smart

smart Mobility Pte. Ltd.

2024 Sustainability Report

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Our Culture and Values

smart Evolution

Since the brand's birth in the 1990s, smart has always been committed to the vision "to design a smarter future together". In 2019, smart Automobile Co., Ltd. was officially established. Adhering to the "China-Europe, dual home" global development strategy, smart is committed to developing into a world-leading, new-premium, intelligent, and electric automotive brand.

1972
- Mercedes-Benz's concept – 'automotive future 2000'

1981
- Mercedes-Benz small car concept: 'Mass Transit Vehicle' (German: 'NAFA')

1990s
- 'NAFA' changed to Micro Compact Car (MCC)

1994
- MCC AG was founded: Swatch + Mercedes + Art = smart

1997
- First smart brand and smart fortwo model

1998
- Market launch of smart

2006
- Full-scale test with 100 smart fortwo EVs in London

2013
- Launch of smart fortwo electric drive

2019
- Joint venture of Mercedes-Benz and Geely established

2020
- The start of a new smart era: re-defined brand, product offerings and business model

2021
- smart concept #1 unveiled to the world at Munich IAA mobility

2022
- World premiere of smart #1 in Berlin, Germany
- smart #1 launched the first customer deliveries in China

2023
- 25th anniversary of smart
- World premiere of smart #3
- The smart #1 is gradually being launched in Global markets such as Germany, France, and Malaysia.

2024
- Officially launched the new brand proposition "open your mind"
- smart #5 made its global premiere and was first launched in China
- Business operations have expanded to 31 countries and regions

More to come: onwards to a smarter future

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smart Brand Characteristics

In 2024, smart completed a comprehensive renewal of its brand, products, and business model. Under the new paradigm for development — "Sprint to the Next Level", smart renewed its brand proposition "open your mind", advocating embracing the diversity in thoughts, cultures, and beliefs with an optimistic and open attitude. Through innovation, we have implemented inspiring ideas.

Contemporary Premium

We stand out with premium experiences that evoke emotions and feelings. We create them through iconic aesthetics, exceptional quality and by surprising with unexpected moments.

Mindful Technology

Our technology isn't just state of the art, but responsible and emotional. The result is an EV experience that's effortlessly efficient, safe and sustainable but also inspiring and enjoyable.

Inspirational Co-Creation

Born from an iconic collaboration, co-creation is our DNA. We strive to connect individuals and brands to co-create inspiring experiences that spread positivity across our entire smart ecosystem and beyond.

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Message from the CEO

2024 marks the 26th anniversary of the smart brand. As the global automotive industry undergoes accelerated transformation amid intertwined climate challenges, we are acutely aware that sustainability is not only the responsibility of enterprises but also the core driving force for reshaping the future of the industry. As one of the first global automotive brands to fully transition to electric vehicles, smart has always taken pragmatic innovation as its fundamental principle, deeply integrating environmental, social, and governance (ESG) considerations into the core of its strategy, and continuously exploring a development path that balances resilience and sustainable value.

Full-Value Chain Transformation to Safeguard the Ecosystem and Drive Industry Green Transformation

The urgency of climate change impacting the industrial chain has become increasingly pressing, with lifecycle decarbonisation in the automotive sector emerging as a core metric for measuring corporate responsibility. In 2024, smart continued to uphold its low-carbon commitments through comprehensive transformation from the design to the manufacturing stages: we further standardised carbon footprint management by establishing the *Management Measures of Whole-Vehicle Life-Cycle Carbon Footprint Calculation*, providing a guarantee for more accurate and efficient implementation of vehicle carbon footprint calculations. The launch of our first mid-sized luxury all-electric SUV, smart #5, saw extensive use of renewable raw materials for both interior and exterior components, alongside breakthroughs in electric drive efficiency, range and charging capabilities, with the average recoverability rate for all sold mass-produced models exceeding 95% by the end of the Reporting Period. Looking ahead, we will accelerate progress toward our strategic goal of offering carbon-neutral electric vehicles to the market by 2045, deepen collaboration with supply chain partners to drive upgrades in industry green standards, and embed the DNA of sustainability into every vehicle we create.

Technology for Mass Mobility, Innovation to Define Sustainable Experience

The upgrading of users' demand for efficient and secure mobility, aligning with the global energy transition trend, has given rise to higher expectations for intelligent electric products. In 2024, smart responded to market expectations through innovation: the NSP Pro Navigation Cruise Assist (NCA) System covers all road types such as highways, elevated roads, and urban areas, with a traffic light intersection passage success rate exceeding 95%, while the APA Parking System achieves a 30% improvement in parking efficiency through algorithm optimisation. The self-developed 800V ultra-fast charging technology of smart #5, combined with industry-leading electric drive efficiency and a 740-kilometre maximum range, redefines the benchmark for all-electric mobility. Meanwhile, we promoted the integration of technology and humanity through 1,290 user co-creation activities, inspiring global companions to participate in sustainable living practices. We have consistently fulfilled our commitment of "introducing an all-new model to customers each year from 2022 to 2025", entering niche markets we had never entered before to make sustainable experiences accessible.

Diversity and Inclusion Impact, Co-building a Responsible Future

Corporate resilience stems from the deep integration of employee creativity, supply chain synergy, and philanthropic power. In 2024, smart continued to enhance its diversity and inclusion framework: we established prayer and meditation rooms in our European offices and organised cultural integration activities such as Spring Festival, Eid al-Fitr (end of fasting), and Christmas celebrations to provide employees with an equal and inclusive workplace environment. In supply chain management, we strictly adhere to the requirements of the *EU Deforestation Regulation* (EUDR), continuously advancing full-chain traceability and compliance management for materials such as rubber and timber; new suppliers are required to sign the *Supplier Code of Conduct* upon onboarding to mitigate potential environmental, labor, and human rights risks. For public welfare, we collaborate with employees, users, and multiple NGOs to carry out diverse community activities, promoting green technology and low-carbon lifestyles while advancing the popularisation of sustainability education and talent empowerment.

Sustainability is not a label but a gene ingrained in smart's DNA. Confronted with challenges such as rising industrial chain costs, technological competition, and global market breakthroughs, we choose to break through with "long-term momentum ", from the design phase to the user end, every commitment is backed by data; from employee development to community philanthropy, every step is measured by the human impact; from green manufacturing to intelligent mobility, every innovation is guided by the future. The path ahead is challenging, but action will see us through. In the future, smart is ready to join global partners in fulfilling low-carbon commitments, ensuring every innovation serves people and every kilometre driven leads to a better world.

CEO

Tong Xiangbei

About the Report

Overview

The 2024 Sustainability Report (hereinafter referred to as the "Report ") is issued by smart Mobility Pte. Ltd. (hereinafter referred to as "the Company ", "smart ", or "we "). We aim to ensure that all stakeholders can gain a more intuitive and holistic view into the Company's sustainability performance and achievements in the past year.

Reference

The Report is prepared referring to the Global Reporting Initiative Standards issued by the Global Sustainability Standards Board (GSSB), as well as with reference to and in response to the concerns of the United Nations Sustainable Development Goals (UN SDGs), and taking into account the current situation of the Company.

Reporting Period

The Report covers the period from 1 January 2024 to 31 December 2024 (hereinafter referred to as the "Reporting Period " or "2024 "), with some content going back to previous years or covering the year 2025.

Scope of the Report

The scope of the Report covers the Company and our subsidiaries. When specific data ranges do not align with the reporting scope, we will indicate this in the main text.

Data Source and Reliability Guarantee

The information and data disclosed in the Report are derived from the Company's statistical reports and official documents. The Company undertakes that this Report does not contain any false information or misleading statements and that we are responsible for the truthfulness, accuracy, and completeness of the contents. Unless otherwise stated, the financial data in this report is in RMB.

Access and Response to the Report

Your feedback is important for us to continue to improve our sustainability performance. If you have any comments or suggestions, please contact us at smart.info@smart.com.

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Sustainability Highlights of 2024

Integrity and Transparency

Some of the Company's components have been brought within the scope of the EUDR. smart has coordinated with relevant internal departments to confirm the list of affected components, conduct supply chain mapping, ensuring that components do not cause deforestation, forest degradation and other humanity related issues. As of the end of the Reporting Period, the Company has identified **120** components through internal screening and plans to continue advancing supplier communication and traceability efforts in 2025.

Compliance Gift Auction

In 2024, smart organised a compliance gift auction event. During the auction, we carried out scenario-based promotion of gift-related knowledge and dissemination of gift acceptance policies to reinforce employees' understanding, with over 200 simultaneous online participants.

1,377 Total Trademarks

As of the end of 2024, smart has cumulatively obtained 1,377 trademarks, 25 inventions, 245 utility models, and 515 design patents.

Products and Privacy

In 2024, smart integrated more premium, diverse, and fun-filled driving experiences into our latest model, smart #5, and was certified by the CATARC Automotive Test Centre (Tianjin) Co., Ltd., a leading Chinese authority on comfort certification, and awarded the "**Seat Comfort Star**" A-level rating.

2024 National Intelligent Driving Test Competition Awards

smart won multiple awards in the 2024 National Intelligent Driving Test Competition Finals, including the Annual Outstanding Power Output Award, Annual Urban Navigation On Autopilot (NOA) Excellence Award, and Annual Automatic Emergency (AEB) Braking Excellence Award.

"Good" Rating in Safety Crash Evaluation

In March 2024, the results of the latest round of safety crash evaluations by C-IASI were released. smart #3, participating in the evaluation for the first time, received Good rating with its outstanding performance, fully demonstrating smart's comprehensive strength in the field of product safety.

During the Reporting Period, we organised **6** pioneer user OTA co-creation sessions in Beijing, Shanghai, Hefei, Wuhan and other cities in China, listening to companions' authentic voices up close and jointly exploring the stories behind intelligent evolution.

During the Reporting Period, the Company deployed digital and intelligent processes for vehicle cybersecurity, risk management, and product marketing systems. We launched a total of **4** digital platforms to enhance efficiency and optimise management processes across various operational sectors.

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Circularity and Resources

In 2024, smart further increased the target requirements for the proportion of recyclable materials used in **9** exterior assembly components and **107** chassis assembly components with high metal consumption, and conveyed these requirements to suppliers.

Proactive Response to the New Battery Regulation

smart proactively responds to the EU New Battery Regulation, ensuring compliance with requirements including CE Marking, Restricted Substances, Declaration of Conformity, and Carbon Footprint Requirements.

Recoverability Rate>95%

In 2024, the recoverability rate of smart's all sold mass-produced models reached over 95%.

Climate and Carbon

Under the EU's carbon credit system, when the number of zero-emission and low-emission vehicles under an automotive company reaches a certain proportion, it is permitted to use electric vehicle credits to offset the emission targets of its internal combustion engine vehicles. In 2024, smart transferred relevant carbon credits to Mercedes-Benz, one of its shareholders in the European market, in accordance with the relevant regulations.

Management Measures of Whole-Vehicle Life-Cycle Carbon Footprint Calculation

For smart #5, which was newly launched in 2024, our R&D team developed a model using professional Lifecycle Assessment (LCA) software, completed of vehicle lifecycle carbon footprint calculations for smart #5, and resulted in the quality system document *Management Measures of Whole-Vehicle Life-Cycle Carbon Footprint Calculation*

Ultra-low Energy Consumption of 12.7 kWh per 100 km

smart #3 stood out with an ultra-low energy consumption of 12.7 kWh per 100 km, achieving excellent results in the German ED1000 Competition and defining a new benchmark for all-electric efficiency.

Employees and Society

smart was awarded the **"2024 Top 20 Most Innovative Youth-Friendly Employer Brands "** by Ciwei

Average Training Hours of Employees Exceed 16 Hours

During the Reporting Period, the average training hours of general staff at smart were 16.88 hours, representing an increase of over 100% compared to 2023; the average training hours of department/sub-department heads and above were 16.16 hours, with an increase of over 80% from 2023.

In 2024, we enhanced the effectiveness of actions in areas such as climate change, community co-construction, and product innovation through a sustainable public welfare model, thereby practicing the corporate citizen's responsibility for industry ecology and social development with practical actions. During the Reporting Period, we carried out over **10** social welfare activities in China, Europe, Southeast Asia, etc.

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Our Sustainability Strategy

Global Challenges and Our Responsibilities

In March 2025, the World Meteorological Organisation (WMO) released its annual State of the Global Climate Report, clearly demonstrating that global temperatures soared in 2024, making it the warmest year in 175 years of observational records. Multiple key climate indicators broke historical extremes, with the frequency and intensity of extreme weather events surging dramatically, inflicting heavy blows on global ecological, economic, and social systems. Against the backdrop of increasingly urgent global climate challenges, sustainability has become a core concern and critical mission for all sectors worldwide. smart deeply recognises the significance and challenges of global climate action for its own operations, continuously refining its business development direction to focus on long-term sustainability. Drawing on its innovative strengths, smart continues to develop and apply cutting-edge technologies to its products, contributing to the intelligent advancement of the automotive industry. Through renewable energy technologies, smart introduces all-electric vehicle models, supporting the global third energy revolution that transitions from fossil fuels to renewable energy with concrete actions. Committed to low-carbon transformation, smart actively supports China's ambitious goals of achieving carbon peak by 2030 and carbon neutrality by 2060, while also assisting the EU realising its grand blueprint to reach net-zero greenhouse gas emissions by 2050 and decouple economic growth from resource consumption.

smart Sustainability Strategy

Since the founding of the smart brand, we have championed and practised the philosophy of responsible development. The vision and objectives of sustainability are ingrained in smart's culture and fully demonstrated in our corporate operations. We remain steadfast in balancing the impacts across environmental, social, and governance aspects, particularly ensuring that financial growth is accompanied by balanced consideration for social, environmental, and regional economic impacts. This powerfully underscores our stewardship responsibilities for sustainable development and the vision upheld by our brand. In early 2022, we developed and published our Sustainability Strategy, covering five strategic pillars:

smart's five sustainability strategy pillars

Integrity and Transparency	We are committed to conducting business with integrity and transparency.
Product and Privacy	We design premium, electric vehicles to engage people with the sustainable mobility ecosystem and bring safety and privacy protection to our users.
Climate and Carbon	We take our decarbonisation commitment seriously, making a carbon-neutral car and providing low-carbon solutions as our mission.
Circularity and Resources	We embed "life cycle thinking" into our business. We are committed to circular economy and responsible sourcing.
Employees and Society	We empower individuals for the collective good, and continue to strengthen engagement with our partners in sustainable development.

Supporting Sustainable Development Goals

In September 2015, the United Nations adopted the 2030 Agenda for Sustainable Development, with 17 Sustainable Development Goals at its core, providing a common blueprint for peace and prosperity for people and the planet now and in the future. smart upholds its support for the UN SDGs, actively seeking to integrate relevant goals into its own sustainability strategy and roadmap, leading the Company to contribute towards achieving UN SDGs.

smart Strategy Pillar	UN SDGs supported	
Integrity & Transparency	16 Peace, justice and strong institutions	
Product & Privacy	9 Industry, innovation and infrastructure 11 Sustainable cities and communities	12 Responsible consumption and production
Climate & Carbon	7 Affordable and clean energy	13 Climate action
Circularity & Resources	12 Responsible consumption and production	
Employees & Society	5 Gender equality 8 Decent work and economic growth	10 Reduced inequalities 17 Partnerships for the goals

Sustainability Governance Framework

smart places significant emphasis on the governance of sustainability matters, adopting scientific methods and leveraging its own and leading corporate management experiences, alongside benchmark governance standards, to establish a top-down, comprehensive sustainability governance framework. This framework continuously disseminates the Board's sustainable management philosophy throughout the Company while enabling different levels to fully exercise their management functions in ESG matters.

The Company's management assumes overall responsibility for coordinating sustainability matters: they organise the development and execution of the sustainability strategy, coordinate and guide various departments in identifying and assessing significant environmental and social risks, formulate sustainability strategies, and establish corresponding control and reporting mechanisms. Management also bears the responsibility of reporting material ESG issues and their progress to the Board, conducting ongoing evaluations and reviews of the effectiveness of the Company's ESG performance and assessment processes, and subsequently putting forward strategic recommendations.

The ESG Working Group plays a pivotal role in smart's sustainability governance framework, comprising experts from R&D, Legal and Compliance, the Corporate Office, and various departments. The group is primarily tasked with advancing the implementation of sustainability initiatives and coordinating communication across different levels of the governance structure. At the operational level, in the event of major ESG matters, the ESG Working Group reports to the Company's management and designates members of the operational sustainability team based on smart's specific circumstances. Furthermore, the Working Group is responsible for developing sustainability policies and oversight systems, as well as establishing clear sustainability metrics and evaluation methods tailored to the Company.

The department representatives at the operating level are composed of heads from Legal and Compliance, Marketing, Sales and Service, Global Information Technology, Global Human Resources, Global Quality Centre, Global Procurement, and Global Manufacturing Centre. Their primary responsibilities include strategy execution, reporting, and feedback. This involves tracking and monitoring ESG data, maintaining data sources, and regularly reporting any challenges or issues encountered during ESG data collection, review, and disclosure to the ESG Working Group. This process ensures data collectability, accuracy, and the completion of sensitivity screening. As employees form the foundation of the Company's sustainability efforts, department representatives are expected to actively engage in promoting a sustainable culture, aiming to inspire and motivate every team member while continuously enhancing the Company's influence in the field of sustainability.

Meanwhile, the Company takes full account of compliance requirements, shareholder needs, business development, operational efficiency, and stakeholder expectations, among other factors, to regularly evaluate and continuously optimise its sustainability governance framework.

Stakeholder Engagement

Stakeholder communication is an essential part of smart's sustainability journey. The Company understands that close engagement with stakeholders helps us gain a precise understanding of their specific expectations and concerns. To this end, we regularly organise various stakeholder engagement events to deeply understand their key focus areas, expectations, and perspectives on sustainability issues. At the same time, we proactively integrate their suggestions into our strategies and implementation plans to address their needs. The Company aims to collaborate with stakeholders to achieve win-win outcomes and jointly drive sustainability of our business.

Through analysing the extent to which stakeholders and smart influence each other in business performance, we have identified four main categories of stakeholders.

Key Stakeholders	Relationships and communication channels Key Stakeholders [1]	The most important sustainability issues for stakeholders
Investors	Investors are the Company's shareholders.smart has a responsibility to listen to their concerns and ensure that both parties can walk in lockstep to build a resilient, adaptable business. ▸ regularly discloses business information and holds relevant meetings	▸ Human Rights ▸ Patent and IP Protection ▸ Corporate governance ▸ Product Health and Safety ▸ Responding to climate change
Users	The success of our business is closely tied to the satisfaction of our users, so we listen carefully to their concerns and respond to their evolving needs. ▸ Third Party User Service Survey ▸ smart App User Feedback ▸ Feedback is collected through interaction with potential customers by experienced frontline staff at roadshows	▸ Product health and safety ▸ Privacy protection ▸ Data security ▸ Customer service and satisfaction ▸ Battery traceability and recycling
Employees	Our employees are the heart of our business. We must listen to their concerns and needs to attract and retain the best talent. ▸ Annual employee engagement survey ▸ Cross-departmental workshop sharing or training, and group thematic sessions as needed. ▸ Complaint channels including email and hotline. ▸ Employee communication channels	▸ Compliance and integrity ▸ Product and technology innovation ▸ Labor relations and management ▸ Employee health and safety ▸ Corporate culture and values
Suppliers	As an automotive company, smart has many suppliers of automotive parts and high-tech services. By working closely together, smart is able to unite suppliers in a sustainability journey and expand the impact of sustainability initiatives. ▸ Regular supplier reviews and assessments ▸ Seminars and training for suppliers and contractors (especially carbon footprint management, compliance and employee occupational health and safety training)	▸ Compliance and integrity ▸ Risk and crises management ▸ Product health and safety ▸ Data security ▸ Employee health and safety

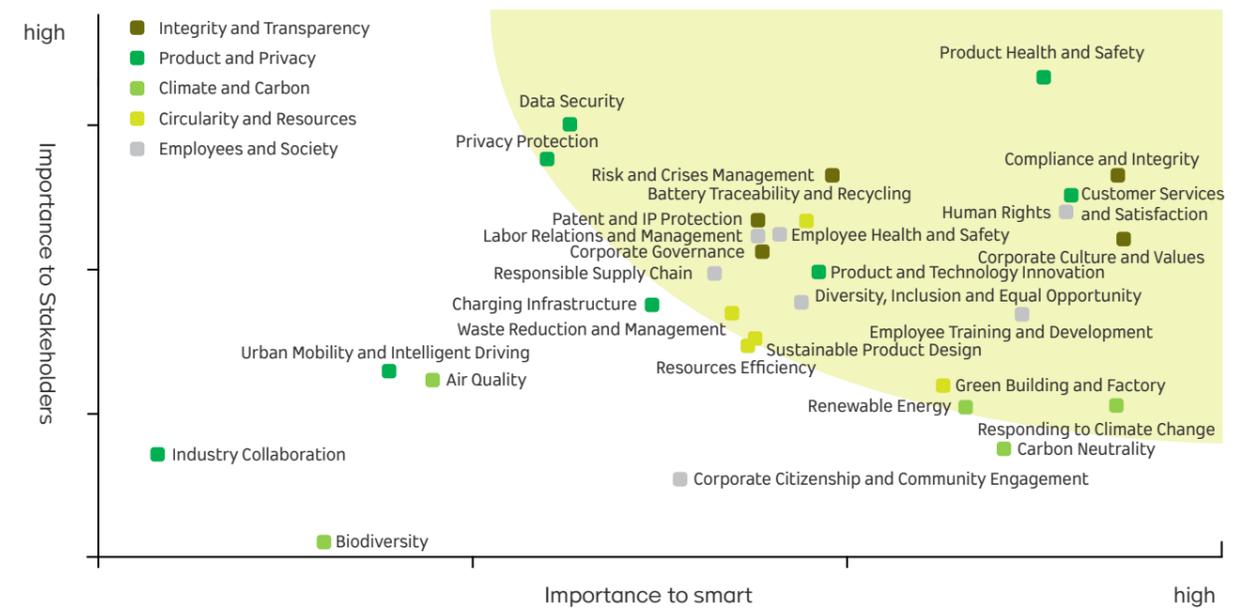[1] Not all communication channels are included.

Material Issue Analysis

Material issues are not only a core component of smart's non-financial performance but also a key basis for measuring the effectiveness of stakeholder communication, long-term value, and sustainability capabilities. smart has conducted stakeholder sustainability surveys, which primarily include the following three main steps:

Identification:

In line with laws and regulations, as well as strategically significant international agreements, global reporting frameworks, and common standards such as GRI, SASB, and the UN SDGs, we have established basic evaluation criteria for identifying and confirming material issues for smart. Meanwhile, we conduct peer benchmarking research to gain insights into overall industry trends, risks, and opportunities by referencing widely recognised material issues in the sector. Aligned with the five pillars of our sustainability strategy, Integrity and Transparency, Products and Privacy, Climate and Carbon, Circularity and Resources, and Employees and Society, the Company has developed a list comprising 30 material issues.
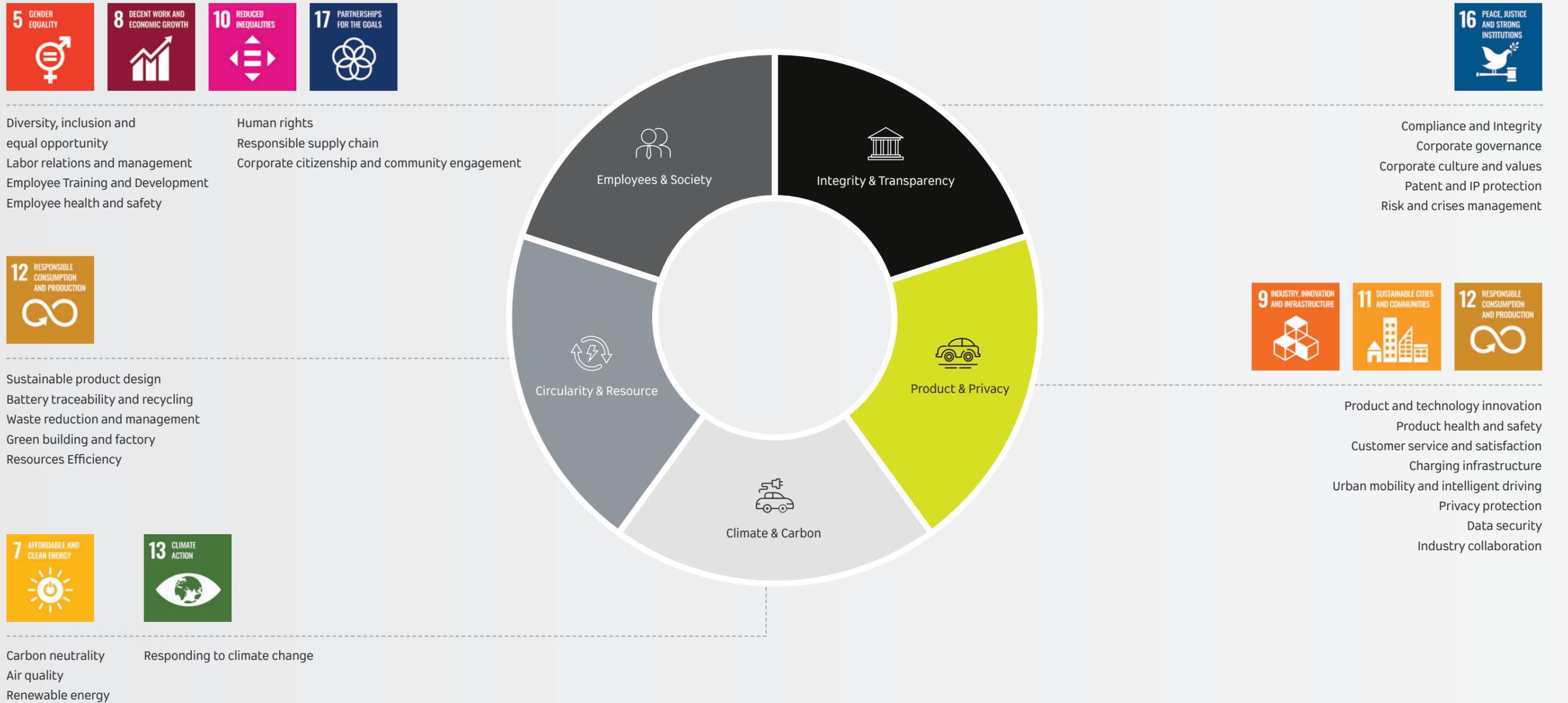
Assessment:

smart is acutely aware that as an increasing number of users place their trust in smart, purchase our vehicles, and take to the road in them, the most strategically significant sustainability issues in our operations and stakeholders' prioritisation of material topics are evolving. In the process of reviewing and updating our sustainability strategy, we invited users, suppliers, shareholders, non-governmental organisations (NGOs), government and regulatory bodies, media, and employees in China and Europe to participate in an online questionnaire. Based on feedback from both internal and external stakeholders, the 30 material issues have been prioritised and mapped into a materiality matrix from two perspectives: their importance to smart and the importance to stakeholders, as illustrated in the diagram below:

Materiality matrix. Legend:
- Integrity and Transparency
- Product and Privacy
- Climate and Carbon
- Circularity and Resources
- Employees and Society

Vertical axis: Importance to Stakeholders (high). Horizontal axis: Importance to smart (high).

Plotted issues: Product Health and Safety, Data Security, Privacy Protection, Risk and Crises Management, Battery Traceability and Recycling, Compliance and Integrity, Customer Services and Satisfaction, Human Rights, Patent and IP Protection, Labor Relations and Management, Employee Health and Safety, Corporate Governance, Corporate Culture and Values, Responsible Supply Chain, Product and Technology Innovation, Charging Infrastructure, Diversity, Inclusion and Equal Opportunity, Waste Reduction and Management, Employee Training and Development, Urban Mobility and Intelligent Driving, Sustainable Product Design, Resources Efficiency, Air Quality, Green Building and Factory, Renewable Energy, Responding to Climate Change, Industry Collaboration, Carbon Neutrality, Corporate Citizenship and Community Engagement, Biodiversity.

Optimisation:

smart's sustainability strategy pillars focus on key sustainability issues closely linked to business development. They aim to help achieve the corporate vision of "to explore the best solutions for future urban mobility" while supporting the UN SDGs.

smart Sustainability Strategy Pillars and Materiality Issues

Diversity, inclusion and equal opportunity
Labor relations and management
Employee Training and Development
Employee health and safety

Human rights
Responsible supply chain
Corporate citizenship and community engagement

Compliance and Integrity
Corporate governance
Corporate culture and values
Patent and IP protection
Risk and crises management

Sustainable product design
Battery traceability and recycling
Waste reduction and management
Green building and factory
Resources Efficiency

Product and technology innovation
Product health and safety
Customer service and satisfaction
Charging infrastructure
Urban mobility and intelligent driving
Privacy protection
Data security
Industry collaboration

Carbon neutrality
Air quality
Renewable energy

Responding to climate change

Employees & Society — Integrity & Transparency — Product & Privacy — Climate & Carbon — Circularity & Resource

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01

Integrity and Transparency

Integrity serves as the core principle of governance, while transparency is the direct manifestation of responsibility. We uphold the philosophy of "Building Foundations on Compliance, Cultivating Trust for Long-Term Success", integrating integrity and transparency into our corporate governance, compliance, and business ethics development. Through improving policy frameworks, strengthening risk management, and upgrading information disclosure mechanisms, we establish an end-to-end accountability system to fortify the foundation of trust for the Company's stable development.

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Corporate Governance

smart strictly adheres to relevant laws and regulations in its operational locations, continuously enhances governance capability, and continually promotes the establishment of a governance structure and risk management system with clear roles and responsibilities.

Corporate Governance Responsibilities

To effectively establish a modern enterprise with clear division of responsibilities and authorities, scientific and efficient operations, and collaborative governance, the Company continuously monitors the latest regulatory requirements and builds a professional corporate governance system. smart is currently jointly owned by Mercedes-Benz, Geely, Tianqi Lithium, and other relevant investors. The Company's Board of Directors serves as the highest decision-making body, responsible for deliberating and approving major matters in accordance with the *Company's Joint Venture Agreement and the Articles of Association*. In 2024, smart convened three board meetings.

◂ **smart Board of Directors and EMC Structure** ▸

Decision-making Level	The Board of Directors is composed of eight members.
Management Level	The Company's Executive Management Committee (EMC) consists of three members, including the Global Chief Executive Officer (CEO), Global Chief Financial Officer (CFO), and General Manager.
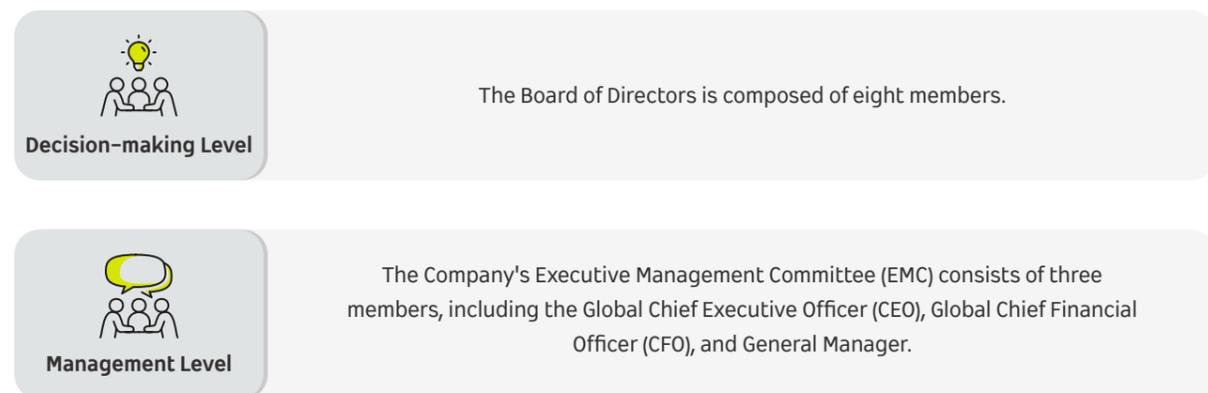
The Company attaches great importance to and strives to enhance the diversity, professionalism, and independence of the Board of Directors and EMC. We strictly implement the division of responsibilities and authorities for the Board of Directors and EMC in accordance with the *Articles of Association*, providing oversight and guidance for the Company's stable operations from a diverse and professional perspective. When appointing relevant management personnel, the Company fully considers dimensions such as professional skills, industry experience, personal conduct, risk management experience, and independence. We handle the appointment and job changes of each EMC member in strict accordance with the explicit provisions of the *Articles of Association*.

As of the end of the Reporting Period, smart's Board of Directors consists of **eight** directors, appointed by the shareholders of Mercedes-Benz and Geely respectively, **one** of whom is female.
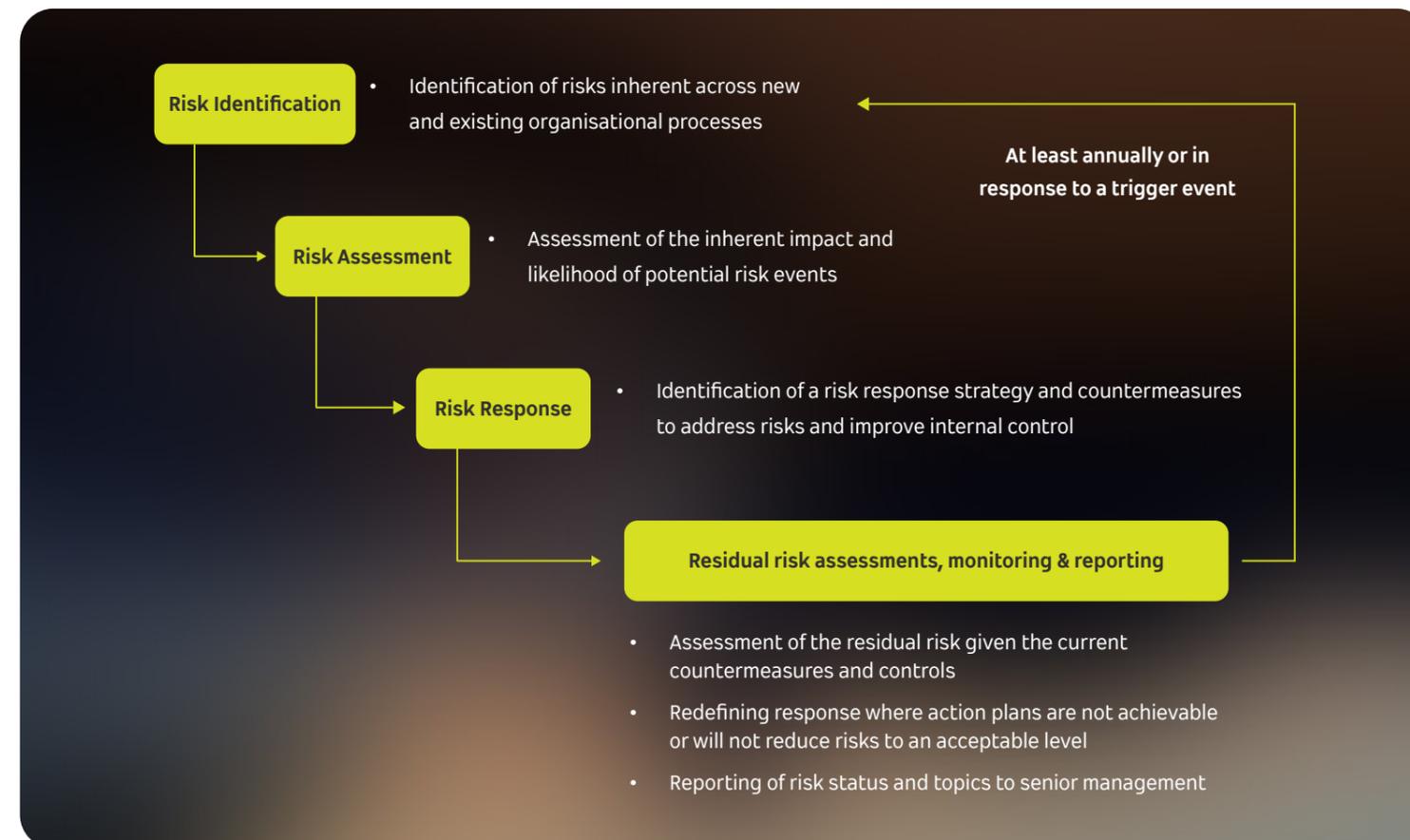
Risk Management and Internal Audit

Risk and Internal Control Management System

To achieve comprehensive and effective risk prevention and control, smart has established internal management documents such as the *Compliance Risk Assessment Management Policy* and the *smart Risk Management Policy*. In 2024, we issued the *Internal Control Management Policy* and updated the scope of risk impact specified in the *Compliance Risk Assessment Management System*, refining risk assessment factors, criteria, and levels to enable the Company to control risks promptly and appropriately and ensure the safety of employees and assets.

The Company has established a "Three Lines of Defence" framework for risk management, which involves multiple risk monitoring, assessment, rectification, and control measures such as day-to-day operations and practices, risk management processes and tools, and independent review of risk issues. This framework refines the responsibilities of various levels and departments to ensure the Company's compliant operations. In 2024, smart's Internal Control department organised and coordinated all departments to conduct self-assessment tests on the effectiveness of internal controls, covering a total of 11 business processes and more than 200 key control points. No internal control deficiencies were identified.

◂ **smart Risk Management Work Flow** ▸

Risk Identification
• Identification of risks inherent across new and existing organisational processes

At least annually or in response to a trigger event

Risk Assessment
• Assessment of the inherent impact and likelihood of potential risk events

Risk Response
• Identification of a risk response strategy and countermeasures to address risks and improve internal control

Residual risk assessments, monitoring & reporting
• Assessment of the residual risk given the current countermeasures and controls
• Redefining response where action plans are not achievable or will not reduce risks to an acceptable level
• Reporting of risk status and topics to senior management

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**Highlight Case: Regular Risk Management Training for Global Employees** ● ■ ▲

The Company organises multiple risk management training sessions for key relevant departments every year to strengthen employees' awareness of risk management prevention and promote the improvement of risk control knowledge. During the Reporting Period, the Company organised 2 risk management-related training sessions. Through a combination of online and offline methods, we delivered a series of thematic content to employees, including risk identification, risk assessment tools, and risk response strategies, to assist them in understanding the Company's risk response procedures and ensure the implementation of internal risk controls.
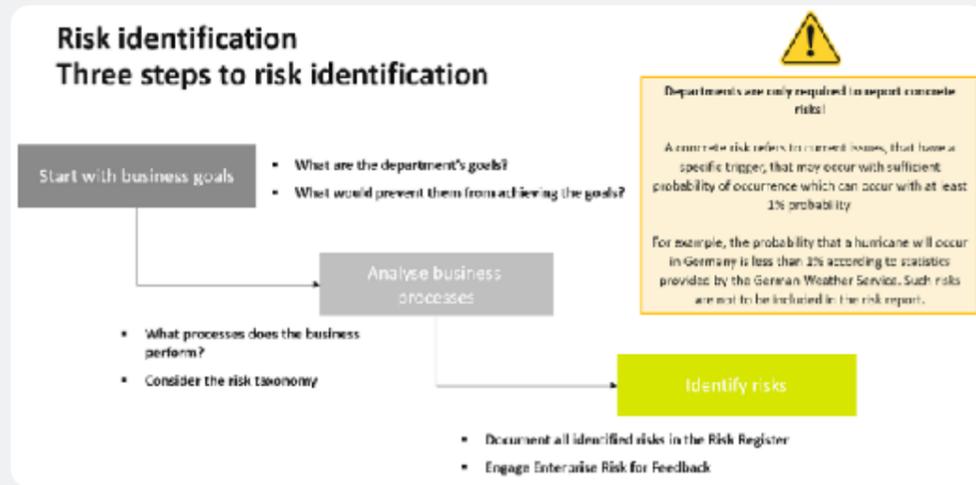
● The risk identification process demonstrated in training courseware

Highlight Case: smart Europe Risk Management System ● ■ ▲

In 2024, smart Europe officially launched its risk management system, which achieves more efficient and convenient risk management processes through functions such as online risk registration, online risk assessment, and online approval. Currently, smart China is also actively testing the system and plans to launch the same system in the future to achieve interconnection.
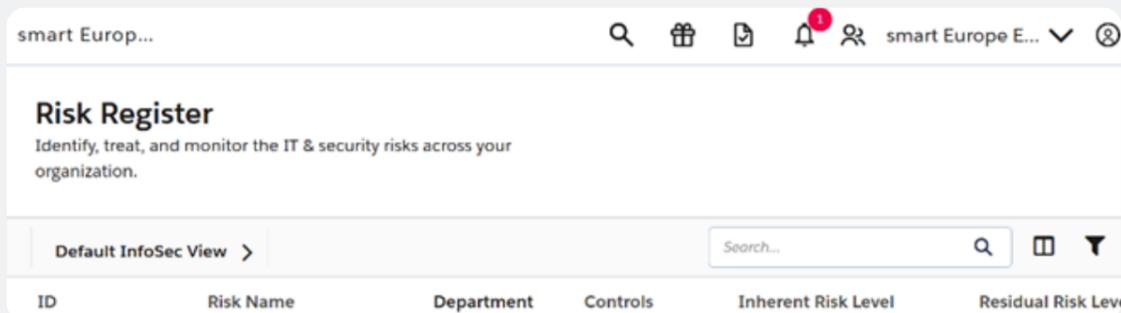
● Screenshot of smart Europe Risk Management System

Internal Audit

The Company conducts internal supervision, verification, and audit through global internal audits team, covering all aspects of the Company's business activities, and has established a multi-level review mechanism for audit reports. During the Reporting Period, we carried out a total of 3 internal special audits, with a focus on in-depth auditing of the advertising and promotion modules, covering areas such as brand promotion, regional promotion, and policy verification. Meanwhile, we assisted in conducting 2 shareholder audits, covering partial tracking audits in China and comprehensive audits in Europe. In the audit process, we tracked rectification findings, supervised the implementation of rectifications, and actively worked to recover losses. In 2025, we have initially launched business travel tracking audits in the finance department and plan to gradually carry out audit work and related training for modules such as outsourcing, after-sales services, and offline activities.

Highlight Case: Internal Audit Training ● ■ ▲

During the Reporting Period, the Company conducted 1 training session for the retail department and 3 internal audit-related training sessions for the finance department. The training topics included promotion acceptance, shareholder audits, and an introduction to the internal control system.

In May 2024, we invited relevant colleagues from the finance department to participate in the "Sharing of 2024 smart shareholder follow-up audit findings and rectification" training, aimed at implementing the internal control governance requirements of the shareholder audit team, actively promoting relevant rectifications, and conducting discussions on financial review in indirect procurement processes.

Tax Transparency

smart actively builds a global tax compliance management system to ensure tax compliance in different countries and regions. The Company strictly adheres to Organisation for Economic Co-operation and Development (OECD) international tax policies such as Base Erosion and Profit Shifting (BEPS) 2.0, as well as the tax laws and regulations of each region where it operates. We regularly analyse tax policies in different countries and regions to assess tax risks that may impact the Company's financial position, ensuring tax compliance and reducing tax risks. We implement effective transfer pricing policies to ensure that pricing for the Company's internal cross-border transactions complies with international tax regulations, and proactively leverage tax incentives to support R&D and the launch of new technology-related businesses.

The Company regularly conducts reviews of its tax strategy from aspects such as tax practices, tax operational efficiency, and transfer pricing strategies. We hold bi-weekly communications and reviews on tax practices and tax operational efficiency, and conduct regular reviews of transfer pricing strategies based on business realities. Additionally, we engage in regular quarterly communication with the shareholders' tax teams regarding tax management methods and tax policies.

During the Reporting Period, the Company organised relevant employees from the financial department to participate in tax management-related training courses, inviting external professional instructors to explain topics such as "Recognition of Digital Assets in Financial Statements" and "Review and Impact of the 2024 Tax Collection and Administration Reform" to enhance employees' professional capabilities. In 2024, the Company conducted a total of 27 tax-related training sessions, with a total of 300 attendees.

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Highlight Case: Qualification as a High and New Technology Enterprise (HNTE) with Preferential Enterprise Income Tax Treatment   ● ■ ▲

In 2023, in accordance with the Circular of the Ministry of Science and Technology, the Ministry of Finance, and the State Taxation Administration on Revising and Issuing the *Administrative Measures for the Recognition of HNTEs*, smart's subsidiary, Zhejiang smart Automobile Intelligence Technology Co., Ltd., was designated as a state key-supported HNTE. This qualification entitles the Company to a preferential enterprise income tax rate of 15% with corporate income tax relief. This achievement aligns with the state's policy to support and encourage the development of HNSEs, foster technological innovation, and effectively support the Company's internal R&D and new technology initiatives.

Additionally, smart enhances tax management standards by relying on its continuously upgraded digital tax management system. In 2024, smart undertook multiple updates to its global "Tax All in One" digital management system, including:

- Upgraded the automated export invoice function to enhance cross-team collaboration efficiency, optimise employee work efficiency, and reduce error;

- Launched full digital invoicing functionality, where all invoices (except those legally required to be issued in paper form) are fully digitalised, improving work efficiency while reducing the use of paper-based media resources. In 2024, the proportion of smart's electronic invoices reached 57.5%;

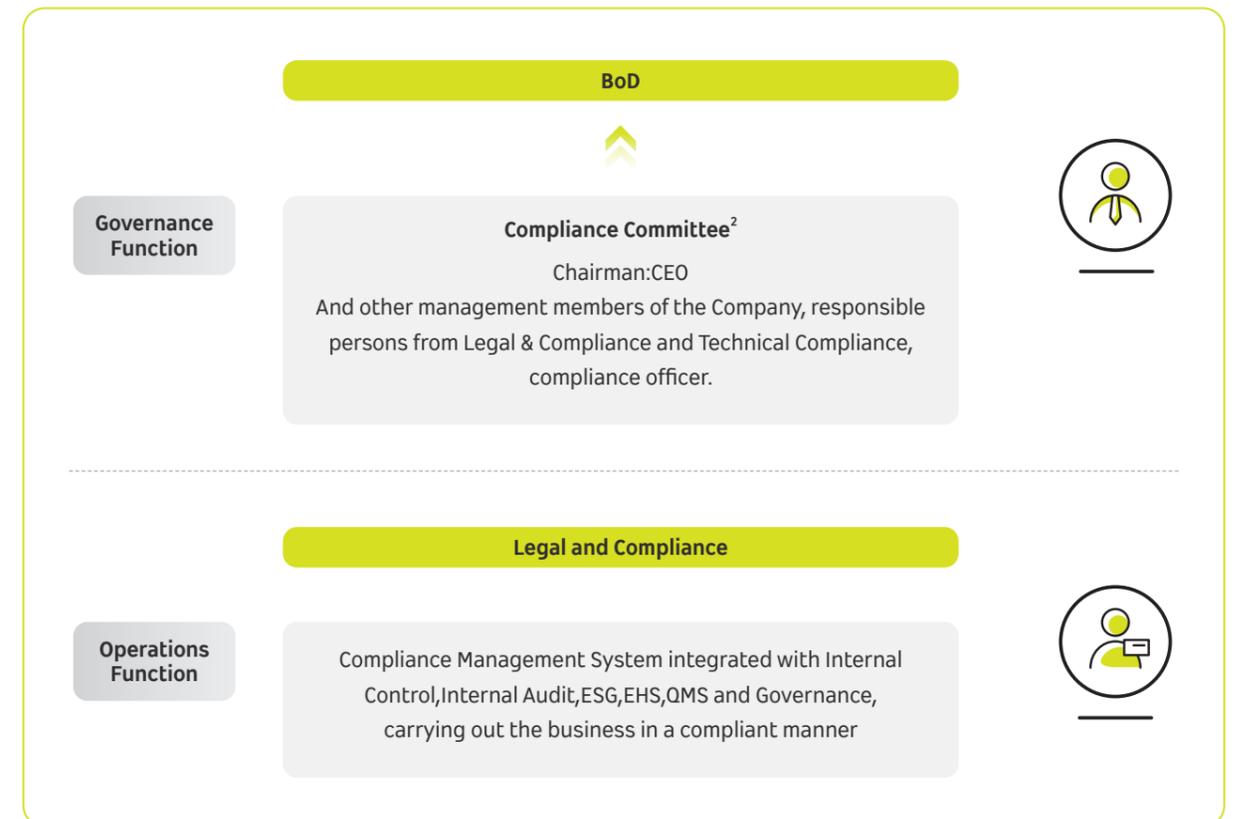- Upgraded the report function for automatic classification of invoicing types.

Compliance

smart attaches great importance to and adheres to compliant operations. In the course of business development, it strictly complies with the laws and regulations of all jurisdictions where it operates, continuously strengthens its corporate compliance and business ethics framework, and fosters a corporate culture of legal compliance and law-abiding practices.
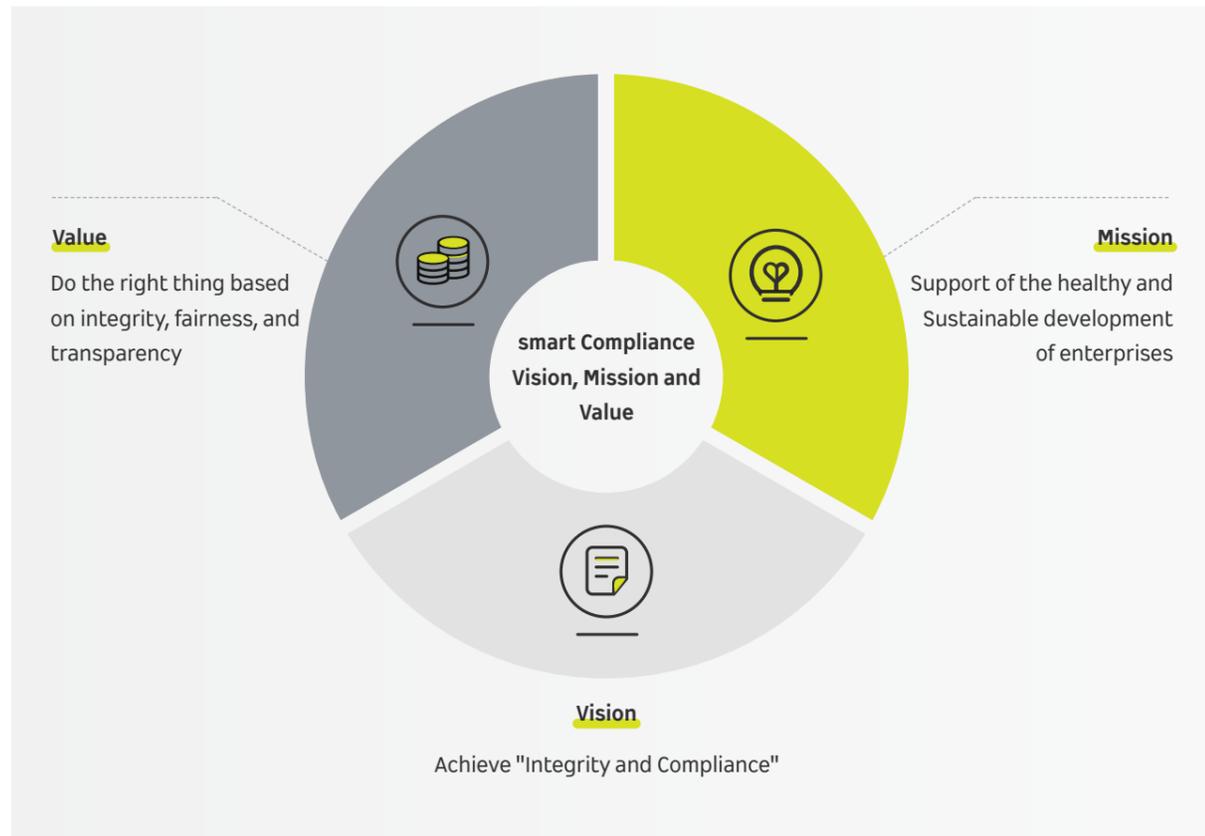
Compliance Management

The Company has established a comprehensive and clear compliance management system. The Board of Directors is directly responsible for supervising and guiding the Company's compliance management matters. Compliance Committee, chaired by the Company's CEO, is established under the Board, primarily responsible for implementing and improving the compliance management system. The Legal and Compliance Department upholds the function of compliant operations, integrating the compliance management system with other functional systems such as internal control, internal audit, ESG, and Environment, Health and Safety (EHS). Through the smart legal and compliance global monthly meeting, we ensure the operational safety and compliance of the Company and all stakeholders.

◀ **smart Compliance Committee Structure** ▶

BoD

Governance Function

Compliance Committee[2]

Chairman:CEO
And other management members of the Company, responsible persons from Legal & Compliance and Technical Compliance, compliance officer.

Legal and Compliance

Operations Function

Compliance Management System integrated with Internal Control,Internal Audit,ESG,EHS,QMS and Governance, carrying out the business in a compliant manner

[2] The organisational structure of the Compliance Committee reflects the current situation. After the release of the compliance organisational structure of the future global brand company, appropriate adjustments will be made according to the actual circumstances.
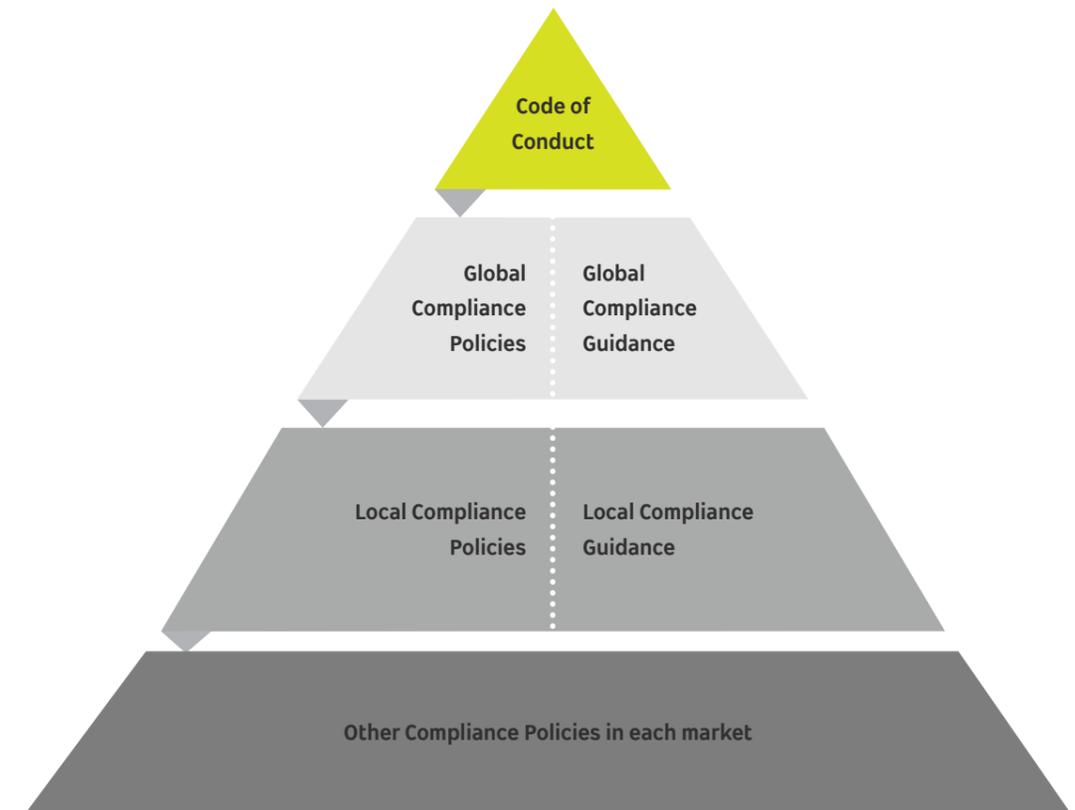
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Value

Do the right thing based on integrity, fairness, and transparency

smart Compliance Vision, Mission and Value

Mission

Support of the healthy and Sustainable development of enterprises

Vision

Achieve "Integrity and Compliance"

The Company has formulated and strictly enforces the *smart Code of Conduct,* establishing five integrity and compliance principles with zero tolerance for any violations of laws or the Code. In 2024, smart updated and implemented the *Contract Management Policy*, standardising processes for contract drafting, review and approval, execution, performance, and termination to prevent and mitigate compliance, financial, and legal risks associated with contracts.

smart Integrity and Compliance Principles

- We always do the right thing based on trust, fairness, and transparency.
- We comply with laws and regulations, always maintain compliance in all matters and in all circumstances, and will never tolerate any non-compliant conduct.
- We put people first and, guided by the principles of respect, openness, inclusivity, and diversity, collectively commit to the Company's health and sustainability.
- We do not bribe anyone, nor do we accept bribes from anyone. We have zero tolerance for violations such as corruption and fraud.
- We aspire to be good corporate citizens.

smart Compliance Management Policy Pyramid

Code of Conduct

Global Compliance Policies | Global Compliance Guidance

Local Compliance Policies | Local Compliance Guidance

Other Compliance Policies in each market

During the Reporting Period, smart globally received a total of **40** litigation cases, including **22** cases filed in China and **18** litigation cases in the European region. **13** cases have been properly handled and closed.

Highlight Case: Compliance Risk Assessment of the EUDR

Under the EUDR, enterprises are required to ensure that products imported into the EU, traded within the EU, or exported from the EU do not cause deforestation or forest degradation. According to smart's preliminary assessment, some of the Company's aftermarket rubber and wood components have been brought within the scope of the EUDR. To effectively avoid compliance risks and penalties, smart has coordinated with relevant internal departments to confirm the list of affected components, conduct supply chain mapping, and communicate with suppliers regarding correct traceability information and raw material source substitution. Meanwhile, the Company is collaborating with Legal and Compliance team to prepare the traceability documents and due diligence statements required by the authorities. As of the end of the Reporting Period, the Company has identified 120 components through internal screening and plans to continue advancing supplier communication and traceability efforts in 2025.

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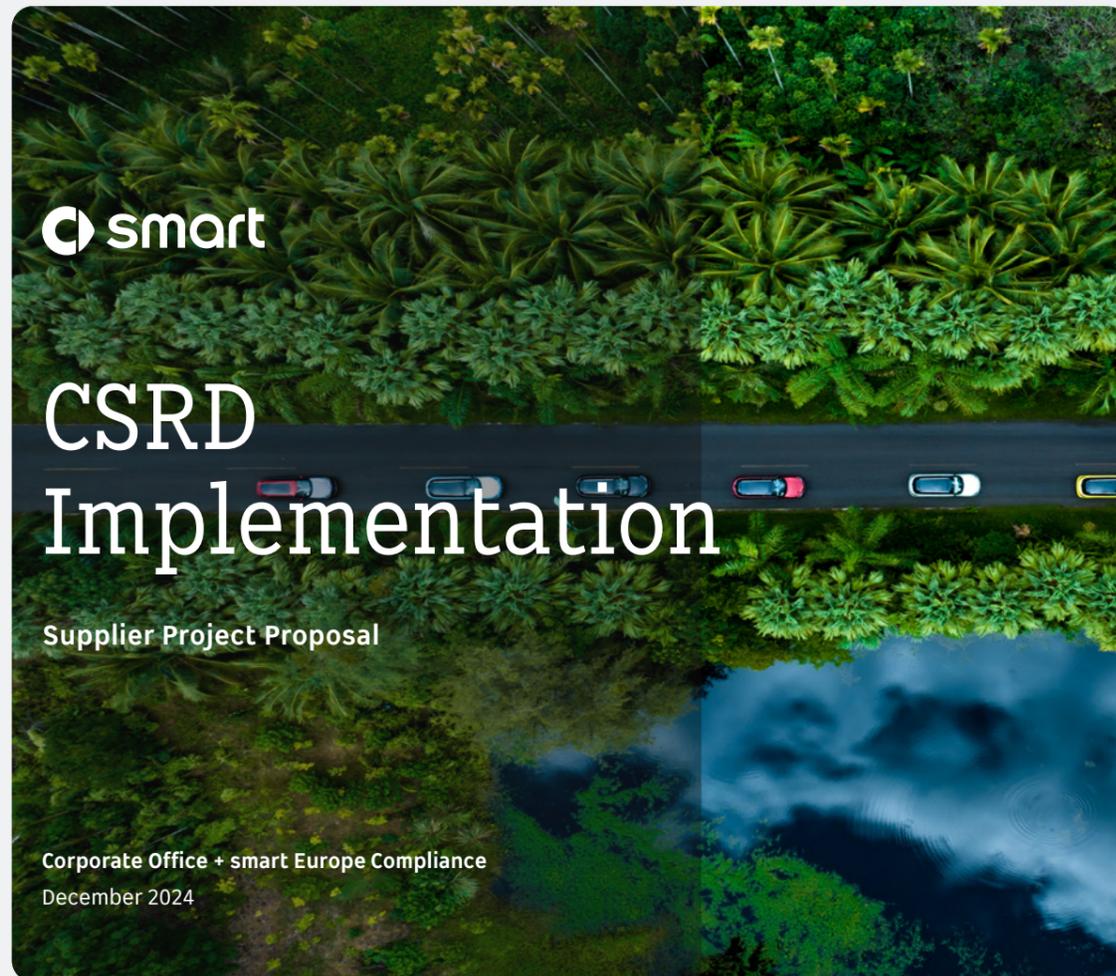smart | 2024 Sustainability Report 33 / 34

Compliance Training

During the Reporting Period, the Company organised multiple routine compliance training sessions covering themes such as company compliance management awareness and anti-trust awareness. These sessions communicated the Company's compliance vision, mission, and obligations to employees, aiming to maintain and foster a compliance culture and framework.

Highlight Case: EU CSRD Regulation Training ● ■ ▲

Since 2023, the EU has introduced a series of sustainability-related laws and regulations, including the *Corporate Sustainability Reporting Directive* (CSRD), which is expected to impact smart. In 2024, we anticipated these changes by conducting internal CSRD regulation training, advancing gap analysis, and interpreting disclosure data points to lay a solid foundation for subsequent CSRD information disclosure.

smart

CSRD Implementation

Supplier Project Proposal

Corporate Office + smart Europe Compliance
December 2024

● EU CSRD Training Slides

Intellectual Property Protection

smart strictly complies with intellectual property laws and regulations of the regions and countries where it operates, respecting the power of knowledge and promoting intellectual property protection and technological innovation. The Company's global intellectual property-related work is under unified management by the Legal and Compliance Department under the leadership of the Board of Directors and management of the Company, responsible for daily intellectual property management, application, maintenance, and protection.

◄ **smart Intellectual Property Management Authority and Responsibilities** ►

Content	Main Responsible Department	Main Work Content and Communication Mechanism
Trademark	Legal and Compliance	• Coordinate with business departments for trademark rights protection work • Host the smart global trademark bi-weekly meeting
Patent	Patent Management Committee	• Make decisions on the Company's overall patent strategy, major litigations, and major transfer matters • Legal and Compliance Department is responsible for patent applications and daily maintenance
Copyright	Legal and Compliance	• Responsible for administrative procedures and related matters such as copyright acquisition • Coordinate and handle copyright disputes and dispute cases
Scientific Paper	Legal and Compliance	• Responsible for the registration, summarisation, and archiving of scientific paper • Responsible for reviewing the approval process for the external publication of scientific paper

The Company has formulated and implemented internal management policies such as the *Trademark Management Policy, Patent Management Policy, Scientific Paper Management Policy* and *Commercial Rights Protection Management Policy,* and compiled and promulgated the *Copyright Management Policy* during the Reporting Period. This enables giving full play to the positive role of copyright in the Company's development and enhances copyright protection awareness. The *Copyright Management Policy* also include detailed rules for data intellectual property management, effectively safeguarding the Company's intellectual property rights and interests while strengthening the risk management of intellectual property infringement.

	2024 New Additions	Cumulative Total (As of the End of the Reporting Period)
Total Intellectual Property Rights	206	569
Trademarks	50	1,377
Patents	206	775
Inventions	12	25
Utility Models	115	245
Design Patents	79	515

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Highlight Case: Trademark Coexistence in Enterprises ● ■ ▲

To effectively address issues such as difficulties in managing the Company's overseas trademarks and trademark squatting, during the Reporting Period, smart entered into trademark coexistence agreements with 8 overseas companies. This initiative safeguards the Company's trademark rights and interests in specific regions and usage scenarios while preventing the occurrence of trademark infringement incidents involving its own trademarks, thereby better protecting smart's intellectual property rights.

Highlight Case: Intellectual Property Promotion and Management ● ■ ▲

April 26th is World Intellectual Property Day, and smart has consecutively taken this opportunity to organise one-week intellectual property awareness campaigns for three years. In 2024, we expanded the campaigns to cover various types of intellectual property such as trademarks, copyrights, and data property rights. We displayed intellectual property protection posters and distributed educational handbooks in multiple offices, effectively helping business departments understand the concepts of different intellectual property types and how to carry out corresponding operations.

● Distribution of Intellectual Property Promotion Handbook

Additionally, during the Reporting Period, we organised a total of 3 intellectual property training sessions for all employees, covering topics such as basic patent knowledge, patent infringement, and copyright management.

Business Ethics

smart takes integrity as its cornerstone and always regards business ethics as the core criterion for the Company's sustainability. We firmly believe that abiding by legal norms and upholding fair competition are not only the baseline for business operations but also the only path to earning customer trust, respect from partners, and social recognition.

Business Ethics and Anti-Corruption

smart strictly complies with laws and regulations relating to business ethics in all operating locations, formulated and implemented internal management policies such as the *Anti-Bribery Compliance Management Policy,* and *Anti-Money Laundering Policy* while maintaining a firm zero-tolerance stance towards all illegal and irregular activities such as corruption and fraud. The Company has also compiled the *Gift and Hospitality Policy* and *Guidelines for Reuse of Compliant Gifts* to clarify the integrity requirements for interactions with external stakeholders and effectively mitigate related business ethics and compliance risks.

In 2024, the Company drafted the *Global Anti-Bribery, Anti-Corruption and Anti-Fraud Policy,* which sets out provisions on relevant matters such as recruitment and employment, books and records, internal controls, and public officials. In any commercial activities, we do not bribe any person, nor do it accept bribes from any person.

Highlight Case: Compliance Gift Auction ● ■ ▲

In October 2024, smart organised an online compliance gift auction event, with a total of 349 attendees across two auctions and over 200 simultaneous online participants. We conducted the compliance gift auction via live streaming, with all gifts sourced from employees' submissions and in full compliance with the Company's compliance management system. During the auction, we carried out scenario-based promotion of gift-related knowledge and dissemination of gift acceptance policies to reinforce employees' understanding, achieving a win-win situation for compliance knowledge propagation and gift disposal.

Highlight Case: Employee Business Compliance Promotion and Management ● ■ ▲

smart adopts a "zero tolerance" approach towards any form of corruption, fraud, and potential risks thereof by its employees within the Company. In 2024, we added new business compliance clauses to the latest edition of the *smart Brand Global Company Employee Handbook,* designating violations of the Company's anti-bribery, anti-fraud, anti-corruption, and gift & hospitality policies, once confirmed through compliance investigations, as Level 3 violations, which shall result in termination of employment and dismissal.

Meanwhile, during the Reporting Period, the Company conducted a total of 3 relevant training sessions covering themes such as anti-fraud, anti-commercial bribery compliance systems, gift and hospitality compliance policies, anti-trust regulations, and related policies. These sessions covered 1,270 employees, relevant department supervisors, and management members of the Company.

Additionally, smart strictly manages suppliers' business ethics conduct and incorporates relevant evaluation criteria into their performance outcomes. In accordance with the Company's regulations such as the *Supplier Code of Conduct* and *Measures for the Management of Indirect Procurement of smart*, any commercial bribery found in suppliers' daily activities will result in their inclusion in the supplier blacklist, and they shall not be engaged for three years. In the event of improper conduct such as collusive bidding or false bidding during suppliers tendering processes, they will be subject to a vote for veto and prohibited from participating in other bidding activities.

During the Reporting Period, there was one case of violation of business ethics involving smart, and the Company has terminated the employment contract of the relevant employee.

Anti–Trust and Anti–Unfair Competition

smart always upholds the principle of fair competition, strictly complies with laws and regulations relating to anti-trust and anti-unfair competition in all operating locations, and resolutely resists acts that disrupt market order such as monopolies and unfair competition. The Company has formulated and implemented the *Anti-trust Compliance Policy* to ensure the open, transparent, and healthy development of market competition. Furthermore, through internal promotion and training, the Company conveys the concepts of anti-trust and fair competition to employees, helps them understand relevant laws and regulations, and promotes the maintenance of a healthy and orderly competitive environment in the industry.

During the Reporting Period, there were no legal proceedings involving anti-competitive conduct or violations of anti-trust laws in respect of smart.

Conflict of Interest

To prevent employees from causing losses to the Company's interests due to conflicts between personal and corporate interests during business activities or commercial decision-making, we updated the *Conflict of Interest Management Policy* and drafted the *smart Global Conflict of Interest Management Policy* during the Reporting Period. All employees are required to sign the *Conflict of Interest Avoidance Declaration* and proactively disclose information annually in accordance with the *Conflict of Interest Disclosure Form*. During the Reporting Period, we refined the requirements relating to disclosure procedures and violation handling in the system and additionally added content on social relationship screening, with a view to effectively safeguarding and maintaining smart's rights and interests.

Highlight Case: Online Conflict of Interest Disclosure System   ● ■ ▲

In 2024, the smart online conflict of interest disclosure system was officially launched, enabling all smart employees in the China region to complete conflict of interest declarations and disclosures online via the system. As of 31 January 2025, a total of 1,553 employee disclosure forms had been received in the China region, with a completion rate of 99.23% (12 employees had not yet completed the process due to special circumstances such as maternity leave), and no risk incidents related to conflicts of interest were detected.

Whistleblower Protection

smart maintains a consistent "zero-tolerance" attitude towards improper conduct and actively encourages employees and business partners to courageously report any improper behavior discovered during business operations. The Company has established a Business Protection Office (BPO) online reporting system, which is open to all employees, business partners, and any third parties willing to monitor or report internal violations at smart. Upon receiving relevant reporting information, the Company's BPO will initiate a compliance investigation in accordance with compliance reporting and investigation systems such as the *Compliance Whistleblowing and Investigation Management Policy*.

The reporting and investigation process adheres to the five principles of independence, objectivity, impartiality, confidentiality, and recusal, and we will not tolerate any retaliation against whistleblowers, investigators, personnel cooperating with investigations, or those implementing accountability. We accept reports from employees in both real-name and anonymous forms. For real-name whistleblowers whose provided information is verified to be true, corresponding incentives or commendations will be granted based on the effectiveness of the clues and the severity of the case's nature.

Reporting Channels

- smart China Whistleblower Hotline: +86 0574–23720372

- smart China Whistleblower Email: smart.BPO@smart.com

- smart Europe Whistleblower Platform: https://www.bkms-system.com/smart-Europe

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Product and Privacy

As a global leading intelligent mobility brand, smart regards product innovation and privacy protection as core bonds connecting technological value with user trust. An excellent product is not only a fusion of technology and design, but also needs to be supported by a safe and reliable quality system, a humanised user experience, and full-lifecycle privacy protection. We are adhering to providing users with intelligent, convenient, and safe mobility solutions, continuously fulfilling our responsibility commitments to global users.

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Technological Innovation

smart continuously enhances the user driving experience through innovative technologies such as intelligent driving, intelligent cockpits, and intelligent software. Relying on cutting-edge research and development and intelligent ecosystem layout, smart is committed to creating efficient, convenient, and personalised intelligent travel methods, leading the development trend of urban smart vehicles.

R&D System

smart has established a solid R&D system with diverse R&D talents, focusing on technological innovation and breakthroughs in different fields. As of the end of the Reporting Period, smart has set up two independent R&D enterprises, namely smart (Shanghai) Robot Technology Co., Ltd and smart (Zhejiang) Software Technology Co., Ltd., which respectively focus on the independent R&D of high-level intelligent driving software and intelligent cockpits. smart (Zhejiang) Software Technology Co., Ltd. was officially registered in December 2023. During the Reporting Period, more than 30% of the employees held a postgraduate degree or above. A total of 15 invention patents (3 authorised), 18 design patents (6 authorised), and 19 software copyright certificates were obtained, demonstrating strong innovative R&D capabilities.

In 2024, smart's total R&D investment amounted to RMB **2.16** billion. A total of **294** patent applications were submitted, of which **78** (including **3** invention patents) were authorised.

21 invention patents received cash rewards within the Company, with a total patent bonus of RMB **0.87** million.

Product Development

As of the end of 2024, smart officially launched three brand new vehicle models, realising the basic goal of "Sprint to the Next Level". The Company further strengthened its overall operational capabilities across the brand, product, technology, service, and corporate domain, gradually deepening its global product development, marketing, and after-sales service management systems. Our business covers over 31 countries and regions, including China, Europe, Southeast Asia, South Asia, Oceania, the Middle East, Africa, and Latin America, further consolidating and deepening the business foundation in the China-Europe market. smart is committed to introducing an all-new model to customers each year from 2022 to 2025, entering niche markets we had never entered before, and enriching the all-electric family matrix of the smart series.

smart takes the world as its canvas, allowing inspiration to unfold. In 2024, we carried forward the "Sensual Purity" design language of the Mercedes-Benz global design team, infusing more forward-looking, pioneering, and playful design concepts to create a "globally versatile and whimsical design for both urban comfort and outdoor adventure". This approach integrates more premium, diverse, and fun-filled driving experiences into our latest model — smart #5.

In 2024, the seats of the all-new smart #5 were certified by the CATARC Automotive Test Centre (Tianjin) Co., Ltd., a leading Chinese authority on comfort certification, and awarded the "Seat Comfort Star" A-level rating.

● "Seat Comfort Star" Certification

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Intelligent Innovation

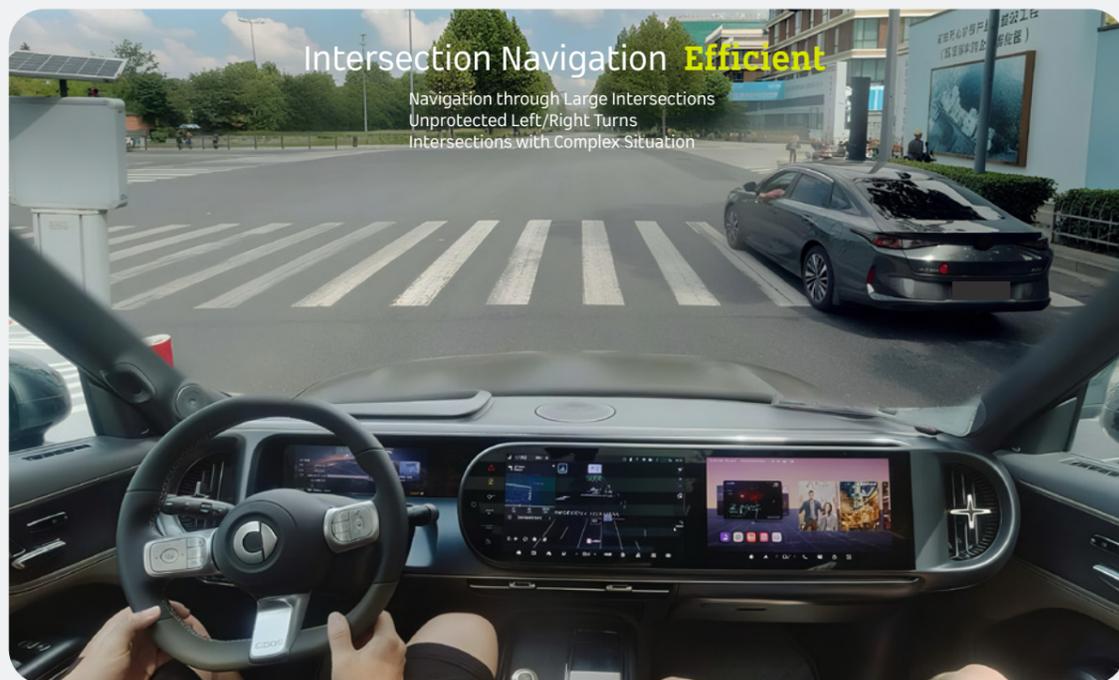## Intelligent Assisted Driving Technology

Intelligent assisted driving system is a key focus of smart's technological innovation, deeply integrating the concepts of safety, efficiency, and sustainability. Through full-scenario intelligent decision-making and forward-looking technological deployment, it reshapes future green mobility and injects core driving force into intelligent transportation. In 2024, smart achieved multiple key technological breakthroughs in the field of intelligent driving and secured two industry firsts: "entering the first tier of high-level intelligent driving" and "being the first international brand to launch urban pilot assisted driving in China".

While making breakthroughs in Advanced Driving Assistance System (ADAS), smart intelligent driving team has also established a full-stack independent development system for intelligent driving, achieving independent development and functional delivery. Its core includes functional and system development, architecture design, software development, hardware development, algorithm development, system integration and testing, etc. smart has also built an independent and controllable intelligent computing centre, independently developed core algorithms, achieved "dual-core control" of data and algorithms, and secured the access ticket to the era of "AI-defined vehicles".

Highlight Case: smart Pilot Pro (NSP Pro) NCA System

● ■ ▲

In 2024, we launched the new-generation smart NSP Pro, of which advanced system supports navigation cruise assistance on all road segments, including highways, elevated roads, and urban areas. This high-level intelligent pilot assistance function can achieve an average intersection passage success rate of over 95%, an all-scenario lane change success rate of over 93%, and a ramp merging success rate of over 95%.

This system utilises the most advanced "true mapless, end-to-end" technology. Based on large model technology integrating radar, cameras, navigation, and other visual-language behaviours, and combined with a safety rule network, it can handle highly complex scenarios, achieving human-like driving behaviour and habits close to those of a mature driver, and fulfilling smart's core philosophy of "safety, comfort, and efficiency" in intelligent driving.
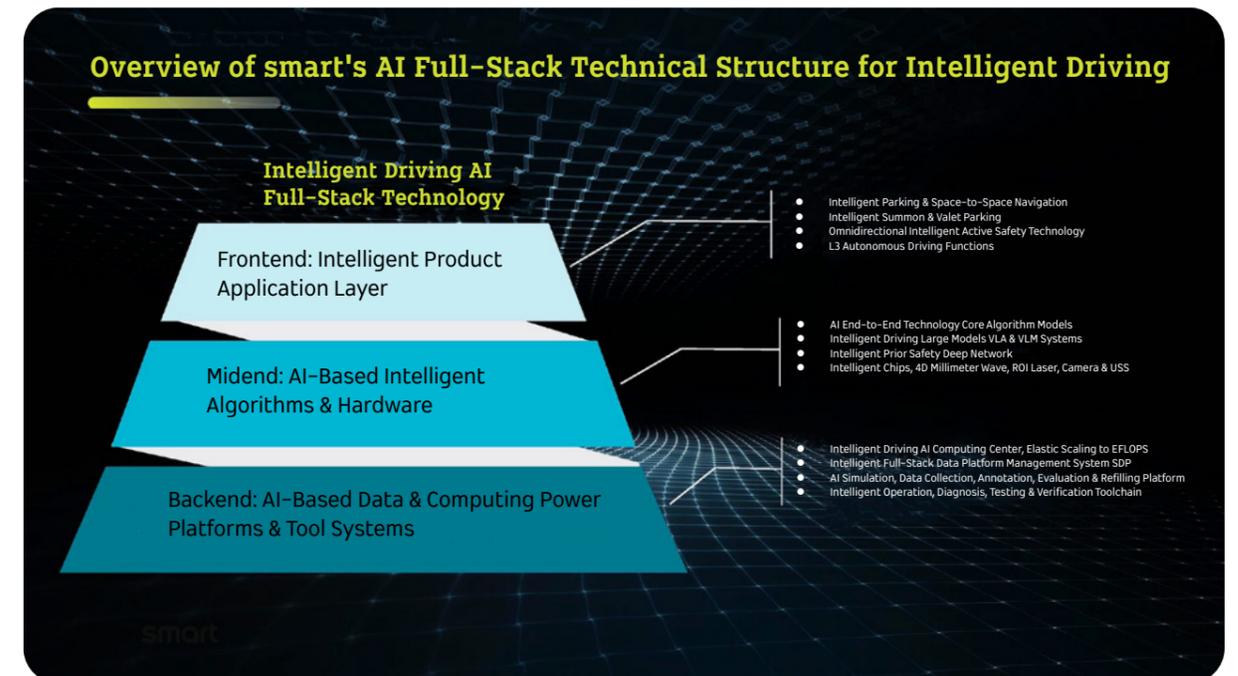

Intersection Navigation **Efficient**
Navigation through Large Intersections
Unprotected Left/Right Turns
Intersections with Complex Situation

● smart NSP Pro can handle complex situations at intersections and smoothly avoid and navigate around obstacles.

Overview of smart's AI Full-Stack Technical Structure for Intelligent Driving

Intelligent Driving AI Full-Stack Technology

Frontend: Intelligent Product Application Layer
- Intelligent Parking & Space-to-Space Navigation
- Intelligent Summon & Valet Parking
- Omnidirectional Intelligent Active Safety Technology
- L3 Autonomous Driving Functions

Midend: AI-Based Intelligent Algorithms & Hardware
- AI End-to-End Technology Core Algorithm Models
- Intelligent Driving Large Models VLA & VLM Systems
- Intelligent Prior Safety Deep Network
- Intelligent Chips, 4D Millimeter Wave, ROI Laser, Camera & USS

Backend: AI-Based Data & Computing Power Platforms & Tool Systems
- Intelligent Driving AI Computing Center, Elastic Scaling to EFLOPS
- Intelligent Full-Stack Data Platform Management System SDP
- AI Simulation, Data Collection, Annotation, Evaluation & Refilling Platform
- Intelligent Operation, Diagnosis, Testing & Verification Toolchain

In addition, smart won multiple awards in the 2024 National Intelligent Driving Test Competition Finals, including the Annual Outstanding Power Output Award, Annual Urban Navigation On Autopilot (NOA) Excellence Award, and Annual Automatic Emergency (AEB) Braking Excellence Award.

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Highlight Case: Industry–University–Research Collaboration to Jointly Build Innovative Achievements in Intelligent Driving   ● ■ ▲

In 2024, smart jointly developed the industry-university-research project titled "Key Technologies and Applications of Real-Time Intelligent Collaborative Motion Platform for Autonomous Driving Testing" with institutions including Shanghai Motor Vehicle Testing and Certification Technology Research Centre Co., Ltd., Shanghai Intelligent Connected Vehicle Technology Centre Co., Ltd., and Shanghai Jiao Tong University. The research and development achievements of the project are being gradually applied in relevant industrial projects, which will help enhance the technological development capabilities of ecological partners and promote the common development of the intelligent driving industry.
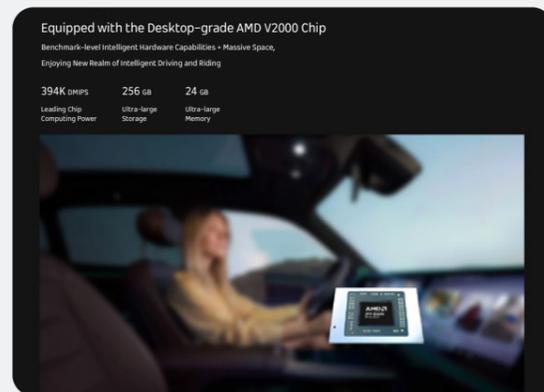
Intelligent cockpit

smart intelligent cockpit takes the convergence of digital ecology and emotional experience as its core, building a "human-vehicle-environment" symbiotic ecosystem. Through the seamless integration of AI algorithms, multimodal interaction, and full-domain ecological interconnection, it creates a mobile living space that combines emotional warmth with driving and riding experiences, redefining the humanistic care and technological boundaries of future mobility.

Highlight Case: Benchmark Strength in Intelligent Hardware, Savoring a New Realm of Intelligent Driving and Riding Experience   ● ■ ▲

smart #5 is the first SUV equipped with the desktop-class AMD V2000 chip. In the latest 2024 vehicle system performance tests, smart #5 dominated the rankings, securing the industry's top position with computing power approximately twice that of the mainstream Qualcomm 8295 chip. This robust performance unlocks more possibilities for smart #5's intelligent experience. Based on the powerful computing capabilities of the AMD V2000 chip, it enables six-screen intelligent linkage in the cockpit, consisting of a 10.3-inch full-color ultra-high-definition liquid crystal instrument panel, a 13-inch AMOLED 2.5K dual-link display, a 25.6-inch AR-enhanced head-up display (HUD), a 233-inch vehicle-grade full-color laser projector, and smartphone integration. Additionally, thanks to the desktop-class computing power of the AMD chip, the vehicle system can achieve Unreal 3A game-grade rendering with top-tier special effects, presenting diverse dynamic visuals and delivering a more vivid and immersive experience to users.

Equipped with the Desktop-grade AMD V2000 Chip
Benchmark-level Intelligent Hardware Capabilities + Massive Space,
Enjoying New Realm of Intelligent Driving and Riding

394K DMIPS   256 GB   24 GB
Leading Chip   Ultra-large   Ultra-large
Computing Power   Storage   Memory

● smart #5 vehicle system is equipped with the AMD V2000 platform, delivering enhanced computing power.

Highlight Case: Integration of AI Large Model   ● ■ ▲

As more and more users adopt AI interaction software on their mobile phones, smart #5 has also sought to enhance user experience through AI. The Chinese version of smart #5 utilises ByteDance's self-developed "Doubao AI large model", while the overseas version will integrate with relevant ChatGPT models. smart has co-created a more powerful and algorithmically advanced smart AI large model with Doubao AI large model, deeply integrating ByteDance's diverse service network and cutting-edge algorithms to deliver the comprehensively evolved smart OS 2.0. As of the Reporting Period, smart #1, #3, and #5 have all completed the upgrade from smart OS 1.0 to 2.0, maintaining the brand's tone while achieving comprehensive upgrades in vehicle functions, bringing users a new intelligent cockpit experience that is "more attuned to you".

● smart OS 2.0 Local Life Large Model

Digital Empowerment

Driven by the sustainability strategy, smart continues to advance intelligent upgrades and digital transformation, building a digital system matrix covering multiple business modules to enhance operational efficiency. We reengineer business processes with data intelligence to create a digital operational ecosystem featuring efficient collaboration, intelligent decision-making, and agile responsiveness, injecting innovative momentum into the Company. During the Reporting Period, the total investment by the Company in digital system construction amounted to RMB 2 million.

Highlight Case: Development of Digital Management Platform for Business Modules   ● ■ ▲

During the Reporting Period, the Company deployed digital and intelligent processes for vehicle cybersecurity, risk management, and product marketing systems. We launched a total of 4 digital platforms to enhance efficiency and optimise management processes across various operational sectors:

- **Vehicle Security Development Lifecycle Management Platform:** Manages and controls deliverables throughout the entire process of vehicle cybersecurity for self-developed models, including concept, development, and testing.
- **Vehicle Security Operations Centre Platform:** Integrates with intrusion detection and prevention systems to form a security monitoring system of Internet of Vehicles (IoV), capable of real-time security threat monitoring, alarm log querying, and security posture awareness. Security operations personnel can formulate corresponding security strategies based on security posture assessments.
- **Threat Analysis and Risk Assessment Platform:** Identifies cybersecurity risks and potential attack paths at the vehicle and vehicle function levels, comprehensively evaluates vehicle cybersecurity risks, and assists teams in developing cybersecurity declarations, objectives, requirements, and mitigation measures.
- **Product Expert Assistant:** An AI tool developed based on Retrieval-Augmented Generation (RAG) technology, equipped with information retrieval and language generation models. Focused on addressing questions and providing answers in scenarios such as marketing policies, product selling points, sales script, and competitor comparisons, it helps product experts master the Company's sales guidance materials.

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Highlight Case: smart Vehicle Diagnostic System (SVDS) Delivery

In 2024, smart upgraded and developed the Vehicle Diagnostic System (VDS), which includes a total of 12 subsystems, such as SVDS, effectively empowering critical procedures such as R&D, production, and after-sales services. The system supported diagnostics for all smart models on sale in the Chinese market.
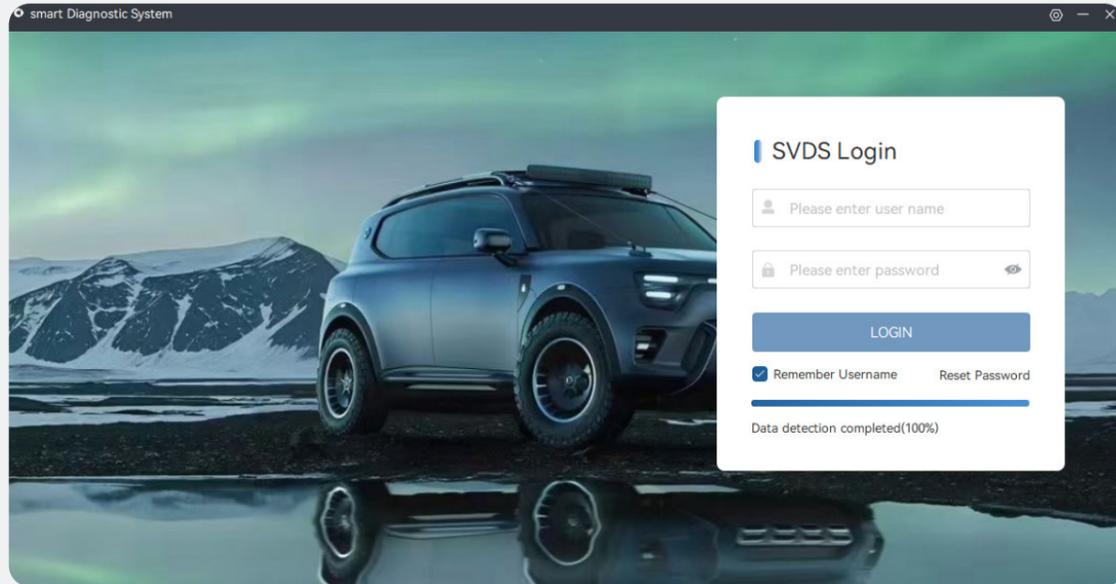
● The SVDS system incorporates dynamic intelligent topology functionality and industry-leading information security, effectively enhancing maintenance efficiency by nearly 30%.

Quality Management

smart regards product quality as the lifeline of the Company, establishing a quality management and control system covering the entire process of R&D, production, and after-sales services to create a safe and reliable mobility experience for users.

Product Quality

The Company strictly complies with laws and regulations relating to product quality in all its operational jurisdictions. It has formulated and implemented a total of 100 quality management documents, including the *Quality Manual, Quality Objectives,* and *Whole Vehicle Review Management Regulations,* integrating necessary quality management measures into each stage of the product lifecycle. During the Reporting Period, in response to national safety requirements for new energy vehicles, we incorporated the requirements of the new energy vehicle safety management system into our quality management system.

smart's quality management system is continuously improving. We have integrated our subsidiary (smart (Zhejiang) Software Technology Co., Ltd.) into the Company's quality management system scope and established a suitable, effective, and adequate management system for it. In 2024, the Company and this subsidiary jointly obtained ISO 9001 Quality Management System certification from an internationally authoritative third-party organisation.

smart 2024 Quality Management Achievements

- In December 2024, smart obtained the New Energy Vehicle Safety Management System certificate through certification by a China-based authoritative third-party organisation, becoming one of the first automotive companies in Chinese market to receive this certificate.

- In 2024, the Company and its production bases passed the German KBA conformity supervision audit, Spanish GSR2.0 conformity supervision audit, and UK VCA conformity extension assessment, further laying a compliance foundation for product exports.

- German E1 Product Certification: Completed e1 WVTA certificate extensions for smart #1 and #3, and obtained smart #5 e1 WVTA for the first time.

UK VCA Conformity Extension Assessment Certificate

ISO 9001 annual surveillance audit

smart New Energy Vehicle Safety Management System Certificate

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◄ **Full-Process Quality Management and Control Measures** ►

Supplier Quality Management

- smart SQE realizes the management and approval of the Advanced Product Quality Planning and Production Part Approval Process for all newly developed parts through an online system.
- We issued a total of 13 SQE quality management related process system documents, and completed system enhancement work such as system audits and process audits for high-risk suppliers.
- In 2024, smart SQE conducted annual audit for 75 suppliers, and completed the rectification closure for the audit problem points.

Internal Quality Evaluation

- Strictly refer to the *Global Customer Product Audit (GCPA)* and *Annual Audit Plan* requirements to conduct comprehensive evaluations of the whole vehicle. Random inspections are performed on product safety, functionality, performance, and odor to ensure each batch of products passes rigorous inspection processes.

Production Quality Management

- The Company compiled the *smart New Product Production Quality Problem Management Plan*. To address the quality issues of new products during the production phase, 11 cross-departmental special work teams have been established to collaborate and promote the resolution of difficult issues.

Mass-Production Quality Control

- Establish a whole vehicle review team, conduct sampling reviews of no less than 1 unit of mass-produced models every day. The quality team conducts unannounced inspections monthly, evaluating product quality while performing vision calibration for reviewers at the factory base.
- During the Reporting Period, the Company carried out vehicle tests for Vehicle of Customer Fleet (VOCF) and Quality Reliability Test (QRT), with a total of 14 vehicles tested and a cumulative mileage of 182,387 kilometres.

Market Monitoring and Early Warning

- The establishment of the China Early Warning System (EWS) completed. It daily monitors the health status of power batteries of vehicles in the market, promptly warns of abnormal power battery issues, proactively identifies and addresses market problems, and enhances vehicle owners' satisfaction.
- In accordance with the requirements of the State Administration for Market Regulation, carry out the filing work for recall and vehicle warranty services information (repair, replacement and refund), and update and upload it to the national information system platform every month.

Quality After-sales Management

- Through in-depth mining of after-sales data in the system, accurately assess the occurrence of quality problems, providing a strong basis for product quality improvement.
- Daily collect quality problems feedback from the market, categorise and handle them, put new problems on record for investigation, and promote the sound handling of major after-sales issues.

Highlight Case: Quality Capability Empowerment

● ■ ▲

In 2024, smart continued to spread the quality culture, conducted multidimensional quality training and exchanges for employees, endeavoured to embed quality awareness in employees' minds, and cultivate high-quality professionals. During the Reporting Period, we organised a total of 45 quality related training and exchange activities, with a total of 862 participants.

Training Dimension	Training Content
Quality Awareness Enhancement	Carry out the "Thematic Training on Quality and Safety Awareness" for all employees, invite external professional lecturers, and focus on exploring how to utilise the quality management systems to establish and improve quality-related work.
New Employee Quality Advocacy	Conduct the "New Employee Training on Quality Management System" for new employees, guiding them to have a preliminary understanding of the smart quality system.
Professional Knowledge Training	During the Reporting Period, several professional knowledge trainings have been carried out, covering topics such as "Electrostatic Discharge Training" and "Chip Failure Analysis Training". Aimed at professionals at the global quality centre, these trainings enhance engineers' systematic problem-analysis and solution capabilities, and strengthen product process quality control capabilities.

● Quality-related Training

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Product Safety

Product safety is the core baseline of intelligent mobility, bearing users' personal safety and corporate social responsibility. smart adopts a multidimensional safety architecture including active prevention, passive protection, interior environment and battery safety assurance. Vehicles are designed and developed strictly in accordance with the "dual five-star" safety standards of China and Europe, reducing travel risks and ensuring the healthy development of social transportation.

Highlight Case: smart #3 has won Good ratings in the China Insurance Automotive Safety Index (C-IASI).

On March 19, 2024, results of the latest round of safety crash evaluations by C-IASI were released. smart #3, participating in the evaluation for the first time, received Good rating with its outstanding performance, fully demonstrating smart's comprehensive strength in the field of product safety and fulfilling the commitment to safeguard users' worry-free journeys across all aspects. In this evaluation, smart #3 received Good ratings in three core indices: occupant safety, pedestrian safety, and vehicle assist safety, as well as in seven key tests.
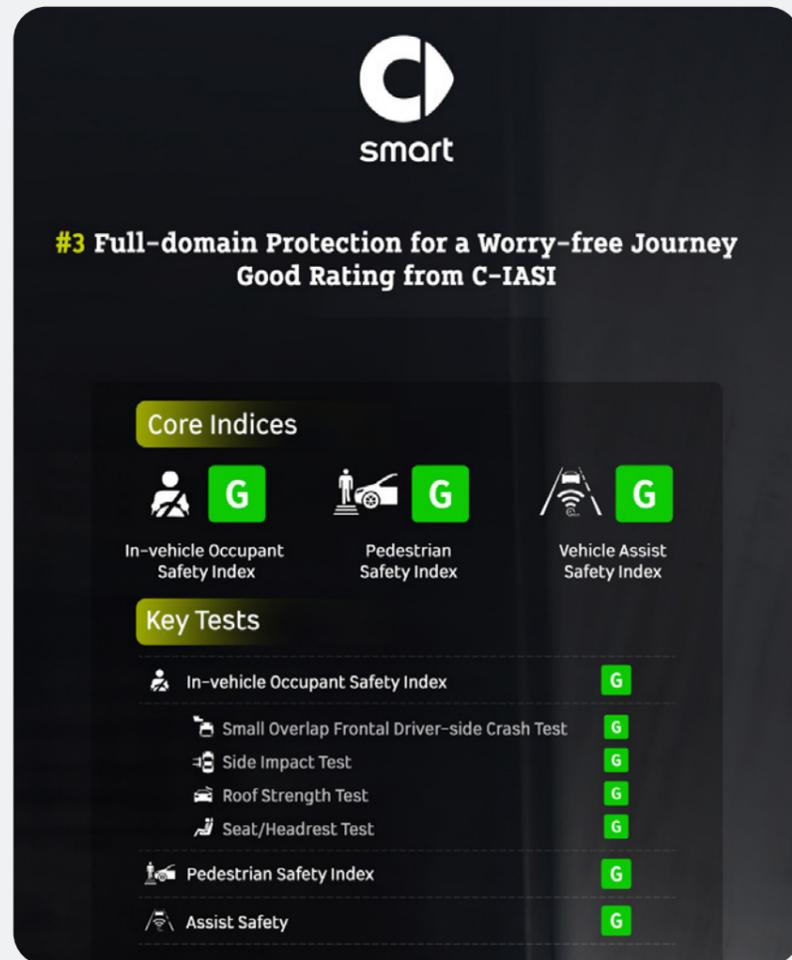

Active Safety

Active safety refers to a vehicle's capability to prevent accidents, where the vehicle can utilise intelligent systems for real-time prediction and risk avoidance. This serves as the fundamental support for intelligent electric vehicles to achieve high-level intelligent driving and build user trust in safety. smart has always adhered to the bottom line in protecting occupants, enhancing active safety of intelligent driving through mature active safety systems and reliable human-machine interaction experiences.

Highlight Case: Vehicle Active Safety Functions

In terms of active safety systems, smart comes standard with longitudinal and lateral active safety systems, including but not limited to corresponding active safety functions such as Automatic Emergency Braking (AEB) and Lane Support System (LSS). These configurations serve to reduce the occurrence of relevant safety incidents and safeguard passenger safety:

- Distraction Reminder: When the driver's sightline deviates, pop-up alerts will appear on the dashboard and central control screen.

- Alertness Mode: Once activated, functions such as air conditioning and seat ventilation will be adjusted to maximum airflow to reduce fatigue from prolonged driving.

- Blind Spot Monitoring: When there is a vehicle in the blind spot, if the driver attempts to change lanes, the vehicle will provide visual, audio, and display prompts.
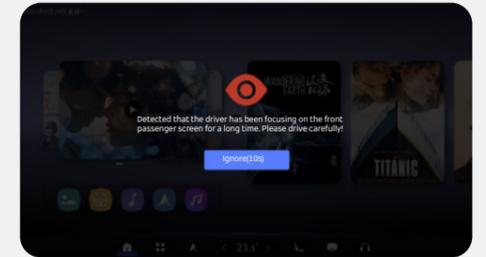
If the driver's sightline deviates to the passenger screen, a pop-up prompt will appear on the passenger screen accordingly.

Highlight Case: Vehicle Interaction Safety and Alarm System

To enable users to quickly master smart NSP Pro and fully understand its features and precautions, we have established training tutorials and a 15-question test process for the system. Additionally, if the user's hands remain off the steering wheel for an extended period while using NSP system, an alarm reminder will be triggered, using three methods, audible, optical, and textual, to prompt the user to hold the steering wheel. There are also three levels of alarms set to ensure that users can take over the vehicle in the shortest possible time when the vehicle requires handover, maximising the protection of the owner's personal safety.
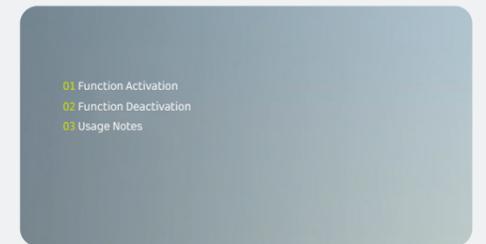
smart NSP Training Video

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Passive Safety

Passive safety, through designs such as body structure and airbags, aims to maximise the protection of occupants in accidents. For intelligent electric vehicles, it serves as both the bottom line for safeguarding users' lives and the cornerstone of trust for battery protection and the large-scale implementation of intelligent driving technologies.

Highlight Case: smart #5 Three-Layer Protection Zero-Gravity Seat   ● ■ ▲

smart #5 is equipped with a zero-gravity seat, and smart is the first one in the industry to complete crash tests on front-row zero-gravity seats. We also collaborated with the China Automotive Engineering Research Institute (CAERI) to conduct vehicle integrated safety protection system tests, considering occupant safety of users of different heights, and successfully passed all test procedures of CAERI. We have incorporated three layers of protection into the zero-gravity seat:

- Seat Cushion Airbag: The airbag deploys during a collision to prevent passengers from slipping out of the seat;

- Automotive Belt Technology System (ABTS): The integrated seatbelt remains conformed to the body when reclined, ensuring the seat provides effective protection at any angle;

- V-Type Side Curtain: We have expanded the protection area of the side curtain, so that when users are in a zero-gravity sitting position, their heads can still be well protected.

In addition, we have collaborated with renowned Chinese testing institutions and universities to carry out research and jointly promote the establishment of safety performance standards for zero-gravity seats.

● smart #5 Successfully Completed China's First Front Passenger Large-Angle Seating Position Crash Test

Highlight Case: Body Structure and Interior Safety Protection   ● ■ ▲

smart #5 places great emphasis on rigid body collision protection, widely using hot-formed steel and high-strength steel throughout the vehicle, with usage rates of 19% and 74% respectively. This significantly enhances the overall torsional rigidity and strength of the vehicle. We have also incorporated a high-strength cage-type body structure and chassis armor design to provide 360° protection for occupants. In more than 130 completed collision and safety tests, occupants have been well protected.

Highlight Case: Battery Safety Protection   ● ■ ▲

smart #5's battery pack adopts integrated one-piece technology, which not only saves space and reduces the number of components but also achieves industry-leading safety standards, with superb heat dissipation performance and a total of 25-layer battery protection technology. In terms of thermal protection technology, it features eight major safety safeguards, including millisecond-level power cutoff, automatic early warning, multi-layer thermal insulation, and others. During the Reporting Period, we conducted a total of 218 battery pack tests and more than 600 component tests, continuously optimising battery pack design and material selection to enhance battery safety performance.

Interior Environment Safeguarding

smart takes interior health as its core, enhancing cockpit environmental safety through innovative eco-friendly materials and refined craftsmanship. The vehicle's soundproofing pads utilise renewable washable cotton instead of traditional recycled cotton or denim cotton. Through a unique multi-step washing process, small-molecule impurities in materials are deeply removed, significantly reducing volatile organic compound (VOC) content and optimising odour performance to minimise pollution risks at source. We ensure in-cabin contact surface materials balance functionality with health and safety through rigorous material selection and production process control, delivering a fresh and reassuring driving environment for passengers. Additionally, smart endeavours to provide low-noise driving experiences and smart #5 was awarded the "2024 Top 10 Low Wind Noise Models" by CAERI in 2024.

smart #5
"2024 Top 10 Low Wind Noise Models" by CAERI

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Quality Issues Handling Mechanism

smart always places product safety and consumer rights at the forefront, continuously improving its quality management system and after-sales service system. The Company has formulated and implemented special institutional documents such as the *smart Recall Activity Details* and the *smart China-Europe Market Product Quality Issue Response Procedures,* establishing a standardised and regulated closed-loop mechanism for handling quality defects.

For product recall efforts, the Company has established cross-functional virtual task forces as needed, composed of departments such as Legal and Compliance, R&D, Quality, Procurement, PR, and After-Sales Service. Through a regular joint meeting mechanism, the Company systematically advances regulatory policy research, recall risk assessment, and execution plan optimisation to ensure efficient implementation and compliance management of recall actions across global markets.

During the Reporting Period, the Company initiated one recall activity in total. The seatbelt height adjuster recall activity in the Chinese market involved 3,516 vehicles. As of December 31, 2024, 2,295 vehicles were recalled, achieving a completion rate of 65.27%.

User First

smart always puts users at the centre, practises responsible marketing, advocates sustainable consumption, enhances service quality, and works hand in hand with users to co-create value, build vibrant communities, and forge a sustainable future together.

Responsible Marketing

To standardise agents' retail business conduct and guide agents to operate in compliance, smart has issued and required authorised agents to follow the *smart Agent Management Standards — Retail Business Specifications*, which cover retail conduct regulations, authorised channel regulations, market communication and activity regulations, user operation regulations, and other smart specifications that must be adhered to. Relying on online platforms such as the smart official website, app, and mini-programme, users can conduct real-time queries on the configuration, optional packages, corresponding prices, and current sales policies of vehicle lineup, and obtain information on exclusive consumption rights and customised financial services, ensuring transparent information interaction and effectively safeguarding consumer rights.

We have issued the *smart China Retail Market Incentive Policy Guidelines Manual* and related standard documents, requiring agents to standardise the planning, execution, and verification of local market activities, and assigned third-party supervisory companies. The relevant rules cover online advertising placement monitoring, price evaluation, offline activities, third-party unannounced inspections, and other aspects. smart has established brand hub platforms (Brand Hub and Assets Hub) to achieve centralised distribution and dynamic management of global market brand guidelines and promotional materials, ensuring unified brand imagery and compliant communication.

● smart Brand Hub Platform

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Highlight Case: smart Diversified Marketing Training to Boost Employee Capability Enhancement   ● ■ ▲

In 2024, smart delivered a total of 367 online and offline marketing training sessions for agents, with 26,178 attendees, covering themes such as new employees, management positions, product launches, and agent assessments. As of the end of the Reporting Period, we have newly developed 93 courses and iterated 34 courses. We launched the development of smart #5 product launch training courses, including the delivery of sales, delivery, and service content, as well as hands-on verification of the intelligent driving assistance system, to ensure frontline partners can better introduce the product highlights and functions of smart #5 to customers.

● smart #5 Product Launch Training

Customer Service

Enhancing User Satisfaction

smart has issued and implemented the *After-Sales Satisfaction Survey Guidelines*, refining and implementing a service satisfaction evaluation system from lifecycle perspective. Based on multi-dimensional data such as "After-Sales Five-Star Instant Review", customer complaints, and service activities, combined with actual service scenarios and store operations, we regularly revise smart's service process standards, strengthen service skill training for frontline staff, and enhance user service reputation. We reasonably calculate the standards for service personnel allocation according to the number of vehicles under the store's maintenance, standardise job responsibilities across different roles, and safeguard the service experience for users visiting the stores.

◀ **smart Lifecycle Service Satisfaction Evaluation System** ▶

Activity — Repair and maintenance — Charging — OTA — Roadside assistance — Deliver — Earnest order — On duty — Test drive — Pick-up and delivery — Walk in — Club

Evaluation centre sends the questionnaire to collect feedback

Satisfaction management team integration analysis

Agent to improve   smart to improve

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Expanding Customer Communication Channels

The Company has always attached great importance to customer communication and feedback, sincerely listening to needs, establishing a two-way communication mechanism, continuously optimising services, and working together to co-create value. smart users can provide feedback through channels such as the smart app, smart hotline, and online customer service. We have set up evaluation systems including "After-Sales Five-Star Instant Review" and Net Promoter Score (NPS) recommendation surveys across different platforms to better listen to customer demands.

We have established and implemented the *Customer Complaint Management Procedure* within the Company to standardise the handling and feedback processes for consumer complaints. Customer complaints are categorised into three levels — general, urgent, and critical — and multiple categories such as service-related, product-related, maintenance-related, and parts-related, to enable precise categorisation and response to customer complaints.

smart Customer Feedback Evaluation System

After-Sales Five-Star Instant Review

After users receive after-sales service, smart sends a survey questionnaire about the service to users via the smart app or SMS within two hours after the service is completed. Users can directly rate the service. In 2024, smart's "After-Sales Five-Star Instant Review " service score reached 96.5 points.

NPS

smart conducts quarterly NPS surveys for all users, sending survey questionnaires to users via the smart app for follow-up and conducting questionnaire collection and analysis. The issues feedbacked by users are then summarised and fed back to relevant business departments for operational improvement and rectification.

smart has established Customer Experience Centre (CEC) in all global operating locations to continuously listen to customer voices through all-round channels. The CEC system records customer complaint content, customer information, and corresponding tags. Upon receiving complaints or feedback, it synchronises them to relevant stores via the Customer Service Platform (CSP) and requires a response within 2 hours, with a timely response rate of 93% in 2024. During the Reporting Period, we deployed intelligent robots on online customer service channels to answer customer inquiries based on a knowledge base, while manual customer service representatives intervene at any time according to customer needs to ensure timely responses, avoid long waiting time, and maintain smooth interactions.

User Community

Co-creation with Users

smart takes "Open Your Mind" as its brand proposition, encouraging users to break boundaries and jointly explore the infinite possibilities of future mobility and lifestyle. We organise diverse user co-creation and community activities, including smart times, new owner seminars, user self-driving trips, brand collaboration activities, etc., inviting users to participate. In 2024, we carried out a total of 1,290 marketing activities, covering a cumulative 29,704 existing vehicles.

Highlight Case: smart times Trendy and Fun-loving Celebration

smart times, with a 26-year legacy, remains the largest global gathering of smart owners. In 2024, we launched multiple crossover collaborations, bringing fun and quirky product experiences to our companions.

Co-Creation with Owners

Owner Custom Paint Jobs
New and old owners showcase their personalised car inspirations.

Trunk Market
Owners share life inspirations, fully engaging in the new smart community user ecosystem, showcasing a lifestyle that is full of inspiration, friendly, trendy, and smarter.

Co-Creation with Brand Companions

Crocs
Inspiration Ignition Hole: Users can DIY create their own mini crocs charms using Jibbitz accessories.

TREK
Inspiration Power Station: Users are encouraged to engage in cycling activities, through which they can generate electricity via Electricity Generating Bicycle.

Sennheiser
Inspiration Playlist Premiere: Enter the vehicle to experience immersive audio and get early access to the inspiration playlist.

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Highlight Case: "living smart way" – Lively Spirit in Chengdu Yulin   ● ■ ▲

In June 2024, smart organised an innovative co-creation activity in Chengdu Yulin, allowing users to truly experience brand's charm. We recruited and attracted users to deeply engage with the local culture and smart lifestyle through activities such as Chengdu ear picking experiences and hailing smart vehicles on the street. This activity won the Gold Award in the Automotive Category at the 8th Kirin International Brand Marketing Awards, receiving unanimous praise from both industry professionals and the public.

● Chengdu Yulin Companion Hot Pot Party

Additionally, smart actively engages in owner interaction and co-creation. We establish owner communication group chats, invite pioneer users to participate in test drive activities to get early access to new features, and collaborate with agents and R&D teams to discuss pain points and demands, while proactively improving relevant functions. During the Reporting Period, we organised 6 pioneer user OTA co-creation sessions in Beijing, Shanghai, Hefei, Wuhan and other cities in China. Product managers explained the latest OTA functions to companions, and on-site activities such as "brainstorming sessions" and "Q&A sessions" were carried out to listen to companions' authentic voices up close and jointly explore the stories behind intelligent evolution.

● On-Site OTA Co-Creation Session

User Growth

We attach great importance to user growth and value, as users' continuous trust and support serve as the cornerstone of the brand's all-round development. We award consumption points to users and have established an all-in-one point ecosystem platform, the "Integrated Mall" (comprising four modules: smartidea, After-Sales Mall, smart Connectivity Mall, and Inspiration Market). Centred on user needs, we continuously iterate dozens of products across categories such as home furnishings, outdoor gear, pet supplies, celebrity merchandise, and automotive-related items. During the Reporting Period, we awarded over 500 million points to smart companions, with users utilising approximately 1.7 billion points in total.

Highlight Case: From Knowledge Sharing to Community Co-Creation   ● ■ ▲

smart has established an owner service column through its official after-sales app account, featuring the "Knowledge Motor" knowledge platform and the "Aladdin's Wonderful Lamp" interactive module. By regularly publishing vehicle usage guides, festival-exclusive care, and service activity previews, we effectively enhance user interaction with smart and address numerous inquiries about vehicle operation. During the Reporting Period, smart's official after-sales app account published a total of 120 pieces of practical content, with an average of 900 views per article, attracting nearly 10,000 owners' attention.

Information Technology

We consistently uphold information security principles in the digital age, continuously strengthen the construction of technical compliance systems, and safeguard information, privacy, network, and data security to solidify digital development and build an intelligent foundation for sustainability. smart has established a robust comprehensive technical compliance management system, integrating information security, data security, and privacy information management systems to ensure consistency and coherence across all processes. The Company plans to continue developing relevant policy documents for the comprehensive technical compliance management system in 2025, achieving comprehensive improvement of the system construction.
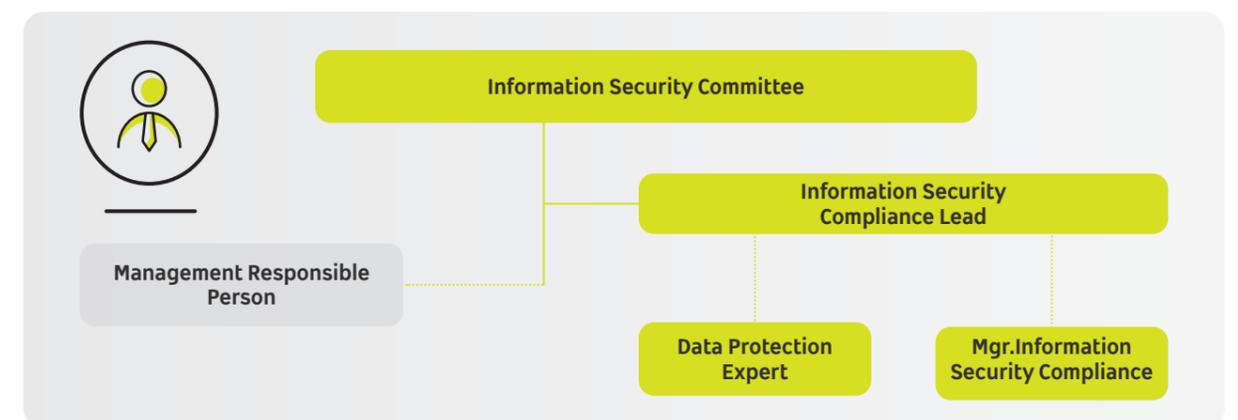
Technical Compliance

Ensuring Information Security

We comprehensively assess the technical compliance laws and regulations requirements in each operating market, strictly adhere to the EU General Data Protection Regulation (GDPR) as the compliance baseline, and comply with China's laws and regulations on information and data security, including but not limited to the *Personal Information Protection Law of the People's Republic of China, Data Security Law of the People's Republic of China*, and *Cybersecurity Law of the People's Republic of China*. We continuously track the latest regulatory developments and constantly adjust and adapt to the regulatory requirements of each jurisdiction. The Company has prepared and implemented multiple internal management policies and detailed regulations with reference to the requirements of systems such as ISO/IEC 27001 *Information Security Management System*, ISO/IEC 27701 *Privacy Information Management System*, and Data Security Management Capability Certification (DSMC), such as the *Information Security Reward and Punishment Guidelines*, and *Data Classification and Grading Management Measures*.

The Company has established an Information Security Committee and an Information Security Implementation Committee, jointly managed by an Information Security Compliance Leader and an Information Security Compliance Manager from the Management, to build a comprehensive information security management system. The Company appoints heads of key departments such as Global Finance, R&D, and Global Manufacturing Centre to jointly participate in the implementation of specific matters including information security risk assessment and information disposal, ensuring information security in all aspects.

◄ smart Information Security Governance Framework ►

Management Responsible Person — Information Security Committee — Information Security Compliance Lead — Data Protection Expert / Mgr.Information Security Compliance

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◂ smart Three-Tier Information Security Management System and Role Allocation ▸

Decision

👤 ▸ **Information Security (IS) Steering Committee**
- ▸ Approve IS strategy, policies, etc.
- ▸ Approve risk assessment result
- ▸ Approve project for treatment implementation

Management

👤
- ▸ **IS Management Support**
- ▸ **IS Compliance lead & CIO**

- ▸ Delegate team in support of ISMS project
- ▸ Provide management support on ISMS implementation

Execution Team

👥 ▸ **IS/CS Implementation Committee**
- ▸ Develop required documentation and collect relevant evidence
- ▸ Organize the risk assessment
- ▸ Implement approved risk treatment
- ▸ Conduct cross-department audit

smart and its four subsidiaries have all completed the ISO 27001 Information Security Management System and ISO 27701 Privacy Information Management System certifications, and completed the annual external audits for ISO 27001, ISO 27701, and DSMC during the Reporting Period. Additionally, smart completed the extension of the *UN R155 Automotive Cybersecurity Management System* (CSMS) certification issued by the Kraftfahrt-Bundesamt (KBA) in the Reporting Period, and completed the annual surveillance audit.

As of the end of the Reporting Period, the Company has a total of five systems (Customer Data Platform (CDP), Customer Engagement Centre (CEC), E-Commerce (EC), smart app, and Agent Dashboard Platform (ADP)) certified at Level 3 National Information Security Protection Standard, and one system (smart official website) certified at Level 2.

● Certificate of CSMS for smart issued by KBA under UN R155

We regularly conduct annual inventory of the Company's information assets, perform information security risk assessments based on the results, and carry out information security risk assessments for business scenarios in line with business needs. In accordance with the *Management Specification for Personal Information Security Incidents* and *Information Security Incident Management Process* we implement classified handling of information security incidents, which are divided into five levels: information security events, Level 1 to Level 4 information security incidents. Unified records and incident scoring results are maintained.

> 🎆 **Highlight Case: Collaborative Efforts to Ensure Compliance with Information Security Standards**   ● ■ ▲
>
> smart is committed to leveraging its expertise in information security to collaborate with industry peers and research institutions, jointly exploring the development of information security standards. During the Reporting Period, the Company, together with the China Association of Automobile Manufacturers, China Academy of Information and Communications Technology, and other relevant parties, jointly developed regulatory documents such as the *Data Partner Security Assessment Requirements* and *Data Security Management System Requirements for Automotive Companies*.

Information Security Key Performance Indicators

During the Reporting Period,

0
information security vulnerabilities or cybersecurity incidents

0
data breach incidents

0
customers and employees affected by the Company data breaches

0
monetary penalties related to information security vulnerabilities or other cybersecurity incidents

Standardising Data Governance

During the Reporting Period, smart developed and issued a total of nine data governance-related management documents, including the *Data Internal Sharing Management Specification, Regulations on Data Service Management*, and *Data Quality Management Policy*, strictly complying with the relevant laws and regulations of the jurisdictions where it operates. During the Reporting Period, the Company has appointed Data Privacy Officers (DPOs) in each operating location, responsible for providing data governance-related information and management advice to the Company and internal relevant managers to ensure compliance with local regulatory requirements. DPO in Europe and overseas territories serve as bridges for cross-regional regulatory requirements, conducting monthly communications, reporting on regulatory events such as data breaches, and assisting in responding to data subjects' requests for personal information rights.

In 2024, we released an updated version of the data asset catalog, incorporating multiple enhancements and upgrades. New features introduced include system overviews, master data asset catalogs, BI report annotation information, and report previews. We have added data storage and data quality comparison functions to the new master data platform system to strengthen control over the Company's master data. During the Reporting Period, we implemented closed-loop handling for data quality issues raised by various business departments, resolving a total of 17 data quality issues.

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⭐ **Highlight Case: Data Processing Agreement (DPA) Optimisation and Training**   ● ■ ▲

As smart continues to expand into overseas markets, we improved internal DPA templates during the Reporting Period. We revised DPA originally only applicable to the Chinese market, expanding its applicable market scope to enable a single DPA to directly cover functions or services across multiple markets.

During the Reporting Period, we conducted training on DPA, delivering presentations to the Marketing & Sales (MSS) China and Overseas Procurement departments to explain the usage guidelines and precautions for the updated internal DPA template. Additionally, to ensure that relevant professionals fully understand the specific work requirements, we launched a supporting "specialised training test on DAP".

⭐ **Highlight Case: Data Cloud Resource Space Optimisation**   ● ■ ▲

In 2024, we completed the cloud migration of big data by downscaling and consolidating various application systems to optimise the Company's cloud resource utilisation. Additionally, we shut down test environment servers between 22:00 and 09:00 the next day every day, effectively reducing operational costs and energy consumption while comprehensively enhancing cloud resource efficiency.
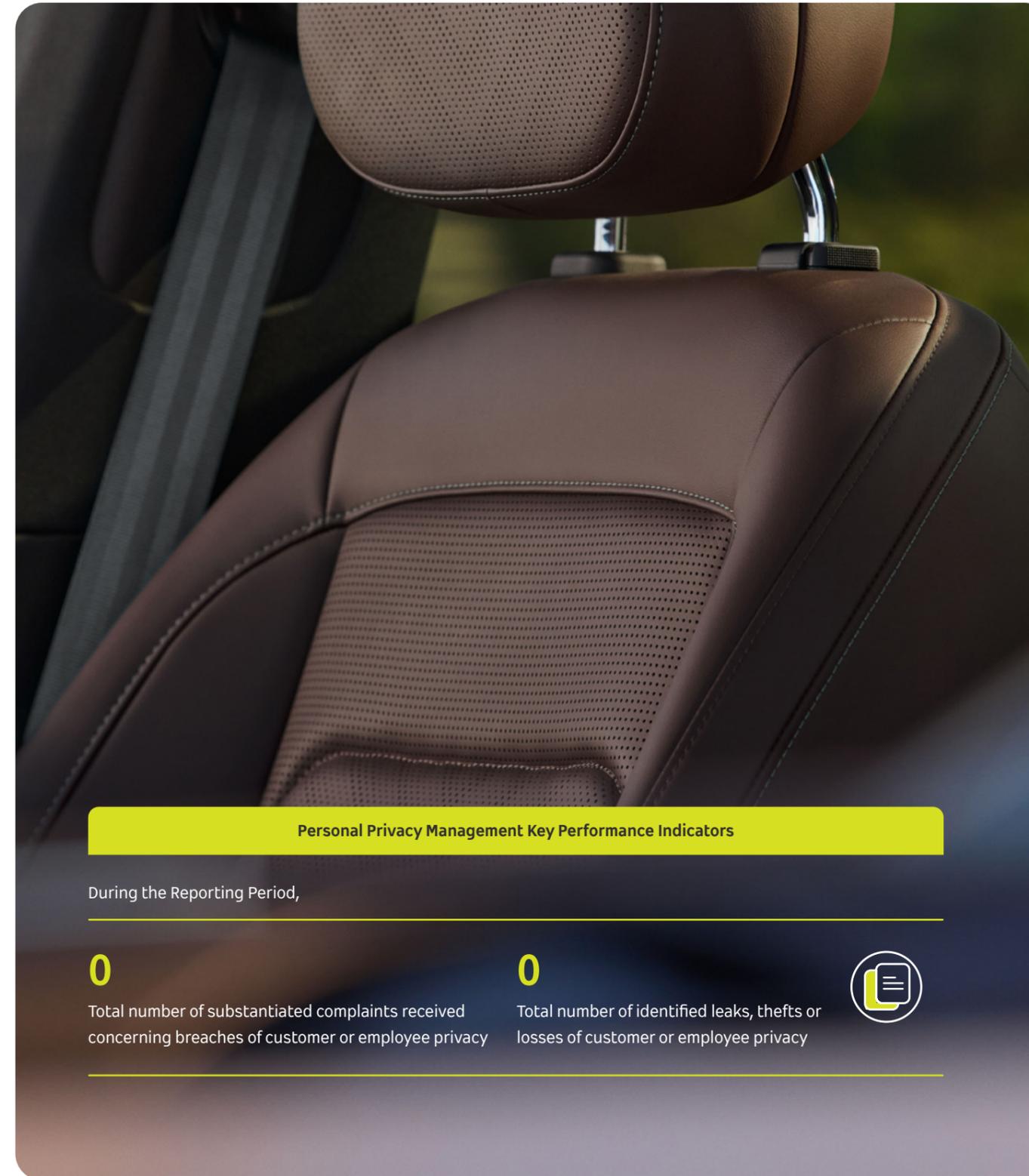
Protecting Personal Privacy

The Company has developed and implemented multiple internal management policies, including the *smart Automobile Personal Information Protection Policy* and *Employee Privacy Policy,* consciously complying with ethical and legal norms related to privacy protection, assuming responsibility for the security of personal privacy information, and providing clear, concise, and understandable privacy information collection, processing, and storage management processes for users, employees, owners, and other individual stakeholders.

To ensure that owners can fully understand how their vehicle data is processed and grant them complete control over data sharing, we provide owners with access to individually manage permissions for sensitive data such as vehicle location, microphone, and camera. This ensures autonomous control over their personal data. In the process of private data processing, we adhere to the principle of "Minimality and Necessity ", only collecting and processing data that is strictly necessary to fulfill specific functions, thereby maximising user privacy protection.

The Company has established a public privacy and security reporting mailbox, open to users and all stakeholders, to actively receive and address information security or privacy protection–related incidents that are detected or suspected. When engaging in external collaborations with third parties, we not only focus on user personal information but also uphold employee privacy protection. When using or processing personal information of employees, users, and car owners, we will sign DPA with the relevant parties.

smart Information Security Feedback Mailbox: hq.dataprotection@smart.com

Personal Privacy Management Key Performance Indicators

During the Reporting Period,

0
Total number of substantiated complaints received concerning breaches of customer or employee privacy

0
Total number of identified leaks, thefts or losses of customer or employee privacy

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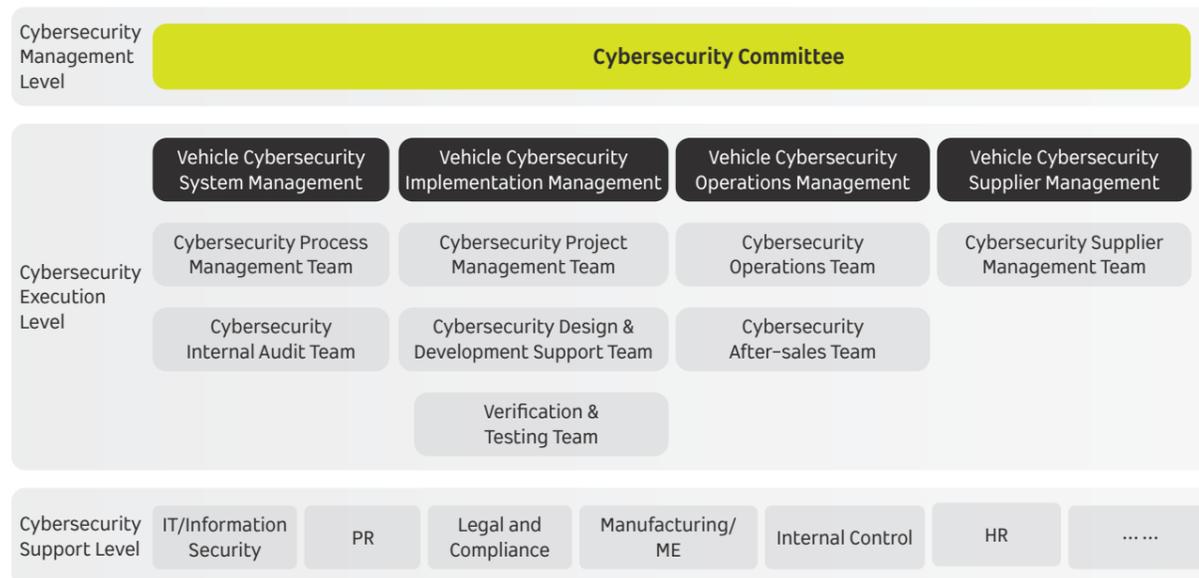smart | 2024 Sustainability Report   67 / 68

Cybersecurity

In 2023, smart established CSMS for IoV and developed relevant management documents to effectively ensure information and network security throughout the vehicle's lifecycle. During the Reporting Period, the Company's CSMS underwent iterations, with a total of six new institutional policy documents added, including the *Automotive Cybersecurity Operations Procedure* and *Cybersecurity Self-Developed Vehicle Model Development Procedure*, and five system documents optimised and revised.

smart has established a top-down automotive cybersecurity management system, featuring a three-tier structure led by the Cybersecurity Committee, covering cybersecurity management, execution, and support levels. This structure collaborates with relevant departments to implement and operate the vehicle cybersecurity system and manage suppliers, maintaining the effectiveness of the CSMS through cross-departmental monthly meetings.

◀ smart **CSMS Management Structure** ▶

Cybersecurity Management Level	Cybersecurity Committee			
Cybersecurity Execution Level	Vehicle Cybersecurity System Management	Vehicle Cybersecurity Implementation Management	Vehicle Cybersecurity Operations Management	Vehicle Cybersecurity Supplier Management
	Cybersecurity Process Management Team	Cybersecurity Project Management Team	Cybersecurity Operations Team	Cybersecurity Supplier Management Team
	Cybersecurity Internal Audit Team	Cybersecurity Design & Development Support Team	Cybersecurity After-sales Team	
		Verification & Testing Team		
Cybersecurity Support Level	IT/Information Security	PR	Legal and Compliance	Manufacturing/ ME	Internal Control	HR	… …

In 2024, the Company added incident management procedure and emergency response procedure specifically for cybersecurity in self-developed vehicle models, ensuring the standardisation and strict closed-loop handling of cybersecurity incident processes for self-developed vehicles.

◀ **Incident Management Procedure for Cybersecurity in Self-Developed Vehicle Models** ▶

Incident Identification and Recording → Incident Categorisation and Support → Incident Investigation and Diagnosis → Incident Resolution and Recovery → Incident Closure

◀ **Emergency Response Procedure for Cybersecurity in Self-Developed Vehicle Models** ▶

Incident Analysis and Diagnosis → Interim Solution Evaluation → Cybersecurity Emergency Response Meeting → Incident Escalation → Incident Recovery and Resolution → Incident Closure

Highlight Case: Vehicle Cybersecurity Awareness Enhancement   ● ■ ▲

During the Reporting Period, the Company conducted a cross-departmental cybersecurity incident emergency drill, with 18 internal teams participating. The drill simulated an emergency scenario where a third-party application bypassed the vehicle's authentication to install itself while the in-vehicle system was blacked out. Relevant departments promptly implemented corresponding emergency measures and rectified bugs identified in the process. By simulating real attack and defense scenarios, the drill effectively enhanced the defensive and response capabilities of both network systems and personnel.

In addition, during the Reporting Period, the Company organised a total of 18 professional training sessions for all employees on key areas such as cybersecurity regulations and standards, threat analysis, testing methods, tool application, and operational practices, with a total of 255 attendees.

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03

Climate and Carbon

As one of the first global automotive brands to fully transition to electric vehicles, smart integrates climate action and low–carbon principles into its full–value chain operations. By establishing a lifecycle carbon footprint management system, promoting green technological innovation, optimising energy structures, and collaborating with the supply chain for carbon reduction, the Company actively addresses climate risks and seizes low–carbon transformation opportunities. Through these practical actions, smart fulfils its commitment to environmental responsibility and contributes to the global net–zero goal.

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Climate Risks and Opportunities

Climate change represents a shared global challenge, and smart deeply understands the series of risks and opportunities it brings. The Company is committed to collaborating with all stakeholders to achieve sustainability across the entire value chain.

Climate Change Adaptation

smart integrates ESG factors into the Company's overall risk management and internal control systems, including climate change, social and cultural factors, and the environmental, human rights, and corporate governance effectiveness impacts caused by the Company's operations. To better address a series of physical and transitional risks that climate change may pose to the Company's production and operations, in 2024, the Company further upgraded its internal risk management system. It conducted quantitative assessments of the impacts of certain key climate risks, such as natural disasters like typhoons and floods, on the Company, to better evaluate the financial implications of relevant risks. The Company also regularly tracks and updates related calculation results to ensure that risk values remain within controllable ranges.

◀ **2024 smart Natural Disaster Risk Effects and Evaluation Approach** ▶

Evaluation Dimensions	2024 Risk Effects	Evaluation Approach
Probability of currence (PO)	Low	Probability of Occurrence: ■ % Feasible Impact: · Assumption of 1 day volume loss due to the interruption=annual volume/251 working days · Local impact=339 units*average contribution margin per unit
Local Impact	■	
Group Contribution	■	

Natural Disasters and Emergency Response Plans

Climate change leads to a significant increase in the frequency of extreme weather events and natural disasters such as typhoons, heavy rains, and floods, which may cause a series of impacts including enterprise infrastructure damage, supply chain disruptions, production and operational interruptions, and even casualties. In response, smart has developed detailed emergency response plans, including risk assessment, the establishment of emergency response teams, material stockpiles, employee safety education, evacuation plans, protection measures for critical facilities, and post-disaster recovery programmes. Meanwhile, the Company maintains close contact with local governments and rescue organisations to obtain necessary support and resources in emergency situations. No climate-related incidents with material impacts on smart occurred in 2024.

Green Financing

As an electric vehicle brand, "green" is an inherent attribute of smart. In 2024, smart actively participated in green financing activities, completed preparatory work related to green financing with a foreign bank, and successfully completed the drawdown in early 2025. As smart's first green financing, this funding will help smart better achieve its own high-quality development and contribute to the global net-zero transition.

"Carbon Credit" Mechanism

To address climate change, multiple countries and regions worldwide have established corresponding carbon emission standards for the automotive industry and introduced carbon credit mechanisms, aiming to incentivise automotive companies to transition to new energy vehicles through market-oriented approaches and reduce greenhouse gas (GHG) emissions. Under the EU's carbon credit system, when the number of zero-emission and low-emission vehicles under an automotive company reaches a certain proportion, it is permitted to use electric vehicle credits to offset the emission targets of its internal combustion engine vehicles. In 2024, smart transferred relevant carbon credits to Mercedes-Benz, one of its shareholders in the European market, in accordance with the relevant regulations. In the future, as smart's sales volume continues to grow, it will contribute an increasing number of carbon credits to the carbon credit pool, helping to accelerate the decarbonisation process of the global automotive industry.

Product Lifecycle Carbon Footprint Management

In 2024, smart #1 successfully obtained a vehicle carbon footprint certification from TÜV Rheinland based on the ISO 14067 standard. Building on this, smart further advanced the lifecycle carbon footprint accounting for vehicles and expanded the scope of products included in the lifecycle carbon footprint management. For smart #5, which was newly launched in 2024, our R&D team developed a model using professional Lifecycle Assessment (LCA) software, based on component production data feedback from raw material and key component suppliers. This enabled the completion of vehicle lifecycle carbon footprint calculations for smart #5.

smart #1 Vehicle Carbon Footprint Accounting and Certification ● ■ ▲

We conducted vehicle carbon footprint accounting and certification for each stage of smart #1 lifecycle, including raw material stage, production stage, distribution stage, use stage, and end-of-life recycling stage. Meanwhile, we completed the accounting of carbon emissions from the manufacturing processes of process-representative components accounting for approximately 80% of the vehicle's weight, covering on-site audits of 7 key suppliers and data reviews of 24 other suppliers.

● Vehicle Lifecycle Carbon Footprint Accounting Results

● Vehicle Carbon Footprint Accounting Certificate

Highlight Case: Establishing System Documents to Standardise Vehicle Carbon Footprint Calculations ● ■ ▲

To further standardise carbon footprint management, smart established a vehicle carbon footprint calculation management system based on the research achievements and experience from its previously completed vehicle carbon footprint system development projects. This management system defines the principles and methods for screening key components included in the carbon footprint control scope, clarifies the division of roles and responsibility scopes between smart's internal departments and supplier enterprises, formulates procedures for carbon footprint calculation, and sets out specific definitions and assessment methods for performance indicators. Ultimately, it has resulted in the quality system document Management Measures of Whole-Vehicle Life-Cycle Carbon Footprint Calculation. From 2025 onwards, smart will strictly implement this management approach in all newly approved vehicle projects, ensuring that vehicle carbon footprint management has a solid basis for implementation and providing a guarantee for more accurate and efficient advancement of vehicle carbon footprint calculation work.

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Low-Carbon R&D and Operations

smart deeply understands that net-zero transition of enterprises and society relies on technological innovation. We integrate the philosophy of low-carbon sustainability into product development and daily operations, striving to continuously reduce carbon emissions throughout the product lifecycle through the power of technology.

Low-Carbon R&D

In 2024, smart continued to innovate in developing more low-carbon, energy-efficient, and environmentally friendly products, with smart #5 achieving breakthroughs in multiple areas:

Leading Electric Drive Efficiency

▶ Achieved an industry-leading maximum electric drive efficiency of 92%;

▶ Silicon carbide modules are standard across all rear-wheel drive models, delivering low energy loss, compact size, lightweight design, and high range efficiency;

▶ Equipped with 6-layer Hairpin flat wire windings, which feature a high slot fill factor and efficient heat dissipation, offering significant advantages in power density and efficiency;

▶ Utilised direct-flow oil-cooling technology instead of traditional water-cooling, achieving higher cooling efficiency.

Range and Charging Efficiency

▶ smart's first product with 800V pure electric high-voltage platform, supporting 4C ultra-fast charging;

▶ Achieved a maximum range of 740 km under the China Light Vehicle Test Cycle (CLTC).

Use of Renewable Natural Materials

▶ Certain materials for interior panels utilised pure natural oak raw materials, offering low-carbon, environmental friendliness, alongside durability, aesthetic appeal, and stability;

▶ Seat map pockets are made from natural fibres extracted from hemp plants, which not only possess excellent properties such as moisture absorption, abrasion resistance, and antibacterial and mildew-proof characteristics but are also biodegradable and environmentally friendly.

Highlight Case: smart #3 100km Energy Efficiency Achieved Excellent Results in German ED1000 Competition, Defining a New Benchmark for All-Electric Efficiency

All-electric model of smart #3 balances performance and energy efficiency through optimised electric drive systems and lightweight design. In 2024, smart #3 participated in the ED1000 authoritative energy efficiency test challenge, which focuses on the full-scenario energy efficiency performance of electric vehicles. Organised by the German automotive media outlet Electric Drive, the ED1000 event verifies the energy consumption efficiency of vehicles through a real driving experience. By undertaking a 1,000-kilometre journey in one day, it provides consumers with transparent data on energy consumption and WLTP (World Light Vehicle Test Procedure) range. In the challenge, smart #3 stood out with an ultra-low energy consumption result of 12.7 kWh per 100 km, resetting industry energy efficiency benchmarks. This achievement validates its leading energy management technologies and strengthens consumer trust in the economic and environmental value of electric vehicles.

● smart #3 Energy Efficiency Challenge

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Low-Carbon Operations

Since the establishment, smart has consistently adhered to low-carbon operations. In 2024, smart's offices in Germany and Italy used electricity that was 100% sourced from renewable energy (such as photovoltaic power), totaling 268.34 thousand kWh. In China, smart offset all non-green electricity used in office operations by purchasing International Renewable Energy Certificates (I-REC). During the Reporting Period, smart China and Europe offices offset a total of 4 million kWh[3] of non-green electricity through I-REC.

In addition, smart actively advocates energy-saving and environmentally friendly work and lifestyle practices. We post energy-saving signs in office premises, install classified waste bins, conduct energy-saving and environmental protection education among employees, and actively implement the environmental philosophy of sustainability. As of the end of the Reporting Period, all official vehicles of the Company within China have been fully replaced with electric models.

◀ **2022–2024 smart Self-Operated GHG Emissions Management Performance** ▶

GHG emission metrics	Units	2022	2023	2024
Direct (scope 1) GHG emissions	tonnes of CO_2 equivalent	67.16	89.12	0
of which Hangzhou office	tonnes of CO_2 equivalent	1.48	0.77	0
of which Hangzhou Bay Office, Ningbo	tonnes of CO_2 equivalent	2.52	–	0
of which all European Offices	tonnes of CO_2 equivalent	63.17	88.35	0

◀ **2022–2024 smart Self-Operated GHG Emissions Management Performance** ▶

GHG emission metrics	Units	2022	2023	2024
Energy indirect (scope 2) GHG emissions	tonnes of CO_2 equivalent	947.98	1,138.46	1,736.51
of which Hangzhou office	tonnes of CO_2 equivalent	362.66	319.48	538.60
of which Hangzhou Bay Office, Ningbo	tonnes of CO_2 equivalent	455.68	486.93	650.20
of which Shanghai Office	tonnes of CO_2 equivalent	–	100.53	200.15
of which other offices in China	tonnes of CO_2 equivalent	74.85	109.75	190.34
of which component warehouse in China	tonnes of CO_2 equivalent	49.64	83.53	125.29
of which European offices	tonnes of CO_2 equivalent	5.16	38.24	11.93
Total GHG emissions for scope 1 and scope 2	tonnes of CO_2 equivalent	1,015.15	1,227.57	1,736.51

[3] The data here refers to electricity of I-REC certificates purchased by the Company in 2024, which actually exceeds the total electricity consumption of the Company in 2024.

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Low-Carbon Value Chain

smart not only actively reduces its own operational carbon emissions but also commits to driving the low-carbon transition of the value chain. From raw material procurement, manufacturing to logistics and transportation, we closely collaborate with upstream and downstream partners and work hand in hand to strive toward the strategic goal of "offering carbon-neutral electric vehicles to the market by 2045".

Low-Carbon Supply Chain

Supply chain localisation serves as an effective lever for value chain decarbonisation. It not only reduces transportation costs and shortens delivery cycles but also minimises GHG emissions generated from upstream raw material and component transportation. smart actively promotes localised procurement, prioritises suppliers near operational locations, and encourages core suppliers to adopt proximity production. As of the end of the Reporting Period, procurement in both the Chinese and European regions has achieved over 95% localisation[4].

Additionally, supplier decarbonisation is a core component of smart lifecycle carbon reduction strategy, with multiple suppliers progressively implementing innovative practices:

- A charging infrastructure supplier has established a three-in-one clean energy system comprising "green power procurement + intelligent scheduling + photovoltaic storage and charging". This system annually consumes over 1 billion kWh of green electricity, cumulatively reducing carbon emissions by over 800,000 tons of CO_2 equivalent. The Company has also extended its green power services to the entire industrial chain, collaborating with new energy vehicle enterprises to build joint carbon footprint tracking systems and customise integrated photovoltaic-storage-charging solutions. These initiatives enable partners to reduce carbon emissions by over 150,000 tons of CO_2 equivalent annually, driving the transportation revolution through green power.

- A rubber and plastics supplier has responded to local sustainability guidelines by promoting industrial greening. It has installed distributed photovoltaic power stations with a total area of 179,000 m² on factory rooftops and parking carports, featuring a total installed capacity of 19.8 MW. These stations generate 18.86 million kWh of clean electricity annually, with an on-site consumption rate of 97%.

Low-Carbon Logistics

In the global market, logistics and transportation serve as a critical link connecting production and consumption. smart adopts differentiated logistics strategies tailored to characteristics and needs of different market regions. Currently, smart has expanded into multiple market regions including Europe, Australia, Chile, Egypt, Middle East, Malaysia, Hong Kong (China), etc. We closely collaborate with local logistics enterprises to optimise logistics route selection and enhance logistics efficiency. In cross-border transportation, we reduce GHG emissions in logistics and transportation by improving container loading rates and utilising new energy vessels.

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[4] Procurement localisation here refers to the Company's purchasing activities within the same country or region. For example, over 95% of suppliers for smart's European offices are sourced locally in Europe.

★ Highlight Case: Transportation Management System (TMS) ● ■ ▲

smart TMS encompasses modules such as order management, waybill management, event tracking, quality loss records, settlement management, and report generation. It achieves full-process digital control of transportation, while integrating functions like export waybill management, transportation route monitoring, and carrier management. The system plays a core role in enhancing timeliness, reducing costs, and strengthening supply chain resilience. In the future, we will prioritise partners with digital capabilities, working with supplier systems to build digital operational management for TMS and continuously improve efficiency and sustainability across the entire logistics chain.

● TMS Visualisation Dashboard

Logistics Packaging Decarbonisation

Resource recycling or reduction of resource consumption represents an effective means to lower carbon emissions. In packaging, smart will further promote the use of recyclable packaging materials, which are easily recyclable and reusable, capable of significantly reducing waste generation. smart will closely collaborate with suppliers to jointly advance the circular use of packaging materials, forming a closed-loop supply chain system.

smart intends to widely adopt circular transport racks in future export projects. By reusing these racks, the consumption of single-use packaging materials will be reduced, thereby minimising the environmental impact of transportation. Currently, smart has set clear carbon emission reduction targets in its export project planning, including reducing carbon emissions by a specific percentage and achieving long-term visions such as carbon neutrality in the supply chain.

★ Highlight Case: Elimination of Vehicle Protective Covers and Wheel Hub Films ● ■ ▲

As of the end of the Reporting Period, smart has fully eliminated hood protective covers for the #1 and #3 models, as well as full-body protective covers for the #5 model. Furthermore, building on the 2023 elimination of wheel hub films for exported #1 vehicles, this initiative was comprehensively extended to all smart products in 2024.

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Circularity and Resources

smart integrates the concept of circular economy into its production and operational systems. The Company deeply integrates R&D, production, and supply chain, continuously breaking through in the application of sustainable materials, battery lifecycle management, and green production practices. By increasing the proportion of recycled materials used, improving the recycling and traceability system, and strengthening refined environmental management, smart provides an innovative paradigm for the low-carbon transformation of the automotive industry and earnestly fulfils its corporate environmental responsibility.

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Sustainable Materials

From smart #1 to smart #5, we have continuously explored ways to more efficiently utilise sustainable materials. In 2024, smart further increased the target requirements for the proportion of recyclable materials used in 9 exterior assembly components and 107 chassis assembly components with high metal consumption, and conveyed these requirements to suppliers. The specific measures include:

- The proportion of recyclable aluminium increased from 25% to 30%.

- The proportion of recyclable plastic increased from 22% to 25%.

In 2024, the recoverability rate of smart's all sold mass-produced models reached over 95%.

Materials used per vehicle of smart #5	Units	smart #5 Pro	smart #5 Premium+	smart #5 Pulse	smart #5 Performance
Recoverable materials used per vehicle					
Wrought aluminium	kg	193	198	205	210
Steel	kg	908	932	963	987
Thermoplastics	kg	162	166	171	176
Aluminium casting alloys	kg	154	158	172	168
Ternary materials	kg	118	122	126	129
Others	kg	555	573	595	604
Total amount of recoverable materials used per vehicle	kg	2,091	2,148	2,232	2,273
Non-recoverable materials used per vehicle	kg	107	112	114	117
Overall vehicle weight	kg	2,198	2,260	2,346	2,389
Recoverability rate of sold vehicles	%	95.12%	95.04%	95.15%	95.12%

Battery Traceability and Recycling

Power batteries, as one of the largest potential environmental pollutants in new energy vehicles, require proper disposal after "retirement". smart deeply realises that cascading treatment and recycling of end-of-life batteries are critical safeguards for the sustainability of the new energy vehicle industry. The Company has established and implemented the *Traceability Management Measures for the Recycling and Utilisation of New Energy Vehicle Power Batteries*. Currently, although smart vehicles have not yet entered the stage of mass power battery retirement, we have confirmed the transformation of the smart Shanghai Pudong Jinqiao Service Centre into one of the first battery recycling outlets. In the future, we will scale up the construction of collection networks based on actual needs.

Highlight Case: smart Proactively Responds to the EU New Battery Regulation to Ensure Compliance Requirements Are Met ● ■ ▲

Since August 18, 2024, the EU New Battery Regulation has introduced new mandatory requirements covering hazardous substances, labeling, electrochemical performance and durability, battery management system specifications, safety of stationary battery energy storage systems, conformity assessment, declaration of conformity, and CE marking. smart has taken comprehensive measures to align with these regulations, ensuring its battery products meet the EU's strict sustainability and safety requirements:

- **CE Marking:** By August 18, 2024, smart affixed CE marking to all batteries in vehicles exported to Europe.

- **Restricted Substances:** As part of its regular vehicle R&D process, smart has conducted REACH and ELV compliance certification for all models exported to Europe. All batteries in these vehicles meet the hazardous substance requirements of the Battery Regulation.

- **Declaration of Conformity:** By August 18, 2024, smart provided battery suppliers' declarations of conformity in the accompanying documents for smart vehicles exported to Europe.

- **Carbon Footprint Requirements:** smart has closely followed the evolving carbon footprint requirements of the EU Battery Regulation, deeply interpreted the draft implementing act, and commenced preliminary research with battery suppliers, including supply chain mapping, data collection checklist compilation, and pre-modeling.

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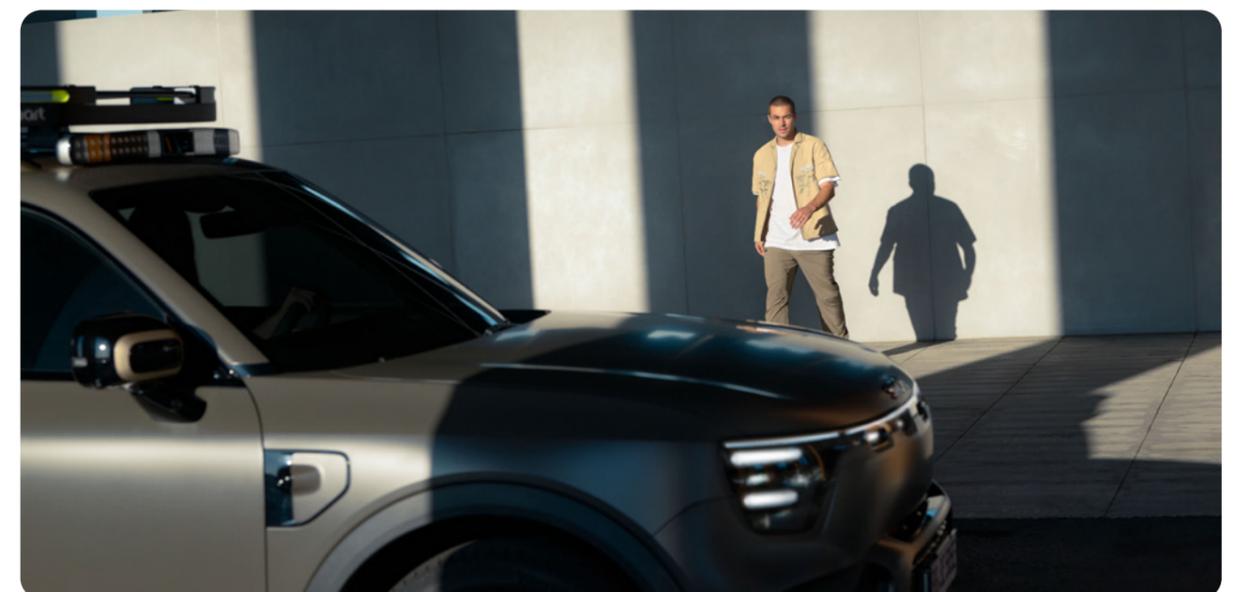smart | 2024 Sustainability Report   83 / 84 ▶

Environmental Management

smart is committed to reducing environmental impact of its operations and actively promotes sustainable work–life concepts. Through sharing sessions, public welfare activities, and other means, the Company continuously enhances employees' environmental awareness.

◀ **2022–2024 smart Energy Management Performance** ▶

Energy management metrics	Unit	2022	2023	2024
Total gasoline consumption	litre	1,498.05	21,432.34	0
of which Hangzhou office	litre	553.76	345.96	0
of which Hangzhou Bay office, Ningbo	litre	944.29	–	0
of which all European offices	litre	–	21,066.38	0
Total diesel consumption	litre	14,875.25	8,281.45	0
of which all European offices	litre	14,875.25	8,281.45	0
Total fuel consumption	litre	8,168.15	6,837.83	0
of which all European offices	litre	8,168.15	6,837.83	0
Total Municipal Electricity Consumption	kWh	1,385,227.48	2,285,862.35	3,452,937.58
of which Hangzhou office	kWh	515,512.44	560,196.94	944,420.33
of which Hangzhou Bay office, Ningbo	kWh	647,733.36	853,808.72	1,140,103.69
of which Shanghai office	kWh	–	239,345.66	524,158.23
of which other offices in China	kWh	124,899.04	192,446.27	333,757.89
of which component warehouse in China	kWh	70,555.00	146,473.00	219,699.96
of which all offices in Europe	kWh	107,665.81	293,591.77	290,797.48
Total electricity consumption from renewable energy sources	kWh	81,138.16	221,604.67	268,339.48
of which European offices	kWh	81,138.16	221,604.67	268,339.48

◀ **2022–2024 smart Water Resource Management Performance** ▶

Water resources management metrics	Units	2022	2023	2024
Total consumption of municipal water supply	m^3	6,685.19	26,312.52	13,879.81
Of which Hangzhou office	m^3	1,043.49	774.83	7,673.99
Of which Hangzhou Bay office, Ningbo	m^3	4,670.00	8,300.00	2,593.85
Of which Shanghai office	m^3	–	360.36	662.53
Of which other offices in China	m^3	–	783.60	973.44
Of which Component warehouse in China	m^3	662.00	1,150.00	1,610.00
Of which European offices	m^3	1,043.49	14,943.73	366.00

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Employees and Society

smart always regards employees as the core driving force for the Company's development. Taking "equality, respect, and value co‑creation" as the cornerstone of its philosophy, it builds a diverse and inclusive workplace ecosystem. We endeavour to create a fair and open environment, safeguard employees' rights and interests, empower individual growth, and promote the two‑way value enhancement between the Company and employees. At the same time, as a responsible corporate citizen, we integrate the concept of sustainability into the value chain, actively give back to the community, and through compliant operations and social responsibility practices, promote the shared growth and prosperity of the enterprise, employees, and society.

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Diversity and Inclusion

smart remains committed to building an organisational culture where the Company and employees mutually empower each other, enabling every member to achieve value co-creation in a fair and open environment, and jointly driving the deep integration of people-centric philosophy and corporate strategy.

As of the end of the Reporting Period, the Company's employees came from

53 different countries and regions

and there were

68 ethnic minority employees in the offices within China.

Diversity and Equal Employment

We respect employees' diverse backgrounds and career development while ensuring compliant employment relationships. The Company strictly complies with labor laws and standards in all jurisdictions where it operates. smart strictly prohibits discriminatory practices based on gender, age, race, skin color, nationality, religion, belief, sexual orientation, origin, disability, or other social and personal factors, and is committed to building a diverse, open, inclusive, equal, and respectful workplace environment.

● smart was awarded the "2024 Top 20 Most Innovative Youth-Friendly Employer Brands"by Ciwei

The Company has developed and continuously improved a series of systems, including the *smart Brand Global Company Employee Handbook* (Employee Handbook) and *smart Compliance Code of Conduct*, regarding employees as the most valuable asset of the Company and treating and respecting every employee equally. With the continuous expansion of the Company's global business and employees' diverse backgrounds, in order to effectively advance the Company's international talent strategy and enhance global development momentum, our rules and regulations clearly define employees' daily behavioural norms, maintain a "zero-tolerance" attitude towards any form of discrimination or harassment, incorporate relevant behaviours into disciplinary regulations, clarify behavioural boundaries, and safeguard a fair and just workplace environment. The Company has also integrated anti-discrimination and equality-respect clauses into the *smart Supplier and Third-Party Intermediary Code of Conduct* (Supplier Code of Conduct), continuously monitoring suppliers' implementation to enhance labor compliance and anti-discrimination awareness in the supply chain.
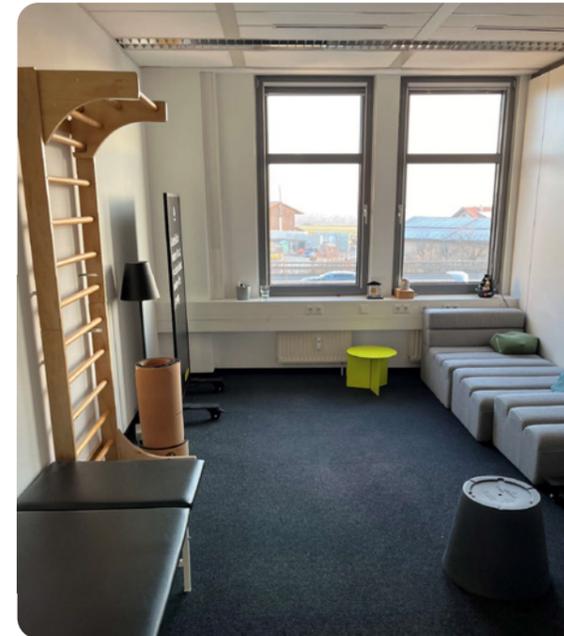
● smart's employee meditation rooms established in Europe are available for employees to use for prayer, yoga, and rest
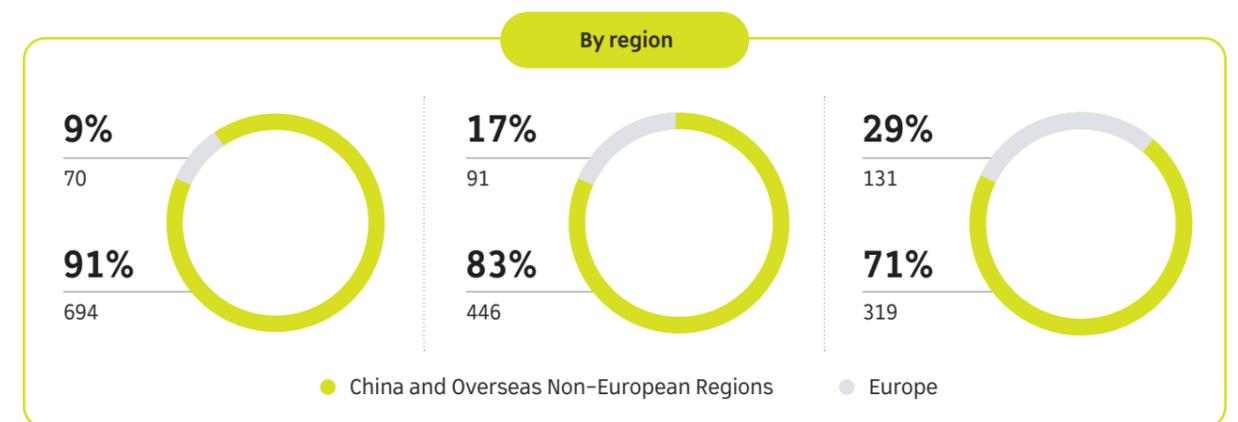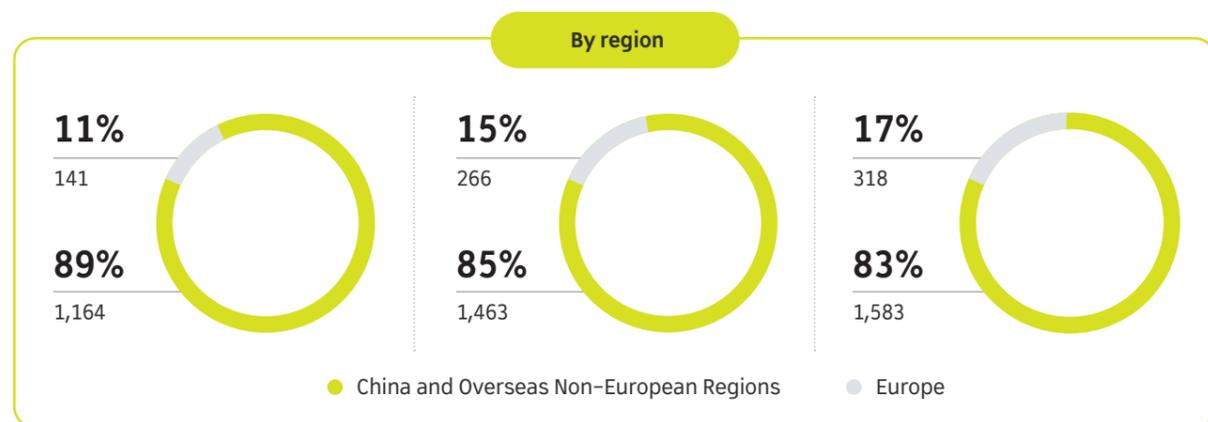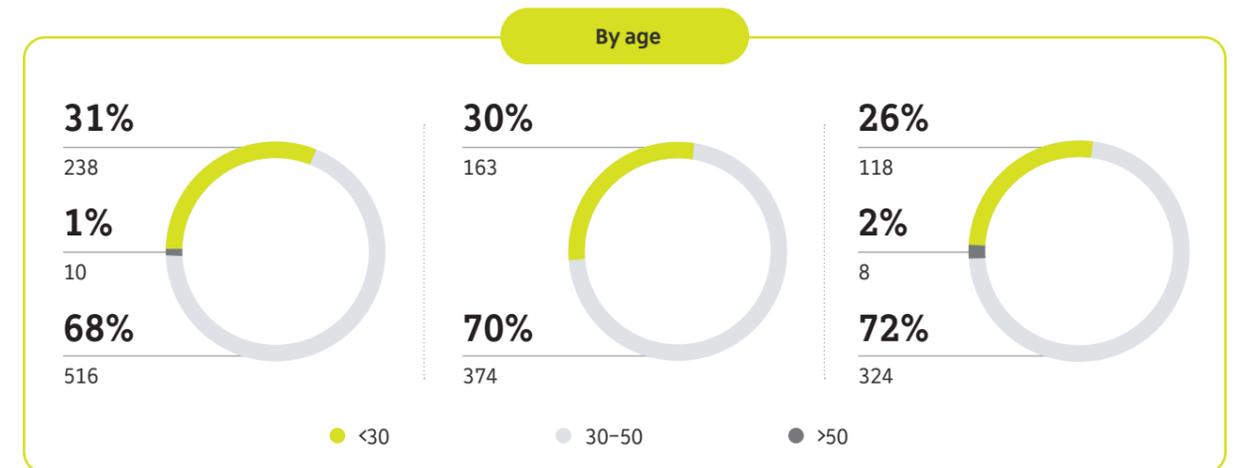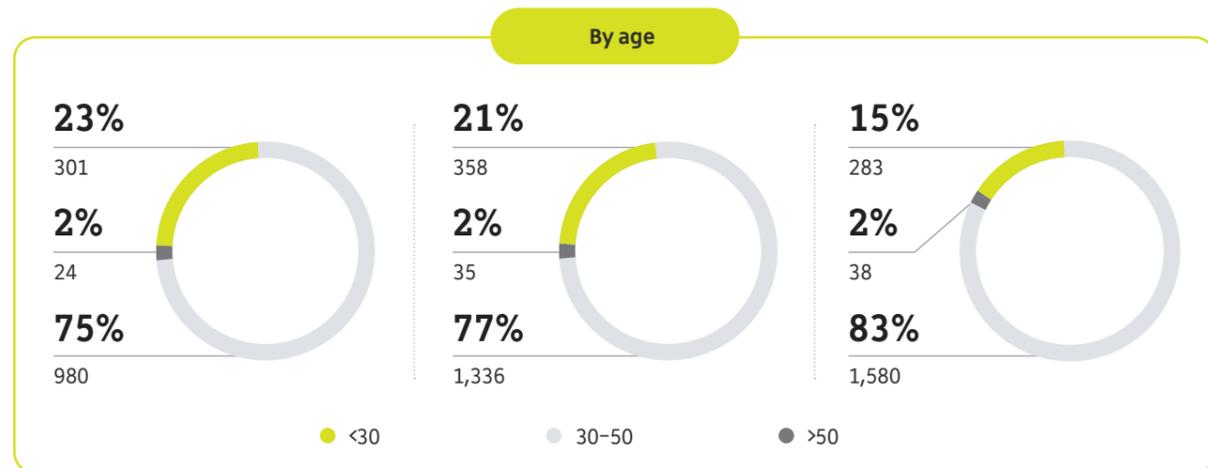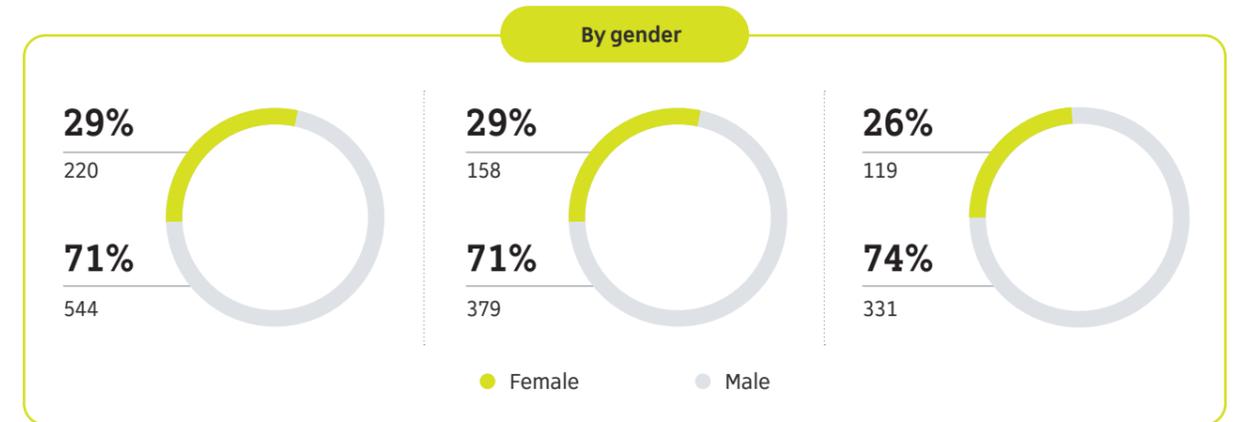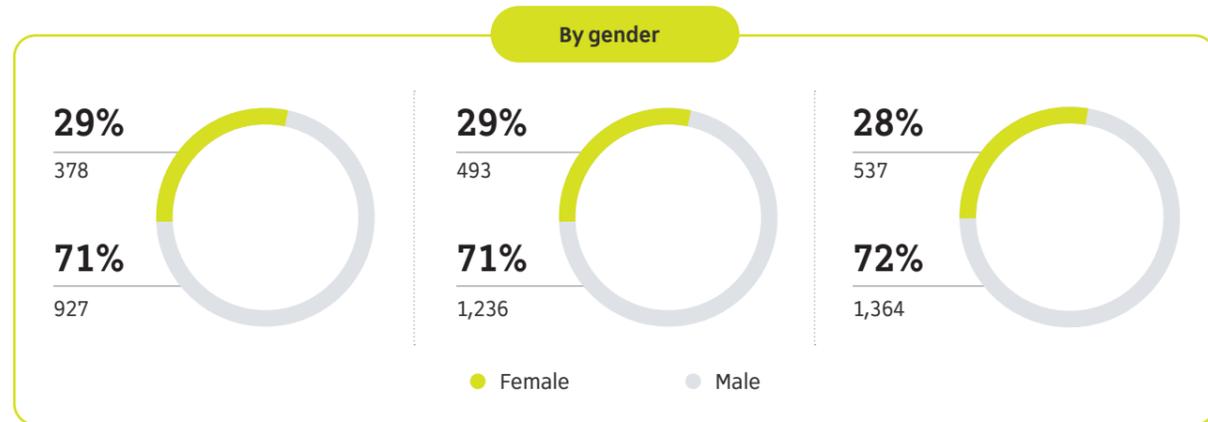

● Employees in smart's European offices celebrated the Spring Festival together and participated in dumpling-making activities

● To celebrate Christmas and the year-end holidays, smart in Europe held Christmas tree decoration activities

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◂ **2022–2023 smart Employee Diversity Performance[5]** ▸

Total workforce

2022	2023	2024
1,305 People	**1,729** People	**1,901** People

By gender

2022	2023	2024
29% 378	**29%** 493	**28%** 537
71% 927	**71%** 1,236	**72%** 1,364

● Female   ● Male

By age

2022	2023	2024
23% 301	**21%** 358	**15%** 283
2% 24	**2%** 35	**2%** 38
75% 980	**77%** 1,336	**83%** 1,580

● <30   ● 30–50   ● >50

By region

2022	2023	2024
11% 141	**15%** 266	**17%** 318
89% 1,164	**85%** 1,463	**83%** 1,583

● China and Overseas Non–European Regions   ● Europe

Total number of new hires

2022	2023	2024
764 People	**537** People	**450** People

By gender

2022	2023	2024
29% 220	**29%** 158	**26%** 119
71% 544	**71%** 379	**74%** 331

● Female   ● Male

By age

2022	2023	2024
31% 238	**30%** 163	**26%** 118
1% 10		**2%** 8
68% 516	**70%** 374	**72%** 324

● <30   ● 30–50   ● >50

By region

2022	2023	2024
9% 70	**17%** 91	**29%** 131
91% 694	**83%** 446	**71%** 319

● China and Overseas Non–European Regions   ● Europe

[5] Only includes regular employees with an employment contract.

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2024 Employee Turnover

Total Number of Voluntary Departures

223

Employee Turnover Rate

11.7%

By age

30%
66

70%
157

● Female
● Male

By age

16%
36

1%
3

83%
184

● <30
● 30–50
● >50

By region

15%
33

85%
190

● China and Overseas Non-European Regions
● Europe

2024 smart Diversity Performance of Governance Bodies

		Board of Directors	EMC	Department/ Sub-department Heads
By gender	Male	7	3	72
	Female	1	0	16
By age	<30	0	0	0
	30–50	2	2	73
	>50	6	1	15
By nationality	Chinese	4	2	43
	Non-Chinese	4	1	45

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Respect and Protection of Human Rights

smart respects international human rights standards and commitments, incorporating core principles from the *Universal Declaration of Human Rights, United Nations Guiding Principles on Business and Human Rights*, and *International Labor Organisation Conventions* into the *Employee Handbook* and *Supplier Code of Conduct*. The Company strictly complies with labor and human rights laws and regulations in all operating locations, actively safeguards employees' compliant rights and interests, and continuously focuses on and endeavours to enhance the employee experience.

The Company strictly prohibits any incidents of child labor employment or forced labor, and continuously optimises and implements the smart Recruitment Principles. Our Recruitment Principles explicitly state that recruitment activities must comply with the local laws and regulations of each operational location and the Company's relevant rules and regulations, ensuring the compliance of the employment process. Upon employment, we ensure that employees meet the legal minimum age requirements of each operational location and sign labor contracts with all formal employees. The Company strictly monitors employees' working hours, which are implemented in accordance with the laws and regulations of the operational locations and countries.

Additionally, the Company encourages employees to promptly report incidents of human rights violations or breaches of labor rights, either by directly contacting the Compliance Officer or submitting a complaint via email at HQ.Compliance@ smart.com. The Company will conduct investigations into reported matters and respond to the reporters. As of the end of the Reporting Period, no incidents of violations of local labor laws and regulations in its operational locations occurred at smart, nor were there any incidents of child labor, forced, or compulsory labor.

Employee Benefits and Care

Employees are the core asset of the Company's development. smart upholds people-centric core values, building a caring workplace ecosystem through comprehensive welfare and security systems and diverse care initiatives, and continuously enhancing employees' sense of belonging and corporate cohesion.

smart strictly adheres to local welfare, leave, and subsidy policies and regulations in its operational locations, and builds an employee protection system that exceeds regional compliance benchmarks. In addition to implementing basic rights such as statutory leave and maternity subsidies, we also provide annual health screenings and a flexible attendance mechanism. For female employees, we specially offer prenatal check-up leave, maternity leave, and breastfeeding time during working days, while male employees are entitled to 15 consecutive days of paternity leave. During the Reporting Period, the paternity leave policy covered all headquarters employees, with a total of 224 employees enjoying this benefit and a return-to-work rate of 97%.

In 2024, we updated the *Employee Handbook*. In terms of attendance management, more flexible working hours were adopted, allowing employees to independently arrange their working hours according to job needs. This adapts to and supports cross-time zone and regional collaboration, effectively enhancing the communication efficiency of teams across different regions.

◀ **smart Employee Benefits Matrix** ▶

	Commercial insurance	employees can benefit from commercial insurance for employees and their families, supplementary medical insurance, and supplementary maternity insurance for female employees
	Quarterly benefits	employees receive quarterly benefits at the end of each quarter, issued together with the monthly salary
	Birthday benefits	employees receive birthday benefits during their birthday month
	Holiday benefits	during statutory holidays such as Chinese New Year, Women's Day, Dragon Boat Festival, and Mid-Autumn Festival, the Company provides holiday benefits to employees
	Anniversary Benefits	Employees can enjoy exclusive care customised by the Company for their Company anniversary
	Discounted car purchases	employees can enjoy discounts on smart car purchases

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⭐ **Highlight Case: Festival Benefits and Women's Care**   ● ■ ▲

To create a trendy and warm organisational atmosphere, in 2024 we organised quarterly birthday parties, Dragon Boat Festival events, and Mid-Autumn Festival activities at five major offices. Through fun activities such as games, handicrafts, and gourmet food, we enhanced employees' workplace experience. Additionally, we recognise the strength and contributions of female employees, presenting them with International Women's Day gifts, encouraging smart women to embrace their authentic selves and draw their own life paths.

● Employee Activity   ● 2024 Q4 Birthday Party: Warm Winter Party   ● Dragon Boat Festival Wonderful Journey

Democratic Management

Democratic management is a cornerstone of smar's modern governance system, aiming to establish diverse two-way communication mechanisms that fully respect and incorporate employee feedback, ensuring transparency in information dissemination and timeliness of feedback loops. Under strict information confidentiality mechanisms, every employee's legitimate concerns receive equal attention and professional responses. smart currently provides employees with the following communication channels:

Employee Satisfaction Survey

Since 2021, smart has consistently conducted employee satisfaction surveys to fully understand employees' daily experiences and enhance employee engagement and sense of belonging through regular feedback collection. The 2024 survey results show that smar's employee satisfaction score slightly increased compared to 2023.

Enterprise WeChat Official Account: HR Employee Station

The Company has established two-way communication channels with employees. In 2023, we launched the WeCom Official Account, HR Employee Station, to promote the Company's activities and policies to employees, collect their feedback and suggestions through this channel, proactively engage employees to stay informed about the Company's developments, and promptly address their legitimate concerns.

Management Team Exchange Meeting

To enhance communication among the Company's management teams, share strategic information, and promote team collaboration, the Company has organised management team exchange meetings for two consecutive years. The 2024 meeting coincided with the activation of new manufacturing plant for smart models, during which management leaders visited the plant for a tour and study, deepening their understanding of the products and the Company while exchanging insights.
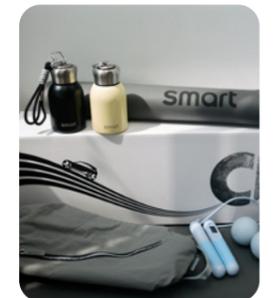
smart Union

smart respects employees' freedom of association and collective bargaining rights, with employees spontaneously establishing union and democratic management mechanisms. The smart union has a sound governance structure, jointly deliberating on revisions to major regulations or other key decisions with various departments to strive for appropriate rights and interests for employees. Additionally, the smart union prepares diverse benefits and gifts for employees during holidays such as the Spring Festival, International Women's Day, and Dragon Boat Festival, and provides seasonal clothing and warm condolences during cold winter and hot summer periods.

● Union Cooling Campaign Gifts   ● Mid-Autumn Festival Benefits Gifts

⭐ **Highlight Case: Chinese and Foreign Employees Cross-Border Communication**   ● ■ ▲

smart attaches great importance to cross-border communication and assignment of Chinese and foreign employees. During the Reporting Period, we updated and released the *International Assignment Policy*. The policy classifies international assignees based on business scenarios and assignment durations, and details the lifecycle management processes for international assignments.

Additionally, we offer international assignment and cross-cultural training programmes. During the Reporting Period, we invited external professional trainers to deliver Australian Cross-Cultural training, helping participants gain an in-depth understanding of Australia's unique business culture and social etiquette. This assists them in quickly building trust in the Australian business environment, addressing potential cultural differences and challenges, and facilitating effective communication and business operations.

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Talent Development

We have always regarded employees as a strategic resource for the Company's development. By building a comprehensive talent development system, we systematically advance the development of mechanisms for talent acquisition, training and motivation, career advancement, etc., continuously enhancing employees' professional capabilities and organisational effectiveness. This helps them adapt to industry technological transformation trends and achieve mutual empowerment between personal value and the Company's development.

Talent Recruitment

smart has developed and implemented the *Recruitment Management Policy*, integrating fair recruitment principles to ensure the right person is matched to the right role and vice versa. In 2024, the Company conducted a talent inventory, mapping the current status of talent development based on the identification of all employees and key core talent, clarifying the strengths and weaknesses of the talent pool, and identifying key positions and backup talent. We continue to enrich the Company's talent echelon through diverse recruitment channels, providing talent reserves for business innovation and upgrading.

◀ **smart Talent Recruitment Channels** ▶

Campus Recruitment

The Company organises multiple campus recruitment activities each year, including promotional advertising, virtual career fairs, roadshows, and on-site presentation events, etc., providing young students with various learning opportunities to expose them to different positions, markets, and cultural experiences, and achieve personal career development.

Social Recruitment

The Company's social recruitment includes independent recruitment and channel-service recruitment. Independent recruiters search for and recruit candidates through recruitment websites and personal networks; channel-service recruitment includes headhunting and RPO (Recruitment Process Outsourcing).

Internal Referral

The Company irregularly posts vacant positions internally and establishes talent referral awards to motivate employees to actively recommend excellent talents. smart has great trust in employees' professional knowledge and judgment, and uses employees' in-depth understanding of smart to improve the quality of talent recruitment.

Special recruitment session

When there is an urgent demand for personnel due to business needs, the Company focuses on conducting targeted recruitment for specific positions. It aims to adopt the form of offline special sessions to shorten the recruitment process and achieve mass recruitment.

⭐ **Highlight Case: smart 2024 Recruitment Activities**   ● ■ ▲

smart Inspiration Exploration Day:
Campus Recruitment Fair

In the autumn of 2024, smart HR participated in the Zhejiang University of Technology Career Fair, facing nearly a thousand university fresh graduates, promoting the smart brand and recruitment information.

smart Internal Referral Garden Party

In March 2024, smart organised an internal referral garden party in its major office areas. The event featured rich internal referral rewards and fun offline interactive activities, creating a trendy and fun workplace atmosphere to encourage more internal employees to recommend friends to join the Company.

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Talent Incentives

smart is committed to sharing operational achievements with outstanding employees by identifying high-potential staff and implementing diverse incentive mechanisms to retain top talent. In 2024, the Company focused on providing incentive policies for talent in key core positions. We offered one-year transition allowances to personnel transferred in bulk to smart software technology company, a subsidiary of smart, including monthly subsidies and housing reimbursement.

◀ smart Talent Incentive Programme ▶

Employee Leadership Programme	Employee Career Development Programme	Talent Incentive Policy
Enhancing management capabilities of high-tech talent comprehensively, providing a reserve of management personnel for R&D and other technical positions.	Developing plans for the career advancement and development paths of core technical staff, fully supporting capable talent in technical positions.	Continuously focusing on talent incentive policies in various operation areas, offering employees a range of benefits and incentives such as local talent housing, rental subsidies, and talent certification subsidies.

Workplace Empowerment

smart regards employee capability building as a key driver for the Company's development and systematically advances a multi-level talent development strategy. The Company has developed and implemented the *Training Business Procedures*, establishing a development system covering all job series and grades to enhance employees' professional competencies and comprehensive qualities simultaneously. In 2024, relying on our self-developed digital training platform, we established a curriculum framework covering categories such as required knowledge and skills, forums, and general empowerment, including new employee training, system audit training, policy and process implementation training, professional forums, and general professional quality courses. By continuously optimising training resources and learning mechanism design, the Company strengthens the dynamic alignment between talent reserves and job competency. Additionally, smart attaches great importance to employee feedback on training courses, collecting employee opinions through questionnaire surveys after each course and promptly optimising course design and content arrangement based on this feedback to continuously improve course practicality and participation experience.

● smart Talent Development Training Platform updates regularly

The Company also integrates internal and external training resources, achieving an organic integration of talent development with corporate strategy, business objectives, and personal development aspirations by introducing cutting-edge industry courses and professional certification programmes. During the Reporting Period, the Company engaged external professional instructors to conduct a total of four external professional training sessions, including Quality Function Deployment (QFD) training, high-voltage battery safety training for electric vehicles, and quality management system auditor training.

◀ 2022–2024 smart Talent Training Performance ▶

	2022	2023	2024
Average number of hours of employee training by gender			
● Female	7.55	8.31	16.82
● Male	8.17	8.31	16.86
Average number of hours of employee training by grade			
● General staff	8.36	8.29	16.88
● Department / Sub-department heads and above[6]	4.06	8.94	16.16

[6] Include department/sub-department heads of smart Mobility Pte. Ltd. and EMC of smart Automobile Co., Ltd.

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Highlight Case: smart Internal Special Topic Forum

During the Reporting Period, smart organised multiple internal special topic forums for stimulating employees' enthusiasm for discussion and departmental vitality.

• **R&D Engineers Forum:** Leading digital and intelligent R&D trends to help employees update their knowledge of automotive products and technologies. In 2024, a total of 37 related forums were held, with 5,791 attendees in total.

• **Digitalisation Forum:** Keeping pace with digitalisation trends and embracing our business digitisation. In 2024, a total of 11 related forums were held, with 1,184 attendees in total.

• **Product Brand Forum:** Leading new energy market trends and co-creating the future of smart's product brand. In 2024, a total of 17 related forums were held, with 3,513 attendees in total.

R&D Engineers Forum On-Site Discussions

Performance and Compensation

Performance appraisal and compensation incentives serve as core mechanisms through which smart drives talent value creation. Performance management provides employees with clear developmental guidance, unlocking their potential to break through limitations and aligning their work directions. The differentiated compensation strategy reinforces the symbiotic relationship between talent and corporate value by balancing internal equity and external competitiveness. We continuously strengthen the deep alignment between employee growth and organisational goals, sustainably energising team dynamics through value-based rewards.

Performance Appraisal

To build a value-driven performance management system, the Company implements a stratified and classified dynamic evaluation mechanism in accordance with the *Management Policy for Employee Performance Appraisal*. Assessment dimensions focus on "Performance", "Competency", and "Value", differentiating quantitative indicators and behavioral evaluation criteria based on job characteristics. Through the parallel operation of annual comprehensive evaluations and semi-annual process assessments, the timeliness of performance feedback and improvement closure are strengthened. We have established a 360-degree multi-dimensional evaluation mechanism for senior management, integrating evaluation feedback from approximately 10 people, including superiors, peers, subordinates, and themselves, to systematically analyse team collaboration effectiveness and management behaviors, and continuously optimise management development paths and organisational coordination efficiency.

smart PCV Performance Appraisal System

Performance

Measuring and evaluating the completion of individual performance goals. Individual performance goals are determined based on the Company's objectives and plans, broken down from top to bottom and aligned with job responsibilities.

Competency

Assessing the extent to which employees' abilities meet job requirements and their continuous improvement and updating of relevant skills according to organisational needs, including management and professional competencies.

Value

Examining the alignment of employees with the Company's core values and behavioural standards, including but not limited to compliance management, employee conduct guidelines, and reward and punishment policies.

In 2024, the Company continued to optimise its existing performance appraisal system, further improving performance appraisal processes and strengthening requirements for stages such as performance goal setting, performance coaching, and feedback. We also adjusted performance rating distribution and performance result application mechanisms in line with the Company's phased development strategies.

During the Reporting Period, a total of **1,579** employees of smart China received regular performance and career development reviews, accounting for approximately **99.7%**.

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Compensation Management

To ensure the external competitiveness and internal equity of the Company's compensation system, we conduct job value assessments and internal-external market data benchmarking analysis, adopting differentiated compensation positioning strategy while implementing compensation structure integrated with brand values to motivate talent to unleash their potential. In 2024, we optimised the headquarters compensation scale and formulated the *Global Compensation Management Principles* to create a fair and transparent compensation management system.

◀ smart **Compensation Philosophy** ▶

Job Value	Establishing competitive salary standards based on job value
Performance Orientation	Creating a high-performance-oriented compensation culture guided by performance contributions
Competence-Based Pay	Developing a compensation mechanism determined by the evaluation of abilities

Employee Promotion

The Company has established dual career development paths for employees, providing suitable career development directions for different types of talents, and continuously optimising and iterating talent promotion channels. Guided by the principle of "driven by strategic requirements and talent growth", it stimulates the vitality of both the organisation and its talent, realising common growth between employees and the organisation. In 2024, we optimised talent promotion channels, clarified employee promotion standards, and established a long-term mechanism for career advancement. Additionally, we iteratively upgraded the qualification system, completing the renewal of qualification standards for standard positions across all job series.

◀ smart **Talent Promotion** Pathways ▶

Position evelopment Pathways	Development Path Competency Requirements
Management Path	• This path includes management positions that involve managerial functions and tasks, requiring a focus on improving management leadership. • Appointment to a management position requires initiating the management personnel appointment process for the relevant candidate.
Professional Path	• This path includes three directions: R&D, marketing and after-sales, and functional integration, focusing on professional levels, skills, and competency requirements. • When a professional position's capabilities reach a certain level, and after passing the qualification assessment, the promotion process can be initiated.

Employee Health and Safety

smart regards employee occupational health and safety as a critical dimension of corporate operations, committing to providing a safe, healthy, and caring work environment for all staff and systematically ensuring their physical and mental well-being in office settings. We strictly implement occupational health and safety laws and regulations in all business locations, regarding them as the basic principles of the Company's compliant operations and a material commitment to employees' fundamental rights. The Company has developed and strictly implemented the *Environmental, Occupational Health, and Safety Management Manual* in accordance with the requirements of ISO 45001 Occupational Health and Safety Management System and ISO 14001 Environmental Management System. In addition, the Company regularly provides physical examination services for employees every year.

◀ 2024 smart **Occupational Health and Safety Performance** ▶

	2024
The number of recordable work-related injuries	3
The rate of recordable work-related injuries	0.2 incidents per 200,000 hours
The number of fatalities as a result of work-related injury	0
The rate of fatalities as a result of work-related injury	0
The number of high-consequence work-related injuries	0
The rate of high-consequence work-related injuries	0
The number of fatalities as a result of work-related ill health	0
Total lost days	22

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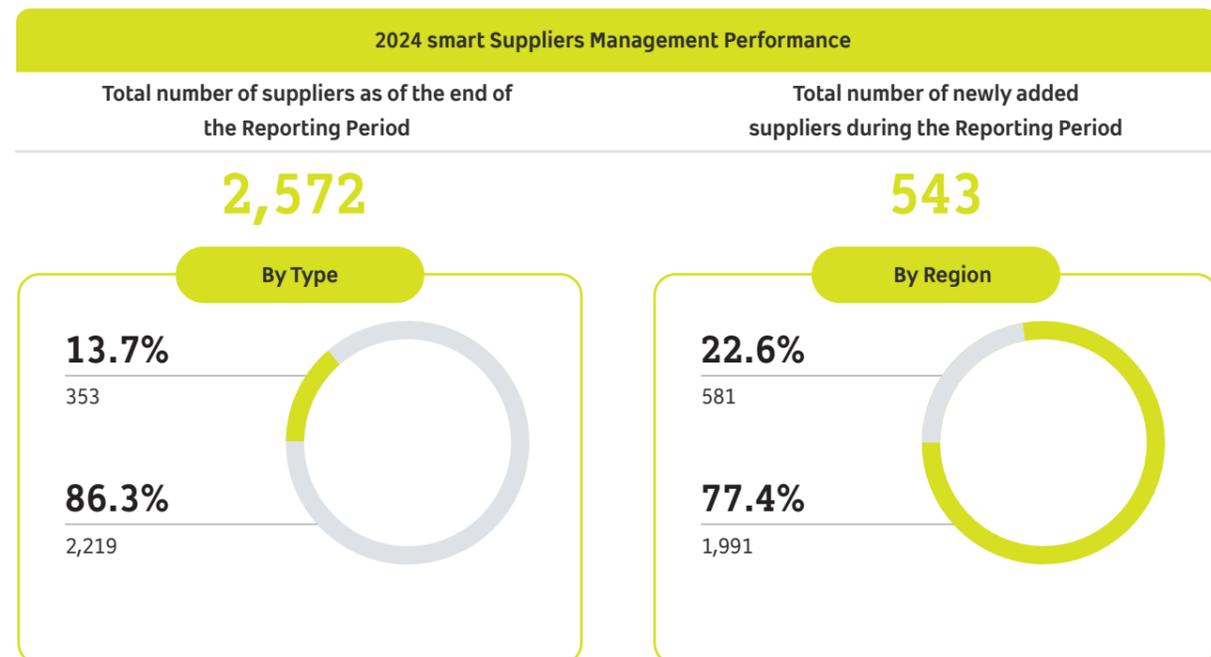smart | 2024 Sustainability Report | **105** / 106 ▸

Responsible Supply Chain

smart has established a full-process supply chain management system covering supplier admission evaluation, operational risk monitoring, performance assessment, and compliance auditing. The Company incorporates environmental and social responsibility standards into its supplier evaluation system, strengthens compliance reviews on the sources of key raw materials, and establishes supplier appeal and communication mechanisms to promote transparent collaboration in the industrial chain. While ensuring the Company's compliant operations, the upstream and downstream shared responsibility mechanism effectively enhances supply chain risk resistance capability, working together to build a responsible supply chain.

Sustainable Procurement

smart has formulated and strictly implemented internal management policies such as the *smart Supplier and Third-Party Intermediary Code of Conduct, Measures for the Management of Indirect Procurement of smart*, and *smart Europe Integrity Code*. We apply these standards globally, setting out specific requirements for product and service suppliers in the areas of human rights, labor standards, business ethics, environmental protection, and safety. We require suppliers to sign the *Supplier Code of Conduct*, mandating that all partners and their employees comply with all requirements and applicable laws and regulations.

To ensure the robust operation of the supply chain system, the Company has established and continuously optimises a full-process risk monitoring system, conducting regular risk assessments and system updates. By dynamically monitoring potential risks such as environmental fluctuations and supply-demand changes, we promptly formulate and implement risk early-warning plans. The Company annually commissions independent third-party agencies to conduct comprehensive evaluations of suppliers' credit qualifications, fully identifying suppliers' operational risks to ensure the effectiveness and pertinence of risk control measures.

2024 smart Suppliers Management Performance

Total number of suppliers as of the end of the Reporting Period

2,572

By Type

13.7%
353

86.3%
2,219

Total number of newly added suppliers during the Reporting Period

543

By Region

22.6%
581

77.4%
1,991

Admission Management

smart strictly follows evaluation systems and regulations such as the *New Supplier Admission Review Management Measures, Supplier Admission Approval*, and *Supplier Admission Evaluation Form* to efficiently carry out supplier admission management.

New Supplier Qualification Pre-Audit — Reviewing supplier's sustainability performance, including ISO certification, due diligence and risk assessment, corporate social responsibility/ESG reports, etc.

Supplier Audit — Conducting supplier admission review from dimensions such as R&D technical capabilities, production and quality control capabilities, business risk, and compliance with laws and regulations.

Agreement Signing — Signing relevant agreements with suppliers, such as the "Supplier Code of Conduct" and "Non-Disclosure Agreement", to ensure suppliers can effectively fulfil their social responsibilities. Admission is completed only after signing.

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Qualified Supplier Management

smart manages qualified suppliers from two dimensions: performance evaluation and empowerment training. We have formulated and implemented the *Supplier Performance Evaluation Management Measures* and *Operational Management Evaluation Form*, continuously monitoring and assessing suppliers' ESG performance, and requiring them to complete corresponding improvement measures based on evaluation results. Additionally, we regularly conduct supplier ESG training to strengthen suppliers' ESG-related capabilities and performance.

Highlight Case: Strengthening of Qualified Suppliers' Sustainability Capabilities

● ■ ▲

During the Reporting Period, smart actively responded to the call of Drive Sustainability, participated in the daily discussions of its relevant working groups, and invited key supplier representatives to attend online trainings on the Lifecycle Assessment framework and guidelines, as well as online trainings on the interpretation of new foreign regulations for sustainability due diligence management, continuously promoting the construction of sustainable supply chain development.

On June 27, 2024, smart was invited to participate in a training event organised by Drive Sustainability. This training focused on analysing new foreign regulations for sustainability due diligence management for major automotive enterprises, helping them better understand issues related to sustainable due diligence management in suppliers and enhance their capabilities in sustainable supply chain risk management and sustainable competitiveness. smart specially invited 28 key suppliers to join with the Company's R&D team in this training activity, driving the supply chain to better address the opportunities and challenges brought by the new due diligence regulations, and jointly learning and discussing the strengthening of sustainability due diligence management.

Additionally, we actively utilise the resources of Drive Sustainability to regularly conduct annual evaluations of suppliers through the Drive Sustainability Self-Assessment Questionnaire (SAQ). In 2024, the Company carried out SAQ evaluations for 3 key suppliers, effectively identifying supply chain risks for smart.

Key Raw Material Management

smart firmly refrains from using or procuring "conflict minerals" and highly values the management of key raw materials such as tin, tantalum, tungsten, and gold. The Company strictly ensures that the mining and trading processes of minerals and metals used by suppliers do not involve any acts or incidents of human rights abuses, corruption, environmental destruction, or conflict financing. The Company utilises the conflict minerals reporting template to collect raw material information from suppliers, aiming to assess and mitigate risks associated with suppliers' key raw materials. Meanwhile, we require suppliers to issue declarations on responsible minerals and metals.

Supplier Appeals and Communication

In the Company's supplier relationship management system, we have established diversified and transparent information interaction mechanism. The Company provides suppliers with appeal and communication channels via email, phone, WeChat, and on-site visits. Suppliers can learn about these channels and submit audit appeals or daily communication requests through the Company's official website, individual bidding documents, and WeChat official account. Relying on real-time dialogue platforms such as the supplier relationship management system, work communication groups, regular round-table meetings, and on-site communications, we have formed a two-way communication network. We encourage all suppliers, their employees, and other stakeholders to conduct business consultations, issue feedback, and lodge appeals through designated compliance channels. This mechanism effectively ensures the timeliness and symmetry of supply chain information transmission.

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Corporate Social Responsibility

smart regards the fulfilment of social responsibility as an important path for enterprises to create long-term value. We have built a diversified project matrix around areas such as climate action advocacy, community service support, and industry talent cultivation. By formulating and implementing the *Donation and Sponsorship Compliance Policy*, we have established a standardised operational system, providing institutional guarantees for balancing enterprise development and regional collaborative progress. The Company encourages employees to deeply participate in public welfare practices, stimulate the internal driving force of the organisation, and promote the co-creation of social value.

In 2024, we constructed the "Sustainable Future Mobility" corporate social responsibility (CSR) framework, launching diverse initiatives across three dimensions: "Traffic Mobility", "Social Mobility", and "Urban Mobility". We enhanced the effectiveness of actions in areas such as climate change, community co-construction, and product innovation, thereby practicing the corporate citizen's responsibility for industry ecology and social development with practical actions.

◀ **2024 smart CSR Framework** ▶

Mission：
Sustainable Future Mobility

Vision:
Towards a better future of sustainable mobility

Traffic Mobility	Social Mobility	Urban Mobility

2024 smart CSR Key Performance Indicators

Total investment/donations for community public welfare

500,000 RMB

Number of people influenced by social welfare activities

Approximately **100,000**

Total number of social welfare activities carried out in China, Europe, Southeast Asia, etc.

More than **10** events

Traffic Mobility

smart empowers mobility with electric technology to drive green transportation transformation. By advocating low-carbon travel, we fulfil corporate social responsibility, connecting cities with nature, reducing carbon emissions and protecting the ecosystem while on the move. Every journey becomes a vivid footnote to a sustainable future, reshaping the landscape of harmonious coexistence between transportation and the environment.

⭐ **Highlight Case: Desert Edge Stabilisation – Haipeng Companion Public Welfare Forest Exploration Journey** ● ■ ▲

smart Public Welfare Forest Project was launched in 2023 by smart authorised agent Jiangsu Haipeng, with smart car owners, to engage in tree-planting philanthropy. In Minqin, Gansu, windbreak trees were planted in the name of car owners.

In 2024, smart further advanced the Companion Forest planting programme. We organised a self-driving journey with car owners in smart all-electric models to Gansu, exploring Haloxylon planting sites and their growth conditions. The route spanned from Xuzhou, Jiangsu, through Luoyang, Xi'an, Guyuan, Zhongwei, and Jinchang, finally arriving in Lanzhou, Gansu. En route, participants witnessed natural beauty of China, traversed over 3,000 kilometres, and personally visited the Haipeng Companion Haloxylon Forest to contribute to desert edge stabilisation. As of the end of the Reporting Period, Jiangsu Haipeng smart planted 4,850 Haloxylon trees for car owners. These trees tenaciously grow into an edge-stabilising forest belt in the desert, blocking sand flows and protecting our shared homeland.

⭐ **Highlight Case: smart Collaborates with Trek to Rally Thousands of Riders on Chongming Island, Charity Cycling Forges a Healthy Future** ● ■ ▲

On November 17, 2024, the "Trek 100" charity cycling event co-hosted by smart and bicycle brand Trek kicked off on Chongming Island, Shanghai. Over 2,000 cycling enthusiasts traversed ecological landscapes such as Dongtan Wetland and the Round-Island Scenic Dyke, practicing public welfare through green sports. We donated RMB 100,000 to New Sunshine Charity Foundation and attracted guests including the Li-Ning Star Team and Tour de France veteran Ji Cheng to lend their support, transmitting love through the spirit of sports. The Shanghai leg integrated ecology, health, and charity, demonstrating corporate social responsibility with the power of thousands of riders. Through eco-friendly, green, and healthy cycling, this initiative has allowed the sunshine of public welfare to reach all corners of society.

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Social Mobility

We take targeted resource allocation and long-term mechanism development as the core, focusing on community public welfare practices in areas such as educational equity and scholarship donations. Through employee volunteer services and resource donation activities, we achieve mutual prosperity between corporate development and regional well-being, fostering more inclusive social value recognition.

Highlight Case: smart Brand School Sponsorship Programme, Supporting Sustainable Development of Rural Basic Education   ● ■ ▲

In May 2024, smart, in collaboration with Junior Achievement China and Xi'an Jie'en Education Foundation, organised the "Green and Low-carbon Workshop" volunteer activity at Yongfeng Primary School in Zhouzhi County, Shaanxi. Twelve smart volunteers delivered green and low-carbon concepts to students through ecological footprint games, environmental story-telling, and new energy science popularisation, responding to the call for rural revitalisation. The activities helped students better understand the importance of sustainability, achieving the effect of teaching through entertainment. During the Reporting Period, a total of 50 students were benefited.

Additionally, during the Reporting Period, smart donated two smart new energy vehicles to primary schools in Hangzhou Bay New Zone, Ningbo, for daily teaching use at the school. The Company also introduced common knowledge about the use of new energy vehicles to teachers and students. In the future, the Company will continue to advance education assistance and school-enterprise public welfare projects, contributing to rural revitalisation and the popularisation of green concepts.

● smart volunteers played the "ecological footprint game" with children

Urban Mobility

smart activates urban sustainable genes through innovative practices. We deepen engagement in urban regeneration and climate adaptation via Jane's Walk, reshape low-carbon infrastructure through agent store competitions, create green event and cultural integration scenarios hand in hand with sports and cultural IPs, and awaken humanistic care through public welfare initiatives. From space to facilities, from events to culture, multidimensional collaboration weaves an urban ecological network, making every mobility a vivid footprint to the symbiosis between cities, nature, and humanity, empowering the sustainable growth and humanistic warmth of future cities.

Highlight Case: Jane's Walk – City Walk with the Theme of Sustainable Cities and Transportation   ● ■ ▲

In 2024, smart continued to support the Jane's Walk event team, sponsoring three sustainability-themed city walk activities in Suzhou, Hong Kong, and Singapore. The events included city walk, guest sharing sessions, seminars, etc. smart and the Jane's Walk team continue to jointly explore sustainable public welfare models. Centred around the focus of sustainable urban mobility and development, three events align with smart's vision of "to explore the best solutions for future urban mobility", fostering joint deliberation on sustainable cities and transportation.

In May 2024, Suzhou session themed "Exploring Gusu through the Pingjiang Map", discussed the evolution and renewal of popular historical districts. Over 130 applicants and 30 participants joined the architectural heritage protection activities. smart #1 served as water refill station for the city walking session during the event;

In November 2024, Hong Kong session focused on the sustainable renovation and regeneration of the Kai Tak Old Airport;

In November 2024, Singapore session explored how the government has adopted effective measures to reduce the apparent temperature in cities against the backdrop of climate change and global warming. A total of 32 participants contributed ideas and solutions to address Singapore's cooling challenges amid global warming. smart provided the meeting room at the Singapore retail store as the venue for the on-site workshop discussions, while smart #1 was on display in the adjacent showroom.

● Group Photo of Singapore Participants, Volunteers and Guests

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Highlight Case: smart Collaborates with University of Nottingham Students to Innovatively Empower Stores for a Sustainable Future ● ■ ▲

In 2024, smart partnered with students and faculty from the University of Nottingham Ningbo China, University of Nottingham UK, and University of Nottingham Malaysia to launch the smart Global Store Sustainable Operation Design Competition, attracting 41 multinational teams. The initiative involved on-site visits to smart sales stores in the UK, Malaysia, and China, inspiring young students to propose sustainable operation solutions.

After multiple rounds of evaluation, six winning teams showcased their interdisciplinary innovative achievements in the grand final, focusing on environmental friendliness, commercial value, and industry ecosystem optimisation. From multidimensional perspectives, they provided new ideas for the low-carbon transformation of sales stores, and through the school-enterprise cooperation model, jointly promoted the practical value of global sustainability.

● smart Global Store Sustainable Operation Design Competition Winning Team

Highlight Case: smart "Leave No Trace in the Forest" Environmental Protection Activity: Jointly Forging a Green Future ● ■ ▲

smart continues to collaborate with Friends of Nature, launching the "Leave No Trace" activity at Hangzhou's Jiuyao Mountain in November 2024. Participants jointly explored hidden hiking trails, experienced undiscovered natural and hidden beauty, practicing environmental protection philosophy, and safeguarded the mountain forest. In 2024, smart organized two Friends of Nature environmental initiatives in Ningbo and Hangzhou, advocating the organizational conservation ethos, safeguarding ecosystems. We engaged over 50 participants, including smart employees, to support mountain forest protection. These efforts fostered win-win outcomes across ecological, brand, and social values.

● Volunteers for the "Leave No Trace in the Forest " Activity Co-created by smart and Friends of Nature

Highlight Case: smart Collaborates with FC St. Pauli. to Build a Future-focused, Value-driven Partnership ● ■ ▲

The partnership between FC St. Pauli and smart in 2024 sends a clear signal for sustainable development in sport. The collaboration is based on shared values and a long-term, value-orientated approach. Through joint campaigns for low-emission mobility and a targeted commitment to the FC St. Pauli women's team, this partnership is being put into practice, with the potential to grow.

● smart provided new energy vehicles to the German FC St. Pauli. Football Club

Additionally, during the Reporting Period, smart engaged multiple stakeholders, integrating green mobility technologies, community engagement, and public welfare advocacy to promote environmental concepts through cross-sector collaboration:

smart together with Mercedes-Benz became mobility partners for the "Karneval der Kulturen" in Berlin, Germany, advocating for low-carbon mobility and urban cultural integration.
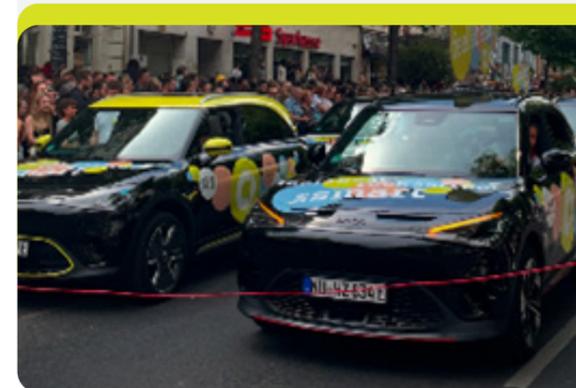
In collaboration with the non-profit organisation Viva con Agua, an initiative titled "Water is a Human Right" was launched at the GLÜCKSGEFÜHLE Festival 2024 in Germany, aiming to awaken public awareness of the right to clean water and sanitation.

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Appendix

Global Reporting Initiative (GRI) Content Index

GRI Standard	Disclosure	Related Chapters/Remarks
GRI2: General Disclosure 2021		
2-1	Organisational details	Our Culture and Values
2-2	Entities included in the organisation's sustainability reporting	About the Report
2-3	Reporting Period, frequency, and contact point	About the Report
2-6	Activities, value chain, and other business relationships	About the Report
2-7	Employees	Diversity and Inclusion
2-9	Governance structure and composition	Sustainability Governance Framework
2-10	Nomination and selection of the highest governance body	Sustainability Governance Framework
2-11	Chair of the highest governance body	Sustainability Governance Framework
2-12	Role of the highest governance body in overseeing the management of impacts	Sustainability Governance Framework
2-13	Delegation of responsibility for managing impacts	Sustainability Governance Framework
2-14	Role of the highest governance body in sustainability reporting	Sustainability Governance Framework
2-15	Conflicts of interest	Compliance
2-16	Communication of critical concerns	Stakeholder Engagement
2-17	Collective knowledge of the highest governance body	Sustainability Governance Framework
2-18	Evaluation of the performance of the highest governance body	Sustainability Governance Framework
2-19	Remuneration policies	Diversity and Inclusion
2-20	Process to determine remuneration	Diversity and Inclusion

GRI Standard	Disclosure	Related Chapters/Remarks
2-22	Statement on sustainable development strategy	smart Sustainability Strategy
2-23	Policy commitments	smart Sustainability Strategy
2-24	Embedding policy commitments	smart Sustainability Strategy
2-25	Processes to remediate negative impacts	Corporate Governance
2-26	Mechanisms for seeking advice and raising concerns	Corporate Governance
2-27	Compliance with laws and regulations	Compliance
2-28	Membership associations	Responsible Supply Chain
2-29	Approach to stakeholder engagement	Stakeholder Engagement
2-30	Collective bargaining agreements	Diversity and Inclusion
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	Material Issue Analysis
3-2	List of material topics	Material Issue Analysis
3-3	Management of material topics	Material Issue Analysis
GRI 204: Procurement Practices 2016		
204-1	Proportion of spending on local suppliers	Low-Carbon Value Chain
GRI 205: Anti-corruption 2016		
205-1	Operations assessed for risks related to corruption	Business Ethics
205-2	Communication and training about anti-corruption policies and procedures	Business Ethics
205-3	Confirmed incidents of corruption and actions taken	Business Ethics
GRI 206: Anti-competitive Behavior 2016		
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Business Ethics

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GRI Standard	Disclosure	Related Chapters/Remarks
GRI 207: Tax 2019		
207–1	Approach to tax	Corporate Governance
GRI 301: Materials 2016		
301–1	Materials used by weight or volume	Sustainable Materials
301–2	Recycled input materials used	Sustainable Materials
GRI 302: Energy 2016		
302–1	Energy consumption within the organisation	Environmental Management
302–2	Energy consumption outside of the organisation	Environmental Management
302–3	Energy intensity	Environmental Management
302–5	Reduction of energy consumption	Environmental Management
GRI 303: Water and Effluents 2018		
303–1	Interactions with water as a shared resource	Environmental Management
303–2	Management of water discharge–related impacts	Environmental Management
303–5	Water consumption	Environmental Management
GRI 305: Emissions 2016		
305–1	Direct (Scope 1) GHG emissions	Low–Carbon R&D and Operations
305–2	Energy indirect (Scope 2) GHG emissions	Low–Carbon R&D and Operations
305–4	GHG emissions intensity	Low–Carbon R&D and Operations
GRI 306: Waste 2020		
306–1	Waste generation and significant waste–related impacts	Environmental Management
306–2	Management of significant waste–related impacts	Environmental Management
306–3	Waste generated	Environmental Management
GRI 401: Employment 2016		
401–1	New employee hires and employee turnover	Diversity and Inclusion
401–2	Benefits provided to full–time employees that are not provided to temporary or part–time employees	Diversity and Inclusion
401–3	Parental leave	Diversity and Inclusion

GRI Standard	Disclosure	Related Chapters/Remarks
GRI 403: Occupational Health and Safety 2018		
403–1	Occupational health and safety management system	Employee Health and Safety
403–2	Hazard identification, risk assessment, and incident investigation	Employee Health and Safety
403–3	Occupational health services	Employee Health and Safety
403–4	Worker participation, consultation, and communication on occupational health and safety	Employee Health and Safety
403–5	Worker training on occupational health and safety	Employee Health and Safety
403–6	Promotion of worker health	Employee Health and Safety
403–7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Employee Health and Safety
403–8	Workers covered by an occupational health and safety management system	Employee Health and Safety
403–9	Work–related injuries	Employee Health and Safety
403–10	Work–related ill health	Employee Health and Safety
GRI 404: Training and Education 2016		
404–1	Average hours of training per year per employee	Talent Development
404–2	Programs for upgrading employee skills and transition assistance programs	Talent Development
404–3	Percentage of employees receiving regular performance and career development reviews	Talent Development
GRI 405: Diversity and Equal Opportunity 2016		
405–1	Diversity of governance bodies and employees	Diversity and Inclusion
GRI 406: Non–discrimination 2016		
406–1	Incidents of discrimination and corrective actions taken	Diversity and Inclusion
GRI 413: Local Communities 2016		
413–1	Operations with local community engagement, impact assessments, and development programs	Corporate Social Responsibility

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GRI Standard	Disclosure	Related Chapters/Remarks
GRI 414: Supplier Social Assessment 2016		
414-1	New suppliers that were screened using social criteria	Responsible Supply Chain
414-2	Negative social impacts in the supply chain and actions taken	Responsible Supply Chain
GRI 416: Customer Health and Safety 2016		
416-1	Assessment of the health and safety impacts of product and service categories	Quality Management
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	No relevant violations occurred during the Reporting Period
GRI 417: Marketing and Labeling 2016		
417-1	Requirements for product and service information and labelling	User First
417-2	Incidents of non-compliance concerning product and service information and labelling	No relevant violations occurred during the Reporting Period
417-3	Incidents of non-compliance concerning marketing communications	No relevant violations occurred during the Reporting Period
GRI 418: Customer Privacy 2016		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	No relevant significant complaints were received during the Reporting Period

Feedback

Dear Readers,

Hello!

Thank you very much for reading this report. This report is the sustainability report publicly released by smart Mobility Pte. Ltd. to the society. To continuously improve smart's sustainability efforts and enhance our ability and level of fulfilling social responsibility, we sincerely invite you to provide an objective evaluation of this report. We hope to receive your valuable opinions and suggestions, which we will humbly listen to and continuously improve upon. You can provide your feedback to us through the following methods.

E-mail: smart.info@smart.com

1.Your overall evaluation of the smart 2024 Sustainability Report is:

☐ Excellent   ☐ Good   ☐ Average   ☐ Below Average

2.Do you think this report reflects smart's significant impact on the economy, society, and environment:

☐ Yes   ☐ Somewhat   ☐ Not Sure

3.How do you rate the clarity, accuracy, and completeness of the information, data, and indicators disclosed in this report:

☐ Excellent   ☐ High   ☐ Average   ☐ Below Average

4.What suggestions do you have for smart's sustainability efforts and the compilation of the sustainability report?