NIU
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ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT 2024

ESG

ENVIRONMENTAL
SOCIAL
GOVERNANCE

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ABOUT THIS REPORT

This Report is the fourth Environmental, Social and Governance (hereinafter referred to as "ESG") Report released by Niu Technologies. It is prepared based on the principles of objectivity, standardization, transparency, and comprehensiveness, and focuses on the Company's ESG practices, achievements, and performance.

Scope of the Report: Unless otherwise noted, the scope of this Report is consistent with that of the Company's annual report, with the reporting entity including Niu Technologies and its subsidiaries (hereinafter referred to as "NIU", the "Company", or "we").

Reporting period: This Report is published annually and covers the period from January 1, 2024 to December 31, 2024. Some information in the Report has been extended outside the reporting period as appropriate for enhanced completeness.

Reporting standards: This Report has been prepared with reference to the following criteria:

- Nasdaq ESG Reporting Guide 2.0
- Global Reporting Initiative (GRI) Standards 2021
- United Nations Sustainable Development Goals
- International Financial Reporting Sustainability Disclosure Standard 1 – General Requirements for Disclosure of Sustainability-related Financial Information (IFRS S1) and International Financial Reporting Sustainability Disclosure Standard 2 – Climate-Related Disclosures (IFRS S2) released by the International Sustainability Standards Board (ISSB)

Sources: The information and data cited in the Report is sourced from the Company's internal documents, statistical reports, and financial reports, and has been compiled and reviewed by the relevant internal departments. During the reporting period, some data were restated due to revised statistical methods, leading to discrepancies with earlier data releases. In such cases, the data in this Report shall prevail. Financial figures in this report are denominated in Renminbi (RMB). In case of any discrepancy with the financial statement, the financial statement shall prevail.

Release format: The electronic version of this Report is available on the Company's official Investor Relations website. The Report is published in Chinese and English. If there is any ambiguity between the Chinese version and its English translation, the Chinese version shall prevail. We welcome readers' feedback on the Report. If you have any questions or comments, please send an email to ir@niu.com.

Disclaimer: The Report may contain some forward-looking statements, which are subject to material changes due to uncertainties. The Company assumes no responsibility for updating any forward-looking statements in the Report.

MESSAGE FROM THE CEO

Dear Stakeholders,

The year 2024 marked the tenth anniversary of Niu Technologies - a milestone year that also became a pivotal moment in driving sustainable development through innovation and responsibility. Amid intensifying climate risks, tightening regulations, and rising consumer expectations for sustainability, we remained steadfast in our mission of "redefining urban mobility and making life better". Under the theme "Smart Mobility and Decarbonization for the Future", we achieved resilient growth, drove technological innovation, and created ESG value by deeply integrating technology, design, and social responsibility.

We are redefining the mobility experience by making advanced technology accessible to all through smart innovation.

We believe that true innovation is not only about breakthroughs in technology, but also about ensuring that everyone can experience its benefits in daily life. On safety, we pioneered the use of radar-assisted safety technology in the industry. Our onboard millimeter-wave radar monitors traffic conditions in real time on both sides of and behind the vehicle. This significantly reduces accidents and ensures safer journeys. In batteries, we use high-safety, automotive-grade cells paired with an intelligent battery management system (BMS) that integrates multiple protective measures and a "thermal sentinel mode." Combined with dynamic charging algorithms and over-the-air (OTA) remote upgrades, these innovations have achieved a significant leap in battery safety and performance. Our NX model became the first in the industry to receive a five-star fire safety certification, a testament to our decade-long commitment to embedding "safety DNA" into every detail of our products. We have made advanced safety features standard across our mainstream models, breaking down industry barriers through "technology inclusivity" and making intelligent safety accessible to millions of riders. These features include millimeter-wave environmental sensing, OTA upgrades, dual-channel ABS (anti-lock braking system), and TCS (traction control system).

We are fulfilling our sustainability commitments, making every ride an act of environmental protection.

We continually explore new pathways for green, low-carbon mobility from the perspective of the entire product lifecycle, from design and R&D to manufacturing, product use, and end-of-life disposal. Guided by the design principle of minimizing emissions and environmental impact throughout the product lifecycle, we continue to develop innovative green products. Our electric motorcycle and electric scooter both received the Life Cycle Assessment (LCA) verification statement from TÜV SÜD, marking an important milestone in sustainable product innovation. Meanwhile, our users have collectively travelled more than 25 billion kilometers, reducing carbon emissions by 6.25 million tons. This further strengthens our belief that electric two-wheeled vehicles are not only mobility tools but also a vital force in combating climate change. On the production side, our Changzhou manufacturing base generated 1.1126 million kWh of solar power in 2024, increasing the share of green electricity to 32%. Each kilowatt-hour generated contributes to decarbonizing our manufacturing operations. We also advanced circular economy initiatives to achieve efficient resource use and waste reduction. In 2024, we recycled nearly 150 tons of used battery packs and over 400 tons of iron and aluminum scrap and partnered with key suppliers to implement a reusable packaging system and recovered over 190,000 packaging units. From green product design to carbon reduction in user journeys and from solar-powered manufacturing to circular resource recovery, we are building a clear and measurable pathway toward sustainable growth.

Looking ahead, our journey of smart innovation will continue to push the boundaries of technology. We already have a roadmap that includes AI-empowered smart features, lighter materials, and a more deeply connected IoT ecosystem. We will also accelerate our green transformation by expanding solar power initiatives and driving low-carbon operations across the entire value chain to reinforce our commitment to China's "dual carbon" goals.

Finally, I would like to express my heartfelt gratitude to all our users. It is through your journeys that our vision of green mobility reaches every corner of our cities. Guided by the principles of Technology, Style, and Freedom, Niu Technologies will continue to set new standards in smart and sustainable mobility, helping to shape smarter and cleaner cities for the future.

Chief Executive Officer

Dr. Yan Li

ABOUT NIU TECHNOLOGIES

Mission

Redefine urban mobility and make life better

Vision

Become a world-leading urban mobility brand through design and technology

Concept

Technology, style and freedom

Company Profile

NIU is a global provider of smart urban mobility solutions. As the first lifestyle brand in China's urban mobility sector, NIU's brand embodies the concepts of Technology, Style, and Freedom. Since its establishment, NIU has been committed to providing global customers with more convenient and more environment-friendly smart urban mobility vehicles to redefine urban mobility and make life better.

A pioneer in the new category of smart electric two-wheelers, NIU has brought the two-wheelers into the era of the Internet of Everything. The Company has elevated the electric two-wheeler from a functional mode of transport to a high-end, stylish lifestyle product while boosting awareness of green mobility solutions and advancing smart, green technologies.

NIU designs, develops and manufactures high-performance electric motorcycles, mopeds, bicycles, kick-scooters, and e-bikes, among others. It has a diversified product portfolio that caters to the various demands of our users and addresses different urban travel scenarios. NIU also offers accessories, including riding equipment and daily necessities. For our users, NIU is more than just an electric vehicle brand, it's a trendy lifestyle.

NIU is headquartered in Beijing and operates a research and development center in Shanghai and a manufacturing base in Changzhou, Jiangsu Province, with an annual capacity of 2 million units. As of the end of 2024, the Company had 3,735 franchised stores across 293 cities in China, and 57 distributors across 53 countries and regions.

MAJOR MILESTONES

2014

In 2014, NIU is founded.

2015

NIU launched its first vehicle, the NQi, and received RMB 72 million in funding from the JD Equity Crowdfunding platform, a record sum for a domestic product in China.

2018

The total distance traveled by NIU scooters topped one billion kilometers. The Company listed on NASDAQ (NASDAQ: NIU) in October.

2020

The NIU 2.0 strategy is initiated with product matrix covering NQi, MQi, UQi, and GOVA series. Global sales exceeded 1.5 million vehicles.

2021

NIU entered the micromobility market with the launch of the KQi kick-scooter series. The cumulative distance traveled by global users topped 10 billion kilometers; global sales exceeded 2.7 million vehicles.

2022

NIU debuted the revolutionary SQi series. The BQi electric bicycle was released overseas. Global sales exceeded 3.5 million; total distance driven by users hit 15 billion kilometers.

2023

NIU launched the MQi L, an electric bicycle with an extended riding range and supercharge function, alongside the high-performance electric motorcycle RQi.

2024

NIU launched the "next-generation performance flagship" electric scooter NX and electric bicycle NXT, redefining the premium segment.

2025

NIU launched its innovative flagship NXT and FXT e-bicycle series, targeting the ultra-premium segment with superior riding range and high performance.

FOCUSING ON SUSTAINABILITY · 2024 ESG HIGHLIGHTS

Operational Performance

- Total revenue reached RMB3.288 billion, a year-on-year increase of **24.0%↑**
- Annual sales volume grew **30.2%↑** year-on-year, with 923,340 units sold.

Society

- Our customer service satisfaction rate was **94%**, highlighting NIU's customer service capabilities and brand value.
- By the end of 2024, the Company had **612 patents** and **978 registered trademarks** with an additional 211 patent and trademark applications pending in mainland China, Europe, and other jurisdictions.
- **The NX** became the industry's first model to receive a five-star fire safety rating from CMVR (China Merchants Testing Vehicle Technology Research Institute Co., Ltd.)
- During the reporting period, the Company helped draft **two national standards** and **three group standards** for electric bicycles.

Environment

- NIU users cumulatively traveled over **25 billion kilometers** as of the end of 2024, reducing carbon emissions by over 6.25 million tons - equivalent to planting approximately 312.5 million trees.
- The first and second phases of the photovoltaic projects at Changzhou manufacturing base totally generated **1.1126 million kWh** of power in 2024, **an increase of 49%** compared to 2023. Green power usage accounted for about 32% of the Company's total annual power consumption, up 7% compared to 2023.
- We improved our carbon emissions investigation and accounting mechanism and disclosed part of the Scope 3 emissions data for the first time, in addition to reporting Scope 1 and Scope 2 emissions. The Company's carbon emissions in 2024 were **1,650.52 tons** of carbon dioxide equivalent.
- Our smart manufacturing base in Changzhou earned integrated certification for **ISO 9001** Quality Management System, **ISO 14001** Environmental management System, and **ISO 45001** Occupational Health and Safety System.

Governance

- Independent non-executive directors accounted for **67%**.
- **17%** of board members were women.
- The average attendance rate of Board meetings was **100%**.
- The Audit Committee, Nomination and Corporate Governance Committee, and Compensation Committee were each composed of **100%** independent directors.
- There were **zero** corruption and **zero** illegal or irregular incidents throughout the year due to good compliance with business ethics.

ESG Recognition

- S&P Global ESG Score **rose 14 points to 43** in 2024, ranking the top position in China's two-wheeler segment.
- As one of the first participants in the electric two-wheelers segment, NIU earned a **C ("Awareness")** rating in the 2024 CDP Climate Change assessment.

HONORS AND AWARDS

Company honors and awards

Global Leader in Premium Smart Electric Vehicles

Most Promising Listed Company in the High-End Manufacturing Industry
National Business Daily

Outstanding Brand of the Year for Listed Companies
China Times

2024 "Good Company 50" Industry Leadership Award
Jiemian News

First Smart Manufacturing Tech 50 Award
KPMG

Outstanding Smart Manufacturing Leadership Award
The 14th China Finance Summit

2024 Digital Human Resources Transformation Pioneer Award
Xinrenxinshi

Product honors and awards

XQi3

The XQi3 won the "2024 Red Dot Award"

The XQi3 won the "2024 Golden Pin Design Award"

The XQi3 won the "Good Design Award 2024"

The XQi3 won the "iF Design Award 2025"

reddot winner 2024
motorcycle design

GOOD DESIGN AWARD 2024

GOLDEN PIN DESIGN AWARD

iF DESIGN AWARD 2025

NQiX

The NQiX won the "Award Nominations for Better Design Award"

The NQiX won the "2025 Red Dot Award"

Better Design Award
提名奖
Award Nominations

reddot winner 2025

1 ESG MANAGEMENT AND GOVERNANCE

1.1 ESG DEVELOPMENT STRATEGY

As the world's leading designer and manufacturer of smart electric two-wheelers, we are committed to promoting green mobility and having a positive impact on global urban transportation through innovative technologies and sustainable practices. Guided by the United Nations Sustainable Development Goals (UN SDGs), our ESG strategy focuses on environmental protection, social responsibility, and corporate governance to create long-term value for stakeholders and contribute to a more sustainable future.

ESG

NIU'S ESG VALUE MODEL

NIU upholds the highest standards of **corporate governance** to ensure transparency and accountability in business operations.

- Transparency: Enhance disclosure to ensure all stakeholders understand the Company's ESG practices.
- Compliance: Ensure the Company's operations comply with all relevant laws, regulations, and standards.
- Risk management: Establish an effective risk management system to address ESG risks and opportunities.
- Board diversity: Promote diversity in terms of gender, culture, and professional background to drive inclusive decision-making.

NIU places **environmental sustainability** at the core of its business and is committed to reducing its carbon footprint and promoting the use of clean energy.

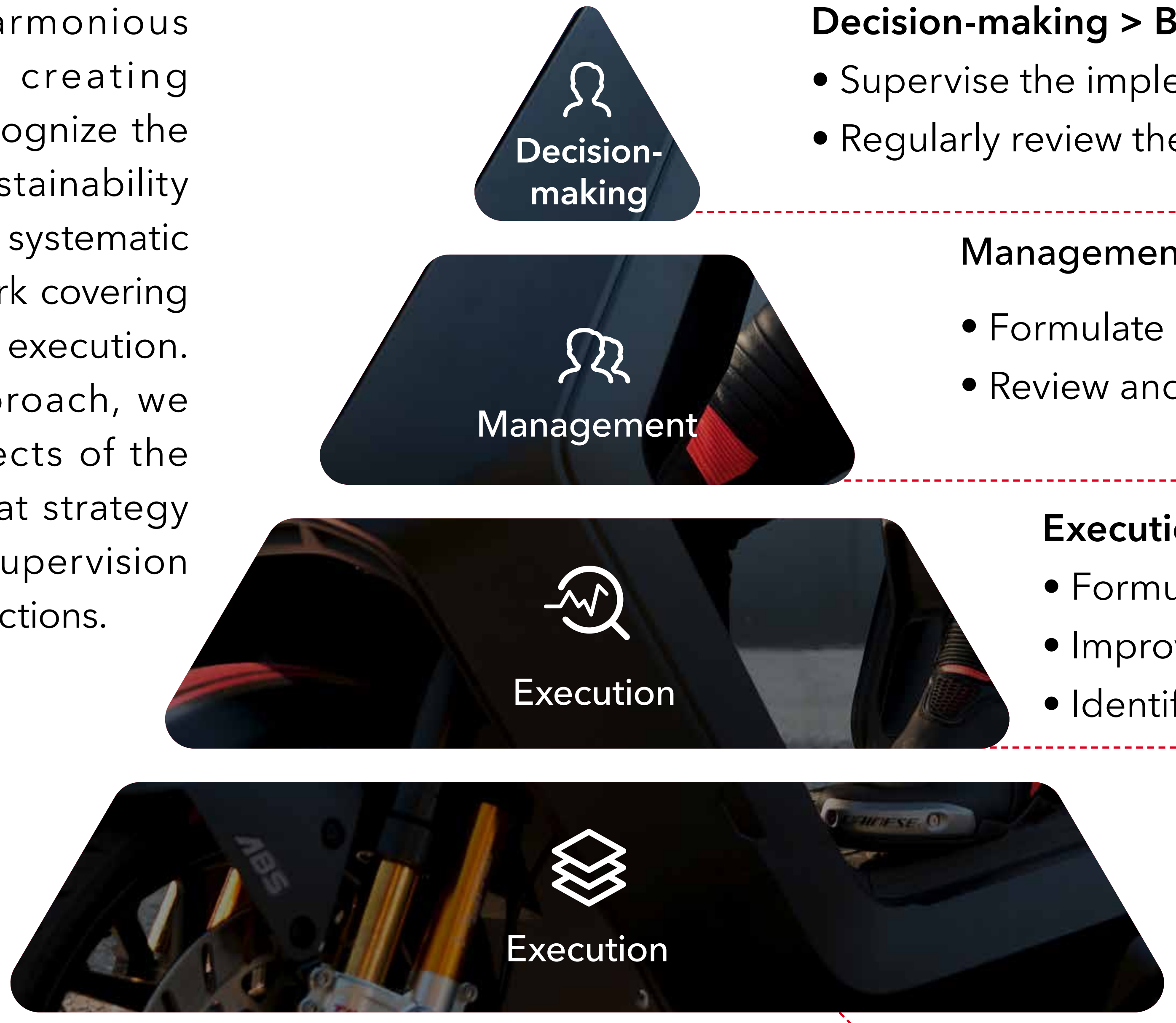
- Green innovation: Promote technological innovation, improve battery energy efficiency, and use environmentally friendly batteries.
- Supply chain management: Ensure sustainable supply chain by using environmentally friendly materials and production methods.
- Product lifecycle management: Minimize environmental impact from design to recycling.
- Addressing climate change: Increase the use of clean energy, promote the circular economy, and reduce the carbon footprint.

NIU bears its corporate **social responsibility** and is committed to creating value for its employees, users, business partners, and the community.

- Safety first: Improve product safety and enhance riding safety with intelligent technologies.
- Employee development: Provide training and development opportunities and create a diverse and inclusive working environment.
- Supply chain management: Ensure environmental and social compliance through strict supplier evaluation.
- Community participation: Promote "green lifestyle" globally and enhance public recognition of sustainable development.

1.2 ESG GOVERNANCE

NIU is committed to fostering harmonious stakeholders relationships and creating sustainable corporate value. We recognize the importance of ESG to corporate sustainability and have built a comprehensive and systematic multi-level ESG governance framework covering decision-making, management, and execution. Guided by a top-level design approach, we integrate ESG concepts in all aspects of the Company's operations, ensuring that strategy formulation, implementation, and supervision extend across all departments and functions.



Decision-making > Board: All members of the Board

- Supervise the implementation and execution of the Company's ESG-related strategies
- Regularly review the implementation of ESG projects

Management > Management Team: Key personnel in charge of ESG-related matters

- Formulate and advance ESG strategies, policies, and goals
- Review and approve ESG goals
- Review the Company's annual ESG report
- Guide and supervise the work of the Sustainable Development Steering Group

Execution > Sustainable Development Steering Group:

- Formulate ESG policies, objectives, and work plans
- Improve communication mechanisms with stakeholders
- Identify ESG risks and opportunities
- Prepare ESG reports and related information disclosures
- Conduct ESG management and other works

Execution > Sustainable Development Working Group:

Include members from the Sales Center, Procurement Center, Manufacturing Center, Product R&D Center, Human Resources Center, and Finance and Legal Center

- Coordinate the implementation of the ESG work plan
- Ensure that various ESG initiatives are implemented across all businesses
- Collect and report ESG-related data and information

We attach great importance to building the ESG leadership team's sustainable development capabilities and promote ESG concepts to all employees through an internal channel. By sharing sustainable development information and highlighting its importance, we aim to enhance our employees' awareness of sustainability. We also ensure that the Management Team effectively fulfill its responsibilities and plays a key role in driving decision-making and overall supervision to enhance the Company's ESG decision-making capabilities and quality. We actively leverage external resources to arrange for members of the Sustainable Development Working Group to attend ESG forums as well as sustainability workshops organized by external professional institutions to help them keep abreast of the latest ESG developments, practices, and trends. Additionally, we learn methodologies and best practices on key ESG issues such as climate risk assessment, supply chain ESG governance, and biodiversity risk management from industry experts, international organizations, and benchmark companies. By integrating external best practices into our operations, we continuously optimize ESG strategic planning and implementation pathways, supporting our commitment to a forward-looking, professional approach to sustainable transition and social responsibility.

1.3 STAKEHOLDER ENGAGEMENT

We are fully committed to building a more resilient and transparent routine communication mechanism via various channels to maintain active communication with stakeholder.

We focused on strengthening stakeholder communication in the following areas:

- **Regular ESG reporting:** We clearly and accessibly presented our ESG progress and achievements to enhance disclosure transparency;
- **ESG rating responses:** We actively participated in the S&P Global Corporate Sustainability Assessment (CSA) and the CDP questionnaire;
- **Questionnaires and email:** We invited stakeholders to participate in surveys on material issues. We set up an email account dedicated to ESG communication to provide detailed responses;
- **On-site visits:** We invited stakeholders to visit our manufacturing base, R&D center, and franchised stores, enhancing their understanding of our ESG practices and strenghtening the Company's ESG reputation;
- **External resource:** We learned ESG best practices from various external resourse to explore sustainable development, and collaborated with surrounding communities to sustainable development;
- **Official website and social media:** We aimed to enhance stakeholders' understanding of the Company's ESG practices with sustainability contents on the official website and social media.

Communications with Stakeholders

Key stakeholders	Main topics of concern	Communication approach	Response and action
Users and consumers	• R&D and technological innovation • Information security and privacy protection • Product quality and safety • Customer service and satisfaction	• Online and offline promotional activities • New product launch events • Market researches • Customer satisfaction surveys • Customer service hotline	• Provide innovative, high-quality products • Optimize customer service system and customer feedback and complaint mechanisms • Strengthen the information security system to protect customer information
Investors	• Corporate governance • R&D and technological innovation • Risk management and internal control • Business ethics • Sustainable development management	• Quarterly earnings calls • Roadshow events • Financial reports and ESG reports • Email and phone inquiries • Field research	• Regularly publish reports and disclose information truthfully and fully • Strengthen communication with investors via conference calls, online and offline meetings, road shows, and surveys, among others • Improve corporate governance and risk management • Strengthen ability to identify business risks and capitalize on opportunities • Increase R&D investments
Employees	• Employee rights and benefits • Diversity and equal opportunities • Employee training and development • Occupational health and safety	• Town halls • CEO communication channel • Internal reporting and complaint channels • Employee training • Quarterly performance evaluation	• Strictly comply with the terms of labor contracts and improve salary and benefits • Disclose the Company's management policies in an open and transparent manner • Provide a safe and healthy work environment • Provide career development opportunities and training for employees • Hold quarterly all-hands meetings and provide direct channels for communication between employees and the CEO • Create an equal, inclusive, and open corporate culture

Communications with Stakeholders

Key stakeholders	Main topics of concern	Communication approach	Response and action
Government and regulators	• Corporate governance • Business ethics • Climate change and carbon emissions • Emissions and waste management • Social contribution • Ecosystem and biodiversity conservation	• Government-enterprise seminars • Information reporting	• Strictly abide by relevant laws and regulations, strengthen corporate compliance management, and respond to relevant national policies • Practice corporate social responsibility, promote environmental protection and carry out public welfare activities aligned with the nature of the business • Develop a carbon neutral strategy • Support rural revitalization
Suppliers and distributors	• Corporate governance • Business ethics • Sustainable supply chain management • Responsible distributor and retail management • Product quality and safety	• On-site investigations • Distributor meetings • Product review meetings • Commercial agreements • Supplier trainings	• Uphold open and transparent business principles, actively fulfill contracts and integrity agreements, and build a sustainable supply chain • Quarterly and annual supplier reviews • Provide innovative, high-quality products • Annual distributor meeting, and irregular store visits by management
Peers and industry associations	• R&D and technological innovation • Intellectual property protection • Product quality and safety	• Industry exchange and cooperation • Industry top performer awards and industry standard setting	• Strengthen exchanges and cooperation with peers to promote a healthy and orderly competitive environment • Invest in R&D that advances innovation in the industry; earn awards and recognition from industry peers; participate in the establishment of industry standards
Society	• Social contribution • Ecosystem and biodiversity conservation	• Public welfare programs • Community activities	• Support community activities to strengthen community cohesion • Organize public welfare programs, address environmental issues, and support populations with special needs

1.4 MATERIALITY ASSESSMENT

As the cornerstone of the Company's ESG initiative, the materiality assessment process helps us focus on key areas, define ESG strategy, and identify priorities. We have established a process for identifying, assessing, and analyzing material issues with reference to the Nasdaq ESG Reporting Guide 2.0, the United Nations Sustainable Development Goals (UNSDGs), the Global Reporting Initiative (GRI), and the International Financial Reporting Sustainability Disclosure Standard 1 – General Requirements for Disclosure of Sustainability-related Financial Information (IFRS S1), among other sustainability-related standards.

Materiality Assessment Process

During the reporting period, we refined our process for analyzing ESG material issues and introduced double materiality approach for the first time. This involves assessing ESG materiality from two perspectives: impact materiality (the potential significant positive or negative impacts of a company's operations on the broader economy, environment, and society) and financial materiality (the potential significant positive or negative impacts on a company's business model, financial position, cash flow, financing methods, and costs). This improvement has enabled us to more accurately identify and select ESG issues that are critical to the Company's development. The specific steps are as follows:

01 Materiality screening

- Establish a comprehensive up-to-date sustainable development issue pool (including 21 ESG issues) against the original material issue list, integrating various perspectives that encompass regulatory policies, development plans, ESG disclosure standards, ESG rating indicators, and peer benchmarking.

02 Materiality survey

- Gather feedback on the Company's sustainable development from stakeholders including directors, management, employees, customers and consumers, investors, suppliers, and partners through online questionnaires.

03 Materiality assessment

Impact materiality assessment

- Conduct a preliminary analysis of the impacts of ESG issues based on a questionnaire survey;
- Take full account of the relevance and impacts of different issues on various stakeholders, and assign differential weights accordingly;
- Integrate the insights of diverse stakeholders, the Company's Management Team, and internal and external experts to generate the results of the impact materiality assessment for all issues.

Financial materiality assessment

- Conduct a preliminary analysis of the impacts of ESG issues based on a questionnaire survey;
- Assess the extent and likelihood of ESG issues impacting the Company's finances over the short-term (within 1 year), medium-term (1–5 years), and long-term (over 5 years);
- Integrate the insights of diverse stakeholders, the Company's Management Team, and internal and external experts to generate the results of the financial materiality assessment for all issues.

04 Materiality review and disclosure

- The Management Team guides the Sustainable Development Steering Group in screening, analyzing, and evaluating issues;
- The Sustainable Development Steering Group creates a double materiality matrix based on the impact and financial materiality assessment results;
- The Management Team reviews and approves the double materiality assessment results. Special disclosure is provided on very important issues for greater transparency and credibility.

Materiality matrix

Materiality Assessment Results

Following the materiality assessment process this year, the Company identified 7 issues with both financial and impact materiality, 5 issues with only financial materiality, and 6 issues with only impact materiality. All the material issues and their importance are shown in the following table:

ESG issues

Very important	Important	Relevant
1 Climate Change and Carbon Emissions	8 Customer Service and Satisfaction	19 Emissions and Waste Management
2 Product Quality and Safety	9 Employee Rights and Benefits	20 Energy and Resource Use
3 R&D and Technological Innovation	10 Product Lifecycle Management	21 Ecosystem and Biodiversity Conservation
4 Responsible Distributor and Retail Management	11 Intellectual Property Protection	
5 Sustainable Supply Chain Management	12 Occupational Health and Safety	
6 Sustainable Supply Chain Management	13 Corporate Governance	
7 Information Security and Privacy Protection	14 Risk Management and Internal Control	
	15 Employee Training and Development	
	16 Social Contribution	
	17 Diversity and Equal Opportunities	
	18 Business Ethics	

Sustainability-related Risks and Opportunities

ESG issues	Scope of impact	Impact timeframe	Materiality	Risks	Opportunities	Response section
Climate Change and Carbon Emissions	• Upstream • Own Operations • Downstream	• Mid-term • long-term	Very important	See "Climate Risk Control Matrix"	See "Climate Risk Control Matrix"	1.5 Building a Climate-Resilient Future
Product Quality and Safety	• Own Operations • Downstream	• Short-term • Medium-term • Long-term	Very important	Product quality and safety issues may lead to product recalls, increased litigation costs, damage to corporate reputation, loss of orders, and reduced revenue.	Quality improvement enhances product competitiveness in the industry, builds positive word-of-mouth, and drives business expansion.	3.2 Achieving Premium Quality
R&D and Technological Innovation	• Own Operations • Downstream	• Medium-term • Long-term	Very important	A lack of innovation in products may lead to a decline in customer satisfaction, damage to corporate reputation, loss of orders, and reduced revenue.	Develop competitive products through R&D and innovation to drive business expansion.	3.1 Accelerating Technological Innovation
Responsible Distributor and Retail Management	• Own Operations • Downstream	• Short-term • Medium-term • Long-term	Very important	Poor distributor and retail management may undermine product sales and brand image and increase operational risks.	A sustainable distributor network enhances channel stability, improves customer experience, boosts brand value, and supports market expansion.	6.1 Creating a Sustainable Value Chain
Sustainable Supply Chain Management	• Upstream • Own Operations	• Short-term • Medium-term	Very important	Suppliers facing significant ESG issues may experience business disruptions, leading to increased production costs for the Company as a result of supply delays.	Rigorous supply chain management enables the Company to better address emergencies, maintain stable production capacity, and reduce production costs.	6.1 Creating a Sustainable Value Chain
Sustainability Management	• Own Operations	• Short-term • Medium-term • Long-term	Very important	The absence of a clear sustainability strategy and set of goals may lead to resource wastage, increased environmental compliance risks, and failure to fulfill social responsibilities, thereby weakening the Company's long-term competitiveness.	Keep a close watch on green business development opportunities to identify new avenues for growth.	1.1 ESG Development Strategy 1.5 Building a Climate-Resilient Future
Information Security and Privacy Protection	• Own Operations • Downstream	• Short-term • Medium-term	Very important	Data breaches, customer privacy violations, and other such incidents may result in hefty fines, legal litigation, loss of customer trust, and damage to brand reputation.	A robust data security and privacy protection system can help build customer trust, enhance brand image, and potentially generate value-added services.	2.3 Information Security and Privacy Protection

Sustainability-related Risks and Opportunities

ESG issues	Scope of impact	Impact timeframe	Materiality	Risks	Opportunities	Response section
Customer Service and Satisfaction	• Own Operations • Downstream	• Short-term • Medium-term • Long-term	Important	Poor customer satisfaction may lead to customer churn, damage to corporate reputation, loss of orders, and reduced revenue.	Improve customer service throughout the entire process from pre-sales, sales fulfillment, and after-sales to enhance customer loyalty and drive business expansion.	3.3 Delivering Exceptional Customer Service
Employee Rights and Benefits	• Own Operations	• Short-term • Medium-term • Long-term	Important	Loss of outstanding employees and labor arbitration or litigation may result in increased employment costs and damage to corporate reputation.	Provide career development opportunities and attractive benefits to enhance employee satisfaction and loyalty, improve productivity, and promote corporate culture.	5.1 Creating a Happy Workplace
Product Lifecycle Management	• Upstream • Own Operations • Downstream	• Medium-term • Long-term	Important	Environmental impacts associated with product design, production, use, and disposal may result in increased resource consumption, pollutant emissions, and higher waste disposal costs, or trigger environmental litigation.	Reduce the environmental impacts of products throughout their entire life cycle through green design and recycling, among other methods, which in turn helps lower costs and enhances brand image.	4.1 Implementing Environmental Governance
Intellectual Property Protection	• Own Operations	• Short-term • Medium-term	Important	Intellectual property infringement and counterfeit products may result in direct or indirect economic losses for the Company.	Build a technological moat with accumulated intellectual property and enhance product performance to improve customer experience and drive business expansion.	3.1 Accelerating Technological Innovation
Occupational Health and Safety	• Own Operations	• Short-term • Medium-term	Important	Occupational safety issues may lead to accident compensation claims, lower productivity, and damage to corporate reputation.	Provide a safe and healthy work environment and care about employees' physical and mental well-being, contributing to enhanced employee morale and productivity.	5.3 Occupational Health and Safety
Corporate Governance	• Own Operations	• Medium-term • Long-term	Important	Lack of a transparent decision-making mechanism, inadequate protection of shareholder rights, and inappropriate board composition may lead to poor decision making and damage shareholder interests.	A sound corporate governance structure ensures the protection of shareholder rights, enhances decision-making efficiency and transparency, and lays the foundation for the Company's long-term development.	2.1 Corporate Governance
Risk Management and Internal Control	• Upstream • Own Operations • Downstream	• Medium-term • Long-term	Important	The absence of risk management and ineffective internal controls can lead to direct or indirect economic losses for the Company.	A comprehensive risk management system enables the Company to better address various risk factors.	2.2 Strengthening Risk Management

Sustainability-related Risks and Opportunities

ESG issues	Scope of impact	Impact timeframe	Materiality	Risks	Opportunities	Response section
Employee Training and Development	• Own Operations	• Short-term • Medium-term • Long-term	Important	Loss of outstanding employees or high employee turnover.	Provide career development opportunities and attractive benefits to enhance employee satisfaction and loyalty, improve productivity, and promote corporate culture.	5.2 Supporting Employee Development
Social Contribution	• Upstream • Own Operations • Downstream	• Medium-term • Long-term	Important	Limited engagement in or approach to social contribution activities may lead to distant relationships between the Company and the community, poor public recognition, and weakened brand influence.	Actively engaging in social contributions can enhance brand image, strengthen relationships with the community, and gain recognition from the government and the public.	6.2 Engaging with Community
Diversity and Equal Opportunities	• Own Operations	• Short-term • Medium-term	Important	Loss of outstanding employees and labor arbitration or litigation may result in increased employment costs and damage to corporate reputation.	Provide career development opportunities and attractive benefits to enhance employee satisfaction and loyalty, improve productivity, and promote corporate culture.	5.1 Creating a Happy Workplace
Business Ethics	• Upstream • Own Operations • Downstream	• Medium-term • Long-term	Important	Bribery, corruption, unfair competition, and other such behaviors may result in legal sanctions, hefty fines, and damage to reputation.	Operating with integrity and adhering to laws and regulations helps establish a good corporate reputation, attract talented individuals and partners, and achieve sustainable development.	2.1 Corporate Governance
Emissions and Waste Management	• Own Operations	• Short-term • Medium-term	Relevant	Wastewater and exhaust emissions and improper waste disposal may cause environmental pollution, resulting in penalties and reputational damage.	Reducing wastewater and exhaust emissions and increasing waste recycling can lower operational costs and enhance corporate image.	4.1 Implementing Environmental Governance
Energy and Resource Use	• Upstream • Own Operations	• Medium-term • Long-term	Relevant	Scarcity of natural resources may lead to increased costs for utilizing related resources, or even production disruptions.	Optimizing product design and improving manufacturing processes can enhance energy efficiency, reduce material and resource usage, and lower production costs for the Company.	4.1 Implementing Environmental Governance
Ecosystem and Biodiversity Conservation	• Upstream • Own Operations • Downstream	• Medium-term • Long-term	Relevant	Production and operational activities may have negative impacts on the environment, such as habitat destruction and soil and water pollution, potentially leading to regulatory pressure and public criticism.	Through active efforts in protecting ecosystems and biodiversity, the Company can enhance its environmental responsibility profile, better meet compliance requirements, and potentially uncover new business opportunities.	4.2 Protecting the Ecological Environment

1.5 BUILDING A CLIMATE-RESILIENT FUTURE

We have placed climate change at the center of our strategy to better respond to the challenges posed by climate change and reducing the carbon footprint. This serves as a testament to our commitment to "creating a cleaner, greener, and more socially responsible future." As a global leader in smart electric two-wheeled vehicles, we are uniquely positioned to address climate change. Through continuous technological innovation and the adoption of green energy, we are not only providing consumers with a greener travel alternative but also contributing to the efforts to drive the global transition to a low-carbon economy.

This year, in accordance with the requirements of the Task Force on Climate-related Financial Disclosure (TCFD) framework, we disclosed our efforts and progress in addressing climate change around the four core pillars: governance, strategy, risk management, and metrics and targets.

1.5.1 Climate Governance

Our climate governance structure is closely integrated with ESG governance structure, ensuring that climate-related strategies and initiatives are effectively developed and implemented. A robust governance structure allows us to better address the challenges posed by climate change and drives the Company's transition to low-carbon development.

The Board oversees the Company's initiatives in addressing climate change and guides policy development. The Management Team, consisting of personnel in charge of ESG-related matters, is responsible for the development and implementation of climate change strategies and targets and works with the Sustainable Development Steering Group. The Sustainable Development Steering Group is responsible for advancing and supervising various tasks.

Climate Governance Structure

Body	Members	Main Responsibilities
Board	All members of the Board	• Guide the Management Team on developing climate change policies, targets, and action plans • Regularly monitor the initiatives to address climate change • Review key risks and opportunities related to climate change • Hold at least one Board meeting each year to review important ESG-related matters (including climate change response)
Management Team	Key personnel in charge of ESG-related matters	• Develop climate change strategies, policies, and targets • Work closely with the Sustainable Development Steering Group to oversee the effective implementation of the Company's climate change strategies • Assess and manage key risks and opportunities related to climate change • Enhance climate change governance-related responsibilities and initiatives and define future direction and improvement plans
Sustainable Development Steering Group	Led by NIU's CFO, the Group is composed of middle and senior-level employees from core departments	• Conduct research on climate change-related policy trends and benchmark against best practices in the industry • Develop and implement climate change-related policies, targets, and action plans • Report to the Management Team at least once a year and assess key risks and opportunities related to climate change • Oversee and drive task execution to ensure the Company's climate change strategies are implemented effectively

Moving forward, we plan to refine our climate change management through the following initiatives. By continuously improving and implementing climate governance initiatives, we will be better positioned to respond to the challenges posed by climate change and advance the industry's green transformation on a journey towards a more sustainable future.

- Policy and targets: Develop long-term carbon neutrality targets and renewable energy use targets for NIU.
- Assess risks: Identify and assess climate change risks and opportunities under specific scenarios, broadening the scope to include a wider range of physical, transition, and emerging risks.
- Actions and projects: Promote climate change initiatives such as technological innovation, energy management, and carbon reduction throughout the supply chain.
- Monitoring and reporting: Establish a rigorous climate performance monitoring mechanism and publish regular climate performance reports to ensure transparency and continuous improvement.

1.5.2 Climate Strategy

Our climate strategy focuses on identifying, mitigating, and managing the direct and indirect impacts of climate change on our business. We continuously monitor economic trends and macro-policy developments related to climate change, and conduct in-depth analyses of the impacts, risks, and potential opportunities (IROs) brought by climate change to future business. We also develop targeted strategic plans and initiatives, aiming to mitigate climate change related risks and impacts while proactively capturing new opportunities for business expansion.

Climate Scenario Analysis

We have identified potential climate risks and opportunities that could significantly impact our business based on an in-depth study of current climate change trends, policy developments, and industry practices. Additionally, in accordance with TCFD's recommended framework, we employ climate scenario analysis to evaluate the potential impacts of key climate risks and opportunities under different climate scenarios on our business operations and financial performance to develop more targeted and resilient climate change strategies and risk management decisions.

Physical Risk Identification and Management

We applied the Representative Concentration Pathways (RCPs) and Shared Socioeconomic Pathways (SSPs) introduced in the Fifth and Sixth Assessment Reports of the Intergovernmental Panel on Climate Change (IPCC) for detailed scenario analysis to identify the impacts of various potential physical climate risks on the Company's main operating locations in the short term (up to 2030), medium-term (up to 2050), and long-term (up to 2080) timeframes.

Scenario	SSP1-2.6 (low emissions scenario)	SSP5-8.5 (very high emissions scenario)
Description	This scenario envisions a world with strong climate risk mitigation efforts, resulting in greenhouse gas emissions reduced to half of current levels by 2080.	This scenario assumes no new carbon reduction measures are implemented, and greenhouse gas emissions continue to rise at the current rate.
Temperature increase	2.0°C	4.4°C

- Under the SSP1-2.6 and SSP5-8.5 scenarios, the risk levels of extreme heat and extreme rainfall are the highest, as they have the greatest impact on the Company's financial value. In view of this, the Company has made active efforts to develop emergency response plans for extreme weather events, strengthen monitoring of extreme weather conditions, and conduct regular inspections and reinforcement of production equipment and infrastructure;
- Global warming poses an increasing risk in future scenarios. To proactively address such physical risks, the Company has incorporated the negative impacts of warming trends into future planning to optimize the emergency response procedures. In response to global warming, the Company has completed the task of improving the power consumption plan earlier ahead of schedule to mitigate potential risks to employee health and safety as well as to ensure future business continuity.

Type of Risks	Timeframe	Risk Level	Description	Potential Impacts	Response Measures
Acute Physical Risks					
Extreme heat Global warming	Short-term Medium-term	High	• Potential power rationing or regional power shortages due to high temperatures, causing production disruptions; • Possibly drive widespread demand for air conditioners, fans, and other cooling devices, increasing energy consumption; • Potential impact on occupational health and safety, resulting in low employee morale and reduced work efficiency.	• Lower revenue • Higher operating costs • Higher occupational health and safety expenses	• Establish a comprehensive risk assessment mechanism to identify potential climate-related risks and vulnerabilities; • Increase operational stability under extreme weather conditions by developing emergency plans for extreme weather and by enhancing crisis management capabilities; • Optimize power usage plans and enhance occupational health and safety protection; • Collaborate with partners to implement energy-saving initiatives.
Extreme rainfall Tropical cyclones	Short-term Medium-term	High	• Potential production disruptions, transportation delays along the supply chain, and production delays, leading to reduced orders; • Possible flooding inside the facility and warehouses, causing inventory damage and equipment shutdowns.	• Lower revenue • Higher production costs • Inventory impairment losses	• Increase operational stability under extreme weather conditions by developing emergency plans for extreme weather and by enhancing crisis management capabilities; • Conduct regular drainage system inspections at operational sites; • Increase patrols and pre-position emergency supplies.
Extreme snowfall	Short-term Medium-term	Medium	• Potential transportation disruptions and delays in product deliveries, leading to a decrease in order volume; • Expose the Company to potential reputational damage due to slow customer service response amid higher customer service demands.	• Lower revenue • Higher cost of sales • Higher after-sales costs	• Install TMS system to monitor product delivery and optimize transportation scheduling; • Establish a roadside assistance mechanism to enhance customer service and corporate reputation.
Chronic Physical Risks					
Water scarcity	Medium-term Long-term	Medium	• Possible production disruptions given the electrophoresis process's reliance on water resources; • Potentially higher water bills.	• Lower revenue • Higher production costs	• Develop water resource management measures and raise water conservation awareness among all employees; • Promote the replacement with water-saving devices.
Sea level rise	Long-term	Low	• Potential damage to equipment in coastal areas.	• Asset impairment losses	• Enhance our adaptability and long-term competitiveness under climate change through a first-mover approach and business strategy adjustments.

Transition Risk Identification and Management

To address transition risks, we apply three scenarios (Orderly, Disorderly, and Hot house world) developed by the Network of Central Banks and Supervisors for Greening the Financial System (NGFS) to assess the impacts of transition risks and opportunities associated with climate change on business models, business innovation, and operational management in the short-term (up to 2030), medium-term (up to 2050), and long-term (up to 2080) timeframes.

Scenario	Net Zero 2050	Delayed Transition	Current Policies
Description	This scenario, within the Orderly category, assumes that countries implement strict climate policies and innovative measures to strive for global net-zero emissions around 2050.	This scenario, within the Disorderly category, assumes annual emissions do not decrease until 2030 and that strong policies are needed shortly after 2030 to limit global warming to below 2°C.	This scenario, within the Hot house world category, assumes that only currently implemented policies are maintained and no additional measures are taken.
Temperature increase	<1.5°C	<2.0°C	>3.0°C

Type of Risks	Timeframe	Risk Level	Description	Potential Impacts	Response Measures
Legal and policy risks	Short-term Medium-term Long-term	High	• New environmental regulations and policies introduced by the government, aimed at curbing greenhouse gas emissions for instance, have imposed higher compliance requirements on production processes, potentially resulting in fines or production restrictions; • The EU's Carbon Border Adjustment Mechanism (CBAM) and Regulation (EU) 2023/1542 on batteries and waste batteries, among other regulations and policies, have increased compliance requirements for product exports, potentially resulting in fines or hampering export sales.	• Higher compliance costs • Higher selling expenses • Lower revenue	• Monitor domestic and international policy developments closely and respond promptly to policy changes to optimize corporate management and ensure that production processes and product sales comply with environmental standards and regulations; • Set a carbon reduction strategy and initiate it ahead of schedule, including the accounting of greenhouse gas emissions and product carbon footprints; • Implement ESG management into the supply chain, particularly for suppliers of components used in export products, and promote carbon-neutral transition across the value chain; • Enhance corporate reputation and attract environmentally conscious consumers by showcasing industry-leading compliance performance.
Technical risks	Medium-term Long-term	High	• The pursuit of low-carbon economic activities has driven the advancement of lightweight materials, emerging battery technologies, and smart manufacturing, imposing higher requirements on material selection, product R&D, and production processes. This may result in loss of market competitiveness due to outdated products and technologies; • Increasingly stringent product carbon footprint requirements from customers may necessitate additional resources for purchasing or developing carbon accounting assets or technologies.	• Higher R&D costs • Higher capital expenditures (equipment upgrades) • Lower revenue	• Expand R&D efforts to improve battery technology, performance, and range; • Closely monitor emerging material technologies and swiftly incorporate new materials; • Implement a digital production management system to build smart manufacturing production lines; • Achieve market leadership through technological innovation and better meet consumer demand for high-performance and eco-friendly products.
Market risks	Medium-term Long-term	Medium	• Rising prices or shortages of key raw materials may lead to production disruptions.	• Higher production costs • Lower revenue	• Monitor market dynamics and trends across the entire supply chain and establish a raw material monitoring and management mechanism.
Reputational risks	Short-term Medium-term	Medium	• Failure to fulfill environmental responsibilities may result in damage to brand image and a decline in sales orders amidst increased consumer concern over environmental issues such as carbon emissions, waste management, and energy consumption; • Poor ESG ratings or failure to meet investors' and capital markets' expectations and requirements regarding ESG performance may weigh on the stock price and constrain financing capacity.	• Lower revenue • Higher financial expenses	• Build a green brand and increase engagement in public welfare, charity programs, and eco-friendly lifestyles; • Enhance information disclosure and communication with stakeholders; • Respond to ESG ratings assessments.

Transition Opportunity Identification and Management

Opportunities	Potential Impacts	Response Measures
Policies	• An array of policies have been introduced in many jurisdictions to encourage green transportation in response to climate change, such as China's consumer trade-in program rolled out in 2025, which may boost market sales; • The EU's Carbon Border Adjustment Mechanism (CBAM) and Regulation (EU) 2023/1542 on batteries and waste batteries, among other regulations and policies, have increased compliance requirements for product exports, potentially raising the threshold for companies looking to expand overseas.	• Closely monitor industry policy trends, capitalize on the policy benefits of the national consumer trade-in scheme, and work with local governments to launch trade-in programs to expand domestic market share; • Establish a full lifecycle carbon management system to proactively meet compliance requirements and expand overseas markets, as a response to requirements for carbon footprint disclosure and battery recycling rates prescribed in Regulation (EU) 2023/1542, the EU's new battery regulation.
Technologies	• Key technological innovations drive growth opportunities: enhance battery range, charging speed, and safety to strengthen market competitiveness; • New government policies may impose higher technical requirements. For example, starting September 2025, new electric bicycles in China will be required to be equipped with Beidou navigation chips, as per the new mandatory national safety standards for electric bicycles.	• Ramp up R&D efforts to improve battery technology, performance, and range, and actively develop and promote new types of batteries; • Proactive integrate intelligent functionalities to gain a first-mover advantage in software-hardware integration.
Markets	• As public concern over climate change continues to grow, electric two-wheeled vehicles, with their low energy consumption and zero emissions, are gaining increasing popularity among consumers and driving sustained market demand;	• Build a "green mobility" brand image to enhance market competitiveness; • Explore more opportunities in sustainable mobility services.
Energy consumption	• Increase the proportion of renewable energy in the energy mix, reduce energy costs, and lower carbon emissions. > The photovoltaic project in Changzhou facility generated 1,112,600 kWh of power in 2024, reducing energy costs by approximately RMB570,000.	• Scale up photovoltaic projects, with Phase II now fully operational; • Implement energy-saving measures in manufacturing facilities and office premises to reduce energy consumption.
Resource utilization	• Promote recycling and reuse of batteries, vehicle components, and other materials. > In 2024, the Company's recycling business generated additional revenue of approximately RMB4.68 million.	• Increase the proportion of renewable materials used in packaging, as detailed in "4.1.1 Green Operations"; • Collaborate with upstream partners to promote sustainability, as detailed in "4.1.1 Green Operations"; • Encourage waste recycling and reuse, as detailed in "4.1.4 Waste Management".

1.5.3 Risks and Opportunities

To effectively respond to the challenges and opportunities brought by climate change, we have established a comprehensive climate change risk management system under the TCFD framework. By incorporating climate change risks into our day-to-day risk management process, we can regularly identify, assess, and respond to these risks, ensuring that the Company maintains sound development in a changing environment.

Climate Risk Management System

We have integrated climate change-related risk management into our broader risk management process. To identify and update risks and opportunities associated with climate change, we continuously monitor domestic and international policy changes and industry trends. The Management Team and the Sustainable Development Steering Group analyze identified risks and opportunities under different scenarios, evaluate their potential impacts on business operations in the short-term (up to 2030), medium-term (up to 2050), and long-term (up to 2080) timeframes, and determine their risk levels based on the severity of impacts and frequency of various climate risks. The Management Team prioritizes high-risk areas in devising mitigation measures to ensure operational stability.

Stage	Responsible Departments	Steps	Description
Identification of risks and opportunities	Sustainable Development Steering Group	1. Information gathering/monitoring (internal and external risk information)	• Regularly monitor changes and trends in the broader environment to stay informed about external risks. • Collect and monitor possible risks in the Company's internal operations.
Assessment of risks and opportunities	Management Team / Sustainable Development Steering Group	1. Risk scenario development 2. Risk scenario refinement and analysis 3. Impact analysis (severity and frequency) 4. Develop response measures	• Develop different risk scenarios based on identified internal and external risks. • Further refine and analyze selected risk scenarios to ensure a deep understanding of each scenario. • Adopt a holistic approach to assessing the potential impacts of various physical risks and transition risks and determine risk levels based on the severity of impacts (covering financial and non-financial impacts) and occurrence frequency. • Develop appropriate response measures based on the results of the impact analysis.
Management of risks and opportunities	Board	1. Define response strategies	• Define response strategies, ensuring appropriate frameworks are in place to implement specific measures.
	Sustainable Development Working Group	1. Implement response measures 2. Proposals / reports	• The Sustainable Development Working Group is responsible for the implementation and execution of specific response measures. • During the implementation process, the Working Group makes proposals and reports on progress and results to the Steering Group.
	Sustainable Development Steering Group	Information gathering / monitoring	• During the implementation of response measures, collect and monitor information on an ongoing basis to ensure real-time understanding of risk changes and effectiveness of response measures.
		Communication mechanisms	• Maintain communication with stakeholders through ESG reporting and other disclosures to ensure transparency and accountability.

1.5.4 Metrics and Targets

In line with China's goal of achieving peak emissions by 2030 and carbon neutrality by 2060, we proactively address climate change by gradually reducing greenhouse gas emissions from our operations and by increasing the proportion of renewable energy in our energy mix. This also reflects our efforts towards the goal to "limit global temperature increase to 1.5°C above pre-industrial levels," as set out in the Paris Agreement. We have recognized the importance of managing climate change risks and are committed to take appropriate actions. In 2024, Phase II of the distributed photovoltaic project for our Changzhou manufacturing base became operational, bringing the share of green power in total power consumption across the facility to 32%. Additionally, we disclosed partial Scope 3 operational carbon emissions data for the first time this year. In the coming years, we will progressively refine climate disclosure and targets towards achieving more efficient and sustainable development.

Operational Carbon Emissions (Scope 1, Scope 2 & Scope 3):

Item	Unit	2024	2023	2022
Scope 1 emissions				
Changzhou facility	tCO2e	**67.38**	**28.47**	**0**
Scope 2 emissions				
Changzhou facility - Location based	tCO2e	1,349.12	1,150.31	1,652.28
Changzhou facility - Market based	tCO2e	1,321.59	/	/
Beijing office[1]	tCO2e	49.71	43.95	33.24
Shanghai office[1]	tCO2e	36.53	65.09	66.55
Total	tCO2e	**1,435.36**	**1,259.35**	**1,752.07**
Scope 3 emissions				
Changzhou facility - Business travel	tCO2e	147.79	/	/
Operational carbon emissions				
Grand total	tCO2e	**1,650.53**	**1,287.82**	**1,752.07**
Emission intensity per capita[2]	tCO2e/person	2.77	2.16	2.61
Emission intensity per unit area[3]	tCO2e /square meter	0.02	0.01	0.02
Emission intensity per unit of electric vehicle production	tCO2e/ thousand electric vehicles	1.79	1.81	2.11
Emission intensity per unit of revenue	tCO2e/RMB million of revenue	0.50	0.49	0.55

[1] Greenhouse gas emissions (Scope 2) of the Beijing and Shanghai Offices are derived from the consumption of purchased electricity; the emission factor data used for calculations for 2024 are sourced from the Notice on the Release of Carbon Dioxide Emission Factors for Electricity in 2022 issued by the Ministry of Ecology and Environment of the People's Republic of China on December 26, 2024.

[2] To narrow the intensity difference per capita caused by changes in the number of people during the year, all carbon emissions per capita, energy consumption per capita and resource consumption per capita in this report are calculated based on the average number of active full-time employees of the Company during the reporting period.

[3] To reduce the intensity difference per unit caused by changes in office area during the year, all emissions per unit area, energy consumption, and resource consumption per capita in this report are calculated based on the Company's average office area during the reporting period.

2 SUSTAINABLE DEVELOPMENT THROUGH ROBUST GOVERNANCE

8 DECENT WORK AND ECONOMIC GROWTH

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

17 PARTNERSHIPS FOR THE GOALS

2.1 CORPORATE GOVERNANCE

We attach great importance to enhancing and developing corporate governance to ensure the Company's sustainable growth and the realization of its strategic goals. We strictly comply with the Company Law of the People's Republic of China, the NASDAQ Listing Rules, and all other applicable laws and regulations. The rights and responsibilities of the Board of Directors, various committees, and senior management, are clearly defined in our Articles of Association, Committee Charters, Rules of Procedure of the Board of Directors, and other governing documents. These documents provide clear guidance for the Company's compliant operations and adherence to high standards of business ethics.

2.1.1 Corporate Governance Structure

As the Company's highest authority, the Board exercises its decision-making authority on key matters, such as the Company's business policy, financing, investment, and profit distribution, in accordance with the law. The Management Team, which is supervised by the Board, assumes the Company's operations management rights, oversees the Company's overall business and development strategy, and makes decisions on operation policies and investment plans. The Company's Board has established three special committees based on their roles and responsibilities, i.e., the Nomination and Corporate Governance Committee, the Compensation Committee, and the Audit Committee.

Duties of the Board and the special committees

The Board

- Sales Services
- Legal and Compliance
- Product R&D
- Manufacturing
- Finance
- Supply Chain
- Branding and Marketing
- Information Technology
- Human Resources
- Administration

Nomination and Corporate Governance Committee

- Select and recommend director candidates to the Board.
- Jointly review the board composition with the Board, focusing on such characteristics as diversity.
- Recommend the frequency and structure of board meetings.
- Advise the Board on corporate governance-related laws and practices.
- Advise the Board on corporate governance matters and remedial actions required.

Compensation Committee

- Review and approve compensation for the CEO and other executives.
- Recommend compensation for non-employee directors.
- Review and approve incentive compensation or equity plans.
- Ensure the independence of a compensation consultant.

Audit Committee

- Oversee financial reporting and auditing processes.
- Appoint and supervise independent auditors.
- Discuss audit-related issues and management's action plans.
- Review accounting policies and internal controls.
- Approve major related-party transactions.
- Oversee ethics and compliance programs.

Key performance

During the reporting period, the Company:

- Held **6** board meetings, with **100%** director attendance
- Held **1** Nomination and Corporate Governance Committee meeting, **1** Compensation Committee meeting, and **5** Audit Committee meetings

Board Independence

The independence of the Board plays a key role in our corporate governance. We strictly abide by relevant laws, regulations, and exchange rules to ensure each member meets the "independence" requirements pursuant to Nasdaq Listing Rule 5605 and Rule 10A-3 of the Securities Exchange Act of 1934 (as amended, hereinafter referred to as the "Exchange Act"), as well as any additional requirements deemed appropriate by the Board.

As of the end of 2024, the Company's Board was composed of six directors, four of whom were independent directors, accounting for 66.67% of the total. The Nomination and Corporate Governance Committee, the Compensation Committee, and the Audit Committee were composed of independent non-executive directors only.

Board Diversity

Board diversity is a key driver of corporate innovation and growth. Guided by the principle of diversity, we select our board members with a holistic view of gender, age, culture, educational background, and professional experience. We are committed to building an inclusive and diverse Board that reflects our global vision and diversified market needs.

Gender diversity

Male: 5

Female: 1

Age diversity

≤30 years old: 0

30-50 years old: 2

≥50 years old: 4

Academic qualification diversity

PhD: 2

Master's degree: 3

Bachelor's degree: 1

Professionalism of the Board

NIU's board is composed of senior professionals with profound academic and professional qualifications and extensive work experience in different fields, including the automotive industry, corporate management, finance, legal, and investment management, among others. Our Board members possess the knowledge and skills required for company operations and can strictly review and monitor the Company's operating and management procedures.

Many Board members have professional knowledge related to risk management, providing clear guidance for the Company's risk management. Among them, our independent director, Mr. John Jinshu Zhang, has a profound legal background and provides support for the Company's compliance risk management strategy with extensive research and practical experience; our executive director, Ms. Fion Wenjuan Zhou, and independent directors, Mr. Changqing Ye and Mr. Julian Juul Wolhardt, have extensive financial management experience and provide professional and deep insights for the Company's financial risk management.

Director	Position	Background	Industry experience
Yan Li	Chairman and CEO	Prior to joining NIU in 2016, Dr. Li was a principal of KKR Capstone Limited, overseeing its portfolio operations in China. Prior to that, Dr. Li worked for McKinsey & Company, where he advised companies in the high-tech, industrial goods and retail sectors. Prior to joining McKinsey, Dr. Li worked as a senior research engineer at Qualcomm Inc., focusing on the development of 3G and 4G communications technologies. He holds three patents on 3G communications. Dr. Li holds a Bachelor's degree from the University of California at Berkeley and a Ph.D. in electronics and electrical engineering from Stanford University.	Financial sector Communications industry Business strategy
Fion Wenjuan Zhou	Director and CFO	Ms. Fion Zhou has served as the CFO of NIU since November 2021. Prior to joining the Company, she served as the CFO of Sogou Inc.. From 2015 to 2019, Ms. Zhou was a finance director of Alibaba Group and served as the CFO of Yidian Zixun. Prior to that, she also held senior finance roles at Viadeo S.A. in Paris and Concord Medical Services Holdings Limited in New York City. Ms. Zhou received a bachelor's degree from UIBE, followed by dual Executive MBA from HEC Paris in 2016 and from Tsinghua in 2024. She is a member of the American Institute of Certified Public Accountants and a Chartered Global Management Accountant.	Financial management Internet industry Business strategy
Changqing Ye	Independent Director	Mr. Ye is a certified public accountant in China, and has over 25 years of experience in accounting, financial advisory and investment. Mr. Ye served as an investment committee member and then group chief financial officer and managing director of CITIC PE Group. Prior to these positions, Mr. Ye was a partner at PricewaterhouseCoopers. Mr. Ye received his bachelor's degree from Huazhong University of Science and Technology and an MBA from Warwick University.	Financial sector Financial management Risk management
Mei-Wei Cheng	Independent Director	Mr. Cheng has extensive corporate management experience and in-depth knowledge of the motor vehicle industry. Mr. Cheng has served as CEO of Siemens Northeast Asia, president and CEO of Siemens China, corporate vice president of Ford Motor Company and chief executive officer of Ford Motor (China) Ltd. Prior to joining Ford, Mr. Cheng held several executive positions at General Electric Corporation and AT&T. Mr. Cheng received his bachelor's degree from Cornell University and an MBA from Rutgers University.	Automobile industry Business strategy Corporate governance
Julian Juul Wolhardt	Independent Director	Mr. Wolhardt is a certified public accountant and certified management accountant in the US. He was a partner at KKR Asia Limited and led Morgan Stanley Private Equity Asia for China. Mr. Wolhardt has broad experience in corporate operations and financial management.	Financial sector Financial management Risk management
John Jinshu Zhang	Independent Director	Mr. Zhang has extensive experience in mergers, acquisitions, private placements and public offerings of securities, and other sophisticated business transactions. From 2000 to 2021, Mr. Zhang was a partner at Greenberg Traurig LLP, Reed Smith LLP, Edwards Wildman LLP, and Dentons LLP, successively. Mr. Zhang received his Juris Doctor degree from the University of California, Berkeley.	Legal compliance Risk management

Compensation and Incentives

The Company formulates the compensation plan for the CEO and other executive directors in accordance with the relevant laws and regulations of the U.S. Securities and Exchange Commission (SEC), the NASDAQ Stock Exchange, and other regulatory bodies. The current compensation structure for senior management consists primarily of fixed salary and variable compensation (which mainly includes performance-related and share-based compensation). In addition, the Compensation Committee reviews the compensation plan for the CEO and other executive directors of the Company and the Company's long-term equity incentive plan at least on an annual basis in accordance with the Company's objectives. We have not established or set aside any amount for pensions, retirement, or other similar benefits for our directors or executives.

As a technological innovation-driven lithium battery smart electric vehicle company, NIU actively uses equity incentives to enhance the team's pursuit of innovation. The Company launched equity incentive plans in 2016 and 2018, respectively, aiming to attract and retain outstanding talents and enhance the team's cohesion and sense of mission. Under the 2016 Plan, the maximum aggregate number of ordinary shares that could be issued was 5.86 million shares; under the 2018 Plan, the maximum aggregate number of ordinary shares available for issuance was initially 6.73 million shares, which should be increased by a number equal to 1.5% of the total number of the issued and outstanding ordinary shares in the immediately preceding fiscal year, further expanding the scale of incentives. These plans have provided considerable equity incentives to inspire employees' enthusiasm and creativity, fostering the Company's sustainable innovation and development.

2.1.2 Investor Relations

The Company is committed to open communication and fair disclosure, maintaining effective communication with shareholders and investors, and providing necessary data in a timely manner to enable them to assess the performance of the Board and the Company. NIU continues to optimize its investor relation management and establish an efficient information disclosure system in accordance with all applicable laws and regulations. To this end, we adopt various communication methods to interact with investors, including a dedicated investor relations website, regular disclosure of financial reports and business updates, quarterly earnings releases, online investor meetings, and field visits to enhance their understanding and trust in the Company.

In addition, we place strong emphasis on ensuring the compliance and transparency of related-party transactions, a topic of significant concern to investors. The Company explicitly prohibits controlling shareholders, actual controllers, directors, and senior management from damaging the interests of the Company and minority shareholders through improper related-party transactions. To this end, we have formulated a series of rules and regulations, including the Articles of Association, Rules of Procedure of the Board of Directors, Code of Business Conduct and Ethics, and Management Policies for Preventing Insider Trading, aiming at preventing conflicts of interest and ensuring that the rights and interests of all shareholders in related-party transaction decisions are treated fairly and impartially. The establishment and implementation of these systems help maintain the transparency and credibility of corporate governance and safeguard the Company's and its shareholders' long-term interests.

2.1.3 Commitment to Operational Compliance

NIU adheres to the highest standards of corporate governance, ethical behavior, and social responsibility and regulates internal and external business operations through institutionalized means.

Internally, we have developed a Code of Business Conduct that sets high ethical standards for all employees, ensures compliance with laws and regulations, and promotes honesty and accountability:

- Identification and reporting of conflicts of interest: Employees must accurately identify and report potential conflicts of interest to address transparency requirements concerning personal and professional interests.
- Anti-corruption guidelines: The Company strictly prohibits employees from engaging in bribery or kickbacks and requires full comply with the anti-corruption laws of all applicable jurisdictions.
- Asset protection: We emphasize the protection and proper use of Company assets and have established strict guidelines to prevent misuse and theft.
- Confidential information protection: Confidential information must be protected, and confidentiality must be maintained regardless of whether an employee leaves the Company.
- Accuracy of financial reporting: Accurate and reliable financial reporting is of paramount importance. Employees are obliged to report any inconsistencies or unethical practices promptly.
- Anti-discrimination and harassment: We firmly prohibit all forms of discrimination and harassment and are committed to implementing workplace opportunity equality.

Externally, we have developed a Supplier Code of Conduct to clarify our expectations and requirements for suppliers, ensuring they demonstrate the highest business ethics and integrity in all interactions with NIU:

- Zero tolerance for corruption: Suppliers must refrain from any form of bribery or unfair competition.
- Principle of transparency and fairness: Suppliers are required to be honest and transparent in all transactions with NIU.

Anti-corruption and Anti-bribery

NIU has a zero-tolerance policy for corruption for its employees and business partners and strictly prohibits any form of bribery, kickbacks, improper payments, or profit-taking. We continue to strengthen our internal integrity system and reinforce supervision and accountability mechanisms by improving systems, creating mechanisms, and advocating our values. We enhance integrity management of business partners by signing an Integrity Agreement with suppliers and distributors before initiating collaboration. We will immediately terminate cooperation with partners who violate the Company's integrity policies and hold them legally accountable. At the same time, we explicitely prohibit all forms of bribery and corruption.

Anti-corruption efforts and achievements

- Number of legal proceedings related to corruption during the reporting period: **0**
- **100%** of the Company's board of directors and management are aware of our anti-corruption policies
- **100%** of the Company's employees are aware of our anti-corruption policies
- **100%** of suppliers have signed the Integrity Agreement
- **100%** of distributors have signed the Integrity Agreement

Antitrust and Fair Competition

NIU is committed to fair competition and strictly abides by the Anti-monopoly Law of the People's Republic of China, the Anti-unfair Competition Law of the People's Republic of China, and other relevant laws and regulations. It is committed to protecting fair competition and resisting improper restrictions, collusion, and anti-competitive behaviors. Additionally, we request that external communication material should not be released until verified by the Legal Department to ensure the accuracy and compliance of the information.

In 2024, NIU was not involved in any litigation concerning violations of the Anti-monopoly Law, the Anti-unfair Competition Law, or other relevant laws and regulations.

Compliance Reporting and Whistleblower Protection

NIU has established a comprehensive compliance reporting mechanism to encourage employees and external stakeholders to report any violations. The Company has set up a special reporting mailbox to provide whistleblowers with a safe and convenient reporting channel. Additionally, the Company's internal audit and internal control department is required to report compliance reporting-related matters directly to the Audit Committee every quarter to ensure that all reports are taken seriously and responded to in a timely manner.

Reporting mailbox: **audit@niu.com**

Meanwhile, the Company has formulated a strict whistleblower protection policy to ensure the confidentiality of whistleblowers' identity and has taken effective measures to prevent and prohibit any retaliation or adverse action against whistleblowers. The Company promises to engage a professional team to fairly and objectively investigate all the information reported and take actions based on the investigation findings to safeguard the authority of the Company's rules and regulations and people's legitimate interests.

Compliance Culture Development

The Company regularly organizes compliance training, covering such topics as anti-corruption, business ethics, and data protection to ensure that all employees understand and comply with relevant laws, regulations, and company policies. Additionally, the Company incorporates compliance awareness into daily work through internal publicity, case sharing, and compliance assessment, creating an honest and transparent corporate culture.

To strengthen the compliance awareness and responsibility of senior executives, we sign employment agreements with all executives. These agreements stipulate the employment period of the executives and specific circumstances in which the Company can terminate their employment, including failure to perform duties satisfactorily, intentional misconduct, gross negligence, criminal offenses, or dishonest behavior. These agreements require executives to strictly keep the Company's confidential information and trade secrets confidential and transfer the intellectual properties developed during the employment period to the Company.

2.2 STRENGTHENED RISK MANAGEMENT

2.2.1 Risk Management and Internal Controls

NIU attaches significant importance to risk management and internal controls. With reference to the internal control framework of COSO (The Committee of Sponsoring Organizations of the Treadway Commission) and Section 404 of the Sarbanes-Oxley Act, NIU has developed a comprehensive risk management process featuring "three defense lines," with which the Company can effectively identify and assess various risks, such as strategic, financial, market, operational, and legal risks, and develop corresponding action plans.

Risk Management Framework Featuring "Three Defense Lines"

The Board of Directors

Audit Committee

Senior Management

Internal Audit Department

External Audit

The 1st defense line: operational management control

Each business unit and functional department is responsible for identifying risks within its scope of business and designing and implementing controls to address risks.

The 2nd defense line: internal monitoring

Comprising various departments, including finance, legal, quality, and safety, the 2nd defense line continuously monitors risks, implements internal controls, executes procedures, and facilitates information collection and provides a unified understanding of risks and control throughout the Company.

The 3rd defense line: internal independent audit

We have established the Internal Audit Department and built an in-house team to annually evaluate the effectiveness of the Company's risk management and internal control systems, follow up with management to improve, and report to the Audit Committee every quarter to ensure its independence.

The Company places great emphasis on risk management. The Audit Committee, which reports to the Board, is responsible for supervising and reviewing the annual risk assessment and management work performed by senior management and relevant departments (including the Internal Audit Department), including but not limited to:

- Risk identification process and applicable guidelines and policies;
- Major risk exposures;
- Measures taken by the Management Team to mitigate and monitor these risks.

Risk Management System

The Company conducts annual risk identification and assessment for its major business processes, including R&D, sales, production, procurement, logistics, and inventory, to identify response measures, review the effectiveness of risk management and internal control measures, and update the Internal Control Manual and the Risk Control Matrix to achieve comprehensive risk prevention and control.

Risk identification

Identify various risks that may affect the Company's strategies through regular internal audits, management interviews, and business process analysis, among others.

Risk assessment

Analyze and assess identified risks, consider the possibility of occurrence and potential impact, and prioritize the risks.

Risk response

Develop response strategies and risk management measures based on the risk assessment results.

Risk monitoring

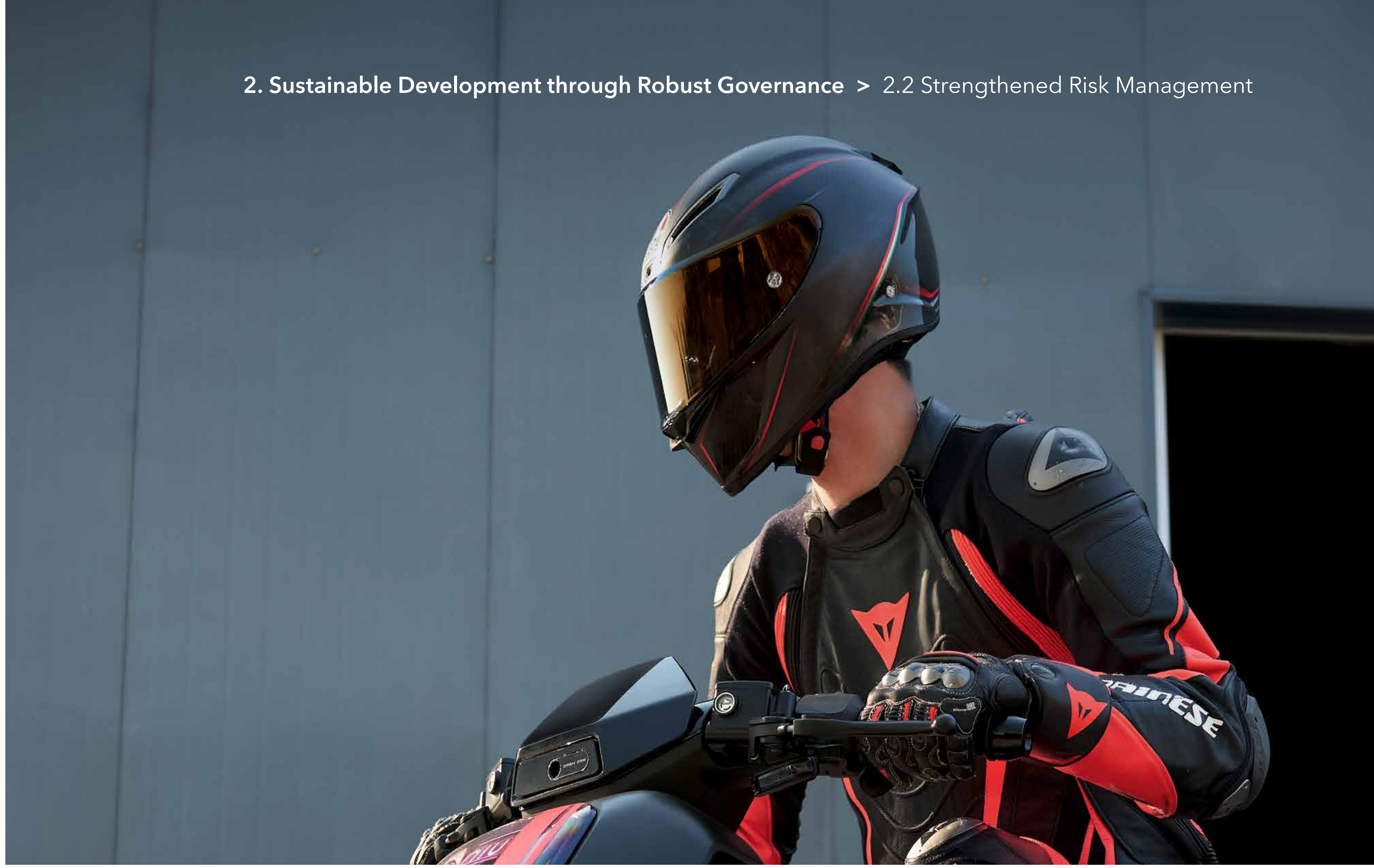
The Internal Audit Department oversees and annually evaluates the risk management work undertaken by business units, ensures that risk rectification runs its full course, and reports the risk management assessment results directly to the Audit Committee.

Annual Assessment Result – Key Risks Identification and Response

For the risk assessment, NIU evaluates the occurrence likelihood of identified risks (1★-5★, representing extremely low, low, medium, high, and extremely high likelihood of occurrence, respectively) and the impact of identified risks on the Company's finances, reputation, and operations (1★-5★, representing negligible, minor, significant, major, and catastrophic impact, respectively). Based on the likelihood of occurrence and the impact of risks, decisions are made on whether further mitigation measures are required based on the effectiveness of existing controls.

Risks	Climate risk *	Legal and policy risks *	Data security risk
Risk scenarios	• Extreme rainfall/snowfall leading to operational disruptions • Extreme heat generating extensive cooling demands, leading to increased operational costs • Water shortages causing production disruptions	• New EU regulations and policies increasing product export compliance requirements and affecting our exports • The new national standards for two-wheeled electric vehicles in China entailing an increased need for product upgrades and technological transformation	• System paralysis caused by ransomware attacks • Legal litigation triggered by customer data breaches • Losses caused by the leakage of system account passwords
Likelihood of occurrence / scale of impact	★★★ / ★★★★★	★★★★★ / ★★★	★★ / ★★★★★
Risk preference	Tolerance for short-term emissions reduction costs, but reject revenue declines of more than 5% for two consecutive years due to climate-related issues.	Zero tolerance for intentional violations, but accept one-time compliance costs from policy changes up to 3 percents of annual profits	Tolerance for low-probability attacks, but limit number of core data breaches to no more than one per year
Quantifying tolerance thresholds	• 100% coverage of emergency response plans for extreme weather conditions	• Response time to new regulations shorter than 30 days	• Data backup recovery time shorter than 4 hours • 100% password policy assessment rate
Responsible party	Led by the Management Team and the Sustainable Development Steering Group, with the Sustainable Development Working Group responsible for implementation	Led by the Legal Department and Government Relations Department, with collaboration from Sales, R&D, and Supply Chain functions	Supervised, led, and implemented by the Board, the Cybersecurity Committee, and the IT Department, respectively
Monitoring mechanism	• Annual carbon footprint calculation • Climate scenario analysis	• Participate in the establishment of industry standards	• Annual IT audit • Level 3 Certification under China's Multi-Level Protection Scheme for data security
Response measures	• Incorporate climate risks into the corporate risk management system, and regularly identify short-term, medium-term, and long-term climate risks and opportunities • Develop emergency response plans to address extreme weather conditions • Increase the use of clean energy, promote sustainability, and reduce carbon footprint	• Establish the policy monitoring mechanism • Set aside a budget for regulatory compliance and conduct compliance assessments in advance	• Implement information security training • Regularly back up data and implement off-site backup • Enforce password complexity requirements or two-factor authentication
Potential opportunities	• Policy-based low-carbon subsidies • Attract ESG investments • Enhance sustainability branding	• Achieve compliance ahead of schedule to gain a first-mover advantage • Optimize internal process efficiency	• Conduct proactive assessments during system development to reduce remediation costs • Obtain ISO 27001 security certification, enhancing the Company's reputation • Enhance employees' information security awareness and reduce the impact of potential risks

Note: Risks marked with an asterisk (*) were newly identified this year.



2.2.2 Comprehensive Internal Audits

NIU has established the Internal Audit Work Management System and the Internal Audit Charter in accordance with the Company's operational management objectives and compliance requirements for listed companies. The Internal Audit Department conducts annual assessments of the effectiveness of risk management processes and internal control systems, with the audit scope covering all core businesses. Serving as the "third line of defense" in the Company's risk management system, the Internal Audit Department follows a separate reporting channel: routine administrative matters are reported to senior management, while audit results and major issues are directly reported to the Board or the Audit Committee. This avoids interference or filtering by the operations units, ensuring its independence.

In accordance with the annual audit plan, the Internal Audit Department conducts in-depth audits of all business units and processes, employing a variety of audit methods including document review, data analysis, on-site interviews, and process testing to ensure the effectiveness of relevant policies and internal controls. For internal control deficiencies identified, the Internal Audit Department drives business units to develop effective corrective plans, monitors the implementation, and quarterly reports to the Audit Committee and the Management Team.

2.2.3 Enhanced Risk Awareness

The establishment of a sound risk management system requires the participation and understanding of every employee within the organization. Therefore, we focus on enhancing the risk management culture and competence across the entire company. By continuously posting training content via internal channel, we strive to enhance the risk sensitivity of all employees and strengthen their ability to identify and report risks in their daily work, thereby fostering a proactive and responsible risk management culture throughout the organization.

We have incorporated risk management into our products' entire lifecycle, including preemptively assessing and managing potential operational, compliance, market, technical, and environmental risks.

Environmental risks

Conduct product life cycle (LCA) assessments and carbon footprint calculations, screen for potential social and environmental risks, and phase out highly polluting technologies

Compliance risks

Mitigate customer privacy infrigement risks through data privacy impact assessments, as part of our efforts to comply with domestic and international data protection laws and regulations

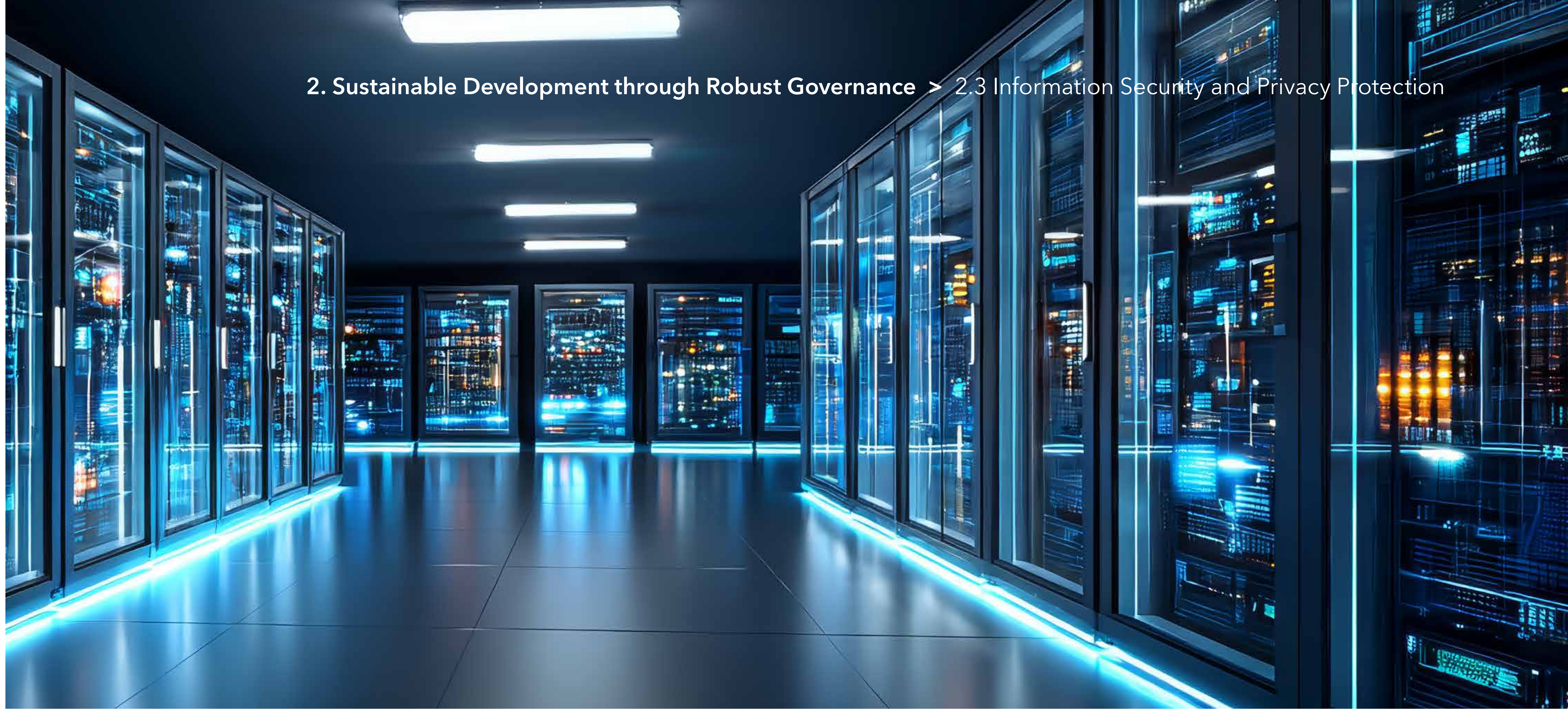
Operational risks

Based on industry best practices and the latest security standards, we conduct proactive assessments of architecture design, data transmission, access control, and vulnerability management during the system development phase to enhance the resilience

2.3 INFORMATION SECURITY AND PRIVACY PROTECTION

NIU attaches great importance to information security and privacy protection and strictly abides by the Cybersecurity Law of the People's Republic of China, the Data Security Law of the People's Republic of China, the Personal Information Protection Law of the People's Republic of China, General Data Protection Regulation (GDPR), and other relevant domestic and international laws and regulations. Based on these laws and regulations, the Company has formulated the Information Security Incident Management Measures to clarify the classification and handling process of information security incidents.

Item	Unit	2024
Total number of information security vulnerabilities or cybersecurity incidents	N/A	0
Fines/Total fines paid due to information security vulnerabilities or cybersecurity incidents	RMB'0,000	0
Number of complaints regarding customer privacy violations (including complaints from external organizations and regulatory authorities)	N/A	0
Number of confirmed incidents of customer data breaches, theft, or loss	N/A	0



2.3.1 Information Security

NIU has created a five-dimensional framework defining information security objectives, aiming to build a robust security barrier.

System resilience optimization

Establish a continuous improvement mechanism for the information security system to ensure that technical protection capabilities evolve in tandem with business development.

Lifecycle data protection

Implement proactive defense strategies to ensure the integrity, confidentiality, and availability of data throughout the entire process of collection, transmission, storage, and destruction.

Intelligent threat response

Deploy a real-time monitoring platform to perform comprehensive analysis of network traffic and log data and establish a security incident classification and response mechanism.

Full-staff security responsibility

Incorporate information security into the performance appraisal system to ensure that all employees are clear about their data security responsibilities and foster a "zero-tolerance" culture to ensure security.

Collaborative governance

Extend the scope of the security requirements to include partners to ensure their information security management standards align with the Company's requirements.ensure security.

The Company has established a comprehensive control system centered on information security objectives, encompassing "governance - protection - control - audit - safeguard - response - verification," and implemented a series of effective information security management measures.

Information Security Control System

Governance: Organizational structure and training

- The Board oversees the Company's information security risk management and is informed of the risks posed by cybersecurity threats. A cybersecurity committee has been established at the management level, entrusted with the core responsibilities in data and cybersecurity management. Such a top-down accountability system provides support for the entire security management process.
- We conduct information security training for all employees through an internal channel and organize cybersecurity training and assessments for new hires, thus achieving 100% coverage of information security awareness training. We also perform phishing tests to enhance employees' information security awareness and competence.

Protection: Data and network security protection

- HTTPS (TLS/SSL) encryption protocols are used for all internal and external network service interfaces. For critical data interfaces, security verification mechanisms such as tokens, OAuth, and digital certificates are employed to prevent data theft and tampering during transmission.
- Optimize network security strategies and defensive measures, monitor firewall and IPS security events in real time, conduct regular vulnerability scans of cloud service ports, and reduce the visibility of unnecessary public network ports. Deploy WAF and DDOS high-defense products to form a comprehensive network protection system.

Control: System permissions and access control

- Develop a uniform authentication system based on the RBAC model for accessing production and office systems, covering permission allocation and revocation from employee onboarding to offboarding.
- Data access permissions are allocated in accordance with the "principle of least privilege," with regular reviews and revocation. Multi-factor authentication is adopted to enhance account security levels.

Audit: Log auditing and risk monitoring

- Record logs for critical operations such as data access, export, and modification, ensuring full traceability throughout the process.
- Data access permissions are allocated in accordance with the "principle of least privilege," with regular reviews and revocation. Multi-factor authentication is adopted to enhance account security levels.

Safeguard: Data backup and business continuity

- Back up important business data regularly using off-site/multi-site replication. Regularly update business continuity plans and conduct data recovery drills to ensure business continuity.
- Database files and backup data are encrypted using industry-standard algorithms. Encryption keys are managed by a security management platform, with strict control over their lifecycle and access permissions.
- Regular virus scans are conducted on terminals. Business data is prohibited from being stored on uncontrolled devices. Security isolation measures are implemented for the Company's wireless network and VPN.

Response: Vulnerability management and emergency response

- Regularly perform automated security vulnerability scans and risk assessments on systems and applications and promptly fix any issues.
- Develop data security emergency response plans to ensure effective response and resolution of sudden data breaches or other incidents.

Verification: Management effectiveness verification

- Operations and maintenance personnel report their work regularly in accordance with the Information Security Incident Management Policy. The results are considered in departmental performance appraisals to reinforce responsibility. The Company regularly conducts information system security tests to proactively identify information security concerns and take action.
- Engage a third-party to conduct information system audits and network security level assessments. During the reporting period, NIU obtained Level 3 Certification under China's Multi-Level Protection Scheme for data security.

2.3.2 Privacy Protection

NIU incorporates privacy protection into its risk management system and has formulated a comprehensive Privacy Policy, which is accessible to customers on the Company's website and NIU APP. The policy covers the purpose, use, retention, and processing of information collected and policies regarding disclosure to third parties. The Company has also established uniform network security system standards and management norms, including deploying firewalls and network intrusion detection measures, to provide foundational protection for customer privacy.

NIU Privacy Protection Process

Pre-process

- Conduct data security risk assessments for privacy protection purposes and define a clear mechanism for risk monitoring.
- Make the Privacy Policy public, which covers the entire process of privacy data management.
- Establish a dedicated privacy protection team and clearly define its core responsibilities in risk prevention and control, as well as incident handling.
- Set up a consultation channel for privacy-related matters to ensure timely responses to user data requests and complaints.

In-process

- Sensitive personal user information (such as names, phone numbers, ID numbers, etc.) is de-identified or anonymized during storage, display, and external transmission in accordance with industry standards to minimize the risk of privacy breaches.
- The Company signs data security agreements with all third-party suppliers and outsourcing service providers, strictly restricting outbound data transfer, and data reuse and redistribution. The Company also conducts security assessments on access capabilities and implements whitelisting to prevent unauthorized access from the external interface.

Post-process

- Support user query, deletion of information, and account cancellation.
- Update the Privacy Policy in accordance with laws and regulations and business adjustments, and notify users of changes through pop-ups, notifications, and other means to ensure policy adaptability.
- We adopt a "zero-tolerance" policy for privacy breaches and assess the effectiveness of privacy protection controls based on internal and external IT audit.

3 DELIVERING QUALITY THROUGH INNOVATION

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

3.1 ACCELERATING TECHNOLOGICAL INNOVATION

3.1.1 Product Innovation Management

New quality productive forces are the core engine driving high-quality economic development. Dedicated to fostering new quality productive forces, NIU integrates smart technologies into the full product lifecycle encompassing product R&D, manufacturing, and services. It continues to lead innovation in the industry by driving evolution in the following five dimensions.

01 Smart safety technology: redefining travel safety standards

NIU leverages new technologies to drive the safety protection from "passive response" to "proactive warning," extending the boundaries of safety from the vehicle itself to the broader mobility environment.

- **Forward-looking environmental perception:** NIU was a pioneer in applying the **millimeter-wave radar technology**, which, with its all-weather, high-precision detection capabilities, can accurately detect and track multiple moving targets. With integrated Blind Spot Detection (BSD) and Rear Collision Warning (RCW) functions, this technology marks a breakthrough from passive protection to active intervention, greatly improving safety under complex road conditions.

- **Ultimate riding safety:** The coordinated operation of the **dual-channel Anti-lock Braking System (ABS) and Traction Control System (TCS)** enables real-time monitoring of wheel status and intelligent adjustment of braking force and motor torque. This effectively reduces the risk of loss of control on slippery roads or during emergency braking, ensuring riding safety under various conditions.

02 Efficient energy management: breaking through bottlenecks in green transition

Improvement in energy efficiency driven by green technological innovation enables longer ranges with lower energy consumption.

- **Systematic energy recovery:** NIU's innovative multi-stage adjustable Energy Recovery System (ERS) adjusts recovery intensity based on road conditions. Combined with a motor design that enables zero-resistance coasting, it delivers a 15% recovery efficiency in urban stop-and-go riding scenarios. This extends the range by approximately 10-20 kilometers while maintaining smooth riding performance. The optimized ERS enables energy recovery during braking and downhill riding, achieving higher energy efficiency.

- **High-performance battery technology:** The 72V45Ah smart battery pack featured in 2024 new models increases the theoretical range to 130 kilometers, alleviating range anxiety for users. The lithium battery cell technology has been upgraded from traditional 18650 cells to soft-pack lithium-ion cells with higher energy density, significantly improving energy efficiency with a 20% increase in capacity for the same volume.

- **Intelligent battery management:** The intelligent Battery Management System (BMS) monitors the health status of each battery cell in real time, actively balances voltage, and delays battery degradation. Combined with an intelligent thermal management system, it achieves efficient operation in a full temperature range from -20°C to 70°C, ensuring battery reliability and durability in extreme environments.

03 High-performance power system: laying the foundation for technology upgrades

New quality productive forces replace “resource consumption” with “technology density.” Through continuous advancements in motor and electronic control technologies, NIU has achieved breakthroughs in both power performance and energy efficiency.

- **High-efficiency motor:** NIU uses advanced Permanent Magnet Synchronous Motors (PMSM) with optimized magnetic circuits to boost motor efficiency to over 90%, far exceeding industry averages. Its high torque density enhances starting torque by 30%, improving starting and hill-climbing performance while reducing overall energy consumption.

- **Lightweight design:** The use of new materials such as rare earth permanent magnets and aluminum alloy housings has reduced the weight of the motor by 15%, further enhancing the vehicle’s overall energy efficiency and handling performance.

- **Intelligent power tuning:** Acting as the “smart brain” of a vehicle, the Field-oriented Control (FOC) analyzes road slope, load, and riding intent in real time, dynamically optimizes torque distribution, and ensures that power output always remains within the optimal performance range.

04 Intelligent software: unleashing the value of data

New quality productive forces emphasize the value of data as a key production factor. Centered on our software platform, NIU empowers hardware with algorithms and data to enable continuous evolution and intelligent upgrading.

- **AI self-learning algorithm:** The core NIU AI power algorithm learns users’ riding habits, analyzes road slope, load, and throttle position in real time, dynamically distributes torque, and intelligently adjusts power output and energy recovery strategies based on real-time road conditions. Thanks to online OTA upgrades in 2024, the algorithm has achieved an average 7% improvement in range performance for existing users.

- **Intelligent interaction experience:** Innovative designs, such as full-map navigation mirroring and the “NIU LINK CROWN,” enable seamless and convenient human-vehicle interaction. Additionally, the Company is actively exploring the application of AI models in voice interaction and intelligent riding companions, among other scenarios, creating more possibilities for future mobility.

- **Ecological connectivity:** A continuously improving automotive Internet of Things (IoT) platform seamlessly connects vehicles, users, and cloud-based data, laying the foundation for advanced intelligent driving assistance and smart city transportation ecosystems.

05 Technology-for-all and co-creation with users: building a win-win ecosystem

Another core element of new quality productive forces lies in the innovative allocation of production factors. By integrating technology, market, and users, NIU redefines traditional R&D and value creation approaches.

- **Technology-for-all strategy:** NIU advocates the product philosophy of “value equity,” breaking the industry’s traditional mindset of “high price, high spec.” Aided by powerful supply chain integration and improved R&D efficiency, NIU applies advanced safety technologies such as millimeter-wave radar and TCS to mainstream-priced models, bringing cutting-edge technology to a broader user base.

- **In-depth co-creation with users:** We have created an “Urban Riding Lab” to directly engage users in product definition and testing phases. We also leverage the NIU App community of millions of users and massive riding data to gain precise insights into users’ real pain points, driving product iterations that better align with actual needs.

- **Data-driven governance:** We deliver a better product experience by constructing an intelligent closed-loop data architecture connecting users, vehicles, and platforms. This also provides data support for establishing a more robust system reinforcing product safety, user trust, and corporate compliance responsibility. These moves help us generate social impact along with commercial value.

Product case study

With a diversified lineup of electric two-wheelers comprising recreational (XQi3), premium (NQiX), and entry-level (FQiX) models, we implement a strategy of offering a full range of sustainable products that are environmentally friendly, socially inclusive, and intelligently managed. These three models cover different consumption levels and usage scenarios, reflecting NIU's long-term commitment to promoting green travel, catering to diverse social needs, and steadily building a responsible product ecosystem.

XQI3

A blend of performance, recreation and exploration

Leading the transition of the traditional ICE leisure segment towards zero emissions, the XQi3 demonstrates the potential of electric technology in high-performance scenarios;

Featuring a high-power motor and a high-performance lithium-ion battery system, it breaks through the power performance limitations of traditional ICE models, driving the growing adoption of electric models in extreme sports;

Side stand sensors and magnetic cutoff cords enable automatically stopping power output in case of emergency.

NX

A tech-forward urban premium model

Redefining the standards of urban mobility with advanced smart technologies and eco-friendly materials, enhancing brand competitiveness. Using recyclable eco-friendly plastics for vehicle body materials improves resource efficiency throughout the entire product lifecycle;

Integrating smart radar systems with customized riding control provides enhanced operational safety and stability;

Equipped with a peak power of 20,000W ultra-high-power motor, the NQiX Hyper boasts a 0-100 km/h acceleration in just 7.5 seconds and reaches a top speed of 135km/h. The heat dissipation structure is optimized to reduce heat loss.

FX

Tailored for basic users

Thanks to an affordable lead-acid battery solution and a wealth of smart features, the FQiX series makes eco-friendly riding more accessible;

BMS (battery management system) integration extends the service life of lead-acid batteries, reducing the frequency of battery disposal and further minimizing environmental impact;

The cutting-edge FQiX series bolsters riding safety and user confidence with navigation and vehicle health monitoring features;

Powered by a 1,500W DC motor (peak power of 2,500W) and FOC algorithm, the FQiX series delivers smoother acceleration and precise power regulation.

3.1.2 Intellectual Property Protection

NIU attaches great importance to intellectual property protection and strictly abides by relevant Chinese laws and regulations, including the Patent Law of the People's Republic of China, the Trademark Law of the People's Republic of China, the Copyright Law of the People's Republic of China, and the Civil Code of the People's Republic of China. The Company has established a comprehensive intellectual property management system and formulated the Intangible Asset Management System, which defines the management standards for intellectual property rights, such as patents, trademarks, copyrights, and non-patent technologies.

The Company's legal department is responsible for the overall management of intellectual property affairs and manages patents, trademarks, copyrights, and domain names through the internal system. The Company also requires relevant employees to sign the Confidentiality and Non-compete Agreement and Intellectual Property Ownership Agreement to protect trade secrets and the Company's interests.

The Company has particularly strict requirements for senior executives in this regard. Senior executives are required to maintain strict confidentiality regarding the confidential information of the Company and the clients during their tenure and after leaving the Company. They must also transfer the ownership of all inventions, designs, and trade secrets developed during their tenure to the Company, and assist the Company in obtaining relevant patents, copyrights, and other legal protections.

As of December 31, 2024, we had

612 patents

978 trademarks

31 copyrights related to our operations

2 registered domains, including www.niu.com

Of these 978 trademarks, 155 are registered in mainland China and 823 in other countries and regions. As of the same date, we had 211 patent and trademark applications pending review in mainland China, Europe, and other jurisdictions.

No intellectual property infringement incidents occurred during the reporting period.

3.1.3 Strengthening Industry Collaboration

We play an active role in promoting the industry's technical standards and building its ecosystem. We continuously enhance product safety and sustainability through multidimensional channels including industry associations, standard setting efforts, corporate partnerships, and government initiatives, thereby driving the industry's development and innovation.

In 2024, NIU actively contribute to industry discussions regarding lithium-ion battery safety standards, among other technical topics, to drive the intelligent and safe development of electric bicycles. This not only demonstrates the Company's industry leadership but also showcases our commitment to safety and technological innovation. During the reporting period, the Company participated in the drafting of several industry, local, and group standards, including:

- **National Standard: Safety Technical Specification for Electric Bicycle (GB 17761-2024)**
- **National Standard: Test Methods for Energy Consumption and Range for Electric Bicycles (GB/T 44677-2024)**
- **Group Standard: Electric Bicycles Shared Battery Swapping Facilities - Part 2: Shared Swapping Batteries (TSZEVA 005-2024)**
- **Group Standard: Electric Bicycles Shared Battery Dwapping Facilities - Part 3: Communication Protocol (TSZEVA 006-2024)**
- **Group Standard: General Technical Specification for Intelligent Battery Swap Vehicle of Electric Bicycles (TSZEVA 007-2024)**

CASE

An industry first: AI-driven riding navigation system featuring dynamic safety warning

In March 2025, NIU and AMap jointly launched the first AI-driven riding navigation system featuring dynamic safety warning for electric two-wheelers.

AI-powered alerts for oncoming traffic on curves: AMap predicts the trajectory of oncoming vehicles based on real-time traffic flow and curve data, and alerts users through visual icons displayed on NIU' color screen as well as audible alerts, reducing the risk of blind spot accidents.

AI-driven rear traffic alert: Detect vehicles approaching rapidly from behind based on real-time traffic flow analysis and provide rear traffic alerts via dynamic icons on the screen and audible alerts without the need for additional hardware.

AI-enabled traffic light countdown reminder: Display traffic light countdowns on the navigation interface and provide time-to-green information through flashing icons and voice prompts. This allows users to be better informed about traffic conditions and contributes to a more efficient traffic flow.

Meanwhile, by virtue of its technological advantages, NIU participates in various industry associations to enhance exchanges and promote sustainable development.

Participated Associations	Membership
Beijing Bicycle and Electric Vehicle Industry Association	Vice-chairman
Guangdong Electric Vehicle Chamber of Commerce	Vice-chairman
Guangxi Electric Vehicle Industry Association	Vice-chairman
Guangzhou Electric Bicycle Industry Association	Honorary chairman
Jiangxi Province Bicycle and Electric Vehicle Industry Association	Member
Zhejiang Province Bicycle and Electric Vehicle Industry Association	Member
Jiangsu Province Bicycle and Electric Vehicle Association	Member
Nanjing Electric Bicycle Industry Association	Member
Hainan Province Electric Bicycle Industry Association	Member
Taizhou Electric Vehicle Industry Association	Member
Xinjiang New Energy Bicycle and Electric Motorcycle Industry Association	Member
Dongguan Electric Vehicle and Bicycle Industry Association	Member
Shenzhen Electric Bicycle Industry Association	Member

3.2 ACHIEVING PREMIUM QUALITY

We place product quality first and strictly abide by laws and regulations, including the Product Quality Law of the People's Republic of China, as well as industrial standards including the Safety Specifications for Electric Motorcycles and Electric Mopeds (GB24155-2020), the Safety Technical Specifications for Electric Bicycle (GB17761-2018) and the Structure, Performance Requirements and Test Methods for Brake Hose (GB16897-2022). We also comply with global standards, including the Standard for Electrical Systems for eBikes (UL2849) published by UL Solutions, as well as the Standards for Electric Bicycles (EN15194) issued by the European Committee for Standardization. During the reporting period, no product quality incidents occurred due to safety or health reasons.

3.2.1 Full Lifecycle Quality Management

NIU has established a comprehensive quality management strategy encompassing R&D quality management, raw material quality control, production quality control, feedback and improvement, and safety testing certification to ensure that our products meet the highest quality and safety standards at every stage of lifecycle. During the reporting period, Changzhou manufacturing base obtained ISO 9001 quality management system certification.

CQC

QUALITY MANAGEMENT SYSTEM CERTIFICATE

Certificate No. 00124Q34882R2M/3200

We hereby certify that

JIANGSU NIU ELECTRIC TECHNOLOGY CO., LTD

Registered / Operation Address: No.387, Changting Road, West Taihu Science and Technology Industrial Park, Changzhou City, Jiangsu, P.R.China

by reason of its

Quality Management System

has been awarded this certificate for compliance with the standard

ISO 9001:2015

The Quality Management System Applies in the following area:

Design,Production and Sales of Electric Motorcycle,Electric Moped,Electric Bicycle,Electric Kick Scooter within Qualifications and ATV

Certified since: June 18, 2015 Valid from: June 13, 2024 Valid until: June 17, 2027

After a surveillance cycle, the certificate is valid only when used together with an Acceptance Notice of Surveillance Audit issued by CQC.

Please access www.cqc.com.cn for checking validity of the certificate.

This certificate and its relevant information can query in the website of Certification and Accreditation Administration of the People's Republic of China (www.cnca.gov.cn).

IAF CNAS IQNET

中国质量认证中心

CHINA QUALITY CERTIFICATION CENTRE

Section 9, No. 188, Nansihuan Xilu, Beijing 100070 P. R. China http://www.cqc.com.cn

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Quality Management System

Quality lifecycle management

R&D quality management

Key measures

- We implement quality management and monitoring measures with tests covering CCC certification, safety and reliability, software and hardware function, and battery power performance.
- During the design stage, we conduct dynamic and static CAE strength and rigidity analysis on all our e-scooter frames. The finished frames and vehicles must pass vibration and endurance tests to minimize safety risks.

Raw materials quality control

Key measures

- In accordance with the Raw Quality Control Inspection Manual, we fully inspect critical parts, and for other parts, we conduct full or random inspections based on the class of materials.
- We employ a proprietary intelligent battery inspection system for full inspection of battery packs and conduct regular training for inspectors to ensure that they operate with the highest possible levels of proficiency.

Production quality management

Key measures

- We focus on key process controls in the manufacturing and assembly process and use advanced fixed-torque equipment to monitor in real time the critical torque processes. Our Input Process Quality Controllers (IPQC) conduct full-process inspections to ensure the quality of every vehicle.
- Initial inspection - Patrol inspection - End-of-line inspection - Final inspection - Road test - Pre-shipment inspection

Feedback and improvement

Key measures

- In accordance with the Customer Consultation and Complaint Management Policy, the quality engineer records customer complaints collected from sales and after-sales channels, including online sales platforms, Weibo,customer service hotline, and the NIU App, into the quality management system (QMS), and conducts internal analysis, tracking and rectification to formulate product quality improvement plans.
- We closely monitor the list of customer complaints and feedback on a monthly basis to guide our quality improvement efforts, ensuring continuous improvement of quality.

Quality lifecycle management

Safety testing and certification

Key measures

- Products must undergo a series of rigorous safety tests and certification procedures before they are released to the market to ensure their safety and reliability across various environmental conditions. Tests include battery safety, crash, and long-term durability to ensure compliance with domestic and international standards such as GB24155-2020, GB17761-2018, UL2849, and EN15194.

Quality management evaluation

Key measures

- We have formulated the Quality Management Evaluation Guidelines and established the Quality System Improvement Promo-tion Group, led by the Company's CEO and with the Quality Technology Director serving as the executive deputy group leader. Department heads from R&D, manu-facturing, procurement, and services conduct joint reviews.

> Develop a quality improvement project: Define project objectives, implemen-ta-tion pathways, key milestones, and deliverables;

> Improve the quality management system: Promote the establishment and optimization of documents regarding quality management;

> Strengthen the quality assessment mechanism: Raise quality awareness among all employees, implement quality accountability, and incorporate it into quarterly/annual performance review.

Quality training

Key measures

- During the reporting period, the Quality Technology Department organized 9 training sessions with a total of 50 participants to cultivate a corporate culture of quality.

The core value of system integration testing for vehicles lies in the upgrading from "component qualification" to "system reliability" and from "single safety" to "coordinated safety." This forms the foundation of product quality and safety; it also results in fewer faults and lower accident risks for users. We continuously validate the coordinated performance of powertrain, control, braking, electrical, and other vehicle subsystems, as well as the stability of the vehicle under long-term and complex operating conditions. This enables us to identify system integration risks and potential hazards and conduct targeted system R&D, validation, and testing, with the aim of improving product quality by focusing on the underlying design.

System Integration Risk Identification and Response

System integration risk identification		System integration risk response
Subsystem compatibility	Subsystem components provided by different suppliers, such as motors, batteries, controllers, and ECUs, may pose risks due to inconsistencies in technical standards, protocols, and parameters.	Supplier management and collaboration Compatibility testing and validation
Interface reliability	Physical connections or signal transmission between subsystems such as wiring harnesses, connectors, and mechanical interfaces may have hidden defects. Issues may arise, including physical interface failures, insufficient mechanical interface strength, and signal interference or delays.	Multi-environment stress testing
Functional coordination failure	A single subsystem may function normally, but when multiple systems operate in coordination, logical conflicts or inefficiency issues may arise.	Deployment of NIU ECU intelligent central controller
Safety mechanism failure	Safety subsystems (e.g., over current protection, overheat protection, and anti-runaway systems) may experience protection logic conflicts or delayed emergency responses, posing direct threats to user safety.	Safety logic validation and testing

3.2.2 Ensuring Riding Safety

Pursuing a safety-first strategy, we place battery safety at the core of riding safety. We have established a comprehensive safety system through technological innovation. It involves the adoption of automotive-grade high-safety battery cells and an intelligent BMS system, integrating safety protection measures and the "thermal sentinel mode", and featuring dynamic charging algorithms and multi-layer hardware protection. Comprehensive risk control is thus achieved, encompassing battery cells and charging. This contributes to significantly lower fire accident rates. Additionally, we are the first to comply with the new national standard GB 43854-2024. By incorporating aerospace-grade environmentally friendly materials and green production processes, we have reduced carbon emissions across the entire battery lifecycle, while ensuring user safety. Driven by the dual pillars of safety and environmental production, we are committed to sustainability and delivering value to our users and the environment.

Upgraded smart charging safety	• Monitor battery status (temperature, voltage, and aging level) in real time through dynamic charging algorithms. Use an intelligent method to adjust the charging curve to avoid overcharging/overdischarging and extend battery life. • Real-time safety alerts are provided for abnormal conditions (such as overheating or short circuits) with power supply automatically cut off. • Implement remote OTA firmware updates to continuously optimize charging strategies and ensure compatibility with new battery technologies.
Battery technology innovation	• Adopt high-safety automotive-grade power cells with higher energy density, lighter weight, and better environmental performance. • Achieve multi-dimensional battery management with an intelligent BMS system that integrates 14 safety protection measures to ensure the safety and reliability of the battery. • Apply aluminum alloy housing and flame-retardant materials, providing resistance to compression and impact. Optimized heat dissipation design ensures stable operation under high-temperature conditions.
Compliance and forward-thinking approach	• We are the first to comply with the new national standard for lithium-ion batteries (GB 43854-2024). By incorporating the aerospace-grade aerogel insulation technology and "thermal sentinel mode," we have significantly reduced fire accident rates, setting a new safety benchmark for the industry.

CASE

NX earns industry's first five-star fire safety certification

The NX model passed the safety assessment by CMVR, a nationally recognized automotive testing and certification body, and obtained the Fire Safety Extreme Challenge Certificate for electric two-wheeled motorcycles, becoming the first motorcycle product in the industry to receive a five-star fire safety certification.

3.3 DELIVERING EXCEPTIONAL CUSTOMER SERVICE

NIU is a customer-centric company committed to continuously improving customer experiences. We strictly abide by relevant laws and regulations including the Law of the People's Republic of China on the Protection of Consumer Rights and Interests. We have established several systems and processes to improve customer experience, including the Products and Services Management Policy, the Customer Consultation and Complaint Management Policy, the Control Procedure for Product, the Control Procedure for Technology Service, the Procedure for Refunds and Exchanges, and the Procedure Customer Satisfaction Management.

3.3.1 Premium Customer Service

We provide comprehensive customer consultation and feedback channels, including online sales platforms, Weibo, the customer service hotline, and the NIU App to ensure every customer's voice is heard and valued. In addition, we have established the Customer Consultation and Complaint Management Policy to standardize the response procedures for customer service personnel. This helps to ensure timely and effective responses to customer inquiries and complaints, improves the quality of customer service, and protects NIU's brand and reputation. To enhance communication efficiency, we have also developed an intelligent customer service system that can automatically answer frequently asked questions, greatly reducing customer waiting time. For issues requiring technical support, we have set up a specialized technical support team with experienced engineers to provide professional guidance.

NIU has established a dual architecture for collaborative customer service, consolidating the "customer service scenario layer+ operational support system layer" to achieve integrated improvements in service experience. Our customer service architecture covers the entire cycle from pre-sales to order fulfillment and after-sales activities.

NIU Dual Customer Service Architecture

Customer service scenario layer

1. Pre-sales

- We synchronize new product updates, configurations, customization services, and promotional activities across multiple channels such as the official website, APP, and mini-programs, enabling customers to research product information.
- We have a professional sales consultant team providing personalized recommendations based on customer usage scenarios (such as commuting distance and riding habits), answering technical inquiries, and assisting with product selection decisions.

2. Order fulfillment

- We offer multi-channel purchasing options including O2O and offline purchases. Our order management system supports real-time status synchronization from order placement to delivery, with logistics information available for tracking via the APP.
- Our sales and customer service teams provide real-time support through online service and a hotline to resolve issues during the purchase process.

3. After-sales

- We provide 24-hour service support for repair requests and parts inquiry.
- We have over 3,000 stores offering services with repair, maintenance, and replacement of parts.

Customer satisfaction surveys and analyses

NIU regularly conducts customer satisfaction surveys and analyses and sets a satisfaction indicator, i.e., customer complaint rate <2‰, with a goal of gradually improving customer satisfaction. The survey covers a wide range of aspects such as product quality, service attitude, response time, and problem-solving efficiency.

Operational support system layer

1. Digital operations platform

- Customer inquiries from all channels, including the official website, e-commerce platforms, and APP, are automatically integrated into the CRM system to achieve "single-point access and full-domain response."

2. Closed-loop complaint management

① Case creating: Each customer complaint received through various channels is assigned a code, with detailed descriptions;

② Root cause analysis: Technical, service, and product teams work together to identify the root cause of issues;

③ Solution identification: Match solutions (e.g., repairs, returns/exchanges, and compensation) based on compensation standards;

④ Preventive measures: Conduct proactive inspections on products from the same batch to prevent recurrence of similar issues;

⑤ Feedback effects: Document typical cases in the knowledge base and update in real-time to enhance service efficiency.

3. Voice of the Customer (VoC) management

- We collect user feedback, in particular complaints and negative reviews, from the 400 hotline, App inquiries, and e-commerce platforms, and categorize them by business type (product, R&D, quality, and logistics, etc.).
- Complaint volumes and classifications are regularly provided to relevant department heads to help capture market demand and identify service shortcomings, driving product and service improvements.

Customer satisfaction rate

2024	2023	2022
94%	95%	95%

CASE

NIU's panoramic user demand perception system

1. Digital platform
   - We utilize the NIU App community to enable real-time user interaction and integrate features such as "feature request voting" and "pain point maps" to provide data-driven insights for product improvements.
2. Scenario-based research
   - We have created an "Urban Riding Lab" and formed user co-creation groups to tap scenario-based needs of specific groups such as delivery riders and commuters. We also work with KOCs to operate the community, collecting personalized needs for shelves and lighting systems, and convert them into official accessories.
3. Omnichannel demand funnel
   - We conduct semantic analysis of customer service content and e-commerce reviews to identify high-frequency demands, such as the demand for "theft prevention," which contributed to the upgrade of the Beidou+GPS dual-mode anti-theft system.

3.3.2 Ethical Marketing

We uphold the highest standards of integrity in all our operations and strictly abide by the Advertising Law of the People's Republic of China. We operate a comprehensive review system to ensure that all advertising and promotional language is standardized and compliant across the full marketing cycle from content creation to channel dissemination. We undertake that we will avoid exaggeration and false advertising and provide consumers with complete, accurate, objective, and truthful information to protect their rights and interests.

In terms of content control, we conduct multi-dimensional thorough reviews of all marketing materials, focusing on verifying the consistency between product information and actual performance. We also ensure that the marketing language is compliant and accurate, and that misleading or exaggerated claims are avoided. For live-streaming marketing scenarios, clear guidelines are in place to align the marketing language, and anchors are required to truthfully introduce product features, application of scope, and restrictions and avoid misleading descriptions, thereby ensuring consumers fully understand product-related information.

CASE

MODIFICATIONS NOT PERMITTED signs

NIU's offline stores display prominent "MODIFICATIONS NOT PERMITTED" signs to remind consumers about safe use. Online sales platforms also carry prominent safety reminders that clearly outline usage guidelines, safety precautions, and other relevant information to safeguard consumers' right to know.

Building Ethical Marketing Capabilities

NIU conducts standardized training for its sales team to ensure that potential risks and correct use methods are fully explained to customers during product promotion. NIU also provides thematic training on brand culture and industry know-how through its WeChat official account to reinforce the professionalism and stewardship of the sales team. The online training platform PXB contains learning documents, videos, and online exams related to ethical marketing. In 2024, 12,637 people participated in online exams. Additionally, NIU provides special training on vehicle technology, vehicle disassembly and assembly, and vehicle diagnosis and repair of newly launched vehicle models for regional managers at after-sales service centers to enhance their professional skills.

NIU has established an integrated online and offline training system for its stores and distributors. It uses its WeChat official account to regularly push useful content such as product know-how, sales promotion, and store compliance. It also organizes offline training regularly to deepen implementation. In 2024, the Company organized a total of 30 online and offline trainings with 8,269 participants, contributing to improved operational standardization of stores and distributors.

NIU adheres to fair marketing strategies throughout the entire sales, delivery, and after-sales service process. It consistently engages in fact-based marketing activities and ensures that all problems identified, or questions raised are properly addressed or responded to in time.

Product Marking and Labeling

In keeping with the principles of ethical marketing, we are committed to providing transparent and detailed product information. We ensure each product comes with a product manual and a product certificate. In mainland China, we provide Chinese manuals, while in overseas markets, we provide English manuals to ensure our users can easily obtain product usage guides and relevant information. Customers may also download product manuals containing such information as safe riding tips, battery installation and safe use instructions, and after-sales services through the internet.

We include clear instructions for use as well as candid information on each product's possible environmental and social impacts in the user manual, certification of quality, and product label. We communicate the following key messages through these labels:

- **Sourcing of raw materials:** We disclose the sources of raw materials and ensure that their sourcing process is in line with sustainable development and ethical standards.
- **Environmental impact substances:** We clearly label all substances in a product that may have an impact on the environment to increase information transparency.
- **Safe use guidelines:** We provide comprehensive safe operation guidelines to ensure safe and correct use of products by users and reduce the potential risks caused by improper operation.

4 GREEN TRAVEL FOR A ZERO CARBON FUTURE

7 AFFORDABLE AND CLEAN ENERGY

11 SUSTAINABLE CITIES AND COMMUNITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

15 LIFE ON LAND

4.1 IMPLEMENTING ENVIRONMENTAL GOVERNANCE

4.1.1 Green Operations

We fully recognize the important role of enterprises in environmental protection and strictly abide by national laws and regulations on energy and resource utilization, including the Environmental Protection Law of the People's Republic of China, the Energy Conservation Law of the People's Republic of China, and the Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste.

We have formulated and implemented the Environmental, Health, and Safety Management Policy to fulfill our environmental commitment through a series of innovative and forward-looking environmental initiatives. To advance sustainability across all aspects of our operations, we standardize environmental management requirements, continuously improve energy efficiency, strictly control water consumption, promote green office practices. Furthermore, we step up efforts to foster a culture that emphasizes ESG responsibility, raise environmental awareness among employees, and encourage them to practice energy conservation and resource efficiency in their daily work and lives.

- During the reporting period, we strictly complied with all relevant laws and regulations regarding greenhouse gas emissions, pollutant emissions, and waste disposal, and were not subject to any environmental penalties.
- Changzhou manufacturing base has been certified against the ISO 14001 Environmental Management System.


CQC

ENVIRONMENTAL MANAGEMENT SYSTEM CERTIFICATE

Certificate No. 00125E30123R0M/3200

We hereby certify that
Jiangsu Niu Technologies Co., Ltd.
Business Registration Number: 913204123240070733

Registered Address:No.387, Changting Road, West Taihu Lake Science and Technology Industrial Park, Changzhou, Jiangsu Province, China
Operation Address: No.387, Changting Road, West Taihu Lake Science and Technology Industrial Park, Changzhou, Jiangsu Province, China

by reason of its
Environmental Management System
has been awarded this certificate for compliance with the standard
ISO 14001:2015
The Environmental Management System Applies in the following area:

Design, Manufacturing and Sales of Electric Scooters For Export, Electric Two - Wheeled Motorcycles, Electric Two - Wheeled Mopeds and Electric Bicycles Within The Scope of Qualifications, As Well As Their Related Management Activities

Certified since: January 9, 2025 Valid from: January 9, 2025 Valid until: January 8, 2028

After a surveillance cycle, the certificate is valid only when used together with an Acceptance Notice of Surveillance Audit issued by CQC.
Please access www.cqc.com.cn for checking validity of the certificate.
This certificate and its relevant information can query in the website of Certification and Accreditation Administration of the People's Republic of China (www.cnca.gov.cn).

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Signed by: Xie ZhaoXu
MEMBER OF IQNET
中国质量认证中心有限公司

中国质量认证中心
CHINA QUALITY CERTIFICATION CENTRE

Section 9, No. 188, Nansihuan Xilu, Beijing 100070 P. R. China
http://www.cqc.com.cn

2024年版

Green Manufacturing

NIU implements green practices throughout its entire manufacturing process, aiming for efficient resource utilization and minimal environmental impact.

Digital systems

- Optimize supply chain management through RMS, OMS and ERP systems
- Implement digital systems to realize accurate deployment and utilization of resources and reduce waste

Automated and intelligent

- Fully automated assembly lines and testing lines reduce human intervention and improve product quality and productivity
- Autonomous diagnosis and data analysis of core modules increase equipment utilization and reduce downtime and energy waste
- Automated loading and distribution of parts and vehicles improves logistics efficiency and reduces carbon emissions

Sustainable raw materials

- Use low-pollution and non-toxic raw materials
- Equip electrophoresis workshops with exhaust gas and wastewater treatment facilities to minimize environmental impact during raw material production
- Conduct sustainability training for the production department

Lean production

- Utilize JIT production methods to reduce inventory and waste and achieve efficient production
- Implement automated production techniques to reduce human errors, thereby improving production efficiency and resource utilization

Green Packing

Committed to sustainability, NIU conducts innovative R&D on materials, packaging design, and production processes to advance packaging reduction and recycling.

CASE

NIU vigorously promotes packaging made from renewable materials

NIU has prioritized the use of renewable packaging materials for major scooter products sold in the Australian market, reducing reliance on traditional non-biodegradable materials and significantly lowering carbon emissions.

Products	Percentage of renewable
KQi 100 PRO	86%
KQi 300P	76%
KQi 300X	76%
KQi 2 PRO	74%
KQi 1 PRO	74%
KQi 3 MAX	51%
KQi 3 PRO	51%
KQi 3 SPORT	51%

NIU partners with suppliers to promote packaging recycling

NIU partners with core suppliers to build a packaging recycling system. We jointly developed recyclable packaging suitable for multiple product models, replacing traditional packaging and cushioning materials with eco-friendly alternatives that balance protective performance and reusability. Reduced single-use packaging consumption and waste disposal has resulted in lower carbon emissions and enhanced recycling. During the reporting period, a total of 191,907 packaging items were recycled.

Green Logistics

NIU's product Transportation Management System (TMS) not only enhances the efficiency and accuracy of the logistics and transportation processes but also minimizes the need for paper documentation. This fully aligns with our green operational philosophy. Optimized shipment processes and higher on-time delivery rates have significantly improved customer satisfaction.

Green packing and green logistics generating benefits

NIU has continuously improved the outer box dimensions for scooter products in view of the trend toward smaller product sizes, resulting in increased loading capacity per container. Approximately 30% more units of new models can now fit in a shipping container compared to earlier models.

When it comes to transportation, we use an intelligent planning software to optimize loading schemes for orders with multiple models. Improved space utilization has led to an approximately 20% increase in the loading capacity per container. The "small box packing + intelligent loading" approach reduces transportation frequency, contributing to lower carbon emissions.

Green Workplace

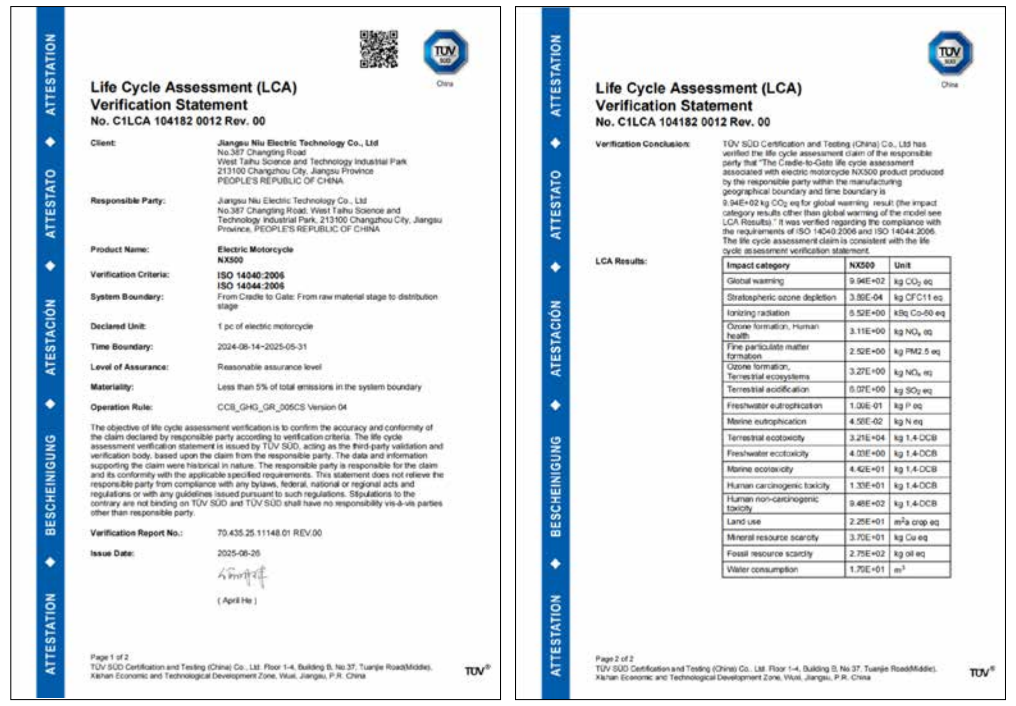
In our daily office activities, we have implemented measures such as conserving energy and resources, adopting a digital office approach, promoting eco-friendly commuting, and ensuring waste sorting, with a view to boosting environmental awareness and enhancing green practices in the workplace.

Green workplace	Specific measures
Energy conservation	• Maintain office air conditioning temperatures at 26 degrees Celsius • Encourage employees to print on both sides of the paper • Encourage employees to switch off equipment such as lights and air conditioners when leaving
Digital office	• Encourage employees to adopt digital tools, such as e-documents, e-mails, and online meetings, to reduce resource consumption from paper documents
Eco-commuting	• Promote eco-friendly commuting among our staff • We have built parking lots for two-wheelers and installed charging stations and lockers for staff use
Garbage sorting	• Display informative posters in prominent areas to raise employee awareness of the importance of garbage sorting • Support food waste sorting

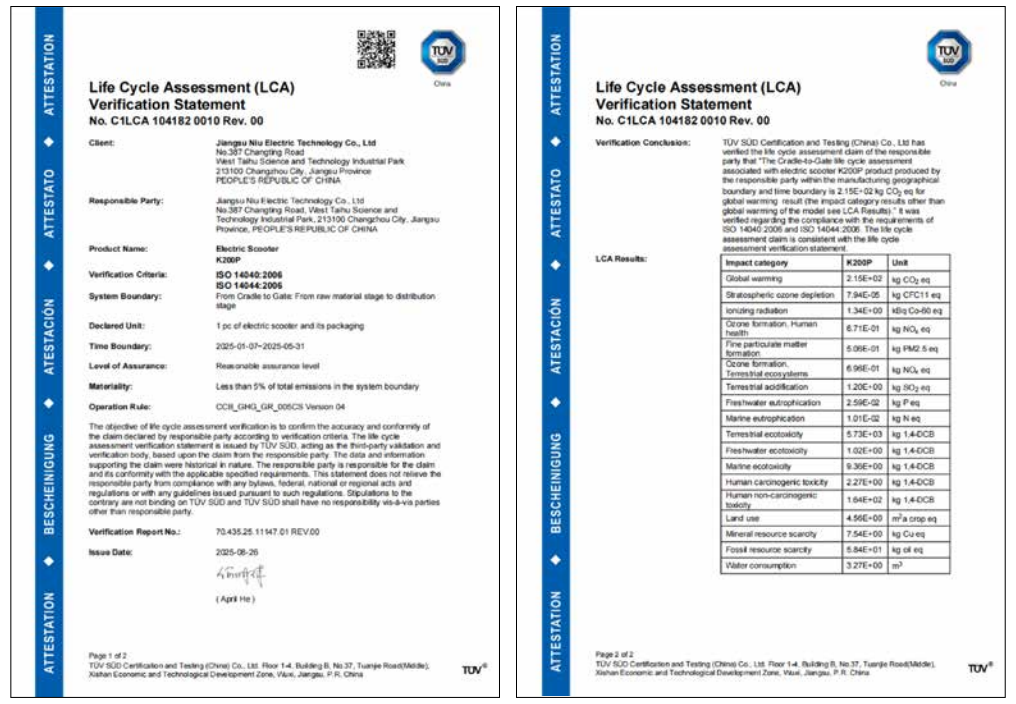
4.1.2 Green Products

We achieve energy efficiency and reduce carbon emissions through innovative technology and lightweight design. We align with global environmental policies and social expectations and continuously improve our technology to minimize the use of harmful substances in our products. To ensure our products comply with international regulations and directives, we have implemented a phased reduction plan for plastic components in certain products. Furthermore, we provide environmental product declarations or eco-labels for all our products and display environmental protection icons on recycled or recyclable plastic parts. This not only reflects our commitment to environmental protection through transparent messaging but also demonstrates our strong stance on sustainable development.

To strengthen our effort to fulfil environmental responsibilities, we completed Life Cycle Assessment (LCA) for two core products under the N-series electric motorcycles and the K-series electric scooters. We also quantify the LCA data across the entire product lifecycle from raw material procurement to product distribution based on the ISO 14040 and ISO 14044 international standards. This enables a comprehensive analysis of various impact indicators including resource use, ecological impact, and human health.

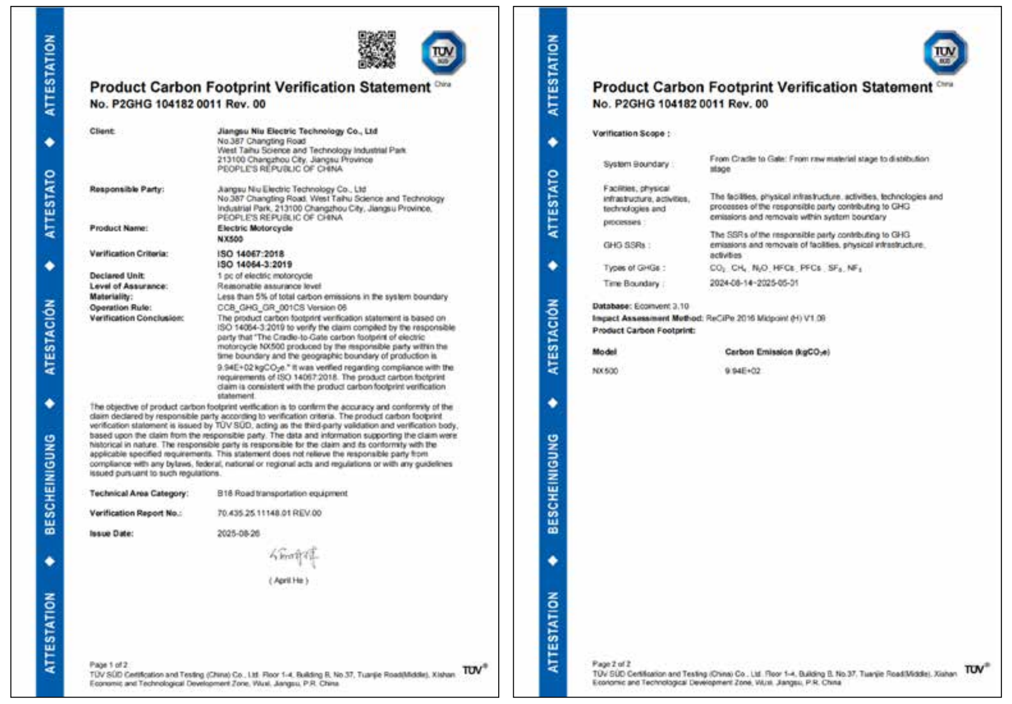


LCA verification statement of electric motorcycle



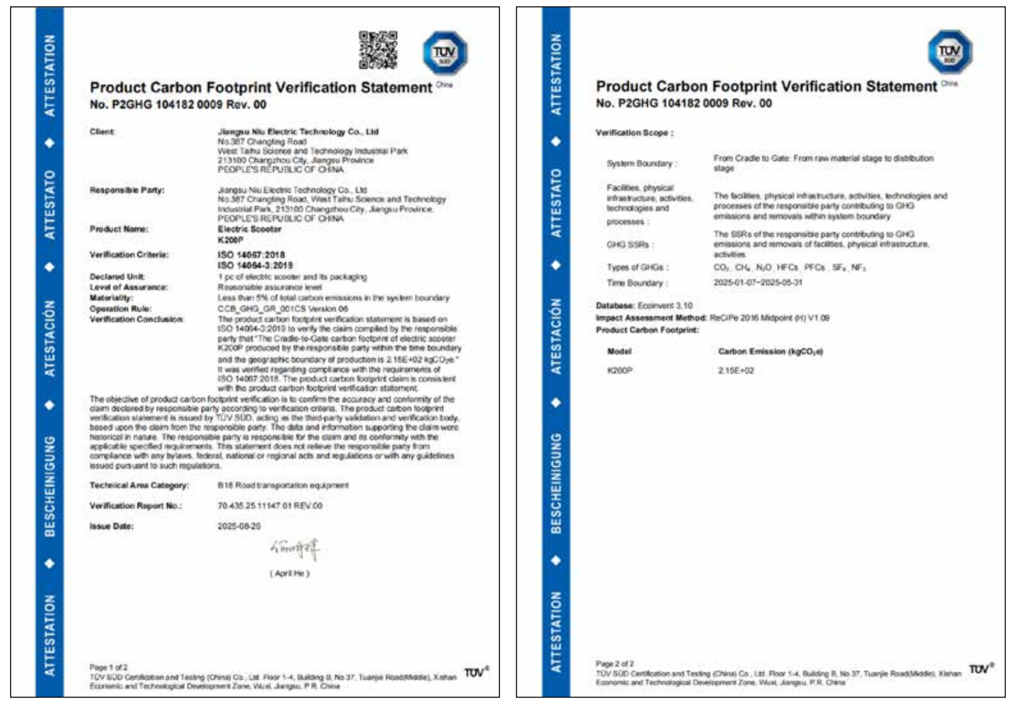
LCA verification statement of electric scooter

We concurrently conducted carbon emissions accounting for the two products in accordance with the ISO 14067 standards and presented quantitative information through carbon labeling. Carbon labels visually indicate carbon emissions levels of products, enabling consumers to be well informed of the environmental impact of the products when making purchasing decisions. This provides reliable reference for green consumption decisions and in the meantime showcases the Company's achievements in green initiatives in a transparent manner, further reinforcing the promotion of environmental responsibility throughout the product lifecycle.



Carbon footprint verification of electric motorcycle

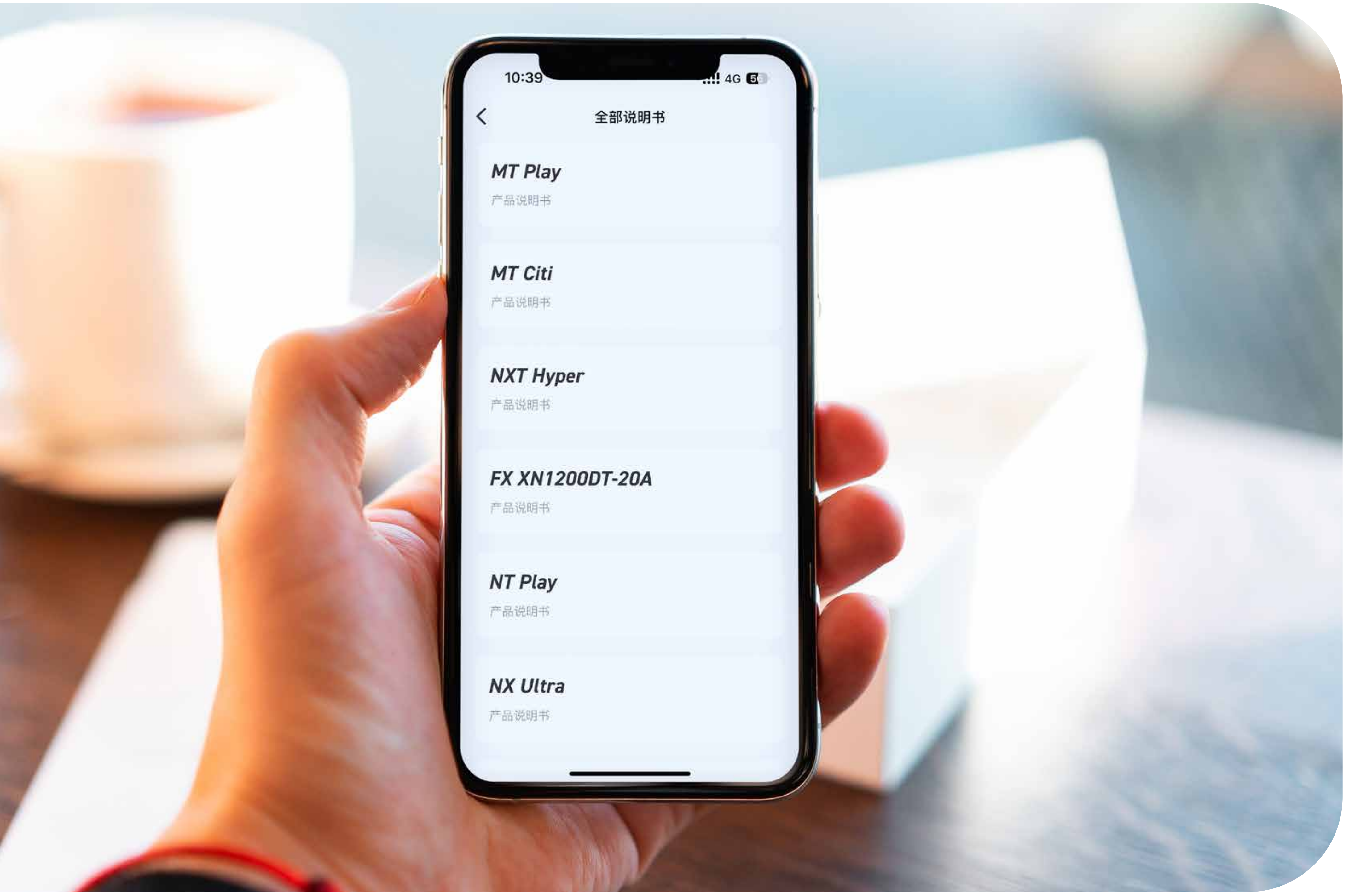
Carbon footprint label of electric motorcycle



Carbon footprint verification of electric scooter

Carbon footprint label of electric scooter

We make continuous efforts to digitize product manuals, converting traditional paper-based manuals into digital versions that can be viewed online. Users can conveniently access product information through the NIU App, NIU's official website, and other channels. Other benefits include reduced paper consumption, less investment in printing, and lower carbon emissions caused by the transportation and storage of paper materials.



CASE

As a leading global provider of urban smart mobility solutions, NIU has deeply integrated sustainability into its product design since 2014 to promote eco-friendly, low-carbon modes of transportation. The full lineup of the K-series scooters has passed international environmental certifications such as UL, REACH, RoHS, and CA65, a testament to our commitment to sustainability in global markets. One model in particular, the K200 scooter, best exemplifies green innovation.

The K200 has undergone green upgrades in both its chassis and core components. The frame is made of automotive-grade high-strength steel, combining high rigidity with lightweight advantages. Thanks to an optimized body structure design, it increases load capacity by 20% while reducing energy consumption. In terms of tire technology, aerodynamic contours, lightweight materials, and an innovative silica compound reduce rolling resistance, increasing the range by 10% and further lowering energy consumption.

In addition, NIU implements green management throughout the entire product lifecycle through intelligent systems. The NIU App supports personalized adjustments to riding modes to suit different scenarios and optimize energy consumption. The BMS not only accurately estimates battery capacity but also extends battery life through health management functions, reducing waste. From material selection to functional design, NIU has built a green product system through full-chain innovation that integrates smart mobility with sustainable development.

4.1.3 Energy and Resource Utilization

Energy management

We adhere to the green development philosophy amidst global climate change and energy resource constraints. Our efforts range from optimizing energy consumption to implementing energy-saving measures and developing renewable energy. While focusing on improving energy efficiency in our production operations, we also actively promote distributed photovoltaic power generation projects to reduce carbon emissions. Below is a summary of our energy consumption and key initiatives for photovoltaic power generation for the period 2022 to 2024:

Energy consumption	Unit	2024	2023	2022
Beijing office	kWh	89,093.00	77,070.94	58,277.37
Shanghai office	kWh	62,447.00	114,129.00	116,701.00
Electricity bought at Changzhou facility	kWh	2,256,807.00	2,017,021.00	2,897,212.00
Photovoltaic power generated at Changzhou facility	kWh	1,112,560.80	749,152.00	—
Total	kWh	3,520,907.80	2,957,372.94	3,072,190.37
Consumption intensity per capita	kWh/person	5,907.56	4,966.20	4,575.12
Consumption intensity per unit area	kWh/square meter	37.36	31.38	32.62
Consumption intensity per unit of electric vehicle production	kWh/thousand electric vehicles	3,809.10	4,166.48	3,694.34
Consumption intensity per unit of revenue	kWh/RMB1 million revenue	1,070.74	1,115.25	969.57

Our manufacturing base in Changzhou has much higher overall energy consumption than our Beijing and Shanghai offices. To lower energy consumption and emissions from manufacturing, we have launched a distributed photovoltaic project, making full use of the facility’ s roof space. The project has yielded significant results since its launch in May 2022, generating nearly 1.86 million kWh of electricity. Moving forward, we will continue to explore and expand photovoltaic power generation projects to further reduce carbon emissions and conserve resources, contributing to China’ s decarbonization initiatives.

May 2022

We began working on Phase I of a distributed photovoltaic project for our Changzhou manufacturing base

May 2023

Phase I of the project became fully operational
- Installation area: 11,000 square meters
- Installed capacity: 1.4MW

December 2023

Construction of Phase II commenced
- Installed capacity: 6MW
- Total electricity generated in 2023: approximately 750,000 kWh

September 2024

Phase II of the project became fully operational
- Installation area: approximately 50,000 square meters
- Total electricity generated in 2024: approximately 1.11 million kWh750,000 kWh

Water Resource Management

We are dedicated to ensuring the efficient use and sustainable management of water resources by establishing a systematic water management system. Regular collection and analysis of water use data enables us to identify and address issues promptly, thus ensuring a rational allocation of water resources. In practice, we have adopted a series of specific measures to improve water use efficiency. This includes the introduction of advanced water-saving technologies and equipment to reduce water consumption in production and operations. We also conduct awareness and training programs on water conservation for employees to raise their awareness amid our efforts to achieve sustainable water resource management.

Water utilization	Unit	2024	2023	2022
Beijing office	Metric tons	1,441.00	1,154.30	998.79
Shanghai office	Metric tons	–	168.00	192.00
Changzhou facility	Metric tons	35,036.00	25,358.00	30,184.00
Total	Metric tons	36,477.00	26,680.30	31,374.00
Consumption intensity per capita	Metric tons/person	61.20	44.80	46.72
Consumption intensity per unit area	Metric tons/square meter	0.39	0.28	0.33
Consumption intensity per unit of electric vehicle production	Metric tons/thousand vehicles	39.46	37.59	37.73
Consumption intensity per unit of revenue	Metric tons/RMB1 million revenue	11.09	10.06	9.90

4.1.4 Waste Management

Our main sources of waste include production waste, packing material waste from incoming materials, returned scrap, and domestic waste from business operations. We have implemented management policies clearly define the responsibilities and tasks of relevant functions to ensure standardized management, orderly operations, and environmental safety. Production process-generated waste is recovered and delivered to qualified recycling companies. The types of waste and recycled weights are as follows:

General waste recycling	Unit	2024	2023	2022
Iron	Ton	133.97	20.67	63.99
Cardboard	Ton	207.07	111.68	159.75
Plastic foam	Ton	18.38	10.01	18.90
EPE	Ton	10.92	6.63	5.65
Motors[4]	Ton	20.54	3.87	2.76
Aluminum and aluminum-plastic mixtures	Ton	7.20	–	2.12
Saddle	Ton	11.58	0.58	–
Others	Ton	2.49	0.58	3.01
Total	Ton	**412.15**	**153.44**	**256.18**

[4] Adjusted retroactively for 2023 based on the calculation logic for 2024 (individual motor weight × number of recycled motors).

We are committed to promoting sustainability practices and have formulated the Battery Scrap Management Policy for battery cells and packs subject to write-off that are generated during R&D, production, sales, and after-sales processes, and established a dedicated unit to perform the management tasks. A battery scrap management ledger has been created with relevant information recorded in the system. Scrap batteries are temporarily stored in fireproof and explosion-proof containers with clear labeling. Battery warehouses are equipped with infrared alarm systems, smoke detection systems, and automatic fire extinguishing devices. Scrap batteries are regularly delivered to qualified companies for cascade utilization or disassembly for reuse. In 2024, we increased the recycling of used battery cells and packs by 50% over 2023 to approximately 150 tons.

Hazardous waste recycling	Unit	2024	2023	2022
Battery cells and packs	Ton	149.67	100.00	45.00

4.2 PROTECTING THE ECOLOGICAL ENVIRONMENT

As a responsible company, we fully recognize the importance of biodiversity and natural ecology conservation for sustainable development. In line with the UN SDG 15, Life on land, we have taken concrete actions for the conservation of biological diversity, the sustainable use of its components, and the fair and equitable sharing of the benefits arising out of the utilization of genetic resources. To make a substantial contribution to biodiversity conservation, we have issued the Biodiversity and Zero Deforestation Policy, affirming our commitment to incorporating biodiversity conservation into our future development strategy. We strive to minimize the impact of our production operations on the natural environment and explore ways to promote biodiversity conservation. We plan to:

Environmentally friendly production operations

We are dedicated to reducing the environmental impact of our manufacturing operations by optimizing supply chain management and production processes.

- Integrating biodiversity conservation into our supplier assessment system
- Improving the efficiency of resource utilization and reducing waste emissions
- Exploring the use of more recyclable and environmentally friendly materials
- Increasing greening area using local plant species while staying compliant with safety requirements

Environmental awareness and transparency

We are committed to raising awareness of biodiversity conservation within and outside NIU and to maintaining transparency.

- Conducting biodiversity conservation-related training and activities for employees
- Raising environmental awareness and promoting green practices among our staff
- Disclosing in detail our strategies, actions, and progress in biodiversity conservation in our ESG report
- Maintaining information transparency and openness to public oversight

To date, we have achieved remarkable results in plastic recycling. We have implemented a comprehensive plastics recycling program that includes recycling of plastic waste from manufacturing processes as well as plastic parts from end-of-life vehicles. In 2024, we recycled more than 30 tons of plastic materials. This not only reduces plastics pollution, but also lowers the demand for virgin plastics, thus mitigating the impact of plastics production on the ecosystem. By reducing plastics pollution, we are making a positive contribution to preserving biodiversity in marine and terrestrial ecosystems.

Plastic waste recycling	Unit	2024	2023	2022
ABS	kg	7,825.69	3,807.13	10,677.00
Polypropylene	kg	23,586.32	9,864.37	18,992.00
Total	kg	**31,412.01**	**13,671.50**	**29,669.00**

5 EMBRACING DIVERSITY AND INCLUSION TO GROW TOGETHER

3 GOOD HEALTH AND WELL-BEING

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

17 PARTNERSHIPS FOR THE GOALS

5.1 CREATING A HAPPY WORKPLACE

5.1.1 Employee Recruitment

We respect and fully comply with the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China, and other laws and regulations in China and other rigions where we operate. We are fully committed to safeguarding employees' rights and interests. We have established a comprehensive recruitment management system and clear guidelines on compensation, recruitment, hiring, working hours, equal pay for equal work, vacations, and other employee benefits. These measures also enhance the efficiency of our human resource management and corporate operations.

Our employee recruitment process is conducted fairly, transparently, and openly. We offer equitable employment opportunities to individuals regardless of gender, age, race, religious affiliation, nationality, or disability. We strictly abide by labor regulations and prohibit any form of illegal employment practices, including but not limited to the use of forced labor and child labor. We ensure that we sign labor contracts with our employees on a voluntary basis in accordance with the law and that our employees have the right to resign at any time after serving reasonable notice and following a transparent resignation process. During the reporting period, we did not engage in any violations related to the employment of child labor or forced labor.

In addition, we have strengthened the supervision of our suppliers and partners. Through regular audits and communication, we ensure their adherence to relevant laws and regulations on compliance with employment laws and employment equality.

Workforce Breakdown

Indicator	Description	2024	2023	2022
Total number of employees		**642**	**550**	**641**
By gender	Female	168	154	182
	Male	474	396	459
By age group	< 30 years old	136	133	198
	30-50 years old[5]	490	410	440
	> 50 years old[5]	16	7	3
By region	North China (Beijing)	172	152	202
	East China (Shanghai/Changzhou)	439	379	430
	Overseas (including Hong Kong, Macao and Taiwan)	31	19	9
Employees with disabilities		7	7	7
Ethnic minority employees		18	14	18
Foreign employees		32	20	12
Female employees				
Percentage of female employees		26%	28%	28%
Percentage of women in management positions		16%	19%	/

Indicator	Description	2024	2023	2022
Percentage of women in entry-level management positions		20%	26%	/
Percentage of women in middle management positions		10%	10%	/
Percentage of women in senior management positions		29%	29%	/
Percentage of women in revenue-generating positions		22%	15%	/
Percentage of women in STEM-related positions		16%	19%	/
Number of new employee hires		**204**	**88**	**203**
By gender	Female	34	17	42
	Male	170	71	161
By age group	< 30 years old	62	25	86
	30-50 years old	135	62	105
	> 50 years old	7	1	12
By region	North China	29	19	68
	East China	158	59	135
	Overseas (including Hong Kong, Macao, and Taiwan)	17	10	/

Indicator	Description	2024	2023	2022
Annual employee turnover rate[6]		**19%**	**25%**	**27%**
Voluntary employee turnover rate		13%	17%	/
By gender	Female	13%	23%	25%
	Male	20%	25%	28%
By age group	< 30 years old	20%	24%	29%
	30-50 years old	18%	25%	26%
	> 50 years old	24%	/	31%
By region	North China	14%	27%	29%
	East China	21%	25%	27%
	Overseas (including Hong Kong, Macao, and Taiwan)	11%	5%	18%

[5]Data for 2022 is broken down by "30–40 years old" and "over 40 years old," with the same method applied below.

[6]Calculation: Number of employee turnover ÷ (Number of employee turnover + Number of employees at the end of the year) x 100%. The turnover rate excludes employees on short-term contracts/part-time employees

5.1.2 Employee Performance Appraisal

We have established a standardized, transparent, and fair performance appraisal management mechanism based on our Performance Management System. The mechanism clearly defines evaluation criteria, application of evaluation results, and appeal procedures, providing an institutional framework for performance evaluations. While ensuring equal compensation for equal work, our salary structure is also rooted in market standards and aligns with employees' skills, performance, and job duties, as detailed below:

- We have laid down uniform appraisal standards and enhanced the clarity of the related procedures, which helps foster the mutual growth of employees and the business.
- We have implemented detailed performance appraisal and incentive mechanisms, including regular performance appraisals, goal setting, and personal development plans for employees.
- We ensure that each employee's performance is fairly evaluated and rewarded accordingly.
- We use smart applications for compensation management and performance management, which offers deeper insights into human resources data and more effective decision support.
- We have refined our performance feedback and salary payment protocols to enforce the implementation of transparent and fair guidelines. This approach ensures timely communication with staff throughout the process from assessment to payment of salaries.

Employee evaluation metrics	Unit	2024	2023	2022
Percentage of employees receiving regular performance evaluations	%	100	100	100

CASE

NIU received the 2024 Digital HR Transformation Pioneer Award

NIU received the 2024 Digital HR Transformation Pioneer Award. The award focuses on digital HR capabilities and recognizes NIU's strength in digital management of employee compensation and performance.

5.1.3 Employee Rights and Benefits

We respect and proactively protect employee rights, fully recognizing the importance of employee rights and benefits in enhancing employees' sense of belonging, happiness, and team cohesion. We have established an Employee Rights Policy and implemented a comprehensive and motivating mechanism to ensure a genuine commitment to employee well-being that would be felt by all staff.

- Employee benefits: We contribute to social insurance schemes (including pension, medical insurance, unemployment insurance, job-related injury insurance, and maternity insurance) and a housing provident fund. We also provide annual health check-ups and purchase supplementary medical insurance for employees. Additionally, we distribute gift boxes for traditional Chinese holidays like the Mid-autumn Festival, Dragon Boat Festival, and Lunar New Year, as well as on employees' work anniversaries. We also provide onsite fitness facilities, such as gyms, and encourage employees to use their free time to exercise to relieve stress and improve physical fitness. We have also set up a lactation room for the convenience and comfort of employees who need it. Our canteen provides nutritious and balanced meals to ensure that our employees have a healthy diet. These initiatives help employees relieve work pressure and better balance work and life.

- Employee information security: We have compiled a comprehensive employee information database according to NIU's information management policies, ensuring the accuracy of employees' personally identifiable information and the security of personal information. We have also implemented the necessary technical and management measures to prevent the leakage, destruction, and loss of employee information to protect the privacy rights and interests of employees.

- Employee communications: We encourage an open and transparent communication culture. We hold quarterly town hall meetings where our CEO provides staff with updates on our strategy and performance. We also hold one-on-one meetings and interdepartmental meetings to discuss performance and implement improvements. These events ensure employees' voices are heard and valued. We publish an editorial column to solicit feedback and highlight significant team events.

- Employee grievance: We have established a grievance mechanism to provide employees with fair and transparent feedback and grievance channels. This facilitates employees' ability to file complaints through the human resources management system and enables outsourced workers to communicate directly with relevant departments.

CASE

"Redefining urban mobility and making life better" - NIU celebrates its 10th anniversary, shining together with strivers

NIU celebrated its 10th-anniversary. To commemorate this milestone, every employee received a 10th-anniversary custom-designed commemorative gift in recognition of their dedication and growth alongside the Company. The exclusive gift not only symbolizes the Company's appreciation for the past decade of collective endeavors but also conveys the corporate philosophy of "growing together with employees." Moreover, it further strengthens team cohesion and serves to inspire collective efforts to embark on a new journey for the next decade.

CASE

NIU's trade union organizes workplace competitions

Leveraging its expertise and innovative approach, NIU's trade union organized employees to participate the first West Taihu Lake Tug-of-War Competition. The event was aimed at providing more opportunities for employees to engage in leisure activities and help them cultivate exercise habits and health awareness. It also reflected the dual role of the trade union, serving as an "activity platform and health platform," reinforcing team cohesion and employees' sense of belonging.

Employee Rights and Benefits

Indicators	By gender	2024	2023	2022
Total number of employees entitled to parental leave[7]	Female	39	23	13
	Male	57	67	22
Total number of employees that took parental leave	Female	39	23	13
	Male	57	67	22
Total number of employees that returned to work in the reporting period after parental leave ended	Female	39	23	13
	Male	57	67	22
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work		89	56	23
Return to work rate of employees that took parental leave[8]		100%	100%	100%

[7] Excluding prenatal check-up leave

[8] Return to work rate = Total number of employees that did return to work after parental leave / Total number of employees due to return to work after taking parental leave, excluding non-regular employees

5.1.4 Human Rights Commitment

We commit to fully respecting human rights and fulfilling our responsibilities to employees and society. As stipulated in our Human Rights Policy, the Company strictly complies with relevant laws in all business operations and fully adheres to internationally recognized standards such as the United Nations Global Compact, the Universal Declaration of Human Rights, and the International Labor Standards, as well as human rights guidelines in the countries and regions where we operate. Furthermore, we systematically identify, assess, prevent, and address risks that may impact human rights. We also actively collaborate with suppliers and partners to fulfill human rights commitments throughout the entire value chain. We ensure that our policies and practices align with the highest human rights standards through regular training, internal reviews, and periodic assessments.

We implement a series of substantive measures to ensure that the legitimate rights and interests of all stakeholders are respected and protected.

- Transparent and open communication: We maintain open and transparent communication with all stakeholders, disclose our human rights policies and practices, and encourage reporting of any potential human rights abuses. We also encourage employees and partners to use public grievance and feedback mechanisms to ensure that human rights concerns are addressed promptly and fairly.

- Proactive risk identification and assessment: We regularly conduct human rights risk assessments to identify and mitigate any potential adverse impacts of our business activities on employees and communities. This approach also helps us develop mitigation plans accordingly.

- Human rights education and training for employees: We provide training for all employees on issues related to discrimination or harassment. This enhances their understanding of human rights principles and cultivates their awareness of the importance of adhering to relevant standards.

- On-site feedback and support: We have set up service windows in production areas for front-line employees, aiming to provide a channel for timely communication and promptly address questions and challenges encountered in the workplace. We also display posters on Employee Rights and Benefits to provide employees with the government feedback channel.

- Timely and effective risk response: For human rights risk incidents that have occurred, we commit to promptly initiating investigation procedures, implementing corrective measures, and providing appropriate remedies and support to affected parties.

Human rights issues	Risk mitigation measures
Opposition to discrimination and harassment	• Maintain a zero-tolerance policy toward any discrimination or harassment based on age, gender, sexual orientation, appearance, marital and childbearing status, ethnicity, race, religious beliefs, place of origin, nationality, educational background, physical condition, or other legally protected characteristics • Foster a workplace free from harassment and discrimination through relevant training programs and policies
Labor rights	• Ensure equal pay for equal work for all employees • Strictly prohibit any form of forced labor and the employment of individuals involved in human trafficking or other forms of exploitation • Strictly prohibit the employment of child labor and comply with local laws regarding the minimum age for employment
Freedom of association	• Respect employees' right to join trade unions in accordance with local regulations • Percentage of employees participating in trade unions in 2024: 100%
Health and safety	• Provide a safe and healthy work environment and comply with environmental and occupational health and safety standards • Conduct risk assessments and implement measures to mitigate hazards
Environmental responsibility	• Minimize environmental impact through sustainable practices and responsible resource management • Comply with environmental regulations and promote sustainability across all aspects of operations

5.2 SUPPORTING EMPLOYEE DEVELOPMENT

We support every employee in the development of their career at NIU. By providing career development opportunities and a wide array of training programs, we empower employees to unlock their true potential and contribute their expertise within any specialized domain. We also motivate our workforce to implement sustainability initiatives and contribute to NIU's R&D innovation, core competitiveness, and sustained growth.

5.2.1 Employee Training and Education

We have built a multi-tiered training system, including training for new recruits, professional skills training, and management training for middle and senior-level personnel:

- New employee orientation: To accelerate the onboarding process for new recruits and acquaint them with our operations, we have established an orientation program that covers corporate culture, design concepts, manufacturing processes, and safety compliance.
- Professional skills training: We require all departments to develop professional skills training programs that cater to their specific needs. We encourage all our employees to participate in external certification programs. These trainings cover the latest trends in the industry and the application of technology tools, ensuring our team's sustained industry-leading position.
- Leadership training: We conduct a range of high-quality training programs for management personnel, such as an Objectives and Key Results (OKR) program, advanced seminars, and leadership training camps. These programs are designed to enhance their decision-making abilities, team leadership, strategic planning, and change management skills, thereby improving management performance across the Company.

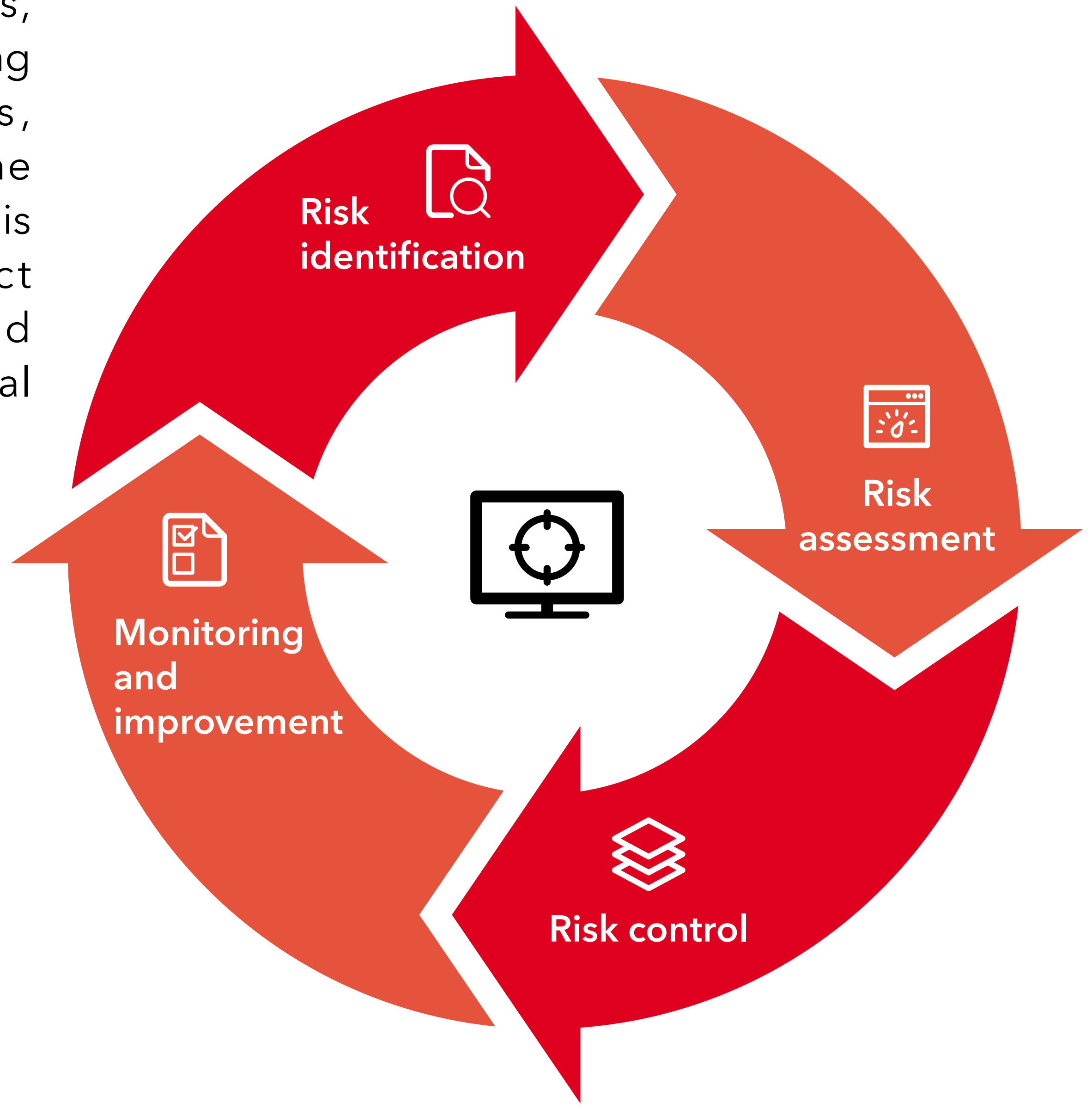
5.2.2 Employee Career Development

We have established a comprehensive career development system to provide employees with clear promotion paths and a wide range of development opportunities. Through the implementation of an OKR management system and a qualification assessment and review mechanism, we ensure that employee development is aligned with NIU's business goals. We conduct regular performance appraisals for all employees to assess their performance from multiple perspectives. We provide generous incentives for high-performing employees, including performance-based compensation increases, promotions, and equity-based incentives.

We have rolled out a management pipeline program to nurture future leaders, identifying exceptional employees with managerial aptitude for management training. We also encourage managerial rotation that offers employees cross-departmental learning and training opportunities to broaden their horizons and skills.

5.3 OCCUPATIONAL HEALTH AND SAFETY

Ensuring employee safety and health is at the forefront of our priorities. We strictly abide by all relevant national laws and regulations. We have formulated and implemented the Work Safety Rules and Systems, the Comprehensive Contingency Plans for Work Safety Incidents, and the Environmental Health and Safety Management Policy, aiming to create a safe and healthy working environment for our employees. Our occupational health and safety management system adopts the PDCA cycle. It serves as the core framework for systematic risk control, encompassing risk identification, assessment, control, monitoring, and improvement. Specifically, it involves identifying potential safety hazards, quantifying risk levels, reducing risks through engineering and management measures, and continuously monitoring the effectiveness of these actions. This approach enables us to protect employee health and safety and ensures compliance with national regulations.



During the reporting period, we obtained the ISO 45001 Occupational Health and Safety Management System certification. Our management system covers all staff, ensuring productivity while minimizing workplace accidents. Additionally, we place special emphasis on battery safety management that is specific to the electric vehicle industry, reflecting our commitment to employee safety.

OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEM CERTIFICATE

Certificate No. 00125S30108R0M/3200

We hereby certify that

Jiangsu Niu Technologies Co., Ltd.

Business Registration Number: 913204123240070733

Registered Address:No.387, Changting Road, West Taihu Lake Science and Technology Industrial Park, Changzhou, Jiangsu Province, China

Operation Address: No.387, Changting Road, West Taihu Lake Science and Technology Industrial Park, Changzhou, Jiangsu Province, China

by reason of its

Occupational Health and Safety Management

has been awarded this certificate for compliance with the standard

ISO 45001:2018

The Occupational Health and Safety Management Applies in the following area:

Design, Manufacturing and Sales of Electric Scooters For Export, Electric Two - Wheeled Motorcycles, Electric Two - Wheeled Mopeds and Electric Bicycles Within The Scope of Qualifications, As Well As Their Related Management Activities

Certified since: January 9, 2025 Valid from: January 9, 2025 Valid until: January 8, 2028

After a surveillance cycle, the certificate is valid only when used together with an Acceptance Notice of Surveillance Audit issued by CQC. Please access www.cqc.com.cn for checking validity of the certificate. This certificate and its relevant information can query in the website of Certification and Accreditation Administration of the People's Republic of China (www.cnca.gov.cn).

IAF CNAS MANAGEMENT SYSTEM CNAS C001-M

Signed by: Xie ZhaoXu

MEMBER OF IQNET

中国质量认证中心

CHINA QUALITY CERTIFICATION CENTRE

Section 9, No. 188, Nansihuan Xilu, Beijing 100070 P. R. China http://www.cqc.com.cn

2024年版

In accordance with the PDCA cycle and ISO 45001 standards, we have established a comprehensive system for occupational health and safety management. It encompasses short-term (2024) and long-term (2025-2030) objectives with a focus on three areas: accident prevention, personnel safety, and system improvement. We have achieved all the short-term objectives for 2024, providing a solid basis for advancing the long-term ones.

Short-term objectives:

1. Accident prevention

- **Zero** serious injury accidents
- **Zero** lithium-ion battery fire accidents
- **Two** fire/leakage drills annually

2. Personnel safety

- **Zero** new cases of occupational diseases
- **100%** special operation personnel holding valid certificates

3. System improvement

- Employee safety training coverage rate of **100%**

Long-term objectives:

1. Accident prevention

- **Zero** injury accidents by 2030
- Use **100%** green flame-retardant materials, reducing fire risks to **zero**

2. Personnel safety

- **Zero** group occupational diseases by 2030
- **100%** automotive carriers

3. System improvement

- Maintain ISO 45001 certification

5.3.1 Work Safety Management System

We have built a comprehensive management system that outlines detailed work safety rules, safe operating procedures, and emergency response plans. The safe operating procedures are tailored to specific roles to ensure that every employee has a clear understanding of safety requirements. The emergency response plans cover a wide range of potential emergencies, such as fires and chemical spills, for which we also conduct emergency drills.

We have also set up a work safety steering group and a work safety office to ensure implementation. The steering group is led by our senior management, reflecting the high priority we attach to work safety. The work safety office is responsible for day-to-day safety inspections, training and incident investigations, and ensuring that safety management measures are effectively implemented.

We employ a variety of methods to foster a work safety culture and raise employees' safety awareness, including posting safety bulletin boards, organizing safety knowledge contests, and selecting outstanding safety specialists. We also encourage employees to actively participate in work safety improvement and have established a reward mechanism for suggestions related to work safety.

To manage work safety risks, we employ the LEC risk assessment method to fully identify and classify all potential risks. The LEC method considers the likelihood of incidents (L), the frequency of exposure to hazardous environments (E), and the possible consequences (C), enabling us to comprehensively and objectively assess various risks.

We have developed targeted risk control measures based on the assessment results. For high-risk areas, we implement measures such as adding protective equipment and improving process flows. For low and medium risk areas, we mitigate risks by strengthening education and training and improving operational procedures. All risk control measures are regularly evaluated for effectiveness and adjusted according to actual circumstances.

Additionally, we have implemented a comprehensive contingency plan, covering the entire process from emergency response activation to post-incident response. This plan outlines the response procedures for different levels of incidents, the division of responsibilities among departments, and the required emergency resources. We conduct regular emergency drills to ensure swift and effective response, followed by post-drill analysis for further improvement.

Contingency process

Emergency response activation:

- Collect information and determine the severity level of incidents.
- Activate the appropriate level of emergency response.
- Establish an on-site emergency response command to coordinate emergency resources.

Incident management:

- The on-site emergency response command oversees field work.
- Implement necessary measures to manage incidents, including isolation, evacuation and rescue.
- Conduct safety assessments to ensure the safety of rescue personnel.

Information reporting and communication:

- Report incidents to relevant authorities and emergency response agencies.
- Provide regular progress reports.
- Disclose information on incidents, ensuring transparency.

Incident investigation and analysis:

- Set up an incident investigation team to collect data and analyze causes.
- Compile investigation reports and propose improvement measures.
- Refine preventive measures and contingency plans based on investigation findings.

Post-incident response and recovery:

- Thoroughly clean up all incident impacts, including contaminant treatment and site restoration.
- Arrange medical and psychological assistance for affected individuals.
- Restore normal production and operations.

Evaluation and revision:

- Evaluate the effectiveness of emergency response and rescue operations.
- Revise contingency plans based on lessons learnt to improve the efficiency and effectiveness of future emergency responses.

5.3.2 Occupational Health Protection

We have implemented a range of measures to safeguard the health of employees, including establishing individual occupational health records for every employee. The records, containing employees' work history, exposure to occupational hazards, and health check-up results, facilitate long-term monitoring and management of the well-being of our employees.

We regularly assess workplace occupational hazards, such as noise, dust, and harmful gases, to prevent potential risks. For identified problems, we immediately implement measures such as increasing protective equipment and improving process flows. We also conduct annual employee health check-ups, including occupational disease check-ups for employees who have special job duties.

CASE

2024 occupational hazard factor monitoring conducted at the Changzhou manufacturing base

NIU conducted its 2024 annual special monitoring of occupational hazard factors at its Changzhou manufacturing base as part of its ongoing efforts to integrate occupational health management into its core operational system. The monitoring was carried out by a third-party testing agency, with a technical team setting up monitoring points for key hazard factors such as noise levels and laser exposure in workshops. The results accurately reflected the distribution and intensity of occupational hazard factors within the facility. This provided a quantitative foundation for developing a scientific occupational health risk assessment model and targeted protective measures, further enhancing our occupational health protection.

5.3.3 Health and Safety Training

Health and safety training is an important component of NIU's safety management. As part of our efforts to comply with the requirements of laws and regulations such as the Law of the People's Republic of China on Work Safety and the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, we established a tiered occupational health and safety training system for different job positions in 2024, aiming to achieve the goal of "zero major occupational accidents and zero occupational diseases." We have also implemented a three-tier training system at all departmental and group levels across the Company in addition to the safety training program. New recruits are required to attend company-level safety training during onboarding, which includes NIU's safety policies and basic safety knowledge. Departmental-level training provides more targeted safety guidance. Team-level training offers detailed safety instructions related to daily operations.

Training covers a wide range of aspects such as a safety introduction for new recruits, safe operating procedures, fire safety, and first aid. We have also designed specialized training tailored to different roles. For example, training is focused on the safe operation of equipment for production line employees, and on laboratory safety and chemical safety for R&D personnel.

We regularly invite industry experts to conduct training on work safety to help employees stay up to date on the latest safety practices. We also offer rewards to encourage employees to participate in external safety training and certification programs such as safety specialized certification and first aid certification. These diversified training methods have continuously helped improve our employees' safety awareness and response capabilities.

2024 occupational health and safety training at the Changzhou manufacturing base

- Total number of training sessions: **86** (including online and offline sessions)
- Total training hours: **1,520** hours (average ≥ **8** hours per year per employee)
- Total number of participants: **3,850** (including repeat attendees)
- Employee coverage rate: **100%** (including regular employees and outsourced workers)

1. General safety training (mandatory for all employees)

Laws and regulations: Core provisions of the Law of the People's Republic of China on Work Safety and employee rights and obligations;

Basic safety knowledge: Fire escape procedures, first aid skills (CPR/bleeding control), PPE usage;

Company safety regulations: Accident reporting procedures, safety-related rewards and disciplinary guidelines;

Mental health: Stress management, prevention of workplace violence;

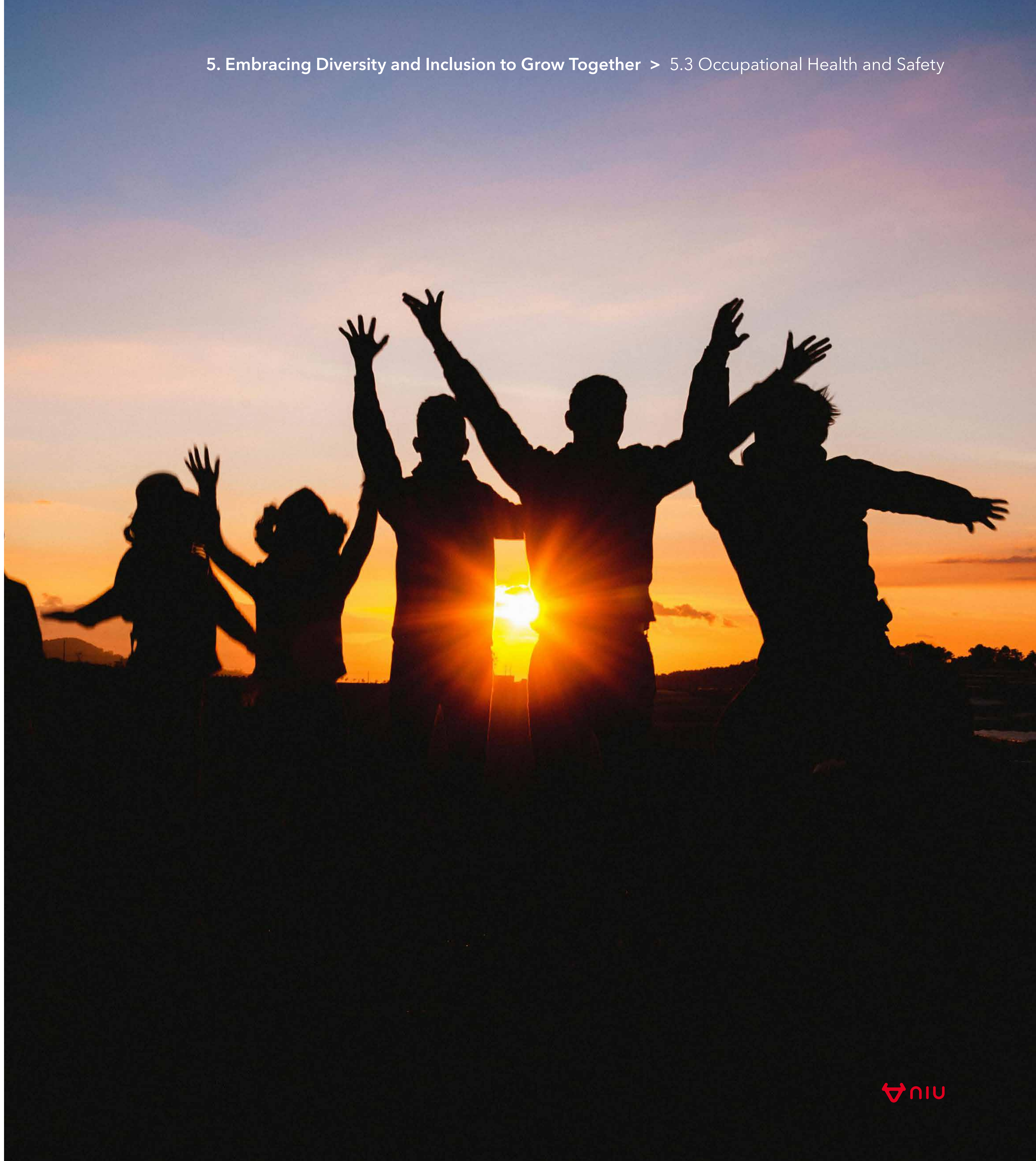
2. Job-specific training

Production operation positions: Safety precautions for machinery operation, reading and understanding MSDS for chemicals, noise protection

Laboratory/R&D positions: Noise protection, reading and understanding MSDS for chemicals;

Warehouse and logistics positions: Forklift safety operation, heavy lifting techniques, fire and explosion prevention measures;

Office positions: Health tips for prolonged sitting, electrical safety (e.g., outlet overloading), evacuation drills.



6 BUILDING A SHARED FUTURE FOR A BETTER LIFE

6.1 CREATING A SUSTAINABLE VALUE CHAIN

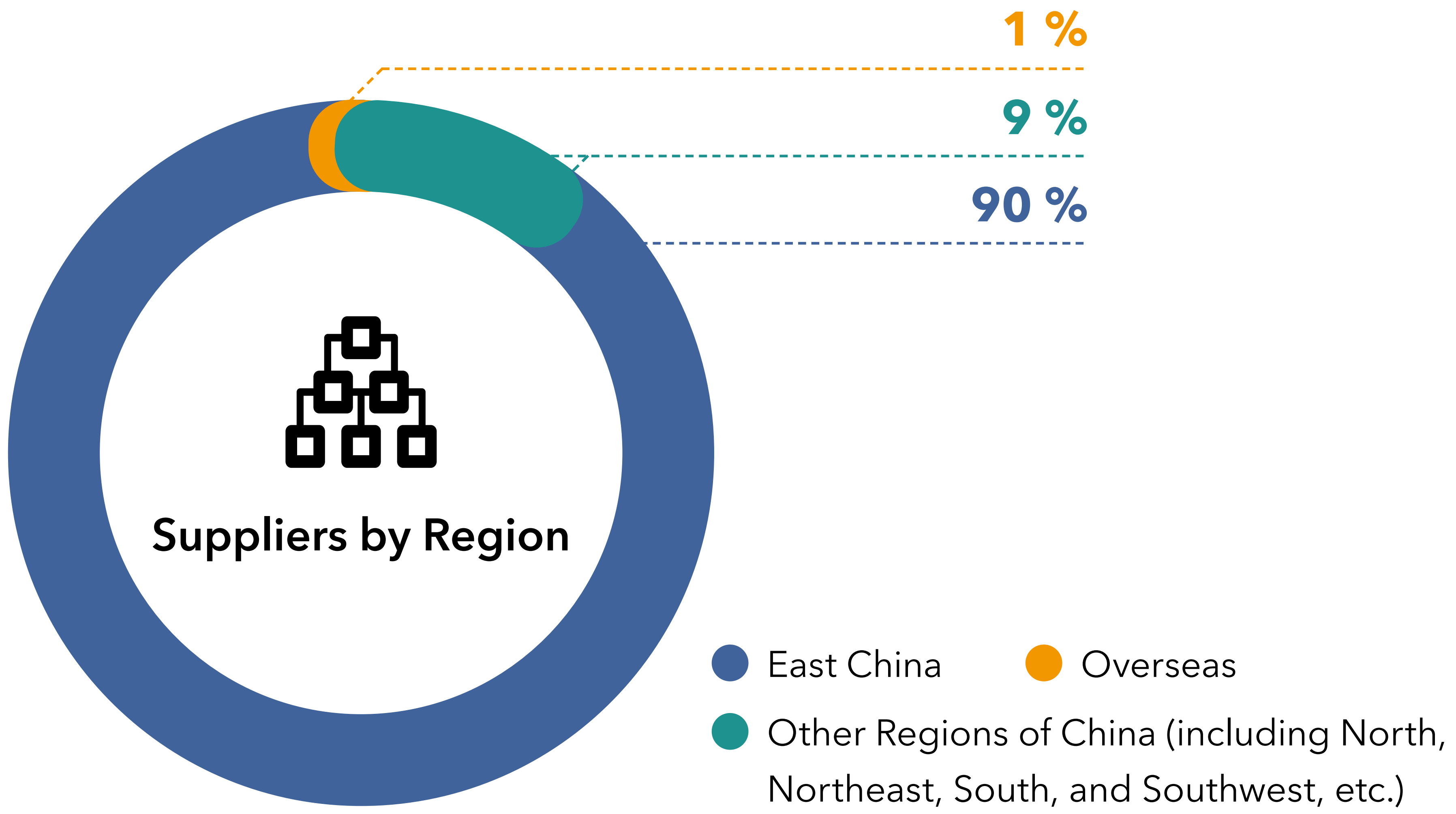
We aim to build a transparent, efficient, and responsible supply chain system. To this effect, we drive green transformation and implement social responsibility practices across our entire value chain.

6.1.1 Supply Chain Management System

At NIU, we view a sustainable supply chain as a cornerstone of our ESG strategy in the era of globalization and low-carbon transition. We abide by applicable laws and regulations of the countries and regions where we operate and have implemented the Supplier Management System to standardize processes related to supplier selection, admission, review, evaluation, rectification, and replacement. We require all suppliers to observe the Code of Business Conduct and Ethics, Supplier Code of Conduct and Supplier Reward and Punishment System we have enacted. Additionally, we place high priority on environmental and social risk management in the supply chain. To effectively control and manage risks, we integrate relevant standards and requirements into the full supplier management process, including supplier onboarding, audits, and improvement initiatives.

Supplier Overview

As of the end of 2024, we had a total of 245 suppliers, of which 38 were added in 2024. To build a green and stable supply chain, we consider key factors such as climate change, transportation efficiency, geopolitical risks, and supply chain footprint. As a result, we prioritize suppliers located in Eastern China where our manufacturing base is located. This approach shortens the procurement cycle, improves logistics efficiency, reduces supply chain risks and other negative environmental impacts associated with long-distance transportation, and ensures timely product delivery. Moreover, we identify and manage ESG-critical suppliers on an on-going basis. Key considerations in the identification process mainly include the importance of component categories (batteries, motors, electronic control systems, etc.), percentage of procurement amount, and the impact of ESG risks. This enables us to more effectively identify suppliers that have a significant impact on our production and business operations.



Overview of our suppliers	2024	2023	2022
Total number of suppliers	245	305	274
Total number of ESG-critical suppliers	112	31	/
Percentage of procurement amount from ESG-critical suppliers	82%	/	/

Supply Chain Management

01 Supplier screening

- The Procurement Center, responsible for managing our suppliers, conducts the screening process with fairness and impartiality, assessing potential suppliers based on their ability to deliver high-quality products and services.
- **Initial assessment and comprehensive review**: A Prequalification Form for Potential Suppliers is prepared to evaluate product quality, process technology, and business health and to verify quality, environmental, and compliance certifications or reports. The Procurement Center issues an initial assessment regarding suppliers' compliance with the requirements set forth in our Supplier Code of Conduct. R&D and quality control units will then join the Procurement Center for a joint review of pre-qualified suppliers. Only suppliers that pass the joint review will be included in our supplier database.
- **Signing agreements:** Each qualified supplier signs an Integrity Agreement and Quality Assurance Agreement with us. In addition, specific suppliers that supply key materials and high-risk products are asked to sign a separate Warranty Against the Use of Prohibited Substances.

02 Ongoing supplier assessment

- **Routine management and feedback:** If materials or parts are found to be defective, repeatedly show the same defects, or lead to significant customer complaints, the Supplier Quality Engineer (SQE) will issue a Supplier Quality Feedback Form requiring suppliers to implement necessary rectifications within a specified timeframe. In addition, whenever we update our technical or quality requirements, on-site training will be offered to suppliers to improve their production and management capabilities.
- **Monthly audits and performance tracking:** We conduct detailed monthly audits and performance evaluations covering quality, environmental protection, and business ethics based on the Rules of Supplier Reward and Punishment. We set a certain amount of reward or penalty for each assessment to encourage suppliers to improve their overall performance, particularly to ensure that relevant environmental and social responsibilities are fulfilled.
- **Rectification Plan:** During on-site audits, a Rectification Plan is prepared, which lists identified issues and mandates suppliers to respond promptly and attend relevant training programs. After one month of the audit, a re-evaluation is conducted, and suppliers that fail to meet our standards are replaced.

Indicators for ESG-critical supplier assessment	2024
Total number of ESG-critical suppliers assessed	44
Percentage of ESG-critical suppliers assessed	39%
Number of suppliers assessed with substantial actual/potential negative impacts	20
Percentage of suppliers assessed with substantial actual/potential negative impacts that have agreed on corrective action plans	100%
Number of suppliers assessed with substantial actual/potential negative impacts that have passed subsequent reviews through implementing corrective action plans	18
Number of suppliers with substantial actual/potential negative impacts that were terminated	2
Number of suppliers supported in corrective action plan implementation (remote/on-site)	20

03 Supplier ESG management and evaluation

- **Comprehensive risk control:** We continuously enhance risk management across the supply chain and regularly assess supplier risks, paying particular attention to the identification and control of environmental and social risks. We also ensure suppliers manage their own ESG risks, mitigating supplier default risk and avoid exposing ourselves to supply chain disruptions.
- **Evaluating quality and environmental standards:** We encourage potential or existing suppliers to obtain ESG-related certifications or reports and incorporate them into supplier evaluation criteria.
  - Product quality: IATF 16949, ISO 9001, etc.;
  - Environmental management: ISO 14001, environmental impact assessment reports, wastewater/exhaust gas monitoring reports, etc.;
  - Greenhouse gas emissions: Greenhouse gas verification reports, product carbon footprint reports, etc.;
  - Occupational health and safety: OHSAS 18000, ISO 45001, etc.;
  - Compliance documents: Fire safety reports, 3C certificates, etc.

- **Environment first:** To strengthen green procurement management from the earliest stage, we give preference to suppliers that use recyclable and environmentally friendly materials or those that use clean energy in production and have put implemented efficient carbon management systems. To reduce carbon emissions from the raw material procurement stage, we have established long-term partnerships with selected suppliers that use clean energy such as hydropower or wind power for battery cell production.

- **Conflict minerals due diligence:** We encourage key suppliers to conduct due diligence on any raw materials or parts they supply to ensure that they do not involve conflict minerals.

- **Risk rectification and monitoring:** Suppliers posing ESG risks, such as supply disruptions or major quality issues, are required to submit rectification plans and formulate appropriate response plans within a specified timeframe. Suppliers that fail to do so in a timely manner are subject to further measures, including mandated rectification within a specified timeframe or, if necessary, replacement.

Indicators	2024
Number of suppliers with ISO 14001 certifications	33
Number of suppliers with ISO 9000/IATF 16949 certifications	55
Number of suppliers with OHSAS 18000/ISO 45001 certifications	20

04 Supplier training and development

- **Supplier training and development:** We provide ongoing technical support and training, especially on product quality improvement, environmental management, and social responsibility. We also regularly update training and development programs based on supplier performance and the Company's needs.

Indicators	2024
Number of sessions of quality training conducted for suppliers	29
Total number of hours of quality training conducted for suppliers	26
Number of suppliers covered by quality training	19

6.1.2 Responsible Distributors

Partnering with distributors is an important driver of our business growth. We have established a well-developed distributor management system that outlines specific requirements for the admission, training, review, and evaluation of each distributor. We have also maintained stable and close partnerships with distributors.

Distributor management strategies	Key measures
Distributor onboard and screening	• To maintain the high standard and professionalism of our distributor network, we have implemented a strict onboarding process to ensure that all distributors meet our eligibility criteria. • We consider potential distributors based on their market reputation, financial stability and operational capability to maintain NIU's brand image and market competitiveness. • 100% of distributors have signed the Integrity Agreement.
Responsible marketing by distributors	• We standardize the external publicity materials used by distributors in compliance with relevant national laws and regulations. Additionally, our Partner Distribution Agreement stipulates that distributors must not make any false or misleading statements about the products or services they distribute, nor make any unauthorized commitments to end-users regarding product features or services beyond the Company's authorization. For more details, please refer to 3.3.2 Responsible Marketing.

Distributor management strategies	Key measures
Training and support	• We provide training programs to ensure distributors understand the features of products and market strategies.  *Key stores training* • We hold regular workshops and meetings to enhance distributors' sales skills and service levels.  *Distributor conference*
Distributor audits and evaluation	• Implement a systematic evaluation mechanism to assess distributors' sales performance and service quality on a quarterly basis. • Incentivize or correct based on evaluation results to continuously optimize the performance of distributors.
Relationship maintenance and development	• Maintain long-term relationships with distributors, and establish communication and feedback mechanisms to address their queries and issues. Integrity supervision email: tousu@niu.com • Foster deeper partnerships with distributors to explore market opportunities together.

6.2 ENGAGING WITH COMMUNITIES

6.2.1 Building a Better Society

Building a sustainable future through green and welfare

We strongly believe that environmental protection is more than a responsibility – it is a lifestyle. We have continued to promote the concept of low-carbon and sustainable development through product design and branding campaigns. Sustainability has become a prominent subject of discussion among NIU riders on social media, showing that NIU's green brand image has taken hold. During the Reporting period, we stepped up our ESG efforts with a stronger focus on young people and on building a sustainable future. We organized mountain cleanup, hiking, and nature concert events under the Public Welfare Initiatives to Celebrate the World Earth Day campaign. These events served as a platform for promoting ecological conservation, art creation, and community engagement, while reinforcing our brand's green DNA. The innovative campaigns, Mountain Cleanup & Green Concept Sharing and Let the Zongzi Go Wild - Giving New Life to Waste Materials, advocated sustainability and highlighted our brand value. These activities boosted user engagement through the making of tangible and shareable crafts. They also contributed to enhanced social benefits and brand recognition.

CASE

Public Welfare Initiatives to Celebrate the World Earth Day

Low-carbon development × Mountain cleanup × Environmental advocacy

CASE

Let the Zongzi Go Wild - Giving New Life to Waste Materials

Traditional festival with a new eco-friendly twist × Upcycling waste materials

CASE

Applauding the Youth's Public Welfare Efforts

Social integration of populations with special needs × Ongoing support for public welfare initiatives

Fostering health and vitality through sports

In recent years, Esports has gained public attention with its vitality, passion, a high-tech feel, and competitive spirit – qualities that align closely with NIU's concepts of Technology, Style, and Freedom. As a young brand, NIU embraces emerging industries, positioning esports as a major arena to build our strategic presence. Committed to empowering young people, we provide support for the esports industry and encourage individuals from diverse backgrounds to connect through shared interests. By doing so, we contribute to the healthy development of digital communities and the building of a more vibrant social ecosystem. In traditional sports, we sponsor high-profile events such as the Changzhou West Taihu Lake Half Marathon. This enables us to support the development of local communities, enhance community cohesion, promote public health awareness, and nurture a low-carbon culture. As such, we create long-term value by empowering sports for a better life.

CASE

Passion Never Fades, while Great Minds Think Alike

NIU has partnered with **@JD Gaming** League of Legends team and Valorant team to compete with determination.

NIU has become the official partner of the **@PEL (Peacekeeper Elite League).**

NIU and Razer hosted the national **#College VALORANT Championship#.**

CASE

Five Years of Partnership: NIU and Changzhou Marathon Both Benefiting from ESG Engagement

From 2020 to 2024, NIU partnered with the Changzhou West Taihu Half Marathon event to foster social well-being. NIU's Changzhou Manufacturing Base used green technology to support the development of the local community. Concrete actions like this enhanced NIU's brand value and furthered its ESG commitment.

CASE

Celebrating Youth and Passion

NIU has become the official event partner of the MAGIC3 Shanghai Teenager 3-on-3 Super Basketball Tournament, fueling the passion of young athletes. In the summer of 2024, 3,205 teams from 368 high schools with 13,897 young players gathered in Shanghai to take on the challenge.

6.2.2 Connecting with Users

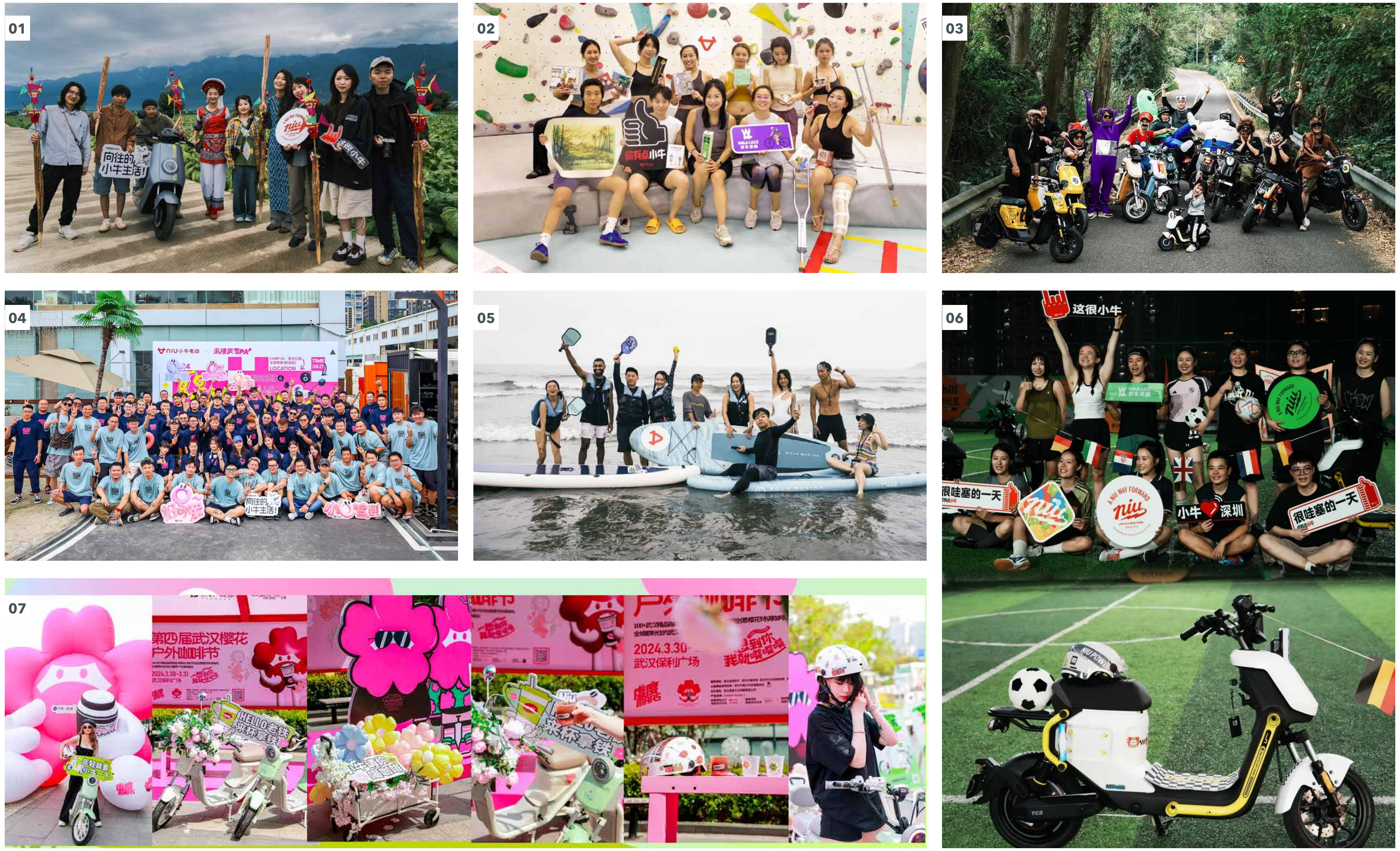
While we offer a green and convenient urban mobility solution, we also foster a way of life characterized by progress, joy, and independence. We have extended the appeal of smart electric two-wheelers by engaging with users to create a NIU community that shares in the joy of eco-friendly living and grows together. Through this platform, we want to provide:

- A diverse and inclusive environment: Participants in the NIU community may be ordinary office workers, independent photographers, long-distance travel enthusiasts, urban trendsetters, or environmental advocates. The NIU community provides them with a platform for self-expression and value creation.
- Active community engagement: Through this platform, users share experiences and insights and participate in and organize offline community events. This allows them to experience growth and joy while deepening engagement with other community participants.
- Sustained value creation: We are committed to fostering lasting, sustainable values with NIU users, by delivering ongoing innovation and services that instill a sense of belonging and fulfillment among them.

Through the NIU community, users can share their riding stories, capture scenic riding moments, and organize offline community events. Each participant embodies the NIU lifestyle in their daily lives, contributing to a greener future.

CASE

NIU Exploring 100 Possibilities of Life with You in 2024



1. ***NIU CLUB*** *Dali Torch Festival*
2. ***NIU Club*** *Rock Climbing and New Year Countdown Party*
3. ***NIU Club*** *Cycling Party*
4. ***NIU Club*** *"Missed Calls" Party*
5. ***NIU Club*** *Surfing Festival*
6. ***NIU Club*** *Women's Cycle-Ball Game*
7. ***NIU Club*** *Cherry Blossom and Coffee Festival*

APPENDIX ESG KEY PERFORMANCE INDICATORS

Item	Unit	2024	2023	2022
1.5 Building a Climate-Resilient Future				
Greenhouse gas emissions				
Scope 1 emissions				
Changzhou facility	tCO2e	**67.38**	**28.47**	**0**
Scope 2 emissions				
Changzhou facility - Location based	tCO2e	1,349.12	1,150.31	1,652.28
Changzhou facility - Market based	tCO2e	1,321.59	/	/
Beijing office	tCO2e	49.71	43.95	33.24
Shanghai office	tCO2e	36.53	65.09	66.55
Total	tCO2e	**1,435.36**	**1,259.35**	**1,752.07**
Scope 3 emissions				
Changzhou facility - Business travel	tCO2e	147.79	/	/
Operational carbon emissions				
Grand total	tCO2e	**1,650.53**	**1,287.82**	**1,752.07**
Emission intensity per capita	tCO2e/person	2.77	2.16	2.61
Emission intensity per unit area	tCO2e/ square meter	0.02	0.01	0.02
Emission intensity per unit of electric vehicle production	tCO2e/ thousand electric vehicles	1.79	1.81	2.11

Item	Unit	2024	2023	2022
Emission intensity per unit of revenue	tCO2e/RMB million of revenue	0.50	0.49	0.55
2.3 Information Security and Privacy Protection				
Total number of information security vulnerabilities or cybersecurity incidents	N/A	0	0	0
Fines/Total fines paid due to information security vulnerabilities or cybersecurity incidents	RMB'0,000	0	0	0
Number of complaints regarding customer privacy violations (including complaints from external organizations and regulatory authorities)	N/A	0	0	0
Number of confirmed incidents of customer data breaches, theft, or loss	N/A	0	0	0
3.2 Achieving Premium Quality				
Mandatory recall volume	Unit	0	0	0
Voluntary recall volume	Unit	447	0	0
Recall cost	RMB'0,000	38.66	0	0
3.3 Delivering Exceptional Customer Service				
Customer satisfaction	%	94	95	95
4.1 Implementing Environmental Governance				
Energy consumption				

Item	Unit	2024	2023	2022
Beijing office	kWh	89,093.00	77,070.94	58,277.37
Shanghai office	kWh	62,447.00	114,129.00	116,701.00
Electricity bought at Changzhou facility	kWh	2,256,807.00	2,017,021.00	2,897,212.00
Photovoltaic power generated at Changzhou facility	kWh	1,112,560.80	749,152.00	0
Total	kWh	**3,520,907.80**	**2,957,372.94**	**3,072,190.37**
Consumption intensity per capita	kWh/person	5,907.56	4,966.20	4,575.12
Consumption intensity per unit area	kWh/square meter	37.36	31.38	32.62
Consumption intensity per unit of electric vehicle production	kWh/thousand electric vehicles	3,809.10	4,166.48	3,694.34
Consumption intensity per unit of revenue	kWh/RMB1 million revenue	1,070.74	1,115.25	969.57
Water utilization				
Beijing office	Metric tons	1,441.00	1,322.30	1,130.00
Shanghai office	Metric tons	0	168.00	153.00
Changzhou facility	Metric tons	35,036.00	25,358.00	30,117.00
Total	Metric tons	**36,477.00**	**26,680.30**	**31,247.00**
Consumption intensity per capita	Metric tons/person	61.20	44.80	47.17
Consumption intensity per unit area	Metric tons/square meter	0.39	0.28	0.46
Consumption intensity per unit of electric vehicle production	Metric tons/ thousand vehicles	39.46	37.59	30.11
Consumption intensity per unit of revenue	Metric tons/RMB1 million revenue	11.09	10.06	8.43

Item	Unit	2024	2023	2022
General waste recycling				
Iron	Ton	133.97	20.67	63.99
Cardboard	Ton	207.07	111.68	159.75
Plastic foam	Ton	18.38	10.01	18.90
EPE	Ton	10.92	6.63	5.65
Motors	Ton	20.54	3.87	2.76
Aluminum and aluminum-plastic mixtures	Ton	7.20	0	2.12
Saddle	Ton	11.58	0.58	0
Others	Ton	2.49	0.58	3.01
Total	Ton	412.15	153.44	153.00
Hazardous waste recycling				
Battery cells and packs	Ton	149.67	100.00	45.00
Plastic waste recycling				
ABS	kg	7,825.69	3,807.13	10,677.00
Polypropylene	kg	23,586.32	9,864.37	18,992.00
Total	kg	31,412,01	13,671.50	29,669.00
5.1 Creating a Happy Workplace				
Total number of employees	N/A	642	550	641
By gender				

Item	Unit	2024	2023	2022
Female	N/A	168	154	182
Male	N/A	474	396	459
By age group				
< 30 years old	N/A	136	133	198
30-50 years old	N/A	490	410	440
> 50 years old	N/A	16	7	3
By region				
North China (Beijing)	N/A	172	152	202
East China (Shanghai/Changzhou)	N/A	439	379	430
Overseas (including Hong Kong, Macao and Taiwan)	N/A	31	19	9
Employees with disabilities	N/A	7	7	7
Ethnic minority employees	N/A	18	14	18
Foreign employees	N/A	32	20	12
Female employees				
Percentage of female employees	%	26	28	28
Percentage of women in management positions	%	16	19	/
Percentage of women in entry-level management positions	%	20	26	/
Percentage of women in middle management positions	%	10	10	/

Item	Unit	2024	2023	2022
Percentage of women in senior management positions	%	29	29	/
Percentage of women in revenue-generating positions	%	22	15	/
Percentage of women in STEM-related positions	%	16	19	/
Number of new employee hires	N/A	204	88	203
By gender				
Female	N/A	34	17	42
Male	N/A	170	71	161
By age group				
< 30 years old	N/A	62	25	86
30-50 years old	N/A	135	62	105
> 50 years old	N/A	7	1	12
By region				
North China (Beijing)	N/A	29	19	68
East China (Shanghai/Changzhou)	N/A	158	59	135
Overseas (including Hong Kong, Macao and Taiwan)	N/A	17	10	0
Annual Employee Turnover Rate	%	19	25	27
Voluntary employee turnover rate	%	13	17	/
By gender				

Item	Unit	2024	2023	2022
Female	%	13	23	25
Male	%	20	25	28
By age group				
< 30 years old	%	20	24	29
30-50 years old	%	18	25	26
> 50 years old	%	24	0	31
By region				
North China (Beijing)	%	14	27	29
East China (Shanghai/Changzhou)	%	21	25	27
Overseas (including Hong Kong, Macao and Taiwan)	%	11	5	18
Employee Performance Appraisals				
Percentage of employees receiving regular performance appraisals	%	100	100	100
Employee Rights and Benefits				
Total number of employees entitled to parental leave				
Female	N/A	39	23	13
Male	N/A	57	67	22
Total number of employees that took parental leave				
Female	N/A	39	23	13
Male	N/A	57	67	22

Item	Unit	2024	2023	2022
Total number of employees that returned to work in the reporting period after parental leave ended				
Female	N/A	39	23	13
Male	N/A	57	67	22
Total number of employees that returned to work after parental leave ended that were still employed 12 months after their return to work	N/A	89	56	23
Return to work rate of employees that took parental leave	%	100	100	100
Percentage of employees participating in trade unions (in the subsidiaries where trade unions have been established)	%	100	/	/
5.3 Occupational Health and Safety				
Number of training sessions	Sessions	86	/	/
Training hours	Hours	1,520	/	/
Number of participants	Participants	3,850	/	/
Number of fatalities from production accidents	N/A	0	0	0
Number of recordable workplace injury incidents	N/A	2	0	0
Number of workdays lost due to work-related injuries	Days	3	0	0
LTIR (Lost-time incident rate) per 200,000 hours worked - Full-time employees	/	0	0	0

Item	Unit	2024	2023	2022
LTIR (Lost-time incident rate) per 200,000 hours worked-Contractor	/	0.15	0	0
6.1 Creating a Sustainable Value Chain				
Overview of Our Suppliers				
Total number of suppliers	Numbers	245	305	274
Total number of ESG-critical suppliers	Numbers	112	31	/
Percentage of procurement amount from ESG-critical suppliers	%	82	/	/
By region				
East China	Numbers	211	/	/
South China	Numbers	10	/	/
North China	Numbers	5	/	/
Southwest China	Numbers	3	/	/
Central China	Numbers	3	/	/
Northwest China	Numbers	1	/	/
Overseas (including Hong Kong, Macao and Taiwan)	Numbers	2	/	/
ESG-critical Supplier Assessment				
Total number of ESG-critical suppliers assessed	Numbers	44	/	/
Percentage of ESG-critical suppliers assessed	%	39	/	/

Item	Unit	2024	2023	2022
Number of suppliers assessed with substantial actual/potential negative impacts	Numbers	20	/	/
Percentage of suppliers assessed with substantial actual/potential negative impacts that have agreed on corrective action plans	%	100	/	/
Number of suppliers assessed with substantial actual/potential negative impacts that have passed subsequent reviews through implementing corrective action plans	Numbers	18	/	/
Number of suppliers with substantial actual/potential negative impacts that were terminated	Numbers	2	/	/
Number of suppliers supported in corrective action plan implementation (remote/on-site)	Numbers	20	/	/
Supplier ESG Management				
Number of suppliers with ISO 14001 certifications	Numbers	33	/	/
Number of suppliers with ISO 9000 series/IATF 16949 certifications	Numbers	55	/	/
Number of suppliers with OHSAS 18000/ISO 45001 certifications	Numbers	20	/	/
Supplier Training				
Number of sessions of quality training conducted for suppliers	Sessions	29	/	/
Total number of hours of quality training conducted for suppliers	Hours	26	/	/
Number of suppliers covered by quality training	Numbers	19	/	/

APPENDIX INDEX OF REPORTING STANDARDS

No.	GRI Disclosures	Nasdaq ESG Reporting Guidelines	Section
GRI 2-1	Organizational details		About NIU Technologies
GRI 2-2	Entities included in the organization's sustainability reporting		About This Report
GRI 2-3	Reporting period, frequency and contact point		About This Report
GRI 2-5	External assurance	G10. External Assurance	Third-party Assurance
GRI 2-6	Activities, value chain, and other business relationships		About NIU Technologies 6.1 Creating a Sustainable Value Chain
GRI 2-7	Employees		5.1 Creating a Happy Workplace
GRI 2-8	Workers who are not employees		5.1 Creating a Happy Workplace
GRI 2-9	Governance structure and composition	G1. Board Diversity G2. Board Independence	2.1 Corporate Governance
GRI 2-10	Nomination and selection of the highest governance body	G2. Board Independence	2.1 Corporate Governance
GRI 2-11	Chair of the highest governance body		2.1 Corporate Governance
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	G2. Board Independence	1.2 ESG Governance 2.1 Corporate Governance
GRI 2-13	Delegation of responsibility for managing impacts		2.1 Corporate Governance
GRI 2-14	Role of the highest governance body in sustainability reporting	E8. Climate Oversight / Board	1.2 ESG Governance
GRI 2-15	Conflicts of interest	G2. Board Independence	2.1 Corporate Governance
GRI 2-16	Communication of critical concerns		1.3 Stakeholder Engagement 1.4 Materiality Assessment 2.1 Corporate Governance
GRI 2-17	Collective knowledge of the highest governance body		1.2 ESG governance
GRI 2-19	Remuneration policies	G3. Incentivized Pay	2.1 Corporate Governance
GRI 2-20	Process to determine remuneration	G3. Incentivized Pay	2.1 Corporate Governance
GRI 2-22	Statement on sustainable development strategy		1.1 ESG Development Strategy
GRI 2-23	Policy commitments		2.1 Corporate Governance 5.1 Creating a Happy Workplace
GRI 2-24	Embedding policy commitments		2.1 Corporate Governance
GRI 2-25	Processes to remediate negative impacts		2.1 Corporate Governance 2.2 Strengthened Risk Management
GRI 2-26	Mechanisms for seeking advice and raising concerns		2.1 Corporate Governance 2.2 Strengthened Risk Management
GRI 2-27	Compliance with laws and regulations		2.1 Corporate Governance 2.2 Strengthened Risk Management 2.3 Information Security and Privacy Protection
GRI 2-28	Membership associations		3.1 Accelerating Technological Innovation

No.	GRI Disclosures	Nasdaq ESG Reporting Guidelines	Section
GRI 2-29	Approach to stakeholder engagement		1.3 Stakeholder Engagement 1.4 Materiality Assessment
GRI 2-30	Collective bargaining agreements	G4. Collective Bargaining	Not applicable
GRI 3-1	Process to determine material topics	G8. ESG Reporting G9. Disclosure Practices	1.4 Materiality Assessment
GRI 3-2	List of material topics		1.4 Materiality Assessment
GRI 3-3	Management of material topics		1.4 Materiality Assessment 1.5 Building a Climate-Resilient Future
GRI 201-1	Direct economic value generated and distributed		ESG Key Performance Indicators
GRI 201-2	Financial implications and other risks and opportunities due to climate change	E9. Climate Oversight/ Management E10. Climate Risk Mitigation	1.5 Building a Climate-Resilient Future
GRI 201-3	Defined benefit plan obligations and other retirement plans		5.1 Creating a Happy Workplace
GRI 201-4	Financial assistance received from government		Not applicable
GRI 202-1	Ratios of standard entry level wage by gender compared to local minimum wage	S2. Gender Pay Ratio	Not applicable
GRI 202-2	Proportion of senior management hired from the local community		Not applicable
GRI 203-1	Infrastructure investments and services supported		6.2 Engaging with Communities
GRI 205-1	Operations assessed for risks related to corruption	G5. Supplier Code of Conduct G6. Ethics & Anti-Corruption	2.1 Corporate Governance
GRI 205-2	Communication and training about anti-corruption policies and procedures		2.1 Corporate Governance
GRI 205-3	Confirmed incidents of corruption and actions taken		2.1 Corporate Governance

No.	GRI Disclosures	Nasdaq ESG Reporting Guidelines	Section
GRI 205-3	Confirmed incidents of corruption and actions taken		2.1 Corporate Governance
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		2.1 Corporate Governance
GRI 301-1	Materials used by weight or volume	E7. Environmental Operations	Not applicable
GRI 301-2	Recycled input materials used		4.1 Implementing Environmental Governance
GRI 301-3	Reclaimed products and their packaging materials		4.1 Implementing Environmental Governance
GRI 302-1	Energy consumption within the organization	E3. Energy Usage	4.1 Implementing Environmental Governance
GRI 302-2	Energy consumption outside of the organization		4.1 Implementing Environmental Governance
GRI 302-3	Energy intensity	E4. Energy Intensity	4.1 Implementing Environmental Governance
GRI 302-4	Reduction of energy consumption	E3. Energy Usage	4.1 Implementing Environmental Governance
GRI 302-5	Reductions in energy requirements of products and service		3.1 Accelerating Technological Innovation 4.1 Implementing Environmental Governance
GRI 303-1	Interactions with water as a shared resource	E6. Water Usage	4.1 Implementing Environmental Governance
GRI 303-2	Management of water discharge-related impacts		4.1 Implementing Environmental Governance
GRI 303-3	Water withdrawal		4.1 Implementing Environmental Governance
GRI 303-4	Water discharge		4.1 Implementing Environmental Governance
GRI 303-5	Water consumption		4.1 Implementing Environmental Governance

No.	GRI Disclosures	Nasdaq ESG Reporting Guidelines	Section
GRI 304-1	Direct (Scope 1) GHG emissions	E1. GhG Emissions	1.5 Building a Climate-Resilient Future
GRI 305-1	Energy indirect (Scope 2) GHG emissions	E1. GhG Emissions	1.5 Building a Climate-Resilient Future
GRI 305-3	Other indirect (Scope 3) GHG emissions	E1. GhG Emissions	1.5 Building a Climate-Resilient Future
GRI 305-4	GHG emissions intensity	E2. Emissions Intensity	1.5 Building a Climate-Resilient Future
GRI 305-5	Reduction of GHG emissions	E1. GhG Emissions	1.5 Building a Climate-Resilient Future
GRI 306-1	Waste generation and significant waste related impacts		4.1 Implementing Environmental Governance
GRI 306-2	Management of significant waste-related impacts		4.1 Implementing Environmental Governance
GRI 306-3	Waste generated		4.1 Implementing Environmental Governance
GRI 306-4	Waste diverted from disposal		4.1 Implementing Environmental Governance
GRI 306-5	Waste directed to disposal		4.1 Implementing Environmental Governance
GRI 308-1	New suppliers that were screened using environmental criteria	G5. Supplier Code of Conduct	6.1 Creating a Sustainable Value Chain
GRI 308-2	Negative environmental impacts in the supply chain and actions taken		6.1 Creating a Sustainable Value Chain
GRI 401-1	New employee hires and employee turnover		5.1 Creating a Happy Workplace
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part time employees		5.1 Creating a Happy Workplace
GRI 401-3	Parental leave		5.1 Creating a Happy Workplace

No.	GRI Disclosures	Nasdaq ESG Reporting Guidelines	Section
GRI 402-1	Minimum notice periods regarding operational changes		5.1 Creating a Happy Workplace
GRI 403-1	Occupational health and safety management system	S7. Injury Rate S8. Global Health & Safety	5.3 Occupational Health and Safety
GRI 403-2	Hazard identification, risk assessment, and incident investigation		5.3 Occupational Health and Safety
GRI 403-3	Occupational health services		5.3 Occupational Health and Safety
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety		5.3 Occupational Health and Safety
GRI 403-5	Worker training on occupational health and safety		5.3 Occupational Health and Safety
GRI 403-6	Promotion of worker health		5.1 Creating a Happy Workplace 5.3 Occupational Health and Safety
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		5.3 Occupational Health and Safety
GRI 403-8	Workers covered by an occupational health and safety management system		5.3 Occupational Health and Safety
GRI 403-9	Work-related injuries		5.3 Occupational Health and Safety
GRI 403-10	Work-related ill health		5.3 Occupational Health and Safety
GRI 404-1	Average hours of training per year per employee		Not applicable
GRI 404-2	Programs for upgrading employee skills and transition assistance programs		5.2 Supporting Employee Development
GRI 404-3	Percentage of employees receiving regular performance and career development reviews		5.1 Creating a Happy Workplace
GRI 405-1	Diversity of governance bodies and employees	S4. Gender Diversity G1. Board Diversity	2.1 Corporate Governance 5.1 Creating a Happy Workplace

No.	GRI Disclosures	Nasdaq ESG Reporting Guidelines	Section
GRI 405-2	Ratio of basic salary and remuneration of women to men	S2. Gender Pay Ratio	5.1 Creating a Happy Workplace
GRI 406-1	Incidents of discrimination and corrective actions taken	S6. Non-Discrimination	5.1 Creating a Happy Workplace
GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	G4. Collective Bargaining	Not applicable
GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	S9. Child & Forced Labor	Not applicable
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	S10. Human Rights	Not applicable
GRI 414-1	New suppliers that were screened using social criteria	G5. Supplier Code of Conduct	6.1 Creating a Sustainable Value Chain
GRI 414-2	Negative social impacts in the supply chain and actions taken		6.1 Creating a Sustainable Value Chain
GRI 416-1	Assessment of the health and safety impacts of product and service categories		3.2 Achieving Premium Quality 3.3 Delivering Exceptional Customer Service
GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		No incidents
GRI 417-1	Requirements for product and service information and labeling		3.3 Delivering Exceptional Customer Service
GRI 417-2	Incidents of non-compliance concerning product and service information and labeling		No incidents
GRI 417-3	Incidents of non-compliance concerning marketing communications		No incidents
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	G7. Data Privacy	No incidents

APPENDIX

ORGANIZATIONAL GREENHOUSE GAS VERIFICATION STATEMENT

ATTESTATION ◆ ATTESTATO ◆ ATESTACIÓN ◆ BESCHEINIGUNG ◆ ATTESTATION

TÜV SÜD China

Organizational Greenhouse Gas Verification Statement

No. C2GHG 104182 0008 Rev. 00

Client:	**Jiangsu Niu Electric Technology Co., Ltd** No.387 Changting Road West Taihu Science and Technology Industrial Park 213100 Changzhou City, Jiangsu Province PEOPLE'S REPUBLIC OF CHINA
Responsible Party:	Jiangsu Niu Electric Technology Co., Ltd No.387 Changting Road, West Taihu Science and Technology Industrial Park, 213100 Changzhou City, Jiangsu Province, PEOPLE'S REPUBLIC OF CHINA
Verification Criteria:	**GHG Protocol Corporate Standard** **ISO 14064-3:2019**
Level of Assurance:	Reasonable assurance level
Materiality:	Less than 5% of total carbon emissions in the organizational boundary
Operation Rule:	CCB_GHG_GR_002CS V06
Verification Conclusion:	The GHG statement verification is based on ISO 14064-3:2019 to verify the claim of the responsible party. It was verified with regard to compliance with the requirement of Greenhouse Gas Accounting System "A Corporate Accounting and Reporting Standard (REVISED EDITION)".

The objective of organizational greenhouse gas verification is to confirm the accuracy and conformity of the claim declared by responsible party according to verification criteria. The organizational greenhouse gas verification statement is issued by TÜV SÜD, acting as the third-party validation and verification body, based upon the claim from the responsible party. The data and information supporting the claim were historical in nature. The responsible party is responsible for the claim and its conformity with the applicable specified requirements. This statement does not relieve the responsible party from compliance with any bylaws, federal, national or regional acts and regulations or with any guidelines issued pursuant to such regulations.

Technical Area Category:	A02 General Manufacturing (A02.1 Machinery and equipment manufacturing)
Verification Report No.:	70.435.25.11146.01 REV.00
Issue Date:	2025-08-26

(April He)

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TÜV SÜD Certification and Testing (China) Co., Ltd. Floor 1-4, Building B, No.37, Tuanjie Road(Middle), Xishan Economic and Technological Development Zone, Wuxi, Jiangsu, P.R. China

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Claim: The total GHG emissions of Jiangsu Niu Electric Technology Co., Ltd. at the organizational level in 2024-01-01~2024-12-31 in organizational boundary and reporting boundary are 1564.29 tCO_2e (location-based method), 1536.76 tCO_2e (market-based method)

Verification Scope:

Organizational Boundary:	Under the operational control approach, all facilities and activities of the responsible party contributing to GHG emissions and removals
Operation Site Covered by Verification activities:	Jiangsu Niu Electric Technology Co., Ltd. No.387, Changting Road, West Taihu Science and Technology Industrial Park, Changzhou, Jiangsu, China
Reporting Boundary:	Scope 1, Scope 2, Scope 3 Category 6
Facilities, physical infrastructure, activities, technologies and processes:	The facilities, physical infrastructure, activities, technologies and processes of the responsible party contributing to GHG emissions and removals within the reporting boundary
GHG SSRs:	The SSRs of the responsible party contributing to GHG emissions and removals of facilities, physical infrastructure, activities, technologies and processes above
Types of GHGs:	CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3
Time Boundary:	2024-01-01~2024-12-31

GHG Emissions:

Scope 1: Direct GHG emissions	67.38 tCO_2e
Scope 2: Electricity indirect GHG emissions (location-based method)	1349.12 tCO_2e
Scope 2: Electricity indirect GHG emissions (market-based method)	1321.59 tCO_2e
Scope 3:	
Category 6: Business travel	147.79 tCO_2e
Biogenic direct CO_2 emissions	0.00 tCO_2e
Biogenic electricity indirect CO_2 emissions	0.00 tCO_2e
Biogenic indirect CO_2 emissions other than from electricity	0.00 tCO_2e
GHG Total Emissions (location-based method, without biogenic emissions) :	1564.29 tCO_2e
GHG Total Emissions (market-based method, without biogenic emissions) :	1536.76 tCO_2e

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APPENDIX
THIRD-PARTY ASSURANCE

中国质量认证中心

Independent Assurance Statement

To: Stakeholders of Niu Technologies

China Quality Certification Centre Co., Ltd.(CQC), commissioned by Niu Technologies (hereinafter referred to as NIU), conducted the independent assurance of 2024 Environmental, Social and Governance (ESG) Report of Niu Technologies (hereinafter referred to as "the ESG report").

NIU was responsible for collecting, summarizing, analyzing, and disclosing the information and data mentioned in the ESG report. CQC implemented report verification within the scope specified in the agreement with NIU. NIU is the designated user of this statement.

This statement was based on the assurance activities conducted on the ESG report prepared by NIU with reference to Nasdaq ESG Reporting Guide 2.0, the Global Reporting Initiative's GRI Standards 2021, United Nations Sustainable Development Goals, and International Financial Reporting Sustainability Disclosure Standard 1 - General Requirements for Sustainability-related Financial Information (IFRS S1) and International Financial Reporting Sustainability Disclosure Standard 2 – Climate-related Disclosures (IFRS S2) released by the International Sustainability Standards Board (ISSB) . NIU is responsible for the authenticity, accuracy, and completeness of the report content.

Scope of Assurance

The selected data and information disclosed in the 2024 Environmental, Social and Governance (ESG) Report of Niu Technologies:

- Double materiality assessment process
- Total number of suppliers
- Total number of ESG-critical suppliers
- Percentage of procurement amount from ESG-critical suppliers
- Total number of ESG-critical suppliers assessed
- Percentage of ESG-critical suppliers assessed
- Number of suppliers assessed with substantial actual/potential negative impacts
- Percentage of suppliers assessed with substantial actual/potential negative impacts that have agreed on corrective action plans
- Number of suppliers assessed with substantial actual/potential negative impacts that have passed subsequent reviews through implementing corrective action plans
- Number of suppliers with substantial actual/potential negative impacts that were terminated
- Number of suppliers supported in corrective action plan implementation (remote/on-site)
- Number of suppliers with ISO 14001 certifications
- Number of suppliers with ISO 9000 series/IATF 16949 certifications
- Number of suppliers with OHSAS 18000/ISO 45001 certifications
- Number of sessions of quality training conducted for suppliers
- Total number of hours of quality training conducted for suppliers
- Number of suppliers covered by quality training
- Energy consumption - Beijing office
- Energy consumption - Shanghai office
- Electricity bought at Changzhou facility
- Photovoltaic power generated at Changzhou facility
- Water utilization － Beijing office
- Water utilization – Changzhou facility
- The amount of general waste recycling
- The amount of hazardous waste recycling
- The Amount of plastic waste recycling
- Greenhouse gas emissions
  - Scope 1 and scope 2 (Market based) emissions
  - Scope 1 emissions
  - Scope 2 emissions (Market based)
  - Scope 2 emissions (Location based)
  - Scope 3 emissions (Business travel)
- Number of fatalities from production accidents
- LTIR - full-time employees
- LTIR - contractor

Basis for Assurance

In accordance with AA1000 v3, Type 2, Moderate Assurance, and with reference to the Specification for the Assurance of Corporate Sustainability Reports, limited assurance.

Assurance Methods

The methods used in this assurance include but are not limited to:

a) Report review;
b) Interviews；
c) Verification of documents, records, certificates, bills, and other materials;
d) Trusted information source verification;
e) Verification against disclosure basis;
f) Recalculation/estimation; and
g) Confirmation of statistical, calculation/estimation processes.

Limitations

■This assurance was conducted using sampling methods based on quantitative and qualitative risk analysis and the sampling scope was limited to the data and information selected in the ESG report, not fully tracing or independently recalculating all raw data of NIU.

■This assurance only covered interviews and/or document review with NIU (the scope of this Report is consistent with that of the Company's annual report), and did not involve external stakeholders.

■The data and information audited/verified by a third party in the ESG report were not subject to repeated verification during this assurance process.

■Some of the data and information in the ESG report cannot be compared and verified through independent sources. This assurance only evaluated their reasonableness.

■Activities outside the scope of information disclosure were not included in this assurance.

■The statement regarding the position, viewpoints, beliefs, goals, future development directions, and commitments of NIU was not included in this assurance.

Statement on Independence and Verification Capability

China Quality Certification Centre Co., Ltd. (CQC) is a third-party certification body with independent legal status, possessing professional qualifications and experience in providing assurance services related to sustainable development. CQC maintains independence and impartiality in this assurance process, and possesses the technical capabilities and industry-specific knowledge required to conduct ESG/sustainability report assurance, in compliance with the requirements of AA1000 assurance standard v3 for an assurance provider. The assurance team is composed of experienced AA1000 Practicing Certified Sustainability Assurance Practitioners (PCSAP), CCAA (China Certification and Accreditation Association) registered quality, environment, energy, occupational health and safety, compliance, anti-bribery and other management system auditors and APSCA (Association of Professional Social Compliance Auditors) registered auditors.

CQC ensured that there were no conflicts of interest with NIU and its stakeholders during the assurance process of this report. All information in the ESG report was provided by NIU. CQC and the personnel conducting this assurance of the ESG report were not involved in the preparation process of the ESG report.

Assurance Conclusions

The ESG report reflects the ESG performance of NIU in 2024, which meets the requirements of AA1000 v3 and AA1000AP:

Inclusivity: NIU has identified both internal and external stakeholders, including users and consumers, investors, employees, government and regulators, suppliers and distributors, peers and industry associations and society. In the report preparation process, the expectations and needs of stakeholders have been considered.

Materiality: Based on the double materiality assessment principle, NIU has, by combining multidimensional information such as regulatory policies, company development plans, ESG disclosure standards, capital market ESG rating indicators, and peer issue benchmarking, identified material ESG issues to reflect the actual and potential impacts, risks, and opportunities of the company.

Responsiveness: NIU has established a governance structure, management system and processes, as well as a communication mechanism with stakeholders, capable of taking action to respond to the material issues of high importance and impact on NIU and its stakeholders.

Impact: Through quantitative or qualitative methods, NIU has disclosed the main impacts on itself and its stakeholders in terms of environmental, social and governance aspects.

Specific performance information: Based on the process and results of this assurance, we have not found any deficiencies in the reliability and quality of the selected key data and information in the ESG report.

Recommendations

The specific opinions regarding the assurance of this report have been communicated to the management of NIU in written form, and will not be further elaborated in this section.

AA1000
Licensed Report
000-366/V3-3J52U

President of CQC：谢肇煦
September 10, 2025
Beijing, China

Note: In case of any inconsistency or discrepancy, the Chinese version of this assurance statement shall prevail, while the English translation is used for reference only.

FEEDBACK

Your feedback is invaluable to enhancing our ESG management. We cordially invite you to provide your comments and suggestions on this Report and our sustainability performance through the following channels.

Email: ir@niu.com
Address: **No. 387 Changting Road, West Taihu Science and Technology Industrial Park, Changzhou City, Jiangsu Province, P.R.China**

1. What type of NIU stakeholder are you?

☐ Shareholder ☐ Employee ☐ Supplier ☐ User ☐ Government

☐ Community ☐ Other (please specify)

2. How would you rate this report overall?

☐ Good ☐ Fairly good ☐ Average

3. How would you rate the accuracy, clarity, and completeness of the information and data disclosed in this report?

☐ Good ☐ Fairly good ☐ Average

4. What additional information would you like to see in our ESG report that is currently not included?

5. Do you have any comments or suggestions regarding the Company's ESG initiatives and the preparation of this report?

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