

Weichai Power Co., Ltd.

Environmental, Social and Governance (ESG)

Management Measures

1. General Provisions

In order to meet the sustainable development needs of Weichai Power Co., Ltd. (hereinafter referred to as "the Company" or "Weichai Power"), establish and improve the Company's environmental, social and governance (hereinafter referred to as "ESG") management system, improve the management level of ESG work, and achieve institutionalized and streamlined management of ESG matters, these Measures are hereby formulated in light of the Company's actual circumstances.

The ESG in these Measures refers to an investment philosophy and evaluation framework that focuses on the environmental, social, and governance performance of enterprises. The Company's ESG matters include but are not limited to ESG related management, execution, supervision and assessment, information disclosure, ESG rating, and other related work; The Company's ESG topics include but are not limited to research and development and innovation, product quality and safety, labor rights protection, occupational health and safety, climate change response, sustainable supply chain, etc.

These Measures are in accordance with Appendix C2 of the Listing Rules of the Main Board of the Stock Exchange of Hong Kong Limited, the Environmental, Social and Governance Reporting Code, the Shenzhen Stock Exchange's Self-regulatory Guidelines for Listed Companies No. 17- Sustainable Development Reports (Trial), the China Securities Regulatory Commission's Governance Guidelines for Listed Companies, and the International Sustainability Standards Board (ISSB) IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information, IFRS S2 Climate-related Disclosures, as well as ESG rating

from capital market institutions such as MSCI.

These Measures apply to Weichai Power and all its domestic and overseas subsidiaries.

2. ESG Management Architecture

In order to implement the ESG development concept and provide support for the Company's ESG management work from an organizational structure, the Company has established an ESG governance structure with a complete structure, clear hierarchy, clear rights and responsibilities, and efficient operation. The work responsibilities of personnel at all levels, departments, and positions are clarified to establish a more comprehensive ESG management mechanism and comprehensively improve the Company's ESG performance.

The Company's ESG management structure is a three-level management structure composed of the "ESG Committee of the Board of Directors - ESG Management Group - ESG Working Group".

The ESG Committee of the Board of Directors is the highest decision-making body and governing body for the Company's ESG work. It leads and is responsible for the Company's ESG governance matters, supervises and reviews the Company's ESG related development strategies, goals, plans, and other matters that may have a significant impact on the Company. It is responsible for overseeing ESG matters including climate change response, occupational health and safety, environmental protection, emission management, business ethics, labor management, and information security:

- Develop the Company's ESG strategy, goals, plans, etc. and supervise their implementation;
- Review the Company's ESG risk and opportunity assessment results,

supervise the response and management of ESG related risks and opportunities that have a significant impact on the Company's business;

- Review the Company's annual ESG report and submit it to the Board of Directors for review;
- Review various ESG-specific policies, supervise the implementation of the Company's ESG management system, and make recommendations to the Board of Directors.

The Company has established an ESG Management Group as the core management layer for ESG work, consisting of senior executives such as the Company's general manager and deputy general manager. The ESG Management Group is authorized by the ESG Committee to manage the ESG work plans of various subordinate departments, to ensure more targeted and efficient ESG management. The main responsibilities of the ESG Management Group include:

- Coordinate the implementation of the Company's ESG strategy, goals, and plans;
- Assess ESG related risks and opportunities that have a significant impact on the Company's business, and make recommendations to the ESG Committee of the Board of Directors;
- Supervise the Company's ESG policies to promptly follow up on national policies, laws and regulations, and other requirements;
- Coordinate the resources required for the preparation of the Company's annual ESG report;
- Review ESG management-related systems;

- Review major ESG related matters.

The Company has established an ESG Coordination Office as the responsible body for ESG matters. The Company's securities affairs department is the main department responsible for the ESG Coordination Office, which coordinates and guides the ESG related work of various departments.

The Company has established an ESG Working Group, responsible for the specific execution and optimization of ESG work. The ESG Working Group consists of four ESG task forces, namely employee rights and interests, occupational health and safety, climate change, and sustainable products and solutions. The members include representatives from various responsible departments, coordinate the progress of main responsibility issues, and coordinate and implement ESG special improvement work. The main responsibilities of each ESG task force include:

- Establish and improve relevant ESG special management systems, assist the Company's securities management department in maintaining ESG policies;
- Carry out risk and opportunity identification and assessment of relevant ESG issues, and implement response measures;
- Implement the annual ESG work plan and regularly report to the ESG Management Group;
- Collect and report relevant ESG indicator information, establish main ESG indicator goals, and report progress and main measures to the ESG Management Group;
- Responsible for communicating with relevant departments and subsidiaries of the Company, coordinating and promoting ESG

matters.

The ESG Working Group also includes ESG Working Groups established within major subsidiaries. The main responsibilities of the ESG Working Groups of each subsidiary include:

- Develop ESG strategic plans for each subsidiary;
- Supervise the implementation of ESG strategies for each subsidiary;
- Collect ESG data and information from various subsidiaries and report to headquarters in a timely manner;
- Establish a communication bridge between the headquarters and subsidiaries, and strengthen ESG management collaboration between both parties;
- Continuously improve and optimize the ESG management performance of each subsidiary.

3. ESG Management Meeting Mechanism

The working mechanism of the ESG meeting consists of the ESG Committee Meeting of the Board of Directors, the ESG Management Group Meeting, and the ESG Temporary Working Meeting.

The ESG Committee of the Board of Directors will include ESG related matters in internal meeting discussions, and the meeting mechanism shall refer to the "Work Rules of the ESG Committee of the Board of Directors of Weichai Power Co., Ltd."

ESG Management Group meetings are divided into regular ESG Management Group meetings and temporary ESG Management Group meetings. Regular meetings of the ESG Management Group should review, discuss, and make decisions on the Company's ESG matters,

including ESG work plans, ESG work progress, ESG risk assessment and response, etc.

ESG Management Group meetings can be conducted through on-site meetings or other communication methods such as telephone, video, etc.

The ESG Management Group and ESG Working Group can flexibly organize and hold temporary ESG work meetings according to work needs, and invite relevant functional department heads and contacts to participate according to work needs. The ESG Working Group should regularly prepare ESG work progress reports, including ESG work plans, ESG work progress, ESG risk assessment and response, etc., which should be confirmed by the relevant heads of each functional department and submitted to the ESG Management Group for review.

After the resolution of the ESG Management Group, an overall ESG work plan should be formed, and the ESG Work Group should proceed with the work and follow up accordingly. Any content beyond the functional scope of the ESG Working Group shall be submitted to the ESG Management Group through a proposal formed by the ESG Working Group. The ESG Management Group shall report the completion status of goals and plans, risk assessment, annual reports, and other related results to the ESG Committee of the Board of Directors for approval.

In case of major ESG incidents, the ESG Management Group's temporary meeting should be held in accordance with the ESG Management Group's meeting process, according to the actual situation, to discuss and respond to the emergency.

4. Stakeholder Communication

The stakeholders of the Company include government and regulatory agencies, shareholders and investors, customers, employees, suppliers, partners, community representatives, industry associations, and other

groups. In order to maintain a harmonious relationship between the Company and stakeholders and ensure that operations comply with regulatory requirements, the Company has developed a stakeholder communication mechanism. This mechanism aims to identify and fully consider the expectations and requirements of various stakeholders, respond to their concerns in a timely manner, and form an effective response process and diversified communication channels. Through this mechanism, the Company can ensure timely and efficient communication and feedback with various stakeholders.

5. ESG Information Disclosure

ESG information disclosure serves as a channel for the Company to showcase ESG related work results to the outside world, comprehensively showcasing the Company's ESG performance to shareholders, customers, and other stakeholders, which is conducive to forming a good interaction mechanism between the Company and stakeholders.

ESG disclosure work includes the Company's annual ESG report, ESG chapters in the annual report, responses to ratings, responses to investor ESG inquiries, and the release of ESG related information on the Company's official website and media. The Company's ESG information release platforms include the official website of Weichai Power and official information disclosure platforms such as the exchange. Among them, ESG reports should be disclosed regularly on an annual basis, while other ESG related information, including ESG policies and ESG news, should be disclosed based on the specific development or implementation of the Company.

6. Supplementary Provisions

These Measures are reviewed and approved by the ESG Committee of the Board of Directors of Weichai Power, and shall come into effect from the date of issuance.

The right to interpret these Measures belongs to the ESG Committee of the Board of Directors of Weichai Power.

These Measures shall be revised by the ESG Coordination Office.

Any matters not covered in these Measures shall be implemented in accordance with relevant national laws, regulations, and the provisions of the Company's Articles of Association.

Each subsidiary of the Company may refer to these Measures to develop and improve corresponding environmental, social, and governance (ESG) management measures.