Weichai Power Co., Ltd.

Environmental, Health, and Safety (EHS) Policy

I. Background and Objectives

Occupational health, safety, and environmental protection are integral to sustainable corporate development. Weichai Power Co., Ltd. (hereinafter referred to as "Weichai Power", the "Company" or "We") adheres to the safety principle of "Safety First, Preventive Primacy, Standardized Management, and Green Development", the environmental protection principles and follows of "People-centered Governance, Green Development, Technological Innovation, Full Participation, Strict Prevention and Treatment, and Accountability for Damages". The Company implements the environmental philosophy that "Lucid Waters and Lush Mountains Are Invaluable Assets", safeguarding the health rights of our employees, suppliers, service providers, contractors, operational communities, and other stakeholders (including joint venture partners, licensees, outsourcing partners, etc.). We aim to enhance their awareness of environmental management policies and impacts.

This policy defines Weichai Power's commitments and responsibilities regarding employee health, safety, and the environmental protection. It declares the Company's compliance with and respect for health, safety, and environmental laws in host countries, as well as international conventions recognized by the Chinese government.

II. Scope of Application

This policy applies to Weichai Power Co., Ltd. and all its global subsidiaries. It covers all employees of the Company, as well as contractors and individuals conducting work or services on behalf of the Company. The term "employees" in this policy refers to those who have signed formal labor or service contracts with Weichai Power, encompassing personnel from subsidiaries involved in production operations, product services, distribution and logistics, waste management, due diligence, mergers and acquisitions, and other business processes. The Company also encourages its business partners to adopt this policy.

III. Relevant Laws, Regulations, and International Convention

1. Domestic Laws and Regulations

Occupational Health and Safety

Law of the People's Republic of China on the Prevention and Control of Occupational Diseases

Work Safety Law of the People's Republic of China

Labor Law of the People's Republic of China

Labor Contract Law of the People's Republic of China

Environmental Protection

Environmental Protection Law of the People's Republic of China

Atmospheric Pollution Prevention and Control Law of the People's Republic of China

Water Pollution Prevention and Control Law of the People's Republic of China

Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes

2. International Conventions

The Convention Concerning Occupational Safety and Health and the Working Environment

IV. Key Commitments

Health and Safety

1. The Company shall formulate internal regulatory documents, including the Management and Control Procedures on Production Safety Accident, the Safety Risk Grading and Control Management System, and the Safety Production Reward and Punishment Management System, in compliance with the aforementioned laws and regulations, to regulate and ensure standardized corporate safety practices.

2. The Board of Directors serves as the highest governing body for health and safety, supported by the Environmental, Social, and Governance (ESG) Committee, which oversees the Company's health and safety initiatives. Additionally, the Company has established a Safety Production Committee responsible for daily management, supervision, guidance, and evaluation of health and safety activities.

3. The Company shall consistently allocate safety investments, optimize resource allocation, and progressively enhance the occupational health and safety (OHS) management system to elevate both occupational health and safety standards and environmental performance.

4. The Company shall conduct ongoing safety risk identification and assessment, and based on the assessment results, establish clear priorities and develop actionable plans to manage potential risks and hazards, prevent accidents, eliminate safety hazards, and ensure a safe and healthy working environment for employees, thereby maximizing the protection of their health and safety.

5. The Company shall establish occupational hazard monitoring procedures and implement regular inspection plans. Additionally, the Company shall provide employees with job-specific personal protective equipment (PPE) free of charge in accordance with regulations, and mandate the use of such equipment based on the potential occupational hazards identified in their tasks, to eliminate or mitigate the impact of occupational risks.

6. The Company shall design and implement job-specific safety awareness campaigns and training programs, tailored to the practical needs of different roles, to embed safety principles into daily operations and enhance employees' capabilities in accident prevention and emergency response.

7. The Company shall actively encourage frontline employees' participation, establish open communication channels, and systematically collect and integrate feedback from employee representatives to collaboratively advance the continuous improvement of health and safety environments.

8. The Company shall establish supplier access qualification, dynamic evaluation, and elimination rules, integrate OHS requirements into procurement and contracts, and incentivize suppliers to align with this policy, prioritizing collaboration with partners demonstrating exemplary EHS performance.

9. The Company shall develop measurable OHS performance metrics, set quantitative improvement targets aligned with internal management objectives, prioritize management actions based on target goals, and conduct periodic progress reviews to ensure systematic monitoring and effective control of OHS risks.

10. The Company shall conduct periodic internal OHS compliance audits, pursue certifications against internationally recognized standards and guidelines such as ISO 45001, and ensure that the OHS management system meets all regulatory and certification requirements.

Environmental Protection

1. The Company shall strictly adhere to the aforementioned laws and regulations, formulate internal regulatory documents including the Measures for the Administration of the Law-based Disclosure of Environmental Information, the Environmental Protection Inspection Control Procedures, the Environmental Protection Mark and its Use Standards, and the Environmental Impact Assessment Management Regulations, require all business units to establish unit-specific environmental management systems, and promote certification of environmental management systems to fulfill environmental responsibilities and enhance environmental governance. 2. The Board of Directors, as the highest governing body for environmental management, supported by the ESG Committee, shall oversee the Company's environmental initiatives.

3. The Company shall systematically advance environmental hazard identification and management optimization initiatives, refine the environmental protection framework, and ensure continuous improvement in environmental practices.

4. The Company shall develop and improve energy management processes and policies, strengthen daily monitoring and control of energy consumption, conduct periodic evaluations of energy efficiency across all departments and operational stages, and promptly identify and rectify energy waste.

5. The Company shall implement rigorous water resource management measures, including optimizing production processes and adopting water-efficient technologies and equipment, to reduce water consumption in operations, and enhance water recycling. The Company shall also proactively address water scarcity challenges in critical regions and collaborate with local communities and stakeholders to develop sustainable water resource solutions.

6. The Company shall prioritize rational land utilization by selecting sites with minimal environmental impact for development and construction, avoid ecologically sensitive zones and promote intensive land use models to minimize land resource waste.

7. The Company shall prioritize the adoption of environmentally friendly materials and technologies, promote material recycling, and reduce carbon emissions.

8. The Company shall set environmental targets aligned with business operations, conduct regular performance monitoring, and transparently disclose environmental impact assessments, governance measures, and progress updates in annual sustainability reports and on the official website.

9. The Company shall establish supplier access qualification, dynamic evaluation, and elimination rules, and integrate environmental management requirements into procurement and contracts. The Company shall also encourage suppliers to implement effective environmental management systems, conduct internal environmental compliance audits, and mandate continuous monitoring and improvement of suppliers' environmental performance. Accordingly, suppliers shall be required to implement strategies for reducing waste gas, waste water, and non-hazardous and hazardous waste, conserving resources, and avoiding ecological damage, to minimize the environmental impact of operations, products, and services.

10. The Company shall conduct biodiversity impact assessments throughout the entire business lifecycle, identifying direct and indirect impacts on species, habitats, and ecosystem functions. In alignment with the principles of "Avoid, Minimize, and Restore", the Company shall implement measures to support biodiversity recovery and habitat restoration.

11. The Company shall strictly prohibit deforestation and forest degradation throughout all business activities, including but not limited to direct logging and forest fragmentation or degradation caused by projects. Proactive measures shall be taken to preserve the integrity and ecological functions of forest ecosystems.

12. The Company shall implement environmental education and training programs for internal and external stakeholders to elevate their ecological awareness, and cultivate a corporate culture centered on sustainability, thereby establishing a globally leading EHS image.

V. Supplementary Provisions

Approved by Board of Directors of Weichai Power, this policy 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.