

Weichai Power Co., Ltd.

Supplier Code of Conduct

As an international company operating across multiple sectors and industries, Weichai Power Co., Ltd. (hereinafter referred to as “Weichai Power”, the “Company”, or “We”) aims at customer satisfaction, and has established a social responsibility framework with distinct Weichai Power characteristics. Through the implementation of this Supplier Code of Conduct (hereinafter referred to as the “Code”), the Company aims to align our suppliers with our expectations in business ethics, social responsibility, and environmental sustainability, jointly committing to uphold the core values that safeguard Weichai Power’s reputation and brand.

This Code constitutes an integral part of agreements between Weichai Power and its suppliers. During the course of business relationships, suppliers must strictly comply with all applicable laws, regulations, and principles outlined in this Code. Serving as the minimum standard aligned with relevant laws, regulations, and commercial practices, this Code sets the foundation for ethical and responsible business conduct. Weichai Power expects suppliers and mandates their upstream suppliers to strictly adhere to this Code.

Weichai Power incorporates sustainability principles into supplier selection and prioritizes suppliers that meet the following criteria: First, suppliers that formulate and articulate sustainability values and commitments; Additionally, suppliers adopting internationally recognized management systems and guidelines related to sustainability, such as ISO 9001 Quality Management System, ISO 14001 Environmental Management System, ISO 50001 Energy Management System, ISO 26000 Social Responsibility Guidance, OHSAS 18001 Occupational Health and Safety Management System, and other equivalent management systems.

1. Legal and Regulatory Compliance

Weichai Power is committed to strict compliance with laws and regulations in all

countries and regions where it conducts business. The Company expects suppliers and mandates their upstream suppliers to jointly adhere to these requirements.

Suppliers and their upstream suppliers must strictly comply with all applicable laws and regulations in countries and regions related to their business with Weichai Power, including but not limited to labor practices, anti-corruption, anti-bribery, fair competition and anti-monopoly, environmental protection, trade secrets and intellectual property protection, data protection, export controls, economic sanctions, and China's Anti-Foreign Sanctions Law. Suppliers shall also respect and align their operations with internationally recognized practices.

2. Workplace and Labor Practices

Suppliers and their upstream suppliers shall strictly comply with all applicable labor and employment laws and regulations, international labor conventions, the Universal Declaration of Human Rights, international treaties ratified and acceded to by the Chinese government, along with globally recognized ethical standards. Suppliers shall respect and safeguard employees' legitimate rights and interests, maintain a safe and healthy workplace, and ensure the complete absence of forced labor, human rights violations, or any unlawful practices. They must promptly address Weichai Power's compliance inquiries and submit verifiable documentation to substantiate adherence.

Specific Requirements Include:

Suppliers and their upstream suppliers shall provide a healthy and safe working environment, implement measures to prevent workplace hazards and accidents, and ensure employees are protected from occupational injuries.

Suppliers and their upstream suppliers shall adhere to all applicable laws and regulations regarding working hours, wages, benefits, minimum age, working conditions, occupational health and safety, and labor relations. This includes but is not limited to signing labor contracts, safeguarding employees' basic rights, ensuring timely and full payment of wages, and prohibiting forced labor in any form.

Suppliers and their upstream suppliers shall implement fair, humane, and non-discriminatory employment practices, treating employees with dignity and respect, and promoting diversity and inclusiveness.

Suppliers and their upstream suppliers shall prohibit the use of violence, corporal punishment, or any form of physical, sexual, psychological, or verbal harassment or abuse to discipline or control employees.

Suppliers and their upstream suppliers shall refrain from employing any form of forced labor, including bonded labor, indentured labor, and child labor, and engaging in any form of slavery, human trafficking, or similar practices.

Suppliers and their upstream suppliers shall establish reporting channels for employees to file complaints with the Company or government authorities regarding forced labor or other violations, ensuring the protection of employees' legal rights.

3. Living Wage Commitment

Suppliers shall strictly comply with all local laws and regulations regarding wage payments in the jurisdictions where they operate, ensuring that wages paid to employees meet or exceed the statutory minimum wage and are sufficient to cover basic living needs.

They shall commit to paying employees fully and punctually without unjustified delays, deductions, or withholdings.

They shall establish internal oversight mechanisms to regularly audit wage payment practices, including verifying the accuracy of wage calculations, compliance with payment timelines, and completeness of wage documentation. They shall also institute internal whistleblowing channels to encourage employees to report violations related to wage payments and ensure strict protection for whistleblowers.

4. Health and Safety

Suppliers and their upstream suppliers must comply with all applicable health and safety laws and regulations as well as Weichai Power's health and safety policies

to ensure the health and safety of employees.

Suppliers shall provide employees with effective personal protective equipment that meets national or industry standards to ensure their safety and prevent occupational illnesses.

They shall also establish health and safety management systems, set health and safety objectives, continuously monitor and improve performance, implement preventive measures and emergency response plans, and provide employees with proper training to minimize risks and impacts.

5. Anti-Corruption and Anti-Bribery

Suppliers must conduct business in compliance with all applicable anti-corruption and anti-bribery laws and regulations. In line with Weichai Power's zero-tolerance policy toward corruption and bribery, suppliers shall neither engage in nor tolerate any act that could be construed as corrupt or bribery.

They shall not directly or indirectly offer, solicit, pay, or accept any form of illegal benefits, including but not limited to bribes, kickbacks, secret commissions, rewards, favors, cash, gifts, loans, employment, facilitation fees, or other items of value, to obtain improper business advantages.

Suppliers shall establish anti-corruption and anti-bribery compliance policies and ensure their implementation. During cooperation with Weichai Power, they shall immediately report any suspected acts of bribery, corruption, or solicitation.

They shall also provide regular anti-corruption and anti-bribery training to employees to maintain a healthy, safe, and efficient work environment and conduct audits periodically to ensure policy implementation.

6. Fair Competition and Anti-Monopoly

Suppliers shall engage in fair competition and comply with all applicable anti-monopoly and anti-unfair competition laws and regulations, striving to maintain a fair market environment.

Suppliers must refrain from entering into any formal or informal agreements or understandings with competitors or business partners that may restrict competition, including but not limited to practices such as bid-rigging, price-fixing, market allocation, or agreements aimed at limiting and refusing transactions, restricting investments, or impeding the development of new technologies.

They shall compete ethically to secure business opportunities, refraining from misleading practices, false advertising, or exploiting technical means to obstruct competitors or gain improper advantages.

They must ensure the truthfulness, accuracy, and completeness of all declarations, statements, or other information provided to Weichai Power.

7. Environmental Protection

Weichai Power is committed to environmental protection, corporate responsibility, and sustainable business practices. The Company expects suppliers to adopt the same principles in their operations to minimize environmental burdens.

Suppliers shall comply with all applicable environmental laws, regulations, and codes of conduct in their business operations and obtain all required environmental permits and registrations.

They shall implement effective environmental management systems to continuously monitor and improve environmental performance. This includes conducting internal environmental inspections, actively implementing strategies to reduce emissions (e.g., exhaust gases, wastewater, non-hazardous/hazardous waste), conserving resources, and preventing ecological damage, with the ultimate goal of minimizing the environmental impact of their operations, products, and services.

They shall also develop and implement environmental strategies throughout production and operation, including conducting environmental assessments and submitting legally required data to regulatory authorities, with the obligation to promptly halt and report any violations of environmental laws and regulations.

8. Water Resource Management

Suppliers shall develop clear, comprehensive, and locally compliant water resource management policies that emphasize the importance of water conservation and sustainable use. They shall set specific, measurable, and achievable water management goals based on their operational characteristics and local water conditions, implement water management plans to monitor water sources, usage, and discharge, seek water-saving opportunities, and control pollution. All wastewater shall undergo monitoring, control, and treatment prior to discharge or disposal. Suppliers are required to conduct routine performance evaluations of their wastewater treatment and control systems to ensure both operational efficiency and legal compliance.

9. Material Compliance and Conflict Minerals

Weichai Power is committed to complying with laws, regulations, and customer requirements regarding banned and restricted substances, including harmful substances and conflict minerals. Accordingly, suppliers shall ensure that all goods provided to Weichai Power adhere to applicable restrictions on prohibited and restricted substances, adopt policies on conflict minerals and conduct due diligence to verify mineral sources, promptly address inquiries from Weichai Power, and submit documented proof of adherence to the above requirements.

10. Product Safety and Quality

Suppliers shall ensure their production and operations comply with national and international laws, industry standards, and certification requirements.

They shall establish rigorous internal quality control systems to inspect raw materials, production processes, and finished goods. Key measures include: (1) inspecting each batch of raw materials for compliance with quality standard; (2) conducting random inspections of semi-finished products at critical control points during production, with prompt detection and correction of quality issues; (3) performing comprehensive final inspections before product delivery; (4) maintaining detailed inspection records for Weichai Power's review.

Suppliers shall develop emergency communication protocols for incidents affecting product safety or quality (e.g., sudden raw material defects, critical production issues, severe market feedback). Upon occurrence of such incidents, suppliers are obligated to notify Weichai Power within 8 hours, providing a comprehensive incident report detailing the event, preliminary root cause analysis, and immediate corrective actions taken. They shall also collaborate with Weichai Power to form a joint task force for rapid resolution, aiming to minimize impacts on product safety and quality.

11. Protection of Trade Secrets and Intellectual Property

Weichai Power may share confidential and intellectual property-related information with suppliers during business engagements. In handling such information, suppliers shall adhere to mutually signed confidentiality agreements, taking appropriate measures to prevent unauthorized disclosure, theft, or misuse. They shall avoid infringing third-party trade secrets or intellectual property rights in their operations and ensure that collaborations with Weichai Power do not violate such rights. They shall also protect Weichai Power's intellectual property with the same diligence, particularly against unauthorized disclosure, theft, or infringement.

12. Data Protection

Weichai Power strictly adheres to all applicable data protection laws and regulations, maintaining rigorous confidentiality obligations for personal information, trade secrets, intellectual property, and other sensitive data obtained during business operations. Such data shall be strictly limited to pre-defined purposes and safeguarded against unauthorized disclosure or misuse.

Suppliers are equally obligated to comply with all relevant data protection laws and regulations, ensure absolute confidentiality of trade secrets, personal data, and IP acquired during collaboration with Weichai Power, and refrain from the use of technical means to access or steal confidential information. They shall also establish comprehensive data protection policies and implement security measures to safeguard

information security and prevent unauthorized disclosure or misuse.

13. Trade Compliance

Weichai Power has established a comprehensive trade compliance framework, including robust policies and management systems, to ensure all business activities strictly adhere to applicable trade compliance laws and regulations. To maintain compliance across the supply chain, suppliers shall comply with export controls, economic sanctions, and China's Anti-Foreign Sanctions Law in jurisdictions of operation, familiarize themselves with the applicable trade compliance laws and regulations, establish a trade compliance organizational structure, set up trade compliance management systems, and conduct risk assessments for both planned and ongoing business activities. They shall not engage in any transactions that violate trade compliance laws and must ensure all products and services provided to Weichai Power fully comply with applicable trade compliance requirements.

14. Implementation of the Code

Suppliers shall disseminate the principles of this Code to their employees and entire supply chain (including suppliers, subcontractors, and partners involved in providing products or services to Weichai Power), and promptly and transparently provide evidence demonstrating compliance with this Code.

Approved by Board of Directors of Weichai Power, this Code shall take effect upon issuance. Weichai Power shall review this policy at least annually and update it in accordance with evolving national laws and international conventions.