

AUTEL®

Autel Intelligent Technology Corp., Ltd.

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2024 Sustainability Report

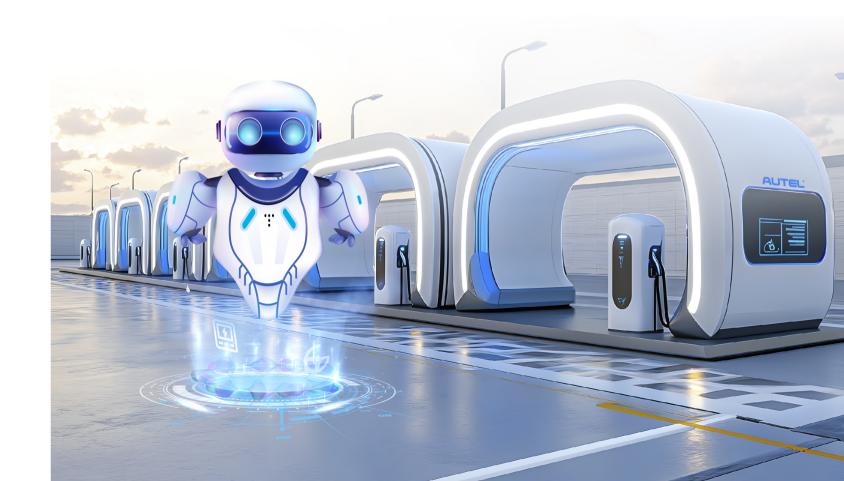


TABLE **OF CONTENTS**

OPENING STATEMENT	01
About the Report	01
About Autol	02

)2	 05

SUSTAINABLE DEVELOPMENT (ESG) MANAGEMENT

ESG Governance System	05
Due diligence and communication with stakeholders	0
Process and Conclusion of Issue Importance Analysis	08
Conclusion of Issue Importance Analysis	09



29

COMPLIANCE OPERATION AND HIGH-QUALITY GLOBAL DEVELOPMENT

Governance Structure	15
Business Ethics and Anti-Corruption	21
Compliance Operation and Risk Control	23
Data Security and Privacy Protection	25
Human Rights	29

$\bigcirc A$		
· <u> </u>	////////////////////////////////	31

CLIMATE TRANSITION: PRACTICING LOW-CARBON AND GREEN DEVELOPMENT

Addressing Climate Risks	33
Environmental Management System	37
Pollutant Treatment	40
Deep Green Operations and Circular Economy	41
Ecological Environmental Protection	44



45

INNOVATION-DRIVEN: EMBRACING THE AI WAVE FOR HIGH-QUALITY INTERNATIONAL EXPANSION

Technological Innovation	47
Focus on Product Quality	57
Deenening Customer Service	50



	63
 0//////////	03

INDUSTRY PROSPERITY AND JOINT PROMOTION OF SUSTAINABLE DEVELOPMENT

Responsible Supply Chain	65
Community Philanthropy	69
and Volunteer Service	09

\bigcirc		
	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	71
	o /////////////	<i>(</i> 1

PUTTING PEOPLE FIRST: BUILDING A BETTER FUTURE TOGETHER

Employee Development	
Health and Safety	82

\bigcirc	
	 8

APPENDIX

Quantitative Data Performance	89
Table Report Index Table	

OPENING STATEMENT

About the Report

This report marks the third sustainability report issued by Autel Intelligent Technology Corp., Ltd. (hereinafter referred to as "Autel," "the Company," or "we") to stakeholders.

Time Range

From **January 1, 2024, to December 31, 2024.** To enhance comparability and forward-looking insights, certain sections may be appropriately extended to both preceding and subsequent years.

Report Boundary

The report discloses the Company and its subsidiaries' fulfillment of responsibilities in economic, social, and environmental aspects. All case studies cited are sourced from the Company and its subsidiaries.

Basis for Preparation

United Nations Sustainable Development Goals (SDGs)

Global Sustainability Reporting Standards (GRI Standards) from GSSB

Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies - Sustainability Report (Trial)

Guidelines No. 13 of Shanghai Stock Exchange for Self-Regulation of STAR Market Listed Companies - Sustainability Report Preparation

TCFD Recommendations Report issued by the Task Force on Climate-related Financial Disclosures (TCFD)

Assurance of Report Reliability

The company guarantees that the content of this report is true, accurate, and complete, without any false records, misleading statements, or material omissions.

Report Access

This report is available in electronic format. You may access it by logging in to the company's official website (https://www.auteltech.cn/) or visiting the Shanghai Stock Exchange website (www.sse.com.cn).

About Autel

Development Path

Autel Intelligent Technology Corp., Ltd. was established in 2004 and listed on the Science and Technology Innovation Board (STAR Market) of the Shanghai Stock Exchange in February 2020 (stock code: 688208).

The company specializes in three core business areas: digital maintenance, digital energy, and AI robot. Headquartered in Nanshan District, Shenzhen, with three major factories in the United States, China, and Vietnam, the company provides leading digital automotive diagnostic solutions, a full-scenario intelligent charging network, and Integrated photovoltaic-energy storage-charging energy management platform solutions globally, covering more than 120 countries and regions, Besides, Autel also offers integrated air-ground swarm intelligence solution in applications such as intelligent transportation systems (ITS) and intelligent energy.

Organizational Structure

Autel Intelligent Technology All

Digital Diagnostics
Business Unit

Intelligent Charging Networks Business Unit

Intelligent PV&ESS
Business Unit

AI & Omnichannel Intelligence Business Unit

Mission and Vision

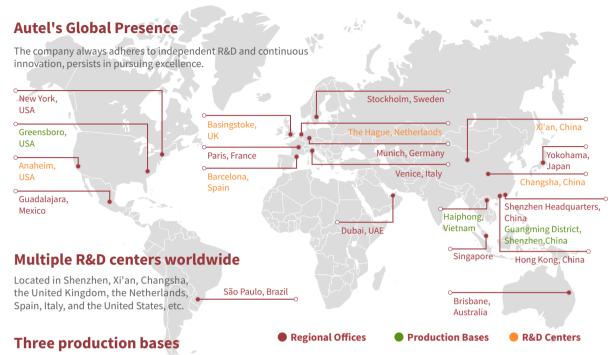


Providing excellent products and services to customers, offering good job and development opportunities to employees, creating maximum profits for shareholders, and generating lasting value for all stakeholders.



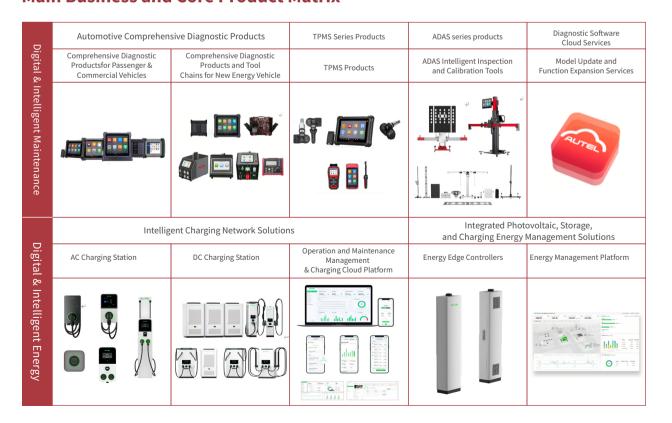
Autel fully embraced AI and accelerated the integration of AI into its business plans and organizational policies. Doing this further solidified its position as a global leader in intelligent automotive maintenance solutions. The Company is also renewed its dedication to becoming a world-class innovator in the intelligent energy sector and a trailblazer in integrated air-ground cluster intelligent solutions. Additionally, Autel strives to lead the commercial adoption of AI large models specific to our industries of focus.

Business Layout



Three production bases, located in Greensboro, North Carolina (USA), Haiphong (Vietnam), and Guangming District, Shenzhen (China), with areas of 18,000m², 32,000m², and 39,000m² respectively.

Main Business and Core Product Matrix



Main Honors - Rating Performance



Social Impact Awards

In December 2024, the "2024 14th Annual China Listed Companies Reputation Awards", hosted by National Business Daily with academic support from the China Enterprise Research Center at Tsinghua University School of Economics and Management, were unveiled in Chengdu. Autel Intelligent Technology Corp., Ltd.Stood out from over 5,000 participating companies due to its excellent performance in economic, social, and environmental benefits, winning the "Most Socially Responsible Listed Company" award.



Passi	ive Index							
		Innovation	100 Index	1000 ES	G Index	380 ES	G Index	
	CSI 1000	0 Index	STAR M 100 Ir		STAR M Composit		STAR N	

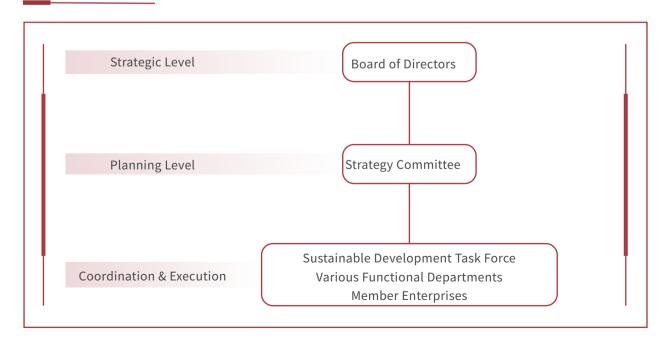
SUSTAINABLE DEVELOPMENT (ESG) MANAGEMENT

ESG Governance System

Autel integrates ESG management into its top-level management structure, with the Strategic Committee of the Board of Directors primarily responsible for ESG strategic management; researching and proposing suggestions on the company's long-term development strategy, major investment decisions, environmental, social, and governance policies; reviewing ESG trends related to the company's business and assessing related risks and opportunities, and managing and supervising the implementation of ESG-related events and the achievement of goals. In 2024, in accordance with regulatory requirements, Autel actively learned from new policies of the SSE and industry best practices. In the identification and analysis of material issues, the company comprehensively introduced a financial perspective model and conducted in-depth analysis and discussions on dual-material issues. Additionally, regarding climate risks, the company began in-depth analysis and discussions in conjunction with its business development.

In the future, Autel will actively comply with policy requirements and learn from industry best practices to further improve its ESG management organizational structure.

ESG Management Structure of Autel



Working Rules of Autel ESG Governance Structure

ESG Structure	ESG Responsibilities
	Fully responsible for the company's ESG work
Board	Issue the Board's statement and approve the ESG report
of Directors	Propose ESG strategy and target resolutions
	Review recommendations from the Strategic Committee on improving ESG risk performance, ESG ridentification, measures, policies, etc.
	Exercise ESG duties on behalf of the Board
	Organize various professional committees to be responsible for the formulation, execution, review, continuous improvement of work objectives and plan on key ESG issues related to the company.
Strategy	Deliberate on major ESG issues, monitor implementation, and review progress towards targets.
Committee	Review ESG reports and propose disclosure recommendations.
	Monitor and review climate risk trends and issues.
	Conduct research on climate risk targets, strategies, risks, measures, policies, material issues, management guidelines, and budgets.
	Deliberate on the climate change risk inventory and organize the formulation of countermeasures t climate change risks.
	Formulate ESG guidelines and targets, allocate resources.
Sustainable Development	Deliberate on major ESG issues.
Task Force	Internally approve ESG reports.
	Organize inspections on the completion of guidelines and targets.
	Organize and carry out ESG management and formulate ESG related systems
	Each is responsible for implementing the work plan on ESG issues in its own field and reporting the progress to the working group
Various	Carry out daily communication work with relevant stakeholders in their own departments
Functional Departments	Promote subordinate member companies to implement ESG tasks and daily management in their respective fields
	Regularly supervise and inspect the progress of ESG work and policies and objectives, and put forward suggestions for improvement
	Organize the preparation and disclosure of ESG reports, as well as external communication and trai activities.
Member	Implement normalized measures for ESG risk and ESG management, and carry out ESG improvement within their own enterprises.
Enterprises	Regularly report on ESG management improvements and performance progress, and cooperate in submitting ESG data and case studies, etc.

Due diligence and communication with stakeholders

Autel's stakeholders in social responsibility include shareholders/investors, customers, suppliers, employees, government/regulatory agencies, universities/research institutions, etc.

Stakeholder Category	Communication channel	Key Issues of Concern	Response from Autel
Shareholders /investors	General Meeting of Shareholders Earnings Presentation Investor Hotline Investor Day	Corporate Governance Innovation Drive Response to climate change Information disclosure	Strengthening of compliance governance Continuous R&D investment Implementation of carbon neutrality strategy Enhancement of investor communication
Customer	Teleconference Email Customer visit Annual Conference Product Training	Innovation Drive Energy Utilization Data Security and Customer Privacy Protection Product and Service Safety and Quality Response to climate change	Continuous R&D investment Efficient Energy Consumption Management Encryption for Privacy Protection Commitment to Quality and Safety Implementation of carbon neutrality strategy
Supplier	Email Supplier Conference Project Management Meeting Teleconference	Supply Chain Security Data Security and Customer Privacy Protection Intellectual property protection Supply chain management	Strengthening of Supply Chain Resilience Encryption for Data Transmission Strict Copyright Monitoring Product Standard Raising
Employee	Employee Meeting Departmental Internal Meeting Electronic Communication Performance Feedback Meeting	Safety and Health Development and Promotion Employee benefits Response to climate change	Continuous Training and Invest- ment Special Training Employee Well-being Program Carbon Neutrality Strategy
Government /regulatory agencies	Government Project Application Policy and Regulation Consultation Industry Standard Development Tax Compliance Communication	Response to climate change Compliance Operation Business ethics Environmental Compliance Man- agement	Carbon Neutrality Strategy Compliance Governance Incorruptible Management Compliance Management
University/scientific research institution	Technical Exchange Meeting Scientific Research Project Collab- oration Joint Laboratory Meeting Online Seminar	Intellectual property protection Innovation Drive Ethics of science and technology Response to climate change	Strict Copyright Management Increased R&D Investment Adherence to Codes of Ethics Implementation of Emission Reduction Measures

Process and Conclusion of Issue Importance Analysis

Dual materiality analysis is the core policy of the company in compiling annual ESG reports, formulating long-term ESG strategic goals, and communicating with stakeholders. In 2024, we established an ESG issue list with reference to the issues in *Guidelines No. 14 of Shanghai Stock Exchange for Self-Regulation of Listed Companies - Sustainability Report (Trial)* and *Guidelines No. 13 of Shanghai Stock Exchange for Self-Regulation of STAR Market Listed Companies - Sustainability Report Preparation*, the United Nations Sustainable Development Goals (SDGs), the GRI Standards 2021, ISO 26000, SASB, as well as other sustainability-related standards.

Company Value Chain Analysis

Autel analyzes ESG risks for the company itself and its upstream and downstream partners in combination with its businesses in Internet services, special equipment, and components. The company analyzes risks that may affect future revenue and production costs based on industry characteristics, current national technological development trends, and the global low-carbon transition. The company conducts due diligence on stakeholders including shareholders and investors, customers, government and regulatory agencies, employees, suppliers, and partners.

Establishing an Issue List

We have established a list of 26 ESG issues with reference to international and domestic sustainability-related standards, including:

8 environmental issues;

13 social issues;

5 sustainable development governance issues.

Assessment and Confirmation of Issue Importance

In terms of impact importance, Autel refers to the three-element model of FMEA (Failure Modes and Effects Analysis), quantifying the importance of impacts from four dimensions: scale, scope, irremediability, and likelihood, and calculates the Risk Priority Number (RPN) using a multiplier summary approach.

In terms of financial importance, we introduce three types of time dimension: short-term, medium-term, and long-term, and assign weighted scores to the financial impacts across different time periods, thereby obtaining a comprehensive financial importance score.

Issue Reporting:

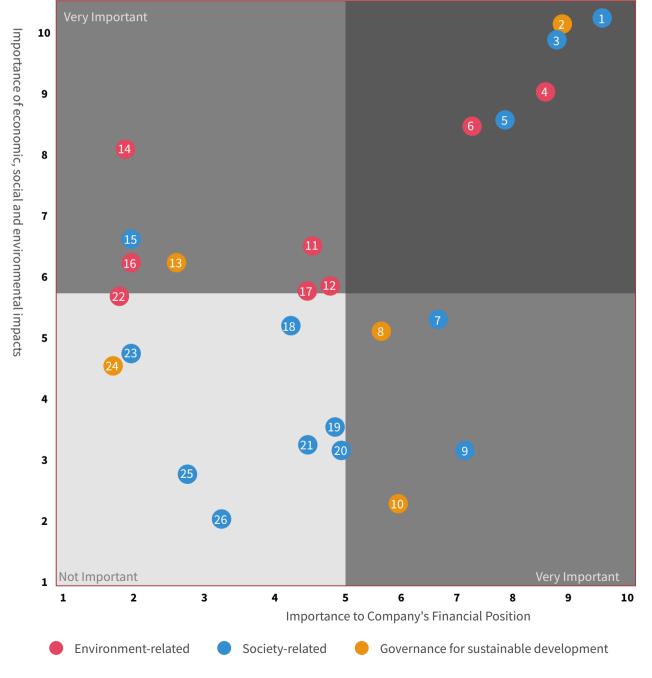
Based on the issue evaluation results, Autel constructs a materiality analysis matrix to obtain a ranking of issue importance. For issues with high materiality, key disclosures are provided in the report.

The company sets thresholds for issues and prioritizes them to ensure that resources can be concentrated on the most important ESG issues, effectively promoting the company's sustainable development.

Conclusion of Issue Importance Analysis

In 2024, Autel continues the identification, materiality assessment and screening of sustainability issues. The report makes corresponding disclosures and responses to the management and practice performance of the 26 identified issues. The company's key issues mainly include innovation drive, corporate governance, data security and customer privacy protection, pollutant emissions, intellectual property protection, and response to climate change.

Autel's Materiality Issue Assessment Results



Quadrant	Overall Ranking	Material Topics	Type of Issue Attribution
1 - Core Issue	1	Innovation Drive	Society-related
1 - Core Issue	2	Corporate Governance	Governance for Sustainable Development
1 - Core Issue	3	Data Security and Customer Privacy Protection	Society-related
1 - Core Issue	4	Pollutant Emissions	Environment-related
1 - Core Issue	5	Intellectual Property protection	Society-related
1 - Core Issue	6	Response to Climate change	Environment-related
2 - Financially Materiality Issue	7	Employee	Society-related
2 - Financially Materiality Issue	8	Anti-unfair Competition	Governance for Sustainable Development
2 - Financially Materiality Issue	9	Product and Service Safety and Quality	Society-related
2 - Financially Materiality Issue	10	Anti-Bribery and Anti-Corruption	Governance for Sustainable Development
3 - Impact Materiality Issue	11	Water Resource Utilization	Environment-related
3 - Impact Materiality Issue	12	Seizing the Opportunities in Clean Technology	Environment-related
3 - Impact Materiality Issue	13	Stakeholder Communication	Governance for Sustainable Development
3 - Impact Materiality Issue	14	Environmental Compliance Management	Environment-related
3 - Impact Materiality Issue	15	Ethics of Science and Technology	Society-related
3 - Impact Materiality Issue	16	Circular Economy	Environment-related
4 - General Issue	17	Waste Disposal	Environment-related
4 - General Issue	18	Social Contribution	Society-related
4 - General Issue	19	Contributing to Social Development	Society-related
4 - General Issue	20	Rural Revitalization	Society-related
4 - General Issue	21	Innovative Digital Services	Society-related
4 - General Issue	22	Ecosystem and Biodiversity Conservation	Environment-related
4 - General Issue	23	Equal Treatment of SMEs	Society-related
4 - General Issue	24	Due Diligence	Governance for Sustainable Development
4 - General Issue	25	Digital management	Society-related
4 - General Issue	26	High-quality customer service experience	Society-related

Financial Materiality Issue Risk Management

By systematically assessing the direct and indirect positive (benefits) and negative (costs) effects of various activities throughout the value chain on the economy, environment, and society, in conjunction with the likelihood of issue impact, Autel aims to drive economic growth, reduce environmental burdens, safeguard labor rights, achieve inclusive development, thereby enhancing overall social welfare and leading positive change.

Material Topics	Issue Risk Description	Risk Management Measures	Potential Financial Impact	Degree of Impact	Possibility
Data Security and Customer Privacy Protection	Data breaches may lead to a decline in customer trust.	The company has implemented a comprehensive data security management system.	Cost Increase and Revenue Decrease	Extreme (5)	Moderately Likely (3)
Data Security and Customer Privacy Protection	The violation of data protection regulations may result in substantial fines.	The company has established a comprehensive data protection compliance system.	Cost Increase and Revenue Decrease	Significant (4)	Highly Likely (4)
Innovation Drive	A surge in product development costs is caused by failure in technology innovation.	The company mitigates risk through diversified product lines and continuous investment in technology R&D.	Cost Increase and Revenue Decrease	Moderate (3)	Moderately Likely (3)
Innovation Drive	Emerging markets have a low acceptance of innovative products.	Enhance acceptance of innovative products in emerging markets by localized marketing and service support.	Cost Increase and Revenue Decrease	Minor (2)	Moderately Likely (3)
Intellectual property protection	Product innovation is limited by intellectual property restrictions, delaying market timing.	Strengthen independent R&D and expand diversified technical cooperation.	Cost Increase and Revenue Decrease	Minor (2)	Highly Likely (4)

Impact Materiality Issue Risk Management

Issues	Stakeholder	Description	Type of Impact	Tracking Quantitative Index	Severity	Possibility
Data Security and Customer Privacy Protection	Customer	Data breaches may lead to loss of personal privacy and a crisis of trust.	Negative	Number of Data Breach Incidents	Severe (4)	Moderately Likely (3)
Innovation Drive	Shareholders /investors	Innovation drive may enhance the company's long-term value and sustainability, boosting investor confidence.	Positive	R&D Expenditure as A Percentage of Revenue	Severe (4)	Highly Likely (4)
Innovation Drive	Customer	Innovative products and services may improve customer satisfaction and loyalty, enhancing brand appeal.	Positive	Customer Satisfaction	Very Serious (5)	Highly Likely (4)
Intellectual Property Protection	Customer	By protecting innovation, we ensure that customers receive high-quality, unique products and services.	Positive	Customer Satisfaction	Very Serious (5)	Very Likely (5)
Response to Climate Change	Customer	Initiatives to combat climate change may enhance customer brand loyalty and purchasing intent.	Positive	Customer Satisfaction	Severe (4)	Highly Likely (4)

COMPLIANCE OPERATION AND HIGH-QUALITY GLOBAL DEVELOPMENT

Response to the SDGs Sustainable Development Goals









A sound governance structure allows scientific and efficient decision-making, with the board and management of Autel each fulfilling their roles and precisely grasping strategic direction, enabling orderly progress from R&D investment to market expansion. Robust internal control systems guarantee financial transparency, operational compliance, effective risk management, and maintenance of investor trust. In ESG (Environmental, Social, and Governance) practices, good governance promotes the implementation of environmental protection and social responsibility initiatives, facilitating the rational allocation of resources for green innovation, employee care, etc., comprehensively supporting steady and sustainable development of Autel.

2024 Key Performance

General meeting of shareholders

5times

Board of Supervisors meetings

8 times

Independent directors accounted

43%

Integrity training

 $484 \\ \mathsf{employees} \ \mathsf{participated}$

The signing rate of the "Integrity Cooperation Agreement" with suppliers

89.3%

Board of Directors meetings

11times

Specialized committee meetings

11_{times}

Female directors accounted

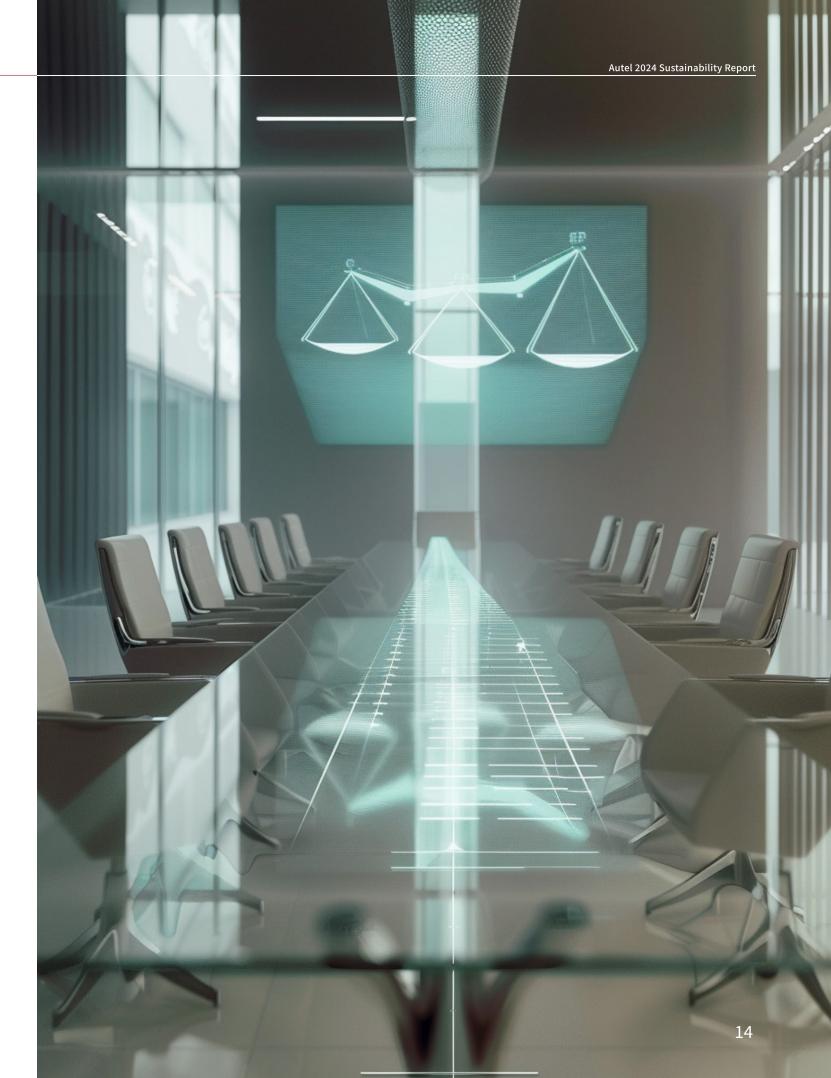
43%

Executives team and key position employees

100%

The signing rate of the "Integrity Cooperation Agreement" with new added suppliers

100%



Governance Structure

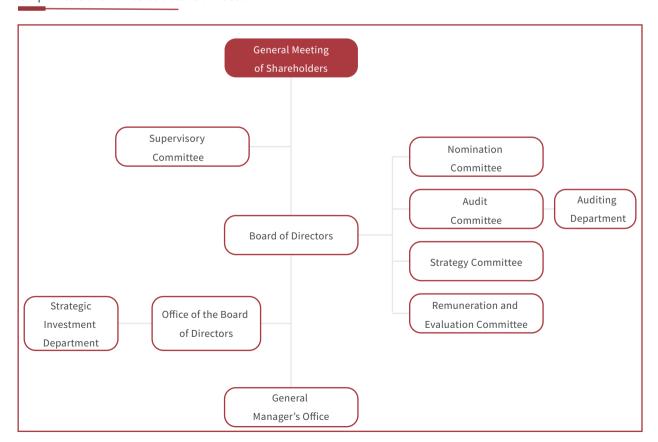
Autel's Board of Directors continues to be committed to safeguarding the legitimate rights and interests of the company and all shareholders, proactively fulfilling management responsibilities, continuously improving corporate governance capabilities, strengthening the independence and diversification of the board, actively engaging in communication with investors and investor relations management, and conducting information disclosure work in a standardized manner.

Governance Structure

The company has established a corporate governance structure with the general meeting of shareholders, the Board of Directors, the Board of Supervisors, and the management team as the main bodies, in strict accordance with the requirements of laws, regulations, and normative documents such as the Code of Corporate Governance for Listed Companies and the Regulation Guideline for Listed Companies on the Technology and Innovation Board of the Shanghai Stock Exchange. It has also formulated detailed working rules to build a scientific, standardized, efficient, transparent, and effectively supervised corporate governance system, ensuring that the decision-making procedures for major company matters are standardized and efficient.

The Board of Directors has four specialized committees: the Strategy Development Committee, the Audit Committee, the Nomination Committee, and the Remuneration and Appraisal Committee. Each specialized committee operates in accordance with relevant corporate governance and internal control systems, fully safeguarding shareholders' interests and the company's standardized development.

Corporate Governance Structure of Autel



General Meeting of Shareholders

The company convenes general meetings of shareholders in accordance with the law, ensuring that all shareholders have the right to know, participate in, and vote on major matters of the company, guaranteeing equal status for all shareholders and enabling them to fully exercise their rights, thus ensuring the legality and validity of the general meetings of shareholders.

Board of Directors The company's Board of Directors deliberates and decides on major matters of the company within the scope of its authorities as stipulated in the *Articles of Association* and the *Rules of Procedure for Board of Directors*.

Supervisory Committee The company fulfills its duties in strict accordance with the relevant legal provisions stipulated in the Articles of Association, is responsible to the general meeting of shareholders, reviews the board's periodic reports, inspects and supervises the company's finances, directors, and senior management, and pays attention to the company's operating conditions.

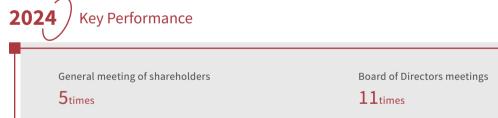
Specialized committee meetings

16

11times

Enhancing Responsibility Fulfillment Capabilities

In 2024, all directors of the company diligently performed their duties, with a 100% attendance rate at Board of Directors meetings. Meanwhile, we will comprehensively review our past work experience from the institutional perspective, further optimize our workflow, and scientifically and reasonably establish the approval authority of the Board of Directors.



Board of Supervisors meetings

8times

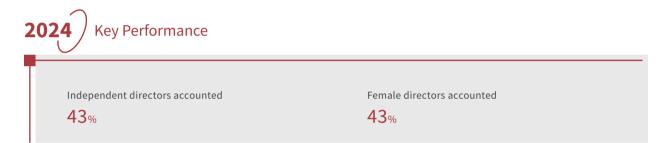
In 2024, the company's Board of Directors deliberated on proposals such as Revisions to *Certain Company Policies*, 2023 Annual Report, 2023 Annual Work Report of the Board of Directors, 2023 Internal Control Evaluation Report, 2023 Environmental, Social, and Governance Report, and the 2024 Action Plan for 'Improving Quality, Enhancing Efficiency, and Emphasizing Returns'.

At the same time, to improve the performance capabilities of directors, supervisors, and executives, we actively organized independent directors and relevant personnel to participate in professional training organized by regulatory agencies and the China Association For Public Companies during the reporting period.

Promoting Diversity and Independence

Autel has long been committed to strengthening the diversification of its Board of Directors. As of the end of 2024, the company has 7 directors, including 3 independent directors, 3 female directors, and 5 directors with industry experience. Among the independent directors, one is an accounting professional, one is a legal professional, and one has relevant experience in the automotive industry, ensuring that the Board of Directors can effectively manage relevant matters within the company. To ensure a high level of transparency in corporate governance, the company regularly discloses information about directors' external positions. For details, please refer to the company's 2024 Annual Report.

Autel's independent directors are all senior professionals with expertise in accounting, law, and technology, and all meet the independence requirements stipulated in the *Administrative Measures for Independent Directors of Listed Companies*, including but not limited to not holding any other positions in the company besides independent director, having no relationships with the company or its controlling shareholders that may hinder independent and objective judgments, and not obtaining any additional, undisclosed benefits from the company, its controlling shareholders, or their related parties.

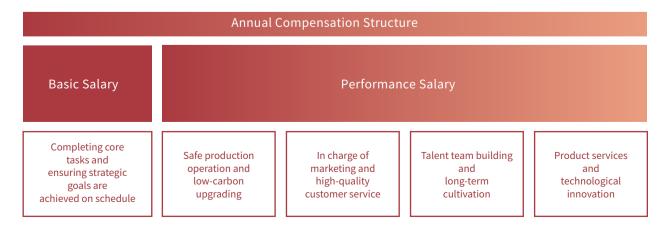


Standardizing Remuneration Management and Integrating with ESG Concepts

Amidst the technological wave, the company's Remuneration and Appraisal Committee, guided by the board's forward-looking technology development strategy and business objectives, the remuneration levels paid by peer companies, considers the effort and time invested by directors and senior management in technical research, project advancement, and other specific responsibilities, and meticulously formulates and rigorously reviews their remuneration policies and plans through refined and scientific assessments.

Autel's Executive Remuneration Structure and Management Philosophy

17



Protection of Investors' Rights and Interests Avoiding Conflict of Interest

Autel strictly implements profit distribution plans in accordance with the Company Law, Securities Law, the *Notice on Further Implementing Matters Related to Cash Dividends by Listed Companies* and the *Guidelines for the Administration of Listed Companies No. 3 – Cash Dividends of Listed Companies* issued by CSRC, and the company's profit distribution policies and deliberation procedures as outlined in the Articles of Association. The dividend standards and ratios are clear and unambiguous, and the relevant decision-making procedures and mechanisms are complete. For specific dividend information, please refer to the *2023 Annual Equity Distribution Implementation Announcement* and the *2024 Interim Equity Distribution Implementation Announcement* disclosed by the company on SSC respectively on May 13, 2024, and September 3, 2024.

To ensure the confidentiality of insider information and effectively prevent insider trading and other securities violations, the company has established the *Registration Management System for Insider Information Holders* to ensure the authenticity, accuracy, and completeness of insider information knower records and safeguard the legitimate rights and interests of stakeholders. In 2024, the company did not experience any insider trading incidents.

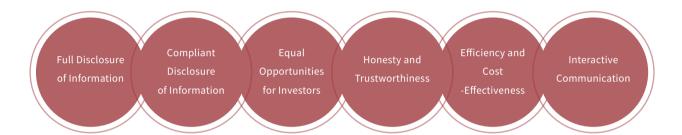
Meanwhile, to ensure that related-party transactions do not harm the legitimate rights and interests of the company and non-related shareholders, Autel has formulated the Related-Party Transaction Management System, which clarifies the principles of related-party transactions, the deliberation procedures for such transactions, disclosure requirements, and the responsibilities and authorities of relevant personnel, ensuring the fairness, impartiality, and openness of related-party transactions. During the reporting period, the company deliberated and approved the *Proposal on the Estimated Daily Related-Party Transactions Between the Company and Autel Robotics Co., Ltd.*, the *Proposal on the Transfer of Partial Equity in a Subsidiary and Related-Party Transaction*, and the *Proposal on Providing Guarantees to a Joint Venture Company and Related-Party Transaction*.



Information Disclosure and Market Value Management

Based on the *Articles of Association* and other relevant laws and regulations, combined with the company's actual situation, Autel has formulated information disclosure and investor relations management-related management systems; has established a benign communication mechanism with numerous domestic and foreign investment institutions, strengthened information communication between the company and investors, and protected the legitimate rights and interests of investors through information disclosure and communication.

Basic Principles of Autel's Investor Relations Management



To strengthen the management of information disclosure affairs, the company formulates the *Information Disclosure Affairs Management System*, the *Registration Management System for Insider Information Holders*, and other related management systems for information disclosure; conscientiously fulfills its information disclosure obligations, to ensure the authenticity, accuracy, and completeness of the company's information disclosure content, fully discloses information that helps investors make value judgments and investment decisions, and effectively maintains and safeguards investors' rights and interests.

2024 Key Performance

In 2024, the company disclosed a total of 180 announcements, including 4 periodic reports and 176 interim announcements.

At the same time, we actively cooperate with regulatory authorities, stock exchanges, securities companies, and other institutions to carry out various forms of investor activities, establishing a sound mechanism for two-way communication with investors to meet the communication needs of investors from different dimensions and effectively protect the legitimate rights and interests of minority shareholders.











2024 Key Performance

In 2024, the company responded to 103 investor questions on the SSE E-interactive platform. The company conducted 22 in-depth exchanges with investors through teleconference, hosted 19 on-site investor visits and research activities, organized 2 investor exchange meetings, and published a total of 25 Investor Relations Activity Record Forms.

Business Ethics and Anti-Corruption

Autel upholds the business ethics of "integrity and uprightness" and is committed to clean operations. While establishing and improving anti-fraud mechanisms, the company strengthens the management of related-party transactions and insider information to ensure the legality, fairness, and necessity of transactions, upholds fairness and justice, adheres to the lofty bottom line of law and morality, and safeguards the legitimate rights and interests of all stakeholders.

Clean Operation

We are committed to clean operations, establish and improve anti-fraud mechanisms, and have established an anti-fraud management structure with oversight from the Board of Directors, leadership from the audit committee of the board, supervision by the Audit Department, and accountability from management, with cooperation from various departments, branches, and subsidiaries of the company. At the same time, the company regularly organizes clean operations and anti-commercial bribery training for new employees and employees in key positions, and mandatory training for the executives team and employees in key positions. In 2024, the company provided targeted clean training to relevant employees, covering topics such as the company's legal affairs and integrity construction system, with a total of 484 participants, achieving 100% coverage of the executives team and employees in key positions.



Forms of Prohibited Commercial Bribery at Autel



Providing or accepting cash, bank cards, virtual currency.



Providing or accepting membership cards, consumer cards (vouchers), shopping cards (vouchers), and other negotiable securities, equity/dry shares.



Providing or accepting commercial sponsorships, travel, investigation trip, and other activities that violate fair competition.



Giving or accepting property or benefits in the name of gambling, promotion fees, advertising fees, etc.

Supply Chain Anti-Corruption

Autel has formulated a series of management systems related to anti-corruption codes of conduct for suppliers and contractors and has specifically formulated targeted anti-corruption and anti-bribery clauses in the management system documents for procurement, labor outsourcing, and other businesses prone to fraud and corruption. For example, the *Anti-Bribery Control Procedures for Controlled Organizations and Business Partners* stipulate that each supplier must sign an *Integrity Cooperation Agreement*.



In 2024, the signing rate of company's *Integrity Cooperation Agreement* with suppliers was

89.3%, and 100% with new suppliers.

At the same time, the company has established a supply chain center responsible for leading and managing the company's procurement work; and has also set up a group procurement department responsible for the company's various project and regional procurement activities. For procurement-related business activities, the company has established a procurement anti-corruption management system centered on procurement management-related policies and systems such as the Business Ethics Management Procedure, the Fair Trading, Advertising, and Competition Management Procedure, the Encouragement of Employee Declaration of Conflicts of Interest Management Procedure, and the Prohibition of Collusion Management Procedure.

Anti-Corruption, Anti-Monopoly Internal Control and Audit

We strictly follow the relevant requirements of the *Basic Norms for Enterprise Internal Control* (CK [2008] No. 7) and the supporting guidelines for internal control, optimize internal control systems, improve corruption risk assessment mechanisms, strengthen internal control evaluation and audit, promote continuous improvement of the company's internal control, and continuously enhance the effectiveness of internal control.

Whistleblower Protection

Autel welcomes any form of suggestions and feedback on business ethics from various stakeholders and handles related reports confidentially. The company has set relevant policy clauses, such as the Whistleblower Protection Management Procedure, commits to providing fair treatment to whistleblowers in terms of reporting channels, handling procedures, and whistleblower protection, and clearly stipulates that relevant personnel handling reports must not disclose whistleblower information in any form, must not investigate whistleblowers without authorization, and must conceal whistleblower personal information and identity when necessary in the reporting acceptance and results procedures to effectively safeguard the legitimate rights and interests of whistleblowers. At the same time, the company includes reporting channels as necessary clauses in *Employee Handbook*, procurement, and other relevant policy documents and ensures that all reporting channels are unobstructed and effective.

Autel's Reporting and Supervision Channels

Employees and all sectors of society can report information on actual or suspected cases of fraud/violations of professional ethics by the company and its personnel through reporting hotlines, electronic mailboxes, letters, on-site reporting, and other channels.

Reporting Email	Reporting Hotline	Reporting Address
jubao@auteltech.net	0755-21813377 (voice mail)	Floor 2, Caihong Keji Building, Xili Sub-district, Nanshan istrict, Shenzhen City, China,Audit Department,Autel

Compliance Operation and Risk Control

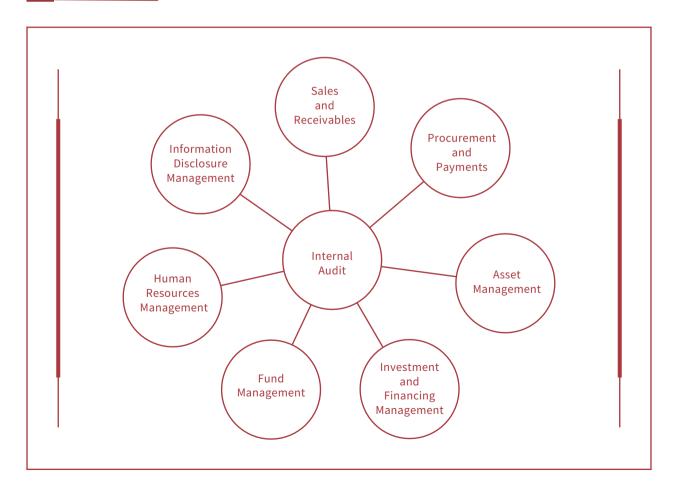
Autel aims to integrate compliance management into all aspects of business operation and management, empowering business development through compliance management. At the same time, we optimize and improve our compliance system based on the company's actual situation to ensure that our actions and those of our employees comply with relevant laws, regulations, industry standards, and internal company rules and regulations.

Compliance Governance System

To further standardize internal audit work, improve the quality of internal audit work, and protect the legitimate rights and interests of investors, we have established a compliance management system covering corporate governance, market transactions, labor laws, and other aspects, in accordance with the *Law of the People's Republic of China on Supervision* and the *Audit Law of the People's Republic of China*.

Meanwhile, to promote standardized operation and prevent and control risks, the company's Audit Department submits an annual internal audit work summary and a plan for internal audit of the next year to the Audit Committee of the Board of Directors after the end of each fiscal year, ensuring the compliant and effective implementation of the company's internal control and risk control.

Autel's Internal Audit Covers All Business Links in the Company's Operating Activities



Risk Control

Based on its actual operational situation and business development needs, Autel has established an ESG risk management framework led by the Board of Directors, with the strategic committee as the main body. Autel executives regularly collaborate with external experts to identify risks related to ESG issues and significant matters based on business needs, and study improvement and optimization measures.

Risk Type	Specific Risks	Related Measures		
Operation	Overseas operational risk: due to the dependence on the North American market, bilateral relations with relevant countries or regions, market environment, and changes in foreign trade policies may affect the compa- ny's operations.	Expand overseas markets, reduce dependence on the North American market, and strengthen business cooperation with other regions.		
Risk	Market competition risk: the intensification of competition may lead to a decrease in market share and a decrease in product and service prices.	Strengthen market research, improve product and service quality, optimize marketing strategies, and enhance market competitiveness.		
Environmental Risk	Environmental pollution risk during production: the production process may generate wastewater, waste gas, solid waste, and other pollutants, which, if not properly handled, may cause environmental pollution.	Establish and improve an environmental management system, strictly adhere to environmental protection laws and regulations, strengthen monitoring and treat ment of pollutants during production, and ensure that pollutants are discharged in compliance with standards.		
KISK	Energy consumption risk: production and operation processes require significant energy consumption, and the fluctuation in energy prices and unstable energy supply may affect the company's costs.	Promote energy conservation and emission reduction measures, optimize production processes and equipment, improve energy utilization efficiency, and reduce energy consumption.		
Social Risk	Employee rights and interests protection risk: issues such as inadequate employee salaries and benefits, unsafe working environments, and limited career development opportunities may affect employee motivation and stability.	Improve the employee rights and interests protection system, increase employee salaries and benefits, improve the working environment, provide diverse career development opportunities, strengthen employee training and communication, and enhance employee sense of belonging and loyalty.		
Non	Supply chain risk: the environmental and social responsibility performance of suppliers may impact the stability of Autel in supply chain and product quality.	Strengthen supply chain management, conduct rigorous selection and evaluation of suppliers, establish a supplier assessment mechanism, and promote improved environmental and social responsibility performance among suppliers.		

Paying Taxes in Accordance with the Law

The company strictly adheres to laws and regulations such as the Law of the People's Republic of China on Enterprise Income Tax and the Law of the People's Republic of China on the Administration of Tax Collection, with the Board of Directors serving as the top governing body to approve the company's tax strategy, and the Finance Department and chief financial officer responsible for its implementation. We conduct internal, financial and tax audits at least once a year to fulfill our tax compliance obligations and prevent and control tax risks.

24

Data Security and Privacy Protection

Autel attaches great importance to information security and data privacy protection, establishes and improves an information security management system, and minimizes the impact of information security incidents by strictly restricting unauthorized access, formulating clear emergency response procedures, and establishing incident reporting and handling mechanisms. Furthermore, the company's IT department and data management personnel possess professional knowledge and capabilities in information security management, and are committed to ensuring the security, confidentiality, and integrity of data and privacy from the source, as well as the safe, reliable, and stable operation of information systems.

Network Security Management System and Certification

To ensure information and data security, Autel has formulated data protection policies such as the "Information System Management Rules", the "Confidential Information Management Measures", the "Electronic Document Declassification Management Rules", and the "Account Password Management Standards", and has developed an information system disaster recovery emergency plan, regularly conducting data security drills. At the same time, the company comprehensively utilizes VPN, firewall, encryption technology, authorization management, and other comprehensive measures to strengthen data security management in office areas and project service areas, safeguarding business security through technical means and comprehensive measures.

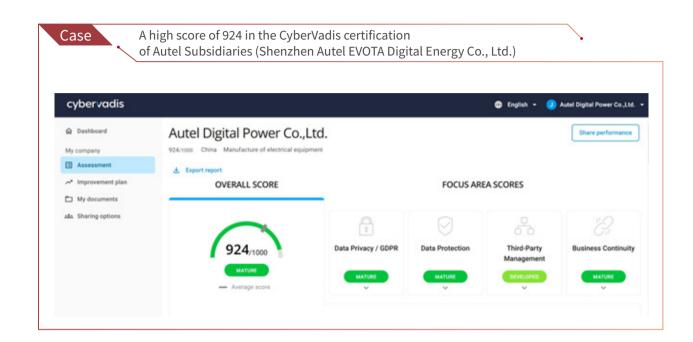
In addition, the company has passed the ISO 27001 information security management system certification, with annual independent audits conducted by external third parties to assess and ensure the effectiveness of the company's data security policies and systems.

Case Autel ISO 27001:2013 Information
Security Management System Certification









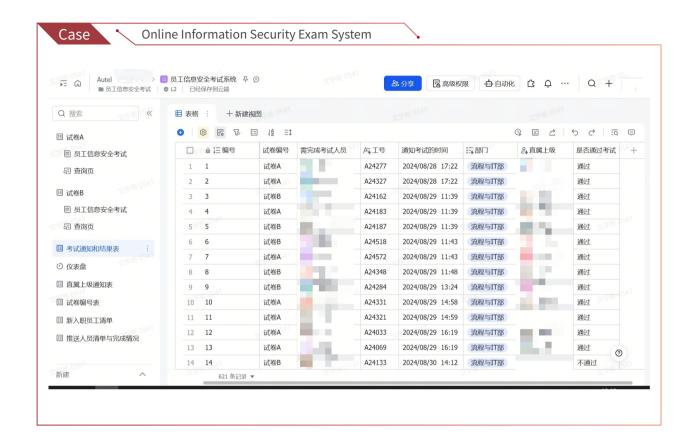
Meanwhile, the company regularly invites industry experts and company technical experts to conduct targeted data security and information security training, integrating data security and information security concepts into business management philosophy, and incorporating online training and exams into KPI management.

Case \ Autel Data Security and Information Security Training





In 2024, the company provided regular data security training and information security exams to employees, promoting a further increase in employees' awareness of data security. All employees (100%) took the information security exam to ensure that each employee knows how to handle data securely.





Data Privacy and Security Management

To ensure that our products and operational processes meet the requirements for the management and handling of personally identifiable information in multiple countries and regions, we have established and continuously improved a privacy information management system, established a Privacy Management Committee and an ISO 27701 Privacy Information Management System Certification Project Team, and formulated special response plans and management systems for data breach incidents, comprehensively safeguarding privacy security.



With the comprehensive internationalization and intelligent development of the company's business, the number of sensitive scenarios related to privacy security continues to increase. Autel have specifically established a dedicated management system for privacy security and formed a dedicated team, with relevant members possessing comprehensive risk identification and business management optimization capabilities.

Main Responsibilities of Privacy Management Committee of Autel

	Formulate rules and regulations for the company's privacy management and supervise their implementation;
	Conduct liaison and implementation of the company's personal and user privacy
	management;
	Organize, supervise, and guide privacy management inspections and coordinate
Privacy Management Committee	privacy management review;
committee	Investigate and handle violations of privacy management regulations and incidents
	of personal and user privacy breaches, and make recommendations for accountabili-
	ty, rewards, and punishments;
	Supervise and guide the privacy management of all computers, information systems,
	communications, and office automation equipment, and supervise the implementa-
	tion of security policies and various management measures.

With excellent cloud service expertise and rigorous security management, Autel's subsidiaries have successively passed two international authoritative cloud service security certifications, ISO/IEC 27018 and CSA-STAR, during the reporting period.



Human Rights

Autel upholds and practices a series of positive and in-depth human rights principles:

Policy Compliance

We adhere to internationally recognized norms and principles respecting human rights, such as the UNGPs, RGMPs, the Universal Declaration of Human Rights, and the ILO's Declaration on Fundamental Principles and Rights at Work. As the company's business continues to develop internationally, we will face more regional differences in human rights management, and will comply with local regulations and respect local cultures to deal with the issue.

We adhere to the UNGPs and the criterion of human rights standard of our company, requiring projects to establish processes for identifying and managing human rights risks, and to integrate human rights assessments into their impact or risk assessments.

Risk identification

During the reporting period, Autel did not identify any significant human rights risks related to child labor, forced labor, or violation of freedom of association and the right to collective bargaining within our company or among our key supply chain partners. As we further globalize our business in the future, Autel will continue to closely monitor and upgrade our risk management system to ensure that there are no significant potential risks in our human rights management.

Autel will continuously follow up on and research human rights-related laws and regulations of the United Nations and the countries where our projects are located, fully identify human rights risks, and improve social responsibility management policies, standards, and processes.

Management Measures

Case

Centering on the ESG review plan, Autel will strengthen specialized training and capacity building for project management teams in projects and factories located in high-risk areas. Autel will further enhance our internal management system with the support of third-party expert teams.

Autel will strengthen safety and human rights construction across our supply chain.

Autel will strengthen the construction of ethics of science and technology.



SA8000 Certificate of Autel Subsidiaries



CLIMATE TRANSITION: PRACTICING LOW-CARBON AND GREEN DEVELOPMENT

Response to the SDGs Sustainable Development Goals









Autel Technology is committed to its vision of becoming a global leader in integrated automotive repair solutions that combine "terminal + cloud + big data + Al" for digitization, the transition to new energy, and intelligence. With a long-standing commitment to environmental protection, we have consistently explored and innovated over the years, making active contributions to the development of China's environmental sustainability efforts. We firmly believe that through sustained efforts and innovation, we can make a positive impact toward achieving the grand goal of a "clean, environmentally friendly, and beautiful China."

2024 Key Performance

Established a climate risk governance system in line with the Task Force on Climate-Related Financial Disclosure (TCFD) framework

The total greenhouse gas emissions of the company's domestic operations

1,930.30 tCO2e

Category 1 Category 2

258.8 tCO2e 1,330.1 tCO2e

Category 3 Category 4 238.3 tC02e 103.1 tC02e

Completed high-standard carbon footprint accounting for key products



Addressing Climate Risks

Autel Technology places great importance on the impact of climate change on our operations and has disclosed this information in accordance with the TCFD recommendations this year. The company's board of directors and strategic committee have actively worked on preparatory measures, laying the groundwork for strictly following the TCFD framework in the disclosure of the company's climate-related financial information. This includes preparing to establish a climate change risk management system and studying and studying scenario analysis methods.

Climate Risk Governance System

In 2024, the company further enhanced its climate-related governance framework and disclosure content. Looking ahead, we will continue to promote collaboration across multiple departments to advance the company's climate-related efforts.

Autel Technology's Climate Risk Governance Structure

		ctors

Decision-Making Level:

Conducts research and provides strategic advice on the company's ESG governance related to climate issues, including ESG vision, goals, policies, ESG risks, and major decisions:

Reviews and guides the implementation progress of climate-related strategies and objectives:

Reviews climate-related reports and other disclosures to ensure their completeness and accuracy.

Strategy Committee

Organizational Level:

Assists the board of directors in identifying important climate-related issues and organizing relevant planning activities;

Organizes the regular disclosure of climate-related information.

Sustainable Development Working Group and Key Functional Departments Responsible for the daily advancement of the company's climate-related work; Ensures smooth communication channels with stakeholders and regularly reports on progress.

Execution Level:

Identification of Climate Risks and Opportunities

Autel refers to the "Final Report: Recommendations of the Task Force on Climate-Related Financial Disclosure" to categorize climate-related risks and opportunities and define the time frames in which they may have significant impacts. "Short-term" refers to within one year (inclusive) after the end of the company's current reporting period; "Medium-term" refers to one to five years (inclusive) after the end of the company's current reporting period; "Long-term" refers to more than five years after the end of the company's current reporting period.

Autel has developed a transition plan, outlining measures and progress for addressing climate-related risks and opportunities. The company has integrated the management process for climate-related impacts, risks, and opportunities into its internal management systems.

	/pes of limate-Related	Risks	Risk Description	Potential Financial Impact	Countermeasures	Time Range	Materiality
	Policy and	ESG Reporting Obligations	As sustainable information disclosure standards for domestic enterprises become more sophisticated, Autel Technology faces increasing ESG-related disclosure requirements.	Increased Expenses	The company regularly discloses environmental information in accordance with laws and regulations, preparing and publishing independent ESG reports.	Interim	High
	egal Risks	Mandatory Requirements and Regulation of Existing Services	The company may encounter stricter environmental requirements and regulations.		Timely tracks policies and regulations related to climate change and environmental protection to ensure compliance in the our internal operations.	Interim	High
Tra	「echnological	Product Climate Resilience	Rising temperatures and more frequent extreme weather events caused by climate change require the company to invest in enhancing the climate resilience of its products.		The company places significant focus on improving the protection and safety of charging piles during product development to enhance their resistance to climatic interference.	Long -term	Medium
Transition risks	Risk	New Technology Investment Risks	The new energy vehicle market is developing rapidly, and this growth carries the risk of failure in new technology research and development.	Cost Increase	Leverage technological resources to increase the success rate of new technology research and development.	Long -term	Medium
	Market Risk	Customer Preference for Green Products	As ESG (Environmental, Social, and Governance) concepts become more deeply embedded, our customers may increasingly prefer green and environmentally friendly products when choosing new energy smart charging solutions and automotive diagnostics.	Revenue Decrease	The company is integrating green and low-carbon concepts into its products and services, providing customers with eco-friendly charging and smart diagnostics solutions.	Long -term	Medium
	Reputation	ESG Negative Events	Stakeholders, including customers and investors, place greater emphasis on environmental information disclosure. When this disclosed information falls short of stakeholder expectations, it may adversely affect the company's corporate image and reputation.	Revenue Decrease	To mitigate this risk, the company has established a comprehensive ESG management system, integrating ESG management into our risk control framework to prevent the occurrence of ESG-related issues.	Short period	High
F	Short-term Risks	Typhoons and Floods	Our production center, located in a coastal area, is vulnerable to typhoons and floods.	Costs rise, revenue falls	Formulate and implement an emergency management system for typhoon and flood prevention. Equip emergency equipment and materials, carry out typhoon disaster analysis, and establish an emergency drill mechanism.	Short period	High
Physical Risks	.ong-term	Increased Average Temperature	Additionally, our headquarters is located in a subtropical region, and the long-term rise in average temperature due to climate change may lead to overheating of production equipment and an increased risk of employee heatstroke.	revenue	To address these challenges, we are optimizing the cooling systems in our offices and factories, ensuring that equipment can operate under extreme heat conditions while also achieving energy savings and reducing energy consumption in the cooling systems.	Interim	Medium
F	Risks	Sea Level Rise	The company's headquarters in Shenzhen is at a relatively low elevation and close to the sea, making it vulnerable to rising sea levels.	revenue	Develop special flood prevention emergency response plans.	Long -term	Low

Types of related opportu		Opportunity Description	Potential Financial Impact	Countermeasures	Time Range I	Materiality
Energy Sources	Utilization of Renewable Energy	Optimize the energy mix to increase the proportion of renewable energy in our total energy consumption, reduce dependence on fossil fuels, enhance the company's resilience to climate change, and reduce carbon emissions.	Cost Decrease	Cost Reduction Achieve efficient energy management and enhancing energy efficiency through smart energy-saving technologies.	Short period	Medium
Products and Services	Green Products and Services	In line with the dual-carbon strategy, digital and intelligent maintenance, digital and intelligent energy, and integrated air-ground smart solutions are emerging as major trends in the development of our core businesses.	Revenue Increase	The company has introduced smart charging network solutions and one-stop photovoltaic, storage, and charging energy management systems, contributing to energy conservation and carbon emission reduction.	Interim	Medium
Market	International Market	By improving our ESG performance and launching low-carbon products and services that align with international sustainable development goals, we aim to drive business growth in global markets.	Revenue Increase	The company is also expanding production capacity in overseas regions such as Vietnam and the United States, enhancing our brand influence by enhancing product competitiveness and service levels.	Short period	High
Resilience	Corporate Resilience	The company is focused on building the adaptive capacity needed to manage climate change risks and seize related opportunities.	Revenue Increase, Cost Reduction	The company has established a comprehensive system for managing climate risks and opportunities. Currently, the company can effectively control related risks and capitalize on opportunities.	Short period	Medium

Carbon Emission Accounting and Management

To support the national "dual-carbon" goals, Autel is continuously strengthening its control over greenhouse gas emissions, improving the quality of carbon emission data, and actively working toward carbon peaking and carbon neutrality.

For climate change indicators, the company's Category 1 emissions sources come from combustion emissions related to transportation tools used for business operations and fugitive emissions from human activities. We monitor and report on the use of fuels like gasoline and diesel, as well as human-related fugitive emissions (such as fire extinguishers, refrigeration systems, septic tanks, etc.). Regarding indirect carbon emissions, the company mainly obtains electricity through purchased power to support daily operations, office activities, and some new energy vehicles. We monitor and analyze the electricity to track Category 2 greenhouse gas emissions. Meanwhile, the company monitors and analyzes indirect greenhouse gas emissions from transportation and emissions related to products used by the organization to assess Category 3 and Category 4 greenhouse gas emissions.

In 2024, we hired a qualified third party to conduct a high-standard GHG verification for Autel Digital Power Co.,

In 2024, we hired a qualified third party to conduct a high-standard GHG verification for Autel Digital Power Co.

Ltd. in accordance with the ISO 14064 standard.

Autel Digital Power Co., Ltd., a subsidiary of Autel

Energy Consumption and Greenhouse Gas Emissions	Indicator	Unit	Consumption/Emission Volume
	Total Greenhouse Gases	Metric Tons of CO2e	1,930.30
	Category 1	Metric Tons of CO2e	258.80
Greenhouse gas emissions	Category 2	Metric Tons of CO2e	1,330.10
	Category 3	Metric Tons of CO2e	238.30
	Category 4	Metric Tons of CO2e	103.10

Note: The verification period is from September 1, 2023, to August 31, 2024.

During the reporting period, we completed high-standard carbon footprint accounting for key products, quantifying and analyzing resource consumption, energy use, and environmental impact throughout the product lifecycle, from raw material acquisition to disposal. With scientific data supporting ecological footprint reduction, we are facilitating the high-quality export of low-carbon and green products.



产品 1: MaxiCharger AC Ultra (Street) 1 台 环境影响类型 数值 气候变化(全球变暖潜势-总计) 3.37E+03 气候变化-化石燃料(全球变暖潜势-化石燃料 气候变化-生物质(全球变暖潜势-生物质) 0.00E+00 气候变化-土地利用和土地利用率变化(全球变暖潜势-土地利用和土地利用率变化) 1.56E+00 臭氧消耗 (ODP) kg CFC-11 eq. 1.74E-03 酸化潜能值(AP) mol H+ eq. 1.86E+01 富营养化,淡水(EP-淡水) 1.63E-01 kg P eq. 富营养化,海洋(EP-海洋) kg N eq. 2.70E+00 富营养化,陆地(EP-陆地) mol N eq. 3.13E+01 光化学臭氧形成 (POCP) kg NMVOC eq. 9.40E+00 资源利用,矿产和金属(ADP-M&M* 2.85E+04 资源利用,能源载体(ADP-化石) 5.16E+02



环境影响类型 [1] [1] [1] [1] [1] [1] [1] [1] [1] [1]	单位	数值
气候变化(全球变暖潜势-总计)	kg CO₂ eq.	2.29E+03
气候变化-化石燃料(全球变暖潜势-化石燃料)	kg CO ₂ eq.	2.29E+03
气候变化-生物质(全球变暖潜势-生物质)	kg CO ₂ eq.	0.00E+00
气候变化-土地利用和土地利用率变化(全球变暖潜势-土地利用和土地利用率变化)	kg CO ₂ eq.	5.75E-01
臭氧消耗 (ODP)	kg CFC-11 eq.	3.09E-05
酸化潜能值(AP)	mol H+ eq.	1.22E+01
富营养化,淡水(EP-淡水)	kg P eq.	1.17E-01
富营养化,海洋(EP-海洋)	kg N eq.	1.76E+00
富营养化,陆地(EP-陆地)	mol N eq.	2.05E+01
光化学臭氧形成(POCP)	kg NMVOC eq.	6.18E+00
资源利用,矿产和金属(ADP-M&M*)	kg Sb eq.	1.99E+04
资源利用,能源载体(ADP-化石)	MJ *Categoria + insen	8.33E-02
缺水(WDP*)	m³ depriv.	3.46E+02

Carbon Emission Initiatives and Goals

In 2024, global customers completed a total charging volume of 175,653,573 kWh through Autel charging station products. In terms of emission reduction effects from replacing fuel vehicles, this is equivalent to Autel and its customers jointly achieving a reduction of approximately 87,826.8 tons of CO2. (Calculation of emission reduction effects from replacing fuel vehicles: A new energy vehicle can travel about 5 kilometers per kWh of electricity charged, which is equivalent to 1 kg of CO2 emitted by a fuel vehicle traveling the same distance).

Looking ahead, through the company's technological investments and collaborations to optimize the industrial chain, we have developed a clearer medium-term greenhouse gas emission reduction management plan and a mid-to-long-term key emission reduction timeline. With the company's emission reduction measures and ongoing green investments, Autel is committed to achieving net-zero emissions across its entire lifecycle by 2035 and promoting environmental practices throughout its entire value chain. **Starting in 2023, we began implementing emission monitoring and reduction measures and plan to achieve carbon neutrality in our corporate operations by 2028.**

Environmental Management System

Autel Technology places great importance on environmental management and protection, having established a robust environmental management system and obtained ISO 14001:2015 certification. We have developed system documents such as the "Control Procedure for Environmental Aspect Identification and Evaluation" and the "Emergency Preparedness and Response Control Procedure" to identify and assess factors that may impact the environment during production and service processes, ensuring that environmental aspects are effectively controlled and the company's environmental impact is minimized. In 2024, the company invested RMB 512,900 in environmental protection and successfully met the requirements of ISO 14001:2015 certification, obtaining the corresponding certificate.



Company EHS Policy

Environment-related

Full participation,
pollution prevention,
Waste reduction and conservation,
clean production,
Compliance with laws,
continuous improvement

Occupational Health and Safety

Comply with regulations, meet requirements, Prevention first, reduce risks Improve configurations, strengthen training

Company EHS Goals

Zero fires Zero sudden environmental pollution accidents Zero safety accidents, zero occupational diseases

Management Structure

Autel has developed documents such as the "Quality, Environment, and Occupational Health and Safety Management System Manual" and the "Control Procedure for Environmental Aspect Identification and Evaluation," which clarify the organizational structure and responsibilities at all levels for environmental management. In terms of organizational structure, the company's Work Safety Committee, in collaboration with the Work Safety Office, makes decisions on major safety and environmental issues. Furthermore, the committee organizes various production bases to carry out environmental aspect identification, compliance reviews, management reviews, and other tasks.

Autel Technology's Environmental Management Structure

Safety Production Committee Chaired by the Chairman

Review System and Investment

Oversees implementation and organizes meetings for Work Safety Committee.

Work Safety Office

Formulates and manages systems.

Prevents and supervises accidents.

Handles emergency response and management.

Relevant Functional Departments Environmental impact assessments and pollution prevention.

Emergency response coordination.

Environmental management and continuous improvement.

Environmental Risk Management and Response

The company has developed system documents such as the "Control Procedure for Environmental Aspect Identification and Evaluation" and the "Emergency Preparedness and Response Control Procedure," systematically identifying and managing environmental risks, as well as conducting emergency inspections.

Autel's Environmental Risk Management and Response

Risk control	Objective	Implementation Measures
Hazardous Waste Discharg	Control hazardous waste discharge and	1.Collect and place waste in labeled trash bins according to the "Waste Classification" guidelines.
	ensure the transfer of hazardous waste complies with legal and regulatory requirements	2.Regularly transfer hazardous waste generated in workshops to the administrative department.
		3. Contact hazardous waste treatment vendors and sign contracts for waste transfer.
		4.Develop an annual hazardous waste management plan, record monthly waste generation ledgers, and transfer manifests.
		5.Provide training to all employees on waste classification and hazardous waste handling regulations.
Excessive Emission of Harmful Gases	Ensure the compliant	1.Regularly commission qualified testing agencies to conduct waste testing.
	emission of harmful gases (e.g., lead fume, chemical volatiles) from the company	2. Maintain exhaust ducts and absorption equipment regularly to ensure industrial waste gas emissions comply with standards.
		3.Establish a company electricity usage ledger and conduct assessments of electricity and water consumption.

To raise employee awareness of environmental and production safety risks, the company regularly conducts environmental protection education and training. This ensures environmental and safety awareness is deeply ingrained, supporting the company's sustainable development.

Meanwhile, the company organizes relevant teams to carry out targeted safety emergency drills focused on safe operation and environmental emergency management incidents.

Case `

Autel Technology's Environmental Safety Training

The company organizes specialized solid waste management training every quarter. The course content includes an introduction to solid waste, standardized management requirements for general industrial waste, and an overview of standardized management requirements for industrial hazardous waste. The training also clearly identifies actions that violate regulations on the collection, storage, transportation, treatment, and management of solid waste. This helps employees understand and meet the standardized management requirements for solid waste disposal.











Pollutant Treatment

Autel Technology strictly governs and disposes of pollutants, developing relevant management measures that provide clear guidelines for wastewater, waste gas, boundary noise, and solid waste generated during production and operation. This ensures the normal operation of environmental protection facilities, standard emissions of wastewater and waste gas, effectively control of boundary noise, and proper disposal of solid waste.

For pollutant treatment, we actively engage in equipment optimization, process upgrades, and infrastructure construction based on our own situation in accordance with the management specifications of the "Environmental Factor Identification and Evaluation Control Procedure". Additionally, we hire qualified third parties to carry out relevant monitoring and management. In 2024, the company did not encounter any environmental pollution issues.

Autel's Pollutant Treatment Measures

Waste Type	Specific Classification	Treatment Method
Waste Water	Mainly includes domestic sewage, water discharged from constant temperature and humidity machines, water from waterproof testing machines, air compressor discharge, salt spray test wastewater, waste cleaning solutions, waste oil, etc.	The company collects wastewater in appropriate containers and labels them with "Waste Recycling Tags" for temporary custody by designated personnel. When accumulated, we contact external waste disposal stations or other qualified and legal entities for disposal. Waste cleaning solutions, waste oil, and similar wastewater are legally recycled by suppliers.
Waste Gas	Mainly includes volatiles from cleaning solutions, petroleum ether, alcohol, and circuit board cleaning agents, and gases from soldering and dispensing processes.	The company installs exhaust hoods at workstations to collect waste gas, which is then directed through pipes to the rooftop for emission. If the waste gas contains non-methane volatile organic compounds, it is adsorbed by activated carbon before emission. Containers are covered promptly, and cleaning temperatures are controlled to minimize liquid evaporation.
Solid Waste	Metal, paper, cloth, plastic, and other types of waste.	For various types of solid waste, the company designates storage areas and labels them. Solid waste generated by each department is classified and stored in designated areas according to the labels. When sufficient quantities are accumulated, the company contacts qualified contractors for centralized and unified recycling. Oily cloth pollutants are treated as wastewater.



Pollutant Emissions of Autel

COD emissions Ammonia nitrogen emissions

0.20 tons 0.25 tons

Hazardous solid waste Hazardous solid waste

0.17 tons 100% completed the compliant disposal

Deep Green Operations and Circular Economy

The company promotes green and low-carbon operations, focusing on the long-term, rational allocation and utilization of resources while minimizing resource waste. The company has developed the "Energy Use and Conservation Management Procedure", regularly adjusting resource consumption plans based on historical data to further reduce resource use.

Energy Conservation, Cost Reduction, and Green Operations

The company's direct energy consumption includes gasoline for company-owned vehicles, fire extinguishers, refrigeration equipment, and other human-induced dispersions. Indirect energy consumption includes purchased electricity, among others. During the reporting period, the company intensified energy-saving and emission-reduction efforts, focusing on retrofitting production equipment, optimizing raw material imports, and streamlining product exports to reduce material input losses and subsequent production and disposal costs. An online energy monitoring system was also established to track energy usage in real-time, refine measurement processes, and implement effective energy-saving strategies.

Detailed Measures for Green Operations at Autel Technology

Production Electricity Use

Power should be promptly turned off for non-production equipment; overtime work should be concentrated as much as possible to minimize the use of unnecessary power sources; lighting should be turned off in areas where no one is working; air conditioning should be turned off 30 minutes before the workday ends; a dedicated person should verify power switches are turned off after work hours; small-power equipment should be used wherever possible to reduce overall power consumption; and energy-saving signs should be placed near switches as a reminder.

Residential Electricity Use

Street lights should be controlled to turn on from 18:30 to 6:30, and lighting should be turned off during rest periods; air conditioning should only be used when the indoor temperature reaches 26°C and should be turned off 30 minutes before the end of the workday; and energy-saving signs should be placed near switches as a reminder.

Production Water Use

Regular inspections should be conducted, and leaks should be fixed immediately.

Residential Water Use

Signs should be posted in water use areas such as water heaters and restrooms to encourage water conservation, and leaks should be promptly addressed.

Office Paper Use

Employees should be educated on paper usage, promoting double-sided printing and copying where possible. Recycled paper should be used appropriately. Office paper should be managed by dedicated person. Online communication should be encouraged to reduce paper consumption.

Chemical and Glue Use

The use of chemicals should be carefully controlled, with larger containers repackaged into smaller ones for maximum utilization.

Raw Material Use

Conditions during trial production should be controlled to minimize material waste. Production defects should be monitored and analyzed, with corrective actions taken to reduce defect rates.

Gas Use

Regular inspections should be conducted, and leaks should be promptly fixed; production conditions should be optimized to reduce overall gas consumption.

Water Management

In 2024, the company's total tap water usage amounted to 33,634 liters. All of our water sources are municipal water supplies, and there are no significant direct or indirect impacts on water resources from extraction, consumption, discharge, or changes in water storage. Through equipment upgrades, process improvements, recycling, standardized operations, and effective administrative management, we are continuously working to enhance the efficiency of water resource recycling and reduce water consumption.

Water Resource Consumption			
	Control company water use, conserve resources, and reduce waste		
	Residential water use ≤ 2.0 tons/person·month		
Annually	Set and implement water usage targets		
Monthly Conduct regular inspections and maintenance of equipment and facilities			
Monthly	Establish a company water usage ledger to record and assess water consumption		
Quarterly	Strengthen employee awareness of resource conservation		



Circular Economy and Green Philosophy

The company places a strong emphasis on the practical promotion and effective implementation of the circular economy, particularly in the areas of material recycling and sustainable development. In 2024, we launched the "EVergreen" global ESG tree planting campaign, joining hands with leading non-profit organizations in six major regions around the world. This initiative supports over 20 strategic clients in consolidating their global green brand image, showcasing the responsibility, commitment, and influence of an industry leader.



Autel's "EVergreen" Global ESG Tree Planting Campaign



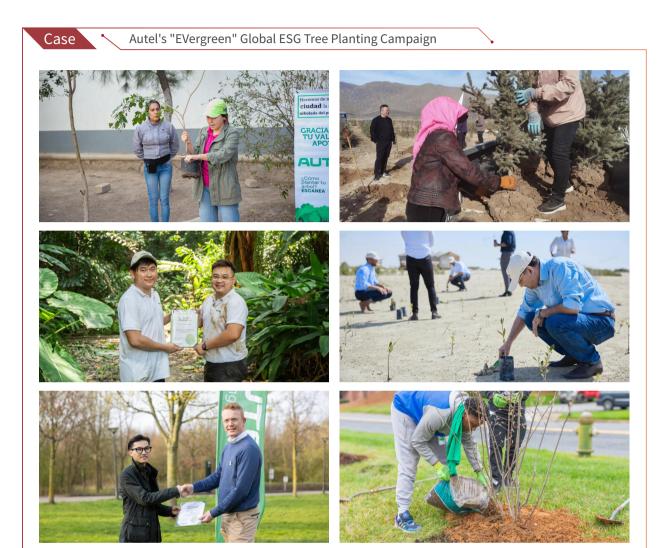












Ecological Environmental Protection

The company is committed to continuously monitoring the environmental impact of its activities, particularly in relation to biodiversity. In line with relevant laws, regulations, and policies such as the "Opinions on Further Strengthening Biodiversity Conservation" issued by the General Office of the State Council, the "Soil Pollution Prevention and Control Law of the People's Republic of China", and the "Regulations on the Management of Groundwater" issued by the State Council, we conduct regular Opportunities assessments, identify Quality Risk hazards, and take necessary actions to minimize our ecological footprint.

Looking ahead, we plan to expand our efforts in terrestrial and underwater ecological environmental protection, while actively exploring digital and intelligent development opportunities in these areas. We aim to enhance the positive impact of our green initiatives. Internally, we have assessed that during the reporting period, the company has not caused any negative ecological impacts in or around biodiversity-rich areas, including nature reserves, nor do we have any production bases near such areas. In the construction and operation of our overseas facilities, we carefully consider the ecological balance and environmental friendliness of the surrounding areas.

We are committed to creating eco-friendly office and factory spaces that contribute to regional biodiversity restoration. We will actively plan green spaces and wetlands, plant a variety of native plants, and encourage the habitation and reproduction of insects and birds. This not only enhances the environment and improves the work experience for our employees but also supports the restoration of regional biodiversity. Through these practical actions, we are protecting the natural ecology and contributing to the flourishing of biodiversity.

INNOVATION-DRIVEN: EMBRACING THE AI WAVE FOR HIGH-QUALITY INTERNATIONAL EXPANSION

Response to the SDGs Sustainable Development Goals











Autel always places innovation at the heart of its strategy, actively increases R&D investment, integrates industrial resources, and promotes the company's development in digitalization and intelligence. With the rapid rise of AI and the transformation of industries, we recognize the immense importance of product responsibility and technological innovation. We understand that only by continuously advancing technological innovation and service optimization can we fulfill our original aspiration: to provide our customers with exceptional, high-quality services. To support this, we have established a robust quality management system and continuously refine our after-sales service process to ensure that every customer receives professional and high-quality services. This commitment drives our focus on sustainable development.



Key Performance

Intellectual property rights

Software copyrights

1,771

352

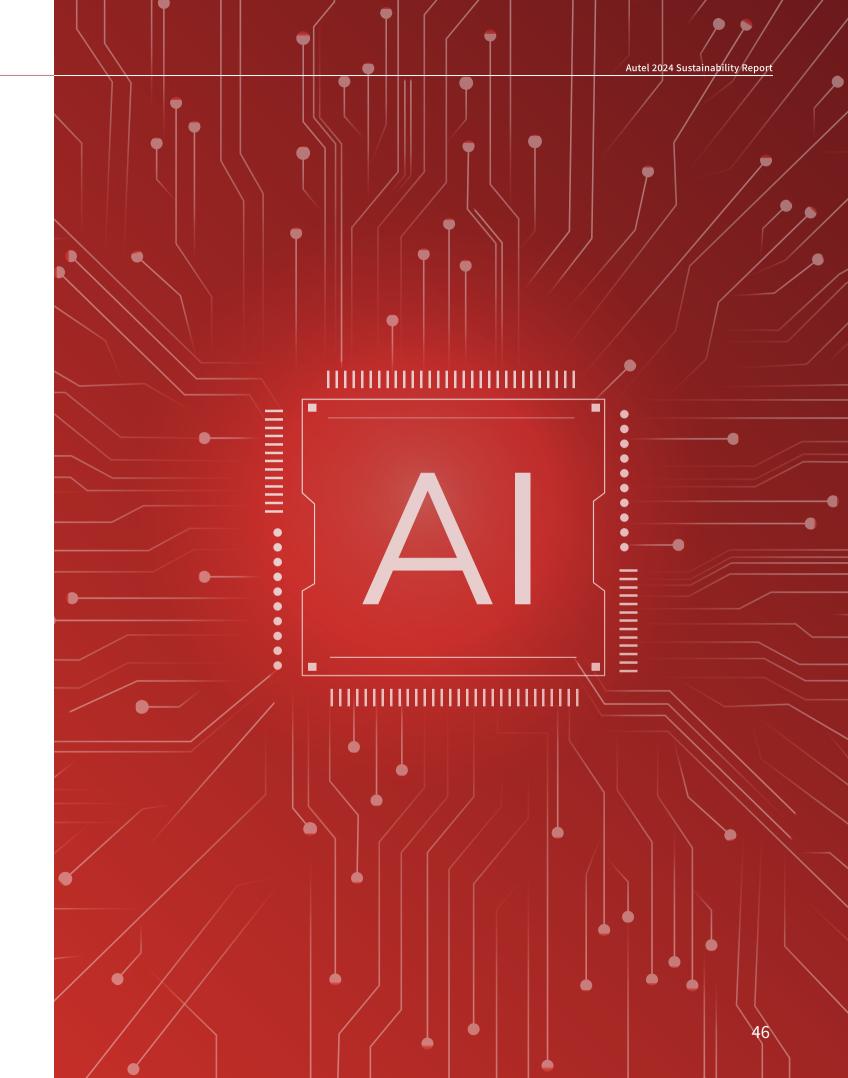
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Product compliance rate

98.1%, with 3% YOY growth rate

Customer satisfaction

89%, with 13% YOY growth rate



Technological Innovation

Al is at the core of Autel's strategy, and we proudly position ourselves as "comprehensively Al-driven." With Al as our central force, we continue to promote its deep integration into both our business operations and organizational transformation:

O Digital Intelligent Diagnostics

Driven by technological innovation, we continue to advance comprehensive automotive diagnostics and repair solutions across the entire service lifecycle. By leveraging generative AI to enhance integrated diagnostic systems and new energy battery testing solutions, our intelligent process enables precise fault identification and accelerated service response. This delivers transparent, user-friendly full-cycle service experiences through smart maintenance platforms.

O Digital Intelligent Power

Capitalizing on global developments in new energy charging infrastructure, we have grown our overseas market presence with end-to-end smart charging network solutions. Our integration of generative AI with vertical-specific large language models establishes one-stop PV-ESS-EVES and EMS solutions.

Integrated Air-ground Cluster Solutions

Our 2024 strategic initiative focuses on Al-powered robotics systems for smart energy and intelligent transportation applications. We deliver integrated air-ground cluster solutions featuring digital intelligence, autonomous operations, and multi-device heterogeneous coordination across unified smart scenarios.

Innovative Strategic Management System

Autel remains committed to the business philosophy of "value innovation, relentless pursuit" and the product philosophy of "making products to the extreme". We have built a comprehensive technological innovation system that aligns our products with market demands and fosters collaboration with customers during development.

Strategic Direction of Autel's Product Development

Digital and Intelligent Maintenance

Technological Innovation at We're upgrading digital diagnostics through phased AI agent development and implementing industry-spethe Core, Achieving a Leap in cific large language models. Leveraging generative AI technology, we are creating a new generation of comprehensive diagnostic products, TPMS products, and ADAS products. This enables us to comprehensively enhance the customer experience and work efficiency, further solidifying our global leadership in automotive intelligent diagnostics.

Driving Industry Innovation

Strategic Deployment in Digi- We're integrating systematic AI across the new energy charging business. Having already built energy-spetal and Intelligent Energy, cific large language models, we've rolled out intelligent assistants for charging operations and created intelligent charging Agents and energy management Agents. These initiatives enhance charging operation efficiency and clients' investment returns. Our aim is to achieve global leadership in smart energy solu-

AI Robot Collaboration for Full-Scenario Coverage

47

Centered on vertical-specific large language models and PaaS platforms, we synergize embodied intelligent agents (air/ground robots) to deploy air-ground cluster solutions. These systems empower transportation, security, and energy sectors with precise, efficient, and comprehensive value delivery, positioning Autel as the commercial leader in industrial AI model applications.

Geographical Distribution of Autel's R&D Centers



In line with the new trends in automotive intelligence, Autel has significantly enhanced its R&D capabilities. Our R&D center is staffed with experts, including doctors and master's graduates from top universities, renowned companies, and prestigious research institutes both domestically and internationally. Their professionalism and expertise are key to advancing our R&D efforts and driving innovation across our product lines.



中国合格评定国家认可委员会授权人 花胡华

Autel's Key Product Layout in 2024:

Al as the core driving force to

building the multi-level business ecosystem



Third growth curve

Integrated air-ground smart cluster solutions

Se Di



Digital energy

End-to-end smart charging network solutions
Integrated Photovoltaic, Storage, and Charging
Energy Management Solutions





First growth curve

Digital & Intelligent Maintenance

Comprehensive automotive diagnostic solutions
TPMS tire pressure monitoring solutions
ADAS and wheel alignment solutions
Software upgrade services



In 2022, Autel was recognized as a national "Little Giant" enterprise, specializing in precision and characteristic innovation. We were also honored as a Guangdong Provincial Manufacturing Champion in 2024. By the end of the reporting period, we have joined industry organizations including CharIN, OCA (OCPP), CHAdeMO, and the China International Economic and Technical Cooperation Promotion Association. Meanwhile, the company participated in the formulation of industry standards such as the Fully Liquid-Cooled Supercharging Site Construction Guidelines and Fully Liquid-Cooled Supercharging Charger Technical Specifications

证书

广东省制造业单项冠军企业

(2024年3月 — 2027年3月)

产品名称: 汽车智能诊断系统

生产企业:深圳市道通科技股份有限公司







R&D Talent Acquisition and Continuous Incentives

Autel attaches great importance to the ongoing recruitment of top talent and has launched a campus recruitment plan targeting the 2025 graduating class (bachelors, masters, doctors) across various roles such as algorithms, power electronics, software development, and testing. Recruitment efforts are spread across our R&D centers nationwide, including those in Shenzhen, Changsha, and Xi'an.

To continuously incentivize talent, the company provides a comprehensive career development pathway for new graduates, including long-term incentive programs such as restricted stock incentives and product partnership plans. We also offer employee development opportunities through training forums and skills workshops. This approach not only attracts talent from universities but also fosters collaboration between academia and industry. Autel has implemented systems such as the "New Product Incentive Management Measures", the "Design and Development Control Procedure", and the "Design and Development Change Procedure" to continually optimize our R&D management processes. We have also established a set of R&D incentive systems that effectively stimulates innovation and retains talent by offering positive incentives, thus enhancing our innovation capacity.

Autel's Talent Incentive Mechanism

Diversified Incentive Mechanism

To further fully mobilize the enthusiasm and creativity of all employees, implement the company's core values and team orientation, build a goal-oriented high-performance team, and enhance the company's core competitiveness for sustainable development, the company has formulated the "Company Diversified Incentive System," which includes a series of diversified incentive awards specifically for R&D.

R&D Incentive Mechanism

Adhering to the principles of fairness, impartiality, and fact-based decision-making; timely incentives with a focus on core contributing teams/individuals; emphasis on product quality delivery; and a goal-oriented approach, the company has established a special project incentive bonus to award excellent R&D project teams/individuals based on the degree of outstanding contributions to projects. The results of R&D project evaluations also serve as the basis for outstanding contribution awards, annual performance evaluations, and personal promotions.

Patent Application Incentive Mechanism

To strengthen the company's intellectual property work and improve the management level of intellectual property, the company has established an intellectual property management system, project teams that complete job-related inventions and obtain patent rights are rewarded with bonuses through a patent application incentive mechanism, which are also recorded in the technical files of the main inventors or designers. This serves as one of the bases for technical title evaluation, job appointment, promotion, and other rewards, thereby further enhancing the company's R&D strength and market competitiveness, and ensuring the company's healthy, stable, and sustained development

Equity Incentive Mechanism

The company has implemented an employee stock ownership plan (ESOP), closely linking company interests with personal interests through an equity incentive mechanism, effectively enhancing the cohesion of core talent, and preventing the loss of key talent.

Industry-Academia-Research Collaboration and Empowerment

Given the company's diverse business scenarios, we highly value collaboration with academic institutions and research organizations. In particular, we have established strategic cooperation with universities to ensure seamless cooperation and the full utilization of university research capabilities. Through this synergy, we foster deeper collaboration, enhancing innovation and expanding our technological influence across various industries.

Targeted Cooperation with Universities

Autel shares recruitment opportunities through university employment platforms (such as the School of Computer Science at Hunan University of Technology and Xi'an Electronic University of Technology). Additionally, we've established Q&A groups in key regions like Hunan and Xi'an to enhance communication and engagement with our target universities.





The company's recruitment site at the University of Cambridge

Technology Innovation and Collaboration with University Resources

In 2024, Autel established a fully owned robotics subsidiary and launched the Maxwell Innovation Lab and Al Smart Computing Center. We remain committed to strengthening our partnerships with university joint laboratories, particularly in Al and robotics. This collaboration helps bridge the gap between practical technical expertise and academic disciplines, fostering a continuous cycle of knowledge exchange and innovation.

Geographical Coordination between R&D Centers and Universities

Autel operates R&D centers in Changsha and Xi'an, strategically positioned to benefit from the region's renowned science and engineering universities (such as Central South University and Xi'an Electronic University of Technology). As AI edge intelligence continues to develop and align with industry trends, we plan to leverage these regional advantages to create stable internship opportunities and joint projects with universities. This approach will not only drive technological advancements but also help translate academic research into real-world applications.

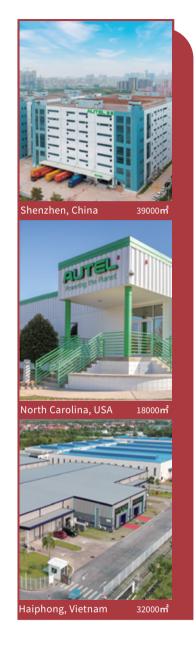
Integration into the Global Industrial Ecosystem

Since its founding, Autel has adhered to a global development strategy. In response to growing geopolitical risks and rising international trade tensions, we began expanding our overseas manufacturing footprint in 2018. Today, Autel operates three major production facilities in Shenzhen, China; Haiphong, Vietnam; and North Carolina, USA, creating a global production and supply chain network.

Our Haiphong factory in Vietnam has played a pivotal role in our global strategy. After years of careful operation and continuous optimization, it has become essential not only for mitigating risks posed by global trade uncertainties but also for leveraging Vietnam's comparative advantages. This has helped us boost the competitiveness of our products in the market.

In late 2023, we officially launched production at our North Carolina facility in the U.S. This move supports the U.S. National Electric Vehicle Infrastructure (NEVI) program and the Build America, Buy America Act (BABA). It also provides a strategic safeguard, allowing us to quickly adapt to domestic production needs and potential trade risks. The proximity of this factory to our U.S. customers enhances our ability to deliver products swiftly and efficiently, further strengthening our market competitiveness.

During the reporting period, we've made significant improvements to our warehousing systems in Europe and North America, ensuring comprehensive regional market coverage. This has significantly boosted our supply capacity and delivery speed. Furthermore, we have strengthened logistics management and efficiency, ensuring faster, more reliable product delivery for our customers.



Autel's Global After-Sales System



Global Rapid Response

24/7 Global Service Center ensures rapid response worldwide, with local service teams providing on-site support.



Remote Technical Services

A professional remote service team provides remote monitoring, remote diagnosis, and remote resolution services, ensuring hassle-free service.



Official OEM Spare Parts

Original factory quality, warranty commitment, with lifecycle supply.



Professional System Training

Technical support experts customize training courses to enhance customer value.

Intellectual Property Protection

Autel operates in strict compliance with the *Civil Code of the People's Republic of China*, the *Trademark Law*, and the *Patent Law*. We firmly oppose unfair business practices such as commercial disparagement and market confusion, working to foster a fair, transparent marketplace. In accordance with China's Regulations on the *Protection of Computer Software*, we actively protect our independently developed software, contributing to the healthy development of the software industry.

We take intellectual property seriously, establishing an Intellectual Property Office under our legal department. We've implemented Patent Reward Management Measures for the creation, management, utilization, and protection of our intellectual property rights. In addition, we have introduced measures such as the "Patent Reward Management Program" to improve the management of our intellectual property and patent applications.

Autel's Intellectual Property Protection Actions

Improving Systems and Processes

Establish standardized processes for patent declaration, paper submissions and publication approvals.

Ensuring Information Confidentiality Assess whether technical solutions are suitable for disclosure.

We carefully assess whether technical solutions are suitable for disclosure. When promoting in the media, participating in technology exhibitions, academic events, technical appraisals, or receiving visitors, we strictly adhere to the company's confidentiality regulations and relevant management systems whenever intellectual property is involved.

Clarifying Incentive Measures

We provide rewards for employees who contribute to patent technical disclosures, and actively participate in patent applications. Cooperating with our legal and intellectual property departments, we issue rewards in line with our "Patent Reward Management Measures" upon receiving a patent acceptance notice.

Innovative Patent Rewards: We offer corresponding rewards based on the technical grade (final evaluation) assessed in the "Patent Application Approval Form".



Intellectual property rights Invention patents Software copyrights

1,771

352

137

53

Ethics in Science and Technology and Algorithm Application Strategy

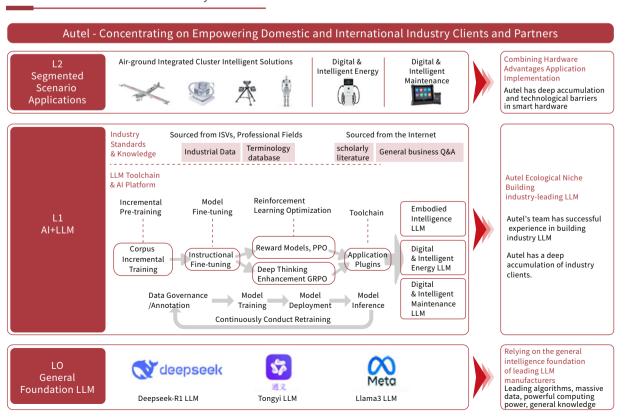
As the accessibility of AI and model applications continues to grow, we are continuously enhancing our commitment to ethical technology practices and compliance in algorithm application. In areas such as automotive intelligent diagnosis, smart charging, robotics, and artificial intelligence, we are taking proactive steps to improve our diagnostic solutions for the era of digital intelligence.

In terms of infrastructure, we have established the Autel Maxwell AI Cluster, which supports cluster management for computing power, middleware, networks, and other infrastructure. This infrastructure facilitates rapid AI model engineering (MLOps), data management, model training, Agent development, and model monitoring. Additionally, we have set up the Autel Maxwell Robotics Lab, integrating multidisciplinary technologies such as artificial intelligence, robotics, sensor technology, and computer vision to provide critical technical support for the intelligent evolution of our solutions.

In terms of model capabilities, we collaborate with both domestic and international leaders in foundational AI algorithms like ChatGPT, DeepSeek, Llama, and Qwen. By training vertical domain-specific models based on business needs, we foster innovation and further develop application-specific algorithms. We have already completed the integration and local deployment of DeepSeek and applied the DeepSeek training process to promote our integrated air-ground solution in vertical domains such as energy, transportation, and other fields.

At Autel, Al is the driving force behind our business today and for the next five years. Positioned as "comprehensively Al-driven", we are focused on building a generative Al platform and industry-specific large models. Our goal is to continuously develop various Al Agents, seamlessly integrating generative Al technology into real-world applications. This will accelerate our deployment across industries, and lead revolutionary transformations in our business ecosystem.

Direction of Autel's AI + Scenario Layout



We remain committed to ensuring the safe application of algorithms and maintaining compliance with ethical principles. We prioritize consumer safety and respect, building trust and safeguarding data in every step of our process.

() Establish Clear Ethical Principles

Autel is committed to developing clear ethical principles and guidelines to ensure that all technological activities and product developments align with ethical standards. These principles should include respecting human rights, protecting privacy, ensuring safety, promoting fairness, and supporting sustainable development.

Establish an Ethical Review Mechanism

Review and evaluate technology projects and products involving ethical issues to ensure they comply with ethical principles and guidelines.

★ Enhance Algorithm Transparency and Interpretability:

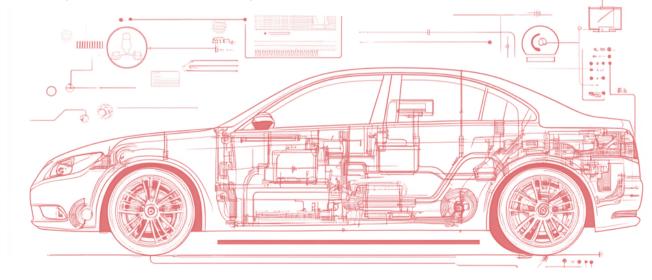
In terms of algorithm application, Autel will prioritize enhancing transparency and interpretability. We will ensure that the decision-making processes of our algorithms are open and transparent, facilitating understanding and trust from our users. Additionally, we aim to eliminate algorithm discrimination and bias, ensuring fairness and impartiality.

Protect User Privacy and Data Security

We take user privacy and data security seriously. Autel will implement effective measures to safeguard personal information and prevent data breaches or misuse. We will also comply with all relevant laws and regulations to ensure the legality of data collection, use, and storage.

(9) Continuous Education and Training

Autel will regularly offer technology ethics training to our employees, enhancing their ethical awareness and sense of responsibility. Furthermore, we will actively engage in public efforts to educate and promote technology ethics, helping to enhance broader understanding in society.



Focus on Product Quality

We have developed a series of institutional documents such as the "Quality Manual," "Inspection Control Procedures," "Production Process Control Procedures," and "Nonconforming Product Control Procedures". These documents address quality safety, objectives, audits, and improvement processes.

Quality Management System

Due to the technical complexity of products such as intelligent detection systems and EV charging piles, customers have stringent expectations for technical parameters and operational stability. Therefore, Autel focuses on production efficiency, product quality, customer experience, and after-sales service. Our comprehensive service system is designed to enhance service effectiveness and ensure customer satisfaction at every stage.

Autel's Quality Control Management System

Quality	Organizational Responsibilities	The Quality Management Committee is responsible for overseeing the quality of the entire product line and the R&D process. We conduct comprehensive reviews, improvements, and supervision of the digital energy product quality, addressing issues from R&D through to supply and production.
Management Committee	Work Objectives	Our work is centered around customers and the market. We establish clear severity levels for quality incidents across R&D, manufacturing, and customer service, creating an accountability system with rewards and penalties. Quality control is enforced across all stages—from R&D to supply, production, and sales—to ensure high-quality products and prompt resolution of any quality issues throughout the entire business chain.

Autel's Global Product Quality Certifications



During the reporting period, Autel successfully obtained multiple quality, environmental, and safety-related certifications such as ISO9001, ISO14001, ISO45001, ISO27001, and ISO27701, without any product quality or safety violations.

Digital and Intelligent Full Lifecycle Management

O Deepen Digital Transformation to Optimize Operational Efficiency

During the reporting period, the company deeply integrated digital intelligence and AI to drive operational and business transformation. We continuously enhance both internal and external operational efficiency to build an AI-driven, intelligent business ecosystem. During the reporting period, significant progress was made in several key projects

Business Area	Project Name	Project Outcomes		
	IPD Reconstruction Project	Established a management system for launching competitive products, supporting R&D, production, sales, and service processes.		
R&D	R&D Digitization Construction	Achieved end-to-end management of business data, improving R&D and design efficiency.		
	Al DevOps Platform	Enabled intelligent management of the entire R&D lifecycle, including project management, requirement analysis, system design, development, and testing, enhancing R&D efficiency.		
Marketing	ITR Global Service Digitization Transformation Project	Optimized product reliability and after-sales service indicators, significantly improving customer service experience.		
and Service	Al Smart Call Center Agents	Provided 24/7 automatic service in 8 languages, enhancing customer support.		
Supply chain	MES, WMS Projects	Implemented full-process quality traceability of materials and data collection during production.		
Function	IDS Management Dashboard Project	Developed a comprehensive Autel indicator system, improving decision-making efficiency and management level, achieving visible operations, controllable issues, and traceable anomalies.		
IT	Autel is committed to enhancing the stabi of the IT environment, improving availabili costs through optimized infrastructure dep			

During the reporting period, the company actively organized AI learning activities to ignite enthusiasm for AI among all employees. A total of 6 "AI Grand Lectures" were held, featuring industry technical experts who shared the latest trends and practices in AI. Over 1,500 employees participated, significantly enhancing their digital mindset and skills.

Furthermore, the company hosted the "Autel AI Efficiency Enhancement Hackathon", encouraging departments to identify opportunities where AI can improve efficiency. This initiative fostered an innovative atmosphere, allowing diverse ideas to thrive. In preparation for the "AI Efficiency Enhancement Hackathon," 16 training sessions were successfully conducted, with over 2,100 participants. On average, each participant engaged in 3.2 hours of learning.



Recall and Handling of Nonconforming Products

Autel has established comprehensive procedures such as the "Nonconforming Product Control Procedure" and the "Procedure for Scrapping, Recalling, and Information Notification of Certified Products," to ensure strict adherence to quality control processes. We are continuously strengthening our process controls to sustainably improve product quality while ensuring the effective operation and ongoing improvement of our quality management system.

Deepening Customer Service

With a commitment to "delivering genuine and lasting value to customers," Autel prioritizes providing timely, professional, and attentive service. We continuously work to enhance customer satisfaction by offering high-standard service experiences. To ensure top-notch customer services, the company has established a cross-functional, localized customer service team with a dedicated coordination and communication window. This enables us to offer quick assistance and a positive customer service experience. In addition, we implement strict measures to protect customer information, striving to establish long-term and trustworthy relationships with our customers and becoming their trusted partner for years to come.

Key Measures of Autel's Customer Service

Complaint Response

We have established clear complaint classification standards and defined responsibilities of each department in handling complaints. For every customer complaint received, we require our after-sales team to respond and address customer needs on the same day. In some cases, we organize special meetings or visit customers in person when necessary.

© Conducting Satisfaction Surveys

Following the "Customer Satisfaction Survey Procedure," we conduct regular customer satisfaction surveys annually. For areas with lower satisfaction scores, we collaborate with relevant internal departments to address the issues and follow up with customers to ensure improvements are made.

Practicing Responsible Marketing

We have developed a comprehensive marketing training plan, providing monthly specialized training sessions for all marketing personnel. We also track and audit the implementation of marketing policies, management systems, sales contracts, and behavioral standards to ensure that customer rights are fully protected.

Protecting Customer Privacy

When cooperating with customers, we strictly adhere to their privacy requirements, signing and enforcing "Confidentiality Agreement" and other privacy protection provisions. Through software encryption and other privacy protection measures, we ensure the security and confidentiality of customer data.

Customer Service System and Process Management

Autel has developed procedures such as the "Customer and Supplier Property Control Procedure," the "Customer Satisfaction Management Procedure," and the "Customer Complaint and After-Sales Handling Control Procedure" to optimize our customer service management. We actively collect customer feedback through regular surveys, service hotlines, social media, and other channels to gain real-time insights into customer needs and expectations. This allows us to quickly identify any service shortcomings and adjust our strategies for improvement.

Autel's Customer Service Process System

Contract Order Execution Contract /Order Approval Customer Requirement Review Customer
Requirement
Identification
/Transmission
/Confirmation

Customer Requirement Communication

Process Communication Product Delivery Customer After-Sales Service Customer Satisfaction Survey

By the end of the reporting period, we had established dedicated customer communication channels for customer service, including service hotlines and email support. We have designed a complete feedback process to ensure smooth communication between customers and our team.

Meanwhile, we also attach great importance to on-site customer visits and ongoing offline cooperation, offering personalized service tailored to individual customer needs. In 2024, we held multiple offline targeted service exchanges with customers both domestically and internationally, further enhancing the customer service experience and increasing our business engagement beyond standardized product services.

Case \ Autel Provides On-site Support, Expands Overseas Business Footprint





Customer Complaint and Satisfaction Tracking

Upholding the principle of user orientation, Autel Technology considers our customers as important stakeholders and "Product Managers" to consistently improve customer satisfaction. To better meet customer needs and enhance product quality, our various business units regularly conduct customer satisfaction surveys across multiple channels. These surveys provide valuable insights that help our R&D and quality management teams adjust development strategies and upgrade service models.

From a process perspective, when customers submit product complaints or issues, our after-sales department responds promptly, ensuring on-site troubleshooting and analysis within the time frame. During the fault communication and after-sales evaluation stage, our team carefully document fault details and customer requests, maintaining timely communication to ensure transparency. In 2024, we received top-tier market service satisfaction feedback from overseas markets.



Responsible Marketing

Autel takes a scientific and rigorous approach to responsible marketing, strictly adhering to relevant laws and regulations, including the Advertising Law of the People's Republic of China and Product Quality Law of the People's Republic of China. We are committed to responsible sales and marketing promotions, providing accurate and comprehensive information in global market development, customer sales, and product labeling management.

During the reporting period, we participated in 95 exhibitions worldwide, connected with over 70 leading vertical media outlets, and earned multiple regional market awards. Our total annual exposure across all channels exceeded 6 billion views, enhancing the company's image as an industry solution expert. On a global scale, the company integrates compliance awareness throughout the business development and contract management process. We ensure that our marketing department, sales team, and product teams adhere to compliance standards during all business operations. In 2024, Autel had zero marketing compliance incidents.

Case `

Autel at the Shanghai Frankfurt Autoparts Exhibition



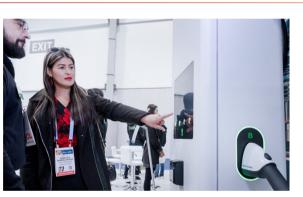


In December 2024, Autel participated in the Shanghai Frankfurt Autoparts Exhibition at the National Exhibition and Convention Center (Shanghai), showcasing comprehensive solutions for smart charging of new energy vehicles and the new energy vehicle maintenance industry chain

Case

Autel at the 2024 CES Consumer Electronics Show





In January 2024, Autel exhibited at the 2024 CES (Consumer Electronics Show) in Las Vegas, where we unveiled our MaxiCharger DC HiPower direct current fast charging station. The company has launched a high-performance DC fast charging station for the global market.

Case

The IMEA Partner Summit of Autel Technology was held in Dubai.





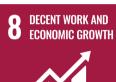
In December 2024, Autel Technology hosted the 2024 IMEA (India, Middle East, and Africa) Regional Annual Partner Summit in Dubai. The event was attended by over 50 key partners from India, the Middle East, Africa, and Turkey.

INDUSTRY PROSPERITY AND JOINT PROMOTION OF SUSTAINABLE DEVELOPMENT

Response to the SDGs Sustainable Development Goals











Autel is committed to the principles of fairness, transparency, and impartiality in its supplier management system. We implement rigorous controls throughout the entire process, from supplier admission, selection, to evaluation, ensuring that supplier behavior is regulated and that a responsible supply chain is built. In addition, we actively integrate ESG management standards to promote the creation of a low-carbon supply chain ecosystem. The company is also committed to providing professional services that support the development of sustainable cities and promote low-carbon lifestyles. We care deeply about our community and are actively involved in environmental construction projects and public welfare activities. Moreover, Autel is committed to supporting national rural revitalization efforts and contributing to the creation of beautiful villages.

Key Performance

The total number of the company's supplies The number of the suppliers that Signed integrity agreements

281

251

The percentage of the newly added suppliers that fully initiated ESG impact assessments and

100%

The number of public welfare and volunteer activities that Autel employees participated in

120

Total hours of volunteer service



Responsible Supply Chain

Autel is devoted to building a sustainable supply chain. We prioritize procurement needs and fulfill our agreements promptly, while also encouraging our suppliers to enhance their sustainability practices. We manage the entire supply chain process from supplier admission and procurement to evaluation and empowerment, while incorporating ESG risk considerations into our decision-making.

Supply Chain Governance Structure

To ensure effective supply chain management, we have established a system built around internal procedures such as the "Procurement Control Procedure," "Supplier Management Control Procedure," and "Customer and Supplier Property Control Procedure." These procedures ensure that supplier development, evaluation, adoption, and ongoing management are executed systematically, ensuring that the products and services provided meet the company's requirements for quality, delivery, and cost. Furthermore, we classify suppliers, define supplier development principles and management strategies, and outline methods for evaluating and incorporating suppliers into our daily performance management system.

Company's Supply Chain Governance Structure

Supply Chain Center

- 1 Responsible for setting the overall direction and strategy of supplier ESG management, ensuring that supply chain practices align with the company's long-term goals and vision. Regular meetings with strategic suppliers are held to ensure alignment.
- (2

Procurement Department

- 1 Responsible for jointly establishing, reviewing, and implementing supplier management rules.
- 2 Regular meetings are held to ensure the effectiveness and adaptability of the rules.
- 3 This ensures that the supplier management rules are effectively implemented and that abnormalities in the supply chain are monitored and addressed.



Total number of suppliers

The number of suppliers that signed integrity agreements

281

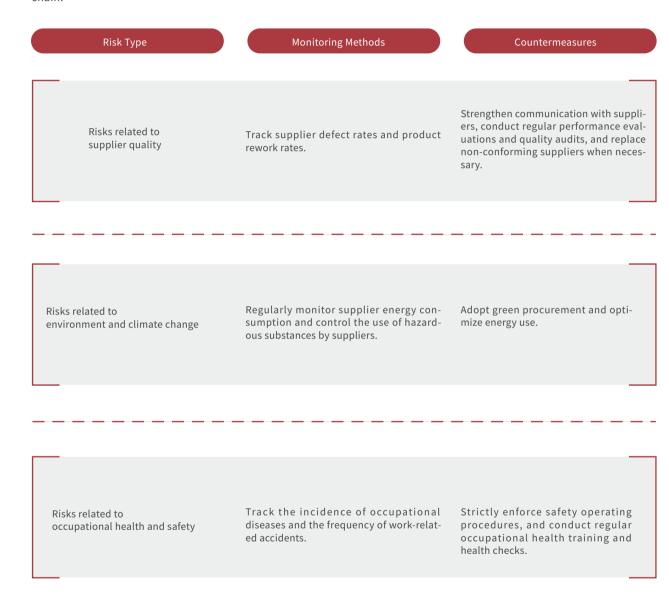
251

The percentage of the newly added suppliers that signed intergrity aggreements

100%

Supply Chain Security Risk Identification

The company monitors and manages supply chain risks in accordance with the requirements of the ISO31000 Risk Management Guidelines to ensure business continuity, compliance, and reputation, while promoting sustainable development. Our philosophy is to identify and assess potential risks through comprehensive supply chain risk management, and to take effective preventive and response measures to enhance the resilience and responsiveness of the supply chain.



Full Lifecycle Supply Chain Management

Autel places a strong focus on the sustainable development and ESG governance of its suppliers. We have established clear management requirements for environmental protection, social responsibility, and business ethics during the admission process. These requirements are incorporated into all key stages of supplier management and regular evaluations are conducted to ensure compliance.

Classification

Suppliers are categorized based on the products they provide, including direct production materials, auxiliary production materials, packaging materials and required accessories, and outsourcing processing suppliers.

Supplier Selection

Each subsidiary prioritizes selection from the existing supplier directory based on company needs and technical specifications from the R&D department. If suitable suppliers are not available, new selections are made from the market, with initial screening and in-depth evaluation conducted following a qualification review.

Supplier Evaluation and Re-evaluation

We implement dynamic management, conducting evaluations at the end of each year or when new qualified suppliers are added.

Dynamic Supplier Grading and Management

Suppliers are regularly graded based on their performance evaluations, with dynamic management applied to ensure ongoing improvement.

The company seeks to strengthen cooperation with key A-level suppliers and general suppliers. Key suppliers are ensured to maintain at least a B-level grade, while supplies from C-level suppliers are limited, and D-level suppliers who fail to meet standards are replaced.

The initial selection of suppliers is based on the "Basic Threshold Requirements for Supplier Admission". When admitting new suppliers, the company assesses their qualifications and capabilities through on-site audits and credit rating evaluations to ensure quality, safety, and environmental compliance, promoting the sustainable development of the supply chain. Additionally, when onboarding new suppliers, the company requires them to sign ESG-related documents such as the "Supplier Survey Form" and "Non-Disclosure Agreement" to ensure their performance in ESG aspects. Through regular on-site inspections, employee interviews, management interviews, and document reviews, we conduct supplier evaluations, classify performance ratings into five levels: A, B, C, and D, and promptly report identified issues, urging suppliers to make rectifications. Cooperation is terminated with any suppliers who do not meet the required standards.

Autel Supplier Scoring System

Evaluation Score	Supplier Rating	Treatment Method
85≤Score	A-level	A-level suppliers are prioritized for business opportunities.
70≤Score<85	B-level	B-level suppliers may maintain cooperation based on the original order volume or existing contract terms.
60≤Score<70	C-level	For C-level suppliers, to reduce risks, efforts are made to transfer some orders to suppliers with higher ratings in order to reduce risks.
Score<60	D-level	Suppliers are required to propose corrective and preventive actions to address existing issues within a specified timeframe; continued cooperation is possible after successful improvement, while ineffective improvement may result in the cancellation of their qualified supplier status.

In 2024, Autel summarized the performance evaluation results of its suppliers, guiding them to implement corrective measures, identify issues, and develop targeted improvement solutions. According to the evaluation results, the company's A-level suppliers accounted for 81.5%, B-level suppliers 18.2%, C-level suppliers 0.2%, and D-level suppliers 0.1%. The procurement department communicates evaluation results to suppliers through emails or face-to-face meetings.

Conflict Minerals

Autel's production process does not involve the use of 3TG mineral resources. Additionally, Autel Technology adheres to responsible procurement and commits to not using mineral resources from conflict areas, explicitly requiring suppliers to refrain from using mineral resources from conflict areas or those that violate company policies.

Autel is committed to complying with the "OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas," as well as the Dodd-Frank Wall Street Reform and Consumer Protection Act's provisions on the management of minerals from conflict areas. These commitments are incorporated into contracts and agreements with our suppliers, ensuring that neither our products nor those in our supply chain use minerals sourced from conflict-affected regions or in violation of our "Guarantee of Non-Use of Hazardous Substances."

Equal treatment of SMEs

In 2024, we fully adhered to the terms of our contracts with small and medium-sized enterprises (SMEs), ensuring that all payments were made in full and on time, with no late payments. With our company's extensive international expansion and diverse industry portfolio, we remain committed to fostering strong, collaborative relationships with SMEs, emphasizing financial accountability and effective asset management to ensure fair and equal treatment for all partners.

Community Philanthropy and Volunteer Service

Autel has been actively engaged in philanthropic initiatives for consecutive years, reflecting the public benefit our company contributes to society and showcasing our positive corporate values. We encourage employees to participate in volunteer activities, spreading love and kindness across the community.



In 2024, Autel employees participated in 120 public welfare and volunteer activities, contributing to a total of 35 hours of volunteer service.

Contributing to Public Welfare

We are dedicated to various public welfare projects aimed at promoting social harmony and progress. Through our involvement in initiatives focused on education, environmental protection, poverty alleviation, and aiding those in need, we aim to enhance our social image while contributing to societal development and fostering positive social change.





In 2023, Autel launched the "EVergreen" global tree planting initiative, joining hands with local organizations and environmental groups to carry out tree planting activities. This initiative has been implemented in multiple countries and regions, including the Netherlands, Malaysia, the UAE, Mexico, and Zhangye City, Gansu Province, China. In March 2024, we planted 3,000 trees in Zhangye City, receiving recognition from local governments and environmental organizations for our efforts.

Certificates granted to Autel for actively conducting tree planting activities



Supporting Community Development and Rural Revitalization

Autel has jointed with the Beijing Vision for Remote Mountains Foundation to carry out the "Rural Science Class" project, providing fifth-grade students from schools such as Licun Central Primary School in Xin'an County, Henan Province, and Shisi Town Central Primary School with science expansion courses and course material package support for one academic year. This helps rural students cultivate their scientific and technological literacy, stimulates teenagers' enthusiasm for exploring the field of science and technology, and contributes to the cultivation of future scientific and technological talents. At the same time, it enhances the teaching abilities of rural teachers, thus promoting the improvement of the quality of rural science education.



PUTTING PEOPLE FIRST: BUILDING A BETTER FUTURE TOGETHER

Response to the SDGs Sustainable Development Goals













Autel Technology follows a people-centered approach, and focus on the growth and well-being of our employees. We provide a diverse training platform to support their development, offer competitive compensation and benefits, and prioritize health and safety. We continuously enhance workplace protection and provide psychological care services. In terms of corporate governance, we ensure open communication channels for feedback, introduce innovation awards, and inspire our employees to contribute to the company's ESG (Environmental, Social, and Governance) goals. Employees are always at the heart of Autel Technology's ESG journey.

2024 Key Performance

The Company's on-the-job employees

The Percentage of domestic female employees

2,744

29.6%

Total training hours

Coverage

100% 8,780

The average training hour

3.2 hrs per employee

Organized 12 safety training sessions Conducted 2 emergency drills

The number of participants

2,100

The company had no fatal work-related accidents and did not experience any major accidents such as traffic or fire incidents that caused significant losses to the company.



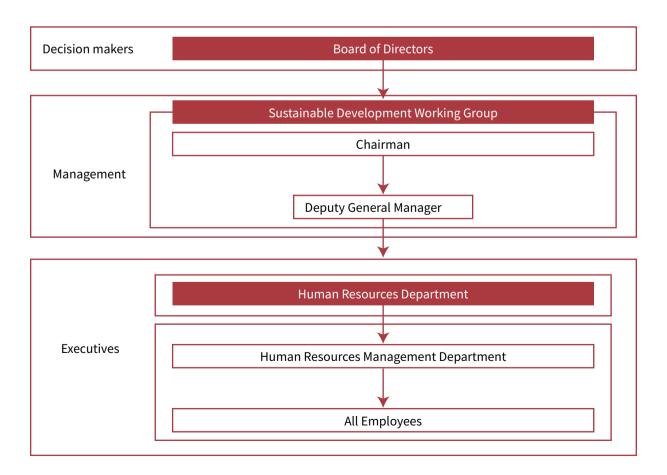
Employee Development

Employee Development Management Structure

Organisational Structure

Autel's employee development strategy is formulated by the board of directors and executed by the management team led by the chairman. The human resources department, as the primary department responsible for the company's human resources work, ensures the implementation of matters related to employee development, including compensation and benefits, diversified employment, labor rights, employee training, and more. All subsidiaries have established human resources departments or personnel specialists to carry out related work and safeguard employee rights.

Autel's Employee Development Management Framework



Employee Development Risk Management

Methods for Identifying Impacts, Risks and Opportunities

Through systematic surveys, interviews, audits, data analysis, and other multi-channel methods, we continuously assess employee satisfaction and engagement, training and development needs, the effectiveness of benefits and work-life balance, and the impact of innovation incentive mechanisms. We also regularly review internal communication efficiency and compliance with human rights and labor standards to ensure employee rights are effectively protected. Main impacts and risks of employee development

In global operations, legal and compliance risks primarily stem from improper conduct related to human rights, labor, and working hour restrictions across various countries, which may lead to legal liabilities, fines, and restrictions on local business operations. Reputational risk arises from negative publicity triggered by human resource and compliance issues, particularly in regions sensitive to human rights, labor conditions, and overtime issues, further intensifying the challenge of maintaining brand reputation. Supply chain labor standards risk manifests in issues such as child labor, forced labor, non-compliant compensation, and excessive overtime, which not only weaken global compliance and reputation but also impact market access and business in markets with strict standards. Supported by rigorous supervision and assessment mechanisms, we integrate key performance indicators into human resource strategies and the evaluation of department heads, ensuring that employee-related issues are aligned with and continuously improve in tandem with the company's overall development goals.

Employee Development Strategy

O Equal and Diverse Hiring Strategy

Based on the principles of "fairness, openness, and impartiality," we have established policies such as the "Employment Control Procedure," creating a scientific, standardized, and transparent employment and recruitment process to promptly and effectively recruit, select, and hire various talents. During recruitment, we focus on candidates' abilities, experience, soft skills, and potential, actively strengthening the recruitment of domestic and international talent to build a high-quality workforce that meets the company's development needs.

To enhance the implementation of human rights protection principles, we have established multiple policies and procedures, including the "Labor and Human Rights Policy," the "Management Procedure for the Prohibition of Forced Labor," the "Management Procedure for the Prohibition of Slavery and Human Trafficking," the "Management Procedure for the Prohibition of Child Labor and Remedial Measures for Misuse of Child Labor," and the "Management Procedure for the Prohibition of Discrimination," outlining detailed measures to strictly guard against non-compliant employment practices.

Employment Commitment in AUTEL's Employee Handbook

Fairness and transparency: In order to ensure equal job opportunities and career development space for all people, the Company always adheres to the principles of just, fair and open talent selection and employment.

Anti-Discrimination: We resolutely prohibit any form of employment discrimination, ensuring that employees' work rights and development opportunities are not affected by factors such as race, color, age, region, gender, sexual orientation, disability, height, religious belief, political stance, membership in social organizations, or marital or pregnancy status.

Anti-harassment: We are committed to eliminating sexual harassment and abuse of rights in the workplace that violate human dignity and violate the will of others.

Anti-Child Labor and Anti-Forced Labor: The company does not hire child labor under the age of 16, nor does it use prison labor, forced labor, bonded labor, or slaves or trafficked persons; for minor workers aged 16 or above but under 18, the company complies with national laws on the protection of minor workers.

Personal privacy protection: Respect and protect employees' personal privacy, and do not disclose employees' personal privacy information without their consent.

Employee Structure at AUTEL



For talent attraction and retention, the company implements regular equity incentive measures. In 2024, the company launched a restricted stock incentive plan and an employee stock ownership plan, aligning employee and corporate interests and stabilizing key management personnel. This fosters mutual growth and development between employees and the company. Additionally, the company adopts a venture partner mechanism to stimulate the team's entrepreneurial passion and drive innovation.

AUTEL's 2024 Equity Incentive

75

On October 21, 2024, the company held the Fifteenth Meeting of the Fourth Board of Directors and the Ninth Meeting of the Fourth Board of Supervisors, where they approved the "Proposal on Granting Restricted Stocks to Incentive Recipients under the Company's 2024 Restricted Stock Incentive Plan". The grant date was set for October 21, 2024, and 9.7696 million restricted stocks were allocated to 229 incentive recipients at a grant price of RMB 13.29 per share, reflecting confidence in high-performance targets and the strength of the incentive program.

O Comprehensive Compensation, Benefits and Employee Care

Autel is committed to creating a relatively fair and competitive environment for its employees, upholding a talent strategy focused on "Being People-oriented, Sharing and Growing together". The company believes in sharing the benefits of its development with employees through competitive compensation, diverse benefits, employee equity incentives, and other sharing methods to achieve mutual benefits and a win-win outcome.

Autel's Compensation Management Measures

Salary Surveys and Adjustments

Each year, the company conducts salary surveys to assess overall economic indicators and salary levels in China and other overseas operational locations, making appropriate salary adjustments to maintain the company's overall salary competitiveness.

Performance Evaluation and Incentive Design

Employee performance evaluations consider the company's financial performance, operational results, future development, and the unique performance of each subsidiary. These are linked to employees' job responsibilities. Reference is made to local industry practices to design short-term or long-term incentive programs.

Implementation of Reward Programs

Annual reward programs are implemented in two categories: project bonuses are paid out in the current year to provide immediate rewards, while employee year-end bonuses are paid out in the following year to encourage long-term service and continued contributions.

Overseas Performance and Incentive Programs

Overseas performance and incentives are designed based on local markets and national conditions, including annual cash bonuses or long-term incentive bonus plans that span 1 to 3 years.

In terms of benefits, to ensure effective management and distribution, Autel Technology has established a sound benefits system, fully contributing to the "six insurances and one fund" for employees in accordance with the law, including basic pension insurance, basic medical insurance, unemployment insurance, work-related injury insurance, maternity insurance, and the housing provident fund. In addition to basic benefits, the company also provides additional perks such as discounted meals at the company canteen, free afternoon tea, free midnight snacks, transportation allowances, holiday bonuses, birthday gifts, newborn gifts, condolence money for illness, and annual physical checkups. These benefits allow employees to enjoy the fruits of corporate growth, boosting their work vitality, and enhancing corporate cohesion.

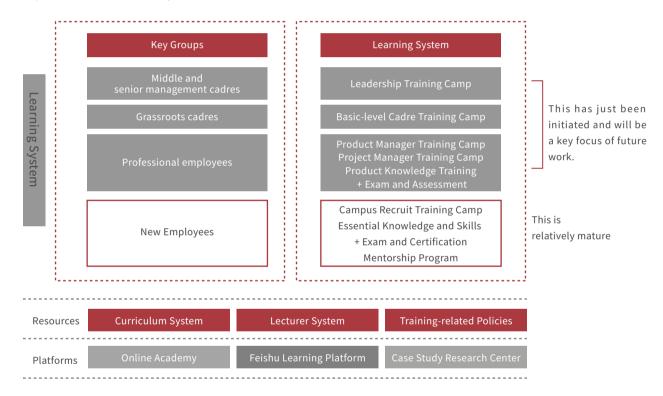


Continuous Employee Training and Development

We regard human resources as the company's most valuable asset and have established a comprehensive employee education and training management system. This system provides continuous and targeted educational training, striving to improve the skills and capabilities of employees at all levels. The company addresses the needs of various job levels and types by combining internal and external training methods, based on the company's development goals. Training is offered through lectures, hands-on operations, case studies, and more, covering areas such as onboarding, professional skills, and management.

Autel's Employee Training System

Multi-Level Training System: Strengthen the foundation, emphasize practice, align with the company's future strategic implementation, and solidify the talent base.



Autel's 2024 Series of Trainings (Partial)

Training Program	Hours	Satisfaction Results
September "Quality Safety Month" High and Low Voltage Electrician Certification Training	56h	91.5%
October "Way to Excellence" Leadership Development Training	6h	92.8%
November "AI Forum" How AI Capabilities Can Quickly Integrate into Business	3h	97.1%
November Tesla Technology Lecture	2h	95%

Case \ Autel's 2024 Vocational Skills/Management Skills Training



2024

Key Performance

In 2024, the total number of employee training hours reached 8,780, with an average of 3.20 hours per employee.

O Systematic Employee Assessment and Promotion

We have created a comprehensive career development path and developed the "Our Management Strategy for the Position and Rank System" which includes a "dual-track" promotion route for both management and technical professionals. At the same time, the company maintains transparency in internal job vacancies and respects employees' career transition desires, establishing a promotion system that aligns with the career development path. The promotion evaluation process focuses on development potential, assisting supervisors in assessing employees' promotion potential through guides and supplementary tools.

The company has fully upgraded the role of managers, establishing a mechanism to create partners at all levels, and enhancing leadership transformation and development. We have refined the roles and profiles of partners to improve the precision of selection decisions and to boost systems thinking, innovative problem-solving, and team leadership capabilities, positioning partners as the "driving force" behind the company's success. The company has also developed a scientific leadership assessment and development system, improving career development pathways, continuously strengthening the management team's sense of innovation, cultural resilience, and team collaboration, thereby providing powerful momentum for the company's growth.

Autel Job Grade System

Sequence Name	Features	Job Levels
Management	Positions responsible for company opera-	Supervisor, Deputy Manager, Manager, Senior Manager, Deputy
Sequence	tions, management, and oversight of execution	Director, Director, Deputy General Manager, Chief Supervisor, Vice President, President
		R&D and Technical: Junior Engineer, Intermediate Engineer, Senior Engineer, Senior Expert Engineer, Expert Engineer, Chief Engineer
Technical Sequence	Positions responsible for technological innovation and product application	Product Management: Product Manager, Senior Product Manager, Deputy Product Director, Product Director, Product General Manager
		Project Management: Project Assistant, Project Engineer, Project Manager, Senior Project Manager, Deputy Project Director, Project Director, Project General Manager
Professional Sequence	Positions providing professional support work	Assistant, Specialist, Professional Supervisor, Professional Manager, Senior Professional Manager, Professional Director
Sales Sequence	Positions responsible for sales targets and performance	Sales Representative, Sales Engineer, Regional Manager, Regional General Manage
Operational Sequence	Positions executing repetitive tasks with low technical requirements but requiring high proficiency	Junior Worker, Intermediate Worker, Senior Worker

O Transparent Employee Communication and Grievance Mechanisms

We value employees' opinions and rights, having established the "Employee Complaint and Grievance Management Procedure," along with multiple communication channels such as the "Employee Satisfaction Survey," suggestion boxes, and WeChat mini-programs. We strive to create an open and transparent communication environment. The company respects employees' rights to collective bargaining and peaceful assembly. We hold monthly democratic life meetings to report on the company's operational overview, and invite employees to participate in discussions on labor conditions and worker welfare.

Autel Technology's Measures for Smooth Employee Communication and Grievance Handling

Complaint Channels

Submit letters to the company's suggestion boxes; responses will be provided within seven days from the date of box

The company has established a grievance hotline to receive employees' opinions, suggestions, and complaints. Hotline:

Other methods: Feishu Administrative Service Desk or WeChat mini-program complaints.

Handling procedures

Present opinions or suggestions to department managers for immediate responses; if unable to respond, the department will investigate and provide a written response within 5 days.

Complain to employee representatives for immediate responses or referral to the Administrative Services Department through the union's chief representative for a written response within 5 days.

Approval and Announcement

The "Employee Opinions and Complaints Handling Record" is submitted to the Administrative Services Department Manager for signature. Depending on the situation, it will be decided whether to post it publicly or respond to the complainant individually.

The Administrative Services Department will announce it on the bulletin board, respond in Feishu groups, or forward it to the complainant for review within 7 days of the complaint.

Encouragement

At the end of the year, constructive opinions or suggestions will be summarized and analyzed, with contributors selected and rewarded

Appropriate rewards or moral encouragement will be given at the annual meeting.

Health and Safety

We consistently adhere to the safety management philosophy of "people-oriented, safe development" and the principle of "Safety First, Prevention Prioritized, and Comprehensive Management" policy. We have established various production health and Safety system documents, including the Occupational Health and Safety Management Procedures, Control Procedures for EHS Monitoring and Measurement, Control Procedures for Emergency Preparedness and Response, and Hazardous Chemical Control Procedures. Our company has established safety early warning mechanisms and emergency response systems, and we regularly carry out activities such as hazard investigations, fire drills, and safety training, while also implementing occupational health and safety management objectives.

> Occupational Health and Safety Management Procedure

Control Procedures for EHS Monitoring and Measurement

Control Procedures for Emergency Preparedness and Response

Hazardous Chemical Control Procedures

2024 / Key Performance

In 2024, the company experienced no fatal safety accidents, and there were no major accidents such as traffic or fire incidents that caused significant losses.



Health and Safety Management Structure

Organisational Structure

Autel places a high priority on safety and health management and has established a Safety Production Committee, chaired by the company's Chairman. Vice Presidents and heads of various business units serve as deputy directors, while department directors and managers are members of the committee. This committee is responsible for overseeing the Safety Committee Office, which is specifically tasked with implementing safety initiatives across the company.

Autel Technology's Safety and Health Management Structure

Work Safety Office

Regularly reports to the Safety Production Committee on health and safety work;

Responsible for formulating and revising the overall and annual safety production and occupational health objectives.

Breaks down annual safety production and occupational health objectives into relevant functional departments and sets implementation plans and assessment methods.

Executive Secretary

Oversees the implementation of safety production and occupational health objectives, ensuring they are properly carried out and evaluated.

Other Departments

Responsible for executing safety production and occupational health objectives and indicators.

Autel's Occupational Health and Safety Management System Certification



O Implementation of Safety Production Responsibility System

Autel has made efforts to clarify management responsibilities, refining safety management goals and assigning clear safety responsibilities to all levels within the company. This ensures that each department and position understands its role in safety management.

Autel Technology's Safety Production Responsibility System Implementation Measures

Safety Production Supervision Agency	The company's General Manager's Office serves as the safety production supervision body. Each department establishes a safety production team led by the department head, responsible for ensuring safety within the department.
Safety Responsibility Contracting	The company has established a safety responsibility contracting system, covering all business unit heads, department directors, managers, and employees, ensuring 100% responsibility coverage.
Performance Linkage	The compensation performance evaluations for the board of directors and senior management include a "safety assessment" component.

Health and Safety Risk Management

O Identification and Assessment of Occupational Health and Safety Risks

The company attaches great importance to the identification and management of hazards and occupational diseases. It has developed systems such as the "Hazard Identification and Evaluation Control Procedure", and conducts comprehensive hazard identification and risk assessments annually to ensure all potential safety risks are identified and effectively controlled.

O Safety and Occupational Disease Risks

The company implements a strict safety risk classification and control system, categorizing safety risks into five levels: extremely critical, critical, significant, general, and minor. Hierarchical control measures are then applied based on the severity of the risk. The company maintains a safety risk classification control list, which is regularly updated. Control responsibilities are assigned based on the principle of "whoever is in charge is responsible".

The company strictly enforces a system for safety risk prompts, notifications, and warnings. Safety supervision agencies at all levels are required to regularly issue risk prompts and ensure that employees are informed of and comply with corresponding safety precautions. The company regularly conducts detection and evaluation of occupational disease hazards and produces an "Occupational Disease Hazard Factor Detection and Evaluation Report".

Health and Safety Strategy

O Safety Culture Construction

The company considers employee safety knowledge training as an important part of occupational health and safety guarantee work. It has established a comprehensive employee safety education and training system, using various methods such as training sessions, meetings, posters, and on-site demonstrations. These initiatives are designed to targeted safety education, raise employee safety awareness of safety issues, and improve the overall knowledge of occupational health and safety management personnel.

Case

Autel Technology's Fire Safety Training

In alignment with the theme of the 33rd National Fire Safety Publicity Month—"Fire Safety for All: Life Takes Priority," the company aimed to significantly enhance employees' proficiency in self-rescue and mutual assistance during fire emergencies. It also sought to heighten the overall awareness of disaster prevention and mitigation among staff. To this end, the company organized a fire drill between 10:30 and 11:30 on November 29, 2024, marking a crucial safety initiative for the second half of the year. This drill served as a comprehensive audit of the company's fire safety protocols. As a result, all employees gained deeper familiarity with emergency fire response procedures. Moreover, it effectively strengthened their fire safety awareness and sharpened their emergency self-rescue capabilities.







Fire Safety Training







Occupational Health Protection

To prevent and control occupational disease hazards in the workplace and ensure employees' health and safety, the company has implemented occupational disease prevention and management systems. This system covers aspects such as the use of personal protective equipment, heatstroke prevention and cooling measures, safety equipment and facilities, environmental monitoring, occupational health surveillance, and medical examinations (including occupational health check-ups). These efforts are aimed at minimizing the occurrence of occupational diseases and safeguarding employees' physical and mental health through standardized management practices.



Key Performance

In 2024, the company achieved 100% coverage for occupational health examinations for employees in key positions.

Autel's Occupational Health Protection Measures

Measure Area	Specific Measures
Use of Personal Protective Equipment	The company provides employees with personal protective equipment that meets industry standards, such as safety helmets, gloves, goggles, and protective clothing to ensure proper protection during work.
Heatstroke Prevention and Cooling Measures	During hot weather, the company provides ample drinking water, sets up cool rest areas, and schedules regular breaks for employees, providing specialized heatstroke prevention and cooling supplies.
Safety Equipment and Facilities	The company has equipped emergency stop buttons, safety alarms, fire extinguishers, and other safety equipment and facilities. Safety signs and emergency evacuation routes are also in place.
Environmental Monitoring	The company regularly monitors the work environment to ensure air quality, noise levels, temperature, and humidity meet health and safety standards.
Occupational Health Monitoring	The company regularly conducts occupational health monitoring for employees, especially for those who are exposed to harmful substances or work in high-risk positions, with specialized health checks.
Medical Examinations (including Occupational Health Examinations)	The company arranges annual medical examinations for employees, along with pre-employment, in-service, and pre-departure occupational health exams for roles with occupational hazards.

O Emergency Management

Autel prioritizes employee safety and has implemented the "Emergency Preparedness and Response Control Procedure" as well as the "Emergency Plan for Sudden Environmental Incidents." The company has established emergency protocols for fire, critical equipment failure, power outages, and chemical leaks. Regular safety drills help improve employees' emergency response capabilities and ensure their personal safety.

Emergency Management Measures of Autel

Hazard Category	Measures
Chemical Leakage Risk	Monitor raw and auxiliary materials to prevent leaks; designate specialized hazardous waste collection and temporary storage areas with leakage prevention, and regularly transfer to qualified units for disposal.
Fire/Explosion Risk	Prohibit open flames in workshops; equip fire-fighting facilities; collect fire-fighting wastewater; Assign leadership to oversee critical areas, conduct regular monitoring and evaluations, and inspect safety devices/accessories annually.
Environmental Disaster Risk	In case of extreme weather or sudden peripheral incidents, promptly issue early warnings and public announcements; Prevent leakage or hazardous waste pollution, and conduct follow-up pollutant treatment and environmental monitoring.
Personnel Safety Risk	Report and address issues immediately, submitting detailed reports to the department; provide on-site first aid to injured employees, and transfer severe cases to hospitals.
Secondary Disaster & Post-Management Risk	Set up emergency signs/equipment to prevent secondary disasters; terminate the emergency response after source control, assess losses, resume operations, replenish supplies, and revise plans.

Case

Autel 2024 Fire Emergency Drill

In November 2024, a fire drill was conducted at the network server room on the 5th floor of Autel Digital Power Co., Ltd. Guangming Branch. When a fire was simulated, staff on the 5th floor promptly reported the incident to the safety team. The volunteer fire brigade arrived within three minutes, and the fire department was called via the emergency line "119." Under the guidance of the safety team, all employees evacuated quickly and orderly via designated routes, ensuring there were no casualties. The drill aims to strengthen fire management, clarify responsibilities, improve emergency evacuation procedures, and minimize fire-related losses.





In 2024, the company organized $\frac{2}{2}$ safety emergency drills, with **2**,**100** participant person-times.

Appendix

Quantitative data performance table

Environmental performance

Metric	Unit	2024 Data
Total investment in environmental protection	RMB	512900.00
Direct energy consumption	tce	13.31
Indirect energy consumption	tce	859.42
Gasoline consumption	L	9,044.10
Outsourced electricity consumption	MW	6,992.84
Solar energy consumption	MW	28.00
Total greenhouse gas emissions	tCO2e	1,930.30
Greenhouse gas emissions: Category 1	tCO2e	258.80
Greenhouse gas emissions: Category 2	tCO2e	1,330.10
Greenhouse gas emissions: Category 3	tCO2e	238.30
Greenhouse gas emissions: Category 4	tCO2e	103.10
Total water intake	L	33,634.00
The total amount of general industrial solid waste generated	tons	0.17
Total amount of hazardous waste generated	tons	0.17
The amount of hazardous waste disposed of	tons	0.17
Consumption of the raw materials of the products	tons	1,129.49
The weight of product packaging	%	28.86

Social performance

Metric	Unit	2024 Data
Total number of employees	Person	2,744
The number of employees in mainland China	Person	1,851
The number of overseas employees	Person	893
The number of male employees in China	Person	1,303
The number of female employees in China	Person	548
The number of employees under 30	Person	452
The number of employees from 30 to 50	Person	1,360
The number of employees over 50	Person	39
The number of employees with junior college degree or be	low Person	1,165
The number of employees with a bachelor's degree	Person	1,201
The number of employees with a master's degree	Person	368
The number of employees with a doctoral degree	Person	10
The signing rate of labor contract	%	100
Coverage rate of five social insurances and one housing fu	nd %	100
Annual training expenditure	RMB	450,000
The coverage rate of staff training	%	100
Total duration of staff training	Hour	8,780
Coverage rate of employees who receive regular	%	100

89 90 performance appraisals

Social performance

Coverage of industrial injury insurance	%	100
Proproportion of ISO45001 certification subjects	%	100
Number of safety education and training sessions	Times	12
Coverage rate of safety education and training	%	100
Occupational disease incidence	%	0
Days lost due to work - related injuries	Day	0
The number of employees dying from work	unit	0
Product recall ratio	%	0
Product qualification rate	%	98
Product return rate	%	0
Number of R&D personnel	Person	995
Ratio of R&D employees	%	58
Number of authorized patent projects	Unit	1,771
Number of applications for invention patents	Unit	844
Number of authorized invention patents	Unit	352

Social performance

Number of utility model patent applications	unit	283
Number of authorized utility model patents	unit	272
Number of appearance patents applications	unit	1,014
Number of appearance patents	unit	1,010
Number of software copyrights	unit	137
Total number of suppliers	unit	281
Percentage of new vendors assessed using the ESG dimension	%	100
Number of suppliers who signed the integrity agreements	unit	251
Percentage of major suppliers with ISO 14001 certification	%	100
Percentage of major suppliers with ISO 45001 certification	%	100
Percentage of major suppliers with ISO 9001 certification	%	100
Supply chain sustainability / ESG training sessions	Times	2
Number of suppliers involved in supply chain sustainability / ESG training	unit	82
Coverage rate of safety training for supplier employees	%	100

Coverage rate of responsible mineral due diligence for new suppliers	%	100
The number of person-times that employees participate in public welfare/volunteer activities	Person-times	120
Number of volunteer hours	Hour	35
Total investment in public welfare activities	RMB	350,000
Number of data security incidents	Unit	0
Number of customer privacy leaks	Unit	0

Governance performance

Metric	Unit	2024 Data
The proportion of independent directors	%	43
The proportion of female directors	%	43
Number of public announcements	Unit	180
Completion rate of rectification in 2024	%	100
Proportion of directors taking anti-commercial bribery training	%	100
Proportion of management members taking anti-commercial bribery training	%	100
Proportion of employees taking anti-commercial bribery training	%	100
Coverage rate of departments for integrity culture training	%	100
Coverage rate of suppliers signing the integrity agreement	%	89
Follow-up rate of complaint handling	%	100
Satisfaction rate of complaint handling	%	100

Report index table

Dimension	Subject under discussion	Corresponding chapter
	1. Coping with climate change	Climate transition: practicing low-carbon and green development
	2. Pollutant emissions	Environmental management system
	3. Waste disposal	Environmental management system
Environmental	4. Ecosystems and biodiversity conservation	Ecological environmental protection
	5. Environmental compliance management	Environmental management system
	6. Energy utilization	Deep green operations and circular economy
	7. Water resources utilization	Deep green operations and circular economy
	8. Circular economy	Deep green operations and circular economy
	9. Rural revitalization	Community philanthropy and volunteer service
	10. Social contribution	Community philanthropy and volunteer service
	11. Innovation-driven	Innovation-driven: embrace the AI wave for high-quaility international expansion
Social	12. Science and technology ethics	Ethics in science and technology and algorithm application strategy
	13. Supply chain security	Responsible supply chain
	14. Equal treatment of SMEs	Equal treatment of SMEs
	15. Product and service safety and quality	Focus on product quality
	16. Data security and customer privacy protection	Data security and privacy protection
	17. Employees	Putting people first: building a better future together
	18. Responsible investigation	Due diligence and communicate with stakeholders
Governance	19. Stakeholder communication	Due diligence and communicate with stakeholders
	20. Anti-commercial bribery and anti-corruption	Business ethics and anti-corruption
	21. Anti-unfair competition	Business ethics and anti-corruption