diversity of perspectives in line with the Group's business needs.

When determining the composition of the Board, the Board and the Nomination Committee consider diversity from multiple perspectives, including but not limited to gender, age, cultural and educational background, professional experience, skills, and knowledge. Our Board members possess industry-specific skills and professional backgrounds closely related to the company's business, strategic development, risk management, and operational management, covering fields such as manufacturing, risk management, finance, and technology, which ensures that the company can make efficient decisions and effectively address the concerns and expectations of stakeholders.









Strengthen Risk Management and Control

In the face of the complex and ever-changing global business environment, the company has built a holistic risk management system. Through the "Three Lines of Defense" mechanism, we conduct proactive identification and systematic management of emerging risks such as AI applications, information security, and international ESG policies to ensure the stable and long-term development of the enterprise.

Risk Management System

BYD has formulated the *BYD Company Risk Management* based on the ISO 31000 and COSO enterprise risk management frameworks, and established a systematic risk management system. The company has set up a Risk Management Committee, Chairman of the Board and Executive Director of the company serving as the Chairperson of the committee. The members of the Risk Management Committee are including Group Vice President, the CEOs of each business units, and the General Managers of each Business Division. The Audit & Supervision Division is set up as the secretariat.

The Risk Management Committee has set up working groups, which are divided into groups such as human resources, information, intellectual property and legal affairs, procurement, quality, safety & environment, and audit & inspection according to professional fields. Each Business Division identifies and assesses potential risks on a quarterly basis, summarizes the control and monitoring effectiveness from the previous quarter, forms a risk management report, and submits it to the secretariat.

We regularly carry out the annual identification of key risks and update the risk identification list every year in accordance with the risk management process. Through the closed-loop process of "identify-assess-announce-respond-review", we have achieved comprehensive control.

BYD's Three Lines of Defense in Risk Management

First Line of Defense	Second Line of Defense	Third Line of Defense
All Business Divisions	**Relevant Functional Business Divisions, Business Units, and Functional Departments**	**Audit & Supervision Division**
Identify, analyze, and assess risks within their professional domains; formulate risk response plans; and implement key control procedures.	Each working group is responsible for constructing the risk management system, organizing the implementation of control systems, and supervising their execution within their professional fields. They identify, collect, and analyze control deficiencies, propose and implement improvement measures, and promptly report major defects and material omissions to the Risk Management Committee.	As the secretariat of the Risk Management Committee, it is responsible for establishing the company's risk management system, policies, and procedures. The Audit Department conducts supervision and evaluation on risk management, issues regular supervision and evaluation audit reports, and reports to senior management.

The company has incorporated core risk indicators into the performance and incentive systems. The achievement of risk targets such as major production safety, environmental protection compliance, labor and employment directly affects the annual performance assessment of relevant management personnel. At the same time, special financial rewards are given to Business Divisions and individuals who actively identify and effectively resolve major risks, thus aligning risk accountability with incentive mechanisms.

In 2025, we updated *the BYD Company Risk Management Policy*, clarifying its principles and guidelines, and incorporated core ESG topics into the Group's integrated risk management framework. We conducted targeted training on risk management principles across the organization, along with two specialized sessions on risk management and internal controls for all Board members.

Risk Identification and Response

With the in-depth advancement of the group's internationalization strategy, the scale of overseas business continues to expand, and the production capacity deployment is accelerating. Facing the complex and ever-changing domestic and international political and economic environment, we have built a systematic risk identification and assessment mechanism.

Based on the observation and judgment of the global political and economic situation and combined with the on-the-ground information from our global operation network, we actively identify and scientifically evaluate the following three industry-specific and emerging risks:

Risk Name	Artificial Intelligence (AI) Risk (Technology Risk)	International ESG Policy Risk (Policy Risks)	Information Technology (IT) Security Risk (Technology Risk)
Risk Description	Currently, the algorithm architecture of the Urban Navigation Assisted Driving (NOA) function in the industry tends to be end-to-end and similar models, and their performance largely depends on the training of large-scale, high-quality annotated data to achieve accurate classification and trajectory prediction of various targets in the driving environment. If the training data has limitations in geographical distribution or coverage of low-frequency or long-tail scenarios, the assisted driving system may have identification errors in complex or rare road conditions, leading to missed detections or false positives.	The *Corporate Sustainability Reporting Directive* (CSRD), the EU *End-of-Life Vehicles Directive* (ELV), and anti-forced-labor laws have respectively elevated sustainability disclosure, product life-cycle management, and supply chain human rights due diligence to statutory mandatory obligations. If the Company's ESG data management, supply chain traceability, and cross-border compliance mechanisms fail to cover the entire chain from design, procurement, and production to recycling, the Company may face future compliance risks arising from incomplete disclosure, a recycling rate below the prescribed threshold, or insufficient evidence of human rights due diligence.	As the intelligence level of the vehicle increases, information such as vehicle operating data, external imagery, in-cabin biometric data, and high-definition map segments is preprocessed at the vehicle end and uploaded to the cloud via the vehicle's communication module as needed. If the data encryption intensity, authentication and access controls, or cross-border data transmission protocols do not comply with relevant Chinese laws and regulations and the requirements of overseas host countries regarding data localization, export assessment, and anonymization requirements, the enterprise may face potential risks such as data interception, non-compliant data export approvals, forced data retrieval by overseas regulatory agencies, or compliance penalties.
Risk Impact	Errors or malfunctions in the intelligent assisted driving algorithm may induce functional anomalies, raising doubts among regulatory agencies and the market about the product's compliance. In extreme cases, it may trigger a vehicle recall, resulting in direct economic losses and damage to the company's brand reputation.	After the CSRD, ELV, and Forced Labor Regulation come into effect, if an enterprise fails to meet the mandatory obligations, it may face regulatory investigations, fines, product sales prohibitions, market access restrictions, higher financing costs, and damage to its brand reputation. This may further have a negative impact on its operating income, profit margin, and ability to obtain capital.	Deficiencies in data security and cross-border transmission compliance will directly lead to additional expenses for encryption solution upgrades, compliance audits, and legal expenditures. Moreover, regulatory penalties or a decline in market trust may cause further economic losses and damage to the company's brand reputation.
Response Measures	• Rely on advanced algorithms and adopt a multi-sensor fusion solution of cameras, lidars, and millimeter-wave radars. Through perception redundancy and cross-validation, comprehensively improve the accuracy and reliability ceiling of the perception system. • Rely on the edge case simulation test library to strengthen the extreme scenario training of the autonomous driving AI system. • Build a multi-level fault safety protection mechanism. When the intelligent assisted driving system detects abnormal perception, fails in decision-making, or has hardware failures, the function degradation process is automatically triggered to switch to the minimum risk operation mode, avoiding accident risks through operations such as automatic deceleration, turning on hazard lights, and pulling over safely. • An emergency response process for abnormal problems in intelligent assisted driving has been established, and relevant defects in the intelligent assisted driving system can be quickly repaired through remote OTA upgrades.	• Since 2024, established a dedicated ESG department to address overseas ESG policy and regulatory risks, proactively aligning with ESG regulations such as the CSRD, upgrading the ESG indicator system, and improving information transparency and disclosure quality. • Promoted the development of ESG systems at all overseas production bases to strengthen the capacity for responding to overseas ESG compliance risks. • Incorporated sustainable and human rights due diligence into the full lifecycle management of suppliers, and strengthened integrated management of supply chain traceability and compliance data.	• Continuously conduct information system security scanning, reinforcement, and data security audits to ensure the security of data processing and storage. • Monitor security events in real time and manage them through closed-loop processes. • Establish and conduct drills for a data security emergency response plan.

Risk Control in Product Development

We integrate risk management throughout the entire product development lifecycle and have established a systematic risk control mechanism covering whole-vehicle and component projects. We have embedded standardized risk control procedures in various product development processes and management systems to ensure product safety and compliance.

Risk Management Planning	Risk Identification	Risk Assessment	Risk Response Planning	Risk Response Implementation	Risk Monitoring and Escalation
Develop plans based on project difficulty, scope, and schedule. Use the Risk Breakdown Structure (RBS) to categorize risks into three groups: "Project Management, Solution & Technology, and External Environment."	Conduct risk workshops at project initiation to identify all potential risks in one go through methods such as brainstorming, RBS, and risk checklists.	Rate each identified risk based on a probability and impact matrix, providing a unified scale for subsequent decision-making.	Select appropriate response strategies according to the risk rating. Implement a dual-track risk escalation mechanism that operates through both the "project line" and the "functional line."	Execute the defined risk response measures, documenting and updating risk status in real time.	Continuously monitor risk status, organizing risk workshops when necessary or escalating to senior management for support.



Deepen Compliance Management

BYD adheres to the principle of compliant operations and has established a compliance management framework and internal control system with clearly defined roles and responsibilities. Through systematic cultural cultivation and independent audit and inspection, we internalize compliance requirements into the conscious actions of all employees to ensure sustained and stable operations. We continuously strengthen internal control management, integrate the compliance concept into corporate culture and business processes, and build a comprehensive compliance system involving all employees.

Compliance Management Framework

We have established a Compliance Committee and formulated and issued the *BYD Company Compliance Management* to strengthen corporate governance and ensure the compliance of business activities. The Chairperson of the Compliance Committee is the Chairman of the Board and Executive Director of our company's Board of Directors, who is responsible for determining the group's compliance policy and overall goals; the members of the Compliance Committee are the CEOs of each business unit and the General Managers of each business division, who are responsible for reviewing procedures and documents formulated to achieve compliance objectives.

The Compliance Committee has a secretariat under it, which is responsible for organizing the establishment of the compliance management system, formulating the annual compliance management plan, establishing a compliance reporting and investigation mechanism, and supervising and evaluating compliance efforts; various business units and business divisions have established relevant compliance working groups according to their specific circumstances to implement the compliance review and decision-making mechanism in the daily management process. Meanwhile, we link compliance and code of conduct management with the compensation and performance of management and relevant responsible personnel to enhance the effectiveness of compliance management.

Cultivate a Compliance Culture

We have issued the *BYD Company Compliance Code of Conduct* to provide guidance for employees' daily conduct and enhance the compliance awareness across the workforce. At the same time, we actively emphasize the promotion of a compliance culture, conduct compliance training for newly recruited employees to help them quickly understand the Group's compliance requirements; conduct specialized legal and compliance training for employees in critical areas, key positions, and crucial process stages to guide employees put compliance concepts into practice; develop an e-learning course on personal data compliance, which is open to all employees on the Group's internal platform, and launch the WeChat official account "BYD Legal Knowledge Online" to publish articles related to compliance management.

Internal Control

BYD has formulated the *BYD Internal Control Policy* and established an Internal Control Committee. The President serves as the Chairperson of the Committee, the General Manager of the audit & supervision division acts as the Secretary-General, and Vice Presidents along with Business Unit CEOs/General Managers serve as members. The audit & supervision division carries out routine and ad-hoc supervision in compliance with the Listing Rules, investigates employee complaints and anti-corruption cases, and prepares an annual self-assessment report on the effectiveness of internal controls. This Annual Internal Control Self-Assessment Report is disclosed to the public following review and approval by the Committee. In 2025, no incidents of conflicts of interest, money laundering, or insider trading violations occurred at BYD.



Abide by Business Ethics

Integrity is the foundation of the company. We maintain a zero-tolerance stance towards corruption, monopolistic practices, and unfair competition. Through a robust institutional framework, ongoing integrity education, and accessible reporting channels, we are committed to fostering a clean and upright business environment.

Anti-Monopoly and Fair Competition

BYD abides by the market principles of fair competition and free competition, strictly complies with applicable anti-monopoly laws in all jurisdictions in its global business activities, and is committed to maintaining an open and transparent market order. The company has established a dedicated anti-monopoly compliance team, which regularly reports to the management, and has established an anti-monopoly compliance management system that spans both domestic and overseas operations and covers all scenarios; through ongoing anti-monopoly compliance training, an anti-monopoly compliance culture has been formed.

We continuously improve anti-monopoly compliance management, formulated and issued the *BYD Company Management Provisions on Anti-Monopoly and Fair Competition Compliance* and a number of scenario-specific anti-monopoly compliance guidelines, and dynamically update and iterate them as regulations change.

We have established an anti-monopoly compliance management mechanism covering the entire business process, which runs through all links such as decision-making, execution, supervision, and feedback, enabling multi-party coordination and tiered control. At the same time, we have established specific risk assessment standards and procedures, defined risk levels, and established and implemented corresponding risk prevention and control measures according to different levels.

To strengthen the anti-monopoly and fair competition awareness of all employees, we have built a systematic and professional anti-monopoly compliance training system:

01 Empowerment System

Develop practical compliance training programs to ensure that the training is closely aligned with the responsibilities of each position, covering the entire business process.

02 Diverse Formats

Adopt flexible forms such as offline lectures, online legal literacy courses, and compliance awareness articles.

03 Global Perspective

Provide overseas business personnel with anti-monopoly compliance training relevant to their respective jurisdictions to address global compliance challenges.

In 2025, BYD had no litigation cases involving violations of anti-unfair competition, antitrust, or relevant anti-monopoly laws.

Construction of the Integrity System

BYD strictly abides by relevant laws and regulations of the countries and regions where it operates, such as the *Interim Provisions on Prohibiting Commercial Bribery*, and international conventions such as the *United Nations Convention Against Corruption*, and has zero tolerance for any form of corruption, bribery, and fraud. During the reporting period, BYD had no illegal behaviors such as corruption, bribery, or fraud that could have a significant impact on the Group's operations.

The Board of Directors assumes the ultimate supervision responsibility for business ethics and anti-corruption governance. It authorizes the Compliance Committee to conduct daily supervision of matters such as business ethics and anti-corruption and review supporting systems. The audit & supervision division, as the designated anti-corruption function of the company, independently conducts audit and inspection work and reports directly to the Compliance Committee. No department or individual is allowed to interfere, ensuring the independence, objectivity, and authority of anti-corruption and other audit and inspection work.

Based on relevant laws and regulations, international standards, and business practices, we continuously improve the anti-corruption system to ensure that there are standards for execution, procedures for investigation, and a basis for disciplinary action. In 2025, we revised the Regulations on *the Economic Conduct Guidelines for Managers of BYD Company*, *the Measures for Integrity Rewards of BYD Company*, the *Punishment System of BYD Company*. The Group's audit & supervision division conducts special reviews on key risk areas and important business links every year to strengthen anti-corruption measures.

We have formulated the *Group Regulations on Management of Departure Audits*, the *Regulations on Management of Rotation of Procurement Positions of BYD Company*, and the *Notice on Management of Rotation of SQE Positions* to implement key control over high-risk positions such as those with personnel power, procurement power, financial authority, and key information power.

Mandatory Position Rotation

High-corruption-risk positions such as procurement and SQE implement a "three-year rotation" policy. At the expiration of the term, employees are mandatorily rotated to sever potential conflicts of interest, effectively preventing the breeding of corruption and enhancing compliance management.

Post-Tenure Audit

The system identifies and selects the heads of departments and above and positions with high corruption risks such as procurement, sales, projects, personnel, and R&D as audit objects, and conducts post-tenure audits according to the approved plan.

We have formulated the *Regulations on Inspection Management of BYD Company* and conduct a cycle of inspection audits (including anti-corruption audits) of the entire group every two years. We also carry out special audit work covering the entire group, such as in procurement, R&D, and quality. This year, through inspection audits and special audits, we identified multiple business risks and problem points in the procurement, assets, production, R&D, quality, planning, and sales of business units. After urging the implementation of prevention and control measures, we improved the Company's overall risk management and compliant operations. In 2025, the Audit & Supervision Division completed inspection audits of 6 Business Divisions/Groups.

We have formulated and issued the *Regulations on Accountability of BYD Company*, incorporating the fulfilment of anti-corruption oversight duties into the performance evaluations of management personnel. At the same time, the company links the anti-corruption situation of each business unit with the annual performance bonus, adjusting Business Division performance based on the amount of penalties determined by courts to urge all employees in business units to fight against corruption.

For employees who violate the integrity discipline, we will strictly hold them accountable according to the rules and regulations, terminate their labor contracts, and enter their information into the BYD blacklist inquiry system. In 2025, we investigated and dealt with 343 seriously violating employees. Those whose serious circumstances are suspected of violating laws and committing crimes will be firmly handed over to the judicial authorities for handling.

We require all partners to sign the *BYD Supplier Anti-Commercial Bribery Commitment*. For suppliers that violate the regulations, we will hold them accountable in accordance with the contract or the integrity cooperation agreement, such as deducting liquidated damages, canceling the cooperation qualification, and placing them on a partner blacklist. We are committed to jointly building an honest business environment with our partners. In 2025, a total of 12 suppliers had their cooperation with BYD terminated due to violating relevant integrity cooperation agreement.

Reporting Mechanism

We advocate "Everyone fights against corruption, and everyone supervises". We have established clear, timely, and effective reporting channels to receive reports from internal and external stakeholders such as employees and people from external units on business ethics and anti-corruption. As the centralized management department for the company's integrity reporting, the audit & supervision division has dedicated staff and dedicated lines to accept reports submitted via phone, email and WeChat official account, and conduct simultaneous investigations to ensure that cases are handled efficiently, in a standardized manner, and fairly. Once the violations are confirmed, the company will handle them seriously in accordance with regulations and refer them to judicial authorities as necessary. In January every year, during "Integrity Month", we conduct centralized training for all employees, so that everyone can use the reporting channels and consultation and assistance requests receive immediate responses.

In 2025, we updated and released the *BYD Company Regulations on Whistleblower Protection and Rewards*, carried out targeted training in each business unit, and conducted online thematic publicity within the company. We encourage all employees, partners and any other informants to report corruption, accept anonymous reports, and implement strict confidentiality in all links such as case acceptance, registration, investigation and storage. We have taken multiple measures to ensure the security of the whistleblower's information and the content of the report.

BYD Reporting Channels

Tel +86 0755-89888888-62407

Email tousu@byd.com

WeChat Official Account Lianjie BYD

BYD Whistleblower Protection Measures

Closed-loop Online Processing

An online management system has been developed to centralize all reporting information for closed-loop handling.

System Access Management

Only the General Manager of the Audit & Supervision Division has access to all complaints, and grants investigators access for follow-up.

Acceptance of Anonymous Complaints

During investigations, complainants can contact investigators using anonymous email or telephone numbers.

Strict Prohibition of Retaliation

It is strictly prohibited for any employee to retaliate against whistle-blowers and other leads. Violators will be dealt with strictly, and those who violate the law will be held legally accountable in accordance with the law.

We have formulated and released the *BYD Company Regulations on Internal Investigation Management*, the *BYD Company Regulations on Inspection Management* and the *BYD Company Regulations on Internal Audit Management*, clearly defining the authority, scope, procedures and handling requirements for case investigations to ensure that the investigation work is legal, compliant and efficient.

After the reported incidents are verified, the company will issue bonuses to the whistleblowers based on the nature, severity and amount of the cases. For external units involved in the cases that actively report their corruption information to the company, cooperate actively in the investigation and promise not to repeat the offense, we will consider retaining or continuing cooperation on a case-by-case basis. At the same time, the company has established an integrity account for employees to voluntarily hand over any improper benefits or discounts received, providing employees with opportunities for self-inspection, self-correction, and relief from liability.

Integrity Publicity and Education

We attach great importance to the construction of integrity culture and conduct integrity training for all employees. We require new employees to receive integrity training after joining the company. Each business department needs to hold integrity training regularly and irregularly, with a focus on the awareness efforts in sensitive positions. At the same time, we also continuously spread integrity culture through articles on the WeChat official account to create an atmosphere of "Everyone fights against corruption and everyone supervises".

We seriously punish acts of fraud and corruption, and at the same time hold accountable acts of dereliction of duty such as inaction and abuse of power. The senior leaders of each business unit will invite the staff of the audit & supervision division irregularly to conduct integrity culture training and examinations for the management of their own business units to strengthen the promotion of integrity.

We require all employees to sign an integrity agreement, and require management personnel to sign the *Integrity Commitment Letter*. When the relevant integrity systems are revised, we will arrange for management personnel to learn the new systems and organize corresponding examinations to ensure that they fully master the content of the systems.

In 2025 the coverage rate of integrity training for new employees in management positions was **100%**

"Integrity Month" Series of Awareness Activities

We designate January of each year as the "Integrity Month" and carry out a series of integrity publicity and education activities, such as a series of integrity statements by senior management, to continuously strengthen the compliance and integrity awareness of all employees from top to bottom.



Compilation of Anti-Corruption Case Studies

Since September 2023, the company has compiled and printed an issue of the *Compilation of Typical Anti-Corruption Cases* every two months, compiling the typical cases that have been investigated and cross-referencing them with relevant policy clauses. Using cases to illustrate compliance requirements and serve as warnings, it is regularly submitted to the management to help identify management loopholes and integrity risks, strengthen supervision and continuously improve.



Tax Strategy

In business operations, BYD strictly adheres to relevant tax laws and regulations in the countries and regions where it operates, such as the *Enterprise Income Tax Law of the People's Republic of China*, as well as international tax standards of the Organization for Economic Co-operation and Development (OECD), ensuring tax compliance and transparency. We assign relevant department personnel to be responsible for daily tax-related work, such as regular tax filings. We continuously monitor changes in tax-related laws and policies in each operating region and adjust the handling of tax-related matters accordingly.

In 2025 The total domestic tax payment was **RMB 53.3 billion**



Ensure Information Security

BYD attaches great importance to the information security of both the Group and its customers. We strictly complies with laws and regulations such as the *Cybersecurity Law of the People's Republic of China* and the *Data Security Law of the People's Republic of China* and has built a high-standard and comprehensive data security management system to solidify the security foundation for serving domestic and international customers. In 2025, no data security incidents that caused significant property losses to the company occurred at BYD[42].

Information Security Governance Structure

BYD has established a three-level linked governance structure of "decision-making - management - execution" layer, forming a networked responsibility system covering the entire group.

Decision-making layer

An Information Security Management Committee is established reporting to the Board of Directors, consisting of the company's Chairman and President, the CEOs of each business unit, and the General Managers of each business division. It is responsible for the strategic decision-making and oversight of the Group's information security.

Management layer

In July 2025, we officially released the *Group Information Security Management Manual* and appointed a Chief Information Security Officer (CISO), who is fully responsible for the operation and continuous improvement of the information security management system and reports to the Information Security Management Committee.

Execution layer

Each Business Division has established an Information Security Executive Committee to ensure the implementation of the information security strategy and reports to the Group's Chief Information Security Officer (CISO).

Data Lifecycle Management

This year, we comprehensively upgraded the data governance system, released the *Group Information Security Data Asset Classification and Grading Specification*, classifying data uniformly into five security levels, and introduced the supporting *Group Information Security Data Lifecycle Management Procedure* and the *Technical Guide for Data Classification and Control*.

Full-scenario Coverage

Control measures cover the entire process from data collection, transmission, storage, exchange, processing to destruction.

Differentiated Technical Control

It is accompanied by differentiated technical control measures such as identity authentication, authorization approval, encryption, anonymization, backup, and emergency drills.

Graded Management

Technical specifications such as the *Group Data Access Permission Management Specification*, the *Group Data Encryption Management Specification*, and the *Group Data Desensitization Management Specification* have been released to specify data types and corresponding control technologies for each level.

Supply Chain Extension

The data security responsibilities and obligations of suppliers are clearly defined in the *Code of Conduct for BYD Supplier*, extending the control boundary to all partners.

[42] Major Events are information security incidents classified as Level II or above according to the *Group Information Security Incident Management Procedure*. Such incidents have significant consequences for the entire company and severely impact the company's brand image

Security Defense and Certification

BYD has established a systematic information security risk assessment and defense mechanism, covering all risk items in important areas. It regularly identifies and assesses information security risks every year and formulates targeted response plans.

BYD's Information Security Management Practices

Dynamic Monitoring	• Introduce external tools such as vulnerability scanning, code auditing, and IAST to conduct regular vulnerability scans during development and daily operation and maintenance. Perform vulnerability scans on core systems at least once every six months, and on important and general systems at least once a year.
Go-live Admission	• All new systems must pass a security assessment before going live or undergoing version changes.
Practical Drills	• Engage external professional red teams to conduct network attack and defense drills every year.
Annual Audit	• Conduct information security audits down to the Business Division level every year.
Incident Reporting	• The *Group Information Security Incident Management Procedure* clarifies the reporting process, classification standards, and accountability for information security incidents.

In 2025, we participated in the national network defense exercise. Through round-the-clock monitoring, rapid analysis, and timely handling, we successfully blocked the network attacks, identified the source of the attack, timely discovered and patched system security vulnerabilities, and effectively tested our emergency response capabilities for protecting company and customer data security.

We continue to promote the information security system certification work. Multiple Business Divisions/Groups have obtained certification, and we will continue to expand the scope of certifications.

Information Security Certification Types	Cumulative Coverage in 2025
ISO 27001	8 Organizations
TISAX	4 Organizations
ISO/SAE 21434	5 Organizations
ISO 28000-C-TPAT	2 Organizations
UN R155	2 Organizations
UN R156	2 Organizations
Information Security Classified Protection Level 3 Assessment	16 Organizations
Data Security Management Capability Certification	1 Organization

Information Security Training

BYD has incorporated information security and cybersecurity compliance requirements into the *Group Information Security Employee Behavior Code* and included them in the performance assessments of all employees. In 2025, information security training reached 99.87% of employees Group-wide, with a perfect score rate of 99.41% among participants.

This year, we conducted data security training focused on key topics, including "Data Security Classification and Control," "Data Encryption, Masking and Anonymization," "Data Security Risk Assessment," and "Information Security Management System Regulations and Audit Training." Additionally, we carried out 56 specialized training sessions on personal data compliance practices, with a total of 72,950 employee participations recorded. We also published 7 data compliance articles to further reinforce awareness and guidance.

At the same time, security awareness articles such as *Above Code, Empowered by Safety and The Silver Fox Trojan Horse Strikes Again, Stay Vigilant* were published on the corporate WeChat official account to continuously strengthen overall data security and threat prevention awareness among all employees.

SHARED-VALUE

BYD is committed to the mission of "sharing development achievements with shareholders, customers, employees, and society at large" and integrates social responsibility into its corporate development strategy. It drives shareholder value through continuous technological innovation, empowers customers' green mobility with high-quality new energy products, and enables employees to thrive on a safe, inclusive, and growth-oriented platform. On this basis, we extend the industrial chain to rural areas, introduce zero-emission transport solutions to cities, channel educational, medical, and disaster relief resources into communities, and integrate environmental protection into every aspect of production and life. We promote coordinated advancement of business growth, shareholder returns, customer value, employee well-being, and social benefits, and work with all parties towards a sustainable future.



Targets and metrics in this chapter



HKEX ESG Reporting Code
GD-B8, KPI-B8.1, KPI-B8.2

SZSE Guidelines
Rural Revitalization, Social Contribution

ESRS
S3-1, S3-2, S3-3, S3-4, S3-5

GRI Standards
203-1，203-2，413-1，413-2



Create Value for Shareholders

BYD places high importance on the protection of shareholder rights and interests. Guided by the concepts of steady operations and an innovation-driven approach, we are committed to creating sustainable value for shareholders. We have established a sound investor rights protection system. By establishing a diversified communication mechanism, implementing stable dividend policies, and ensuring the timeliness and integrity of information disclosure, we earnestly safeguard the legitimate rights and interests of investors, so that they can access key decision-making information and share in the benefits of the Company's high-quality growth.

Investor Communication

We have established a multi-dimensional and comprehensive investor communication framework. We maintain effective and in-depth communication with shareholders and investors through general meetings of shareholders, earnings presentations, investor research meetings, routine emails, and telephone inquiries, continuously enhancing the transparency of the Group's operations and market trust.

Shareholder Returns

We are committed to continuously optimizing the shareholder return mechanism to ensure that the rights and interests of minority shareholders are treated fairly and to share the value of the Company's growth with all shareholders.

In terms of equity distribution, the Company's 2024 equity distribution plan was reviewed and approved at the 2024 Annual General Meeting held on June 6, 2025. The specific plan is as follows: Based on the total share capital of 3,039,065,855 shares (including 1,811,265,855 A shares and 1,227,800,000 H shares), the company will distribute a cash dividend of RMB 39.74 per 10 shares (tax inclusive) to all shareholders, with a total cash dividend of approximately RMB 12,077,248 thousand. In addition, a bonus share issue of 8 shares for every 10 shares held, and a capital reserve conversion of 12 shares for every 10 shares held.

Category	2021	2022	2023	2024
Total capital stock on which the distribution is based (share)	2,911,142,855	2,911,142,855	2,909,265,855	3,039,065,855
Basic earnings per share disclosed in the annual report (RMB)	1.06	5.71	10.32	13.84
Amount of equity per share (RMB)	0.105	1.142	3.097	3.974

Zhengzhou Track Open Day: Empowering Minority Shareholders with Immersive Product and Technology Experience

On September 14, 2025, BYD hosted the "Driven by Voices, Meeting the Extraordinary" Shareholder Appreciation Exchange at the Zhengzhou Circuit, engaging in in-depth communication with nearly 30 minority shareholder representatives. On the day of the event, the Company visited Zhengzhou Di Space and provided an immersive experience of the circuit. Through slalom driving, off-road driving, and track test-drive activities, shareholders gained firsthand experience of the handling capabilities and quality commitment of "Technology BYD."

After the test drives, the Board Secretary and the Deputy General Manager of DENZA delivered a thematic presentation on topics including premiumization and internationalization, and answered shareholders' questions on brand after-sales services, the Company's overseas expansion, and R&D investment on site. Going forward, BYD will continue to deepen transparent communication with minority shareholders and work with all shareholders to share the fruits of high-quality development.



Shareholders Immersed in the Zhengzhou Circuit Experience

Create Value for Customers

BYD is committed to transcending the physical boundaries of product delivery and creating value for customers by building rich user communities and interactive platforms. Based on the characteristics of different brands and models, we create online-offline integrated interest communities and cultural activities. Through diverse user community activities, we connect car owners, share lifestyles, and expand the boundaries of their life experiences. At the same time, we extend the means of transportation into a carrier of emotional connection and value resonance, continuously improving customers' quality of life and happiness.

Construction of Diverse Communities

BYD provides users with communication spaces to share practical content such as driving skills, energy-consumption optimization, and maintenance knowledge by building online platforms such as brand-exclusive fan groups, interactive communities, and car-owner homepages, helping users solve car-using problems and improve travel efficiency. In addition, we offer exclusive benefits to enhance users' sense of belonging and strive to form a healthy user ecosystem centered on value interaction.

With BYD CLUB as the core IP, we build a three-level fan system of "national regions-local car clubs-vertical communities", establish management standards for car clubs, and output clear full-process specifications for event planning, safety assurance, and effect feedback to the presidents of 64 car clubs across the country, enabling the compliance and orderly self-governance of user communities.

Special Public-welfare Activities — Co-creating a Green Future With User Groups

BYD takes the construction of user communities as an important way to fulfill social responsibilities and deepen brand value. We divide the core fan communities based on the five major regions of East China, Northwest China, South China, North China, and Central China, and assign exclusive operation teams to each region. We formulate differentiated and refined activity plans in combination with local resource endowments and ecological characteristics.

In 2025, each region carried out a series of themed public-welfare activities around local ecological issues. The East China region focused on the protection of the Yangtze River Delta wetlands, and the Southwest region emphasized the ecological restoration of karst landforms. These activities strengthened the emotional connection between users and the brand, transformed car owners into active participants in green actions, and promoted the fan communities from interest-based communities to partners for co-creating value.

At the same time, we invite influential fan KOCs to share their experiences of participating in various public-welfare activities and low-carbon car-using skills through short videos, pictures, and texts.

Through systematic regional operation, BYD has successfully built a sustainable development ecosystem centered on users, extending the concept of sustainable development from the enterprise Aspects to car-owner communities and achieving in-depth integration of social responsibilities and user co-construction.



Carry out Themed Philanthropy Activities with User Communities as the Carrier

Co-create Event Experiences

BYD uses diverse user activities as a carrier to create a stage for users to showcase and communicate, promoting life sharing and emotional connection among users. We encourage users to use products as a carrier to expand their experiences into co-creation of lifestyle, enabling users to gradually transform from simple product users to participants in brand co-construction, and realizing the value deepening from "product delivery" to "Ecosystem Co-construction".

2025 Fan Carnival-A Date of "Belief"

On August 15, 2025, BYD held its annual fan carnival grandly at the Zhengzhou Race Track, aiming to strengthen the in-depth connection with users. With the theme of "Belief", this event created an exclusive brand gathering for car owners and fans from all over the country through diverse immersive experiences.

The event set up interactive sessions such as all-terrain dynamic experience, racing simulation, and creative modified car display, allowing participants to personally feel the hardcore performance of the products and the brand's technological strength. In the "Fan Night" session, special guests and user representatives shared their personal stories. From the perseverance of engineers to the global travels of car owners, every story between them and BYD is an emotional bond for the common growth of users and the brand.

This fan carnival is a vivid manifestation of the brand's practice of the concept of "user first". By creating high-quality communities and fan activities, we invite users to become partners in brand building, enhancing users' sense of belonging and cohesion in joy and resonance, and strengthening long-term user relationships based on trust and common values.



The 2025 BYD Fan Carnival Concluded Warmly

"Dialogue with the World" Photography Contest-Freeze Humanistic Images and Co-create a Beautiful Life

In October 2025, the "Dialogue with the World" BYD CLUB Car Owners' Cup Photography Contest hosted by BYD came to a successful conclusion. The event invited car owners to create works around four themes: "Journey, Tenderness, Moment, and Light and Shadow", attracting a total of 9,884 users to participate and collecting 116,869 works.

The contest invited experts from the China News Photography Society and company representatives to form a jury. With the emotional expression and life insights of the works as the core review criteria and adhering to the principle of "no technical threshold", it encouraged all BYD car owners who sincerely feel life to share the beauty they see. We use photography as a guide to let car owners freeze the little moments of life with their cameras and convey their love, and build a sense of belonging through communication and sharing, thus constructing a warm brand community ecosystem.

Technology provides the confidence to go far, and humanity adheres to the original intention of freezing the beauty. More than 110,000 image works condense the slices of the era from the perspective of ordinary people, jointly outlining the life picture of contemporary Chinese car owners, reflecting beauty and hope in ordinary daily life, and engraving the warm marks of the era. In the future, BYD will, as always, take technology as the wing and humanity as the core, cherish every moment of life, and join hands with users to embark on a beautiful new journey.



Poster of the "Dialogue with the World" BYD CLUB Car Owners' Cup Photography Contest

Create Value for Society

BYD has embedded "Tech for Good" into its corporate DNA. By focusing on community impact and social philanthropy, the company makes sustained investments across multiple areas of social concern, including community co-building, support for vulnerable groups, inclusive education, disaster relief, medical donations, employee volunteering, and environmental advocacy—translating corporate responsibility into tangible action. In 2010, BYD donated funds to establish the BYD Philanthropy Fund, a national private charitable organization. The foundation consistently upholds the purpose of "Assuming Social Responsibility, Co-creating a Better Life" and adheres to the principle "Starting with Love, Making Change More Powerful." It is dedicated to philanthropic undertakings such as educational support, disaster relief, and aiding those in hardship—strengthening educational development, providing support on the front lines of disaster response, and bringing hope to vulnerable groups.

In 2025

The total donation expenditure reached RMB

157.233 million

Community Impact

We clearly commit to respecting the *United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP)* and strictly adhere to the principle of Free, Prior and Informed Consent (FPIC) in projects that may involve indigenous land, resources, and cultural rights. We are deeply aware of the close connection between the enterprise and the community. In promoting social sustainable development, we always focus on community well-being. Through means such as creating job opportunities, technology empowerment, disseminating knowledge, and resource support, we help the community develop and progress, further expanding our positive impact on the community. We are highly attentive to the potential negative impact on the community, actively communicate with the community, and take multiple measures to manage risks, striving to achieve a balance between economic benefits and environmental and social responsibilities, and comprehensively supporting the global sustainable development goals.

Community Communication

BYD considers community management a key component of its sustainable development strategy and is actively promoting the development of community management policies. We are committed to identifying, assessing, and managing community-related impacts, risks, and opportunities through a systematic mechanism to achieve synergistic and mutually beneficial development between corporate growth and community well-being. We attach great importance to potential risks to communities, strive to conduct business activities in accordance with the principle of minimizing negative community impacts, and in many areas adopt standards that exceed regulatory requirements.

We proactively establish regular communication mechanisms with community management bodies, regularly liaise with and understand local government social development plans to ensure precise alignment between our projects and community needs. We conduct in-depth research on local socioeconomic conditions, diagnose gaps in public services, and provide localized insights for the design of social responsibility initiatives. Furthermore, we maintain open feedback channels such as open days, hotlines, and social media, implement a closed-loop issue tracking system, and promptly respond to and address community concerns, thereby fostering deeper integration between our operations and community development.

Site Selection Phase

We give full consideration to the protection of natural resources such as water, plants, and animals, implement conservation and compensation measures, and avoid areas with high environmental carrying capacity for new projects. We also assess the distribution of surrounding residential areas to prevent any impact of production processes on neighboring communities.

Operations Phase

We continuously iterate and improve process technologies to reduce pollutant emissions, promote the recycling and reuse of waste materials, and minimize disruption to the surrounding community's environment and daily life caused by production activities.

Oversight Mechanism

For significant negative impacts, we have established multiple reporting channels. Affected community members can report inappropriate or illegal conduct through hotlines, email, official social media accounts, and our corporate website. We will take appropriate remedial measures in response. For further details regarding our reporting mechanism, please refer to Chapter 5 *Moral-integrity*.

Community-Themed Workshops Launched at Camaçari Plant in Brazil —— Enhancing Dialogue with Local Communities

In 2025, guided by the 17 Sustainable Development Goals (SDGs), the BYD Camaçari Plant in Brazil organized six themed workshops on social and environmental topics in response to local community needs in income generation, food security, and environmental education. The workshops covered practical skills such as handmade soap production, eco-friendly crafts, vertical gardening, and reuse of discarded materials, effectively enhancing residents' sustainable livelihood capacities and ecological awareness.



Community Activities at the BYD Camaçari Plant in Brazil

Domestically, we have expanded our community engagement framework to incorporate youth education, implementing sustained initiatives on green mobility and safety awareness within local communities.

SkyRail Immersive Science Education Project —— Advancing Community-Wide Awareness of Low-Carbon Mobility

In 2025, BYD leveraged its operational SkyRail transit system to conduct a "Technology Inspiration + Immersive Experience + Thematic Study" initiative for primary and secondary school students in local communities. Over the year, we hosted 628 visiting groups, totaling 24,735 participants.

Through tailored SkyRail study courses, we guided youth in experiencing the system firsthand, deepening their understanding of its autonomous driving technology, zero-emission operation, and principles of low-carbon mobility. The program provided hands-on engagement with smart transit solutions, embedding green concepts into community education and advancing the widespread awareness of sustainable transportation technologies.



BYD SkyRail Study Tour

Brand "Driving School" Theme Park Project —— Cultivating Environmental and Safety Awareness Among Community Youth

In July 2025, BYD established the world's first strategic cooperation between a Chinese automobile brand and Legoland Shanghai by co-creating the "Driving School" experience. The project utilizes BYD new energy training vehicles, allowing children to explore the eco-friendly features of electric vehicles through immersive and playful driving activities. Participants who complete the challenge are awarded their "First Driver's License," fostering early awareness of safe driving and green mobility.

Leveraging our brand strength, we will continue to roll out road safety and new energy science education activities for community families, integrating the concept of green sustainable development into parent-child community interactions. Through engaging, scenario-based approaches, we aim to communicate environmental and safety values in a fun and accessible manner.



BYD "Driving School" Theme Park Project

Inclusive Education

Education is the cornerstone of a nation's development and the source of community prosperity and technological progress. Education philanthropy is the new focus of BYD's public welfare efforts. The company plans to donate a total of RMB 3 billion to educational charity, targeting both universities and the general public to help the country cultivate more scientific and technological talents and promote the vigorous development of China's science and education cause.

BYD Scholarship Program

We have established scholarships in more than a hundred universities across the country to reward outstanding students and encourage them to lead, thus cultivating scientific and technological talent for the nation.

BYD Grant Program

We have launched the "Dream Realization Initiative - Support Program for Financially Challenged High School Students". As a regular project carried out continuously since the foundation's establishment, it provides stable financial support for high school students with excellent character and academic performance but from financially disadvantaged families.

BYD Scholarship Program

In response to the national strategy of invigorating the country through science and education, and to continuously support the development of higher education institutions and talent cultivation, we have established the "BYD Scholarship" for more than 100 universities. By encouraging excellence through rewards and innovation through learning, we inspire young students to strive for new heights in science and technology.

By the end of 2025, BYD's RMB 3 billion Education Philanthropy Fund had partnered with 127 universities, including Tsinghua University, Peking University, and Central South University, to build a nationwide education collaboration system. Related scholarship & teaching excellence awards programs have annually benefited more than 6,000 outstanding undergraduate and postgraduate students, forming a multi-tiered education support network spanning renowned universities and specialized institutions.

BYD Dream Realization Campaign • Program for Needy High School Students

By the end of 2025, the "BYD Dream Realization Campaign • Program for Needy High School Students" project had supported more than 1,300 high school students with excellent academic records from poor families. Since 2019, the project has continuously supported financially disadvantaged students who have been admitted to universities, with a cumulative total of more than 260 college students.



Foundation Volunteers Visited the Sponsored Students in Zhongshan, Guangdong

New Energy Vehicle Technology Outreach

We contribute disassembled new energy vehicles as interactive educational exhibits to leading science museums, public museums, and schools. These displays are designed to ignite public curiosity in automotive engineering and smart manufacturing, while advancing awareness and understanding of sustainable technology.

Using the Di Space as a platform, we transform cutting-edge new energy technologies into systematic and participatory science education content and open it to the public, especially the youth, free of charge. This addresses a gap in NEV science education and enables us to move from being a "manufacturing leader" to a "thought leader".

New Energy Vehicle Public Education Exhibit Project

"To ignite young people's curiosity in automotive technology and industrial manufacturing, and to help cultivate the next generation of outstanding engineers" — this is the core mission of the New Energy Vehicle Public Education Exhibit Project, supported by the RMB 3 billion Educational Philanthropy Fund.

In 2025, the project team conducted on-site research and audience-behavior analysis at 33 key science venues, including the China Science and Technology Museum and the Beijing Auto Museum. Through seven dedicated expert workshops, the design was iteratively refined, resulting in a framework centered on "one dissected vehicle plus multiple interactive displays."

The first set of physical exhibits is now open for public engagement at the Company's headquarters showroom. The prototype will undergo final optimizations to deliver a more comprehensive, science-based, and captivating educational experience about new energy vehicles to the public.



New Energy Vehicle Educational Exhibit

Tianjin Di Space: Creating a Neighborhood Landmark for New Energy Technology Engagement

In April 2025, Tianjin Di Space – BYD's first New Energy Vehicle Experience Center in Northern China – officially opened. The facility is organized around four thematic zones: "Brand & Culture," "Artisan Innovation," "Technology & Discovery," and "Hands-On Exploration," designed to serve as a professional, community-embedded platform where visitors can fully immerse themselves in the technological appeal of new energy vehicles and envision the boundless possibilities of future mobility.

From its trial operation in November 2024 through its official opening, Tianjin Di Space has established 15 collaborative education and internship platforms with institutions including Nankai University and Tianjin University, along with science and technology organizations. It has welcomed over 10,000 visitors, spanning primary and secondary school students, university students, university students, and faculty. Through immersive exhibits, interactive laboratories, and experiential workshops, visitors can engage directly with core technologies such as the Blade Battery, DiSus System, and e^4 Platform in the "Technology Pool"; explore the intersection of engineering and creativity in the "Sound Lab" and "Scent Lab"; and complete the challenge of assembling a new energy vehicle model in the "Hands-On Zone" – delivering a multisensory educational experience that integrates seeing, hearing, touching, and doing.

In January 2026, UNESCO presented Di Space with a plaque designating it as a "Technology Empowers Sustainable Development Education Practice Base", in full recognition of BYD's tangible contributions to advancing new energy technology literacy and education for sustainable development.



Tianjin Di Space



"Technology Empowers Sustainable Development Education Practice Base" Plaque

Beyond the focus areas of education philanthropy, we continue to pay attention to the quality education of rural children, and support the well-rounded development of rural children through material support and public welfare education programs.

BYD Collaborative Public Welfare Initiative-With Faint Glimmers, We Help Shine Brighter

In October 2025, DENZA, a BYD brand, along with its philanthropic owners, returned to Liangshan, Sichuan for the third consecutive year. Through a "BYD Collaborative Public Welfare Initiative" the initiative mobilized online user contributions totaling over 450,000 credits. The program was structured around five key pillars: in-kind donations, technology outreach sessions, caring lunches, joy fairs and visits to students families. This integrated approach delivered meaningful support to rural children while building genuine connections—embodying the shared social responsibility and human-centered values of both DENZA and its community.



Group Photo from the "Shining Brighter Together" Initiative

"Donation of School Supplies" Large-scale Public Welfare Project — Participating in the Education Support Program for Children and Youth in Thailand

In July 2025, BYD Thailand actively participated in the locally held 27th "Donation of School Supplies" Large-scale Public Welfare Project. In collaboration with over 70 companies from the Rayong Industrial Park, BYD donated funds to multiple local schools for the procurement of customized basic school supplies, such as backpacks and notebooks. This initiative benefited students and helped alleviate the financial burden on families for educational expenses. By supporting education in this way, BYD deepened its community connections and contributed to building a sustainable local public welfare network.



BYD Employees Participating in the School Supplies Donation Activity

The "Book Corner in Every Classroom" Project: Illuminating the "Heart-Lamp" of Rural Reading

In October 2025, BYD Electronics, together with the Fujian Dandangzhe Action Education Foundation, implemented the "Book Corner in Every Classroom" project at Xishan Town Central Primary School in Lianping County, Heyuan City. The project donated 11 standardized book corners, more than 1,200 quality children's books, and over 300 sets of stationery, and mobilized employees to donate more than 500 books to enrich classroom reading resources. Employee representatives visited the school to co-establish the book corners with teachers and students, conduct picture-book reading sessions and share growth experiences, empowering rural children through companion-based reading. Aiming to "enable rural children to enjoy high-quality reading," the project adopts a model combining corporate donations and employee volunteering. Going forward, books will be replenished regularly and follow-up visits will be conducted, transforming philanthropic input into long-term educational outcomes and continuously enhancing the reading literacy of rural children.



"A Book Corner in Every Classroom" Children's Book Donation Activity

Support for Vulnerable Groups

BYD has always been concerned about the survival and development of vulnerable groups in communities. On the one hand, we provide financial support to help them meet their basic living needs and ensure their survival and development. On the other hand, we empower individuals in need to help them enhance their problem-solving capabilities, enabling them to better integrate into society and realize their self-worth. We strive to create a more inclusive and compassionate society where everyone can enjoy dignity and happiness.

Szeged, Hungary: Caring for Vulnerable Children in Europe

In April 2025, BYD's plant in Hungary, together with the Municipal Government of Szeged, the University of Szeged, and Ferenc Gál University, jointly organized the "Ágota Run — Running for Them in Szeged" charity run in Csongrád-Csanád County.

As the core supporter of this event, the Company donated 10 million Hungarian forints (approximately RMB 200,000) to the ÁGOTA Foundation, specifically earmarked for purchasing facilities for the Children's Activity Center. This contribution aims to build a safe, healthy, and caring environment for children and adolescents deprived of family care, supporting their holistic physical and mental development.



Ágota Run Charity Event

UK Roadshow: Strengthening Community Bonds Through Public Interaction

In December 2025, BYD launched the Christmas Glass Box roadshow in the UK. By displaying exclusive QR codes on the exterior of the Dolphin Surf installation, visitors were guided to scan and make instant donations to the UK Foodbank charity. Foodbank primarily provides free food and daily necessities to individuals facing financial hardship, unemployment, or life crises, helping to alleviate their short-term survival pressures. This initiative integrates philanthropy into public exhibitions, lowers the barrier to charitable participation, enhances the accessibility of donations and social engagement, and further strengthens BYD's ties with government and community stakeholders.

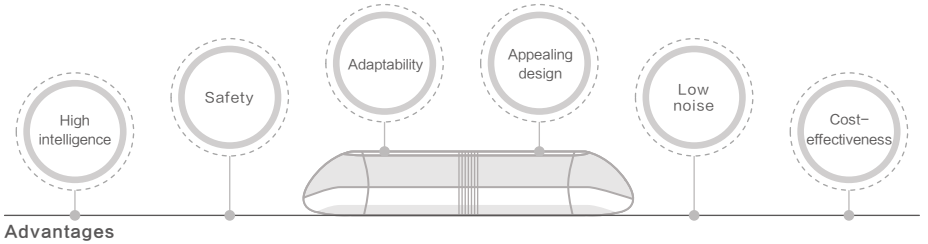


BYD Christmas Glass Box Roadshow

Alleviating Urban Traffic Congestion

Guided by technological innovation, BYD creates eco-friendly and accessible transportation options that provide sustainable solutions to urban traffic congestion, supporting the development of modern cities which are livable and marked by efficient mobility.

Relying on our rail transit and new energy vehicle business, we have launched green and intelligent travel solutions such as SkyRail and SkyShuttle, which complement various transport capacities and help diversify China's rail transit structure. Among them, SkyShuttle operates on a dedicated right-of-way, does not occupy road resources, and has the advantages of high intelligence, high safety, high adaptability, appealing design, low noise, and low cost. It can provide customized services for different cities and scenarios and has been put into operation in many cities across the country. As a supplement to urban public transportation, SkyShuttle enhances residents' travel experience, reduces exhaust emissions through electric drive, and improves the environmental quality of the community.



In 2025, the Jinan SkyShuttle, independently developed and put into operation by BYD, was officially opened. As the country's first SkyShuttle loop project, this project focuses on commuting connections, linking multiple industrial parks and residential areas in Jinan. It effectively addresses the region's "last-mile" transportation challenge, improves the efficiency of urban traffic micro-circulation, and unlocks significant potential for regional economic development.



BYD SkyShuttle: Building a Multi-dimensional Transport Network

By constructing a green large-scale transportation system of "using electric vehicles to combat pollution and SkyRail / SkyShuttle to ease congestion", we not only contribute to achieving the "dual carbon" goals but also provide systematic solutions for urban traffic congestion management and traffic micro-circulation optimization, continuously driving urban sustainable development through technological innovation.

Regional Revitalization

Our production and operations have generated substantial benefits for communities, especially in promoting the economic development of underdeveloped areas. Through activities such as joint special job fairs with the community, we provide employment opportunities in multiple fields including R&D, production, and sales for local residents. At the same time, we offer skills training to improve local residents' employment rates and competitiveness and contribute to enhancing the community's economic and living standards through economic linkage effects. We have established local production teams in our factories around the world, helping more residents in underdeveloped communities access high-quality employment resources, and launched diverse training programs to enhance employees' professional and technical abilities, thus contributing to local economic and social development.

In addition, we actively participate in rural revitalization efforts, continuously cultivate domestic and international photovoltaic markets, and promote the efficient development and utilization of abundant solar resources in remote regions. We help improve the energy structure in these areas, and through innovative models, we facilitate the integration of local industries with the photovoltaic industry, providing local residents with a stable source of income. This not only contributes to the improvement of the ecological environment but also creates more diverse economic opportunities for community residents, enhancing their quality of life and injecting green momentum into rural revitalization and shared prosperity.

BYD Thailand: Education as a Bridge, Cultivating Talent Beyond Borders

In June 2025, BYD Thailand facility continued its support for this flagship China-Thailand university program for the second consecutive year. The laboratory is jointly organized by the Sasin Graduate Institute of Business Administration, Chulalongkorn University and the School of Management, Fudan University. Utilizing real-world corporate challenges as case studies, it organizes outstanding students from both countries to conduct hands-on management consulting in Thailand three times. The BYD Thailand Base provides strategic guidance and case study resources, helping students enhance their global perspectives and problem-solving abilities in a cross-cultural environment, fostering deep integration between higher education and industry, and contributing to the cultivation of high-caliber local management talent in Thailand and regional sustainable development.



"Sasin-Fudan China Action Learning Laboratory" Group Photo

BYD Brazil: Amazon R&D Training Program

In 2025, BYD increased its investment in research and innovation in Amazonas, committing over R$1.1 million to strengthen talent development and technological advancement in northern Brazil. In December 2025, the Company collaborated with SENAI to launch a specialized solar energy training program. Conducted aboard the "Samaúma" training vessel, the program is designed to train 320 participants, with courses covering core topics including photovoltaic systems and inverters, thereby supporting local progress.



The "Samaúma" Training Vessel

Building Rural Cultural and Sports Facilities —— Igniting "New Vitality" for Rural Revitalization

To improve the public service performance and quality of rural cultural and sports facilities and enrich the leisure and cultural lives of local villagers, BYD Philanthropy Fund has supported the construction of a village cultural square and fitness trails in Gaoshan Village, Qingcao Town, Tongcheng City, Anhui Province, in response to villagers' growing cultural needs. The project helps improve residents' physical well-being, promotes healthy and civilized lifestyles through quality public spaces, and fosters neighborly harmony, bringing new cultural vitality to rural revitalization.

Social Public Welfare

BYD never forgets its original intention of giving back to society and regards philanthropy as an important part of corporate development. From disaster relief to medical donations, from employee volunteer services to environmental protection appeals, we contribute to social development and progress in various ways, sending care and hope to every group in need and conveying the positive energy and social responsibility of the enterprise.

Disaster Relief

In the face of natural disasters, BYD acts quickly. Through financial support and other means, it combines with professional forces to rush to areas affected by major natural disasters or public health events, providing emergency rescue, transitional resettlement, care and support, and post-disaster reconstruction assistance.

Rapid Emergency Response: Support for Xigaze, Xizang

On January 7, 2025, a 6.8-magnitude earthquake suddenly hit Dingri County, Xigaze, Xizang. On the same day, the BYD Philanthropy Fund activated its emergency response mechanism and donated RMB 10 million to the Xizang Charity Federation. The donation is earmarked for emergency rescue, resettlement of affected residents, support for rescue teams, and subsequent reconstruction, demonstrating the social responsibility of "when one place is in trouble, support comes from all sides" with concrete actions.

United in Solidarity: Relief Support for the Tai Po Fire in Hong Kong

In November 2025, a serious fire broke out at Wang Fuk Court in Tai Po, New Territories, Hong Kong, causing significant property losses to many households. BYD (Hong Kong) donated HKD 10 million through local charitable organizations, specifically for medical assistance, emergency resettlement, and post-disaster reconstruction. It stands in solidarity with the people of Hong Kong to overcome difficulties together.

Earthquake Response: Emergency Relief for Myanmar

In March 2025, a magnitude 7.9 earthquake struck Myanmar. Overnight, BYD's local team organized rescue convoys to deliver hygiene supplies, epidemic-prevention equipment, and medical first-aid kits to the hardest-hit areas, including the capital Naypyidaw and its surroundings. At the same time, BYD service outlets near the epicenter were opened as temporary shelters. In addition, BYD headquarters contributed a dedicated donation of sanitation and disinfection supplies valued at RMB 100,000 to support epidemic control and relief operations in the affected regions.

Sharing the Burden: Flood Relief in the Philippines

In July 2025, the Philippines was hit by torrential rains caused by a powerful typhoon combined with a continuous monsoon, leading to severe floods in areas such as Metro Manila. The BYD team in the Philippines, in conjunction with the Ayala Foundation, launched an emergency response mechanism. They dispatched BYD Shark6 DMO professional rescue vehicles to deliver food, medicine, and daily necessities to hundreds of flooded communities under complex road conditions, safeguarding the safety of disaster victims with "technology for good".

Disaster Relief: Responding to Southern Thailand Floods

In November 2025, severe floods struck southern Thailand, disrupting transportation and stranding residents. BYD Thailand Co., Ltd. swiftly donated THB 200,000 along with 12,000 bottles of drinking water, delivered to affected areas through the Royal Thai Navy's Civil Affairs Command. These emergency supplies supported local families through the crisis, helping communities remain safe during the floods and accelerate the recovery of livelihoods and daily activities.



Medical Donations

BYD has been continuously concerned about the development of the medical field. By donating funds and resources, it supports medical research, technological upgrades, and public health projects. We cooperate closely with medical institutions, focus on the construction of medical infrastructure, and fully support scientific research on major diseases, as well as breakthroughs in early diagnosis and treatment methods.

In addition, we also collaborate with partners on public welfare initiatives, jointly contributing to social health and well-being.

Great Love and Sincerity, Protecting the Path to Rehabilitation for Children with Cerebral Palsy

The "BYD Great Love and Sincerity • Cerebral Palsy Children Assistance Program" focuses on supporting children with cerebral palsy and their families in difficult situations. The program aims not only to provide medical assistance but also to concurrently empower private rehabilitation institutions, enhancing their professional service capabilities and organizational growth. From 2024 to 2025, the program cumulatively supported 34 children: of these, 29 received 10-month comprehensive rehabilitation training, and 5 rural children received continuous intervention via remote models. Additionally, we held 5 car owner integration activities in 5 cities, bringing care into the community's daily life.

Since 2016, the BYD Philanthropy Fund, in collaboration with the One Foundation, has been dedicated to this cause. Over the past nine years, it has cumulatively provided pre- and post-operative rehabilitation, remote training, and family support to 1,070 children with cerebral palsy, using systematic services to safeguard every small step of progress.



Photos from the Cerebral Palsy Children Assistance Program Activities

Hearing the World's Voice, Amplifying the Tide of Love

In June 2025, DENZA, a brand under BYD, launched a co-created public welfare initiative with its owners, focusing on the well-being of children with hearing impairments. The brand and its users jointly raised funds for urgently needed equipment for a rehabilitation school. Proceeds from a charity book sale were fully allocated to renovate the nap room at a rehabilitation center for children with hearing impairments. Additionally, children were taken to the Dongguan Botanical Garden for interactive handicraft activities, fostering a spirit of equal care through engagement. This initiative illuminated an audible world for these children through technological warmth and philanthropic passion.



Group Photo from the "Hearing the World's Voice" Event

Employee Public Welfare

BYD advocates employee participation, encouraging employees to actively engage in public welfare activities. By pooling small acts of kindness, we aim to generate positive social energy and fulfill the corporate social responsibility. We have been continuously carrying out diverse public welfare activities. As of the end of the reporting period, we have established 22 volunteer stations across the country. The number of registered volunteers among in-service employees has exceeded 7,570, and the cumulative volunteer service hours have exceeded 52,000 hours, fully demonstrating the social responsibility and public welfare enthusiasm of BYD employees.

Relying on New Energy Vehicle Science Museum, the "Di Space", every public welfare activity here vividly interprets the brand concept. In 2025, the Tianjin Di Space team established a brand public welfare team from scratch, carefully planned and launched a series of volunteer service activities with diverse themes and rich levels, constructing a three-dimensional and vibrant public welfare ecosystem.

Tianjin Di Space Public Welfare Ecosystem

Environmental Protection and Science Series

- "Protecting the Earth with Our Hands, Creating Green through Labor": This activity skillfully integrates simple handicraft making, new energy knowledge popularization, and environmental protection concept promotion, enabling participants to understand the significance of sustainable development through hands-on creation.
- "Haihe Riverbank Clean-up Initiative": Through on-site water quality testing, garbage sorting and cleaning, and ecological explanations, this activity constructs a complete ecological education cycle of "awareness-action-responsibility" for participants.

Cultural Heritage Series

- "Silver-Haired Guides, Children on the Cultural Path": This activity builds a communication bridge among three generations of volunteers (the elderly, the middle-aged, and the youth). The elderly volunteers lead teenagers through historical blocks, telling vivid stories, so that the city's history and cultural memory can be passed down through intergenerational dialogue, stimulating the younger generation's recognition and sense of belonging to local culture.



Environmental Protection Appeal

With the brand proposition of "Technology · Green · Future", while fully committed to vehicle R&D and manufacturing, BYD deeply realizes the importance of taking environmental protection responsibilities. Through our practical activities, we lead environmental protection practices and call on the public to widely participate in ecological environmental protection.

Kuala Lumpur, Malaysia: "Light the Change" Eco-Friendly Light Exhibition

In December 2025, BYD, together with its brand DENZA, hosted the "Light the Change" eco-friendly light exhibition at Desa ParkCity, Kuala Lumpur. Featuring solar-powered immersive lighting and interactive experiences, the public was invited to personally engage in energy conversion through "pedal-powered illumination", intuitively experiencing the carbon reduction potential of green mobility. The event called on attendees to "Protect the Earth - Starting with Every Choice for Electric Mobility".



Group Photo from the "Light the Change" Eco-Friendly Light Exhibition Event

FANGCHENG BAO × Ant Forest: Pioneering a New Low-Carbon Circular Model

FANGCHENG BAO has joined hands with Ant Forest to launch the "FANGCHENG BAO Public Welfare Forest." Through digital technology, users' daily driving automatically accumulates 33 grams of Ant Forest-specific energy in the vehicle system, which is used to plant a FANGCHENG BAO-branded public welfare forest composed of 100,000 Hua Bang shrubs. This project transforms ordinary travel mileage into measurable and actionable tree-planting efforts, creating a low-carbon public welfare cycle in which every kilometer adds greenery to the planet.



FANGCHENG BAO Ti 7 Smart Ecosystem - In-Car Life - Ant Forest Vehicle Interface

Taklimakan Desert, Xinjiang, China: Curbing Desertification with Technology, Co-Building a Green Ecological Barrier

In September 2025, BYD's FANGCHENG BAO brand donated BAO 5 New Energy SUVs to the Xinjiang Desert Edge-Locking Team. These vehicles are used for daily patrols, seedling transportation, and ecological monitoring along the desert edge-locking belt in the Taklimakan Desert, injecting new momentum into China's efforts to combat desertification and strengthen its ecological barrier.

Concurrently, we released the short film *A 'Springtime' Planted for 46 Years*, which garnered over 12 million views online. In partnership with the local Forestry and Grassland department, we erected a sign at the edge-locking base stating: "There is No Desert Beyond Control, Nor a Life Beyond Hope", deeply conveying stories of desertification control and sustainable development concepts to the public.



Xinjiang Desert Edge-Locking Team Driving FANGCHENG BAO BAO 5 for Daily Operations

Documentary *Planet of Mountains and Rivers — An Amazon Fantasy Drift*: Conveying the Concepts of Ecological Protection and New Energy Transition

In 2025, BYD, in collaboration with the Institute of Planet, released a popular science documentary on natural geography themed on the Amazon rainforest. By presenting the ecological value of the rainforest and the climate crisis, the documentary conveys the concepts of global climate governance and the transition to new energy, while showcasing the exemplary value of the Company's green practices for sustainable development.



BYD Documentary *Planet of Mountains and Rivers — An Amazon Fantasy Drift*

We adopt a innovative communication strategy with multiple levels and channels. Through the integration of digital platforms and the setting of interactive communication sections, we expand the influence of the activities. We invite experts, scholars, and industry pioneers to contribute profound insights, adding professionalism and authority to the activities and providing a more diverse perspective for the general public. We deeply integrate environmental protection concepts into public life, effectively promoting the awareness of natural resource and ecological environment protection among all sectors of society, further stimulating the enthusiasm of the whole nation to participate, and promoting the realization of sustainable development with technology and practice as the link. We work together to safeguard clear skies and lush greenery with practical actions.

UNESCO World Congress of Biosphere Reserves: Sharing BYD's Biodiversity Conservation Practices

In September 2025, BYD was invited to participate in the 5th UNESCO World Congress of Biosphere Reserves, where it shared its practical experience in integrating biodiversity conservation into the company's ESG strategy. The presentation highlighted the "Light Chaser Program" and the Ant Forest in-vehicle application. This engagement demonstrated BYD's commitment to active involvement in international dialogue and collaboration with diverse stakeholders, contributing to consensus-building on biodiversity conservation and advancing the harmonious coexistence of humans and nature.



UNESCO World Congress of Biosphere Reserves

Greenwise Xplore Road Trip in the Guangdong - Hong Kong - Macao Greater Bay Area: Measuring a Green Greater Bay Area by Wheel

In July 2025, under the guidance of the Shenzhen Municipal Information Office, BYD, together with the International Communication Center of Shenzhen Press Group and the Publicity Department of Pingshan District, launched the Greenwise Xplore road trip. Eight bloggers from Belt and Road countries were invited to drive the DENZA N9 and FANGCHENG BAO BAO 8, visiting four major green landmarks in the Greater Bay Area, including the Nanshan Energy Eco-Park and the Guishan Offshore Wind Farm.

Using BYD's proprietary charging network throughout the journey, the convoy achieved zero tailpipe emissions. From a first-hand perspective, the participants documented the full-chain innovation of the Greater Bay Area's new energy sector, from R&D and production to application, showcasing China's cutting-edge achievements in the new energy field and its commitment to sustainable development to a global audience.



Launch Photo of Greenwise Xplore

Appendix I: Key Performance Indicators [43]

Economy

Economic Value Generated and Distributed

Indicator	Unit	2024	2025
Operating revenue	RMB 1,000	777,102,455	803,964,958
Net profit attributable to Shareholders of the parent company	RMB 1,000	40,254,346	32,619,022
Total domestic tax payment	RMB 100 million	510	533

Indirect Economic Impact

Indicator	Unit	2024	2025
Group donation expenditure	RMB 10,000	2,996.5	15,722.3
Total number of employees participating in volunteer service	Person	6,988	7,570
Total volunteer service hours of employees	Hour	41,227.76	52,940.08

Governance

Compliance Performance

Indicator	Unit	2024	2025
Anti-corruption Training			
Average number of anti-corruption training sessions per Director	Session	6.00	2.67
Average anti-corruption training hours per Director	Hour	6.00	1.77
Number of Directors who received anti-corruption training	Person	1	6
Proportion of Directors who received anti-corruption training	%	16.67	100.00
Number of employee anti-corruption training sessions	Session	737	2,350
Anti-corruption training hours for employees	Hour	392,631.64	250,065.50
Proportion of new employees receiving anti-corruption training	%	100	100
Commercial Bribery and Corruption Incidents			
Number of employees who have been dismissed for corruption	Person	49	343
Number of business partners whose contracts have been terminated or not renewed due to violations related to corruption or bribery	Unit	16	12

Indicator	Unit	2024	2025
Number of directors, management personnel, and employees dismissed or subject to disciplinary actions in relation to corruption incidents	Case	/	129
Number of business partners whose contracts have been terminated or not renewed due to violations related to corruption or bribery	Case	/	9
Business Ethics Violations			
Number of conflict of interest breaches	Case	0	0
Number of incidents of money laundering or insider dealing violations	Case	0	0
Legal Proceedings			
Number of concluded corruption lawsuits brought against the Company or its employees	Case	15	29
Number of convictions for violations of anti-corruption and anti-bribery laws	Person	24	66
Number of pending or completed lawsuits or major administrative penalties related to unfair competition practices	Case	0	0
Number of pending legal proceedings for late payment	Case	0	0

[43] Unless otherwise specified, all figures in this report are rounded to two decimal places. Due to rounding, the totals or percentages in some tables may differ slightly from the sum of the individual figures; this does not indicate a calculation error

Environment

Energy

Indicator	Unit	2023	2024	2025
Total energy consumption	MWh	16,592,592.44	23,552,569.28	27,785,651.86
–Automobile (complete vehicle) business	MWh	/	/	4,231,276.13
–Other businesses	MWh	/	/	23,554,375.73
Total energy consumption	tce	1,943,239.48	2,734,284.57	3,273,741.47
Total energy consumption intensity	MWh/RMB 10,000 revenue	0.2755	0.3031	0.3456
Total energy consumption intensity	tce/RMB 10,000 revenue	0.0323	0.0352	0.0407
Direct Energy (Non-renewable)				
Direct energy (non-renewable) consumption	MWh	4,568,632.44	7,595,478.82	7,439,475.22
–Automobile (complete vehicle) business	MWh	/	/	1,559,044.05
–Other businesses	MWh	/	/	5,880,431.17
Direct energy (non-renewable) consumption	tce	465,494.79	773,158.15	773,196.36
Direct energy (non-renewable) intensity	MWh/RMB 10,000 revenue	0.0759	0.0977	0.0925
Direct energy (non-renewable) intensity	tce/RMB 10,000 revenue	0.0077	0.0099	0.0096
By Direct Energy (Non-renewable) Category				
Gasoline consumption	10,000 liters	613.37	223.01	294.37
–Automobile (complete vehicle) business	10,000 liters	/	/	0.88
–Other businesses	10,000 liters	/	/	293.49
Diesel consumption	10,000 liters	17.95	150.46	677.99
–Automobile (complete vehicle) business	10,000 liters	/	/	2.40
–Other businesses	10,000 liters	/	/	675.59
Natural gas consumption	10,000 m^3	41,707.00	69,904.90	62,215.90
–Automobile (complete vehicle) business	10,000 m^3	/	/	14,433.67
–Other businesses	10,000 m^3	/	/	47,782.23
Other fuels[44]	10,000 tons	/	/	5.05
Indirect Energy (Non-renewable)				
Indirect energy (non-renewable) consumption	MWh	11,473,335.10	13,196,208.48	12,996,475.59
Indirect energy (non-renewable) consumption	tce	1,410,072.88	1,621,814.02	1,597,266.85
Indirect energy (non-renewable) intensity	MWh/RMB 10,000 revenue	0.1905	0.1698	0.1617
Indirect energy (non-renewable) intensity	tce/RMB 10,000 revenue	0.0234	0.0209	0.0199
By Indirect Energy (Non-renewable) Category				
Electricity consumption (excluding green electricity)	MWh	11,473,335.10	13,196,208.48	12,685,369.85
Steam consumption	GJ	/	/	1,119,979.75
Indirect Energy (Renewable)				
Indirect energy (renewable) consumption	MWh	550,624.90	2,760,881.98	7,349,701.05

Indicator	Unit	2023	2024	2025
Indirect energy (renewable) consumption	tce	67,671.80	339,312.40	903,278.26
Indirect energy (renewable) intensity	MWh/RMB 10,000 revenue	0.0091	0.0355	0.0914
Indirect energy (renewable) intensity	tce/RMB 10,000 revenue	0.0011	0.0044	0.0112
Proportion of renewable energy in indirect energy	%	4.58	17.30	36.12
By Indirect Energy (Renewable) Category				
Green electricity	MWh	/	467,696.88	2,063,084.00
Renewable energy certificate	MWh	508,000.00	2,237,986.00	5,226,515.00
Park photovoltaic power generation	MWh	42,624.90	55,199.10	60,102.05

Water Resources

Indicator	Unit	2023	2024	2025
Total water withdrawal	m^3	73,807,222	94,268,627	109,256,800
–Automobile (complete vehicle) business	m^3	/	/	15,010,845
–Other businesses	m^3	/	/	94,245,955
Total water discharge	m^3	51,739,770	38,950,920	32,472,411
–Automobile (complete vehicle) business	m^3	/	/	5,592,808
–Other businesses	m^3	/	/	26,879,602
Total water consumption	m^3	22,067,452	55,317,707	76,784,389
–Automobile (complete vehicle) business	m^3	/	/	9,418,037
–Other businesses	m^3	/	/	67,366,353
Water consumption intensity	m^3/ RMB10,000 revenue	0.3664	0.7118	0.9551
By Water Source Category				
Municipal water supply	m^3	73,807,222	94,268,627	109,256,800
–Automobile (complete vehicle) business	m^3	/	/	15,010,845
–Other businesses	m^3	/	/	94,245,955
By Water Use Category				
Domestic water	m^3	/	20,184,379	22,643,400
Industrial water	m^3	/	72,393,926	86,613,400
Water use for other purposes	m^3	/	1,690,322	/
By Water Discharge Category				
Total industrial wastewater	m^3	11,087,490	22,803,418	21,585,115
–Automobile (complete vehicle) business	m^3	/	/	3,736,560
–Other businesses	m^3	/	/	17,848,555
Total domestic sewage	m^3	40,652,280	16,147,502	10,887,296
–Automobile (complete vehicle) business	m^3	/	/	1,856,249
–Other businesses	m^3	/	/	9,031,047

Materials

Indicator	Unit	2023	2024	2025
Packaging Materials Consumption				
Total packaging materials	tons	1,008,980	To further improve the accuracy of packaging material data, the Company upgraded and adjusted its packaging procurement system in 2024. As of the time of this report's publication, the 2024 packaging material data is still being compiled	30,607[45]
Packaging material intensity	tons/RMB 10,000 revenue	0.0168		0.0004

Emissions

Indicator	Unit	2023	2024	2025
Greenhouse Gas Emissions[46]				
Scope 1 greenhouse gas emissions	tCO_2e	931,916.00	1,539,251.46	1,542,304.99
–Battery business	tCO_2e	/	/	734,919.84
–Automobile (complete vehicle) business	tCO_2e	/	/	315,606.01
–Electronics business	tCO_2e	/	/	29,644.43
–Other businesses	tCO_2e	/	/	462,134.71
Scope 2 greenhouse gas emissions (location-based)[47]	tCO_2e	11,409,539.00	8,562,574.74	10,721,916.24
–Battery business	tCO_2e	/	/	4,322,288.41
–Automobile (complete vehicle) business	tCO_2e	/	/	1,417,886.00
–Electronics business	tCO_2e	/	/	1,543,595.00
–Other businesses	tCO_2e	/	/	3,438,146.84
Scope 2 greenhouse gas emissions (market-based)[48]	tCO_2e	/	/	7,856,199.23
Scope 1 + Scope 2 (location-based) greenhouse gas emissions	tCO_2e	12,341,455.00	10,101,826.20	12,264,221.23
Greenhouse gas emission intensity (Scope 1 + Scope 2 (location-based))	tCO_2e /RMB 10,000 revenue	0.2049	0.1300	0.1525
Scope 3 greenhouse gas emissions[49]	tCO_2e	/	3,326,312.49	140,014,002.65
Total greenhouse gas emissions (Scope 1 + Scope 2 (location-based) + Scope 3)	tCO_2e	/	13,428,138.69	152,278,223.88
Greenhouse gas emission intensity (Scope 1 + Scope 2 (location-based) + Scope 3)	tCO_2e /RMB 10,000 revenue	/	0.1728	1.8941
By Scope 3 Greenhouse Gas Emissions Category				
Purchased goods and services[50]	tCO_2e	/	/	42,936,349.31
Fuel- and energy-related activities[51]	tCO_2e	/	3,166,958.18	2,197,810.64
Upstream transportation and distribution[52]	tCO_2e	/	/	318,179.61
Business travel[53]	tCO_2e	/	158,970.51	108,906.62
Employee commuting[54]	tCO_2e	/	383.80	1,756.32
Downstream transportation and distribution[55]	tCO_2e	/	/	3,154,484.86
Processing of sold products[56]	tCO_2e	/	/	35,107.07

Indicator	Unit	2024	2025
Use of sold products[57]	tCO_2e	/	89,500,953.79
End-of-life treatment of sold products[58]	tCO_2e	/	1,760,454.44
Exhaust Emissions			
Nitrogen oxide emissions	tons	2,864.40	2,475.49
Sulphur oxide emissions	tons	59.90	40.95
Volatile organic compounds (VOCs) emissions	tons	887.40	855.47
Water Pollutant Emissions			
Total COD emissions	tons	4,047.00	3,586.22
Total ammonia- nitrogen emissions	tons	269.80	238.74

Waste

Indicator	Unit	2023	2024	2025
Hazardous Waste Disposal				
Total hazardous waste generation	tons	118,381.00	150,460.92	155,674.46
-Automobile (complete vehicle) business	tons	/	/	14,030.80
-Other businesses	tons	/	/	141,643.66
Hazardous waste intensity	tons/RMB 10,000 revenue	0.0020	0.0019	0.0019
By Hazardous Waste Disposal Method				
Total third-party disposal	tons	/	/	155,674.46
-Automobile (complete vehicle) business	tons	/	/	14,030.80
-Other businesses	tons	/	/	141,643.66
Non-Hazardous Waste Disposal				
Total non-hazardous waste generation	tons	1,402,395.00	2,381,938.35	2,470,720.47
-Automobile (complete vehicle) business	tons	/	/	1,420,319.05
-Other businesses	tons	/	/	1,050,401.42
Non-hazardous waste intensity	tons/RMB 10,000 revenue	0.0233	0.0307	0.0307
By Non-hazardous Waste Category				
Total domestic waste	tons	104,578.00	227,988.10	186,283.87
-Automobile (complete vehicle) business	tons	/	/	32,956.08
-Other businesses	tons	/	/	153,327.79
Total general industrial solid waste	tons	/	87,306.20	37,863.38
-Automobile (complete vehicle) business	tons	/	/	6,358.84
-Other businesses	tons	/	/	31,504.54
Total industrial recyclable waste	tons	1,297,817.00	2,066,644.05	2,246,573.22
-Automobile (complete vehicle) business	tons	/	/	1,381,004.13
-Other businesses	tons	/	/	865,569.08

Environmental Management

Indicator	Unit	2023	2024	2025
Proportion of Companies with Environmental Management Systems Verified through International Standards				
Proportion of employees covered by ISO 14001 Environmental Management System Certification	%	/	24.90	36.53
Environmental Violations				
Incidents of major administrative penalties or criminal responsibility due to pollutant discharge	Case	0	0	0

Indicator	Unit	2023	2024	2025
Significant environmental emergencies	Case	0	0	0
Incidents that have been subject to major administrative penalties or criminally responsible by relevant departments such as ecological environment due to environmental incidents	Case	0	0	0
Significant fines related to environment or ecology issues	Case	0	0	0

[44] BYD had eight new transport vessels in 2025. The scope of other fuels accounting covers the fuel consumption of BYD's owned vessels in 2025; the fuel consumed by these owned vessels primarily includes light diesel, low-sulfur fuel oil, and liquefied natural gas

[45] Includes only packaging materials for after-sales spare parts

[46] When calculating greenhouse gas emissions, the carbon emission factors of gasoline, diesel and natural gas refer to the *2006 IPCC Guidelines for National Greenhouse Gas Inventories 2019 Refined Report*; the carbon emission factors of light diesel, low-sulfur fuel oil and liquefied natural gas refer to the *Fourth IMO GHG study*; the carbon emission factor of purchased electricity is sourced from the *Announcement on the Release of 2023 Power Sector Carbon Dioxide Emission Factors*; the carbon emission factor of steam is sourced from the GB/T 32151.29—2024 *Requirements for Greenhouse Gas Emission Accounting and Reporting—Part 29: Mechanical Equipment Manufacturing Enterprises*. During the reporting period, we disclosed the carbon emissions from the Group's core businesses by optimizing our carbon emissions management data system

[47] The increase in Scope 2 carbon emissions in 2025 is primarily attributable to the completion and commissioning of the Company's new industrial parks and the further expansion of production capacity, which have led to an increase in related indirect energy consumption. Location-based method: When calculating carbon emissions from purchased electricity, the national average CO_2 emission factor for electricity is used

[48] Market-based method: When calculating emissions, purchased green electricity is excluded, and calculations are based solely on purchased non-renewable electricity. The corresponding carbon emissions are estimated using the national average CO_2 emission factor for electricity, which excludes non-fossil energy generated through market-based transactions

[49] Scope 3 greenhouse gas emissions include emissions resulting from BYD's purchased goods and services, fuel and energy related activities, upstream transportation and distribution, employee travel, employee commuting, downstream transportation and distribution, processing of sold products, use of sold products and end-of-life treatment of sold products

[50] Category 1 Purchased goods and services includes greenhouse gas emissions generated during the production process from various production-related materials procured by BYD; emission factors are sourced from the CEEIO database (Chinese Environmentally Extended Input-Output database)

[51] Category 3 Fuel and energy related activities includes greenhouse gas emissions resulting from BYD's energy procurement, transportation and distribution; emission factors are sourced from the Ecoinvent 3.11 database

[52] Category 4 Upstream transportation and distribution includes greenhouse gas emissions generated by the upstream transport and distribution of BYD passenger vehicles via road, water, air, and rail; emission factors are sourced from the Ecoinvent 3.11 database

[53] Category 6 Employee travel includes greenhouse gas emissions generated by BYD employees' business travel, such as train and air travel; emission factors are sourced from the CPCD database (China Products Carbon Footprint Factors Database)

[54] Category 7 Employee commuting includes greenhouse gas emissions generated by BYD-owned shuttle buses and other vehicles; emission factors are sourced from the CPCD database. The significant increase in greenhouse gas emissions for this category this year compared to 2024 is due to a marked rise in the number of employees commuting, the total commuting distance, and the frequency of shuttle bus operations

[55] Category 9 Downstream transportation and distribution includes greenhouse gas emissions generated during the downstream transport and distribution of products manufactured domestically by BYD and sold globally via road, water, air, and rail; emission factors are sourced from the Ecoinvent 3.11 database

[56] Category 10 Processing of sold products includes greenhouse gas emissions generated during the post-production processing of BYD's globally sold products (battery cells); emission factors are sourced from the *Announcement on the Release of 2024 Electricity Carbon Footprint Factor Data* issued by the Ministry of Ecology and Environment

[57] Category 11 Use of sold products includes greenhouse gas emissions generated during the use phase of BYD's products sold globally (forklifts, passenger vehicles, and commercial vehicles); emission factors are sourced from the *Announcement on the Release of 2024 Electricity Carbon Footprint Factor Data* issued by the Ministry of Ecology and Environment, the *Greenhouse Gases – Product Carbon Footprint Quantification Methods and Requirements – Industrial Vehicles (Draft for Comment)*, relevant IPCC standards, and relevant specifications issued by the Ministry of Ecology and Environment

[58] Category 12 End-of-life treatment of sold products includes greenhouse gas emissions generated during the dismantling and waste disposal of passenger vehicles, commercial vehicles, forklifts, batteries, and other products sold globally by BYD; emission factors are sourced from the Ecoinvent 3.11 database, the *Specifications for Carbon Emission Accounting and Reporting in the Value Chain of Automobile Manufacturers* and the *Greenhouse Gases – Product Carbon Footprint Quantification Methods and Requirements – Industrial Vehicles (Draft for Comment)*

Society

Employees[59]

Indicator	Unit	2024	2025
Number of Employees			
Total number of employees	Person	968,872	869,622
By Location of Operation			
Number of employees in the Chinese Mainland	Person	948,090	837,518
Number of employees in Hong Kong, Macau,Taiwan and overseas	Person	20,782	32,104
Proportion of employees in the Chinese Mainland	%	97.86	96.31
Proportion of employees in Hong Kong, Macau, Taiwan and overseas	%	2.14	3.69
By Gender			
Number of females	Person	291,720	265,005
Number of males	Person	677,152	604,617
Proportion of females	%	30.11	30.47
Proportion of males	%	69.89	69.53
By Age			
Number of employees aged 30 or below	Person	421,451	366,383
Number of employees aged 30 to 50	Person	532,250	486,404
Number of employees aged 50 or above	Person	15,171	16,835
Proportion of employees aged 30 or below	%	43.5	42.13
Proportion of employees aged 30 to 50	%	54.93	55.93
Proportion of employees aged 50 or above	%	1.57	1.94

Indicator	Unit	2024	2025
By Ethnic Group			
Number of employees of Han	Person	873,853	773,433
Number of employees of Zhuang	Person	24,149	22,526
Number of employees of Miao	Person	8,922	7,177
Number of employees of Tujia	Person	8,590	7,239
Number of employees of other ethnic groups	Person	53,358	59,247
Proportion of employees of Han	%	90.19	88.94
Proportion of employees of Zhuang	%	2.49	2.59
Proportion of employees of Miao	%	0.92	0.83
Proportion of employees of Tujia	%	0.89	0.83
Proportion of other nationalities	%	5.51	6.81
By Position Level[60]			
Number of senior management	Person	5,319	5,504
Number of middle management	Person	181,303	183,774
Number of general employees	Person	782,250	680,344
Proportion of senior management	%	0.55	0.63
Proportion of middle management	%	18.71	21.13
Proportion of general employees	%	80.74	78.23

[59] This covers employees (referring to individuals with a direct employment relationship with BYD under applicable local laws) and other laborers whose work and/or workplace is controlled by BYD

[60] It refers to the caliber adopted under the Company's management organizational structure, and shall not apply to the relevant definitions provided in the Company Law of the People's Republic of China or the Articles of Association of the Company

Indicator	Unit	2024	2025
By Working Hours			
Number of employees with guaranteed working hours	Person	966,815	869,585
Number of employees with non-guaranteed working hours[61]	Person	2,057	37
Proportion of employees with guaranteed working hours	%	99.79	99.99
Proportion of employees with non-guaranteed working hours	%	0.21	0.01
By Job Function			
Number of production personnel	Person	762,998	665,812
Number of sales personnel	Person	45,611	40,348
Number of financial personnel	Person	2,151	2,075
Number of technical personnel	Person	122,924	127,665
Number of administrative personnel	Person	35,188	33,722
Proportion of production personnel	%	78.75	76.56
Proportion of sales personnel	%	4.71	4.64
Proportion of financial personnel	%	0.22	0.24
Proportion of technical personnel	%	12.69	14.68
Proportion of administrative personnel	%	3.63	3.88
By Category			
Outsourced staff	Person	/	1,438
Intern	Person	/	13,372

Indicator	Unit	2024	2025
Management-position Employees Composition[62]			
Total number of employees in management positions	Person	186,622	189,278
By Gender			
Female	Person	53,200	54,367
Male	Person	133,422	134,911
Female proportion	%	28.51	28.72
Male proportion	%	71.49	71.28
By Ethnic Group			
Number of Han	Person	169,469	171,664
Number of Zhuang	Person	2,756	2,852
Number of Man	Person	/	1,180
Number of Tujia	Person	945	1,531
Number of other ethnic groups	Person	13,452	12,051
Proportion of Han	%	90.81	90.69
Proportion of Zhuang	%	1.48	1.51
Proportion of Man	%	/	0.62
Proportion of Tujia	%	0.51	0.81
Proportion of other ethnic groups	%	7.20	6.37
Employee Composition for Entry-level Management Positions[63]			
Total number of employees in management positions in entry-level management positions	Person	181,303	183,774

[61] Employees who do not guarantee minimum or fixed working hours per day, week or month, but may be required to work as required

[62] Senior management and middle management

[63] Middle management

Indicator	Unit	2024	2025
By Gender			
Female	Person	52,195	53,316
Male	Person	129,108	130,458
Female proportion	%	28.79	29.01
Male proportion	%	71.21	70.99
Composition of Senior Management (Including Members of the Board)			
Total number of senior management (including Board members)	Person	5,319	5,504
By Gender			
Female	Person	1,005	1,051
Male	Person	4,314	4,453
Female proportion	%	18.89	19.10
Male proportion	%	81.11	80.90
Employee Composition in Management Positions in Revenue-generating Functions[64]			
Female proportion	%	28.94	25.80
Male proportion	%	71.06	74.20

Indicator	Unit	2024	2025
Employee composition in STEM[65]**-related positions**			
Total number of employees in STEM-related positions	Person	123,674	144,681
By Gender			
Female	Person	24,446	43,071
Male	Person	99,228	101,610
Female proportion	%	19.77	29.77
Male proportion	%	80.23	70.23
Number of Disabled Employees			
Total number of disabled employees	Person	4,630	5,326
Proportion of disabled employees	%	0.48	0.61
By Gender			
Female	Person	1,411	1,614
Male	Person	3,219	3,712

[64] Positions that directly contribute to the output of products or services, such as sales, marketing, production, research and development, etc., excluding support functions such as human resources, information technology, and legal

[65] STEM (Science, Technology, Engineering, and Mathematics) refers to professions involving knowledge and skills in these fields. Practitioners must possess relevant qualifications and apply scientific, technological, engineering, or mathematical skills in their work

Employment

Indicator	Unit	2024	2025
Number of cases relating to remuneration and termination, recruitment and promotion, working hours, holidays, equal opportunity, diversity, anti-discrimination and other employment matters	/	0	0
New Employees[66]			
Number of newly hired full-time employees by gender group			
Female	Person	/	99,806
Male	Person	/	292,345
Number of newly hired full-time employees by age group			
Aged under 30 employee	Person	/	227,080
Aged 30-50 employee	Person	/	163,041
Aged over 50 employee	Person	/	2,030
Number of internally recruited employees by gender			
Female	Person	/	4,480
Male	Person	/	8,405
Number of Internally Recruited Employees by Age Group			
Aged under 30 employee	Person	/	5,632
Aged under 30-50 employee	Person	/	7,132
Aged over 50 employee	Person	/	121
Proportion of Vacant Positions Filled by Internal Employees			
Proportion of vacant positions filled by internal employees	%	/	3
Cost per Hire			
Cost per hire	RMB	/	992.98

Indicator	Unit	2024	2025
Employee Contracts[67]			
Number of permanent employee	Person	/	855,990
Number of temporary employee	Person	/	13,632
Employee Turnover Rate[68]			
Employee turnover rate	%	2.53	2.89
By Location of Operation			
Turnover rate in the Chinese Mainland	%	2.54	2.88
Turnover rate in Hong Kong, Macau, Taiwan and overseas	%	2.14	3.04
By Gender			
Female employee turnover rate	%	2.09	2.63
Male employee turnover rate	%	2.35	2.99
By Age			
Aged under 30 employee turnover rate	%	2.76	3.55
Aged 30-50 employee turnover rate	%	1.83	2.34
Aged over 50 employee turnover rate	%	0.61	1.15
By Position Level			
Senior management turnover rate	%	0.23	0.57
Middle management turnover rate	%	0.78	0.97
General employees turnover rate	%	2.57	3.28
Employee Satisfaction and Engagement			
Employee satisfaction	Score	73.06 out of 100	74.88 out of 100
Employee engagement	Score	4.00 out of 5	4.00 out of 5

[66] Including Mainland China employees only

[67] Permanent Employees: Workers who establish a long-term, stable labor relationship with the employer, signing open-ended contracts or long-term fixed-term labor contracts (typically ≥3 years). Temporary Employees: Workers who establish clearly defined, short-term labor (or service) relationships with the company to meet temporary, seasonal, or project-based staffing needs

[68] Employee turnover rate = (Annual number of voluntary resignations + Annual number of passive resignations) / (Annual number of voluntary resignations + Annual number of passive resignations + Number of employees at the end of the year) / 12; Employee turnover rate by category = Number of voluntary resignations in this category / (Number of voluntary resignations in this category + Number of passive resignations in this category + Number of employees at the end of the year in this category) / 12

Labor Rights and Interests

Indicator	Unit	2024	2025
Collective Bargaining Agreement			
Number of employees covered by collective bargaining agreements	Person	697,746	766,534
Proportion of employees covered by collective bargaining agreements	%	72.02	88.15
European Economic Area			
Number of employees covered by Spanish and French collective bargaining agreements	Person	110	105
Proportion of employees covered by Spanish and French collective bargaining agreements	%	100	100
Outside the European Economic Area			
Number of employees covered by collective bargaining agreements in the Chinese Mainland	Person	697,281	764,328
Number of employees covered by Brazilian collective bargaining agreements	Person	355	2,101
Proportion of employees covered by collective bargaining agreements in the Chinese Mainland	%	73.55	91.26
Proportion of employees covered by Brazilian collective bargaining agreements	%	69.47	100
Proportion of Employees with Inadequate Remuneration			
By Location of Operation			
Proportion of employees in the Chinese Mainland	%	/	0
Proportion of employees in Hong Kong, Macau, Taiwan and overseas	%	/	0
Employee Complaints			
Total number of complaints[69]	Case	84	388
Total number of complaints submitted to the OECD	Case	0	0
Total fines, penalties and damages resulting from the complaint	RMB	0	0
Human Rights			
Number of serious human rights incidents	Case	0	0
Total amount of fines, penalties and damages resulting from the incident	RMB	0	0
Percentage of human rights assessments of Tier 1 suppliers	%	100	100
Proportion of actions taken on risks identified in the human rights assessment of Tier 1 suppliers	%	100	100
Gender Pay Gap (Female/Male)[70]			
Mean Gender Pay Gap	%	/	85.34
Average Salary Ratio by Gender			
Average salary ratio by gender in senior management	%	91.38	88.23
Average salary ratio by gender in middle management	%	84.06	87.16
Average salary ratio by gender in general employees	%	91.17	91.75
Base Salary Ratio by Gender			
Base salary ratio by gender in senior management	%	89.89	89.09
Base salary ratio by gender in middle management	%	84.26	86.93
Base salary ratio by gender in general employees	%	93.75	94.04
Variable Salary Ratio by Gender			
Variable salary ratio by gender in senior management	%	93.18	85.69
Variable salary ratio by gender in middle management	%	79.33	80.06
Variable salary ratio by gender in general employees	%	89.22	90.57
Family-related Leave[71]			
Number of employees entitled to family-related leave	Person	968,872	869,622
By Gender			
Female eligible for family leave	Person	/	265,005

[69] The grievance system has added multiple new channels, providing employees with more convenient mobile access, which has led to an increase in data volume

[70] Includes data on employees in Chinese mainland only

[71] According to the relevant laws and regulations of the place of operation, including but not limited to marriage leave, pregnancy test leave, late pregnancy leave, abortion leave, birth control leave, funeral leave, late childbearing leave, etc.

Indicator	Unit	2024	2025
Male eligible for family leave	Person	/	604,617
Number of employees on family-related leave			
Number of employees on family-related leave	Person	123,661	45,546
By Gender			
Female taking family leave	Person	/	18,443
Male taking family leave	Person	/	27,103

Occupational Health and Safety

Indicator	Unit	2024	2025
Number of violations involving occupational safety and health	Case	0	0
Number of safety incidents[72]	Case	0	0
Occupational Health and Safety of Self-owned Employees[73]			
Number of work-related injuries	Case	90	88
Number of severe work-related injuries	Case	4	6
Lost hours due to work-related injuries	Hour	41,664	53,920
Lost days due to work-related injuries	Day	5,208	6,740
Lost-Time Injury Frequency Rate (LTIFR) per million hours worked	Case	0.047	0.051
Number of work-related fatalities	Case	0	0
Insurance Investment			
Work-related Injury Insurance			
Number of persons covered by work-related injury Insurance	Person	968,872	869,622
Personnel coverage of industrial injury insurance	%	100	100
Investment amount in work-related injury insurance (Mainland China)	RMB	/	665,299,212

[72] Refers to government-recorded general and above-level accidents

[73] Work-related injuries refer to production safety accidents other than traffic accidents; Severe work-related injuries refer to disability injuries in which lost working days are equal to or more than 105 days according to the Standard for Lost Work Days for Accident Injuries GB/T15499

Training and Education

Indicator	Unit	2024	2025
Training			
Number of employee trainings	Time	5,145,247	9,039,214
Annual training expenditure	RMB	/	110,695,797
Annual training cost per capita	RMB	/	127
Number of Employees Trained[74]			
Total number of employees trained	Person	968,872	869,622
Proportion of employees trained	%	100	100
By Gender			
Female	Person	291,720	265,005
Male	Person	677,152	604,617
Female proportion	%	30.11	30.47
Male proportion	%	69.89	69.53
By Position Level			
Number of senior management	Person	5,319	5,504
Number of middle management	Person	181,303	183,774
Number of general employees	Person	782,250	680,344
Proportion of senior management	%	0.55	0.63
Proportion of middle management	%	18.71	21.13
Proportion of general employees	%	80.74	78.23

Indicator	Unit	2024	2025
Training Hours of Employees			
Total training hours of employees	Hour	53,623,107	46,684,076
Average training hours per employee	Hour	55.35	53.68
By Gender			
Training Hours for female employees	Hour	16,496,664	14,792,239
Average training hours per female employee	Hour	56.55	55.82
Training hours of male employees	Hour	37,126,443	31,891,837
Average training hours per male employee	Hour	54.83	52.75
By Position Level			
Training hours for senior management	Hour	107,518	147,346
Average training hours per senior management	Hour	20.21	26.77
Training hours for middle management	Hour	6,146,214	6,959,012
Average training hours per middle management	Hour	33.90	37.87
Training hours for general employees	Hour	47,369,374	39,577,718
Average training hours per general employees	Hour	60.56	58.17
ESG Training for Employees			
Number of ESG training sessions conducted for employees	Session	12	32
Number of participants in employee ESG training	Person-time	2,066	33,286
Performance Management			
Employee Coverage of Performance Management System[75]	%	100	100

[74] Proportion of employees trained by category = Number of employees trained in this category / Total number of employees trained

[75] Include setting measurable or quantifiable performance goals through discussions between managers and employees, and conducting multi-dimensional performance appraisals and performance rankings for employees

Product Responsibility

Indicator	Unit	2024	2025
Product and Service Major Liability Accidents			
Number of major safety and quality accidents related to products and services	Case	0	0
Information Security and Customer Privacy			
Number of data security incidents that caused significant property damage to the company	Case	0	0
Major customer privacy breaches	Case	0	0
Customer Complaints[76]			
Number of customer complaints received	Case	43,392	45,177
Customer complaint response rate	%	96.08	98.41
Customer complaint resolution rate	%	96	96

Indicator	Unit	2024	2025
Product Recall			
Number of Vehicles Recalled	Vehicle	113,380	211,607
Number of vehicles subject to mandatory (involuntary) recalls	Vehicle	0	204,764
Costs incurred due to recalls	RMB	/	125,115,300
Customer Satisfaction[77]			
Overall Customer satisfaction	%	Above 95	97.4
Customer satisfaction of Dynasty Series and Ocean Series	%	96.7	97.4
Customer satisfaction of YANGWANG brand	%	97.9	98.9
Customer satisfaction of DENZA brand	%	96.8	97.1
Customer satisfaction of FANGCHENG BAO brand	%	/	96.5

[76] Includes complaints regarding product and service quality during the post-sales phase; the customer complaint response rate is calculated based on service metrics for 400 service hotlines

[77] Customer satisfaction refers to the Net Promoter Score (NPS) for post-sales customer service

Supply Chain

Indicator	Unit	2024	2025
Number of Suppliers			
Total number of suppliers	/	13,701	15,628
By Geographical Region			
Proportion of suppliers in East China[78]	%	38.82	38.80
Proportion of suppliers in South China[79]	%	32.35	30.42
Proportion of suppliers in North China[80]	%	7.47	7.34
Proportion of suppliers in other regions	%	21.36	23.44

Innovative R&D

Indicator	Unit	2024	2025
R&D investment	RMB 1,000	54,160,964	63,441,379
Proportion of R&D investment in the operating revenue	%	6.97	7.89
R&D Personnel			
Number of R&D personnel	Person	121,598	127,665
Proportion of R&D personnel	%	12.55	14.68
Patents Applications			
Number of new patent applications	Item	/	11,093
–Invention patents	Item	6,612	8,337
–Utility model patents	Item	/	1,979
–Design Patents	Item	/	777
Granted Patents			
Number of newly granted patents	Item	/	6,175
–Invention patents	Item	1,775	2,058
–Utility model patents	Item	/	3,130
–Design Patents	Item	/	987
Other New Patents			
Number of valid patents	Item	/	6,175
Number of invention patents applied to the main business	Item	6,612	8,337
Number of patent families[81]	Item	/	8,266
Number of software copyrights	Item	/	53

[78] Shanghai, Jiangsu, Zhejiang, Anhui, Fujian, Jiangxi, Shandong
[79] Guangdong, Guangxi, Hainan
[80] Beijing, Tianjin, Hebei, Shanxi, Inner Mongolia
[81] Patent Family refers to a group of patent documents with common priority, which involve the same invention and creation, but may apply for patent protection in different countries or regions

Appendix II: HKEX ESG Reporting Code

Environmental, Social and Governance Reporting Code		Sections and/or Explanations
A1 General Disclosures	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Practice Green Operations
A1.1	The types of emissions and respective emissions data.	Key Performance Indicators
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Key Performance Indicators
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Key Performance Indicators
A1.5	Description of emission target(s) set and steps taken to achieve them.	Practice Green Operations
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Practice Green Operations
A2 General Disclosures	Policies on the efficient use of resources, including energy, water and other raw materials.	Response to Climate Change Practice Green Operations
A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Key Performance Indicators
A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility).	Key Performance Indicators
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Response to Climate Change
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Practice Green Operations
A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Key Performance Indicators
A3 General Disclosures	Policies on minimising the issuer's significant impacts on the environment and natural resources.	Practice Green Operations
A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Practice Green Operations
B1 General Disclosures	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Ensure Employee Rights Build an Equal Workplace Improve Employees' Well-being

Environmental, Social and Governance Reporting Code		Sections and/or Explanations
B1.1	Total workforce by gender, employment type (for example, full- or parttime), age group and geographical region.	Key Performance Indicators
B1.2	Employee turnover rate by gender, age group and geographical region.	Key Performance Indicators
B2 General Disclosures	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Improve Employees' Well-being
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Improve Employees' Well-being
B2.2	Lost days due to work injury.	Key Performance Indicators
B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Improve Employees' Well-being
B3 General Disclosures	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Adhere to Talent Investment
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Key Performance Indicators
B3.2	The average training hours completed per employee by gender and employee category.	Key Performance Indicators
B4 General Disclosures	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	Ensure Employee Rights Build an Equal Workplace

Environmental, Social and Governance Reporting Code		Sections and/or Explanations
B4.1	Description of measures to review employment practices to avoid child and forced labour.	Ensure Employee Rights Build an Equal Workplace
B4.2	Description of steps taken to eliminate such practices when discovered.	Ensure Employee Rights Build an Equal Workplace
B5 General Disclosures	Policies on managing environmental and social risks of the supply chain.	Standardize Management System
B5.1	Number of suppliers by geographical region.	Key Performance Indicators
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Standardize Management System
B5.3	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Standardize Management System Practice Responsible Procurement
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Practice Responsible Procurement
B6 General Disclosures	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Uphold Product Responsibility Focus on Customer Experience

Environmental, Social and Governance Reporting Code		Sections and/or Explanations
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Uphold Product Responsibility Key Performance Indicators
B6.2	Number of products and service related complaints received and how they are dealt with.	Key Performance Indicators
B6.3	Number of products and service related complaints received and how they are dealt with.	Lead Industry Development
B6.4	Description of quality assurance process and recall procedures.	Uphold Product Responsibility Focus on Customer Experience
B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Focus on Customer Experience
B7 General Disclosures	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Abide by Business Ethics List of Major Laws and Regulations
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Abide by Business Ethics Key Performance Indicators
B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Abide by Business Ethics
B7.3	Description of anti-corruption training provided to directors and staff.	Abide by Business Ethics Key Performance Indicators
B8 General Disclosures	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Create Value for Society List of Major Laws and Regulations
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Create Value for Society
B8.2	Resources contributed (e.g. money or time) to the focus area.	Create Value for Society Key Performance Indicators

Environmental, Social and Governance Reporting Code		Sections and/or Explanations
Section D: Climate-related Disclosures		
D19(a)	The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the issuer shall identify that body(s) or individual(s).	Climate Governance
D19(b)	Management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.	Climate Governance
D20(a)	Describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term;	Analysis and Response to Climate-related Risks and Opportunities
D20(b)	Explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk;	Analysis and Response to Climate-related Risks and Opportunities
D20(c)	Specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	Analysis and Response to Climate-related Risks and Opportunities
D20(d)	Explain how the issuer defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	Analysis and Response to Climate-related Risks and Opportunities
D21(a)	A description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and	Analysis and Response to Climate-related Risks and Opportunities
D21(b)	A description of where in the issuer's business model and value chain climaterelated risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	Climate Scenario Analysis and Resilience Assessment
D22(a)	Information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose information about:	Climate Strategy
D22(b)	Information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).	Analysis and Response to Climate-related Risks and Opportunities Climate Action
D23	An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).	Climate Targets
D24(a)	How climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and	Climate Scenario Analysis and Resilience Assessment
D24(b)	The climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	Climate Scenario Analysis and Resilience Assessment

Environmental, Social and Governance Reporting Code		Sections and/or Explanations
D25(a)	How the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration:	Climate Scenario Analysis and Resilience Assessment
D25(b)	How the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	Climate Scenario Analysis and Resilience Assessment
D26(a)	The issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of:	Climate Scenario Analysis and Resilience Assessment
D26(b)	How and when the climate-related scenario analysis was carried out, including:	Climate Scenario Analysis and Resilience Assessment
D27(a)	The processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about:	Climate Risk and Opportunity Management
D27(b)	The processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and	Climate Risk and Opportunity Management
D27(c)	The extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.	Climate Risk and Opportunity Management
D28(a)	Scope 1 greenhouse gas emissions;	Climate Metrics Key Performance Indicators
D28(b)	Scope 2 greenhouse gas emissions; and	Climate Metrics Key Performance Indicators
D28(c)	Scope 3 greenhouse gas emissions.	Climate Metrics Key Performance Indicators
D29(a)	Measure its greenhouse gas emissions in accordance with the greenhouse gas protocol: A corporate accounting and reporting standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions;	Key Performance Indicators
D29(b)	Disclose the approach it uses to measure its greenhouse gas emissions including:	Key Performance Indicators
D29(c)	For scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's scope 2 greenhouse gas emissions; and	Key Performance Indicators

Environmental, Social and Governance Reporting Code		Sections and/or Explanations
D29(d)	For scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer's measure of scope 3 greenhouse gas emissions, in accordance with the scope 3 categories described in the greenhouse gas protocol corporate value chain (scope 3) accounting and reporting standard (2011).	Key Performance Indicators
D30	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	Climate Scenario Analysis and Resilience Assessment
D31	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	Climate Scenario Analysis and Resilience Assessment
D32	An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	Climate Scenario Analysis and Resilience Assessment
D33	An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	/ As the Group has not yet established clear classifications, reporting procedures, or accounting standards for capital expenditures, financing, and investments related to climate-related risks and opportunities, the relevant data cannot currently be disclosed separately, accurately, or completely; therefore, this information has not been disclosed.
D34(a)	An explanation of whether and how the issuer is applying a carbon price in decisionmaking (for example, investment decisions, transfer pricing, and scenario analysis); and	Climate Metrics
D34(b)	The price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions;	Climate Metrics
D35	An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement.	Climate Governance
D36	(Encourage) Industry indicators related to one or more specific business models and activities, or industry indicators associated with common characteristics of participation in the relevant industry.	Key Performance Indicators

Environmental, Social and Governance Reporting Code		Sections and/or Explanations
D37	An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose:	Climate Targets
D38	The metrics used to monitor progress towards reaching the target; and	Climate Metrics and Targets
D39	An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.	Key Performance Indicators
D40(a)	Which greenhouse gases are covered by the target.	Climate Metrics and Targets
D40(b)	Whether scope 1, scope 2 or scope 3 greenhouse gas emissions are covered by the target.	Climate Metrics and Targets
D40(c)	Whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target.	Climate Metrics and Targets
D40(e)	The issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target.	Climate Targets

Appendix III: SZSE Guidelines Content Index

Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange-Sustainability Report (For Trial Implementation)	Chapters and/or Explanations
Climate response	Response to Climate Change
Pollutant discharge	Practice Green Operations
Waste disposal	Practice Green Operations
Ecosystem and biodiversity protection	Practice Green Operations
Environmental compliance management	Practice Green Operations
Energy utilization	Response to Climate Change
Water resources utilization	Practice Green Operations
Circular economy	Practice Green Operations
Rural revitalization	Create Value for Society
Social contributions	Create Value for Society
Innovation	Lead Industry Development
Ethics of science and technology	Lead Industry Development
Supply chain security	Standardize Management System Practice Responsible Procurement Promote Collaborative Development

Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange-Sustainability Report (For Trial Implementation)	Chapters and/or Explanations
Equal treatment of SMEs	During the reporting period, the Company publicly disclosed information on overdue payments to SMEs through the National Enterprise Credit Information Publicity System as required. No overdue payments to SMEs occurred.
Product and service safety and quality	Uphold Product Responsibility Focus on Customer Experience
Data security and customer privacy	Focus on Customer Experience
Employees	Ensure Employee Rights Build an Equal Workplace Adhere to Talent Investment Improve Employees' Well-being
Due diligence	Ensure Employee Rights Practice Responsible Procurement
Stakeholder engagement	Sustainability Management
Anti-commercial bribery and anti-corruption	Abide by Business Ethics
Fair competition	Abide by Business Ethics

Appendix IV: ESRS Index

European Sustainability Reporting Standards (ESRS)		Chapters and/or Explanations
ESRS 2. General Disclosures		
BP-1	General basis for preparation of sustainability statements	Reporting Standards Reporting Principles
BP-2	Disclosures in relation to specific circumstances	Reporting Principles
GOV-1	The role of the administrative, management and supervisory	Sustainability Management Strengthen the Governance Structure
GOV-2	Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	Sustainability Management
GOV-3	Integration of sustainability-related performance in incentive schemes	Sustainability Management
GOV-4	Statement on due diligence	To be disclosed
GOV-5	Risk management and internal controls over sustainability reporting	To be disclosed
SBM-1	Strategy, business model and value chain	Company Business
SBM-2	Interests and views of stakeholders	Sustainability Management
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Sustainability Management
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	Sustainability Management
IRO-2	Disclosure requirements in ESRS covered by the undertaking's sustainability statement	Reporting Standards

European Sustainability Reporting Standards (ESRS)		Chapters and/or Explanations
ESRS E1. Climate Change		
E1-1	Transition plan for climate change mitigation	Climate Governance Climate Strategy Climate Risk and Opportunity Management Climate Metrics and Targets Climate Action
E1-2	Policies related to climate change mitigation and adaptation	Climate Strategy Climate Risk and Opportunity Management Climate Metrics and Targets Climate Action
E1-3	Actions and resources in relation to climate change policies	Climate Governance Climate Strategy Climate Risk and Opportunity Management Climate Metrics and Targets Climate Action
E1-4	Targets related to climate change mitigation and adaptation	Climate Metrics and Targets
E1-5	Energy consumption and mix	Key Performance Indicators
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	Key Performance Indicators
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	Climate Metrics and Targets
E1-8	Internal carbon pricing	Climate Metrics and Targets

European Sustainability Reporting Standards (ESRS)		Chapters and/or Explanations
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Climate Strategy
ESRS E2. Pollution		
E2-1	Policies related to pollution	Practice Green Operations
E2-2	Actions and resources related to pollution Actions and resources related to pollution	Practice Green Operations
E2-3	Targets related to pollution	Practice Green Operations
E2-4	Pollution of air, water and soil	Practice Green Operations Key Performance Indicators
E2-5	Substances of concern and substances of very high concern	Practice Green Operations
E2-6	Anticipated financial effects from pollution-related impacts, risks and opportunities	Practice Green Operations
ESRS E3. Water and Marine Resources		
E3-1	Policies related to water and marine resources	Practice Green Operations
E3-2	Actions and resources related to water and marine resources	Practice Green Operations
E3-3	Targets related to water and marine resources Targets related to water and marine resources	Practice Green Operations
E3-4	Water consumption	Practice Green Operations Key Performance Indicators
E3-5	Anticipated financial effects from water and marine resources-related impacts, risks and opportunities	Practice Green Operations
ESRS E4. Biodiversity and Ecosystems		
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	Practice Green Operations
E4-2	Policies related to biodiversity and ecosystems	Practice Green Operations
E4-3	Actions and resources related to biodiversity and ecosystems	Practice Green Operations
E4-4	Targets related to biodiversity and ecosystems	Practice Green Operations
E4-5	Impact metrics related to biodiversity and ecosystems change	Practice Green Operations
E4-6	Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities	To be disclosed
ESRS E5. Resource Use and Circular Economy		
E5-1	Policies related to resource use and circular economy Policies related to resource use and circular economy	Practice Green Operations
E5-2	Actions and resources related to resource use and circular economy	Practice Green Operations
E5-3	Targets related to resource use and circular economy	Practice Green Operations
E5-4	Resource inflows	Practice Green Operations
E5-5	Resource outflows	Practice Green Operations
E5-6	Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	Practice Green Operations
ESRS S1. Own Workforce		
S1-1	Policies related to own workforce Policies related to own workforce	Ensure Employee Rights Build an Equal Workplace Adhere to Talent Investment Improve Employees' Well-being
S1-2	Processes for engaging with own workers and workers' representatives about impacts	Ensure Employee Rights Improve Employees' Well-being
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	Ensure Employee Rights Improve Employees' Well-being
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Ensure Employee Rights

European Sustainability Reporting Standards (ESRS)		Chapters and/or Explanations
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Ensure Employee Rights
S1-6	Characteristics of the undertaking's employees	Ensure Employee Rights Build an Equal Workplace
S1-7	Characteristics of non-employee workers in the undertaking's own workforce	Ensure Employee Rights Build an Equal Workplace
S1-8	Collective bargaining coverage and social dialogue	Ensure Employee Rights Improve Employees' Well-being
S1-9	Diversity metrics	Key Performance Indicators
S1-10	Adequate wages	Ensure Employee Rights
S1-11	Social protection	Ensure Employee Rights Improve Employees' Well-being
S1-12	Persons with disabilities	Build an Equal Workplace Key Performance Indicators
S1-13	Training and skills development metrics	Adhere to Talent Investment
S1-14	Health and safety metrics	Improve Employees' Well-being Key Performance Indicators
S1-15	Work-life balance metrics	Ensure Employee Rights
S1-16	Compensation metrics (pay gap and total compensation)	To be disclosed
S1-17	Incidents, complaints and severe human rights impacts	Not applicable

European Sustainability Reporting Standards (ESRS)		Chapters and/or Explanations
ESRS S2. Workers in the Value Chain		
S2-1	Policies related to value chain workers	Standardize Management System Practice Responsible Procurement
S2-2	Processes for engaging with value chain workers about impacts	Practice Responsible Procurement Promote Collaborative Development
S2-3	Processes to remediate negative impacts and channels for value chain workers to raise concerns	Practice Responsible Procurement
S2-4	Taking action on material impacts on value chain workers, and approaches to managing material risks and pursuing material opportunities related to value chain workers, and effectiveness of those action	Practice Responsible Procurement Promote Collaborative Development
S2-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Sustainable Development Strategic Goals
ESRS S3. Affected Communities		
S3-1	Policies related to affected communities	Create Value for Society
S3-2	Processes for engaging with affected communities about impacts	Create Value for Society
S3-3	Processes to remediate negative impacts and channels for affected communities to raise concerns	Sustainability Management Create Value for Society
S3-4	Taking action on material impacts on affected communities, and approaches to managing material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	Create Value for Society
S3-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	To be disclosed

European Sustainability Reporting Standards (ESRS)		Chapters and/or Explanations
ESRS S4. Consumers and End-users		
S4-1	Policies related to consumers and end-users	Uphold Product Responsibility Focus on Customer Experience
S4-2	Processes for engaging with consumers and end-users about impacts	Uphold Product Responsibility Focus on Customer Experience
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	Uphold Product Responsibility Focus on Customer Experience
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	Uphold Product Responsibility Focus on Customer Experience
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	To be disclosed

European Sustainability Reporting Standards (ESRS)		Chapters and/or Explanations
ESRS G1. Business Conduct		
G1-1	Corporate culture and business conduct policies and corporate culture	Abide by Business Ethics
G1-2	Management of relationships with suppliers	Standardize Management System Promote Collaborative Development
G1-3	Prevention and detection of corruption and bribery	Abide by Business Ethics
G1-4	Confirmed incidents of corruption or bribery	Abide by Business Ethics Key Performance Indicators
G1-5	Political influence and lobbying activities	Not applicable
G1-6	Payment practices	To be disclosed

Appendix V: GRI Index[82]

Sustainability Report Standards (GRI)		Chapters and/or explanations
GRI 2: General Disclosures 2021		
2-1	Organizational details	About Us
2-2	Entities included in the organization's sustainability reporting	About This Report
2-3	Reporting period, frequency and contact point	About This Report
2-4	Restatements of information	Any restatements of information and data have been noted in the footnotes of the relevant sections.
2-5	External assurance	Assurance Statement
2-6	Activities, value chain and other business relationships	Company Business Promote Collaborative Development
2-7	Employees	Ensure Employee Rights Build an Equal Workplace Adhere to Talent Investment Improve Employees' Well-being
2-8	Workers who are not employees	Ensure Employee Rights Build an Equal Workplace Adhere to Talent Investment Improve Employees' Well-being
2-9	Governance structure and composition	Strengthen the Governance Structure
2-10	Nomination and selection of the highest governance body	Strengthen the Governance Structure
2-11	Chair of the highest governance body	Strengthen the Governance Structure
2-12	Role of the highest governance body in overseeing the management of impacts	Strengthen the Governance Structure
2-13	Delegation of responsibility for managing impacts	Sustainability Management
2-14	Role of the highest governance body in sustainability reporting	Sustainability Management
2-15	Conflicts of interest	Deepen Compliance Management
2-16	Communication of critical concerns	Sustainability Management
2-17	Collective knowledge of the highest governance body	Sustainability Management
2-18	Evaluation of the performance of the highest governance body	Sustainability Management
2-19	Remuneration policies	Sustainability Management
2-20	Process to determine remuneration	/
2-21	Annual total compensation ratio	/
2-22	Statement on Sustainability Strategy	Sustainability Management
2-23	Policy commitments	Abide by Business Ethics Ensure Employee Rights
2-24	Embedding policy commitments	Sustainability Management
2-25	Processes to remediate negative impacts	Ensure Employee Rights Abide by Business Ethics
2-26	Mechanisms for seeking advice and raising concerns	Sustainability Management

[82] BYD reported the information cited in this GRI Content Index in accordance with the GRI standards from January 1, 2025, to December 31, 2025

Sustainability Report Standards (GRI)		Chapters and/or explanations
2-27	Compliance with laws and regulations	List of Major Laws and Regulations
2-28	Membership associations	Lead Industry Development
2-29	Approach to Stakeholder Participation	Sustainability Management
2-30	Collective bargaining agreements	Ensure Employee Rights
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	Sustainability Management
3-2	List of material topics	Sustainability Management
3-3	Management of material topics	Sustainability Management Response to Climate Change Uphold Product Responsibility Ensure Employee Rights Strengthen Risk Management and Control
Economic Section		
GRI 201: Economic Performance 2016		
201-1	Direct economic value generated and distributed	Key Performance Indicators
201-3	Defined benefit plan obligations and other retirement plans	Ensure Employee Rights
201-4	Financial assistance received from government	/
GRI 202: Market Performance 2016		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	To be disclosed
202-2	Proportion of senior management hired from the local community	To be disclosed

Sustainability Report Standards (GRI)		Chapters and/or explanations
GRI 203: Indirect Economic Impacts 2016		
203-1	Infrastructure investments and services supported	Create Value for Society
203-2	Significant indirect economic impacts	Create Value for Society
GRI 204: Procurement Practices 2016		
204-1	Proportion of spending on local suppliers	/
GRI 205: Anti-Corruption 2016		
205-1	Operations assessed for risks related to corruption	Abide by Business Ethics
205-2	Communication and training about anti-corruption policies and procedures	Abide by Business Ethics Practice Responsible Procurement
205-3	Confirmed incidents of corruption and actions taken	Abide by Business Ethics
GRI 206: Anti-competitive Behavior 2016		
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Abide by Business Ethics
GRI 207: Tax 2019		
207-1	Approach to tax	Abide by Business Ethics
207-2	Tax governance, control, and risk management	Abide by Business Ethics
207-3	Stakeholder Participation and management of concerns related to tax	/
207-4	Country-by-country reporting	/
Environmental Section		
GRI 301: Materials 2016		
301-1	Materials used by weight or volume	Key Performance Indicators

Sustainability Report Standards (GRI)		Chapters and/or explanations
301-2	Recycled input materials used	Practice Green Operations
301-3	Reclaimed products and their packaging materials	Practice Green Operations
GRI 302: Energy 2016		
302-1	Energy consumption within the organization	Key Performance Indicators
302-2	Energy consumption outside of the organization	Key Performance Indicators
302-3	Energy intensity	Key Performance Indicators
302-4	Reduction of energy consumption	Response to Climate Change
302-5	Reductions in energy requirements of products and services	Response to Climate Change
GRI 303: Water and Wastewater 2018		
303-1	Interactions with water as a shared resource	Practice Green Operations
303-2	Management of water discharge-related impacts	Practice Green Operations
303-3	Water withdrawal	Key Performance Indicators
303-4	Water discharge	Key Performance Indicators
303-5	Water consumption	Key Performance Indicators
GRI 304: Biodiversity 2016		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	To be disclosed
304-2	Significant impacts of activities, products and services on biodiversity	Practice Green Operations
304-3	Habitats protected or restored	Practice Green Operations
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	To be disclosed

Sustainability Report Standards (GRI)		Chapters and/or explanations
GRI 305: Emissions 2016		
305-1	Direct (Scope 1) GHG emissions	Key Performance Indicators
305-2	Energy indirect (Scope 2) GHG emissions	Key Performance Indicators
305-3	Other indirect (Scope 3) GHG emissions	Key Performance Indicators
305-4	GHG emissions intensity	Key Performance Indicators
305-5	Reduction of GHG emissions	Key Performance Indicators
305-6	Emissions of ozone-depleting substances (ODS)	Not relevant during the reporting period
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Key Performance Indicators
GRI 306: Waste 2020		
306-1	Waste generation and significant waste-related impacts	Practice Green Operations
306-2	Management of significant waste-related impacts	Practice Green Operations
306-3	Waste generated	Practice Green Operations Key Performance Indicators
306-4	Waste diverted from disposal	Practice Green Operations Key Performance Indicators
306-5	Waste directed to disposal	Practice Green Operations Key Performance Indicators
GRI 308: Supplier environmental assessment 2016		
308-1	New suppliers that were screened using environmental criteria	Standardize Management System Practice Responsible Procurement
308-2	Negative environmental impacts in the supply chain and actions taken	Standardize Management System Practice Responsible Procurement

Sustainability Report Standards (GRI)		Chapters and/or explanations
Social Section		
GRI 401: Employment 2016		
401-1	New employee hires and employee turnover	Key Performance Indicators
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Ensure Employee Rights
401-3	Parental leave	Ensure Employee Rights
GRI 402: Labor Relations 2016		
402-1	Minimum notice periods regarding operational changes	/
GRI 403: Occupational Health and Safety (OHS) 2018		
403-1	Occupational health and safety management system	Improve Employees' Well-being
403-2	Hazard identification, risk assessment, and incident investigation	Improve Employees' Well-being
403-3	Occupational health services	Improve Employees' Well-being
403-4	Worker participation, consultation, and communication on occupational health and safety	Ensure Employee Rights Improve Employees' Well-being
403-5	Worker training on occupational health and safety	Improve Employees' Well-being
403-6	Promotion of worker health	Improve Employees' Well-being
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Improve Employees' Well-being
403-8	Workers covered by an occupational health and safety management system	Improve Employees' Well-being
403-9	Work-related injuries	Key Performance Indicators
403-10	Work-related ill health	Not applicable
GRI 404: Training and Education 2016		
404-1	Average hours of training per year per employee	Key Performance Indicators
404-2	Programs for upgrading employee skills and transition assistance programs	Adhere to Talent Investment
404-3	Percentage of employees receiving regular performance and career development reviews	Key Performance Indicators
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity of governance bodies and employees	Strengthen the Governance Structure
405-2	Ratio of basic salary and remuneration of women to men	Key Performance Indicators
GRI 406: Anti-discrimination 2016		
406-1	Incidents of discrimination and corrective actions taken	Ensure Employee Rights Build an Equal Workplace
GRI 407: Freedom of Association and Collective Bargaining 2016		
407-1	Operations and suppliers at significant risk for incidents of child labor	Ensure Employee Rights
GRI 408: Child Labour 2016		
408-1	Operations and suppliers at significant risk for incidents of child labor	Ensure Employee Rights
GRI 409: Forced or Compulsory Labour 2016		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Ensure Employee Rights
GRI 410: Security Practices 2016		
410-1	Security personnel trained in human rights policies or procedures	To be disclosed
GRI 411: Indigenous Rights 2016		
411-1	Incidents of violations involving rights of indigenous peoples	No incidents were involved during the reporting period
GRI 413: Local Communities 2016		
413-1	Operations with local community engagement, impact assessments, and development programs	Create Value for Society
413-2	Operations with significant actual and potential negative impacts on local communities	Create Value for Society

Sustainability Report Standards (GRI)		Chapters and/or explanations
GRI 414: Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	Standardize Management System Practice Responsible Procurement
414-2	Negative social impacts in the supply chain and actions taken	Standardize Management System Practice Responsible Procurement
GRI 415: Public Policy 2016		
415-1	Political contributions	Not applicable
GRI 416: Customer Health and Safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	Uphold Product Responsibility Key Performance Indicators
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Not involved during the reporting period
GRI 417: Marketing and Labelling 2016		
417-1	Requirements for product and service information and labeling	Focus on Customer Experience
417-2	Incidents of non-compliance concerning product and service information and labeling	Focus on Customer Experience
417-3	Incidents of non-compliance concerning marketing communications	Focus on Customer Experience
GRI 418: Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Focus on Customer Experience Key Performance Indicators

Appendix VI: Sustainability Disclosure Standards for Business Enterprises No. 1 – Climate (trial) Issued by the Ministry of Finance Index

Sustainability Disclosure Standards for Business Enterprises No. 1 – Climate (trial) issued by the Ministry of Finance		Chapters and/or explanations
Chapter II: Governance		
Article 5	In terms of governance, the goal of an enterprise's climate-related information disclosure is to enable basic users of sustainable information to understand the governance structure, control measures, and procedures adopted by the enterprise to manage and monitor Climate-related Risks and opportunities.	Climate Governance
Article 6	An enterprise shall disclose information about the governance body or personnel responsible for overseeing Climate-related Risks and opportunities.	Climate Governance
Article 7	An enterprise shall disclose the role of management in the governance structure, control measures, and procedures adopted in managing and overseeing Climate-related Risks and opportunities.	Climate Governance
Article 8	If an enterprise has established an overall governance structure and internal systems for the management and oversight of sustainable risks and opportunities, it may integrate and disclose the content specified in Articles 6 to 7 and does not need to repeatedly disclose information on climate-related governance.	Sustainability Management
Article 9	Enterprises are encouraged to use their internal audit departments, legal departments, or other departments with oversight responsibilities to supervise Climate-related Risks and opportunities, and to engage independent third-party institutions to attest to climate-related information.	Assurance Statement
Chapter III Strategy		
Article 11	An enterprise shall disclose Climate-related Risks and opportunities that can be reasonably expected to affect its development prospects. (1) Describe the Climate-related Risks and opportunities that can be reasonably expected to affect the enterprise's development prospects; (2) For each Climate-related Risk identified by the enterprise, state whether the enterprise classifies the risk as a Climate-related Physical Risk or a Climate-related Transition Risk; (3) Disclose the current and expected impacts of these risks and opportunities on the enterprise's business model and value chain, as well as the areas in the enterprise's business model and value chain where Climate-related Risks and opportunities are concentrated; (4) For each Climate-related Risk and opportunity identified by the enterprise, clarify the time frame within which it can be reasonably expected to affect the enterprise's development prospects (including short-term, medium-term, or long-term), how short-term, medium-term, and long-term are defined, and how these definitions are related to the time frame used by the enterprise for strategic decision-making.	Analysis and Response to Climate-related Risks and Opportunities
Article 12	Enterprises shall disclose the impact of Climate-related Risks and opportunities on their strategies and decisions. (1) Current and expected changes in the business model, including the resource allocation for dealing with Climate-related Risks and opportunities; (2) Current and planned direct measures for mitigating and adapting to climate change; (3) Current and planned indirect measures for mitigating and adapting to climate change; (4) The enterprise's existing climate transition plan, including the key assumptions and basis used in formulating the transition plan; (5) How the enterprise plans to achieve its set Climate targets and the goals required by national laws, regulations, strategic plans, including but not limited to Greenhouse Gas Emissions targets; (6) Information on the current and planned resource allocation to support the above activities; (7) Quantitative and qualitative information on the progress of the plans in the previous reporting periods disclosed in (1) to (5) of this article.	Analysis and Response to Climate-related Risks and Opportunities
Article 13	Enterprises shall disclose the current and expected financial impacts of Climate-related Risks and opportunities, including the following quantitative and qualitative information. (1) The impact of Climate-related Risks and opportunities on the enterprise's Financial Position, operating results, and Cash Flows during the reporting period; (2) Identified Climate-related Risks and opportunities that may pose significant adjustment risks to the carrying values of assets and liabilities in the relevant financial statements for the next reporting period; (3) Based on the strategies for managing Climate-related Risks and opportunities, the formulated investment and disposal plans, and the planned sources of funds for implementing the strategies, explain the expected changes in the short-term, medium-term, and long-term Financial Position, operating results, and Cash Flows.	Climate Scenario Analysis and Resilience Assessment
Article 14	Enterprises shall disclose the innovative measures and effects for mitigating and adapting to climate change carried out in the production and operation process, as well as the costs incurred for this purpose.	Climate Action

Sustainability Disclosure Standards for Business Enterprises No. 1 – Climate (trial) issued by the Ministry of Finance		Chapters and/or explanations
Article 15	If an enterprise conducts transactions or events such as carbon emission trading rights transactions, purchase of green power certificates, development of voluntary greenhouse gas emission reduction projects, sale and purchase of emission reduction volumes, and signing of renewable energy contracts, it shall disclose the capitalized costs, expensed expenditures, and gains or losses related to these transactions or events during the reporting period, and disclose the impact of these transactions or events on the relevant financial statements of the enterprise in the next reporting period.	Climate Metrics and Targets The details of the capitalization of related transactions (commercially sensitive information) constitute the Company's core operational data that has not been disclosed to the public. Disclosing such cost and revenue data would harm the Group's economic interests; as it is not possible to balance disclosure with these interests, such information will not be disclosed.
Article 17	To enable the primary users of sustainable information to understand the resilience of the enterprise's strategy and business model to climate-related changes, developments, and uncertainties, the enterprise shall consider the identified Climate-related Risks and opportunities and use Climate-related Scenario Analysis to assess its Climate Resilience.	Climate Scenario Analysis and Resilience Assessment
Article 18	An enterprise shall determine the Climate-related Scenario Analysis method it uses in combination with the Climate-related Risks and opportunities it faces and the skills, capabilities, and resources available for scenario analysis.	Climate Scenario Analysis and Resilience Assessment
Article 19	An enterprise may conduct Climate-related Scenario Analysis in accordance with the strategic planning cycle (e.g., every three to five years).	Climate Scenario Analysis and Resilience Assessment
Chapter IV: Risk and Opportunity Management		
Article 21	In terms of risk and opportunity management, the objective of climate-related information disclosure is to enable the primary users of sustainable information to understand the enterprise's processes for identifying, assessing, prioritizing, and monitoring Climate-related Risks and opportunities (including whether and how these processes are integrated into the enterprise's overall Risk Management process).	Climate Risk and Opportunity Management
Article 22	An enterprise shall disclose its processes and relevant policies for identifying, assessing, prioritizing, and monitoring Climate-related Risks.	Climate Risk and Opportunity Management
Article 23	Enterprises shall disclose their processes for identifying, assessing, prioritizing, and monitoring Climate-related Opportunities, including whether and how they use Climate-related Scenario Analysis to help identify such opportunities.	Climate Risk and Opportunity Identification and Assessment Process
Article 24	Enterprises shall disclose the extent to which and how their processes for identifying, assessing, prioritizing, and monitoring Climate-related Risks and Opportunities are integrated into the enterprise's overall Risk Management process.	Climate Risk and Opportunity Management
Chapter V: Indicators and Targets		
Section 1: Climate-related Indicators		
Article 27	Enterprises shall disclose the following information related to industry-wide common indicators: (1) Greenhouse Gas Emissions; (2) Climate-related Physical Risks — the amount and percentage of assets or business activities vulnerable to Climate-related Physical Risks; (3) Climate-related Transition Risks — the amount and percentage of assets or business activities vulnerable to Climate-related Transition Risks; (4) Climate-related Opportunities — the amount and percentage of assets or business activities related to Climate-related Opportunities; (5) Capital allocation — the amount of capital expenditure, financing, or investment made in response to Climate-related Risks and Opportunities; (6) Internal Carbon Pricing; (7) Compensation.	Climate Metrics Conclusions of Climate Scenario Analysis and Results of Resilience Assessment
Article 28	An enterprise shall disclose, by category, the total absolute Greenhouse Gas Emissions (expressed in tons of carbon dioxide equivalent) generated during the reporting period according to Scope 1, Scope 2, and Scope 3 Greenhouse Gas Emissions.	Climate Metrics Key Performance Indicators
Article 29	When disclosing information as required by Article 28, an enterprise may use the Greenhouse Gas Emissions information of other enterprises in the value chain with reporting periods different from its own.	Not applicable
Article 30	An enterprise shall calculate its Greenhouse Gas Emissions in accordance with the enterprise carbon emission calculation standards formulated by relevant national departments and disclose the calculation basis.	Key Performance Indicators
Article 31	An enterprise shall disclose the methods used for calculating its Greenhouse Gas Emissions.	Key Performance Indicators
Article 32	With respect to Scope 1 and Scope 2 Greenhouse Gas Emissions, an enterprise shall separately disclose the emissions of the consolidated enterprise (the enterprise group formed by the parent company and its subsidiaries) and other invested enterprises (including associated enterprises, joint ventures, and non-consolidated subsidiaries).	Climate Metrics Because the Group does not exercise control over its associates and joint ventures, it has been unable to obtain complete, accurate, and verifiable emissions data from them. As a result, it is unable to measure and report such data reliably; therefore, in accordance with the principle of prudence, this information has not been disclosed at this time.

Sustainability Disclosure Standards for Business Enterprises No. 1 – Climate (trial) issued by the Ministry of Finance		Chapters and/or explanations
Article 33	An enterprise shall disclose its total location-based Scope 2 Greenhouse Gas Emissions and provide contract information or settlement information that has been signed and helps primary users of sustainability information understand the enterprise's total Scope 2 Greenhouse Gas Emissions. An enterprise may also disclose its total market-based Scope 2 Greenhouse Gas Emissions.	Key Performance Indicators
Article 34	An enterprise shall determine and disclose the categories included in the measurement of its Scope 3 Greenhouse Gas Emissions based on its value chain and the categories of Scope 3 Greenhouse Gas Emissions. The enterprise may limit the measurement of Greenhouse Gas Emissions in Category 15 "Investments" of Scope 3 to the scope of financing emissions.	Climate Metrics
Article 35	Enterprises engaged in asset management, commercial banking, or insurance operations shall disclose information related to their financing-related emissions.	Not relevant
Article 36	The measurement of Scope 3 Greenhouse Gas Emissions includes direct measurement and estimation.	Climate Metrics
Article 37	When an enterprise uses estimation to measure Scope 3 Greenhouse Gas Emissions, it may use the following two types of input values: (1) Data representing the enterprise's activities that result in Greenhouse Gas Emissions; (2) Emission factors that convert the data in (1) of this Article into Greenhouse Gas Emissions. In rare cases, if an enterprise is unable to estimate its Scope 3 Greenhouse Gas Emissions after making all reasonable efforts, it shall disclose how it manages its Scope 3 Greenhouse Gas Emissions.	Climate Metrics
Article 38	Regarding internal Carbon Pricing, an enterprise shall explain whether and how it applies the carbon price in decision-making (such as investment decisions, transfer pricing, and Scenario Analysis), and disclose the price per ton of Greenhouse Gas Emissions used internally to evaluate the cost of Greenhouse Gas Emissions. The enterprise may use internal Carbon Pricing methods such as shadow prices and internal taxes and fees.	Climate Metrics
Article 39	An enterprise shall disclose whether and how it considers climate-related factors when determining the compensation of senior management.	Climate Governance
Article 40	An enterprise shall disclose industry-specific indicators related to a specific business model, activity, or other common characteristics indicating the industry in which the enterprise operates. When determining the industry-specific indicators to be disclosed, the enterprise shall fully consider the requirements of relevant laws, regulations, and policies (such as industry application guides) and the disclosure practices of other enterprises in the industry.	Key Performance Indicators
Section 2: Climate-related Goals		
Article 41	An enterprise shall disclose the quantitative and qualitative Climate targets it has set to monitor the progress of achieving its strategic goals, as well as the Climate targets required to be achieved by national laws, regulations, and strategic plans, including Greenhouse Gas Emissions goals.	Climate Targets
Article 42	For each Greenhouse Gas Emissions goal, an enterprise shall disclose: (1)The types of greenhouse gases covered by the goal. (2) Whether the goal covers Scope 1, Scope 2, or Scope 3 Greenhouse Gas Emissions. (3) Whether the goal is a total Greenhouse Gas Emissions goal or a net emissions goal. If the enterprise discloses a net Greenhouse Gas Emissions goal, it shall also separately disclose the relevant total Greenhouse Gas Emissions goal. (4) Whether the attainment of the goal is derived from an industry decarbonization method, the source of the method, and whether the goal is consistent with the method based on the latest international climate change agreement or the industry decarbonization roadmap issued by relevant national departments. (5) The progress of achieving the goal.	Climate Targets
Article 43	An enterprise shall disclose the methods it uses to set and review each goal and how it monitors the progress of achieving each goal, including the following information: (1) Whether the goal and the method for setting the goal have been verified by an independent third party; (2) The process for reviewing the goal. (3) Indicators for monitoring the progress of achieving the targets; (4) Revision of the targets and the reasons (if applicable).	Climate Targets
Article 44	Enterprises shall disclose the performance information on the achievement of each of their climate targets, as well as the analysis of the performance trends or changes of the enterprises.	Key Performance Indicators
Article 45	If an enterprise plans to use purchased emission reductions as a supplementary means to offset its greenhouse gas emissions to achieve the target of net greenhouse gas emissions, it shall disclose the following information when explaining the emission reductions it plans to use: (1) The degree and manner of relying on the use of purchased emission reductions to achieve the target of net greenhouse gas emissions; (2) The name of the independent third-party certifying the emission reductions and the certification system; (3) The name of the voluntary emission reduction trading mechanism to which the emission reductions belong and the country where the project generating the emission reductions is located; (4) The type of emission reductions, including the voluntary emission reduction projects from which the emission reductions used for offsetting are derived; (5) Other factors required for the basic users of sustainable information to understand the credibility and integrity of the emission reductions the enterprise plans to use (such as a commitment letter from the project owner to be responsible for the authenticity, integrity and effectiveness of the materials provided).	Climate Targets
Article 46	When determining and disclosing the indicators for setting and monitoring the progress of achieving climate targets, enterprises shall reference and consider the applicability of industry-wide indicators and industry-specific indicators.	Key Performance Indicators

Appendix Ⅶ: List of Major Laws and Regulations

Agenda	Important Laws and Regulations
Environment	Environmental Protection Law of the People's Republic of China
	Law of the People's Republic of China on Environmental Impact Assessment
	Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste
	Water Pollution Prevention and Control Law of the People's Republic of China
	Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution
	Law of the People's Republic of China on Prevention and Control of Soil Contamination
	Law of the People's Republic of China on the Prevention and Control of Noise Pollution
	Law of the People's Republic of China on Energy Conservation
	Land Administration Law of the People's Republic of China
	Regulations of the People's Republic of China on Nature Reserves
	Law of the People's Republic of China on Urban and Rural Planning
	Regulations on Environmental Management of Construction Project
	Administrative Measures for the Prevention and Control of Environmental Pollution by Electronic Waste
Employment	Labor Law of the People's Republic of China
	Labor Contract Law of the People's Republic of China
	Law of the People's Republic of China on Promotion of Employment
	Social Insurance Law of the People's Republic of China
	Provisions on Prohibition of Child Labor
	Law of the People's Republic of China on Protection of Minors
	Company Law of the People's Republic of China
	Provisions on Minimum Wages
	Provisions on Democratic Management of Enterprises
	Employment Ordinance (Hong Kong)
Health and Safety	Labour Law of the People's Republic of China
	Fire Control Law of the People's Republic of China
	Law of the People's Republic of China on Work Safety
	Law of the People's Republic of China on Prevention and Control of Occupational Diseases
	Law on Safety of Special Equipment of the People's Republic of China
	Regulation on Work-Related Injury Insurance
	Emergency Response Law of the People's Republic of China
	Construction Law of the People's Republic of China
	Law of the People's Republic of China on Labor-dispute Mediation and Arbitration
Health and Safety	Provisions on the Administration of Occupational Health at Workplaces
	Regulations on the Reporting, Investigation and Handling of Production Safety Accidents
	Interim Provision on the Screening, Identification and Control of Work Safety Accident Hazards
	Provisions on the Negotiation and Mediation of Enterprise Labor Disputes
	Administrative Regulations on the Work Safety of Construction Projects
Labor Standards	Labor Law of the People's Republic of China
	Labor Contract Law of the People's Republic of China
	Regulation on Public Holidays for National Annual Festivals and Memorial Days
	Implementation Measures for Paid Annual Leave for Employees of Enterprises
	Regulations on the Medical Treatment Period of Sickness or Non-Work-Related Injury of Enterprise Employees
Supply Chain Management	Civil Code of the People's Republic of China
	Law of the People's Republic of China on Bid Invitation and Bidding
	Government Procurement Law of the People's Republic of China
Product Responsibility	Civil Code of the People's Republic of China
	Law of the People's Republic of China on Product Quality
	Advertising Law of the People's Republic of China
	Cybersecurity Law of the People's Republic of China
	Data Security Law of the People's Republic of China
	Personal Information Protection Law of the People's Republic of China
	Trademark Law of the People's Republic of China
	Copyright Law of the People's Republic of China
	Patent Law of the People's Republic of China
	Information Security Technology Guidelines for the Security of Personal Information (Draft for Public Consultation)
Anti-corruption	Company Law of the People's Republic of China
	Securities Law of the People's Republic of China
	Anti-Money Laundering Law of the People's Republic of China
	Anti-monopoly Law of the People's Republic of China
	Anti-Unfair Competition Law of the People's Republic of China
	Prevention of Bribery Ordinance (Hong Kong)
	Competition Ordinance (Hong Kong)
Community Investment	Charity Law of the People's Republic of China
	Measures for the Information Disclosure of Charitable Organisations

Appendix Ⅷ: Abbreviation Cross-reference Table

Abbreviation	Full Name
PLM	Product Lifecycle Management
FMEA	Failure Mode and Effect Analysis
OTS	Off Tool Sample
PPAP	Production part approval process
QIT	Quality Improvement Team
MSA	Measurement System Analysis
SPC	Statistical Process Control
NVH	Noise, Vibration, Harshness
EMC	Electromagnetic Compatibility
RoHS	Restriction of Hazardous Substances
MES	Manufacturing Execution System
EAM	Enterprise Asset Management
WMS	Warehouse Management System
QMS	Quality Management System
SAP	System Applications and Products
APS	Advanced planning and scheduling
REACH	Registration, Evaluation, Authorisation and Restriction of Chemicals
POPs	Persistent Organic Pollutants
SMT	Surface Mount Technology
TSCA	The Toxic Substances Control Act
JRC	The Joint Research Centre of the European Commission
LP-EGR	Low Pressure-Exhaust Gas Recirculation

ASSURANCE STATEMENT

SGS

ASSURANCE STATEMENT

REPORT ON SUSTAINABILITY ACTIVITIES IN THE BYD COMPANY LIMITED'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 BYD COMPANY LIMITED (hereinafter referred to as BYD) 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 BYD's Stakeholders.

RESPONSIBILITIES
The sustainability information in the *Sustainability Report for 2025* and its presentation are the responsibility of BYD'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 sustainability performance information 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 SGS Group ESG & Sustainability Report Assurance (SRA) protocols used to conduct assurance are based upon internationally recognised assurance standards including the ISAE 3000.

The assurance of this report has been conducted according to the following Assurance Standards:

Assurance Standard	Level of Assurance
ISAE 3000	Limited

ASSURANCE SCOPE AND REPORTING CRITERIA
The scope of the assurance included evaluation of the consistency between the sustainability management of BYD and the *IWA48:2024 Framework for implementing environmental, social and governance (ESG) principles*; and the assessment of the degree of compliance with *Appendix C2 Environmental, Social and Governance Reporting Code of Listing Rules published by Hong Kong Exchanges and Clearing Limited (HKEX)*, the *Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange – Sustainability Report (For Trial Implementation)*, and the *Corporate Sustainability Disclosure Standard No. 1 – Climate (For Trial Implementation)*; and evaluation of quality, accuracy and reliability of all environmental, social and governance performance information in the Report, including but not limited to:

Environment	• Scope 1 greenhouse gas emissions • Scope 2 greenhouse gas emissions • Scope 3 greenhouse gas emissions • Total greenhouse gas emissions (Scope 1 + Scope 2 + Scope 3) • Greenhouse gas emission intensity (Scope 1 + Scope 2 + Scope 3) • Direct Energy (Non-renewable) Consumption • Indirect Energy (Non-renewable) Consumption • Indirect energy (Renewable) Consumption • Total hazardous waste generation • Total non-hazardous waste generation • Total water withdrawal • Total water discharge • Total water consumption
Social	• Gender Pay Gap (Female/Male) • Employee Turnover Rate • Training Hours of Employees • Number of work-related fatalities • Lost days due to work-related injuries • Lost-Time Injury Frequency Rate (LTIFR) per million hours worked

SGS

ASSURANCE METHODOLOGY
The assurance comprised a combination of pre-assurance research, interviews with relevant employees on-site at No. 3009, BYD Road, Pingshan District, Shenzhen Province, P.R. China, including documentation and record review and validation where relevant. This assurance engagement was restricted to the group level of BYD and did not include traceability of all original data from subordinate institutions.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

LIMITATIONS AND MITIGATION
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 BYD. In the context of the present assurance engagement, our procedures were limited to sample-based validation.

STATEMENT OF 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 BYD, 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/VERIFICATION OPINION
On the basis of the methodology described and the assurance engagement performed, the assurance team concludes that:

We have not identified any material instances where BYD's ESG management framework fails to comply with the requirements of ISO IWA48:2024 in all material respects.

We have not identified any inaccuracies or unreliability in the sustainability performance information within the assurance scope.

We have not identified any material instances where BYD's *2025 Sustainability Report* fails to comply, in all material respects, with the requirements of the *Corporate Sustainability Disclosure Standard No. 1 – Climate (For Trial Implementation)*, the *Environmental, Social and Governance Reporting Guide* set out in *Appendix C2 Environmental, Social and Governance Reporting Code of Listing Rules published by Hong Kong Exchanges and Clearing Limited (HKEX)*, and the *Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange – Sustainability Report (For Trial Implementation)*.

Signed:

For and on behalf of SGS-CSTC

16/F Century Yuhui Mansion, No. 73, Fucheng Road, Haidian District, Beijing, P.R. China

Mar. 11th, 2026
WWW.SGS.COM

CN26/00001582

FEEDBACK FORM

Dear readers: To continuously improve the compilation of this report, we particularly hope to hear your opinions and suggestions. Please help us complete the following relevant questions and send an email to: esg.office@byd.com

Your Information

Name	Workplace	Position	Contact Phone Number	Fax	Email

Open-ended questions

1. What aspects of this report satisfy you the most?
2. What other information do you need to know?
3. What suggestions do you have for our future ESG Report (Environmental, Social and Governance Report)?

Multiple-choice questions (Please tick √ in the corresponding box)

1. This report comprehensively and accurately reflects the company's significant impacts on the economy, society, and environment.

☐ Excellent ☐ Good ☐ Fair ☐ Poor ☐ Very Poor

2. This report's response and disclosure of the issues that stakeholders are concerned about.

☐ Excellent ☐ Good ☐ Fair ☐ Poor ☐ Very Poor

3. The information, indicators, and data disclosed in this report are clear, accurate, and complete.

☐ Excellent ☐ Good ☐ Fair ☐ Poor ☐ Very Poor

4. The readability of this report, including its logical framework, content design, language, and layout design.

☐ Excellent ☐ Good ☐ Fair ☐ Poor ☐ Very Poor