

....Ms. Wen, Song Ying, Linda.....

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1.Self-introduction·

| .. | English |---|---| |2006.....2024.3.....
I am Wen Song Ying, Chairwoman of Wuhu Chery Resources Technology Co., Ltd., a core subsidiary of Chery Holding Group focusing on circular economy and green manufacturing. Since our establishment in 2006, Chery Resources has been dedicated to urban mining, power battery recycling and reuse, vehicle dismantling and remanufacturing, driving the green and low-carbon transformation of the industry. In March 2024, I had the honor to represent Chery at the Hannover Messe in Germany and visited Siemens headquarters, where I had in-depth discussions with Siemens' global sustainability team. We share the belief that circular economy and sustainable development are the inevitable path for global industrial upgrading. Currently, Chery and Siemens are planning cooperation on solutions for key challenges in the circular economy field, looking forward to future in-depth collaboration in digital factories, carbon neutrality, and AI-driven intelligent recycling, jointly empowering the green transformation of Chinese manufacturing. |

2.Observations on Global Circular Economy Opportunities·

| .. | English |---|---| |2023.....2030.....2025.....GDP.....

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1.....10.....
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2.....CAR TO CAR.....

.....ESPR.....
circular economy is embracing unprecedented opportunities. According to a 2023 McKinsey report, the global circular economy market is expected to reach \$4.5 trillion by 2030. The Chinese government attaches great importance to the development of the circular economy, as reflected in the "14th Five-Year Plan for Circular Economy Development," which aims to significantly increase the share of circular economy in GDP by 2025. The automotive industry is a key sector, with huge market potential in power battery recycling, remanufacturing, and material reuse. Chery Resources has established a leading domestic base for power battery recycling and cascade utilization, with an annual processing capacity exceeding 100,000 tons, and is considering cooperation with Siemens to promote intelligent and digital recycling systems.

In terms of specific practices, Chery is building a complete circular economy industry chain:
1. Upstream resources: Strategic mineral resource layout to ensure raw material supply security
2. Midstream recycling: Upgrading smelting processes, promoting vehicle dismantling and remanufacturing, achieving CAR TO CAR closed loop
3. Downstream circulation: Establishing used car trading platforms, developing parts remanufacturing, building value regeneration systems

According to EU Battery Passport regulations and ESPR sustainable design requirements, we need to establish a complete product passport system, including battery passports, aluminum products, lubricants, and other raw materials and components in the automotive industry chain, achieving full-chain traceability in green supply chain management. Through the use of digital tools, we ensure alignment with international regulations and enhance product competitiveness in the global market. |

3.Practices in Technology and Ecosystem Cooperation.

| .. | English |---|---| |AI....."SiGreen".....

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.....10,000.....40,000.....2024.....200.....40%
22
.....|Chery and
currently exploring cooperation in intelligent manufacturing and AI (Siemens to provide specific collaboration cases with Chery Group). In the circular economy field, we plan to leverage Siemens' expertise, such as the "SiGreen" carbon platform, to enhance Chery Resources' digital carbon management capabilities and international compliance. Additionally, we aim to optimize energy and carbon management in zero-carbon parks through intelligent solutions, enabling real-time collection and tracking of carbon emission data throughout the process to achieve precise carbon reduction.

In terms of supply chain, Chery has over 10,000 parts suppliers and 40,000 non-parts suppliers. In 2024, Chery achieved global sales exceeding 2 million units, representing a year-on-year growth of over 40%, maintaining its position as China's leading automotive exporter for 22 consecutive years. To meet production demands, we require substantial raw materials including metals, plastics, oil products, catalysts, and battery raw materials. Through the circular economy model, we plan to increase the proportion of recycled and green materials in total demand, continuously optimizing the sustainable development capabilities of our supply chain.

We firmly believe that only through cross-sector ecosystem cooperation can we achieve systemic breakthroughs in the circular economy. To this end, we are building an open cooperation platform that integrates resources from global recyclers and certification bodies, directly creating carbon sink benefits through carbon asset management and green finance interfaces. |

4.Thoughts on Talent Development.

| .. | English |---|---| |""..... | The circular econ
place higher demands on interdisciplinary and cross-sector talents. Chery attaches great importance to cultivating green innovation talents and is considering cooperation with external enterprises such as Siemens to launch the "Green Innovation Talent Program," fostering professional teams with capabilities in digitalization, intelligent manufacturing, and carbon management through industry-education integration, international exchanges, and training base construction. We also actively attract overseas high-end talents and build international R&D teams to drive technological innovation and global collaboration. In the future, Chery will continue to deepen talent exchanges with partners to jointly create an open, inclusive, and sustainable talent ecosystem. |

5.Vision for Future Sustainable Development.

| .. | English |---|---| |ELV.....

.....ESPR.....|Looking ahead,Chery will
pursue the goals of "zero waste and low carbon emissions," continuously advancing innovation in the circular economy and green manufacturing. We plan to establish a global circular economy industry chain. According to EU ELV directive requirements, we will ensure compliance with recycled material usage targets. Meanwhile, we will establish a comprehensive automotive lifecycle data management system to meet ESPR and battery regulations' requirements for green supply chain traceability management of batteries and other key components and raw materials, achieving global recognition of product passports.

We look forward to deepening cooperation with Siemens and other global leaders to jointly promote the sustainable development of the automotive industry in China and worldwide. |
