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**WEICHAI POWER CO., LTD.**  
**Terms of Reference of the Strategic Development  
and Investment Committee**

*(Amended at the Company's 2023 tenth provisional meeting of the Board held on 29 December 2023)*

**Chapter 1 General Provisions**

Article 1 With a view to addressing the strategic development requirements of Weichai Power Co., Ltd. (hereinafter referred to as the "Company"), enhancing its core competitiveness, defining the corporate development plans of the Company, improving its investment decision-making processes, strengthening scientific decision-making, enhancing the efficiency and quality for major investment decision-making and refining its corporate governance structure, the Company has set up a strategic development and investment committee of the Board and formulated these Terms of Reference in accordance with the "Company Law of the People's Republic of China", "Code of Corporate Governance for Listed Companies", the "Articles of Association" and other relevant regulations.

Article 2 The Strategic Development and Investment Committee of the Board is a dedicated body established by the Board to be primarily responsible for reviewing and advising on the Company's mid-term and long-term development strategies and significant investment decisions. Investment decisions with respect to a particular project refer to the decisions made by the Company as to whether capital investment shall be made to a particular project. This involves the whole-process of decision-making from project screening, project confirmation, feasibility studies to the execution of investment agreements.

**Chapter 2 Composition**

Article 3 The Strategic Development and Investment Committee shall consist of three to nine Directors, at least one of whom shall be an independent Director.

Article 4 Members of the Strategic Development and Investment Committee shall be nominated by the chairman of the Board, more than one-half of the independent Directors or one-third of all Directors and be elected by the Board.

Article 5 The Strategic Development and Investment Committee shall have a chairman (convener), who shall be the Chairman of the Board, and may have a vice-chairman.

Article 6 The term of office of the Strategic Development and Investment Committee shall be the same as the term of the Board. A member may be re-elected upon the expiration of his/her term of office. Any member who ceases to act as a Director of the Company during the term shall lose his/her membership of the Strategic Development and Investment Committee automatically and the vacancy shall be filled by the committee in accordance with Articles 3 to 5 above.

Article 7 The Strategic Development and Investment Committee may establish a strategy and investment review panel which shall comprise relevant persons from the functional units of the Company and may engage external professionals for professional advice.

### **Chapter 3 Duties and Authorities**

Article 8 The main duties and authorities of the Strategic Development and Investment Committee are:

- (1) to review and advise on the Company's planning of mid-term and long-term development strategies;
- (2) to review and advise on key proposals of investment and financing that must be approved by the Board as required by the Articles of Association;
- (3) to review and advise on the key capital operations and asset operation projects that must be approved by the Board as required by the Articles of Association;
- (4) to organise the formulation and review of the Company's environmental, social and governance ("ESG") target, strategy as well as annual and mid to long term planning etc, supervise their implementation, and assess ESG-related risks and opportunities;
- (5) to review the annual ESG report and submit the same to the Board for approval;
- (6) to review and advise on other key matters that may affect the Company's development;
- (7) to inspect the implementation of the items above;
- (8) other matters as stipulated by laws, administrative regulations, regulations of the China Securities Regulatory Commission and the Articles of Association and as authorised by the Board.

Article 9 The Strategic Development and Investment Committee shall be accountable to the Board. The Strategic Development and Investment Committee shall submit proposals to the Board for consideration and decision.

## Chapter 4 Procedures of Decision-making

Article 10 The strategy and investment review panel is responsible for making preliminary preparation for decision-making by the Strategic Development and Investment Committee and to provide information in respect of the Company:

- (1) the relevant divisions or holding (joint stock) companies shall state the intention, project proposals and basic facts of partners in significant investments and financings, capital operation and asset operation projects;
- (2) the strategy and investment review panel shall conduct an initial review, give comments on project proposal, and report to the Strategic Development and Investment Committee;
- (3) the relevant divisions or holding (joint stock) companies shall compile feasibility reports, negotiate externally and prepare drafts of agreements, contracts and articles of association and report to the strategy and investment review panel;
- (4) the strategy and investment review panel shall conduct a review, give written comments, and submit the same to the Strategic Development and Investment Committee for their consideration and approval;
- (5) the strategic planning functional unit shall compile reports on the planning of mid-term and long-term development strategies, and shall submit the same to the strategy and investment review panel. Comments shall be submitted in writing to the Strategic Development and Investment Committee for consideration and approval.

Article 11 The Strategic Development and Investment Committee shall hold meetings to discuss proposals made by the strategy and investment review panel, and submit the results of discussions to the Board, while giving feedback to the strategy and investment review panel.

## Chapter 5 Rules of Procedures

Article 12 The Strategic Development and Investment Committee shall hold meetings from time to time according to the working needs. The Company shall in principle give notice to all committee members three days before convening the meeting and shall provide relevant materials and information. If a provisional meeting is required to be held as soon as possible in case of emergency, the notice of the meeting can be given by telephone or other oral means at any time, but the convener shall make an explanation at the meeting.

The chairman of the Strategic Development and Investment Committee or, if he is absent, another member delegated by the chairman shall chair the meetings.

Article 13 Meetings of the Strategic Development and Investment Committee shall only be held where more than two-thirds of its members are present. Each

member shall be entitled to one vote. Resolutions at any meeting shall be passed by a simple majority of votes of all the members. In the case of an equality of votes, the chairman shall be entitled to a casting vote.

Article 14 Meeting of the Strategic Development and Investment Committee shall be convened on site in principle, and votes shall be taken by a show of hands or on a poll. On the premise of ensuring that all participating committee members are able to fully communicate and express their views, the meeting may be convened by video, telephone or other means in accordance with the procedures, if necessary.

Article 15 The chairman of the investment review panel may become observer at meetings of the Strategic Development and Investment Committee and may invite Directors, supervisors and other management officers of the Company to be observer at such meetings if necessary.

Article 16 If necessary, intermediaries may be engaged by the Strategic Development and Investment Committee at the expense of the Company to give professional advice on its decision-making.

Article 17 The proceedings and voting methods of a meeting of the Strategic Development and Investment Committee and the resolutions passed at such meetings must comply with the requirements of the relevant laws, regulations, the Articles of Association and these Terms of Reference.

Article 18 Minutes shall be taken on all meetings of the Strategic Development and Investment Committee. The minutes of meetings shall be signed by each attending member and the opinions of the independent Directors shall be recorded in the minutes of the meeting. The minutes of meetings shall be kept by the secretary to the Board.

Article 19 Resolutions passed at a meeting of the Strategic Development and Investment Committee and the voting results thereon shall be reported to the Board in writing.

Article 20 All members present at a meeting are obliged to keep confidential all matters discussed at the meeting and shall not disclose such information without authorisation.

## **Chapter 6 Supplementary Provisions**

Article 21 These Terms of Reference shall take effect from the date of consideration and approval by the Board.

Article 22 Any matter not regulated under these Terms of Reference shall be enforced under the requirements of the relevant laws and regulations of the State, the listing rules of the place where the Company's shares are listed and the Articles of Association. Where any of these Terms of Reference is in conflict with the laws and regulations which are newly promulgated by the State, the listing rules of the place where the Company's shares are listed or the Articles of

Association as legally modified, such Terms of Reference shall be enforced subject to the requirements of the relevant laws and regulations of the State, the listing rules of the place where the Company's shares are listed and the Articles of Association. In such case, corresponding amendments shall be made to these Terms of Reference immediately and be submitted to the Board for consideration and approval.

Article 23 These Terms of Reference shall be interpreted by the Board.

WEICHAI POWER CO., LTD.

29 December 2023

(Important notice: These Terms of Reference is published in Chinese and English version. In case of inconsistency, the Chinese version shall prevail.)