SINOTRUK
中国重汽

2025

Environmental, Social and Governance Report

Sinotruk (Hong Kong) Limited

Contents

About this Report

This report is a true reflection of the efforts Sinotruk (Hong Kong) Limited has made in fulfilling economic, social and environmental responsibilities to pursue comprehensive, balanced and sustainable development. The forward-looking statements in the report, including business plans and development strategies, are intended solely to illustrate the Group's future direction and do not constitute any substantial commitment to investors.

Reporting Period

This report covers the period from January 1, 2025 to December 31, 2025 (the "Reporting Period"). Part of the content is beyond the above period.

Scope of Reporting

The scope of this report is Sinotruk (Hong Kong) Limited and its subsidiaries.

Based on the actual production and sales conditions, the Group continuously optimizes the data monitoring system for environmental performance indicators and gradually expands its coverage. Under the principles of materiality and representativeness, the Group selected 29 key subsidiaries or divisions, which are engaged in the manufacturing of components to complete vehicles, as the entities reported under the scope of key environmental performance indicators in this report, including:

Sinotruk (Hong Kong) Limited	Sinotruk Datong Gear Co., Ltd.
Sinotruk Design & Research Institute Co., Ltd.	Sinotruk Jining Commercial Truck Co., Ltd.
Sinotruk Finance Co., Ltd.	Sinotruk Chengdu Wangpai Commercial Vehicle Co., Ltd.
Sinotruk Auto Finance Co., Ltd.	Sinotruk Fujian Haixi Vehicles Co., Ltd.
Sinotruk Ji'nan Truck Co., Ltd.	Sinotruk Liuzhou Yunli Special Vehicles Co., Ltd.
Sinotruk Ji'nan Commercial Truck Co., Ltd.	Sinotruk (Ji'nan) Business Co., Ltd.
Sinotruk International	Sinotruk Hangzhou Engine Co., Ltd.
Sinotruk Ji'nan Power Co., Ltd.	Sinotruk Hubei Huawei Special Purpose Vehicle Co., Ltd.
Sinotruk (Hong Kong) International Investment Limited	Ji'nan Ganghao Development Co., Ltd.
Sinotruk Ji'nan Ganghua Import & Export Co., Ltd.	Sinotruk (Hong Kong) Capital Holding Limited
Sinotruk (Ji'nan) Axle Co., Ltd.	Sinotruk Ji'nan Howo Bus Co., Ltd.
Sinotruk (Ji'nan) Auto Parts Sales and Service Co., Ltd. (formerly known as Sinotruk (Ji'nan) Aftermarket Intelligent Service Co., Ltd.)	Sinotruk Ji'nan Fuqiang Power Co., Ltd.
Sinotruk Ji'nan Rubber & Plastic Parts Co., Ltd.	Shandong Tongxin Zhixing Digital Technology Co., Ltd.
Sinotruk Ji'nan Automotive Components Co., Ltd.	Tongxin Zhixing Logistics Technology (Rizhao) Co., Ltd.
Sinotruk (Chongqing) Light Vehicle Co., Ltd.	

Data Sources

All data disclosed in this report is sourced from official documents, statistical reports and financial reports of the Group, and for the ESG information collected, summarized and reviewed by the Group. This report is available in Chinese and English. Should there be any discrepancy between the Chinese and English versions, the Chinese version shall prevail. Unless otherwise specified, the currency unit used is the Chinese Yuan (RMB).

Basis of Preparation

This report is prepared in accordance with the *Environmental, Social and Governance (ESG) Reporting Guide* in Appendix C2 of the *Listing Rules* of the Stock Exchange, with appropriate reference to the core framework of the *Sustainability Reporting Standards (GRI Standards)* published by the Global Reporting Initiative as well as the rating requirements in capital markets including the ESG index of Morgan Stanley Capital International (MSCI), the S&P Global Corporate Sustainability Assessment (CSA) questionnaire, and the ESG rating index (Sino-Securities ESG Index) developed by Sino-Securities Index Information Service (Shanghai) Co., Ltd. In addition, the report was compiled with reference to the *Guidelines No.17 of the Shenzhen Stock Exchange for the Self-regulation of Listed Companies - Sustainability Report (For Trial Implementation)*.

Description of Reference

For easy reference and reading, Sinotruk (Hong Kong) Limited and its subsidiaries are referred to as "Sinotruk", "the Group", and "we/us/our"in this report.

Access to this Report

For this report and any updates about our sustainable development initiatives, please visit the "Sustainable Development" section of our website (www.sinotruk.com) and the "HKEXnews" website of the Stock Exchange (www.hkexnews.hk).

ESG Statement from the Board

Sinotruk is keenly aware that environmental, social, and governance (ESG) matters are not only a manifestation of the Group's corporate responsibility, but also a critical strategic imperative for risk management and navigating industry transformation. We are committed to achieving dynamic balance and coordinated development among economic value creation, social responsibility, and environmental stewardship. By optimizing our governance framework and enhancing sustainable competitiveness, the Group strives to deliver more robust and enduring business growth.

The Group has established and continues to refine its ESG governance system, forming a three-tiered structure comprising "the governance tier, the management tier, and the execution tier" to ensure comprehensive coverage, systematic advancement, and efficient management of ESG matters. The Board of Directors ("the Board") serves as the highest decision-making and supervisory body for the Group's ESG affairs, bearing ultimate responsibility. It is tasked with formulating ESG strategies, setting targets, overseeing execution, and managing overall performance. Under the Board, an ESG Committee has been established as the core implementing body for driving the ESG strategy. It is responsible for evaluating the Group's ESG performance and ensuring the effective implementation of the Board's ESG-related decisions. At the management and execution levels, the Group has set up an ESG Management Group and an ESG Working Group, respectively, to ensure the systematic implementation of ESG-related work and to promote the in-depth development of various initiatives.

The Group consistently treats the value propositions of its stakeholders as a key basis for strategic formulation and operational decision-making, and has established a systematic mechanism for stakeholder communication and engagement. Through diversified communication channels, we actively listen to opinions from all parties, continuously advance the identification, prioritization, and assessment of material issues. In line with regulatory requirements, industry policies, development trends, and the key focus areas of international ESG rating agencies, we manage and continuously monitor material ESG issues. During the reporting period, the Board of Directors regularly reviewed the list of material ESG issues to ensure that the management of such issues remains closely aligned with the Group's development strategy and can effectively respond to challenges and opportunities arising from changes in the internal and external environment.

The Group will further deepen two-way communication with its stakeholders, continuously refine its mechanisms for identifying and assessing ESG issues, and closely monitor shifts in national policy directions and regulatory requirements. This ensures the Group's ESG practices remain aligned with both global sustainable development goals and major national strategies. At the same time, the Group is committed to enhancing the transparency and accuracy of its ESG disclosures. By providing stakeholders with more comprehensive, reliable, and decision-useful ESG information, we will advance corporate sustainable development and create long-term value.

This report comprehensively, truthfully, and accurately discloses the progress and results of the Group's ESG work in 2025. It was submitted to the ESG Committee of the Board of Directors for review on March 19, 2026, and was subsequently formally approved at the First Meeting of the Board of Directors on March 27, 2026.

About Us

Group Profile

The Group is one of the leading truck manufacturers in the People's Republic of China (PRC) which specializes in the research, development and manufacture of heavy duty trucks (HDTs), medium-heavy duty trucks, light duty trucks (LDTs), etc. and related key assemblies, parts and components. The Group's products widely serve customer groups in various industries and fields such as logistics, transportation and infrastructure construction.

The Group mainly manufactures trucks and also produces assemblies, key parts and components such as engines, cabins, axles, steel frames, gearboxes, etc. The Group is a truck manufacturer which has its own research and development and production capability in trucks as well as the complete production chain. Our products are not only sold domestically but also exported to other countries and regions in the world. In addition, the Group provides financial services for those parties related to the production and sales of the Group's products and to the CNHTC Group.

The Group's businesses are classified into three segments according to the nature of products and services:

SINOTRUK 中国重汽

HDTs segment I

The major source of the Group's revenue is contributed by the sales of HDTs. Its major products series include SITRAK, HOWO and Huanghe, each of which is further divided into various sub-series for different markets. The key production bases are located at Ji'nan and Ji'ning, the PRC. In addition, the Group engages in truck refitting and manufactures specialty vehicles.

LDTs and others segment II

The Group's LDT products mainly include HOWO, Haoman and Wangpai, which production bases are mainly located at Jinan, Fujian, and Chengdu, the PRC. The segment manufactures and sells medium duty trucks, LDTs, buses and other vehicles.

Finance segment III

The financial segment providing auto-finance services to finance the end-users and the dealers to purchase the Group's vehicles in the PRC.

Accolades

Award	Awarding Organization
China Brand Annual Award No. 1	World Brand Lab
2025 China Mechanical Top 500	China Mechanical Industry Enterprise Management Association
2025 World-Class Mechanical Enterprises	China Mechanical Industry Enterprise Management Association
"Luxin Cup" Employee Innovation and Efficiency Award First Prize	Shandong Provincial General Trade Union
Good Design Award	China Innovation Design Industry Strategic Alliance
Globalization Leadership Enterprise	China Automotive News Press Agency
Annual Light Duty Coach	China Automotive News Press Agency
Corporate Governance Pioneer Award	Securities Star
Zhiyuan Award - ESG Pioneer Enterprise	Cailian Press
Golden Globe Award-Annual ESG Pioneer Award	GuruFocus
ESG Golden Cattle Award Top 100	China Securities Journal, China Reform Holdings

Awards Received by the Group in 2025

Sustainable Development Strategy

Sinotruk actively engages in serving the national development agenda, responding to the call for global low-carbon transition and high-quality development. Closely aligned with the Company's strategic objectives, industry characteristics, and ESG development direction, we have systematically constructed the "DRIVE"-centric sustainable development strategic framework. This framework is strategically supported by five pillars: "D - Decarbonization, R - Responsibility, I - Innovation, V - Vitality, E - Engagement," which comprehensively drive the Company's green transformation and sustainable development. Through the systematic planning of the "DRIVE" strategy, the Group deeply integrates the concept of sustainable development into its strategic planning and daily operations, keeps pace with the global ESG development trend, continuously contributes to achieving high-quality and sustainable development, and offers Chinese solutions and Sinotruk's strength to the green transformation of the global commercial vehicle industry.

Sinotruk's "DRIVE" Sustainable Development Strategic Framework

SINOTRUK 中国重汽

DRIVE

Drive Navigation Green Transformation Dual Drive Development

D — Decarbonization

Sinotruk drives progress with Decarbonization, continuously advancing the research and development of new energy technologies and product upgrades to achieve efficient resource circulation, energy conservation, and consumption reduction.

- Clean Energy Investment
- Green Technology Transformation
- Energy Recycling and Utilization

R — Responsibility

Sinotruk fulfills its mission with Responsibility, actively implementing environmental commitments and social contributions, leading the industry in sustainable development.

- Product Responsibility
- Supply Chain Responsibility
- Social Responsibility

I — Innovation

Sinotruk powers transformation with Innovation, focusing on the research, development, and application of cutting-edge technologies to drive the green transition and upgrade of the heavy duty vehicle industry.

- Product Innovation
- Technological Innovation

V — Vitality

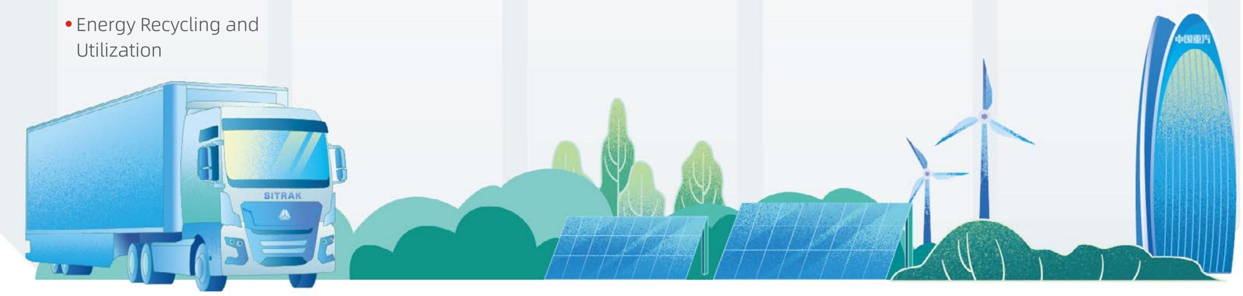
Sinotruk values its people with Vitality, respecting and safeguarding the fundamental rights of its members, and continuously stimulating the creative potential and effectiveness of all employees.

- Employee Occupational Health
- Employee Development

E — Engagement

Sinotruk builds ecosystems with Engagement, collaborating with upstream and downstream supply chains to create and share value, and constructing an open and win-win industrial ecosystem.

- Supplier Management
- Supplier Empowerment



Managing Sustainable Development

Sinotruk deeply integrates the concept of sustainable development into its corporate strategy and operational management practices. By establishing a sound ESG management system, creating diverse stakeholder communication mechanisms, implementing scientific materiality assessment methodologies, and adhering to transparent ESG reporting and disclosure principles, we aim to build a high-standard sustainable development management model.

ESG Management

Sinotruk fully incorporates the concept of sustainable development into its business management, actively promotes the implementation of sustainability strategies, continuously deepens communication and collaboration with stakeholders, enhances the Group's comprehensive governance capabilities, and achieves long-term, stable, and high-quality development.

The Group fully complies with the ESG regulatory requirements of its listing locations. Actively aligning with international ESG standards and industry best practices, and considering the Group's operational reality, we have established a three-tiered ESG governance structure comprising the "governance level, management level, and execution level" to ensure the implementation and oversight of the ESG strategy.

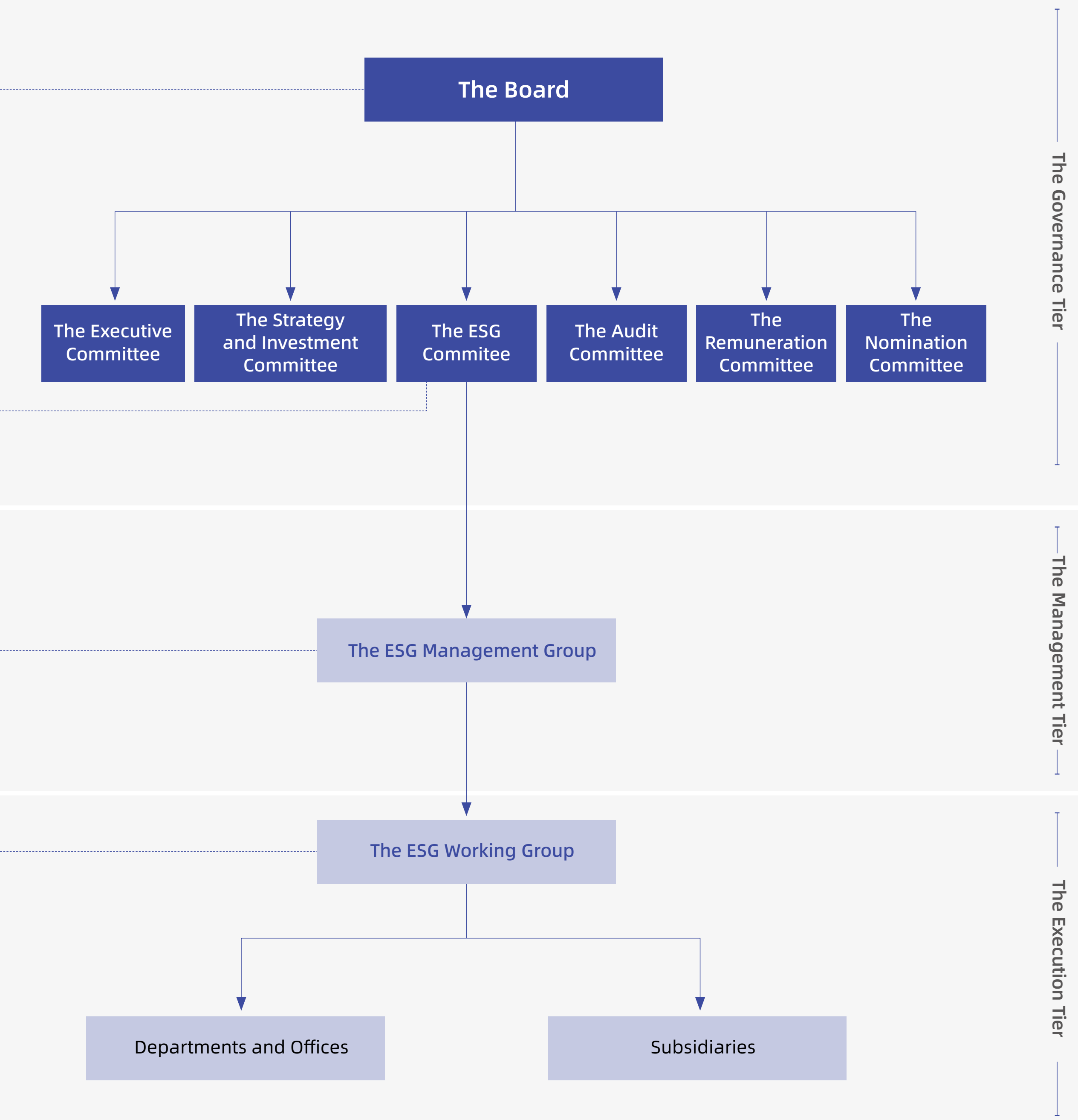
To continuously enhance the Group's environmental, social, and governance (ESG) performance, promote its sustainable development, and drive the overall value creation of the Group, the Company's Board of Directors resolved to establish an Environmental, Social, and Governance Committee (the ESG Committee) effective June 27, 2025. This initiative advances ESG management from a fragmented approach to a systematic one, supporting the Group in achieving standardized operations in areas such as environmental governance and social responsibility fulfillment. It not only ensures compliance but also injects enduring momentum for sustainable development, further solidifying the foundation for the Group's long-term value growth.

- As the highest decision-making and supervisory body for the Group's ESG matters, responsible for the ESG strategic planning and the review and oversight of ESG risks;
- Regularly receiving reports on the Group's ESG work, approving the results of stakeholder communications, and making final decisions on material ESG issues for the Group;
- Reviewing and approving the annual ESG report to ensure its accuracy, comprehensiveness, and timeliness, in compliance with regulatory and industry requirements.

- As the core executive body responsible for implementing the Group's ESG strategy, responsible for formulating and overseeing the implementation of ESG management policies;
- Identifying and assessing the Group's ESG risks, managing ESG-related matters, reviewing the Group's ESG performance, facilitating the Board's ESG-related decisions, and, through these measures, to ensure the Group's continuous progress and compliance in ESG.

- Coordinating the Group's ESG management activities to ensure alignment with ESG guidelines and strategies;
- Identifying potential ESG risks and areas for improvement within the Group, and regularly reporting on the progress of ESG work to the Board and the ESG Committee;
- Preparing the Group's annual ESG summary and ESG report, and systematically presenting achievements and improvement initiatives in ESG-related efforts.

- The ESG Working Group consists of staff from various business departments and subsidiaries, and is responsible for the execution and promotion of ESG work to ensure compliance with relevant policies;
- Assisting in advancing various sustainable development projects and regularly reporting progress to the ESG Management Group.



ESG Governance Framework of Sinotruk

Communicating with Stakeholders

Sinotruk attaches high importance to communicating and collaborating with all stakeholders, having established a diversified communication mechanism covering government agencies, regulatory bodies, shareholders, investors, customers, employees, the public, partners, and the environmental sector. The Group integrates the expectations and concerns of stakeholders into strategic planning and operational decisions through various channels, achieving close alignment between corporate development and the needs of all parties, and fostering a sustainable development pattern of shared creation and mutual benefit.

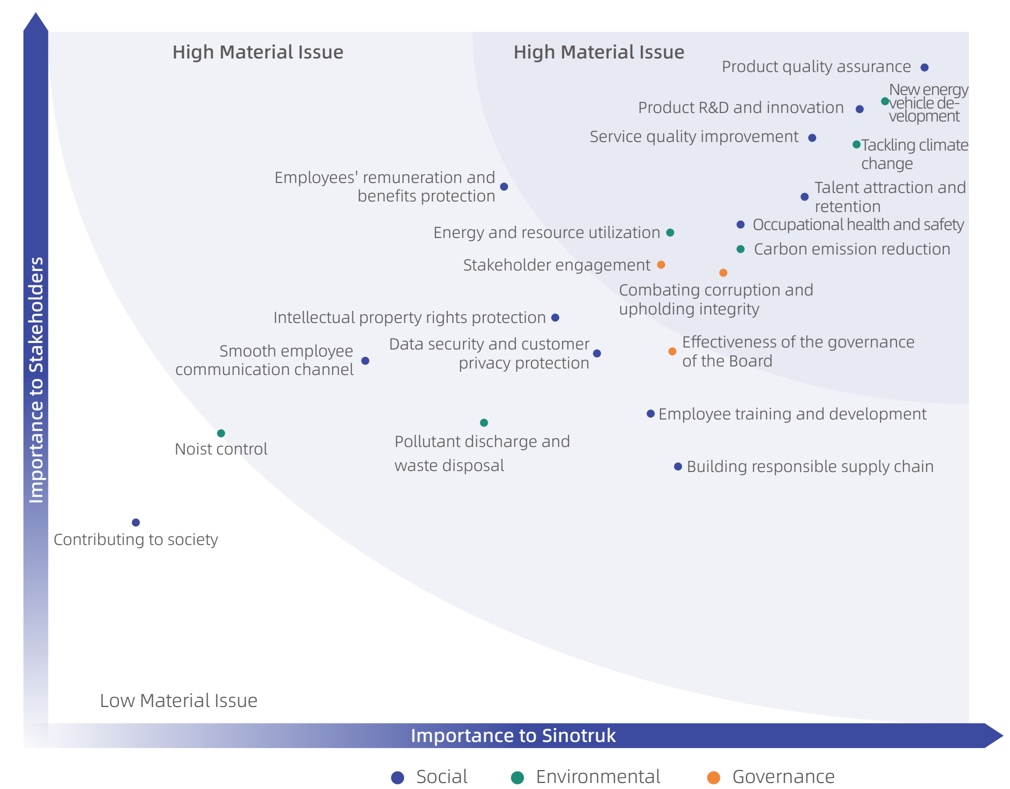
Stakeholders	Stakeholders' Expectations	Communication Mechanism
Governments and regulators	• Legal compliance • Compliant operations • Tax payment • Supporting local development	• Information disclosure • Daily communication and report • On-site visits • Supervision and inspection • Visitor reception
Shareholders and investors	• Sustainable development and rewarding shareholders • Information disclosure and investor relations • Corporate governance and risk control	• General meetings of shareholders • Regular reports and announcements • Communication meetings with investors
Customers	• High-quality products • Excellent services • Protection of rights and interests of consumers	• After-sale service hotline • Smart Sinotruk (mobile App) • Product quality assurance • Customer satisfaction survey • Regular communication activities with customers
Employees	• Salaries and benefits assurance • Healthy working environment and development platform • Equal promotion and development opportunities	• Remuneration system • Performance management • Staff training • Daily communication
Partners	• Commitment fulfillment • Fair, equitable and open procurement • Win-win development	• Open tendering and bidding • On-site reviews • Suppliers' meetings • Business conferences
Society	• Contributing to urban development • Improving public awareness • Contributing to community harmony	• Voluntary service • Supporting cultural and sports activities • Voluntary unpaid blood donation • Supporting anti-pandemic battle
Environment	• Promoting environmental protection • Protecting ecological balance	• Emissions management • Resource consumption reduction • New energy vehicles

Communicating with Stakeholders

Assessing Material Issues

Sinotruk adopts a scientific and systematic methodology for identifying and assessing material ESG issues, aiming to enhance the precision and decision-making value of information disclosure. The Group strictly adheres to the *ESG Reporting Code* in Appendix C2 of the Main Board Listing Rules of the Stock Exchange, conducts in-depth analysis of the key focus areas of the capital market on sustainability, benchmarks against the ESG practices of industry leaders, and comprehensively identifies ESG issues that have a material impact on the Group's operations and long-term development through multi-channel communication.

We comprehensively consider the level of concern from internal and external stakeholders regarding different issues, integrate industry development trends, changes in regulatory policies, and the characteristics of the Company's business operations, and adjust the materiality ranking of issues as needed. The materiality matrix is reviewed regularly to ensure it accurately reflects the Company's current development status and future direction.



Material Issue Assessment Results of Sinotruk in 2025

Responding to ESG Reporting Principles

Sinotruk strictly adheres to international standards and regulatory requirements of listing locations for ESG information disclosure, thus ensuring the accuracy, transparency, and comparability of data.

Materiality: In accordance with ESG Reporting Code, the Group selects and discloses ESG issues that have the most significant impact on its operations and stakeholders. This approach ensures that the report meets regulatory requirements and effectively addresses the concerns of the market and stakeholders.

Quantitative: For key quantitative indicators related to environmental and social categories, the Group has established a regular monitoring and statistical mechanism, whose results will be summarized and disclosed at the end of the year. All disclosed data include detailed explanations of calculation methodologies and reference standards, thus enhancing transparency and verifiability. Detailed data and their calculation methods can be found in relevant sections of this report.

Consistency: Unless otherwise specified, the statistical methods and disclosure scope used in this report remain consistent with those of the previous year, with the objective of facilitating trend analysis and long-term tracking.

01 Strengthen Governance, Operate in Compliance

Sinotruk places great importance on high-quality corporate governance and compliant operations. We are committed to establishing a comprehensive and efficiently operating modern corporate governance system, continuously improving internal control mechanisms and compliance management processes with a focus on risk prevention and control. Information security and privacy protection are integrated into our governance framework to ensure that all business operations strictly comply with national laws and regulations, regulatory requirements, and ethical business standards.

Key Progress in 2025

The Group held **1** session of director risk management training with the participation of **15** directors

11 sessions of employee risk management training over **1,753** employees

The Group organized **11** sessions of integrity education with a total duration of **22** hours

15 enrollments of directors

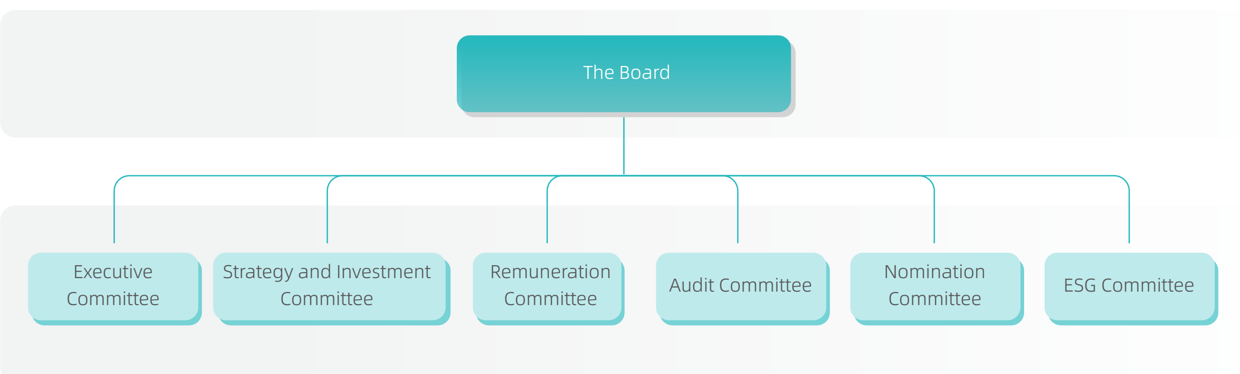
1,753 enrollments of general employees

Consolidating Corporate Governance

The Group continuously enhances the standardization, transparency, and professionalism of its operations and management, while consistently optimizing the effectiveness, diversity, and independence of Board management. With high-standard governance effectiveness, the Group steers the Company toward steady and long-term growth, achieving responsible, sustainable, and high-quality development.

Board Management

The Group continuously improves its corporate governance system centered on the Board of Directors and has established a governance structure with clear authorities and responsibilities and efficient operations. Under the Board, the Executive Committee, the Strategy and Investment Committee, the Remuneration Committee, the Audit Committee, the Nomination Committee, and the ESG Committee have been set up. Each committee, acting within its clearly defined mandate, participates in and provides oversight and guidance in specialized areas such as the Group's strategy formulation, operational decision-making, risk control, and compensation incentives.



The Board Structure of Sinotruk

Board Effectiveness

The Group places continuous emphasis on enhancing the effectiveness of the Board, establishing a robust governance mechanism centered on annual regular review mechanisms, the supervisory role of independent non-executive director, and fair, transparent director nomination and election processes. This ensures the Board's efficient operation and diligent fulfillment of duties. To strengthen governance structure, the Group has implemented comprehensive procedures for director selection and appointment, clearly stipulating that each director shall resign at least once every three years in accordance with the *Listing Rules* of the Stock Exchange and the *Articles of Association*, thereby promoting the dynamic renewal and continuous improvement of the governance framework.

The Board convenes regular Board meetings in accordance with the *Articles of Association*, strictly adhering to the statutory quorum requirements for the convening and decision-making of Board meetings, ensuring thorough deliberation and sound decision-making on key strategic initiatives and significant matters. During the Reporting Period, Sinotruk held a total of four Board meetings, with an average attendance rate of approximately 90%, demonstrating strong engagement and effective governance. Additionally, three General Meetings were convened, during which seven resolutions were reviewed and approved. All decisions were made in compliance with the required quorum, fully safeguarding the legality, legitimacy, and representativeness of the governance process. Through these measures, the Group continues to uphold the interests of the Company and its shareholders.

During the Reporting Period

Sinotruk held a total of **4** Board meetings

with an average attendance rate of approximately **90%**

3 General Meetings were convened

during which **7** resolutions were reviewed and approved

Director and Senior Management Remuneration

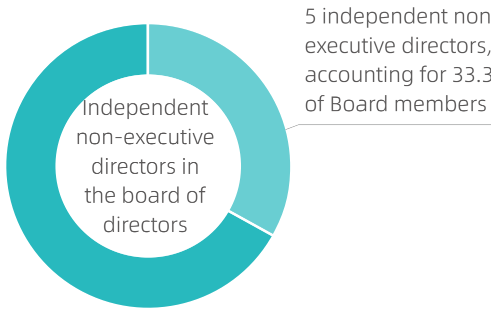
The Group has established a remuneration structure based on three core elements: position value, performance contribution, and ability development, ensuring it reflects both market competitiveness and internal fairness. In strict accordance with the *Articles of Association*, the *Terms of Reference of the Remuneration Committee of Sinotruk (Hong Kong) Limited*, and the *Performance Assessment and Compensation Incentive Management Method for Senior Management and Core Employees of Sinotruk (Hong Kong) Limited*, the Remuneration Committee is responsible for formulating and reviewing remuneration policies to guarantee the system's scientific rigor, reasonableness, and motivational effectiveness.

To further promote sustainable development and long-term value creation, the Group has integrated ESG-related objectives into the performance appraisal system through the *Management Process for Key Performance Indicators (KPIs)*, covering critical dimensions such as safety production, environmental protection, and corporate governance. By linking remuneration incentives to ESG performance, we strengthen environmental and social responsibility as well as governance risk control. Remuneration payments fully adhere to the performance-oriented principle, being implemented based on the achievement of annual objectives and comprehensive assessment results. This ensures that remuneration arrangements are closely aligned with the Group's strategic goals and sustainable development path, effectively driving senior management to fulfill their duties and responsibilities, thereby unifying individual performance with organizational development.

Board Independence

To continuously enhance the objectivity of the Board's professional judgment and the quality of its decision-making, the Group strictly adheres to the *Listing Rules* of the Stock Exchange and the requirements of the *Articles of Association*. The Group focuses on recruiting outstanding individuals with profound industry experience and professional backgrounds from around the world, and ensures that independent non-executive directors account for no less than one third of Board members, thereby strengthening oversight, checks and balances, and governance credibility. Furthermore, to effectively safeguard their independence, the Group requires all independent non-executive directors to sign a letter of confirmation regarding their independence each year, ensuring that in the performance of their duties, they consistently act in the interests of the Company and all shareholders, and express their opinions based on an objective stance and professional expertise.

As of the end of the Reporting Period



Board Diversity

The Group places emphasis on the diversity and professionalism of the Board composition. By formulating and implementing the *Board Diversity Policy*, the Group systematically considers multiple dimensions such as gender, age, professional background, industry experience, and geographical distribution during the director selection process, in order to continuously enhance governance effectiveness and decision-making quality. The selection of Board members adheres to the principles of openness and diversity, attracting talent through various channels including internal promotions, reappointment assessments, management recommendations, and external recruitment, ensuring the Board possesses broad representation and profound professional expertise.

As of the end of the Reporting Period, the Board consisted of 15 members, including 7 executive directors, 3 non-executive directors, and 5 independent non-executive directors, among whom 2 were female directors. Independent non-executive directors accounted for 33.3%, effectively strengthening the independence of oversight and the objectivity of decision-making. The average tenure of Board members was approximately 3.47 years, combining structural stability with inclusive perspectives.

Latest Board Members of Sinotruk

Name	Gender	Position/ Responsibility	Professional Capabilities			
			Industrial Experience[1]	Risk Management Experience[2]	Financial Management Experience[3]	International Project Experience[4]
Liu Zhengtao	Male	Chairman, Executive Director	√			
Liu Wei	Male	President, Executive Director	√			
Li Xia	Female	Executive Director	√		√	
Han Feng	Male	Executive Director	√			
Zhao Hua	Male	Executive Director	√			√
Wang Dechun	Male	Executive Director	√			
Han Xing	Female	Executive Director	√			√
Cheng Guangxu	Male	Non-executive Director	√			
Karsten Oellers	Male	Non-executive Director	√		√	√
Mats Lennart Harborn	Male	Non-executive Director	√			√
Wang Dengfeng	Male	Independent Non-executive Director	√			
Zhao Hang	Male	Independent Non-executive Director	√			
Lyu Shousheng	Male	Independent Non-executive Director	√			
Zhang Zhong	Male	Independent Non-executive Director		√		
Liu Xiaolun	Male	Independent Non-executive Director		√	√	

[1] Refer to the professional background in companies classified under the "machinery" industry according to the Global Industry Classification Standard (GICS®).
[2] Refer to the expertise in risk management or professional experience in roles related to risk management.
[3] Refer to the expertise in finance, accounting, etc. or experience in roles related to finance and auditing.
[4] Refer to the expertise in international project management.

Strengthening Risk Management

With a stable and systematic risk management philosophy, the Group has established a comprehensive risk management and internal control system that is deeply integrated with corporate governance and strategic objectives. Through a sound organizational structure, clear authority and responsibility processes, and continuous cultural development, the Group achieves ex-ante prevention, in-process control, and ex-post supervision of risks, thereby providing a solid guarantee for the sustainable development of the Group.

Risk Management System

In accordance with the *Comprehensive Risk Management Process* and the *Compliance Management Measures*, the Group has established a risk governance framework with the Board of Directors bearing ultimate responsibility. As the highest decision-making body, the Board of Directors is responsible for ensuring the continued robustness and effective operation of the Group's risk management and internal monitoring systems, as well as conducting regular review and supervision of their implementation.

Under the Board of Directors, the Audit Committee is established to coordinate and oversee major risk matters and comprehensively oversee the Group's risk management work. The Committee adopts an integrated operational mechanism of "Committee decision-making layer - Legal and Compliance Department execution layer", which upwardly connects to the strategic deployment of the Board of Directors, downwardly effectively guides and supervises various business units in implementing their primary responsibilities, horizontally collaborates with risk-responsible departments such as strategy, finance, and marketing, and interfaces with supervisory forces such as audit and discipline inspection. Thus, under the governance system of 'Board decision-making, management execution, full-staff responsibility, and supervision and accountability', it promotes risk management to achieve closed-loop operation with vertical penetration and horizontal collaboration.

Risk Management Organizational Structure

Decision-making Level
Audit Committee of the Board of Directors
Responsible for coordinating and researching major risk management matters

Execution Level
Legal and Compliance Department
Responsible for organizing, promoting, and daily coordination, as well as reviewing the effectiveness of risk management
Audit Department
Responsible for internal audit and independent evaluation of the effectiveness of internal control

Building upon this foundation, the Company strictly establishes and implements the "Three Lines of Defense" system for risk management, clearly defining responsibilities at each level, systematically preventing operational risks, and continuously enhancing overall risk management capabilities.

"Three Lines of Defense" Risk Management of Sinotruk

First Line of Defense - Business Units & Functional Departments
Responsible for the real-time identification, assessment, and response to various risks within business processes, fulfilling primary responsibility.

Second Line of Defense - Risk Management Department
Led by the Legal and Compliance Department and coordinated by the Risk Management Leadership Group, they are responsible for establishing risk management policies, tools, and processes, supervising and reviewing the effectiveness of the risk management system, reporting the overall risk status of the Company, and tracking the response to major risks.

Third Line of Defense - Internal Audit Department
Audit Department independently performs the oversight and evaluation function, conducting independent audits and re-supervision of the effectiveness of the internal control systems.

Review and Assessment

In accordance with the *Comprehensive Risk Management Process*, the Group manages risks throughout their entire lifecycle, covering identification, assessment, monitoring, and response. Regular risk reviews are conducted to comprehensively evaluate risk descriptions, probability of occurrence, and impact levels. In 2025, to strengthen internal supervision and continuous improvement, we organized various departments and affiliated units of the Group to conduct quarterly self-assessments of the internal control system, with a particular focus on areas such as business ethics. These assessments comprehensively evaluated the effectiveness of the design and operation of the internal control system, forming a management closed loop of "assessment - improvement - review." The Group conducts risk management audits at least quarterly.

In 2025, a total of 15 key audit projects were implemented, covering 27 subsidiaries. During the Reporting Period, the Group did not experience any significant risk events, internal control over financial reporting remained effective, and overall risks were in a controllable state.

Furthermore, the Group incorporates risk management work into the performance appraisal system. By formulating and implementing a specialized performance appraisal plan for risk management and conducting annual performance evaluations, the Group promotes the layered implementation of risk management responsibilities, ensuring that risk control mechanisms are effectively integrated across all levels of the organization, thereby laying a solid foundation for the Group's sustainable and high-quality development.

Risk Management Training

To systematically enhance risk awareness and professional management capabilities among all employees, the Group has established a regular risk management training mechanism. In 2025, focusing on core areas such as risk identification, assessment, and response, the Group conducted a total of 11 specialized training sessions, with employee participation reaching 1,753 people. These sessions achieved broad coverage across different levels and functional roles, effectively strengthening the overall risk prevention and control capabilities of the organization.

In terms of enhancing the supervisory effectiveness of the governance level, the Group also places high importance on risk management training for directors. In 2025, the Group organized one specialized training session for executive directors, non-executive directors, and independent non-executive directors. All 15 directors of the Company participated in the director training, ensuring that all Board members continuously understand risk trends, regulatory requirements, and the Company's risk management practices, thereby providing strong support for them to fulfill their strategic oversight responsibilities.

In 2025

the Group conducted a total of **11** specialized training sessions on risk management

with employee participation reaching **1,753** people

In 2025

the Group organized **1** specialized training session for executive directors, non-executive directors, and independent non-executive directors

All **15** directors of the Group participated in the director training

Upholding Business Ethics

Sinotruk adheres to the behavioral principles of "Valuing Ethics, Diligence, and Integrity" integrating business ethics into the very fabric of the Group's development. By establishing a sound business ethics management system, the Group continuously conducts integrity education and training, broadens supervision and reporting channels, and strictly regulates all types of commercial conduct. This requirement is extended to all suppliers and business partners, with the aim of jointly building a safe, and mutually beneficial business ecosystem with integrity and trust.

Business Ethics Management

In strict compliance with the *Anti-Monopoly Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, the *Interim Provisions on Banning Commercial Bribery*, and other relevant laws and regulations, the Group has formulated internal management policies such as the *Management Measures for Consultations and Notifications on Integrity Building*, the *Administrative Accountability Management Measures*, the *Code of Business Ethics*, and the *Anti-Corruption and Bribery Policy*. In 2025, the Group continued to improve its internal system framework by revising the *Compliance Management Measures* and formulating the *Management Measures for Compliance Review of Major Business Decisions*, thereby comprehensively deepening business ethics and compliance management.

The Group upholds a firm stance of "zero tolerance" towards corruption and has established and continuously strengthened a long-term mechanism for integrity risk prevention and control. An internal control system has been established with the Board as the highest responsibility and supervisory body, complemented by a regular evaluation and improvement mechanism. Building upon this, the Group focuses on creating a concrete, precise, and normalized closed-loop system for the identification, prevention, control, and supervision of corruption risks. Through strictly implemented annual special inspections, comprehensive routine audits, and multi-dimensional strict supervision, the Group achieves full audit coverage of all operational businesses, thereby comprehensively guarding against integrity risks in daily operations and significantly reducing the occurrence of related risk incidents.

In 2025, the Group carried out systematic audit supervision to deepen integrity risk prevention and control. Throughout the year, a total of 15 key audit projects were organized and implemented, covering 27 subsidiaries, with a focus on the proactive identification, precise assessment, and in-depth investigation of anti-corruption risks. During the Reporting Period, the Group maintained a "zero record" of corruption behaviors and corruption lawsuits.

Whistleblowing Management

To effectively prevent and combat violations of regulations and discipline and fulfill its commitment to "zero tolerance," Sinotruk has established the *Management Measures for Discipline Inspection and Supervision Reporting* and operates a diversified and confidential reporting and protection mechanism. The Group has set up a Case Supervision and Management Office under the Group's Commission for Discipline Inspection, staffed with full-time discipline inspectors responsible for handling related reporting incidents. Multiple reporting channels are provided, including a dedicated hotline, email, physical mailbox, and online platform, all of which are maintained for 24/7 accessibility. The Group explicitly encourages and protects internal employees, suppliers, and any informed parties to report any suspected misconduct on a real-name or anonymous basis.

All reported leads are investigated and handled in a timely, impartial, and professional manner in accordance with strict internal procedures. The Group solemnly commits to maintaining the highest level of confidentiality regarding whistleblower information and has established clear policies that strictly prohibit and penalize any disclosure of such information or retaliation against whistleblowers, thereby providing solid protection for reporters. During the Reporting Period, the Group did not receive any verified reports related to corruption, reflecting the continuous improvement of the internal control environment and employee ethical awareness.

Sinotruk Reporting Channels

- Reporting Hotline: 0531-58062233
- Reporting Email: zgzqjw@sinotruk.com
- Online Reporting Platform: Sinotruk (Hong Kong) LimitedDiscipline Inspection Commission Reporting Platform

Integrity Training

The Group persists in deeply embedding integrity into corporate governance and daily conduct, closely aligned with the Company's strategy and business development. It systematically organizes and conducts compliance training and legal awareness campaigns focusing on key areas, effectively enhancing the compliance literacy and integrity awareness of employees in critical positions and providing solid support for the integrity-driven operation of the Group's management. Meanwhile, we organize annual training for disciplinary inspection institutions, covering content such as reporting procedures and the use of reporting channels. Through integrity education, compliance lectures, policy training. And warning education, the use and norms of reporting channels are incorporated into the training programs. In 2025, the Group conducted a total of 11 specialized integrity and compliance training sessions, covering key topics such as domestic and overseas investment compliance, national security education, and legal awareness promotion of the Constitution and the Civil Code. These sessions primarily targeted key personnel from various business units, with participation reaching 1,753 people, all 15 directors of the Group participated in the integrity training.

Case | Specialized Training on the Interpretation of the *Anti-Unfair Competition Law*

On May 26, 2025, the Group organized a specialized training session on the interpretation of the *Anti-Unfair Competition Law*. Closely aligned with high-frequency risk areas in business practices, the session conducted systematic analysis and case studies on the legal definition of commercial bribery, typical scenarios, compliance red lines, and prevention strategies, strengthening participants' in-depth understanding of relevant provisions and enhancing employees' integrity awareness.

Integrity Culture Training

Supplier Business Ethics

The Group has formulated the *Supplier Code of Conduct*, explicitly requiring all partners to adhere to principles such as business ethics, anti-corruption, anti-commercial bribery, and fair competition. To manage major risks, the Group has implemented the *Management Procedures of "Blacklist" for Business-related Parties* covering the entire Group, imposing strict control over supplier behavior and establishing rigorous disciplinary and exit mechanisms.

To clarify integrity responsibilities, the Group extensively signs the *Agreement on Mutual Commitment to Honesty and Integrity* with suppliers and conducts regular collaborative supervision and audits on suppliers. As of the end of the Reporting Period, among the 1,612 directly managed procurement and supporting suppliers, 1,510 have completed the agreement signing, achieving a signing rate of 93.7%. Meanwhile, the Group also emphasizes that supply chain employees adhere to professional ethics. The Supply Chain Management Center organized 100% of bid evaluation experts and tender panel members to sign the *2025 Tender Work Commitment Letter*, committing to maintaining openness, fairness, and impartiality in tender and evaluation work, thereby strengthening the integrity defense line internally.

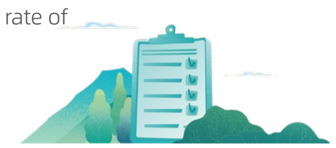
As of the end of the Reporting Period

1,510

directly managed procurement supporting suppliers have completed the signing of the *Agreement on Mutual Commitment to Honesty and Integrity*

achieving a signing rate of

93.7%



The Supply Chain Management Center organized

100%

of bid evaluation experts and tender panel members to sign the *2025 Tender Work Commitment Letter*

Through regular training and strategic exchanges, the Group continuously conveys the value of integrity and compliance to the supply chain, promoting self-regulation among suppliers and deepening their awareness of compliant operations, thereby jointly building a robust integrity defense line across the entire value chain. In 2025, the Group successfully held the Global Supply Chain Strategic Partner Conference with the theme "Technology Leads, Win-Win Across the Chain," laying a solid foundation for building a clean, stable, and sustainable industrial chain ecosystem.

Case | Global Supply Chain Strategic Partner Conference with the Theme "Technology Leads, Win-Win Across the Chain"

On December 20, 2025, Sinotruk hosted the 2026 Global Supply Chain Strategic Partner Conference with the theme "Technology Leads, Win-Win Across the Chain" in Jinan. Sinotruk and 1,139 core supplier representatives present jointly launched the *Supply Chain Integrity and Trust Initiative*. This initiative clearly defines the behavioral boundaries and guidelines for all cooperating parties, aiming to build consensus across the entire chain on "integrity in operations and compliant management," and establish a joint prevention and control mechanism with partners for shared risk prevention and trust building. This lays a solid ethical and trust foundation for the long-term stability of the supply chain and the high-quality, sustainable development of the industrial chain.

Scene of the Global Supply Chain Strategic Partner Conference

Tax Compliance

The Group has established a systematic tax management system to ensure that both domestic and overseas operations fully comply with relevant tax laws, regulations, and regulatory requirements. To enhance the standardization and efficiency of tax management, the Group has set up a clear tax management structure, defining responsibilities, processes, and standards for each stage. Relying on a professional team and an informatized system, the Group achieves full-process monitoring of tax handling. Through regular tax health checks, quantitative assessment of potential risks, and self-inspection mechanisms, the Group is able to promptly identify and address tax-related risks, ensuring accurate filings and timely payments. During the Reporting Period, the Group's tax handling remained compliant and transparent, with no tax disputes having occurred. All taxes were paid in full and on time, and overall tax risks were kept under control, providing strong support for the steady development of the business.

Regulatory Requirements for Domestic and Overseas Operations

Domestic

Tax-related work is strictly conducted in accordance with laws and regulations such as the *Enterprise Income Tax Law*, the *Interim Regulations on Value-Added Tax*, and the *Tax Collection and Administration Law*.

Overseas

The Group adheres to the tax policies of the jurisdictions where it operates, international tax rules, and bilateral tax treaties, fulfilling tax obligations in accordance with the law.

Safeguarding Information Security

Information security and privacy protection are the foundation of the Group's digital development and a key commitment we make to all stakeholders. We are dedicated to building a comprehensive and rigorous information security management system, continuously enhancing our security defense capabilities to effectively safeguard the core information and privacy rights of our customers, employees, and the enterprise.

Information Security

Sinotruk has systematically built a multi-layered information security defense system covering governance, technology, operations, and culture from a strategic perspective. We strictly adhere to laws and regulations, establishing a solid security baseline at every stage of our operations to ensure the safety and compliance of all types of data throughout their entire lifecycle—from collection, storage, and use to transmission.

Information Security Management System

We actively develop an information security management system deeply integrated with our global business layout and regulatory requirements. In strict compliance with laws and regulations such as 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*, and the *Provisions on the Management of Automotive Data Security (For Trial Implementation)*, we have formulated 12 institutional documents, including the *Information Security Management Measures*, and 20 normative standards. This comprehensive institutional system ensures the security and compliance of data throughout its entire lifecycle. In 2025, the Group did not experience any information security incidents.

The Group has established a clear information security governance structure with well-defined responsibilities. With the Board of Directors as the highest leadership level, it comprehensively oversees and makes decisions on information security management. A dedicated working group has been set up to promote and implement information security initiatives, clarifying the responsibilities and division of labor at each level to ensure the systematic, effective, and continuous nature of information security management.

Data Security Management Structure of Sinotruk

Process and Digital Empowerment Leadership Group

- A Leadership Group with the Chairman as the highest responsible person
- Implementing the cybersecurity work deployments from the state and superior competent authorities, formulating the Group's overall informatization construction plan, reviewing major cybersecurity strategies and key informatization projects, and providing guidance, coordination, and supervision over overall cybersecurity matters.

Cybersecurity and Information-based Construction Leadership Group

- A working group with the Board of Directors as the responsible body
- Specifically executing the resolutions and work deployments of the Leadership Group, responsible for drafting and implementing various cybersecurity strategies, informatization plans, and key project proposals, establishing and operating a cybersecurity inspection and evaluation system to ensure the implementation of standards, and organizing relevant training, exchanges, and capacity-building activities.

In addition, the Group is comprehensively advancing digital and intelligent transformation. A Digital and Intelligent Transformation Leadership Group has been established as the highest leadership body, with the Group's Chairman serving as the principal responsible person, overseeing the overall planning and decision-making for the digital and intelligent transformation efforts. Concurrently, the subordinate Digital and Intelligent Transformation Promotion Working Group is responsible for organizing and executing daily tasks, effectively ensuring the efficient coordination and implementation of the Group's digital and intelligent strategy alongside information security requirements.

Sinotruk Digital and Intelligent Transformation Management Structure

Digital and Intelligent Transformation Leadership Group

- Led by the Chairman and involving heads of major business segments.
- Serves as the highest leadership body for overall coordination, fully responsible for planning the transformation direction, reviewing major decisions, and coordinating resource deployment.

Digital and Intelligent Transformation Promotion Working Group

- Responsible for the execution of specific plans, cross-departmental coordination, daily progress tracking, and effectiveness evaluation.Ensures the digital and intelligent strategy is closely integrated with the information security system for unified advancement, effectively enabling business innovation and management upgrades, and guaranteeing an efficient, controllable, and sustainable transformation process.

In 2025, Sinotruk closely aligned with the Group's core strategic deployment. Guided by business needs, driven by technology, and oriented towards value creation, we comprehensively promoted the in-depth development of digital transformation, effectively completed all key annual tasks, and injected strong momentum into the Group's operational efficiency improvement, management upgrade, and sustainable development.

Sinotruk Digital and Intelligent Transformation Initiatives and Achievements

Process Efficiency Enhancement

Completed the remediation of 246 process gap, achieving a maximum approval node reduction rate of 27.6%. Established a Group-level process evaluation and control system, significantly improving operational efficiency.

End-to-End Digital Integration

Achieved end-to-end digital coverage from R&D and manufacturing supply chain to marketing, finance, and support functions, systematically enhancing operational efficiency across all segments.

Data Governance Upgrade

Obtained DCMM Level 4 certification. Both the lock scheduling/kit completeness rate and the parts kit completeness rate increased by 10 percentage points, effectively unleashing the value of data assets.

Large-Scale Implementation of AI Scenarios

Implemented over 20 AI application scenarios, achieving a penetration rate of 7.01%. Efficiency in core business processes improved by up to 24 times, driving intelligent transformation.

Fortifying the Transformation Foundation

Project node delay rate reduced to 2.71%. No major cybersecurity incidents occurred throughout the year, ensuring the steady and sustainable advancement of digital transformation.

Information Security Processes and Measures

Sinotruk has established a systematic information security assessment mechanism, conducting regular information risk assessments that cover network security, data leakage, and other potential security hazards. In accordance with internal policies such as the *Information System Security Incident Management Process* and the *Information System Security Development Management Process*, we have clearly defined emergency response procedures for security incidents.

Data Leakage Handling Process Flow

System Alert

- The data exit control system monitors for activities that trigger preset alert policies and promptly sends alert notifications to the system administrator.

Investigation

- Upon receiving the alert, the administrator formally reports the data leakage incident and contacts relevant personnel to initiate a root cause investigation.
- Investigators download the system's evidence files, combine them with the detailed records in the alert information, locate the source IP address, and ascertain the specific circumstances.

Handling

- Once data leakage or privacy leakage is confirmed, the team immediately implements corresponding remedial measures.
- Based on the actual severity of the incident, relevant responsible parties are subject to assessment and handling at corresponding levels.

Information Security Risk Assessment Measures

- Conducting regular internet risk assessments to promptly decommission unnecessary exposed internet assets, reduce permissions, and minimize the attack surface.
- Performing periodic penetration testing on all Group information systems and issuing monthly network and information security bulletins to communicate the overall security status.
- Carrying out threat intelligence work, issuing a total of 41 vulnerability alerts throughout the year to promptly warn of risks and drive investigation and remediation.
- Performing security assessments during the project initiation and launch phases of informatization projects, analyzing security requirements based on actual business needs and providing recommendations, and completing security testing before system go-live.
- Enhancing anti-leakage technical capabilities by optimizing data leakage prevention policies for endpoints, networks, and applications. Through strengthening file encryption/decryption, print control, endpoint file transfer monitoring, and deploying encryption software, print management, endpoint protection, and internet behavior management policies, over 700 policies have been cumulatively deployed.

To continuously enhance the level of data security control and ensure the stable operation of information security initiatives, the Group has established a data security audit system covering all business operations. In 2025, we implemented a regular audit mechanism for privileged accounts, completing special audits of privileged accounts for all application systems. Through comprehensive verification of account lists and implementation of registration and filing, we tracked, supervised, and implemented closed-loop rectification for issues identified during the audits. Simultaneously, we systematically assessed the current state of privileged account management, accurately identified and eliminated vulnerabilities in permission controls, and effectively promoted the implementation of information security management requirements.

The Group initiated a special evaluation of information security, conducting a comprehensive assessment across five dimensions: organizational responsibilities, strategy and principles, technical architecture, construction and operations, and supervision and evaluation. Based on the shortcomings identified during on-site evaluations and the latest industry security standards, we formulated targeted improvement plans, clearly defining responsible entities, rectification timelines, and acceptance criteria. Furthermore, we established a regular follow-up mechanism to periodically supervise and inspect the progress of the plans, thereby effectively strengthening regional information security defenses.

In 2025, the Group successfully obtained ISO 27001 Information Security Management System certification. The audit scope focused on key areas of information security within the design and development, sales, and related management activities of the automotive and parts business.

Information Security Management Certificate

To further enhance the security of information systems and emergency response capabilities, the Group issued and implemented the *Information System Emergency Incident Handling Process* and the *Information Leakage Incident Handling and Management Process*. Corresponding process forms were created within the OA[5] system, fully realizing online management. Meanwhile, to strengthen data security management, we classified and graded data based on security levels within the data asset catalog. Data usage and export require approval based on the classification level; general data requires approval from the data owner, while sensitive data requires additional approval from the responsible leader, thereby effectively preventing data leakage and non-compliant use.

In 2025, we focused on building proactive defense and passive response mechanisms, effectively enhancing the overall information security capability.

Sinotruk Data Security Defense Mechanisms

Active Defense

- Deployed a SOAR (Security Orchestration, Automation and Response) platform to achieve unified linkage and policy coordination between the Group and 9 secondary units, covering a total of 19 types of security devices, thereby improving the efficiency of response and handling to attack alerts.
- Continuously conducted internet exposure surface checks, proactively identifying and cleaning up exposed internet assets, and disabling internet access for some non-essential hosts, significantly reducing the risk of being attacked at the source.

Passive Response

- Established a 24/7 monitoring and automated handling mechanism based on the situational awareness platform. Throughout the year, over 910,000 external attack threats were handled. Through intelligent analysis and automated response, 61,575 malicious IP addresses were accurately blocked.
- Established a regular vulnerability alert and management closed-loop. Through the cybersecurity liaison group and the *Sinotruk Group Network and Information Security Bulletin*, 41 alerts were issued throughout the year. Deep detection was completed for 352 systems, identifying and driving the remediation of 249 security vulnerabilities, forming a virtuous cycle of continuous improvement.

In 2025, we regularly conducted emergency drills, completing drills for 30 core business systems throughout the year, achieving 100% coverage of core system drills, and producing relevant plans. Through these drills, we ensured that all departments could respond promptly during emergencies, continuously optimized contingency plans, improved overall emergency response capabilities, and minimized the impact of security incidents on operations.

Case | Organizing Information Attack and Defense Drills

In 2025, Sinotruk successfully responded to three provincial/ministerial-level practical attack and defense drills by building an integrated collaborative defense system encompassing "organization-technology-process." By organizing 24-hour joint defense across all secondary units of the Group, establishing a real-time intelligence sharing mechanism, and crucially relying on the SOAR platform to achieve automated linkage blocking of attacks, we ultimately ensured that the Group's network perimeter remained unbreached during the drills, achieving an outstanding defensive result of "zero breaches, zero incidents."

2025 Information Attack and Defense Drill Site

We continuously extend the scope of information security management to the supply chain. Prior to initiating cooperation, we strictly enforce access approval procedures. All partners are required to sign legally binding *Confidentiality Agreements*, which clearly define the scope of confidential information, the confidentiality period, the responsibilities of both parties, and the consequences of breach, ensuring effective control of the Group's sensitive information throughout all stages of cooperation. For third parties that require access to internal resources, authorized access is uniformly provided through a controlled cloud desktop system, ensuring that operations are auditable and data does not reside locally.

[5] OA system is the abbreviation of "Office Automation System", which is a system that uses information technology to automate the daily office affairs and business processes of a company.

Information Security Training

Sinotruk places great emphasis on the cultivation of information security culture and employee training. The Group has established a year-round regular training and awareness promotion system, utilizing a combination of online and offline training methods to continuously enhance employees' security awareness and compliance capabilities. In 2025, the Group conducted 2 information security awareness training sessions, achieving a 100% employee coverage rate.

Case | "Sinotruk Cloud Academy" Platform Training

Through the "Sinotruk Cloud Academy" online platform, the Group offered a mandatory course titled *Enhancing Basic Digital Knowledge and Skills - Information Security* for all employees. This course systematically explained the cybersecurity landscape, laws and regulations, basic attack and defense knowledge, and practical personal security protection. Concurrently, we organized group-wide information security awareness special lectures irregularly throughout the year, updating the training content with the latest cases to ensure that the security awareness of all personnel kept pace with the times.

Information Security Training Site

Case | Special Legal Lecture on "Cybersecurity and Data Security"

In April 2025, targeting key positions and management personnel, the Group organized a special legal lecture on "Cybersecurity and Data Security," focusing on national security regulations and corporate compliance requirements. The training audience covered information security officers, data management key personnel, and full-time/part-time legal affairs personnel from all departments of the Group and its secondary units, strengthening the management's risk identification and compliance decision-making capabilities.

Information Security Training Site

Case | National Cybersecurity Awareness Week

Taking the "National Cybersecurity Awareness Week" as an opportunity, the Group carried out diversified security culture promotion activities. We integrated security awareness into daily work scenarios by designing and posting thematic posters, looping warning education videos on public screens, and setting up security reminder banners in the campus. Furthermore, the security awareness reinforcement training we organized included on-site quizzes after the lectures. Cybersecurity administrators and information technology-related personnel from the Group and its subsidiaries all participated, effectively consolidating the learning outcomes and fostering a positive organizational atmosphere where "everyone values security and everyone participates in protection."

National Cybersecurity Awareness Week Activities

Privacy Protection

We consistently prioritize the data privacy security of our users and employees, establishing and continuously improving a systematic and transparent privacy protection mechanism, making trust the most solid foundation between us and all stakeholders.

Privacy Protection Mechanism

Sinotruk strictly adheres to the *Personal Information Protection Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, and other relevant laws and regulations. We have established a management system covering the entire data lifecycle, including collection, storage, and exit, to comprehensively standardize business processes involving personal information. In 2025, for business systems and APPs involving personal information, we revised and improved the *Privacy Policy*, clearly informing users of the scope, purpose, rights protection, and security measures related to the collection of their personal information. Simultaneously, a mandatory reading and agreement mechanism for the privacy policy has been added to the user login process, implementing the principle of "informed consent" from the source to ensure the legality and transparency of personal information processing.

The Group has established a customer information protection mechanism spanning the three key stages of "Collection, Storage, and Exit," ensuring that personal information is managed systematically and in a standardized manner throughout the entire data lifecycle. In 2025, Sinotruk received no complaints related to personal information and privacy, and no incidents of user privacy data leakage occurred.

Vehicle User Privacy Protection Mechanism

Collection

- Publicly released the *Smart Sinotruk Service Agreement* and the *Smart Sinotruk Privacy Policy* on customer touchpoints such as the "Smart Sinotruk" APP, clearly defining the scope and purpose of personal information collection, and explicitly informing users of their legal rights, including access, correction, deletion, and account cancellation, ensuring transparency, legality, and legitimacy in information collection.

Storage

- Deployed a multi-layered technical protection system, including next-generation firewalls and Intrusion Prevention Systems (IPS) at internal and external network boundaries, to monitor and protect data storage and access activities in real-time.
- Strictly implemented access control based on the principle of minimization, and utilized technical measures such as account security policies and file encryption to prevent data leakage, tampering, and unauthorized access.
- Prevented data and customer information leakage by setting account lock duration and thresholds, and installing file encryption systems.

Exit

- Formulated and implemented the *Data Exit Compliance Review Management Process* to conduct legality, necessity, and security reviews of data intended for exit.
- To meet cross-border data flow compliance requirements, the Company established a dual mechanism of "system control + expert review." By deploying a data exit management system, automated verification and full-process logging of elements such as data type, destination, and legal basis for exit data are achieved.
- Established a dedicated data exit review process. Any data intended for exit must undergo necessity, legality, and security measure reviews by the legal and compliance department before execution, ensuring that exit activities consistently comply with national regulatory requirements.

Personal Information Risk Assessment

The Group places great importance on the protection of personal information. We have established a regular risk assessment and continuous improvement mechanism. We regularly conduct personal information protection impact assessments and specialized privacy security risk assessments to systematically identify potential risk points within business processes that may threaten the security of users' personal information, and develop targeted rectification and protection measures. All assessment findings and rectification progress are regularly reported to the Group's Cybersecurity and Informatization Leadership Group to ensure closed-loop management of risk governance.

02 Innovative Products Value Co-creation

Sinotruk is grounded in responsibility and driven by innovation. The Group continues to deepen intelligent manufacturing and green low-carbon transformation, accelerates the construction of an open and collaborative clean technology industrial ecosystem, and steadily consolidates the foundation for high-quality development. Upholding the business philosophy of "Customer First," Sinotruk optimizes product and service experiences around customer needs, perfects its full-chain service network, strengthens refined supply chain management and collaborative efficiency, and continuously enhances value creation capabilities to achieve mutual benefit, win-win outcomes, and long-term development with customers.

Key Progress in 2025

The Company's research and development investment reached RMB **2.90 billion**, accounting for **2.65%** of operating revenue

The Group's investment in clean technology research and development amounted to RMB **639 million**

The sales of new energy heavy duty trucks increased by approximately **249%** year-on-year compared to 2024

The Company has conducted **12** supplier training sessions, covering **809** suppliers

Customer satisfaction rate reached **99.88%**

Strictly Uphold Product Liability

Sinotruk continuously refines its quality management system covering R&D, procurement, manufacturing, and service. Guided by the goal of "zero defects," we strengthen quality control and risk prevention mechanisms across the entire process and value chain to ensure product safety and reliability throughout their lifecycle. Simultaneously, quality responsibilities are cascaded to every position, integrating quality awareness into daily operations and performance management to drive full participation and continuous improvement.

Quality Management System

The Group strictly complies with relevant laws and regulations, including the *Product Quality Law of the People's Republic of China*, as well as quality management system standards such as ISO 9001:2015 and IATF 16949:2016. The Company has systematically established and continuously improved its quality management policy framework. Focusing on quality management throughout the product lifecycle, the Company has formulated and consistently implemented policy documents including the *Product Development Control Procedure*, *Process Development Control Procedure*, *Product Audit Control Procedure*, and *Supporting Product Quality Management Measures*. This has constructed a comprehensive control mechanism covering product planning, R&D design, manufacturing production, supporting parts management, and after-sales service.

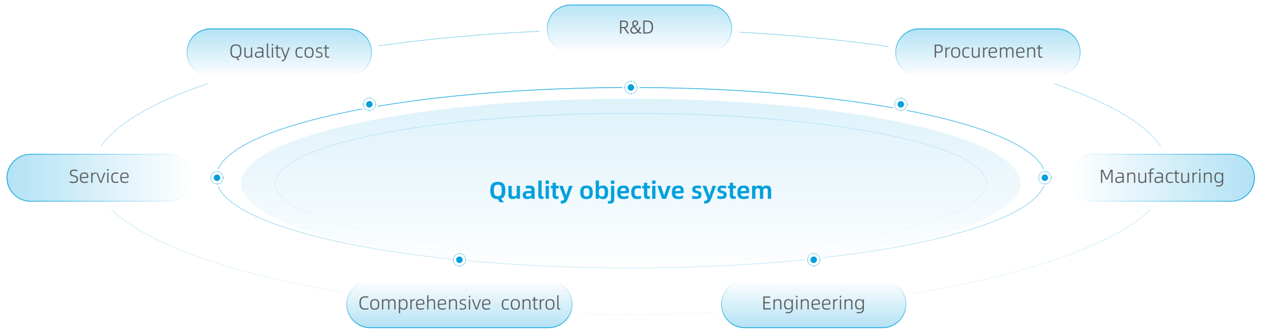
Under the overall leadership of the Board of Directors, our quality management structure features clearly defined responsibilities and distinct divisions of labor at each accountability level, ensuring that quality management requirements are effectively communicated and implemented.

Sinotruk Quality Management Structure

Board Members	▪ Coordinate and supervise the establishment and operation of the quality management system to ensure compliance with relevant standards and regulatory requirements, while clearly defining the quality responsibilities and authority boundaries for each department and position. ▪ Establish and improve the quality accountability and performance incentive policy to strengthen quality accountability and promote a positive incentive orientation.
Quality Director	▪ In accordance with applicable standards, the Company has established, implemented, and continuously optimized its quality management system. ▪ Coordinate external communication and co-ordination related to the quality management system, and promote the awareness and capability within the organization to meet customer requirements and quality objectives.
The Group's Quality Department	▪ Responsible for the execution, monitoring, and improvement of quality management work, as well as conducting data statistics, analysis, and targeted enhancement initiatives. ▪ Organize and implement quality supervision, inspections, and internal audits across manufacturing units to drive issue rectification and experience sharing.
The Quality Department of each production unit	▪ Implement quality management requirements and clarify and implement the organization's quality policy and objectives. ▪ Responsible for quality inspection, supervision, and product audit throughout the entire process from raw material receipt to finished product delivery. ▪ Conduct supplier product quality evaluation and performance assessment.

To achieve annual quality objectives, the Company has established a target management system covering seven key areas: R&D, procurement, manufacturing, engineering management, comprehensive management, customer service, and quality cost management. This initiative has created a clear and well-structured quality control framework that facilitates synergy between top-level planning and frontline execution.

During implementation, the Company further clarified quality responsibility entities across all business segments and established a quality performance assessment indicator system aligned with operational realities. The Company promoted the decomposition of relevant indicators by manufacturing units down to workshops and teams, strengthening the implementation of quality responsibilities and mechanisms for full staff participation. We continuously optimize the information management of quality indicators and the construction of data analysis models. Supported by reliable quality data, we provide customers with stable and dependable product quality assurance.



Quality Objective System of Sinotruk

In 2025, the Group established a four-level quality system maturity model based on existing quality audits. We refined inspection clauses for modules such as manufacturing, warehousing, and after-sales service, shifting the evaluation focus from compliance to quantification. By implementing unified scoring standards for on-site audits and process verifications, we developed rectification lists and tracked their implementation. Assessments indicate that all modules have achieved at least a standardized level of performance. Furthermore, the standardization of process execution and the timeliness of issue closure have been further enhanced, allowing quality control to become more focused on process effectiveness.

During the reporting period, Sinotruk did not experience any major liability accidents or receive relevant administrative penalties in product quality management. In terms of product health and safety management. There were no violations of the Group's internal management requirements, nor were any external fines issued or warnings received from regulatory authorities.

In 2025

All manufacturing subsidiaries of Sinotruk obtained the IATF 16949 and ISO 9001 Quality Management System certifications.

IATF 16949 Quality Management System Certification of Sinotruk

Full Life Cycle Quality Management

The Group has established a multi-dimensional review mechanism based on a product lifecycle quality management model, continuously advancing the standardization and digitalization of quality management. By deploying intelligent technologies to build an information platform, we achieve dynamic monitoring and traceability management throughout the vehicle manufacturing process, strengthen the closed-loop mechanism for rectifying issues, and steadily enhance our product quality control capabilities.

Product Development

The Group continues to refine the quality management system during the new product development phase. Based on existing policies such as the *New Product Development Quality Assessment Management Measures* and the *Product Development Control Procedures*, we strengthen quality control throughout the development phase to effectively prevent and mitigate quality risks in the market verification stage of new products.

The Company has established a cross-departmental collaboration mechanism to foster synergy and information sharing among R&D, manufacturing, procurement, and testing departments, while continuously carrying out targeted improvements and technical optimizations based on actual business needs. In alignment with international market expansion and global product positioning, the Company simultaneously optimized its new product development processes to strengthen capabilities in identifying and precisely matching market demands. In 2025, the Group conducted four specialized internal audits in the R&D field. Through process streamlining and rectification of identified issues, it continuously enhanced the operational quality and management maturity of the R&D system.

Supply Chain Quality Management

The Group places high importance on supply chain quality management. We implement the *Supporting Product Supplier Qualification and Product Release Approval Procedures* to clarify supplier access standards and product requirements, thereby strengthening quality control over components and key supporting products. The Company regularly organizes supplier quality performance assessments. For suppliers that fail to meet standards, we enforce management measures such as rectification within a specified period, inclusion in a negative list, or elimination. These actions drive improvements in overall supply chain quality levels and enhance the ability to identify and mitigate supply chain quality risks. Furthermore, the Company routinely conducts internal and external supplier quality conferences to collaborate with partners in elevating quality standards.

Supplier Quality Management Training

Quality improvement have been achieved through supporting products

- In alignment with the requirements for the preparation and submission of *Production Part Approval Process* documentation, the Company regularly conducts supplier capability enhancement training, significantly improving the release quality of supporting products. In 2025, the Company organized three online training sessions and two offline specialized training sessions, covering 100% of suppliers.

Enhancement of Supplier Quality Capability

- We implemented a targeted assistance program for key suppliers to enhance quality. Through specialized technical guidance, system audit support, and third-party improvement coaching, we provided directed assistance to 109 key suppliers. As a result, the defect rate in incoming inspections decreased by 51% year-over-year, and the zero-kilometer defect rate dropped by 78%.

Product Manufacturing

The Group has established and implemented institutional documents including the *Quality Gate Management Measures*, *Product Audit Control Procedures*, *Process Development Control Procedures*, *Process Development Management Measures*, and *Process Capability Research and Evaluation Management Measures* to enhance quality assurance capabilities. Adhering to the principles of "root cause analysis and systematic rectification", the Group reviews the entire production process from a systemic perspective, focusing on key areas such as process control, equipment management, and inspection measurement, while urging relevant departments to implement corrective actions. In 2025, the Group conducted 26 special audits in total, identifying 572 issues. Through cross-departmental collaboration and on-site penetration, the Group thoroughly investigated root causes such as process defects or unclear responsibilities, promoting continuous improvement of the quality system and process policies. Subsequently, we carried out verification work on various issues and successfully closed 98% of them.

Product Recall

The Group strictly adheres to the *Regulations on the Administration of Recall of Defective Automotive Products* and relevant regulatory requirements to continuously improve its defective product recall management mechanism. In accordance with the requirements of the Comprehensive Information Management Platform for the Recall of Defective Automotive Products, we standardize the filing and dynamic updating of enterprise and product information. Simultaneously, we organize and implement voluntary recalls or cooperate in executing mandatory recalls in compliance with the law, while concurrently implementing corrective actions and preventive measures to ensure effective issue closure. In 2025, the Company established the CCC[6] Inspection and the Vehicle Recall Work Committee to strengthen consistent inspection and recall management.

During the Reporting Period

the proportion of products recalled for safety and health reasons among the total volume of sold or shipped products was

0.05%

Quality Culture Development

The Group regularly conducts quality-focused initiatives through the dissemination of quality policies, awareness training, skills competitions, and daily exchanges. These activities help employees master quality management concepts and methodologies, enhance process control capabilities, thereby reducing quality risks and improving product quality. In 2025, the Company focused on popularizing tools and methods, deepening professional skills, and establishing compliance qualifications. The Group conducted 22 training sessions, with cumulative participation exceeding 2,000 person-times.

2025 Quality Management Capability Enhancement Special Training

Jinan Parts Department 2025 Quality Inspection Skills Competition

[6] China Compulsory Certification

Innovation Product Development

Sinotruk leverages technological innovation as its core driving force, continuously increasing R&D investment to focus on breakthroughs in new energy and intelligent connected vehicle technologies. This drives the optimization and upgrading of traditional energy systems while facilitating the implementation of advanced autonomous driving applications, thereby constructing a closed-loop ecosystem for the new energy industry. The Group strengthens high-value patent portfolios, actively builds high-level innovation platforms, deepens industry-university-research collaborations, and introduces and cultivates top-tier talent to continuously enhance its independent innovation capabilities and industry leadership.

Innovating R&D Layout

Sinotruk pursues the corporate vision of building a world-class full-series commercial vehicle group. Accelerating its pace of independent innovation, the Company has implemented a three-dimensional innovation strategy based on smart factory foundations, breakthroughs in products across all scenarios, and the aggregation of industrial chain ecosystem momentum. This has enabled autonomous control over core components such as engines and transmissions. In the new energy sector, the Group has comprehensively deployed three technical routes: pure electric, hybrid, and hydrogen fuel cell technologies. It has established a full-chain independent R&D system to accelerate the development of a full-series new energy product matrix, resulting in a continuous increase in the penetration rate of new energy commercial vehicles.

The Group has established policies such as the *Development Argumentation Control Procedure* to strengthen full-process management and node control of R&D projects. In terms of R&D models, we adhere to a systematic approach with overall vehicle coordination, enhancing performance optimization and collaborative component design to improve product competitiveness in safety, reliability, and comprehensive performance. Focusing on key areas such as vehicle manufacturing and power systems, the Company closely aligns national strategies and market demands, continuously increasing R&D investment, and accelerating the application of advanced technologies and the transformation of results.

We continue to strengthen the team of scientific research and innovation talents by formulating and improving policies such as the *Technology Achievement Evaluation Management Process* and the *Science and Technology Award Management Process*. We have also improved the achievement evaluation and incentive mechanisms to stimulate innovation vitality. In 2025, the Company employed 3,184 R&D personnel.

The Group places high importance on technological innovation leadership, continuously enhancing R&D investment intensity while coordinating innovation and development efforts comprehensively. In 2025, the Company's R&D investment reached RMB 2.902 billion, accounting for 2.65% of operating revenue.

Outcomes of Technological Innovation

The Group actively undertakes and participates in national and provincial key research tasks. In 2025, the Group led the implementation of 2 major national science and technology special projects and 3 provincial key scientific research projects.

This year, Sinotruk focused on key areas such as new energy propulsion, intelligent driving, and high safety with low energy consumption. We continued to advance core technological breakthroughs and industrial applications, overcame multiple industry bottlenecks, and established a technical system with independent intellectual property rights. These efforts have significantly enhanced product competitiveness and industry leadership.

Highlights of Sinotruk's Innovative Technology Projects and Achievements in 2025

Development and Application of Commercial Vehicle Series-Integrated Dual-Motor Drive Axles

- We developed an integrated dual-motor two-speed electric drive axle configuration, overcame challenges in integrated architecture, mode control, noise reduction and vibration damping, and lubrication assurance, and achieved large-scale industrialization.

Key Technologies and Industrialization of Intelligent Driving Systems for heavy duty Vehicles

- We have broken through key technologies including active safety control, obtained authorization for 17 invention patents, and led the formulation of one industry standard. Our technology has reached an advanced international level, with a market share exceeding 40% in high-level intelligent driving, leading industry development.

Key Technologies and Applications for High Safety and Low Energy Consumption in Heavy Commercial Vehicles

- We revealed the dynamic characteristics of the "human-vehicle-road" system and overcame key technologies such as in-cylinder braking force control, systematically resolving challenges related to braking safety, fuel economy, and lightweighting. We have obtained 33 authorized invention patents. The results have been applied across multiple product series of Sinotruk, delivering significant economic and social benefits.

Development and Application of Key Technologies for NVH Comfort in Commercial Vehicle Cabins

- Focusing on the health and safety needs of drivers and passengers, Sinotruk implemented key technology research and development for commercial vehicle cabin sound and vibration comfort. The Company broke through core technologies including local sensitive frequency control, adaptive damping seats, and active noise cancellation for the entire vehicle, significantly enhancing dynamic cabin comfort and sound insulation levels. The overall technology has reached an advanced international level.

Scaled deployment of new energy unmanned mining trucks at the scale of hundreds of tons

- This project is data-driven and establishes a development closed loop of "simulation-testing-iterative optimization", breaking through traditional design models for mining vehicles. In response to the complex operational scenarios in mines, the Company has deployed multiple technology routes including pure electric, battery swapping, methanol range-extending, and fuel range-extending systems. The Company has completed the R&D of high-efficiency electric drive powertrains, brake-by-wire systems, and steer-by-wire systems.
- Simultaneously, we successfully developed dynamic semantic high-precision mapping and multi-sensor fusion localization technologies for complex mining environments. We also established an intelligent connected platform and scheduling system based on BeiDou positioning. Consequently, we launched a hundred-ton-class new energy autonomous mining vehicle, which has now achieved scaled demonstration application.

2025 Key Scientific Research and Innovation Awards and Honors

Project	Award	Awarding Body
Key Technologies and Applications of Fusion Perception for Intelligent Driving in Complex Scenarios	First Prize of the 2025 Technical Invention Award of the China Society of Automotive Engineers	China Society of Automotive Engineers
Development and Application of Commercial Vehicle Series-Integrated Electric Drive Axles	Third Prize of the 2025 Mechanical Industry Science and Technology Progress Award	China Machinery Industry Federation, China Society for Mechanical Engineering
Research and Application of Key Technologies for High-Efficiency, Low-Energy-Consumption, Intelligent, and High-End Heavy Duty Trucks	Third Prize of the 2025 Science and Technology Progress Award of the China Society of Automotive Engineers	China Society of Automotive Engineers
New 16-speed helical gear dual-countershaft synchromesh transmission with locking rings	2025 National Patent Award Excellence Prize	China National Intellectual Property Administration
Research and Application of Key Technologies for Electric Vehicle Powertrain Systems with Wide Temperature Range and Wide Operating Condition Regulation	Second Prize of the 2025 Shandong Provincial Science and Technology Award	People's Government of Shandong Province
Key Technologies and Applications of Multi-Motor, Multi-Mode Electric Drive Systems for New Energy Mining Trucks with a Capacity of Hundreds of Tons	First Prize of the 2025 Jiangsu Provincial Science and Technology Award	People's Government of Jiangsu Province
Development and Industrialization of Key Technologies for Diesel Engines in Next-Generation Trunk Logistics Vehicles	Second Prize of the 2025 Shandong Provincial Science and Technology Award	People's Government of Shandong Province
Key Technologies for High-Efficiency Conversion of Natural Refrigerant CO_2 Thermodynamic Cycles	First Prize of the 2025 Tianjin Technical Invention Award	People's Government of Tianjin City

Industry-University-Research Cooperation

The Group continues to deepen external research collaboration by actively integrating industry chain and academic resources. We engage in joint problem-solving and technology co-creation with leading domestic and international enterprises and universities/research institutes, introducing cutting-edge outcomes to accelerate innovation commercialization. In 2025, we cumulatively conducted external technical cooperation with 15 universities, 3 research institutions, and 55 enterprises. The cooperation areas primarily focus on new energy, intelligent connected vehicles, and electronic control systems.

Case | Collaborative Lightweight R&D Project with Jilin University

The Group collaborated with Jilin University on a national key research and development program to complete a lightweight design scheme for an all-aluminum chassis of an 18-ton pure electric cargo truck. The all-aluminum chassis achieved a weight reduction of 38% while maintaining a safety factor of 1.3, balancing lightweighting with high reliability. Consequently, the vehicle's curb weight was reduced to 7.1 tons. The project has currently completed the installation of reliability prototype vehicles and conducted reliability road verification.

Industry Standard Formulation

The Group actively undertakes the formulation and revision of national and industry standards. In 2025, we participated in 19 national standards, 6 group standards, and 3 industry standards. We continue to enhance our leading capabilities in key technical areas, providing robust support for standardized development and high-quality growth within the industry.

Sinotruk Standard Formulation Status in 2025

	Standard Number	Standard Name
National Standards	GB/T 20718.2-2025	Road Vehicles - Electrical Connectors between Towing and Drawn Vehicles (13-way) - Part 2: 12V 13-way Water-Resistant Type
	GB 20071-2025	Occupant protection in side-impact collisions for automobiles
	GB/T 13594-2025	Performance Requirements and Test Methods for Anti-lock Braking Systems on Commercial Vehicles and Trailers
	GB/T 32960.3-2025	Technical Specification for Remote Service and Management System of Electric Vehicles - Part 3: Communication Protocol and Data Format
	GB/T 13492-2025	Automotive Coatings
	GB/T 20716.1-2025	Road vehicles - Electrical connectors between towing vehicles and trailers (7-pin) - Part 1: Connection of braking systems and running gear for vehicles with a nominal voltage of 24 V
	GB/T 20716.2-2025	Road vehicles - Electrical connectors between towing vehicles and trailers (7-pin) - Part 2: Connection of braking systems and running gear for vehicles with a nominal voltage of 12 V
	GB/T 45797-2025	Performance Requirements and Test Methods for Low-Voltage Electrical Systems of Road Vehicles
	GB 29743.3-2025	Motor Vehicle Coolant - Part 3: Coolant for Fuel Cell Vehicles
	GB 46312-2025	Protective Clothing Sandblasting Protective Suit
	GB/T 46083-2025	Additive Manufacturing: Technical Specifications for Multi-Beam Powder Bed Fusion Equipment
	GB/T 44851.16-2025	Road Vehicles - Liquefied Natural Gas (LNG) Fuel System Components - Part 16: Vaporizers
	GB 21668-2025	Technical Conditions for Safety of Hazardous Goods Transportation Vehicles
	GB/T 1222-2025	Spring Steel
	GB/T 17895-2025	Gas-Fueled Vehicles Terminology
	GB/T 17676-2025	Gas-Fueled Vehicles Mark
	GB/T 34598-2025	Technical Specifications for Plug-in Hybrid Electric Commercial Vehicles
	GB/T 23335-2025	Regulations for Type Approval Testing of Natural Gas Vehicles
	GB/Z 21437.4-2025	Road vehicles - Tests for electrical/electronic components to assess electromagnetic compatibility (EMC) - Part 4: Electrical transient conduction emission and immunity along high-voltage shielded power lines
Group Standards	T/CHTS 10193-2025	Technical Safety Requirements for Vehicles in Electrified Road Transport Systems
	T/CHTS 10194-2025	Technical Standards for Overhead Contact Lines in Electrified Road Transport Systems
	T/CHTS 10196-2025	Technical Requirements for Vehicle Pantograph Operation on the Grid in Electrified Road Transport Systems
	T/CHTS 10195-2025	Technical Standards for Electric Traction Power Supply in Electrified Road Transport Systems
	T/CSAE 440-2025	Typical Application Scenarios for Commercial Vehicles
	T/CAMT 26-2025	General Technical Specification for Hot-Rolled Flat Steel
Industry Standards	QC/T 1223-2025	Special Requirements for Heavy Duty Commercial Vehicles and Trains on Equipment Upgrade Bridges
	QC/T 1224-2025	Method for Determining the Vibration Damping Effect of Commercial Vehicles Equipped with Air Suspension
	QC/T 222-2025	Dump Truck

New Energy Industry Development

The Group actively responds to the national strategic layout and continues to advance new energy technology R&D and product upgrades, accelerating the construction of a green, low-carbon, intelligent, and efficient product system. In 2025, the Group's investment in clean technology R&D amounted to RMB 639 million, representing a year-over-year increase of 5% compared to 2024. Sales of new energy heavy duty trucks achieved a year-over-year growth of over 249% compared to 2024. Revenue from all new energy products accounted for 14.1% of total revenue.

Clean Technology R&D Objectives:

Aligned with low-carbon and zero-carbon development goals, the Group has formulated a clean technology investment plan. The Company plans to increase its investment in clean technology R&D by 5% compared to the 2024 baseline. This target has been achieved, further enhancing the Company's green technology innovation capabilities and market competitiveness.

In 2025

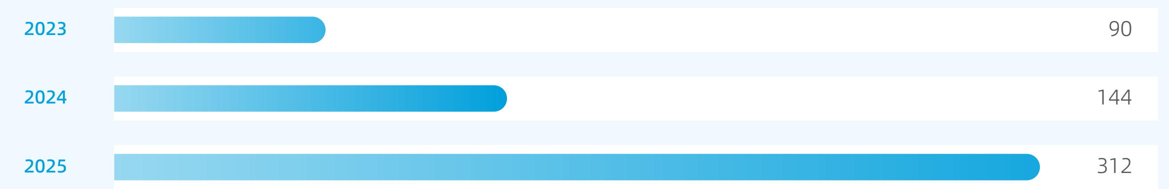
the Group's investment in clean technology R&D amounted to RMB

639 million

representing a year-over-year increase of

5% compared to 2024

Number of Clean Energy Patents Held by Sinotruk from 2023 to 2025



The Group has established a technical matrix centered on pure electric vehicles, supported by hybrid and fuel cell technologies, based on its "One Core Leading, Two Wings Driving" product planning. Driven by scenario-specific needs and targeting typical application scenarios, the Group has refined its product portfolio to include series such as tractors, dump trucks, specialized vehicles, and light duty cargo trucks. Meanwhile, we are further advancing energy-efficient technologies, including high-efficiency powertrains for conventional energy sources, lightweight vehicle bodies, low rolling resistance tires, and aerodynamic designs with reduced drag coefficients, to accelerate the reduction of overall vehicle fuel consumption.

In 2025, we focused on diverse operational scenarios including trunk line logistics, port collection and distribution, mining operations, and urban engineering transport. We systematically launched differentiated product solutions covering multiple technology routes such as pure electric, battery swapping, and fuel-incremental range extension. This established a product layout of 'scenario customization plus technology combination' to promote the implementation of relevant solutions. By providing mature and reliable technical pathways and scenario verification experience for the new energy commercial vehicle market, we accelerated the industry's low-carbon transformation process.

Sinotruk New Energy Heavy Duty Truck Operational Scenario Solutions

Pure Electric Technologies

In the field of pure electric technology, the Company has comprehensively breakthrough key links in the development and testing of new energy vehicle electronic control systems. Relying on its independent software and hardware systems, it has established two core power platforms: the e-drive axle and the central drive, with core technical capabilities at an advanced industry level. Based on a mature product matrix and precise insights into segmented operational scenarios, the Company has constructed a dual-pathway technology layout of "e-drive axle + central drive". By implementing a customized strategy of "one vehicle, one scenario, one solution", it enhances product adaptability and operational efficiency to meet the differentiated usage needs of different customers.

Sinotruk Highlights of Pure Electric Vehicle Models

SITRAK

We independently developed a side-mounted flat battery structure dump truck featuring high reliability, high power output, and high passability, with a battery capacity of up to 600 kWh. This model is equipped with the industry's most powerful motor, rated at 400 kW with a peak power of 600 kW, paired with Sinotruk's exclusive seven-speed transmission, enabling it to adapt to any complex operating conditions. The innovative integrated design of the battery pack layout and upper body achieves an industry-leading ground clearance of over 510 mm for the highest passability standard. Efficient flat-wire motor technology, combined with flexible control strategies (power/economy modes and a five-gear braking energy recovery strategy), results in comprehensive energy consumption that remains at the forefront of the industry.

We successfully developed a tractor equipped with a 500 kWh underfloor charging technology. This model features a wide-body cab and achieves an optimized structure that reduces its curb weight to as low as 11 tons, balancing comfort with operational profitability. Additionally, it is powered by a three-electric motor drive axle system delivering robust performance with a peak power output of 825 kW. Coupled with an aerodynamic design and an efficient energy management strategy, the vehicle achieves industry-leading energy consumption performance, with comprehensive electricity consumption at less than 1.1 kWh/km.

For the international market, we have introduced the G7H 800-degree pure electric 6×4 tractor truck, providing a benchmark-level solution for long-haul logistics electrification. This model focuses on dual upgrades in range and charging efficiency. Equipped with CATL's 800kWh high-capacity power battery, an advanced electronic control system, and dual-gun 600A super-fast charging technology, it achieves a full-vehicle range exceeding 500 kilometers, effectively breaking the limitations of pure electric heavy duty trucks to short-distance operations.

Light Duty truck

We initiated the development project for the Pure Electric Commander Pro Right-Hand Drive (RHD) model targeting developed markets. This initiative aims to develop high-end RHD pure electric light truck products while covering global RHD markets. The product's powertrain utilizes an efficient electric drive axle powertrain, capable of accommodating 120 to 150kW drive motors and 80 to 165kWh battery packs, meeting multi-condition application scenarios across all major global regions.

We also initiated the development of logistics products based on the V60 and V95 platforms, establishing a diversified product system including micro trucks, light duty trucks, and medium duty trucks to expand our product line breadth. Simultaneously, we addressed the issue of single-source supply for the three-electric systems. We expanded the battery system supplier base to include CALB, Fudi, and EVE Energy, enriching battery configurations. This enables energy capacity coverage from 60 to 218kWh, satisfying range requirements of 200 to 500km under various operating conditions, thereby providing customers with efficient, multi-scenario, and customized transportation solutions.

Hydrogen Fuel Technology

Sinotruk continues to expand its layout in hydrogen fuel technology research and development while continuously broadening the hydrogen fuel product market. In 2025, our Group signed a strategic cooperation agreement with Toyota Motor Corporation's Hydrogen Fuel Cell Plant to establish in-depth collaborative partnerships in areas such as joint R&D of hydrogen fuel commercial vehicles, demonstration operations, promotion and application, and business model innovation. Currently, the hydrogen fuel cell tractor jointly developed by both parties has been delivered to the market in bulk for application.

Case | Lvliang Hydrogen Fuel Cell Heavy Duty Trucks Achieve Scalable Operations

Sinotruk successfully delivered the first batch of 30 hydrogen fuel cell heavy duty trucks (49 tons each) to the Lvliang Economic and Technological Development Zone in Shanxi Province. The vehicles have completed trial runs and commenced operations. Equipped with 143 kW hydrogen fuel cell engines, these trucks offer a driving range of 550 km, with a hydrogen consumption cost of approximately RMB 2.3 per kilometer. During the trial phase, the fleet primarily transported coking coal and refined coal between Liulin County, Lin County, Fangshan County, Xiaoyi City, and Qingxu County. The trucks demonstrated excellent climbing performance and stable operational status.

Sinotruk plans to deliver 600 hydrogen fuel cell heavy duty trucks this year, accompanied by the deployment of refueling infrastructure. The Company targets an operational scale of 10,000 units by 2030. Furthermore, through its "oil-to-electric" customer conversion strategy, Sinotruk aims to facilitate the migration of traditional customers toward hydrogen-powered products.

Intellectual Property Right Protection

Sinotruk strictly complies with relevant laws and regulations, including the *Patent Law of the People's Republic of China*, the *Copyright Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, and the *Madrid Agreement Concerning the International Registration of Marks*. In accordance with *Requirements for Enterprise Intellectual Property Compliance Management System* GB/T 29490-2023, the Company continues to improve its intellectual property management system.

The Group is committed to building a value-oriented technological innovation system. We have deeply integrated patent work into the R&D process and are advancing high-quality business transformation in intellectual property management. Focusing on key core technologies and major R&D projects, we are actively cultivating high-value patent portfolios and continuously increasing the proportion of patents in technology areas such as new energy and intelligent connected vehicles. In 2025, Sinotruk successfully passed the recertification audit for the standard *Requirements for Enterprise Intellectual Property Compliance Management System* GB/T 29490-2023. We are vigorously promoting the implementation of this system and adhering to continuous improvement. In accordance with the system requirements, the Company has established a comprehensive intellectual property policy, achieving standardized management across all critical business links including R&D, procurement, production, sales, and human resources.

As of the end of 2025, Sinotruk held 4,417 valid patents, including over 816 invention patents, 2,741 utility model patents, and 860 design patents. During the year, the Company filed approximately 1,000 patent applications, comprising 716 invention patent applications. Meanwhile, by strengthening the patent layout in key technical areas such as new energy vehicles, intelligent connected vehicles, and vehicle electronic control systems, the proportion of patent applications in these key fields exceeded 40%.

Sinotruk Patent Application and Grant Status in 2025

Patent & Trademark	Unit	Applications in 2025	Grants in 2025	Cumulative Grants
National Invention Patents	patents	716	269	816
Utility Model Patents	patents	211	327	2,741
Design Patents	patents	33	59	860

Deepening the Collaborative Mechanism for Government-Enterprise Rights Protection

We collaborated with relevant law enforcement agencies to conduct targeted anti-counterfeiting operations in 54 cities across 21 provinces nationwide. In accordance with the law, we investigated and handled 256 cases involving suspected infringement and counterfeiting of Sinotruk parts, successfully seizing approximately 300,000 counterfeit Sinotruk parts with a total value involved in the case of RMB 7.25 million. Throughout the year, we facilitated the processing of 249 administrative cases and initiated 16 criminal investigations. 22 suspects were held criminally liable in accordance with the law, effectively safeguarding a fair and competitive market environment.

Strengthening Intellectual Property Rights Protection at the Export Stage

Throughout the year, we cooperated with customs authorities across various regions to investigate and handle 42 export infringement cases involving an approximate value of RMB 4.2 million. For entities responsible for export infringements, we actively pursued civil liability through litigation, recovering a total of RMB 143,000 in compensation. These measures have effectively deterred infringement activities at both import and export stages, safeguarding the Company's brand reputation and market share.

Throughout the year, we cooperated with customs authorities across various regions to investigate and handle
42
export infringement cases

involving an approximate value of RMB
4.2 million

For entities responsible for export infringements, we actively pursued civil liability through litigation, recovering a total of RMB
143,000
in compensation

In trademark management, the Group has clarified responsibilities and requirements for registration, usage, licensing, protection, and record-keeping through its *Trademark Management Policy*, thereby enhancing standardized management levels. In 2025, the Group submitted 145 trademark registration applications domestically, successfully secured rights for 2 trademarks, and holds a cumulative total of 586 trademarks. Internationally, it submitted 182 trademark registration applications, successfully secured rights for and registered 167 trademarks, and holds a cumulative total of 2,864 trademarks.

In 2025

the Group submitted
145
trademark registration applications domestically

successfully secured rights for
2
trademarks

and holds a cumulative total of
586
trademarks

it submitted
182
trademark registration applications

successfully secured rights for and registered
167
trademarks

and holds a cumulative total of
2,864
trademarks

In 2025, the Group established an integrated protection mechanism combining regular global monitoring with targeted precise disposal. We accurately identified 76 cases of malicious imitation of the Company's core brands and successfully advanced clearance efforts through legal channels, thereby curbing brand infringement risks at the source.

We focused on regions with a high incidence of overseas trademark squatting and established a specialized response mechanism. We successfully resolved five cases of overseas trademark squatting through diversified approaches, including negotiated transfers, opposition filings, and orders for withdrawal. These actions reclaimed rights, removed intellectual property barriers to the Company's overseas market expansion, and safeguarded its global strategic layout.

The Group regularly conducts specialized training on intellectual property to continuously enhance employees' awareness of intellectual property protection and management capabilities. Through systematic dissemination of relevant laws and regulations, we strengthen understanding of the processes for applying for, maintaining, and protecting patents, trademarks, copyrights, and other achievements. This initiative improves employees' ability to apply compliance measures in their daily work and heightens their risk prevention awareness, fostering an organizational culture where all staff actively participate in intellectual property protection.

Improving Service Quality

Sinotruk consistently refines its service system around customer needs, continuously enhances service response speed and professional capabilities, optimizes the end-to-end service experience, and strengthens customer satisfaction and loyalty. The Company reinforces training and resource support for dealers to promote channel service standardization and capability improvement, achieving long-term collaborative development. Meanwhile, we adhere to principles of compliant marketing and authentic communication, ensuring that promotional content is accurate and transparent, thereby effectively safeguarding consumer rights and brand credibility.

Customer Service

The Group has consistently adhered to the core principle of "customer-centricity with channels as leverage to build an efficient and collaborative service ecosystem," focusing its operations on two key areas: "creation of customer value" and "cultivation of core channel competitiveness". We have established and improved a comprehensive system for customer service and after-sales management processes. By formulating and implementing customer service policies such as the *On-site Management Measures for Service Stations* and the *After-Sales Service Management Procedure*, we provide customers with comprehensive, high-quality services.

The Company continues to strengthen its customer service team by refining a tiered and categorized training mechanism and establishing a professional qualification certification system for maintenance technicians. These initiatives comprehensively enhance the professional capabilities and service standards of frontline maintenance personnel.

Highlights of Customer Service Training Initiatives

Establishing Training Centers

- Through industry-education collaboration, we have established two comprehensive training centers in Jinan and Gansu. Simultaneously, we have partnered with various channels to co-create 30 regional training centers, forming a talent development network characterized by "core bases + regional radiation." This initiative has provided frontline service teams with accessible and convenient learning channels and platforms.

Enhancing Faculty Capabilities

- We have established a professional training instructor team of 86 individuals, covering core areas such as engines, transmissions, and new energy vehicles.
- We simultaneously developed 76 specialized premium courses, including exclusive new energy vehicle courses, eight major modules, and 134 detailed sub-courses, achieving precise alignment between training content and business needs.

Conducting Training Programs

- We implemented the "Ten-Thousand New Energy Technician Cultivation Plan" nationwide, focusing on developing standardized courses and video materials, and establishing a blended training model of "online theoretical dissemination + offline practical certification", thereby comprehensively empowering training resources.
- By 2025, we had cumulatively trained 8,967 person-times, certified 7,561 new energy maintenance technicians, and achieved 100% coverage of basic new energy capabilities across our service network.

Online Service Performance of Sinotruk in 2025

In 2025

Percentage of customers served online

55.3%

Percentage of revenue actually converted through online promotion and other channels relative to the Company's total revenue

3.9%

After-sales Service

Sinotruk continues to optimize its customer service management system by establishing a 24-hour communication network through an omnichannel contact platform and the Smart Sinotruk mobile application. Upon contacting the 400 hotline, customer requests are categorized into inquiries, complaints, and repair reports in accordance with the *Customer Request Classification Taxonomy*. Corresponding work orders are generated for each category and processed accordingly. For repair-related work orders, the system automatically dispatches tasks based on intelligent recommendation logic that considers factors such as service station tier, proximity, and priority, thereby achieving precise dispatching and efficient response.

After work assignment, the platform reminds service stations to accept orders via both SMS and phone calls. Agents track and verify progress at key milestones, including 10 minutes, 60 minutes, one hour after arrival, and four hours post-arrival. Any anomalies are escalated promptly to ensure the repair process remains under control. Upon completion of repairs, follow-up confirmation is conducted. Customers can provide satisfaction ratings through the Smart Sinotruk APP.

The Company has refined its closed-loop complaint management mechanism. Complaint tickets are uniformly generated from issues reported via the 400 hotline and the APP, then reviewed by complaint handling specialists who assign them to the responsible units for resolution. These units submit treatment plans within the stipulated timeframe; upon approval, customer feedback is solicited. Plans that fail to meet standards are returned for rectification, and if customers remain dissatisfied, the case is re-routed for further processing. Cases without customer evaluation after seven days are automatically closed as satisfied. Through full-process timeliness control and a dynamic tracking mechanism, service efficiency and customer satisfaction are continuously enhanced. In 2025, the Group received 49 quality-related complaints, achieving a 100% complaint resolution rate.

After-sales Maintenance

Sinotruk continues to refine its extensive after-sales service network by establishing policies such as the *After-Sales Service Network Access Management Process* to advance standardization and normalization of the service network, thereby enhancing overall operational efficiency and service quality. For different product categories including heavy duty trucks and new energy heavy duty trucks, the Company has clearly defined warranty and maintenance standards for complete vehicles and spare parts, strengthening service guarantees throughout the full product lifecycle. Additionally, a 24-hour technical support hotline has been established, technical documentation and maintenance standards have been upgraded, and the professional level of services has been improved.

In 2025, the Global Customer Service Center led the development of the "Intelligent Diagnosis and Repair Platform" in collaboration with IT and R&D departments, integrating vehicle data, circuit diagrams, and repair cases. The system supports intelligent matching based on VIN codes and automatic fault code diagnosis. It is accessible to service stations nationwide via a mobile application, significantly reducing diagnostic time, minimizing incorrect part replacements and repeat repairs, and enhancing the customer experience.

Customer Satisfaction Survey

The Group has established a continuous improvement mechanism oriented toward customer needs. Through the Smart Sinotruk APP and questionnaires, satisfaction surveys are conducted quarterly focusing on "Three Guarantees" policies, channel management, service support, technical assistance, and hotline services. For items receiving low scores, responsible departments are required to formulate rectification plans and ensure their implementation. In 2025, customers can submit evaluations via the APP within 10 days of repair completion. The Customer Service Center aggregates data daily, conducts follow-up visits within 3 days for unsatisfactory matters, and urges rectification, thereby establishing closed-loop management. A total of approximately 1.0236 million valid evaluations were collected throughout the year, including approximately 1.0224 million satisfied evaluations, resulting in a customer satisfaction rate of 99.88%.

In 2025

resulting in a customer satisfaction rate of

99.88%

Responsible Marketing

The Group adheres to legal compliance in product promotion and marketing activities. We strictly abide by relevant laws and regulations and have established policies including the *Marketing Materials Management Process*, *Marketing Activity Planning and Execution Management Process*, *Marketing Promotional Items Management Process*, *External Publicity Management Process*, and *Internet External Publicity Platform Management Process*. Through comprehensive control covering strategy compliance, content authenticity, legal review, and technical support, we have formed a closed-loop mechanism for marketing planning, approval, execution, and evaluation. Meanwhile, the Company has developed the *Full Value Chain Business Manual*, conducted tiered training and tool empowerment, systematically enhanced channel value marketing capabilities and standardized operational levels, and regularly carries out responsible marketing training to strengthen awareness of responsible marketing.

In 2025, the Company continued to optimize its channel operation and management system. It developed 255 new high-quality channels and exited 88 ineffective channels, bringing the total number of channels to over 1,500. The Company advanced tiered channel management and quarterly operational evaluations to strengthen differentiated empowerment. A total of 67 customer experience centers were established, and 91 integrated sales and service networks were added.

In 2025

the Company continued to optimize its channel operation and management system. It developed

255

new high-quality channels

exited

88

ineffective channels

bringing the total number of channels to over

1,500

A total of

67

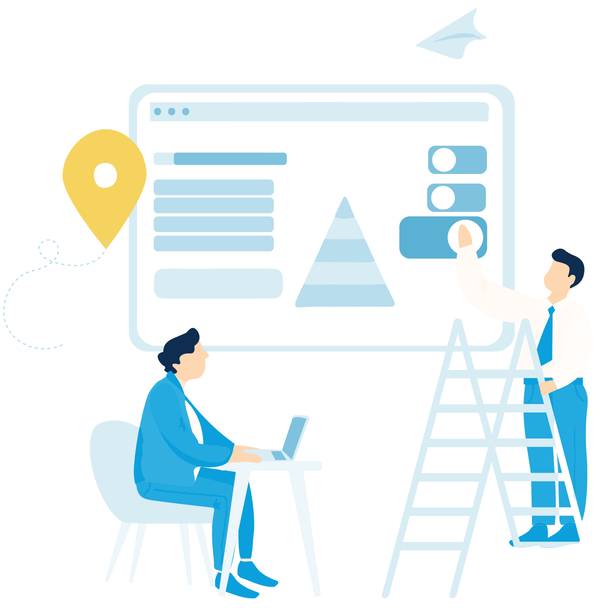
customer experience centers were established

91

integrated sales and service networks were added

Dealer Management

Sinotruk continues to optimize its dealer management mechanisms by establishing a policy framework covering network development, process supervision, technical training, and claims management. By promoting the *Dealer Full Value Chain Business Operation Manual* and integrating target management with phased assessments, the Company is driving the channel's transformation toward a full value chain operating model, thereby continuously enhancing comprehensive competitiveness. The Group conducts ongoing special inspections of service stations, performing random checks and evaluations on service behaviors. Non-compliant or irregular operations are handled in accordance with laws and regulations. In 2025, the Company inspected 988 service stations, achieving a coverage rate of approximately 47.4%. A total of 52 non-compliant service stations were identified and addressed, reinforcing compliant channel operations.



Building Responsible Supply Chains

Sinotruk regards the construction of a responsible supply chain as a critical foundation for sustainable development. The Company continues to advance standardized and collaborative supply chain management, working in partnership with suppliers to jointly implement sustainable development principles.

Supply Chain Management System

Sinotruk continuously optimizes its supplier management system and establishes a robust classified and graded management mechanism. The Group has formulated policies such as the *Supplier Management Procedure*, *Sample Procurement Management Process*, and *Performance Evaluation and Grading Management Measures for Supporting Product Suppliers* to further refine the processes for supplier access assessment, performance review, and exit management, thereby achieving standardized management throughout the entire supplier lifecycle.

To enhance supply chain security and stability, the Company has established a ledger for foreign-funded suppliers to strengthen risk identification and early warning management. Reserve management is implemented for key and scarce materials, while the development of alternative suppliers is simultaneously advanced to bolster supply chain resilience and coping capacity.

In 2025

the Group engaged with a total of

1,904

suppliers

Mainland China

1,903

Hong Kong, Macao, and Taiwan (China) and Overseas

1

Supplier Selection

During the new supplier development phase, the Group strictly implements pre-entry capability screening and process audit mechanisms. We systematically conduct risk identification and graded assessment. The assessment covers dimensions including product quality, technical capabilities, key resources and management levels, financial status, operational risks, and social responsibility.

Supplier Audit

The Group has established a supplier audit mechanism covering both the qualification and in-use stages. For new suppliers, we conduct initial capability assessments, process audits, and system audits, with a focus on evaluating the construction and implementation of their quality management, occupational health and safety, and environmental management systems. For existing suppliers, in 2025, we implemented daily management through a combination of on-site audits, unannounced inspections, process audits, and special inspections. Audit criteria included quality performance indicators such as incoming non-conformance rates, zero-kilometer failure rates, and after-sales failure rates. Based on scoring results, we implemented tiered management. Suppliers that failed to meet audit requirements or did not rectify issues adequately were disqualified from new product development for the year, and measures such as warnings and performance assessments were taken to ensure closed-loop problem resolution.

In 2025, the Company completed second-party audits for a total of 229 suppliers and commissioned third-party agencies to audit 8 suppliers. Addressing issues identified during the audit process, such as project management, tooling configuration, and equipment management, the Company organized specialized training and technical guidance sessions. We formulated improvement plans to guide suppliers in refining their management measures and ensuring that all corrective actions were fully implemented.

Case | Conducted Supplier Coating Capability Audits to Enhance Delivery Quality

To improve the overall appearance quality of vehicles, the Company conducted a special audit on the coating capabilities of 39 suppliers. A total of 165 issues were identified during on-site inspections, primarily concentrated in areas such as site management, documentation planning and execution, and personnel operations. All audit findings have been addressed with corrective measures and confirmed as closed. Through this special inspection and rectification process, the appearance quality of product components has been further improved.

Supplier Exit

The Company has established a robust supplier exit management mechanism. For suppliers that fail to meet standards during evaluation or audit, the Company requires them to rectify deficiencies within a specified timeframe and undergo re-verification. If the rectification results remain unsatisfactory, the Company initiates the exit procedure in accordance with management regulations to ensure the continuous improvement of supply chain quality and compliance levels.

Supply Chain Resilience

The Company prioritized the review of import and purely imported product details, assessed core imported brands and key component sources, and conducted risk analysis based on country-specific risks, trade environments, and product attributes. The Company developed demand trend forecasts, safety stock configurations, and alternative supplier development plans to enhance supply chain resilience. Furthermore, the Company continuously monitors external risk factors such as geopolitical dynamics, trade frictions, extreme weather events, and supplier operational conditions. Through measures including annual audit plans, high-risk material reserves, and strategic layout of backup resources, the Company strengthens differentiated risk management across different countries, industries, and key product categories.

Supplier ESG Management

The Group continues to advance the construction of a sustainable supply chain by formulating and implementing the *Supplier Code of Conduct*. This code sets clear requirements for suppliers regarding environmental protection, occupational health and safety, labor rights, business ethics, and information security, with a focus on auditing ESG-related aspects such as occupational safety, occupational health, and environmental management. In 2025, 1,446 suppliers of the Group obtained IATF 16949 quality management system certification, while 1,145 suppliers achieved certifications including ISO 9001 or ISO 14001.

Meanwhile, the Company integrates environmental and social risk into supplier risk management. Enhanced controls are implemented across access approval, qualification review, performance evaluation, and periodic audits to systematically identify and mitigate potential sustainability risks within the supply chain. In 2025, no significant negative ESG impacts were identified among suppliers.

Sustainable Supply Chain Management Initiatives of Sinotruk

Environmental Protection	We ensure that all suppliers strictly comply with local environmental protection laws and regulations. During the project initiation phase for supplier onboarding, prioritize the review of their industry classification, environmental performance ratings, and pollution control capabilities, using these indicators as key criteria for access assessment. For component suppliers whose production processes have significant environmental impacts, require them to obtain environmental management system certifications such as ISO 14001.
Occupational Health and Safety	The Company requires suppliers to establish a comprehensive HSE management system and obtain occupational health and safety certifications such as ISO 45001. Suppliers involved in safety-related products must obtain national work safety licenses, and products subject to mandatory national certification must pass corresponding regulatory agency certifications. The Company has established a safety scoring mechanism to conduct regular inspections on the appointment of safety responsible persons and the configuration of employee protective equipment. Depending on the risk situation, the Company engages third-party institutions to carry out special audits and issue Reporting.
Business Ethics	We strictly regulate suppliers' business ethics by implementing the *Related Party Blacklist Management Process*, signing *Integrity Mutual Guarantee Agreements* with suppliers, conducting regular audits and inspections, maintaining open channels for complaints and reporting, and continuously strengthening anti-corruption and compliance management requirements.

The Group continues to refine its green supply chain management system and promotes multiple enterprises within the Group to establish and implement standardized management mechanisms, forming an institutionalized and normalized operational model. Meanwhile, we have established a regular self-assessment mechanism, organized all enterprises to conduct green supply chain management assessments, and produced the *Green Supply Chain Management Enterprise Self-Assessment Report*. Additionally, by applying performance appraisal and incentive-constraint mechanisms, we drive the effective implementation of green management requirements and continuously enhance the overall sustainable development level of the supply chain.

Empowering Suppliers

The Group is committed to collaborative development with suppliers. Through specialized training sessions and supplier conferences, we facilitate continuous improvements in quality management, environmental stewardship, and social responsibility across all parties, jointly building a sustainable supply chain system. Additionally, leveraging our digital platforms, we share best practice recognitions, negative rating outcomes, and notifications of typical quality issues with suppliers to promote knowledge exchange and drive enhancements.

In 2025

the Company has conducted **12** supplier training sessions

covering **809** suppliers

Specialized rectification and improvement plans have been formulated for **25** suppliers

further strengthening overall supply chain management capabilities

Case | Sinotruk Hosts Strategic Partner Conference to Empower the Supply Chain

In December 2025, the Group convened the 2026 Global Supply Chain Strategic Partner Conference under the theme "Technology-Led, Win-Win Across the Full Chain." A total of 1,139 core suppliers gathered to jointly explore new pathways for integrity-based cooperation. Focusing on building an integrity-driven partnership, the Group, together with representatives from its extensive supplier base, launched the *Supply Chain Integrity and Honesty Initiative*. This initiative clearly defines cooperation boundaries and codes of conduct, consolidates consensus on *integrity in practice and compliance in operations*, strengthens a collaborative risk prevention barrier, and solidifies the trust foundation essential for stable supply chain operations, thereby supporting sustainable and high-quality development across the industrial chain.

2026 Global Supply Chain Strategic Partner Conference

03 Safety Foundation Health as the Guardian

Sinotruk consistently adheres to the principle of "safety first, prevention-oriented, and comprehensive governance". By leveraging a well-established safe production management system, the Group has achieved refined, scientific, and intelligent upgrades in safety management. Focusing on safe production, occupational health, and safety culture, Sinotruk drives the coordinated advancement of business development and social responsibility, safeguarding the sustainable development of the enterprise.

Key Progress in 2025

Safety investment reached RMB **59.6622** million

The Group has conducted a total of **1,249** emergency response drills with **32,453** participants

The contractor's "Safety Management Agreement" signing rate is **100%**

All subsidiary companies successfully obtained ISO 45001 certification, achieving **100%** coverage

No work-related fatalities have occurred for six consecutive years, and the incidence of serious injuries has been **fully eliminate**

The Group has conducted a total of **1,354** training sessions covering **235,189** participants

with an average of **8.2** training hours per person

Ensuring Safe Production

Sinotruk continuously optimizes its safety management system, driving the intelligent upgrade of its safety management model. By deeply integrating cutting-edge technologies and intelligent systems, the Group has significantly enhanced the effectiveness of risk early warning, prevention and control, as well as emergency response capabilities, providing a solid guarantee for the safe and stable operation of the enterprise.

Safety Management System

Sinotruk strictly complies with laws and regulations such as the *Safe Production Law of the People's Republic of China*, the *Fire Protection Law of the People's Republic of China*, the *Shandong Provincial Safe Production Regulations*, and relevant regulatory requirements. It has established internal management systems including the *Safety, Environmental Protection, and Fire Protection Assessment Management Measures* and the *Comprehensive Work Safety Responsibility Management Measures*, and continuously revises, refines, and updates them to ensure the effective implementation of the safety management system. The scope of application of the aforementioned safety management systems covers the entire Group and its contractors. In 2025, the Group's Safe Production Committee comprehensively revised 302 management systems, focusing on strengthening the institutional safeguards in areas such as safety protection, hazard identification, emergency response, and special equipment management. A total of 4,691 operating procedures were updated, 58 new equipment operation specifications were formulated, and the annual safety investment reached RMB 59.6622 million.

Sinotruk Safety Management Structure

Board of Directors	▪ The Board of Directors is the highest leadership body for health and safety matters, responsible for overseeing the Group's safe production strategy, principles, and policies. ▪ It delegates to the Executive Committee - Safe Production Committee the management of day-to-day operations and specific safe production tasks, holds overall responsibility for the Group's safe production efforts, ensures the achievement of safe production objectives, and bears ultimate responsibility for the Group's safe production performance.
Safe Production Committee	▪ Responsible for organizing, studying, deploying, guiding, and coordinating the Group's safe production activities, promptly analyzing the safe production situation, and making decisions on major safe production issues within the Group.
Safety and Environmental Protection Department	▪ Assists the Safe Production Committee in managing safe production affairs within the Group, supervises, manages, and assesses the safe production performance of production units and subsidiary companies, promotes the implementation of safety and environmental policies, conducts regular safety inspections and risk assessments, and ensures the implementation of corrective measures.
Production Units	▪ Implement the safe production responsibility system, establish and improve safe production management systems; Strictly enforce safety management systems, manage equipment and facilities, hazard sources, and labor protection equipment, and develop emergency plans and responses Promote safety culture education and foster a positive safety culture environment.

In 2025

the Group's Safe Production Committee comprehensively revised **302** management systems

A total of **4,691** operating procedures were updated

58 new equipment operation specifications were formulated

and the annual safety investment reached RMB **59.6622** million

To further enhance safe production standards, Sinotruk has established annual safety management objectives for Board of Directors and personnel at all levels, accompanied by the implementation of a safe production responsibility performance assessment mechanism. This mechanism links the achievement of safety targets with individual performance-based compensation. The remuneration of the Group's executive Directors (including the president) consists of a base salary, an annual bonus, and an employee incentive plan. Health and safety indicators are incorporated into the annual bonus assessment system; approximately 20% of the weight in the annual bonus plan is influenced by the Company's operational health and safety performance. Furthermore, for managers directly responsible for operational safety, such as factory general managers and production directors, the Group stipulates that safety-related indicators typically account for no less than 30% of their annual individual performance evaluation.

The Group has formulated and implemented the *Safety, Environmental Protection, and Fire Protection Responsibility Agreement*, which details safety regulations and the responsibilities of all parties. All employees are required to sign the agreement, ensuring that safety responsibilities are implemented at every level and assigned to specific positions and individuals. In 2025, a total of 36,400 safety responsibility agreements were signed across the organization. Throughout the year, neither the Group nor its 24 subsidiary companies experienced any work-related fatalities, serious injuries, work stoppages, or administrative penalties. The number of minor injury incidents decreased to four. In the event of an incident, the Company promptly arranges medical examinations for injured employees to ensure they receive proper medical care. Additionally, in accordance with internal handling procedures, relevant responsible parties are held financially accountable. This establishes a comprehensive end-to-end accountability process, spanning from humanitarian care to economic assessment as the core component.

Sinotruk's Long-Term Safety Management Goals and Completion Status

Indicator Name	2030 Target Value	2025 Actual Completion
Serious Injury Rate per Thousand Employees (%)	0.12	0
Minor Injury Rate per Thousand Employees (%)	2.4	0.109
Fire-Related Liability Accidents (cases)	0	0
Contractor Accident Rate (cases)	0	0

Safety Management Initiatives

Sinotruk has taken informatization and intelligentization as core drivers to comprehensively advance innovation in safety management models and system upgrades. Through measures such as establishing smart management platforms, implementing intelligent transformation projects, and building a full-process control system, the Group has achieved a shift in safety and environmental protection operations from "passive response" to "active prevention and control".

In 2025, the Group guided 16 subsidiary companies to successfully implement 28 intelligent enhancement projects for work safety. These projects extensively covered key areas such as intelligent fire warning, forklift safety alerts, real-time monitoring of confined space operations, automated molten iron transfer systems, and VOCs control upgrade and transformation, promoting the digital and intelligent transformation of work safety management. In addition, the Group launched an electronic risk point map and extended its application to Jinan Gearbox Plant, Sinotruk Jinan Commercial Truck Co., Ltd., Jinan Forming Plant, and Sinotruk Jinan Rubber & Plastic Parts Co., Ltd.

Case | Establishment of an EHS Management Platform

In 2025, Sinotruk has established a Safety, Environment, and Health (SHE) management platform and completed the system rollout for the group company and its 22 subsidiaries, facilitating centralized and unified management of health and safety across the Group and subsidiary companies. The platform introduced three core modules: a direct reporting channel for labor protection product quality, an abnormal attendance reporting system for safety meetings, and a feedback mechanism for safety-related suggestions. These additions have significantly improved the responsiveness and closed-loop management of EHS-related demands.

Product Safety

Sinotruk has systematically developed a product safety management system that covers the entire lifecycle, including R&D, production, and after-sales services. During the R&D phase, comprehensive safety performance testing and risk assessments are conducted in strict accordance with national and industry safety standards. In the production stage, advanced manufacturing processes and full-process quality control ensure that every heavy duty truck meets high safety requirements. For after-sales services, timely technical support and maintenance are provided to enable continuous tracking and closed-loop management of product usage safety, systematically reinforcing safety defenses throughout the product's entire lifecycle.

In both product design and manufacturing, Sinotruk consistently adheres to the principle of safety first, with the core objective of providing highly safe commercial vehicles. The Group continuously integrates advanced safety technologies to ensure that every vehicle effectively safeguards drivers and passengers across various driving conditions.

Product Safety Systems

Active Safety Systems

- **Electronic Stability Control (ESC)**
  Monitors the vehicle's driving status in real time and automatically adjusts the power and braking systems to prevent loss of control, especially on slippery or winding roads.
- **Automatic Emergency Braking (AEB)**
  Uses sensors and radar to detect obstacles ahead during potential collisions, automatically applying brakes to avoid or mitigate the severity of impacts.
- **Blind Spot Monitoring System**
  Employs sensors to monitor blind spots around the vehicle, alerting the driver to potential collision risks during lane changes.
- **Collision Warning System**
  Utilizes radar and cameras to detect traffic conditions ahead, providing early warnings to prompt the driver to take action and avoid collisions.

Passive Safety Systems

- **Reinforced Body Structure**
  Uses high-strength steel and intelligent body design to enhance structural integrity during collisions, ensuring the passenger compartment remains intact and protecting drivers and passengers.
- **Crash Energy Absorption Zones**
  Designed with energy-absorbing areas (e.g., front and rear bumpers, doors) to absorb impact forces and reduce injuries to occupants.
- **Airbag System**
  Automatically inflates upon collision to effectively protect drivers and passengers, reducing injuries, particularly to the head and chest.
- **Seat and Seatbelt Design**
  Features ergonomic seats and three-point seatbelts to minimize injuries to drivers and passengers during collisions and ensure body stability.

Intelligent Driving Assistance Systems

- **Adaptive Cruise Control (ACC)**
  Automatically adjusts vehicle speed based on the driving behavior of the vehicle ahead, maintaining a safe distance to reduce driver fatigue and enhance comfort during long drives.
- **Lane Keeping Assist System (LKA)**
  Helps keep the vehicle within its lane by making slight steering adjustments or triggering alerts when unintentional lane departure is detected, preventing deviations caused by driver fatigue or inattention.
- **Traffic Sign Recognition System (TSR)**
  Uses cameras to recognize road traffic signs (e.g., speed limits, stop signs) in real time and relays the information to the driver, improving compliance with traffic regulations.
- **Automatic Parking System**
  Assists the vehicle in automatically parking into spaces using multiple sensors and cameras, reducing scratches or accidents caused by improper parking maneuvers.

Work Safety Risk Prevention and Control

Sinotruk continuously optimizes its safety risk assessment and record management system, strengthening the systematic identification and proactive prevention of potential risks. Regular comprehensive safety risk assessments are conducted, with evaluation standards and content promptly updated based on dynamic changes in the production environment and industry regulatory requirements. This ensures that risks in all operational processes remain under control. Simultaneously, the Group standardizes the recording and archiving of all assessment results, achieving transparency of information and accountability through cross-departmental sharing mechanisms, thereby providing a reliable basis for risk management.

Sinotruk continuously refines its safety inspection system, rigorously implementing the principle of "prevention first, safety foremost and comprehensive management". The Group organizes rotating safety inspections for all 22 subsidiary companies at least once every six months. These inspections cover specialized areas such as fire safety, hazardous waste, and explosive thermal engineering, as well as seasonal checks and unannounced night inspections, achieving normalized and comprehensive safety oversight. In 2025, a total of 727 inspections were conducted, identifying 2,476 hidden hazards, with a rectification completion rate of 100%.In addition, the Group consistently operates a daily "hidden hazard exposure platform", publishing 222 exposure reports covering 681 prominent issues. For all identified issues, rectification measures and deadlines are clearly specified, and all units are required to conduct self-assessments to prevent the recurrence of similar hazards.

Case | Sinotruk Conducts Audit-Style Special Inspections for Work Safety

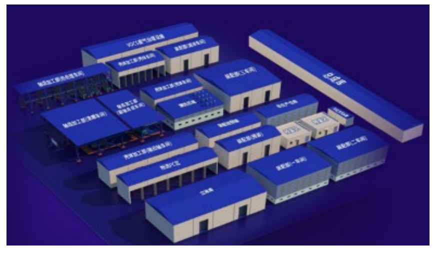
To continuously enhance work safety management, Sinotruk invited municipal industry experts to form a special inspection team, conducting audit-style special inspections at the Jinan Transmission Plant, Jinan Light Truck Company and other companies. In 2025, the inspection team identified over 120 potential hazards and areas for improvement, all of which have been rectified and closed with feedback, effectively enhancing the risk prevention and control capabilities of key units.

Case | Sinotruk Implements Major Risk Intelligent Control Project

In 2025, Sinotruk fully completed the construction of a major risk intelligent control project across 11 secondary units in the Jinan region, successfully establishing a two-tier digital control architecture comprising "one primary group supervision platform and 11 secondary unit operation platforms". The project integrated a total of 31,456 fire alarm signals and deployed 384 thermal imaging and fire detection smart cameras, enabling round-the-clock, comprehensive monitoring and early warning for key areas and high-risk processes. In addition, the Group interconnected the risk control platform with the Environmental, Health, and Safety (EHS) system, achieving hierarchical risk management while ensuring synchronized updates of risk inspection information.

Risk Unit Management	Risk Point Management	Risk Identification and Assessment
Risk Grading and Control	Safety Standard Management	Accident Type Management
Risk Inspection	Four-Color Risk Management	My Risk Checklist

Risk Control Platform



Four-Color Risk Management Chart

Sinotruk regards the full-lifecycle safety management of machinery and equipment as a core component of its production safety system, ensuring that all equipment remains in a safe and reliable condition at all times. In production workshops, the Group strictly implements regular inspections, preventive maintenance, and specialized testing protocols to comprehensively safeguard equipment operational safety. By establishing a comprehensive equipment safety record system and a regular maintenance mechanism, the Group systematically monitors equipment conditions, effectively reducing safety risks arising from equipment failures. Simultaneously, standardized safety operation training is provided to operators to enhance employee safety awareness and standardized operational capabilities, ensuring that every operation complies with regulatory requirements and preventing operational risks at the source.

Safety Emergency Management

Sinotruk focuses on fundamental improvements in emergency management, building an emergency management system from the aspects of contingency plans, drills, equipment, and training. This approach shifts emergency management from reactive response to proactive prevention and from isolated incident handling to systematic risk control, significantly enhancing the enterprise's ability to respond to sudden safety incidents.

Case | Organization of Safety Emergency Drills

In 2025, the Group revised 252 emergency response plans and organized a total of 1,249 emergency response drills throughout the year. These drills covered critical scenarios such as evacuation in technology parks, coordination with relevant stakeholders, confined space rescue, and handling of mechanical and vehicle-related injuries. They also included on-site response plans for incidents such as mechanical injuries, object strikes, electric shocks, and chemical leaks, involving a total of 32,453 participants.

In 2025

the Group revised

252

emergency response plans

Safety Emergency Reponse Drill

Contractor Safety Management

Sinotruk has formulated and revised its stakeholder safety management system in accordance with the *Work Safety Law of the People's Republic of China*, including the *Stakeholder Safety Management Regulations* and the *Safety Management Measures for Production Operation Stakeholders*. The Group requires all production units to sign a *Safety Management Agreement* and a *Safety Notification Letter* with contractors before they commence work on-site. These agreements clearly specify the safety contacts and their contact information for both parties, thereby assigning safety responsibilities to specific individuals. In addition, through regular health and safety thematic meetings, training and guidance are provided on key safety aspects, continuously enhancing contractors' safety management capabilities. As of 2025, Sinotruk has achieved a 100% signing rate for contractor safety management agreements.

As of 2025

Sinotruk has achieved a

100%

signing rate for contractor safety management agreements

Occupational Health and Safety

Sinotruk consistently prioritizes the protection of employees' occupational health and safety as a core aspect of its corporate development. The Group strictly complies with relevant laws and regulations, such as the *Occupational Disease Prevention and Control Law of the People's Republic of China*, and has revised internal management systems, including the *Labor Protection Equipment and Workwear Management Process* and the *Comprehensive Work Safety Responsibility Management Measures*, to further safeguard the occupational health and safety of production personnel.

In accordance with international standards for occupational health and safety management systems, the Group regularly conducts internal audits, management reviews, and third-party supervisory audits. Any identified non-conformities or issues are promptly addressed and rectified, ensuring the continuous and effective operation of the management system. In 2025, following the *Occupational Health and Safety Management System Certification* (GB/T 45001-2020) standards, the Group adopted a combined approach of internal and external audits to conduct specialized system audits across 25 manufacturing units. Both the Group and all subsidiary companies successfully obtained ISO 45001 Occupational Health and Safety Management System certification, achieving 100% certification coverage.

Occupational Health and Safety Management System Certification

Occupational Health and Safety Management Measures

Occupational Health Management Methods	In 2025, the Group revised the *Occupational Health Management Measures*, promoted their implementation through the Group's official website, clarified work targets and completion requirements, and continuously improved the occupational health management system.
Regular Supervision and Inspection	Regular inspections and supervision are carried out to strengthen process control, promote the standardized and regulated implementation of occupational health management, and enhance overall management capabilities.
Provision of Labor Protection Equipment	Strictly enforce quality inspection standards for labor protection equipment and workwear to ensure comprehensive and effective safety protection for employees. Necessary labor protection supplies and five categories of heatstroke prevention and cooling materials are provided to safeguard employees from occupational hazards during production operations and improve on-site work safety.
Occupational Health Promotion Week Activities	Organized a series of promotional activities, including occupational health knowledge lectures, on-site education sessions, rap performances, expert free clinics, and prize quizzes. These diverse and widely covered activities effectively raised awareness of occupational health protection among all employees and laid a solid foundation for subsequent occupational health education and promotion efforts.

Case | Sinotruk Conducts Occupational Hazard Factor Monitoring

In 2025, Sinotruk carried out occupational hazard factor monitoring, completing tests at 6,533 sampling points throughout the year, achieving a 100% testing completion rate and a 98.23% compliance rate. In addition, the Group conducted regular occupational health examinations for 5,673 employees exposed to occupational hazards. Among them, zero cases of confirmed occupational diseases were identified, while eight individuals were diagnosed with occupational contraindications. All affected personnel were properly arranged to receive appropriate treatment. Furthermore, by integrating daily inspections for potential occupational disease hazards, the Group established specialized records and implemented time-bound rectifications, continuously improving the occupational health risk prevention and control mechanism.

completing tests at **6,533** sampling points throughout the year

achieving a **100%** testing completion rate

a **98.23%** compliance rate

the Group conducted regular occupational health examinations for **5,673** employees

0 cases of confirmed occupational diseases were identified

8 relevant personnel have been transferred from hazardous positions and properly reassigned

Employee Injury and Fatality Statistics for 2025

Indicator	2025 Data	2024 Data	2023 Data
Workdays Lost Due to Injuries(days)	62	588	200
Work-related Fatalities	0	0	0

Building a Safety Culture

Sinotruk places high importance on the development of corporate safety culture. Centered on the strategy of "Ensuring Safety Through Education", the Group focuses on enhancing employees' safety awareness and protective skills, driving the implementation of safety responsibilities to specific positions and individuals. The Group systematically carries out safety literacy cultivation, combining online and offline publicity to continuously elevate the overall level of corporate safety culture. In 2025, Sinotruk and all subsidiary companies conducted a total of 1,354 safety education and training sessions, with cumulative participation reaching 235,189 person-times, averaging 8.2 learning hours per person. In addition, the Group actively engaged in safety culture activities, winning 30 municipal-level and above awards, including Jinan City Fire Safety Outstanding Individual, Shandong Province Winter "Three Inspections and Three Preventions" Work Safety Competition Excellent Individual, and Jinan City Occupational Health Advocate.

The Group continuously promotes the deep integration of safety concepts among all employees and throughout all processes, utilizing multiple channels to strengthen employees' safety prevention awareness and emergency response capabilities for unexpected incidents:

Safety Knowledge Dissemination	Utilizes dedicated platform columns such as "EHS Voice" and "EHS Tips" to popularize safety concepts and knowledge.
Safety Manuals	Refines content around four key areas: production safety, fire safety, daily life safety, and traffic safety, delivering regular education in a manner relatable to employees' actual experiences.
Occupational Health and Safety Training	Provides diverse forms of occupational health and safety training for both leadership and all employees, covering critical areas such as safety responsibilities and fire safety, ensuring personnel at all levels grasp safety management requirements and emergency skills.
Safety Activities	Strengthens corporate safety culture comprehensively by establishing safety culture hubs, organizing special campaigns such as Work Safety Month, and conducting diversified promotions centered on occupational health and fire safety themes.

Case | Sinotruk Proactively Builds Safety Culture Hubs

In 2025, the Group continued to advance the development of its safety culture. It established 7 safety training bases, 31 safety culture corridors, and 5 safety warning education rooms. Additionally, the Group organized 63 safety culture activities and recognized 496 outstanding safety teams. These efforts systematically built a multi-dimensional safety culture framework that integrates training, publicity, warning, and motivation.

Safety Culture Corridor

Safety Warning Education Room

04 Climate Response and Green Transition

Sinotruk actively practices the concept of green development and is committed to building a sustainable future characterized by low carbon emissions and environmental protection. The Group integrated environmental protection deeply into its overall strategy and daily operations from multiple dimensions, including responding to global climate governance, strengthening environmental controls, and implementing energy conservation and carbon reduction measures, in pursuit of coordinated symbiosis between corporate growth and the natural environment.

Key Progress in 2025

In 2025, the coverage rate of ISO 14001 Environmental Management System certification and the pass rate of external audits for all subsidiaries of the Group reached

100%

In 2025, the Group achieved energy consumption target for industrial output value per 10,000 RMB, with an actual completion value of

11.5 kilograms of standard coal per 10,000 RMB

In 2025, the coverage rate of ISO 50001 Energy Management System certification and the coverage rate of external audits for all subsidiaries of the Group reached

89%

In 2025, the Group achieved a carbon dioxide emission reduction of approximately

3,374 tons

by implementing multiple energy-saving technologies

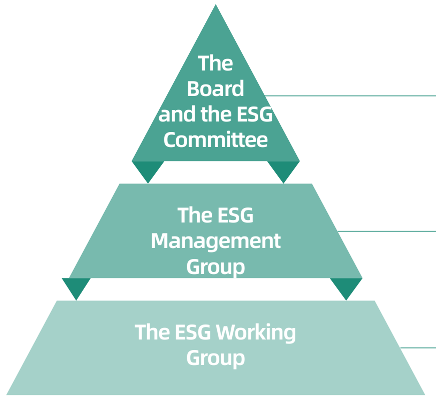
Tackling Climate Change

Sinotruk continues to refine its four-pillar system centered on "governance-strategy-risk management-metrics and targets", attaches great importance to the risks and opportunities arising from climate change, and comprehensively advances climate change management work.

Governance

Sinotruk has clearly identified climate issues as a critical factor for its long-term development, established the *Climate Risk Management Policy*, and fully integrated climate risk identification and opportunity assessment into our ESG management system. During the reporting period, the Group continued to implement a three-tier governance system comprising the Board and the ESG Committee, the ESG Management Group, and the ESG Working Group to coordinate and advance the management and response to climate change-related matters within the Group.

Sinotruk's Climate Change Governance Structure in 2025



Serving as the highest leadership for addressing climate change to review the Group's policies, strategies, and plans related to climate change, oversee comprehensive goals, including greenhouse gas reduction and delegate the authority to the ESG Committee to formulate and implement climate change strategies and plans.

Identifying climate change risks and opportunities, monitoring the implementation of climate risk response efforts and re-porting to the Board and the ESG Committee on a regular basis.

Implementing climate change risk identification, taking targeted measures to mitigate climate change during the imple-mentation, and disclosing climate change-related information.

Remuneration

In accordance with the indicator decomposition principles established by the Group, relevant departments of the Group's secondary units are responsible for executing and implementing climate-related objectives, linking them to individual performance as a key component of annual performance assessments.

Training

In 2025, to enhance the understanding of climate change among the governance body and management and to improve the Group's climate risk management capabilities, the Group conducted climate change-themed training sessions for the governance body and management.

Strategy

Sinotruk has established a rigorous climate scenario analysis framework to systematically assess future climate risks and opportunities. This framework converts macro-climatic pathways into specific decision-making bases through reasonable scenario combinations and clear time dimensions. Regarding physical risks, we adopted the SSP1-2.6 (low emissions) and SSP5-8.5 (high emissions) scenarios to cover the full spectrum from relatively manageable to extreme risks, aiming to identify the vulnerability boundaries of key assets under different climate pathways. Regarding transition risks, we selected three scenarios with increasing levels of stringency: STEPS (Current Policy), APS (Announced Pledges), and NZE (Net Zero Emissions), to comprehensively depict the transition pressure ranging from the baseline to the limit. Concurrently, in light of the national goals to peak carbon emissions before 2030 and achieve carbon neutrality before 2060, industry practices within the heavy duty truck sector, and the Company's strategic implementation requirements, the Group has defined short-, medium-, and long-term analytical timeframes. During the reporting period, the Company has conducted climate-related scenario analysis. The key assumptions are determined based on national climate policies, industry practices and macroeconomic environment. The analysis covers the current reporting period and reasonable planning periods, and relevant information is disclosed qualitatively.

Short-, Medium-, and Long-Term Time Scope

Phase	Time Scope
Short-term	2025-2030
Medium-term	2031-2040
Long-term	2041-2050

The Company has identified the impacts of climate-related risks and opportunities on its value chain and has documented the corresponding response measures. Based on its current core business and strategic development direction, the Company has defined the scope and boundaries for asset analysis, resulting in the following analytical findings.

Sinotruk Climate Change Physical Risk Impact Analysis[7]

Risk Type		Impact on the Company's Value Chain	Temporal Scope of Impact	Description of Impact	Response Measures
Acute Risk	Extreme Precipitation Floods / Urban Waterlogging	Procurement, Production, R&D, Sales/ Trading, Logistics Services, After-sales Services, Functional Support, and Administration, along with their associated personnel and facilities	Short-term	Extreme precipitation and sudden urban waterlogging may cause delays in the arrival of key components at the supply chain level, thereby increasing the Group's emergency procurement costs and pressure on safety stock levels. Production workshops are susceptible to work stoppages, and production facilities and equipment may suffer damage, leading to scheduling delays. Additionally, road testing and prototype transportation in the R&D phase may be disrupted, necessitating additional expenditures for flood prevention materials. Disruptions in processes such as vehicle viewing and test drives for end customers in high-risk areas may cause a short-term decline in the Group's revenue. Logistics efficiency has decreased due to road waterlogging and traffic restrictions, while costs and claims risks have simultaneously risen. Furthermore, extreme weather has increased the vehicle failure rate, thereby raising rescue and maintenance costs for after-sales services. Additionally, impediments to employee commuting directly undermine the coordination and scheduling efficiency across all business segments of the Group.	Grid-based risk identification was conducted at the core production base. High-risk locations, such as low-lying areas and hazardous chemical warehouses, were precisely marked to generate a visualized risk map. Concurrently, the plant drainage system was upgraded and maintained, and an efficient emergency linkage mechanism with the municipal drainage system was established to achieve information sharing and coordinated dispatch. The Group has established a diversified supplier system to mitigate supply chain risks concentrated in a single region. To transfer loss risks associated with flood hazards, property all-risk insurance coverage for assets has been purchased. Upon the occurrence of disasters, emergency service guarantees were promptly activated, providing free repair and inspection services for rescue vehicles and stranded vehicles to consolidate customer relationships.
	Storm Cyclone	Procurement, Production, R&D, Trading/ Sales, Logistics Services, After-sales Services	Short-term	Storm cyclones may exert multi-dimensional impacts on the Group's entire value chain. On the supply chain side, disruptions in material transportation and interruptions in regional supplier deliveries are likely to occur. In the production segment, stability of facilities such as factories and warehouses may be compromised, directly interfering with production continuity. Regarding the R&D phase, restrictions on access to test sites and elevated safety risks associated with road testing necessitate frequent adjustments to test plans, which will directly extend the validation cycles for new vehicle models and new engines. In the terminal sales stage, due to the suspension of distribution stores and the postponement of offline marketing and delivery activities, issues such as disorderly order delivery schedules and short-term declines in regional sales volume have arisen. Additionally, logistics and after-sales service processes are subject to weather impacts, resulting sequentially in reduced transportation efficiency, increased vehicle failure rates, and elevated rescue and maintenance costs.	The Group has refined its EHS management system by comprehensively integrating early warning signals, response thresholds, and action checklists for extreme weather events such as typhoons and storm cyclones into the EHS management procedures and digital platform. This initiative strengthens emergency preparedness and response capabilities within the plant premises. Through routine identification of major hazard sources and emergency drills, the Group ensures a rapid restoration of production order following extreme weather events to minimize downtime losses to the greatest extent possible. Climate risk assessment shall simultaneously be integrated into the core decision-making process for overseas investments, and comprehensive property insurance shall be procured for assets acquired in overseas layouts to hedge against climate risks facing overseas operations.

[7]The Company is currently in the stage of financial quantification and assessment of climate-related risks and opportunities, and has not yet developed or disclosed a formal climate-related transition plan.

Risk Type		Impact on the Company's Value Chain	Temporal Scope of Impact	Description of Impact	Response Measures
Acute Risk	Extreme High Temperatures	Procurement, Production, R&D, Trading and Sales, After-sales Services	Short-term	Sustained extreme high temperatures have increased the energy consumption and production costs of upstream raw materials such as steel and tires. Adjustments in capacity by certain suppliers have further exacerbated price volatility and delivery uncertainty at the Group's procurement end. To maintain a constant temperature environment for workshop production, refrigeration energy consumption and associated expenses have risen significantly. Moreover, the intensified heat in the workshop operating environment affects both product quality verification and the occupational health of frontline workers. Significant increases in equipment operating costs have been observed during high-temperature condition testing in the R&D phase. Safety and quality risks arising from equipment overheating and personnel fatigue exist. Terminal sales have encountered obstacles due to a decline in customer willingness to visit stores and restrictions on outdoor promotion. The high-temperature environment also readily exposes performance shortcomings in vehicle cooling systems, triggering localized reputation risks and affecting order conversion. Furthermore, the increased vehicle failure rate has substantially raised emergency dispatch and repair costs for after-sales services.	The Company has optimized the workshop working environment by installing ventilation, heat dissipation, and cooling equipment in production workshops, and providing frontline workers with heat prevention supplies such as drinking water and Huoxiang Zhengqi oral liquid. Additionally, the Group has implemented staggered production schedules to adjust working hours, thereby enhancing operational efficiency during high-temperature conditions. At the same time, we continue to conduct "three high" tests on vehicles, strengthen hot zone calibration experiments during the product design stage, and optimize engine cooling performance through technological R&D to improve the high temperature weather resistance and reliability of products from the source.
	Drought / Wildfire	Logistics Services, After-sales Services	Short-term	Although droughts and wildfires pose no direct or significant threat to manufacturing facilities, they indirectly impact the Group's logistics and after-sales service operations. Wildfires may disrupt highway transportation routes, thereby triggering risks of claims arising from reduced transportation efficiency, increased costs, and delivery delays. Droughts can slow down regional economic activities, leading to a temporary decline in demand for heavy duty trucks. Concurrently, such extreme weather conditions increase vehicle failure rates, heighten the difficulty and safety risks associated with external rescue services in after-sales support, directly elevate costs for specialized services and warranty repairs, and adversely affect service response times and repair quality.	The Group has strengthened the multi-dimensional assessment of climate risks across its supply chain. It prioritizes the selection of high-quality suppliers located in low-risk areas to mitigate climate risks at the source. Simultaneously, a safety stock system for core raw materials has been established to effectively buffer operational impacts caused by short-term supply disruptions, thereby ensuring the continuity of the Group's production and operations.
Chronic Risk	Rising sea levels	Procurement, Production, Logistics Services	Long-term	No direct explicit impacts of the chronic climate risk of sea-level rise on the Group's core value chain activities, including procurement, production, and logistics, have been identified to date. However, from a long-term development perspective, damage to coastal port infrastructure caused by sea-level rise could indirectly affect the Group's import and export operations. Furthermore, as the Group's core markets are located in economically developed coastal regions, any adverse impact on regional economic development in these areas may also create potential indirect effects on the demand for heavy duty trucks.	When planning the investment layout for coastal ports, warehousing facilities, and production bases, the Group incorporates climate scenario analysis into the specialized assessment phase of feasibility studies to scientifically evaluate long-term climate risks. For critical assets that must be located in coastal areas, the Group actively participates in regional climate adaptation projects to collaboratively ensure the operational safety and long-term stability of coastal assets.
	Global Warming	Procurement, Production, Logistics Services	Medium- to long-term	No direct material impact of the slow warming associated with global warming has been identified on the Group's core value chain activities, including procurement, production, and logistics. However, under the dual carbon policy framework, increasingly stringent emission regulations have imposed significant carbon reduction pressures on the heavy duty automotive industry, resulting in a continuous increase in the Group's compliance costs. Concurrently, consumer preferences are gradually shifting towards new energy vehicles, progressively squeezing the market share of traditional internal combustion engine vehicles. Consequently, the Group faces substantial pressure in its new energy transition efforts, and there exists a potential risk that traditional fuel technology may be phased out by the market.	The Group has increased its R&D investment in new energy technologies, focusing on three key technical routes: pure electric, hybrid electric, and hydrogen fuel cell. It is accelerating the layout and iteration of its new energy products. On the production and operations front, it continues to advance energy conservation and consumption reduction efforts, lowering comprehensive energy consumption per ten thousand RMB of output value. Simultaneously, the Group actively participates in green power trading and gradually increases the proportion of renewable electricity usage, achieving a transformation and upgrading from energy conservation and consumption reduction to green energy utilization.

Sinotruk Climate Change Transition Risk Impact Analysis

Risk Type		Impact on the Company's Value Chain	Temporal Scope of Impact	Description of Impact	Response Measures
Policy and Legal Compliance Risk	Stricter Emission Regulations and Internalization of Carbon Costs (Policy Compliance)	Production and R&D	Short- to medium-term	Stricter dual controls on energy consumption and intensity and emission standards have intensified regulatory oversight on energy usage at vehicle manufacturing bases. Insufficient production line energy efficiency and emission control levels may trigger production curtailments, increased investment in technical upgrades, or rising carbon costs, directly impacting the manufacturing costs and production scheduling flexibility of heavy duty and light duty trucks. Additionally, high-energy-consumption stages in engine production are compelled to increase investments in energy-saving retrofits and clean energy sources due to regulatory constraints; otherwise, under carbon quota restrictions, manufacturing costs and the carbon footprint per unit product will rise significantly. If the R&D phase fails to proactively respond to stringent emission regulations and carbon constraints, or fails to control carbon emission and energy consumption indicators during testing and validation, new products may face repeated development or additional retrofitting upon market launch due to non-compliance, further increasing the Group's compliance and operating costs.	The Group dynamically tracks and internalizes domestic and international climate regulations, establishes a compliance early warning mechanism, concurrently conducts comprehensive carbon accounting and implements an internal carbon pricing system, embeds "shadow carbon prices" into investment and production decisions, and strategically reserves carbon credits to manage compliance risks. The Group's carbon reduction and clean energy targets are scientifically decomposed to each production unit. Key performance indicators are incorporated into management performance appraisals to ensure the implementation of the strategy. In addition, specialized training on carbon markets, carbon footprint accounting, and energy-saving technologies is regularly conducted for all employees, particularly technical and production management personnel, to enhance the organization's low-carbon management and execution capabilities.
Technology Risk	Research and Development of New Energy Technologies and Their Application	Production and R&D	Short-term	Whole vehicle production requires adaptation to new processes related to new energy vehicles. If workshop renovations and personnel skill enhancements cannot keep pace with the implementation of these technologies, the capacity for scaling up new energy models will be directly constrained. Engine production must evolve towards high-efficiency, low-carbon, and even zero-carbon powertrain technologies. Delays in introducing new technologies and modifying production lines will weaken the Group's industry influence in the powertrain sector. The R&D function is responsible for developing core new energy technologies. Insufficient assessment of key technical pathways or inadequate project management may result in low efficiency of R&D investment returns and cause the Group to miss critical technology development windows.	The Group has conducted forward-looking assessments of technology roadmaps and implemented platform-based development to reduce technology switching costs. It is focusing on key areas such as new energy propulsion, intelligent driving, and high safety with low energy consumption, while continuously advancing the breakthrough of core technologies and their industrial applications. Through strategic cooperation and near-shore layout to secure the supply of key components, a supplier technology radar has been established. Costs and R&D risks are jointly managed with supply chain partners, while high-value patent positioning is strengthened. An energy-level innovation platform is built to convert technological innovation into the Group's core competitive barriers.
	Stranded Assets and Capacity in Traditional Internal Combustion Engine Vehicles	Production, R&D, Logistics Services	Medium- to long-term	During the industry's transition to new energy, production lines related to traditional fuel vehicles have long faced risks of declining utilization rates. Failure to timely implement technical upgrades or adjust production lines may result in asset impairment or even stranded asset risks. Traditional diesel engine production lines are further subject to the dual impact of tightening emission standards and declining market demand, while substantial capital investments significantly increase the likelihood of assets becoming stranded. If R&D resources remain concentrated on traditional internal combustion engine platforms for an extended period while investment in new energy and low-carbon technologies is insufficient, existing R&D outcomes will depreciate rapidly due to regulatory and market changes, resulting in stranded asset risks for technical assets and patent portfolios. The logistics service model relying on traditional fuel-powered vehicles faces the risk of being replaced. If relevant vehicles and supporting facilities cannot be converted into new energy operation assets, they will become inefficient assets. Furthermore, the stranded asset risk associated with third-party fuel transport fleets may be transmitted to the Group's logistics fulfillment performance through a decline in service capability.	The Group advanced the upgrade of energy-saving technologies, including high-efficiency powertrains for traditional energy sources and lightweight vehicle bodies, to accelerate the reduction of fuel consumption across the entire vehicle. Simultaneously, existing fuel technologies underwent hybridization and energy efficiency upgrades, while core technologies were migrated to new platforms to prevent research and development outcomes from being completely stranded. Collaborate with logistics partners to formulate a fleet electrification plan. Reduce replacement costs through innovative business models by converting certain traditional vehicles for use in specific scenarios or for export. Regularly conduct carbon risk stress tests and value reassessments on production capacity, R&D projects, and logistics assets. Based on the results, develop upgrade, retrofit, or exit plans. Establish an asset risk early warning mechanism to achieve proactive management.

Risk Type		Impact on the Company's Value Chain	Temporal Scope of Impact	Description of Impact	Response Measures
Market Risk	Changes in downstream demand and shifts in product structure	Sales / Trading	Short- to medium-term	The sales and trading segment directly responds to customers' shifting demand from traditional fuel vehicles to new energy and high-efficiency models. A lag in adjusting the product mix and marketing strategies will directly trigger order losses, intensified price competition, and declining gross profit per vehicle, thereby exerting a direct impact on the Group's revenue and profitability.	The Group steadfastly focuses on its relevant strategies, with the pure electric platform at its core and coordinated development of hybrid and hydrogen fuel technologies, rapidly improving its new energy product matrix that covers all scenarios and optimizing the product structure. It has established a dynamic demand monitoring system, swiftly adjusting product planning and pricing strategies based on regional and industry data to ensure the product portfolio aligns with market trends. Simultaneously, the Group is shifting from merely selling products to providing comprehensive solutions, promoting purchasing models such as "battery-swapping separation," and offering supporting services like charging and swapping infrastructure, intelligent fleet management, and carbon accounting to lower customer usage barriers. Systematic new energy capability training has been implemented for sales channels, along with adjustments to assessment and incentive mechanisms. Greater weight is placed on incentives for new energy vehicle sales, solution promotion, and customer satisfaction, guiding resources toward high-growth areas.
Reputational Risk	Supply chain environmental or compliance incidents trigger reputational risks.	Procurement, Production, R&D, Sales/ Trading, Logistics Services	Medium- to long-term	In the procurement process, significant environmental compliance incidents involving upstream suppliers will draw external attention to the rigor of the Group's procurement decision reviews and accountability, potentially interpreted as lapses in supply chain management. Collaboration between production bases and problematic suppliers amplifies external skepticism regarding the Group's overall environmental management standards. Environmental violations by suppliers of critical engine components can directly undermine the brand image of the powertrain and affect the Group's collaborative standing with vehicle manufacturers. If materials or technical solutions used in R&D projects originate from suppliers with compliance issues, it may raise industry doubts about the Group's technology selection and due diligence capabilities. Failure to promptly adjust suppliers or products in response to environmental incidents within the supply chain at the sales end may expose shortcomings in environmental and social risk management to key clients and the public. Environmental safety incidents or frequent penalties involving logistics service partners could be perceived as inadequate risk management within the Group's supply chain system, thereby diminishing its reputation for responsibility in the supply chain and impacting overall brand credibility.	The Group incorporates environmental compliance and social responsibility into its supplier access criteria, establishes a dynamic rating mechanism, conducts focused audits on high-risk suppliers, and takes corrective, restrictive, or elimination measures against violators. It has established a carbon footprint traceability system for key materials and services, and regularly discloses the compliance performance of major suppliers to core customers to gain market trust through transparency. The Group has developed standardized risk handling procedures, from early warning and assessment to external communication, to ensure unified action and timely response in the event of supply chain incidents. Furthermore, it fully incorporates ESG requirements into the contracts and performance evaluations of carriers and warehousing service providers, prioritizing partnerships with authoritative certified partners to achieve collaborative management of risks at the end of the value chain.

Sinotruk Climate Change Transition Opportunity Impact Analysis

Opportunity Type	Impact on the Company's Value Chain	Temporal Scope of Impact	Description of Impact	Response Measures
Policy-driven green development	R&D, Production, Sales/Trading	Short- to medium-term	Against the backdrop of increasingly stringent national and local green transition policies, the Group has intensified new energy truck R&D at the research stage, implemented new energy vehicle manufacturing at the production stage, and expanded the new energy product market at the sales/trading stage. These measures not only ensure compliance with regulatory requirements but also establish industry benchmarks and capture market share in the new energy sector. Furthermore, leveraging its green R&D and product portfolio, the Group can apply for government subsidies for green projects or tax incentives, thereby enhancing product differentiation and market competitiveness.	The Group accelerated its product layout for new energy commercial vehicles and increased R&D investment in pure electric, hydrogen fuel cell, and hybrid heavy duty trucks. It continued to launch new energy heavy duty truck products that comply with national low-carbon policy guidelines. Simultaneously, it strengthened the application of energy-saving and low-emission technologies, promoted the implementation of efficient engine technology, vehicle lightweight design, and intelligent energy-saving systems in the production process, and continuously improved vehicle energy efficiency levels. Actively participate in the formulation of national and industry energy conservation and emission reduction standards. Proactively plan product upgrades to comply with stricter emission regulations. Simultaneously, through the promotion of new energy products and technological innovation projects, cooperate with policy applications at the sales end to secure government subsidies, green project funding, and tax incentives, thereby fully leveraging green policy support.
The evolution of the energy landscape affects the market demand for products and services.	R&D, Production, Sales/Trading, Logistics Services	Short- to medium-term	The evolution of the energy landscape has driven a continuous increase in market demand for low-emission products and services. The Group has adapted its R&D efforts to meet upgrading low-carbon requirements, adjusted production capacity on the manufacturing side to increase supply of low-emission vehicle models, expanded its low-carbon product portfolio on the sales/trading side, and simultaneously developed green transportation solutions on the logistics service side. These measures not only align with market low-carbon demands to generate incremental revenue but also promote optimization of the product structure, increase the proportion of high value-added products, and enhance revenue quality and profit margins.	The Group provides new energy heavy duty truck solutions tailored for scenarios such as urban logistics, port transportation, and mining area transportation. It is optimizing the product structure by increasing the proportion of new energy and low-emission models within the product portfolio while gradually reducing the production ratio of high-emission models. At the sales and trading end, comprehensive solutions including full-vehicle logistics, energy management, and fleet operations management are provided to logistics enterprises to assist customers in achieving carbon reduction in transportation. Simultaneously, targeting the growing demand for low-carbon transportation in regions such as Europe and the Middle East, the Group promotes the export of new energy and high-efficiency products and establishes a layout in international low-carbon markets. At the logistics service end, services are synchronized with low-carbon products to build a supporting green logistics service system.
Energy Efficiency Improvement and Low-Carbon Technology Development	R&D, Production	Medium- to long-term	Technological innovation serves as the core driver for the Group to transform climate change compliance pressures into development opportunities. At the research and development stage, focus is placed on the research, development, and application of low-carbon technologies, energy-saving processes, and green products. At the production stage, energy-saving equipment, intelligent manufacturing, and energy management systems are promoted. These measures not only reduce the carbon emissions and related compliance costs associated with the Group's production and product lifecycle but also enable the expansion into new energy and green industry markets through breakthroughs in core technologies. This establishes a differentiated competitive advantage, transforming climate transition requirements into long-term growth opportunities and strategic advantages.	The Group continues to advance the research and development of new energy power technologies. In the R&D phase, it has increased investment in key technical areas such as electric drive systems, battery systems, and hydrogen fuel cell systems. Simultaneously, the Group promotes overall vehicle energy efficiency optimization through aerodynamic optimization, intelligent driving assistance, and whole-vehicle control technologies, thereby enhancing vehicle fuel economy. Green upgrades to the manufacturing process are being advanced in the production phase through the promotion of energy-saving equipment, intelligent manufacturing, and energy management systems to enhance production energy efficiency. Simultaneously, industry-academia-research cooperation with scientific research institutions and supply chain partners is being strengthened to jointly drive the innovation and implementation of low-carbon technologies at both the R&D and production stages.
Business opportunities and strategic space derived from a strong reputation	Procurement, Production, R&D, Sales/ Trading, Logistics Services	Medium- to long-term	Against the backdrop of low-carbon transition becoming an industry consensus, the Group controls green supply chain standards at the procurement stage, practices green manufacturing at the production stage, deepens new energy technologies and emission reduction practices at the R&D stage, promotes low-carbon products at the sales/trading stage, and implements green transportation at the logistics service stage. Such a comprehensive green layout across the entire value chain can effectively strengthen brand image and environmental social responsibility reputation, thereby securing more development opportunities in government procurement, green finance, international market access, and customer cooperation, ultimately converting reputation advantages into long-term commercial value.	The Group has strengthened ESG and climate-related disclosures in accordance with international frameworks such as the TCFD and ESG reporting standards. It has publicly disclosed green practices across all dimensions of procurement, production, and R&D to enhance corporate transparency. Leveraging new energy technologies at the R&D stage, green manufacturing practices at the production stage, and low-carbon product promotion at the sales/trading stage, the Group has built a green brand image and enhanced its brand influence. Actively explore financing methods such as green loans and green bonds to expand green financial cooperation and reduce financing costs. Simultaneously, deepen industrial chain cooperation with suppliers on the procurement side, customers on the sales/logistics side, and industry organizations to jointly promote the construction of a low-carbon transportation ecosystem, thereby converting reputation advantages into opportunities for whole-industrial-chain cooperation.

Climate Resilience

The Company has conducted climate scenario analysis to assess climate resilience. Upon systematic evaluation, no significant impacts on key value chain links, material risk matters, or clear timeframes arising from climate-related risks and opportunities have been identified. The Company maintains stable overall operations and sound climate resilience.

Risk Management

Based on the framework of *IFRS Sustainability Disclosure Standard 2 (IFRS S2) - Climate-related Disclosures*, Sinotruk has integrated climate risk management into the Group's overall risk management system. The Group conducts assessments covering both transition risks and physical risks, and comprehensively reviews the impacts of climate change on its business operations through risk identification, impact evaluation and response planning.

The Group has established and routinely operates a climate risk assessment mechanism, comprehensively utilizing industry-standard parameters and both qualitative and quantitative methods to carry out risk identification, assessment, grading, and prioritization. Scenario analysis is also employed to assist in identifying relevant risks. Qualitative and quantitative assessments are conducted on risk levels, the degree of impact, and the likelihood of occurrence, resulting in a prioritized risk list. Corresponding countermeasures and a management tracking system are subsequently developed. These related processes have been fully integrated into the Company's overall risk management system, enabling routine management and dynamic monitoring.

Metrics and Targets[8]

The Group regularly monitors and assesses greenhouse gas emissions. We will set greenhouse gas control targets that align with industry characteristics and continuously advance carbon reduction efforts.[9]

Group Greenhouse Gas Emissions in 2025

Greenhouse Gas Emissions	Unit	2025
Scope 1[10]	tCO_2e	107,420.87
Scope 2[11]	tCO_2e	485,955.19
Total greenhouse gas emissions	tCO_2e	593,376.06
Greenhouse Gas Emission intensity	tCO_2e/ revenue (RMB million)	5.42

[8] Due to the ongoing calculation of climate-related financial impacts and cross-industry metrics, and the incomplete nature of the underlying data, the Company has applied the reasonable information relief under the Stock Exchange's Climate Disclosure Implementation Guidelines and temporarily refrains from disclosing cross-industry metrics.

[9] The Company has not yet set climate-related targets, including greenhouse gas emission targets, and will gradually establish them in the future based on strategic development needs. The Company currently qualifies for capabilities relief, and therefore has not disclosed related targets. This target is neither formulated based on industry decarbonization methods nor relies on carbon credits to achieve emission reductions.

[10] The calculation of 2025 greenhouse gas emissions (Scope 1) is based on the *2006 IPCC Guidelines for National Greenhouse Gas Inventories*, and the Global Warming Potential (GWP) references the IPCC *Sixth Assessment Report (AR6)*. Scope 1 emission sources include emissions from the combustion of fuels such as natural gas, liquefied petroleum gas, diesel, and gasoline, as well as fugitive emissions from carbon dioxide fire extinguishers, refrigerant leaks, and industrial process emissions.

[11] The calculation basis for the 2025 greenhouse gas emissions (Scope 2) is the national average carbon dioxide emission factor for electricity in 2022 of 0.5366 $kgCO_2/kWh$, as stipulated in the *Announcement on the Release of the 2022 CO_2 Emission Factors for Electricity* by the Ministry of Ecology and Environment and the National Bureau of Statistics. Scope 2 emission sources include emissions from purchased electricity, heat, and steam.

Scope 3

To strengthen the management of supply chain carbon emission data, in accordance with the *Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard*, and considering the emission characteristics of Scope 3 in the manufacturing industry, Category 1 (Purchased Goods and Services), Category 11 (Use of Sold Products), and Category 13 (Downstream Leased Assets) have been identified as primary emission sources. A specialized accounting guideline has been formulated to clarify data collection processes, accounting methodologies, and emission factors, thereby standardizing the statistics and reporting of full value chain emission data to ensure that accounting results are complete, consistent, and accurate.

Group Scope 3 Emissions in 2025

Greenhouse Gas Emissions	Unit	2025
Scope 3[12]	tCO_2e	52,867,287.81

Carbon credits and internal carbon pricing

In 2025, the Group had not established an internal carbon pricing mechanism and had not participated in any form of carbon credit market transactions (such as the purchase or sale of carbon allowances or verified voluntary emission reductions). In the future, the Group will closely monitor developments in national carbon market policies and industry practices, evaluate the potential value of relevant mechanisms in cost management, risk response, and low-carbon transformation, and conduct research and planning as appropriate.

[12] Based on materiality assessment criteria and in consideration of its industry characteristics, business relationships, data availability, and disclosure costs, the Company has selected the following 12 categories for Scope 3 greenhouse gas accounting and disclosure:Category 1: Purchased Goods and Services, Category 2: Capital Goods, Category 3: Fuel- and Energy-Related Activities, Category 4: Upstream Transportation and Distribution (statistical scope limited to the Shandong region), Category 5: Waste Generated in Operations, Category 6: Business Travel, Category 7: Employee Commuting, Category 8: Upstream Leased Assets, Category 10: Processing of Sold Products, Category 11: Use of Sold Products (statistical scope limited to heavy duty truck products manufactured in the Shandong region), Category 12: End-of-Life Treatment of Sold Products, Category 13: Downstream Leased Assets.

Promoting Low-carbon Operations

Sinotruk has deeply integrated the concept of green development into its entire production and operation process to enhance resource efficiency and promote energy conservation and emission reduction. Through the continuous optimization of management systems, the application of innovative technologies, and the implementation of refined management, we have comprehensively promoted the efficient recycling of energy, water resources, and packaging materials, thereby establishing an operational model that is resource-conserving and environmentally friendly.

Energy Consumption

Sinotruk complies with the *Law of the People's Republic of China on Conserving Energy* and continuously improves the Group's energy management policy system in accordance with national standards such as the *General Principles for Calculation of Comprehensive Energy Consumption* and the *Requirements and Usage Guidelines for Energy Management Systems*. In 2025, the Group systematically revised the *Energy Management Measures* and in accordance with policy documents such as the *Energy Statistics and Analysis Management Process*, the *Substation Management Measures*, the *Management Measures for Sewage Treatment Plant Operation*, the *Management Process for Energy Equipment and Facilities Planning*, and the *Management Process for Energy Emergency Planning and Management*, promoted improvements in equipment energy efficiency and optimization of the full-process energy management. These measures provide a policy framework to enhance energy utilization efficiency and response capabilities.

In 2025, the Group continued to refine our energy management system by establishing a three-tier energy management structure comprising Company Level, Processing Department Level, and Key Energy-Consuming Equipment, with the General Manager overseeing the Group's energy management operations. Concurrently, the Group incorporates energy performance into the performance appraisal of management personnel at all levels, clarifies energy conservation responsibilities, and ensures the effective implementation of energy management measures.

Sinotruk's Energy Management System

The General Manager
The senior leadership oversees energy management work and coordinates it comprehensively.

The Manufacturing Engineering Department
Establish and implement an energy management plan, set annual energy-saving targets, and submit regular reports.

The Energy Management Office
Supervise the implementation progress of energy conservation work in subsidiaries.

Each manufacturing subsidiary
Responsible for daily energy conservation management and equipment operation and maintenance.

The Group actively conducts energy management system audits and continuously improves energy performance to ensure the effective operation of the energy management system. In 2025, the Group headquarters and 18 manufacturing subsidiaries obtained GB/T 23331 energy management system certification certificates. The 18 affiliated companies passed ISO 50001 energy management system certification. The certification coverage rate reached 89%, and the external audit coverage rate also reached 89%.

The Group implements a refined energy management model and continuously deepens daily energy-saving practices. We strictly enforce the principle of "switch off when not in use", implementing standardized management for air conditioning, lighting, and office equipment. Specific temperature settings and maintenance requirements for air conditioning units are clearly defined, while a dedicated responsibility system is established for office equipment to prohibit the use of non-compliant electrical appliances. A normalized inspection mechanism covering energy stations, pipeline networks, and terminal equipment has been established. Through a combination of regular self-inspection and special supervision, key issues such as leaks, inefficient equipment operation, and other anomalies are prioritized for investigation to ensure the effective operation and continuous optimization of the energy management system. Furthermore, we actively carried out environmental education and publicity initiatives, including interpretations of national standards for energy management systems, regulations on motor energy efficiency, and training on carbon emission knowledge. These efforts continuously enhanced the awareness of all employees regarding energy conservation and consumption reduction, jointly promoting the implementation of a green operational culture.

In 2025, Sinotruk further advanced green technology transformation and achieved substantive results in improving energy efficiency and reducing emissions. By implementing multiple technical energy-saving measures, we achieved an annual carbon dioxide emission reduction of approximately 3,374 tons, effectively promoting low-carbon operations.

Highlights of the Group's Green Technology Transformation Initiatives in 2025

01
Sinotruk effectively reduced the energy consumption of system operations by optimizing the operating pressure of the plant-wide compressed air system and reasonably lowering the equipment pressure setpoints, while ensuring normal gas supply for production equipment.

02
Jinan Commercial Vehicle Co., Ltd. optimized the temperature control mode of the light truck paint baking oven by adjusting the original continuous high-fire heating to automatically switch to low-fire heat preservation when approaching the target temperature, effectively shortening the heating time and reducing energy consumption.

03
Jinan Truck Co., Ltd. optimized its drying production organization by concentrating and continuously drying bumpers while adjusting the temperature setting, achieving precise energy supply based on product requirements and effectively reducing natural gas consumption.

04
By optimizing the control logic of the thermal system on the powder coating line and implementing intelligent precision control at each node, the Jinan Forming Plant automatically shuts down the fans when the temperature falls below 120℃ . This measure eliminates ineffective idle operation of the fans and effectively reduces electrical energy consumption.

Case | Energy-Saving Retrofit of the Agitator System in the Reactor Basin at the Jinan Rubber & Plastic Parts Company Sewage Treatment Station

In 2025, to optimize the energy efficiency of its wastewater treatment unit, the Company implemented an intelligent retrofit of the agitation system. This involved installing an automatic control system to switch the agitator pump from continuous to intermittent, on-demand operation, thereby effectively reducing energy consumption.

Case | Energy Efficiency Enhancement Project for the Drying Line in the Painting Workshop of Chongqing Automotive Company

Chongqing Automotive Company actively implements the philosophy of green manufacturing. To tackle the high energy consumption of the drying line in its painting workshop, the company carried out a programmed upgrade of the ternary flue gas recirculation and hot air control system. This upgrade optimized the oven's operating program, shortening both the heating-up phase and the delayed shutdown period.

Without compromising process quality, the initiative is projected to reduce annual CO_2 emissions by approximately

227 tonnes

Sinotruk attaches great importance to the development and application of clean energy. The Company continues to promote the large-scale utilization of green energy in production and operations, actively explores various clean technology pathways such as ground-source heat pumps and photovoltaic power generation, effectively reduces reliance on traditional energy sources, and lowers its operational carbon footprint. The Jinan Engine Plant and Laiwu Plant have constructed and commissioned ground-source heat pump systems to provide summer cooling and winter heating for the industrial parks and surrounding areas. The comprehensive energy-saving effect has improved by approximately 20% compared with traditional air conditioning and municipal heating. Distributed photovoltaic power stations have been established at Jinan Light Truck Manufacturing Company and the Laiwu Truck Factory. These facilities generate approximately 52 million kWh of electricity annually, thereby enhancing the level of clean energy structure within the Company.

The Group's already completed distributed photovoltaic power stations generate approximately

52 million kWh

of electricity

Target for the Energy Consumption per RMB 10,000 of Industrial Output Value

Indicatory category	Indicator name	Unit	Indicator explanation	Calculation Method	Actual value for 2025	Target value for 2025	Target value for 2026
Energy	Comprehensive energy consumption per RMB 10,000 of revenue	kgce/ RMB 10,000	Energy consumed by the enterprise per RMB 10,000 of industrial revenue (kgce)	Comprehensive energy consumption / Industrial revenue of the Group	11.5	21	20

Laiwu Factory Ground Source Heat Pump System

Laiwu Factory Distributed Photovoltaic Power Station

Energy Consumption of the Group in 2025

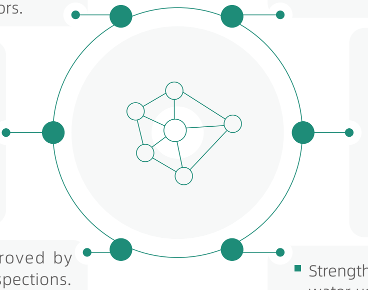
Energy indicator	Unit	2025	2024
Natural gas	m^3	39,370,515.00	30,912,100.00
Gasoline	Ton	49.89	49.52
Diesel	Ton	4,768.83	3,044.26
Liquefied petroleum gas	m^3	130.00	110.44
Kerosene	Ton	0	0
Electricity	MWh	748,360.21	562,452.99
Steam	Ton	91,284.10	93,624.00
Purchased heat	GJ	271,836.81	149,392.35
Total comprehensive energy	tce	177,400.45	124,970.05
Energy consumption intensity	tce/revenue (RMB million)	1.62	1.31

Water Conservation

Sinotruk fully implements the requirements of the *Water Law of the People's Republic of China* and related regulations, continuously improves the Group's water resource management system, and is committed to enhancing water resource utilization efficiency while promoting its sustainable management. The Group has clearly defined water management responsibilities for its subsidiaries and strengthened the daily supervision and assessment mechanisms. Each subsidiary shall establish annual water conservation targets and formulate supporting implementation plans based on its actual operational conditions to ensure that water conservation measures are effectively implemented. During the reporting period, the Group's production and domestic water supply was primarily sourced from the municipal water system. The water source supply remained stable and compliant with quality standards, and no difficulties were encountered in obtaining the water source nor was there any insufficiency in its suitability.

Sinotruk's relevant requirements for water conservation management implemented across all production units:

- The responsibility system for water resource management has been implemented, and a tiered metering and water usage ledger system has been established to achieve systematic monitoring, assessment, and control of the entire water usage process, effectively reducing wasteful water consumption behaviors.
- Scientifically establish annual water consumption targets based on the enterprise's production characteristics and decompose the execution plan by month. A water conservation performance assessment policy has been established, incorporating water usage indicators into the performance evaluation of management personnel to ensure the effective implementation of water conservation measures.
- The water inspection mechanism has been improved by conducting a combination of regular and random inspections. Through dynamic monitoring and analysis of water consumption data, maintenance of pipelines and facilities is strengthened to promptly identify and address issues such as leaks, thereby continuously improving water efficiency.



- Promote the implementation of water-saving technology renovation projects, optimize production processes and water usage structures, and continuously improve the comprehensive utilization rate of water resources.
- Implement water-saving orientation in new construction and expansion projects and carry out specialized planning. Water-saving processes and equipment has been prioritized. A water balance test has been conducted every four years for units with an annual water consumption exceeding 200,000 cubic meters to identify water conservation potential and implement targeted improvements.
- Strengthen resource management requirements for third-party water users by incorporating them into the water consumption indicator control system to collaboratively reduce water waste.

The Group actively explores the conservation, recycling, and efficient utilization of water resources. By improving its management system, optimizing production processes, and promoting water-saving technologies, the Group has implemented practices for water resource recycling and continuously reduced water consumption per unit of product.

Case | Reuse of reclaimed water improvement project at Laiwu Plant of Truck Company

The Laiwu Plant of the Truck Company has long utilized high-quality tap water for non-potable basic water applications such as landscape irrigation and toilet flushing, resulting in significant waste of water resources. In 2025, the factory implemented a project to enhance reclaimed water reuse, ensuring that the reclaimed water treatment capacity meets the supply requirements for the entire plant area. Following the retrofitting, the factory saves 137,000 tons of high-quality tap water annually, achieving a win-win outcome in both economic and environmental benefits.

Water Consumption of the Group in 2025

Indicator	Unit	2025	2024	2023
Municipal water	Ton	4,387,615.22	3,634,657.33	3,248,853.26
Underground water	Ton	902,931.00	934,407.00	881,559.00
Total consumption	Ton	5,290,546.22	4,569,064.33	4,130,412.26
Water consumption intensity	Ton/revenue (RMB million)	48.30	53.44	48.31

Packaging Materials Use

Sinotruk has incorporated the environmental management of packaging materials into key areas of sustainable development and established a comprehensive packaging control system covering the entire process, with clear objectives centered on source reduction and circular reuse. The Group has established a specialized department for packaging equipment to manage the design and improvement of product packaging, conduct usage assessments based on production realities, promote structural optimization and lightweight design, advocate for reusable packaging models, and enhance resource utilization efficiency. In 2025, the Group implemented reusable packaging for various products. All packaging materials were categorized and managed into three types: plastic, wood, and cardboard boxes. During the reporting period, the total volume of packaging materials used was 5,983.01 tons.

Management measures for packaging materials usage across all stages:

R&D

Continuously monitor market dynamics and learn from industry best practices to conduct research and development on recyclable packaging materials, while actively exploring innovative pathways for packaging recovery and circular reuse.

Production

Actively promote the practical application of circular packaging solutions, products, and components; continuously accumulate experience and break through technical bottlenecks in practice to facilitate the scaled promotion of circular packaging.

Transportation

Targeted analyses are conducted based on the transportation characteristics of different businesses and products to precisely align packaging requirements. Leveraging the inherent advantages of various packaging materials, a systematic approach is implemented to promote packaging lightweighting and reuse.

Daily Operations

Continuously promote the concept of lightweight packaging, reusable packaging, and the "Three-in-One" packaging equipment philosophy by sharing successful practices and specific operational methods for reusable packaging to further enhance its demonstration and leading role.

Case | Jinan Engine Factory Optimizes the Packaging Form of Components

Jinan Engine Factory optimized the packaging of purchased components by adopting reusable pallet boxes, storage cages, and standard bins to replace original paper packaging. This implementation of recyclable packaging saves approximately 30,000 cardboard boxes annually and reduces solid waste generation by approximately 120 tons.

Case | Jinan Transmission Plant Liner Packaging Material Recycling Project

Jinan Transmission Plant collaborated with a third-party logistics provider to introduce cleaning equipment in response to the shortage of inner lining packaging materials caused by supplier packaging variations during the logistics re-packaging process, thereby establishing a circular system for single-use inner lining packaging materials involving 'collection, cleaning, and reuse'. By establishing a recycling system for liner packaging materials, the Company not only resolved quality risks associated with approximately 26 categories of materials being repackaged without protection and reduced packaging procurement costs but also minimized the generation of packaging waste, thereby promoting the overall optimization and sustainable development of the inbound packaging system at the transmission plant.

The Use of Packaging Materials of the Group in 2025

Packaging material indicator	Unit	2025	2024	2023
Plastic	Ton	347.77	1,655.50	1,612.19
Metal	Ton	1,066.92	/	/
Wood	Ton	4,190.97	178.01	6,165.89
Carton	Ton	247.38	6.00	/
Corrugated Paper	Ton	129.97	/	/

Implementing Green Operations

Sinotruk actively promotes the construction of a "Zero-Waste Group", prioritizing the control of industrial wastewater, waste gas, solid waste, and noise pollution as key environmental management initiatives for the Group. In 2025, the Group fully achieved all pollutant control indicators. Wastewater and exhaust gas were discharged in full compliance with standards at a rate of 100%, hazardous waste was disposed of in strict accordance with regulations at a rate of 100%, and zero pollution incidents occurred.

Environment Management

Sinotruk strictly complies with laws and regulations such as the *Environmental Protection Law of the People's Republic of China* and the *Law of the People's Republic of China on Environmental Impact Assessment*. Sinotruk has formulated the *Environmental Health and Safety Policy*, and established a sound environmental management system by developing procedural documents including the *Environmental and Occupational Health and Safety Management Manual*, the *Environmental and Occupational Health and Safety Management Control Procedures*, and the *Objectives, Targets, and Plans Control Procedures*. This initiative aims to enhance the level of environmental management.

The Group's Safety Production Committee is chaired by the General Manager, who is responsible for comprehensively coordinating and promoting the implementation of environmental protection initiatives across the Group. The Safety Production Committee has established a Safety Work Committee responsible for supervisory measures and indicator control regarding the Group's environmental protection, as well as for monitoring and inspecting environmental hazard risks, conducting emergency management work, and carrying out environmental education and publicity. Furthermore, we have explicitly incorporated compliance with pollutant discharge standards, standardized disposal of hazardous waste, operation and maintenance of environmental protection facilities, and environmental emergency management into the key performance indicators for responsible persons. The assessment results are directly linked to performance evaluations to promote the implementation of environmental responsibilities and the control of environmental risks.

The Group requires all suppliers and contractors to strictly comply with our environmental management policies and establish a sound safety handling system for toxic waste, harmful gases, and wastewater to ensure effective control and management prior to discharge. We continue to advance the institutionalization and standardization of our environmental management system, fully aligning with national and industry regulatory requirements. In 2025, in accordance with the "Environmental Management System" (ISO 14001) standard, the Group conducted internal special audits of all manufacturing and production units, focusing on policy implementation, process control, and compliance execution to promote continuous improvement in the standardization and effectiveness of system operations across all units. Furthermore, during the reporting period, all subsidiaries of the Group successfully passed the annual surveillance audits for their ISO 14001 environmental management system certifications, achieving a certification coverage rate of 100% and an external audit pass rate of 100%. Building upon the foundation of system construction, the Group has actively promoted green manufacturing. In 2025, three subsidiaries of the Group successfully obtained national-level "Green Factory" certification. Furthermore, the Group attaches importance to environmental risk management, has established an emergency plan for environmental risks, actively assesses and manages environmental risks, and reduces significant adverse impacts of the Group's operations on the environment. In 2025, the Group had no significant environmental violations.

Environmental Management System Certification Certificate

In 2025, Sinotruk continued to increase its systematic investment in environmental infrastructure and management, with a cumulative allocation of RMB 64.8668 million for special environmental expenditures. These funds were primarily utilized for the compliant disposal of hazardous waste, environmental testing, rectification of environmental hazards, operation and maintenance of online monitoring facilities, operation and maintenance of sewage treatment stations, and environmental publicity. Concurrently, the Group organized professional environmental training focused on the operation and maintenance of VOCs waste gas treatment equipment to continuously strengthen all employees' theoretical knowledge and practical skills in environmental protection, thereby advancing the construction of environmental management capabilities.

In 2025

the Group invested RMB

64.8668 million

in environmental protection special projects

Waste Gas Management

Sinotruk strictly complies with national laws and regulations such as the *Atmospheric Pollution Prevention and Control Law of the People's Republic of China* and relevant emission standards. It systematically strengthens the control of waste gas emissions to ensure comprehensive compliance while continuously reducing its impact on the environment.

For critical stages in the production process involving coating, welding, cutting, and heating/drying that generate waste gas, we implemented specialized governance measures. These measures focus on controlling pollutants including volatile organic compounds (VOCs), ozone-depleting substances (ODS) and ozone precursors, welding fumes, cutting dust, and natural gas combustion exhaust. By promoting source substitution (e.g., the use of low-volatile raw materials), installing new activated carbon adsorption units, and deploying centralized oil mist treatment systems, continuous optimization of processes and equipment has been achieved to enhance waste gas treatment efficiency and drive the transition of production operations toward low-emission standards. In 2025, the Group strived to achieve its emission target of "ensuring that 100% of exhaust pollutants comply with standards by 2030".

Case | Jinan Components Company Dry Spray Booth Retrofit and Hazardous Waste Governance Upgrade

Regarding the issue of improving the performance level of heavy pollution weather management, Jinan Components Company comprehensively renovated the painting process in its wheel machining workshop. The wet paint booth was upgraded to a dry paint booth, thereby reducing the emission of volatile organic compounds (VOCs) at the source. Concurrently, the company upgraded the waste gas treatment system of its hazardous waste warehouse by installing high-efficiency purification equipment, such as activated carbon adsorption units. The workshop renovation measures enabled the Company to achieve a stricter environmental rating (Grade B), avoided production stoppages caused by environmental production restrictions, and simultaneously reduced water consumption, wastewater treatment costs, and daily operation and maintenance expenses. This initiative achieved a dual improvement in environmental compliance and production efficiency.

Waste Gas Emissions of the Group in 2025

Indicator of Waste Gas[13]	Unit	2025	2024	2023
Smoke and dust	Ton	57.52	37.00	57.71
Sulfur dioxide	Ton	5.62	3.88	4.13
Nitrogen oxides	Ton	18.60	20.13	26.80
Benzene	Ton	1.21	0.18	0.39
Methylbenzene	Ton	4.11	1.17	2.20
Xylene	Ton	6.81	4.77	3.10
Non-methane hydrocarbon	Ton	134.25	128.51	109.62
Volatile organic compound	Ton	211.70	23.98	/

Wastewater Management

The Group strictly complies with national laws and regulations, including the *Water Pollution Prevention and Control Law of the People's Republic of China*, the *Integrated Discharge Standard of Water Pollutants*, and the *Regulations on Urban Drainage and Sewage Treatment*, as well as relevant standards. The Group continuously strengthens source control and end-of-pipe treatment of wastewater, implements full-process monitoring and advanced treatment for all types of sewage and wastewater generated during production and operation, ensures compliance with all discharge standards, and persistently reduces the total volume of wastewater discharged while lowering the concentration of pollutants such as COD[14] in the wastewater. The wastewater discharged by the Group primarily consists of production wastewater and domestic sewage from the industrial park.

[13] In 2025, the overall volume of air emissions increased compared to 2024. This rise was primarily associated with higher production levels during the same period, affecting key pollutants such as soot, sulfur dioxide (SO_2), benzene, toluene, xylene, total non-methane hydrocarbons (NMHC), and direct volatile organic compounds (VOCs).

[14] COD, Chemical Oxygen Demand.

Case | Datong Gear Co., Ltd. Wastewater Treatment Station Biofilm System Upgrade Project

The original biofilm of Datong Gear Co., Ltd. experienced severe clogging due to exceeding its design service life, which adversely affected the treated water volume and effluent quality. In June 2025, the Company replaced 14 sets comprising a total of 700 biofilm modules. Upon completion of installation and commencement of operations, system flow was restored to normal, effluent discharge stabilized, and all water quality parameters complied with emission standards, thereby effectively ensuring the efficient and environmentally compliant operation of the wastewater treatment facilities.

Update of the Biofilm System at the Wastewater Treatment Station

Case | Renovation of the Sewage Treatment Station at Jinan Forming Plant

Jinan Forming Plant implemented a systematic renovation of the sewage treatment station that had been in operation for many years. Key upgrades were carried out to address issues such as equipment aging and unstable control systems, with a total investment of RMB 1.086 million. Following the retrofit, wastewater treatment capacity and process reliability were significantly enhanced, resulting in a marked improvement in effluent quality. Specifically, the ammonia nitrogen discharge concentration was reduced from an average of 20 mg/L to below 1 mg/L, consistently meeting the processing demands during peak production periods across multiple regional entities.

Jinan Forming Plant Sewage Treatment Station Renovation Project

The Group has established wastewater reduction targets, aiming to reduce the wastewater discharge density and COD discharge density per million revenue by more than 5% compared to 2021 levels by 2030.

Wastewater Discharge of the Group in 2025

Indicator of wastewater discharge[15]	Unit	2025	2024	2023
Wastewater	Ton	2,398,653.65	1,721,524.55	1,830,383.32
COD	Ton	111.57	91.86	73.17
Intensity of COD discharge	kg/revenue (RMB million)	1.012	0.966	0.856
Ammonia nitrogen	Ton	12.90	6.41	3.05
Intensity of ammonia nitrogen discharge	kg/revenue (RMB million)	0.117	0.067	0.036

[15] In 2025, wastewater discharge, COD emissions, and ammonia nitrogen emissions increased compared to 2024 due to the year-on-year growth in the Company's production volume.

Waste Management

Sinotruk strictly complies with laws and regulations such as the *Environmental Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on the Prevention and Control of Environment Pollution Caused by Solid Wastes*, and based on internal special policies including the *Standardized Management of Hazardous Wastes* and the *Assessment Standards for Standardized Hazardous Waste Management*, clearly defines management evaluation standards and disposal procedures for various types of waste.

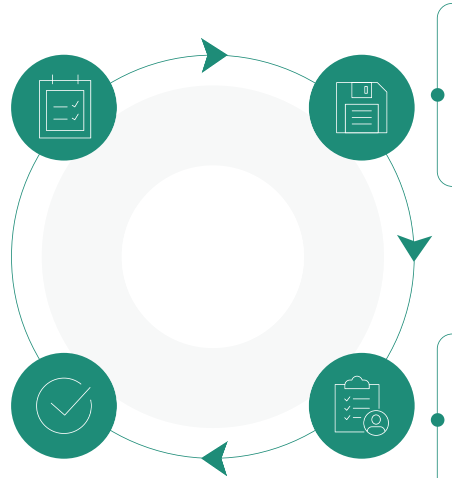
The Group has fully implemented a waste classification management system across all production units and continuously enhances management effectiveness through full-process digital monitoring and dynamic assessment mechanisms. Each manufacturing base has implemented strategies for the reduction and resource utilization of solid waste, increased the recovery ratio of renewable materials, and actively promoted energy treatment of waste. The Group has established a full-lifecycle control mechanism covering the generation, collection, transfer, and disposal of waste. Through process optimization and closed-loop recycling systems, the Group has significantly improved the recycling rate of materials such as metal shavings generated during machining processes, thereby reducing the environmental footprint at the source.

In the management of hazardous waste, the Company strictly enforces the declaration and registration policy, implements centralized storage management with sealed containment, trains professional personnel responsible for hazardous waste disposal, and establishes strategic cooperation with qualified hazardous waste treatment units to ensure compliant and resource-oriented disposal of toxic and harmful substances, thereby comprehensively preventing environmental and health risks.

Disposal Mechanism of Hazardous Wastes

Reporting and Registration: Establish a comprehensive reporting and registration mechanism for hazardous wastes to ensure that waste source, type, and quantity are traceable, providing data support for standardized management.

Centralized Storage: Implement enclosed and centralized storage for hazardous wastes, equipped with dedicated facilities and signage, to prevent leaks and secondary pollution, ensuring safe storage.



Collection and Utilization: Partner with professional hazardous waste collection and utilization companies to repurpose waste oil and drum-related hazards, minimizing incineration and landfill disposal, and promoting resource recycling.

Designated Personnel for Handling: Designate trained professionals to collect, transport, and dispose of hazardous wastes to ensure compliant operations.

Toxic emissions and waste management measures

Heavy metal-containing liquid wastes

- Promote the resource-oriented treatment of heavy metal-containing liquid wastes, such as phosphating wastewater, shorten the disposal cycle through technological improvements and process optimization, and progressively achieve the regeneration and recycling of waste acids.

Volatile organic compounds

- For toxic waste generated during the painting process, such as waste paint cans and coating drums, a system of classified centralized storage management is implemented. Such waste is prohibited from being mixed with general refuse and must be disposed of in compliance by a professional hazardous waste treatment unit. By optimizing the painting process and promoting the use of low-volatile coatings, emissions of volatile organic compounds (VOCs) are effectively reduced.

Scrap trucks dismantling waste

- Regarding waste generated from the dismantling and recycling of retired trucks, including lead-acid batteries and flame-retardant plastics, the Company strictly separates hazardous substances such as lead and mercury and collaborates with compliant recycling enterprises for professional disposal. Among them, lead-acid batteries are handed over to qualified recyclers for standardized recycling, while plastic components achieve resource utilization through pyrolysis technology.

Case | Jinan Transmission Plant and Engine Plant Utilize Intelligent Waste Recycling System

Jinan Transmission Plant and Engine Plant implement centralized supply of process fluids used for cooling and lubrication during production. Through physical purification technologies, impurities generated during fluid usage are removed, enabling the fluids to be reused. This approach significantly reduces the generation of industrial hazardous waste and achieves the reuse of cutting fluids.

Case | Fujian Haixi Automobile Company Replaced With High-Efficiency Dewatering Equipment

To address the issues of high moisture content and escalating disposal costs resulting from outdated sludge treatment processes, Fujian Haixi implemented a technical upgrade project for its dewatering system in 2025. The original belt filter press was replaced with high-efficiency screw-type dewatering equipment, enhancing dewatering performance. The sludge moisture content is projected to decrease by approximately 35%, reducing the total annual sludge volume by approximately 33.25 tons and alleviating pressure on final disposal.

The Group has established waste management targets: ensuring 100% compliant disposal of hazardous waste and reducing the emission density of hazardous waste, non-hazardous waste, and solid waste per million revenue by 10% compared to 2021 levels by 2030.

The Group has established waste management targets

ensuring

100%

compliant disposal of hazardous waste

Waste Discharge of the Group in 2025

Indicator of Waste Discharge [16]	Unit	2025	2024	2023
Amount of hazardous waste discharge	Ton	9,616.85	6,516.97	7,279.67
Intensity of hazardous waste discharge	Ton / revenue (RMB million)	0.087	0.07	0.09
Amount of non-hazardous waste discharge	Ton	191,054.92	125,939.58	144,310.71
Intensity of non-hazardous waste discharge	Ton / revenue (RMB million)	1.73	1.32	1.69

[16] In 2025, due to the year-on-year growth in the Company's production output, the volume of waste discharge increased compared to 2024.

05 Building Dreams Together, Fostering Shared Development

Sinotruk regards talent as the core driver of corporate development. Upholding a people-oriented philosophy in employee management, the Group places high importance on safeguarding employees' rights and interests, fostering career development, and enhancing well-being. We strive to create a harmonious, equitable, and diverse working environment, growing together with our employees. Simultaneously, the Group actively fulfills its social responsibilities, deeply engages in rural revitalization and public welfare initiatives, and contributes to building a better society, demonstrating corporate commitment and compassion.

Key Progress in 2025

520 courses launched on the "Sinotruk Cloud Academy"

achieving **100%** coverage of online employee training

2,144 training sessions conducted

involving **125,000** participants

and totaling over **2.75 million** training hours

averaging **96 hours** per employee

with a total training investment of RMB **20.22 million**

Employee satisfaction survey participation rate reached **93.27%**

with an overall satisfaction score of **90.19 points**

Registered volunteers totaled **11,312**

contributing **29,375.5 hours** of annual volunteer service

Social public welfare donations amounted to RMB **1.054 million**

Safeguarding Employees' Rights and Interests

Sinotruk adheres to the principles of lawful employment and equal pay for equal work, continuously improving the system for protecting employees' rights and interests. We optimize mechanisms for employee recruitment, communication, compensation, incentives, and performance management, explicitly prohibiting all forms of discrimination and harassment, and earnestly safeguarding employees' welfare and legitimate rights, thereby solidifying the labor relationship between the Company and its employees.

Talent Recruitment

Sinotruk conducts talent recruitment in accordance with laws and regulations, strictly adhering to the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, the *Regulations on the Implementation of the Labor Contract Law of the People's Republic of China*, the *Provisions on the Prohibition of Child Labor*, and other relevant laws and regulations. The Group also complies with the *United Nations Global Compact*and all core conventions of the International Labor Organization (ILO), including the *Administrative Conventions*. Internal policies such as the *Employee Diversity Policy*, *Social Recruitment Management Measures*, *Management Measures for Doctoral Graduate Recruitment and Placement*, and *Measures for Introducing Urgently Needed Talents* have been formulated to standardize employee recruitment and hiring processes and protect employees' rights.

The Group strictly prohibits the employment of child labor and forced labor. Employment contracts and collective contracts are signed with all employees. Should any instance of child labor or forced labor be identified, the Group will immediately terminate such practices, take strict action in accordance with the law, and report to relevant authorities. In 2025, no cases of child labor or forced labor occurred within the Group.

Equality, Inclusion, and Diversity

The Group is committed to fostering an equal, open, and inclusive corporate culture and building a rationally structured and diverse talent pool. In the recruitment process, we adhere to the principles of openness, fairness, and impartiality, ensuring equal employment opportunities for candidates of different educational backgrounds, beliefs, nationalities, political views, marital statuses, genders, health conditions, and ethnicities, thereby promoting the stability and sustainable development of our workforce.

The Group advocates for a workplace atmosphere of equality and respect, explicitly prohibiting any bias or discrimination in recruitment, promotion, and compensation management based on employee backgrounds. We continuously strengthen workplace culture through diversity and inclusion-themed activities, enhancing employees' sense of belonging and well-being. Furthermore, by systematically incorporating anti-discrimination and anti-harassment content into various training programs, including new employee orientation, we ensure employees are informed of the Group's policies on equal employment and anti-workplace harassment, reinforcing awareness of equality and self-protection capabilities.

Talent Development Strategy

The Group conducts workforce analysis aligned with corporate development directions and formulates talent acquisition and retention strategies. Based on strategic adjustments, production and sales forecasts, and consideration of internal and external environments and the talent market, we utilize analytical tools such as data decision-making platforms and workforce planning models to analyze various dimensions of the workforce, including education, age, tenure, functional areas, and turnover. This enables proactive identification of the quantity, quality, positioning, cost, and timing of required talent. Talent strategies are formulated in line with the Group's development plans, and through scenario simulation analysis and cost-benefit evaluation, a full-cycle workforce planning system integrating short-term, medium-term, and long-term objectives is established, ensuring that the quality, quantity, and structure of talent at each stage meet the Group's development needs.

Concurrently, the Group focuses on talent in the "Three New" areas, dynamically and systematically advancing talent research and analysis. We actively integrate internal and external resources to comprehensively investigate the regional distribution characteristics of talent in new energy R&D, accurately monitor trends among core industry talents, and simultaneously assess the scale and quality of the new energy industry talent pool. Emphasis is placed on critical positions such as the "Big Three Electric" (battery, motor, electronic control), "Small Three Electric" (electric steering, electric air conditioning, electric braking), charging piles, and battery swap stations, with in-depth analysis of market compensation levels. This provides data support for the Group's talent strategy in the new energy sector, ensuring precision and competitiveness in talent acquisition.

Sinotruk's Full-Cycle Workforce Planning System

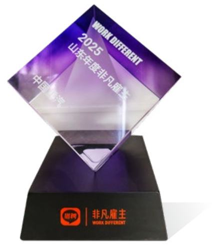
Short-Term Planning (1 year)	Medium-Term Planning (1-3 years)	Long-Term Planning (3-5 years)
Implemented through the precise execution of the annual human resource allocation plan. All departments systematically define the staffing criteria, forms, and timelines for each vacant position. This is based on the annual post establishment plan approved by the Group, combined with analytical data on the existing workforce's competency, professional structure, and vacancy status. The objective is to ensure the precise alignment of human resource allocation with annual production and operational targets.	Ensures strategic continuity through dynamic adjustments to the annual plan. Within the 1-3 year cycle, periodic review and analysis are conducted. This process considers changes in the Group's business development pace, market environment fluctuations, and the execution effectiveness of the human resource allocation plan. Adaptive adjustments are made to the annual plan to ensure the workforce supply consistently meets the Group's medium-term development needs, thereby building a robust bridge between short-term planning and long-term strategy.	Guides talent strategy advancement through the five-year human resource plan. The Group's long-term workforce planning is guided by the five-year human resource plan as its overarching framework. Aligned with the 3-5 year strategic development cycle and fundamentally directed by the Group's business development strategy, this plan involves a multi-dimensional in-depth analysis of the existing talent pool's quantity, quality, and efficiency. It clarifies the core philosophy of human resource development: "Precise Allocation, Empowering Business, Unleashing Vitality, and Efficiency Leadership." The aim is to construct a forward-looking and systematic blueprint for talent development.

To deepen the high-quality talent acquisition strategy and implement the Group's workforce planning, Sinotruk has established a talent attraction and cultivation system characterized by "precise positioning, categorized approaches, and full-chain development." Targeted recruitment strategies are adopted for campus recruitment and social recruitment respectively, facilitating a shift in talent acquisition from "scale expansion" to "precision and quality enhancement." Meanwhile, the Group strengthens the development and upgrading of recruitment channels, continuously consolidates the foundation of domestic talent pipelines, explores the establishment of a proprietary talent database, and actively expands overseas recruitment channels. It also explores innovative models such as flexible talent introduction and talent sharing with universities and research institutions to provide intellectual support for the enterprise and achieve optimal allocation and efficient utilization of talent resources.

Sinotruk's Targeted Recruitment Strategies

Campus Recruitment	Social Recruitment
Implementing the strategy of "total volume control, precise focus, and frontline training". Recruitment volume is scientifically regulated based on actual business needs, with a focus on frontline process quality, international marketing, and cutting-edge commercial vehicle fields. Talent is introduced precisely by category, university, and major, and cultivated through frontline assignments.	Adhering to the principles of "targeted positioning, rigorous screening, and efficient deployment." Centering on the entire new energy industry chain and targeting critical and urgent positions, the Group refines job competency models, specifies requirements for professional skills and industry experience, and enhances multi-round professional assessments and background checks to ensure precise talent-job matching.

In 2025, the Group organized and participated in multiple specialized recruitment events, covering numerous renowned domestic and international universities. In recognition of its outstanding talent strategy and employer brand building, Sinotruk was awarded the "2025 Shandong Annual Extraordinary Employer" honor by Tongdao Liepin. The Group continuously intensified its talent introduction efforts, attracting 773 high-quality talents in R&D, technology, and other fields during the reporting period, including 9 doctoral graduates and 367 master's graduates. The total number of R&D technical personnel reached 7,218, injecting strong momentum into the Group's innovative development.



Sinotruk Honored as "2025 Shandong Annual Extraordinary Employer"

Case | **Sinotruk Holds Dedicated Campus Roadshows**

In October 2025, Sinotruk conducted dedicated campus roadshows at Shandong University, Yanshan University, and Northeast Forestry University, implementing a closed-loop process across four key stages: coordinated preparation, promotion, screening/interviews, and final offer/onboarding. We first completed university liaison and prevent promotion, followed by on-campus presentations, resume screening, and centralized interviews. In the final stages, Sinotruk conducted rigorous review to determine the final candidate list, culminating in standardized offer negotiations and onboarding procedures. By meticulously managing the recruitment rhythm and ensuring seamless transitions between each phase, Sinotruk achieved highly efficient and orderly execution of its recruitment activities, providing robust support for its talent pipeline and sustainable development.

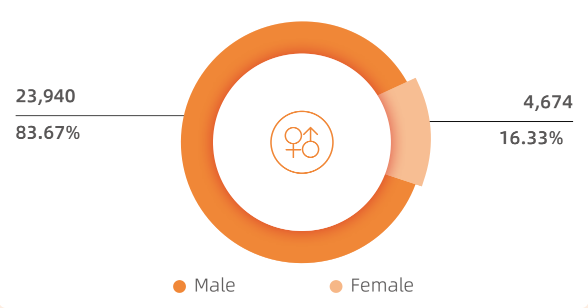
Sinotruk's Dedicated Roadshow at Northeast Forestry University

Employee Data of the Group in 2025

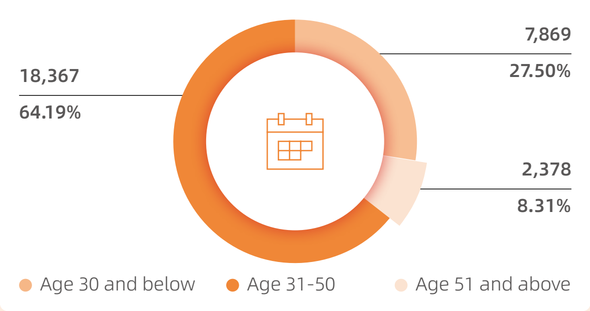
Total Number of Employees

28,614

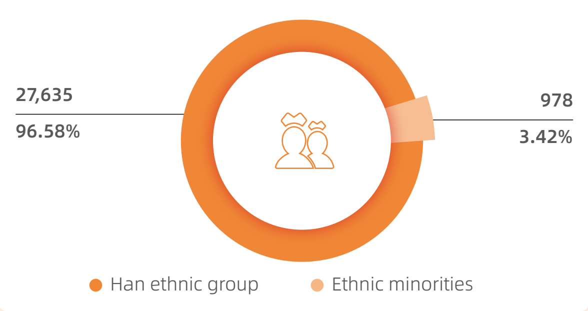
Number and Proportion of Employees by Gender



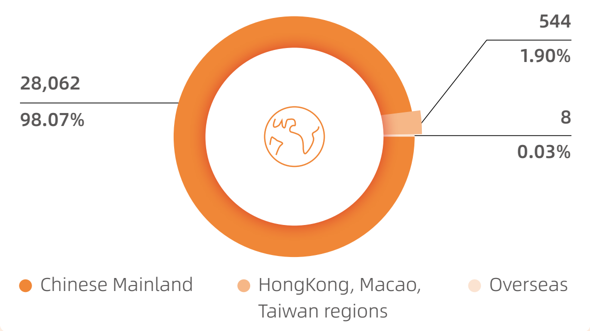
Number and Proportion of Employees by Age



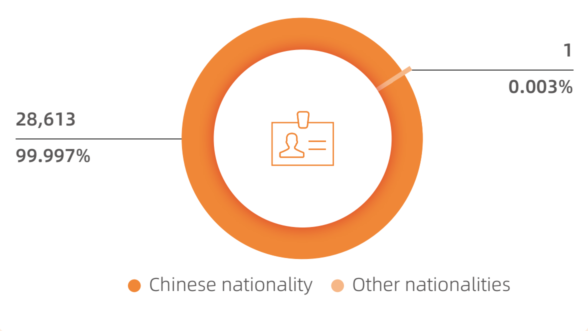
Number and Proportion of Employees by Ethnicity[17]



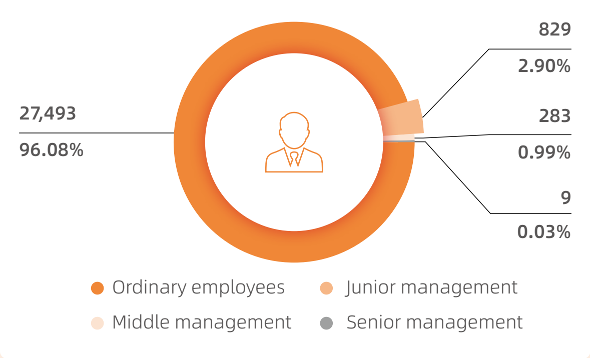
Number and Proportion of Employees by Region



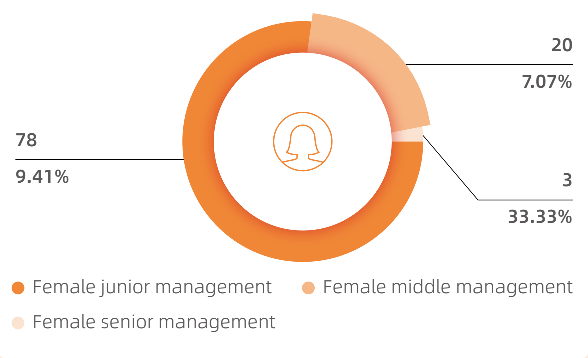
Number and Proportion of Employees by Nationality



Number and Proportion of Employees by Rank



Number and Proportion of Females in Management Positions[18]



[17] When categorized by ethnicity, statistics include domestic employees only.

[18] Proportion of Female Employees in Management = (number of female employees in the corresponding management tier / total number of employees in the corresponding management tier) * 100%

Number and Proportion of Females in Management Positions within Revenue-generating Departments

4.94%

26 Female regular employees in management positions within revenue-generating departments

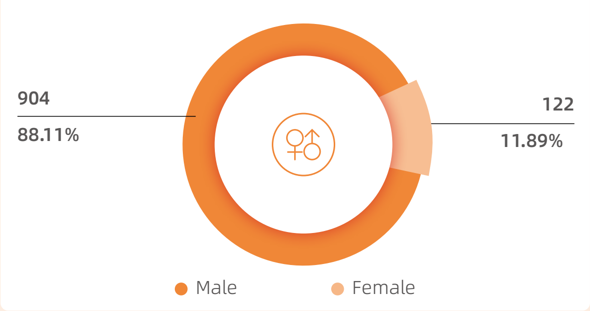
Number and Proportion of Females in STEM[19]-related Positions

21.37%

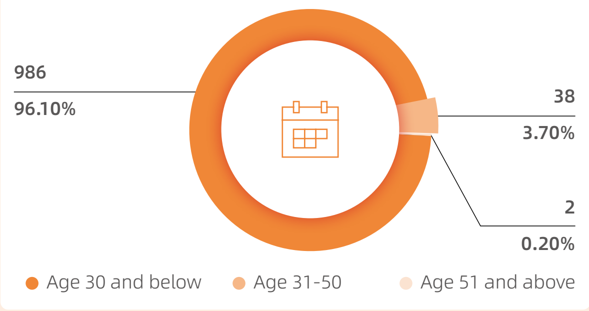
714 Female employees in STEM-related roles

New hires in 2025 1,026

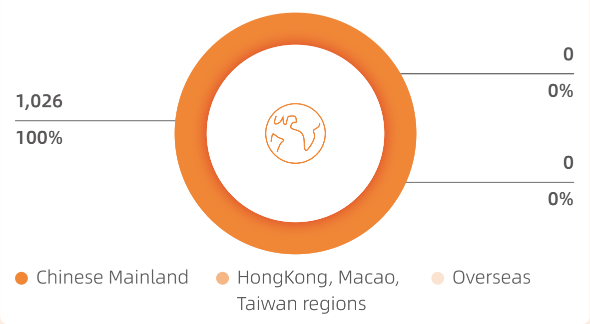
Number and Proportion of New Hires by Gender



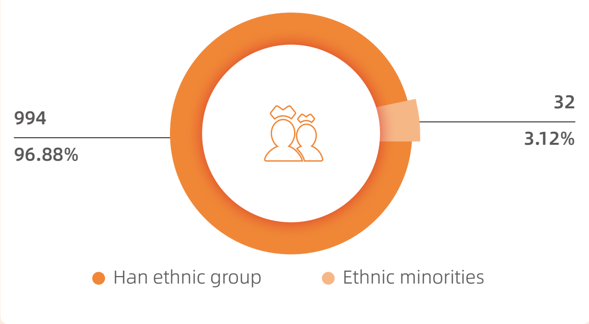
Number and Proportion of New Hires by Age



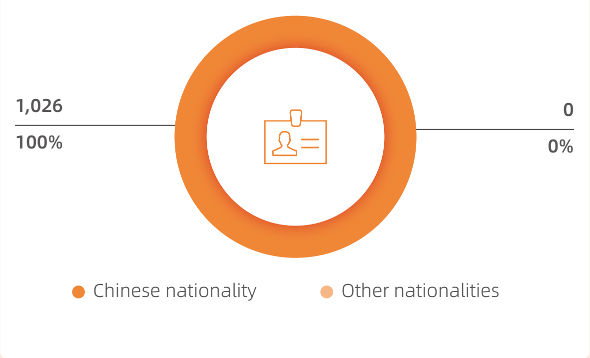
Number and Proportion of New Hires by Region



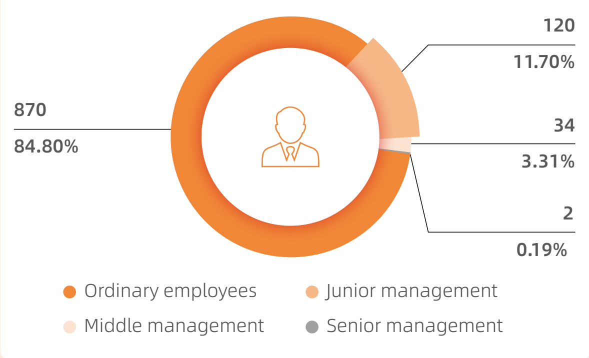
Number and Proportion of New Hires by Ethnicity



Number and Proportion of New Hires by Nationality



Number and Proportion of New Hires by Rank



[19] Science, Technology, Engineering, and Mathematics.

Employee Turnover in 2025 [20]

Total Turnover Rate [21] 6.15%

Turnover Rate by Gender

Male	5.84%
Female	7.72%

Turnover Rate by Region

Chinese Mainland	6.25%
HongKong, Macao, Taiwan regions	0%
Overseas	0%

Turnover Rate by Age

Age 30 and below	8.50%
Age 31-50	3.43%
Age 51 and above	19.34%

Turnover Rate by Ethnicity

Han ethnic group	6.14%
Ethnic minorities	6.41%

Turnover Rate by Nationality

Chinese nationality	6.15%
Other nationalities	0%

Turnover Rate by Rank

Ordinary employees	6.33%
Junior management	2.52%
Middle management	0%
Senior management	0%

[20] Turnover Rate of Each Employee Category = (number of departed employees in the corresponding category / total number of employees in the corresponding category) * 100%.

[21] Total Turnover Rate = number of departed employees / total number of employees * 100%.

Total Voluntary Turnover Rate [22] 2.51%

Voluntary Turnover Rate by Gender (%)

Male	2.62%
Female	1.94%

Voluntary Turnover Rate by Region (%)

Chinese Mainland	2.55%
HongKong, Macao, Taiwan regions	0%
Overseas	0%

Voluntary Turnover Rate by Age (%)

Age 30 and below	7.05%
Age 31-50	0.94%
Age 51 and above	0.29%

Voluntary Turnover Rate by Ethnicity

Han ethnic group	2.48%
Ethnic minorities	3.36%

Voluntary Turnover Rate by Nationality

Chinese nationality	2.51%
Other nationalities	0%

Voluntary Turnover Rate by Rank

Ordinary employees	2.61%
Junior management	0%
Middle management	0%
Senior management	0%

[22] Total Voluntary Turnover Rate = number of employees leaving voluntarily / total number of employees * 100%.

Compensation and Performance

Sinotruk continuously refines its compensation and performance management mechanisms, building an incentive system oriented towards value creation and performance contribution. This provides employees with competitive salaries and safeguards talent acquisition and retention.

The Group has established a performance-based variable compensation system covering all employees, clarifying the relationship between performance goals, value orientation, and income distribution. Total employee compensation consists of a base salary and a variable component. Differentiated management standards are set based on variations in job responsibilities and value, establishing distinct compensation benchmarks for technical R&D personnel, management, sales, and production operatives. This framework maintains sufficient scope for assessment and incentives while balancing market competitiveness and internal equity. In accordance with relevant regulations including the *Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited*, the *Trial Measures for the Implementation of Equity Incentive Plans by State-Controlled Overseas Listed Companies*, and the *Notice on Regulating Issues Related to the Implementation of Equity Incentive Systems by State-Controlled Listed Companies*, and in conjunction with the Company's existing management systems such as the compensation and performance appraisal frameworks, the Company implemented a Restricted Share Incentive Plan in 2024. This plan covered Directors, senior management, and key R&D, technical, marketing, and management personnel, incentivizing a total of 188 employees with 27,170,000 restricted shares. As of January 1, 2025, and December 31, 2025, the number of shares available for grant under the Company's share incentive plan was 439,933 and 439,933, respectively.

The Group has established a strategy and performance-oriented performance management system covering all employees. Regular performance management evaluations are conducted monthly and annually, based on both individual and team performance. Monthly appraisals primarily focus on quantitative indicators, supplemented by qualitative assessments, evaluating employees across dimensions such as monthly work achievements, employee growth value, work attitude, and strategic alignment. Annual appraisals comprehensively utilize both quantitative and qualitative methods, focusing on employee performance and capabilities. Through scientific assessment tools, a 360-degree evaluation is conducted, encompassing annual performance, comprehensive competencies, values, and strategic alignment, ensuring an objective, accurate, and holistic assessment of employee performance. Tailored performance evaluation policies are formulated for different job categories to fully ensure the scientific rigor and accuracy of the assessment outcomes.

Performance Appraisal System

Sales Personnel

- Refine the performance-oriented "Four-in-One" appraisal and incentive system, with sales volume, revenue, market share, and profit as the core assessment metrics.
- Focus on overseas markets, building a "1+N" marketing incentive system centered on heavy duty truck sales volume, integrating multiple dimensions such as profitability, region, and product, forming a virtuous cycle of "performance improvement - compensation growth - enhanced motivation."

R&D Personnel

- Enhance the flexibility of performance appraisal, forming a virtuous mechanism of "higher pay for better performance, and elimination for poor performance."

Production Personnel

- Refine the man-hour-based "Volume-Based Wage" performance evaluation mechanism, accurately assessing man-hours, continuously improving efficiency, and stimulating production motivation.

Following the appraisal, outcomes inform decisions regarding employee promotions and performance bonuses. A performance feedback communication mechanism helps employees clarify improvement areas and development goals, providing relevant support to foster capability enhancement.

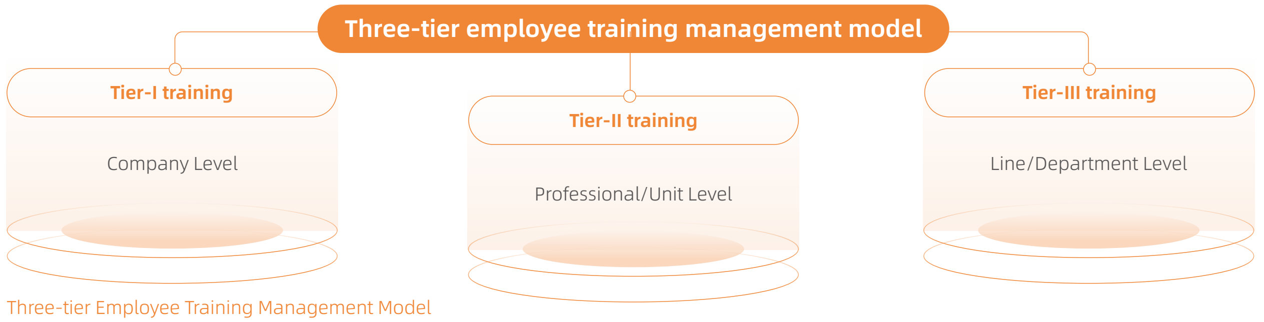
Focusing on Employee Development

Sinotruk deeply recognizes the importance of talent cultivation for the long-term development of the enterprise. Upholding the talent development philosophy that "Everyone is talent, and everyone can excel", the Group continuously improves its employee training and development system to enhance employees' professional competencies and comprehensive qualities. We provide diversified and clear career development paths for our employees, committed to helping each individual realize their self-worth and fostering mutual growth for both employees and the enterprise.

Employee Training

The Group places high importance on talent cultivation and development, continuously refining the employee training management mechanism. Centered on job requirements and enterprise development needs, a multi-level, multi-category training system has been established to provide targeted training courses for all employees, injecting momentum into the enterprise's development.

The Group has formulated internal regulations such as the *Employee Training Management Process* and the *Training Management Procedure* to standardize employee training management procedures and mechanisms, ensuring the effective implementation of training plans. We adopt a three-tier training management model comprising the "Company, Professional/Unit, and Production Line/Department." By organically integrating theoretical education with on-site practice, we deepen the integration of industry and education, enhance the relevance and effectiveness of training, and comprehensively elevate employees' strategic vision and professional skills.



Three-tier Employee Training Management Model

The Group emphasizes cultivating employees' self-directed learning capabilities. We have established the "Sinotruk Cloud Academy" online training platform, integrating learning resources and internal expertise to provide employees with convenient online training on topics such as general education, vocational skill enhancement, and management and leadership development. This initiative offers flexible learning methods to meet employees' diverse growth needs. In 2025, the "Sinotruk Cloud Academy" launched a total of 520 courses, achieving 100% coverage of online training for employees. Concurrently, we actively organize offline training focused on improving employees' frontline operational capabilities and enhancing their teamwork awareness and professionalism. During the reporting period, the Group conducted a cumulative total of 2,144 training sessions, involving 125,000 participations and totaling over 2.75 million training hours. The average training hours per employee reached 96 hours, with a total training investment of RMB 20.22 million.

To further support employees in achieving personal growth and career development, the Group continuously advances its Master's and Doctoral Degree Enhancement Program for all employees. In collaboration with renowned domestic universities such as Shandong University, Tianjin University, and Shanghai Jiao Tong University, we select outstanding employees through internal nomination and competitive examinations, providing full tuition support for them to obtain external degree programs and certifications. As of the end of the reporting period, a total of 489 employees have participated in this program, of whom 192 have successfully obtained their degrees. Additionally, the Group provides specialized training for professional qualifications, including Quality Management System standards training, internal auditor training for Measurement Management System certification, Six Sigma training, specialized training on health and safety production, as well as certification, renewal, and re-certification training for operators of special equipment such as electricians, workers at heights, welders, and pressure vessel operators. These efforts effectively support employees in obtaining professional qualification certificates.

During the Reporting Period

the Group conducted a cumulative total of	involving	and totaling over	The average training hours per employee reached
2,144	125,000	2.75 million	96 hours
training sessions	participations	training hours	

New Employee Training

The Group has established a phased and modular training mechanism for new employees. This system, which incorporates systematic course learning, practical training, and process evaluation, helps new employees accelerate their role transition, familiarize themselves with job requirements and business processes, and deepen their understanding of corporate culture and management standards.

Case | 2025 New Employee Orientation Training

In July 2025, the Group innovatively adopted a dual-model approach of "On-site Observation + Centralized Instruction" in its centralized orientation training for 591 new employees. The program began by organizing the new employees to visit industry-leading automated production lines and benchmark production sites, establishing an intuitive, frontline understanding. This was followed by a three-day centralized training session covering core modules such as safety production, corporate culture, and business processes. This model effectively facilitated the integration of theoretical knowledge with practical perception, helping new employees quickly build frontline awareness and integrate into the enterprise's development rhythm.

New Employee Orientation Training Site

Case | Fujian Haixi Company Conducts Safety Training for New Employees

In 2025, before new employees formally entered production positions, Fujian Haixi Company arranged an immersive safety training session for them. Leveraging the company's professional safety education base, all participants personally experienced various safety scenarios, including fall-from-height simulations, smoke escape drills, earthquake simulations, electric shock awareness, and cardiopulmonary resuscitation (CPR). Through this "personal experience - simulated response" method, the training systematically strengthened the new employees' safety risk awareness and emergency response skills, while simultaneously honing their teamwork and mutual aid capabilities in emergency situations, laying a solid safety foundation for their subsequent on-the-job apprenticeship.

Safety Training Site

Professional Competency Training

Centered on the goal of enhancing employee capabilities, the Group has developed professional competency training courses covering technical R&D, skills operation, marketing management, and general literacy. Differentiated training arrangements are implemented according to different job categories and development stages, improving training relevance and application effectiveness, and strengthening employees' professional competencies and job qualification.

Case | Skills Training - "Golden Wrench" Training Camp and Specialized Training for Equipment Maintenance Personnel

Starting in January 2025, the Group launched the "Golden Wrench" Training Camp and specialized training for equipment maintenance personnel. It established a four-tier progressive cultivation system comprising "Beginner," "Intermediate," "Advanced," and "Selection & Cultivation" levels. The training content covered mechanical drawing interpretation, mechanical fundamentals, servo control, and more, integrating safety protocols with practical job skills. The program cumulatively covered over 1,000 participants. Through a "Year-round, Progressively tiered" training model, it aims to build a high-skilled talent echelon in the equipment maintenance field, effectively reducing the Company's equipment maintenance and repair costs.

"Golden Wrench" Training Camp

Case | Skills Training - "Top Gun Training Camp" and the First "Yellow River Cup" Foreman Competition Training

In November 2025, the Group organized the "Top Gun Training Camp" and the first "Yellow River Cup" foreman competition training program for foremen, training a total of over 300 individuals. Centered on the theme "Quality First, Innovation and Upgrade," the training focused on three modules: quality awareness, quality execution, and quality improvement. It comprehensively enhanced frontline foremen's understanding of the quality system, process control capabilities, and problem-solving skills.

Foreman Competition Training

Case | Skills Training - Information Technology Training

In November 2025, the Group arranged for over 10 business leaders involved in digital and intelligent transformation to attend a specialized training program on digital and intelligent transformation at a renowned technology company's training base. Conducted in a closed-off format, the training focused on four main themes: "Digital Strategy," "Business Restructuring," "Digital Capabilities," and "Transformation Safeguards." Through methods such as theoretical instruction, case sharing, and collaborative workshops, the training aimed to enhance participants' capabilities in planning and implementing digital and intelligent transformation.

Information Technology Training

Skills Training - "Sea Eagle Plan" and Overseas Marketing Elite Training Camp

In February 2025, to enhance the global perspective and professional skills of overseas marketing personnel, build a marketing team that "understands products, markets, and sales," and support the sustained quantitative and qualitative improvement of overseas performance, the Group organized the "Sea Eagle Plan" and Overseas Marketing Elite Training Camp. The training content covered corporate culture, role cognition and positioning, and global perspective, among other topics. Nearly 200 frontline marketing personnel from Sinotruk International Company and overseas regional offices participated, providing talent support for the continued sales growth in overseas markets.

Overseas Marketing Elite Training Camp

Case | Skills Training - Lean Six Sigma Training

In 2025, Ji'nan Commercial Truck Company invited the Group's Six Sigma Black Belt experts to conduct specialized Lean Six Sigma training for new employees. The training provided in-depth explanations on the development of Six Sigma management, basic concepts, management characteristics, and related content. It also highlighted the Green Belt certification application process, exam precautions, and test-taking techniques. The training received positive feedback and favorable evaluations from participating employees.

Lean Six Sigma Training

Leadership Training

To strengthen the management talent pipeline, the Group conducts leadership development programs for managers at all levels. These programs provide systematic cultivation focused on core elements such as strategic understanding, organizational collaboration, and execution capabilities, enhancing the comprehensive decision-making and organizational leadership skills of the management team.

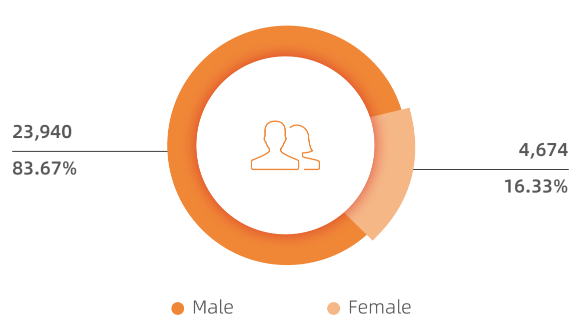
Case | Leadership Training - Specialized Training on Corporate Governance and Enhancement of Seconded Directors' Performance Capabilities

In November 2025, the Group conducted specialized training on corporate governance and the enhancement of seconded directors' performance capabilities. The training systematically explained corporate governance in state-owned enterprises and the performance norms for directors, supervisors, and senior management, aiming to improve the quality and effectiveness of corporate governance operations. It also covered topics such as the liability risks and countermeasures for directors, supervisors, and senior management under the new *Company Law of the People's Republic of China*. With over 120 participants, the training effectively strengthened the seconded directors' capabilities in lawful performance, scientific decision-making, and risk prevention and control.

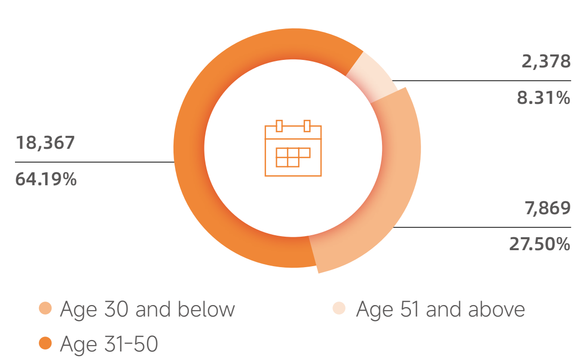
With over
120
participants

Employee Training of the Group in 2025

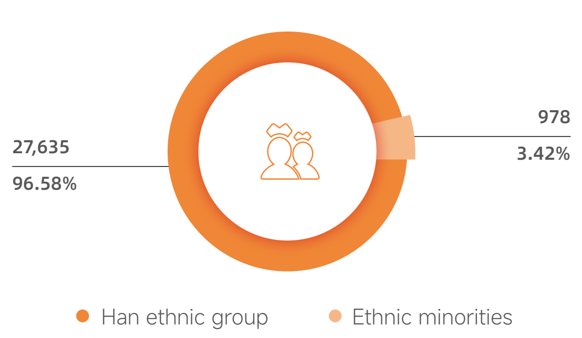
Number and Proportion of Trained Employees by Gender



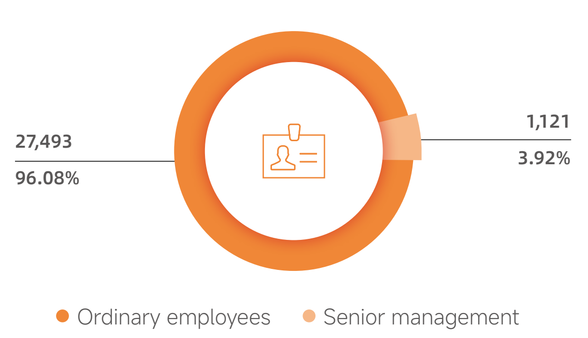
Number and Proportion of Trained Employees by Age



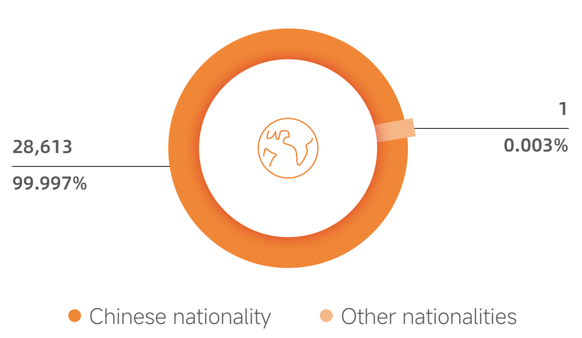
Number and Proportion of Trained Employees by Ethnicity



Number and Proportion of Trained Employees s by Rank



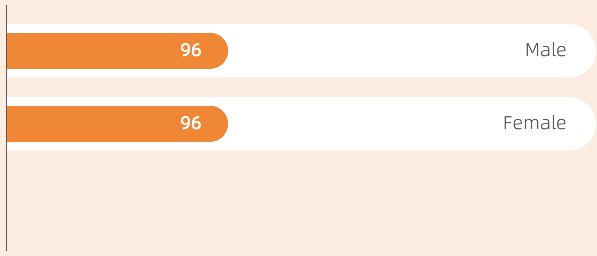
Number and Proportion of Trained Employees by Nationality



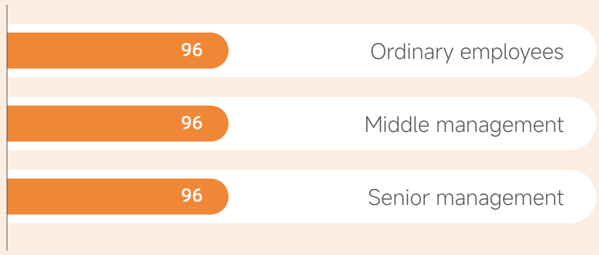
Proportion of Trained Employees by Training Type

Average Training Hours per Employee by Training Type (Hours)

Average Training Hours per Employee by Gender (Hours)

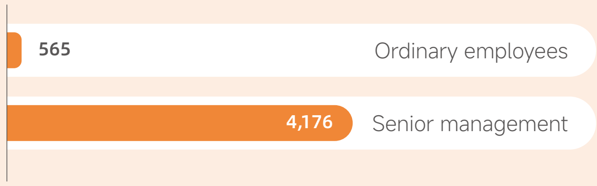


Average Training Hours per Employee by Rank (Hours)

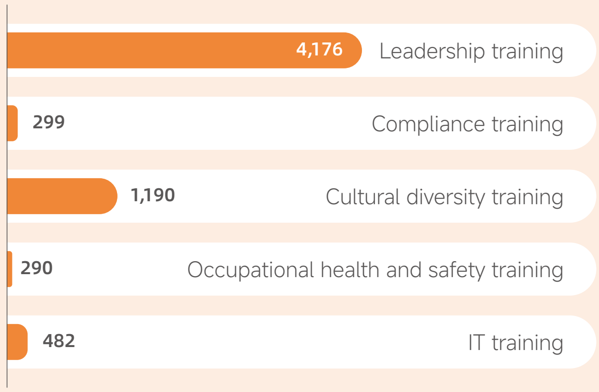


Average Training Investment per Regular Employee Participating in Staff Training (RMB) 707

Average Training Investment per Employee by Rank (RMB)



Average Training Investment per Employee by Training Type (RMB)



The Group values talent motivation and actively supports employees in applying for talent honors and subsidies. In 2025, a total of 14 employees from the Group received various talent honors, including 2 Taishan Industrial Leading Talents, 3 Qilu Chief Technicians, 2 Shandong Province Technical Experts, 1 Jinan "Haiyou Plan" Industrial Leading Talent, 1 Jinan City Top-notch Professional Technical Talent, and other honorary titles. Concurrently, we actively applied for talent project subsidies and high-level talent subsidies, receiving a total of RMB 24.347 million in various subsidies during the reporting period.

Employee Promotion

Sinotruk is committed to providing employees with clear, diverse career development paths and fair, transparent promotion channels. We continuously improve the talent cultivation and promotion system to stimulate employee initiative and creativity. The Group has established a dual-channel promotion mechanism combining "Regular Promotion" and "Exceptional Promotion," strengthening the talent pipeline and providing talent support for the Group's high-quality development.

Sinotruk's Dual-channel Promotion Mechanism

Regular promotions

Leveraging the performance appraisal system, we convert annual appraisal outcomes into points based on set rules, allowing eligible employees to advance their salary grades and levels under the point-based system. In 2025, a total of 8,493 employees obtained promotion through point accumulation, achieving new breakthroughs in their career development.

Exceptional promotions

We design exceptional promotions for employees who have made outstanding contributions or won major awards at the national, provincial, municipal, or corporate level, to recognize and reward those who have significantly contributed to the organization or achieved notable results.

Grade promotions

The Group has established and improved mechanisms for cadre selection and talent development. In accordance with the *Management Measures for Leaders of the CPC Committee of Sinotruk*, the Group implements a variety of selection methods for leading cadres, including democratic recommendation, open selection, competitive appointment, and entrusted recommendation. The Group has always placed high importance on the selection and cultivation of reserve cadres and has initially established a management mechanism for reserve cadres covering selection, cultivation, and dynamic adjustment. For cadres at different levels, the Group systematically implements five major training programs: Qicheng, Licheng, Yuecheng, Yuancheng, and Huancheng. These initiatives comprehensively enhance the overall competency of the cadre team and strive to forge a high-quality, professional cadre team that supports the Group's long-term development.

Sinotruk Career Development System

Managerial and Technical Specialist Talents

A promotion management system for Expert positions spanning Grades 1 to 6 is established.

Operational Talents

Two development channels, "Skill Expert" and "Golden Blue Collar," are set up. The job level system covers multiple tiers including Senior Worker, Assistant Technician, and Senior Technician.

Research-oriented Talents

The job level system covers multiple tiers including Technician, Assistant Engineer, Engineer, Senior Engineer, Principal Engineer, Chief Engineer, and Scientist.

Internal Mobility and Promotion

Proportion of Vacancies Filled by Internal Candidates among New Regular Hires	Number of Internal Mobility of Employees	Changes in Internal Mobility of Employees[23]
8.80%	4,208	16.92%

Proportion of Vacancies Filled by Internal Candidates among New Regular Hires by Gender

Male	7.20%
Female	1.60%

Proportion of Vacancies Filled by Internal Candidates among New Regular Hires by Age

Age 30 and below	2.10%
Age 31-50	6.70%
Age 51 and above	0%

Proportion of Vacancies Filled by Internal Candidates among New Regular Hires by Region

Chinese Mainland	8.80%
Hong Kong, Macao, Taiwan and overseas regions	0%

Proportion of Vacancies Filled by Internal Candidates among New Regular Hires by Nationality

Chinese nationality	8.80%
Other Nationalities	0%

Proportion of Vacancies Filled by Internal Candidates among New Regular Hires by Ethnicity

Han ethnic group	8.60%
Ethnic minorities	0.20%

[23] Changes in Internal Mobility of Employees = (Number of Internal Mobility of Employees in 2025 - Number of Internal Mobility of Employees in 2024) / Number of Internal Mobility of Employees in 2024.

Implementing Employee Well-being

Sinotruk starts from the needs of its employees and actively takes measures to implement employee well-being, including improving the rights protection system, formulating welfare policies, and carrying out welfare activities. We strive to create a healthy, safe, and harmonious working environment for employees, helping them better balance work and life, enhancing employee satisfaction and organizational cohesion, and promoting the harmony and stability of labor relations.

Employee Communication

The Group legally safeguards the democratic rights of employees, establishes multi-level communication and feedback channels, strengthens the employee participation mechanism, and effectively protects employee rights. The Group effectively implements the rights of employees to democratic management, democratic participation, and democratic supervision by establishing the staff congress system. At the same time, trade unions at all levels set up labor dispute mediation committees to carry out mediation work according to law, safeguarding the legitimate rights and interests and reasonable demands of employees. The Group also respects employees' rights to collective bargaining and freedom of association and supports employees in voluntarily joining trade union organizations.

In 2025, the Company held the 9th to 16th joint meetings of the 18th Staff Congress of Sinotruk Group in accordance with laws and regulations, reviewing and voting on reports such as "Report on Stopping the Implementation of the Internal Early Retirement Policy" and systems such as employee retirement, labor discipline, and family planning management measures. This further standardized the democratic decision-making process, protected the legitimate rights and interests of employees, and promoted orderly corporate governance. At the same time, the Group's trade union actively guided subordinate second-level units such as Sinotruk International Company and Tongxin Zhixing Technology Company to standardize the convening of staff congresses, improved the two-level staff democratic management mechanism, comprehensively enhanced the standardization level of grassroots governance, and consolidated the institutional foundation for the high-quality development of the enterprise. In the next year, we plan to hold at least one staff congress to collectively review matters involving the vital interests of employees. During the reporting period, no significant labor dispute incidents occurred in the Group.

Case | Some Subsidiaries of the Group Completed the Renewal of Collective Agreements

In 2025, the Group's trade union guided multiple units including Ji'nan Transmission Plant, Ji'nan Components Company, and Ji'nan Special Vehicle Company to complete collective bargaining and the renewal of collective contracts. This renewal was jointly participated in by representatives of the enterprise and representatives of the employees, strictly following legal procedures with a consultation cycle of three years. Both parties conducted full communication and reached a consensus on core issues such as labor remuneration, working hours, labor safety and health, social insurance benefits, and the protection of female employees' rights and interests in an orderly and candid atmosphere, ultimately reaching an agreement. This laid a solid foundation for safeguarding the legitimate rights and interests of both the enterprise and employees and building harmonious labor relations.

Joint Meeting of the Staff Congress of Ji'nan Components Company

In 2025, to improve communication efficiency, the Group optimized and updated the employee communication mechanism and further improved the system for listening to employee suggestions and responding to demands. We opened up communication channels between employees and management through columns such as "Employee Voice" and "Chairman's Direct Line," timely understanding and actively responding to employees' expectations and demands. At the same time, every employee can report problems to functional departments through the Company's intranet, email, and other means. Functional departments regularly browse employee demands, assign them to the responsible departments according to the established process, and ensure implementation and response, guaranteeing unimpeded employee complaint channels.

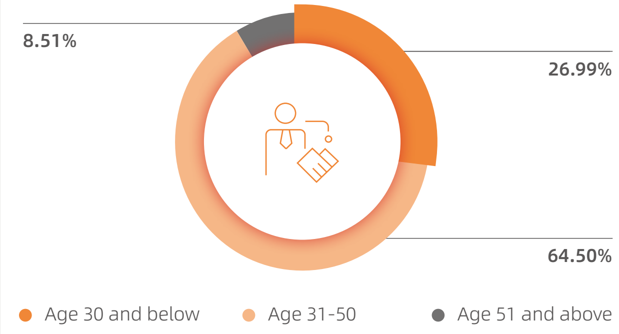
In addition, the Group conducts employee satisfaction surveys every year and makes internal improvements based on the survey results. In 2025, in response to the low scores in the dimensions of compensation, benefits, and performance appraisal in the previous year, we newly implemented corporate annuities, supplementary medical insurance, and employee group accident insurance, optimizing the five social insurances and one housing fund system into a seven insurances and two funds system, building a more complete welfare protection system. At the end of the reporting period, we conducted another survey on all employees from six dimensions: corporate strategy and brand culture, organizational atmosphere and leadership, compensation, benefits and performance appraisal, personnel selection and training, vacation benefits and team building, and services and support. A total of 26,701 people participated in this survey, with a participation rate of 93.27%, and the overall employee satisfaction score was 90.19 points. In the future, the Group will continue to improve the level of employee management based on the survey results and strive to enhance employee satisfaction and happiness.

Employee Satisfaction Survey

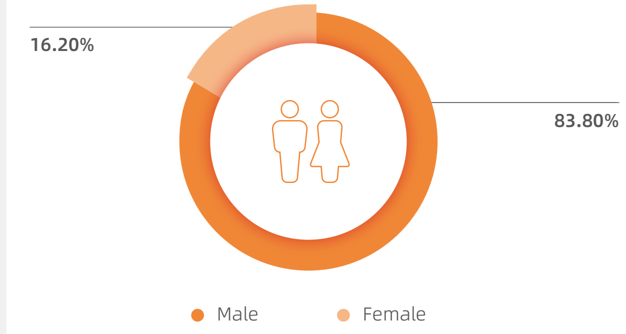
- A total of **26,701** people participated in this survey
- with a participation rate of **93.27%**
- the overall employee satisfaction score was **90.19 points**

Employee Satisfaction Survey in 2025

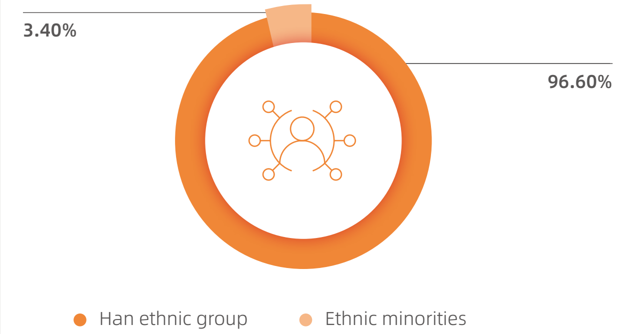
Proportion of Employees Participating in the Satisfaction Survey by Age



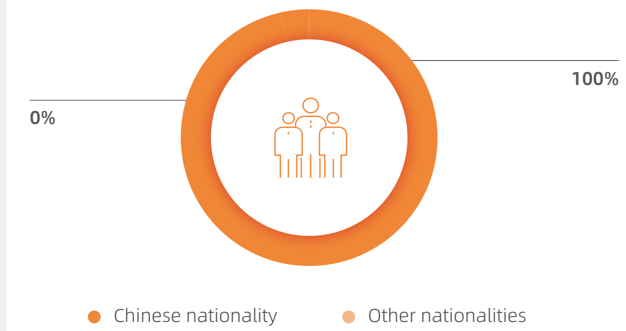
Proportion of Employees Participating in the Satisfaction Survey by Gender



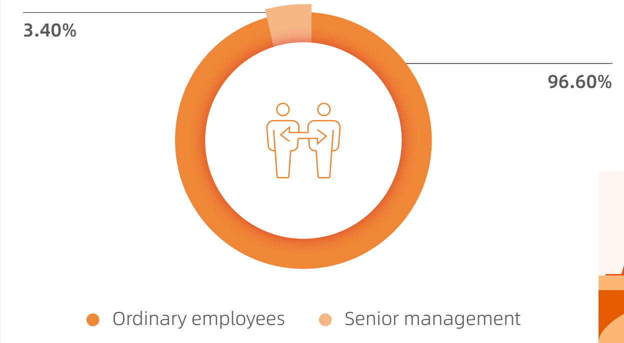
Proportion of Employees Participating in the Satisfaction Survey by Ethnicity



Proportion of Employees Participating in the Satisfaction Survey by Nationality



Proportion of Employees Participating in the Satisfaction Survey by Rank



Employee Care

Sinotruk focuses on caring for employees' lives and actively carries out diverse activities to enhance employee well-being, providing comprehensive support and care for all employees.

Sinotruk Employee Benefits[24]

Sinotruk Employee Benefits

- Timely and full payment of pension, unemployment, work-related injury, medical, and maternity insurance contributions for employees.
- In addition to statutory benefits, supplementary medical insurance, employee group accident insurance, and corporate annuities are provided.

Leave Support

- Strictly implement employees' statutory leave rights, providing paid annual leave, home leave, marriage leave, paternity leave, and childcare leave (applicable to both primary and non-primary caregivers) to all formal employees[25].
- In 2025, 485 Sinotruk employees took childcare leave (327 male, 158 female), totaling 2,642 days; 229 female employees took maternity leave, totaling 21,914 days; 579 male employees took paternity leave, totaling 5,971 days.

Festival Care

- Distribute festival gifts to employees during traditional Chinese festivals such as the Spring Festival, and organize multiple special activities throughout the year, including "Two-Festival" condolences and Children's Day events.
- Organize large-scale online and offline social events to enrich employees' lives.

Physical & Mental Health

- Adhering to the principle of "full coverage and comprehensive check-ups," physical examinations were provided to over 23,000 employees company-wide, covering 37 check-up items including basic checks and specialized screenings. Differentiated examination packages were tailored for employees in different positions, fully safeguarding and caring for employee health.
- Conducted 7 sessions of the "Delivering Health to the Grassroots" mental health lecture series.

Employee Health Consultation

Flexible Work Arrangements

- Implemented a flexible working hours system to accommodate employees whose job requirements prevent adherence to standard working hours.

Cultural & Sports Activities

- Organized group-level large-scale sports and cultural activities, including the first tug-of-war competition, intellectual contests, the fourth employee rope skipping competition, the thirteenth employee table tennis competition, the fourteenth employee long-distance running competition, and an employee calligraphy and painting exhibition.
- Enriched the cultural connotation of the "Our Festivals" series of activities. Carefully created a Integrity Culture Square and an Employee Calligraphy and Painting Corridor. Established interest groups for ball sports, calligraphy, etc. Newly built 4 employee fitness centers to multi-dimensionally meet the growing spiritual and cultural needs of employees.

Employee Table Tennis Competition

Employee Intellectual Games

[24] Sinotruk's employee benefits system covers all employees of the Group.
[25] Sinotruk does not have part-time employees.

Furthermore, we have established a special care mechanism to provide targeted support to specific employee groups in need of special attention, effectively enhancing their sense of gain and happiness.

Targeted Employee Care Initiatives in 2025

Frontline Production Employees

- Organized the "Summer Coolness Delivery" special care activity for frontline production. Provided heatstroke prevention items such as watermelons, ice cream, and Huoxiang Zhengqi Shui to teams and employees working outdoors in Jinan manufacturing units. Equipped high-temperature workshops (e.g., heat treatment, foundry) with ice makers, industrial refrigerators, large fans, and air conditioners. A total of 248 new cooling units were added, with funding exceeding RMB 1 million, benefiting over 28,000 employees.
- Organized the "Winter Warmth Delivery" special care activity. Distributed cold-weather supplies and immunity-boosting traditional Chinese medicine, such as warm vests, cold-proof neck warmers, ginger sugar tea, heating pads, honeysuckle, and boat-fruited sterculia seed, on a team basis. Over 600 frontline teams in the Jinan area were visited, covering more than 28,000 employees, with total costs of RMB 2.3 million.
- Monthly inspection of "Love Medicine Kits" for medicine consumption, with timely replenishment and replacement of expired items, ensuring frontline employees maintain healthy conditions for safe production work.

Female Employees

- Conducted centralized invitations and signed the Special Collective Contract for Female Employees.
- Formulated and implemented the Management Measures for the Protection of Female and Minor Workers to protect female employees during pregnancy, maternity, and breastfeeding periods. Established "Trade Union Mama's Rooms" (nursing rooms) equipped with rest chairs, tables, sofas, refrigerators, etc., providing convenience for breastfeeding employees.
- Comprehensively promoted the "Women's Meritorious Deeds Campaign," selecting and commending advanced female employee collectives and individuals.
- Organized 12 events including International Working Women's Day (March 8th) series activities, law popularization competitions, and etiquette training, involving nearly 2,000 female employees in rights and interests knowledge quizzes.
- Carried out the "Female Employees' Rights Protection Month" activity, focusing on safeguarding female employees' rights and combating discrimination and harassment. Collaborated with professional lawyers and experts to conduct policy interpretation sessions, special lectures, and law popularization quizzes.
- Regularly liaised with local community health departments to organize "Two Cancers" (breast and cervical) screening for female employees of appropriate age. Conducted 3 lectures on "Two Cancers" prevention and invited gynecological experts to provide specialized training and knowledge Q&A for all female employees.

March 8th International Women's Day Series Activities

Employees in Difficulty

- Leveraged three major support mechanisms: the Charity Workstation, Love Mutual Aid Fund, and Routine Relief, continuously strengthening the support and security network. Deepened information sharing, standardized and simplified workflows, and opened online assistance application channels.
- Established a dynamic management system for employees in difficulty files. Through designated contacts leading home visits, online data screening, and regular visits by trade union cadres, employees meeting the support criteria were promptly included in the assistance scope. Aiming to "fully understand employees' difficulties and achieve 'one file per person, precise profiling,'" the system sorted 869 assistance records for employees in difficulty from 2022 to 2025, covering 491 employee instances, laying a data foundation for precisely identifying support needs.
- Conducted 15 activities including performance evaluation of special assistance funds for employees in difficulty, assessment of poverty alleviation effectiveness, and home visits. Completed the sorting, review, and revision of employee in difficulty files at all levels. Processed applications for "Jinan City Employee in Difficulty Preferential Treatment Certificates" for 3 national and municipal-level employees in difficulty, and assisted 1 Jinan city employee in difficulty to overcome their hardship.
- Actively carried out festival-specific condolences, children's education support, and "Golden Autumn Aid for Education" activities. Cumulatively distributed RMB 923,000 in charitable aid, benefiting 981 employee instances, effectively alleviating the financial pressure on employees in difficulty regarding daily life, children's education, and medical treatment, allowing employees to tangibly feel the Group's care and warmth.

Home Visit to Employees in Difficulty

Overseas Employees

- Regularly visited the families of overseas employees, showing care for overseas employees and their dependents. Introduced services such as medical consultation insurance and family support, allowing both overseas employees and their families to feel the warmth of the Group's "family."

Spring Festival Gala Event

"Summer Coolness Delivery" Activity

Lantern Festival Activity

Family Open Day Event

Case | Health Service Activities

In 2025, the Group, in collaboration with its partner insurance institution, organized several themed health service events. At the events, we provided employees with diverse health management services, including Traditional Chinese Medicine consultation, oral health checks, vision screening, shoulder and neck physiotherapy, Eagle Pupil health detection, and auricular acupoint healthcare. These activities were widely welcomed by employees and effectively conveyed the Company's deep care for their physical and mental well-being.

Event Site

Case | Ji'ning Commercial Truck Company Conducts Education Support and Condolence Activity for Children of Employees in Difficulty

On September 5, 2025, to effectively address the practical needs of employees in difficulty and support their children in smoothly embarking on their new university life, the Trade Union of Ji'ning Commercial Truck Company launched the "Golden Autumn Aid for Education, Setting Sail for Dreams" - an education support and condolence activity for children of employees in difficulty. Company leaders personally led teams to visit the homes of employees in difficulty, delivering condolence funds of RMB 2,000, filled with care, directly into the employees' hands. This initiative enhanced employees' sense of gain, happiness, and belonging within the enterprise's development. Furthermore, throughout 2025, Jining Commercial Vehicle Company conducted special condolence visits for 35 instances, covering dependents of overseas employees and parents of outstanding employees, cumulatively distributing condolence funds of RMB 101,200, tangibly enhancing employee happiness and cohesion.

Ji'ning Commercial Truck Company Presents Condolence Funds to Children of an Employee in Difficulty

Case | Ji'nan Transmission Plant Holds Cake Baking DIY Themed Activity for Female Employees

In March 2025, to celebrate International Women's Day, the Trade Union of Ji'nan Transmission Plant meticulously planned and organized the "Sweet Bloom, Happiness 'Baked' In" cake baking DIY themed activity. The event aimed to enrich the spiritual and cultural life of female employees and strengthen the team atmosphere of "one family, one heart, working together, destined to succeed." A professional baker was invited to provide on-site instruction, offering detailed explanations on techniques such as cake piping and cookie shaping. Over 80 female employees paired up and, under guidance, personally completed steps such as cream preparation and decorative styling, fully experiencing the joy of baking throughout the process.

Event Site

Co-creating a Better Community

Sinotruk takes it as its mission to promote the stable development of society. We actively fulfill our social responsibilities, continuously participate in Rural Revitalization and public welfare initiatives, striving to create value for society while pursuing our own development.

Rural Revitalization

Aligned with the national Rural Revitalization Strategy and leveraging the Group's practical resources, we have methodically carried out support and assistance initiatives. Through on-site research, visits, condolence activities, and special fund support, we have promoted the implementation of related aid projects. This supports industrial development and livelihood improvements in formerly poverty-stricken areas, aids in enhancing regional economic vitality and increasing residents' income, and deeply practices the concept of "common prosperity."

Case | Comprehensive Support for Rural Revitalization in Dianzi Village

In 2025, the Group engaged deeply at the frontline of rural revitalization in Dianzi Village, Yiwen Town, Yinan County. Efforts focused on improving infrastructure, establishing sales platforms for characteristic products, introducing enterprises to drive employment and income growth, and donating various materials, using precise measures to consolidate poverty alleviation achievements. The Group's Trade Union procured heatstroke prevention materials such as mung beans, chrysanthemum tea, and rock sugar from the designated collaboration organization, Ganweida (Linxia) Food Sales Co., Ltd., for use in the "Summer Coolness Delivery" condolence activity. The procurement included 10,000 jin of mung beans, 1,000 boxes of chrysanthemum tea, and 500 bags of rock sugar, with total related costs amounting to RMB 125,000. This fully implemented the requirements for consumption assistance collaboration between eastern and western regions.

Community Public Welfare

Regarding public welfare practice, the Group has improved the volunteer service system, formulating management measures such as the *Sinotruk Volunteer Service Regulations (Trial)* and the *Sinotruk Star-rated Volunteer Assessment Implementation Rules (Trial)*. The Group established the "Sinotruk Group Volunteer Service Alliance" and organized activities including blood donation, free health consultation, education assistance, and condolence visits for the elderly. In 2025, Sinotruk had 11,312 registered volunteers, with annual volunteer service hours reaching 29,375.5 hours. Several employees were recognized as Outstanding Individuals in Jinan Youth Volunteer Service.

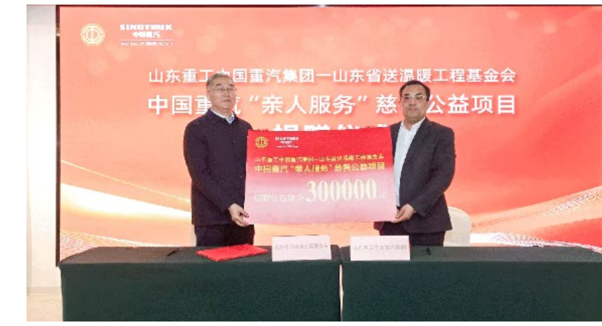
Furthermore, the Group continued the "Compassionate Heart One-Day Donation" activity. From 2023 to 2025, nearly 73,500 employees participated cumulatively, raising donations exceeding RMB 1,206,200.

From 2023 to 2025

nearly **73,500** employees participated cumulatively

raising donations exceeding RMB **1,206,200**

2025 "Compassionate Heart One-Day Donation" Activity Site



"Family Service" Charity Public Welfare Project Donation Site

In 2025, we also actively practiced the "Family Service" brand philosophy and proactively fulfilled social responsibilities. Total external donations for the year amounted to RMB 1,054,000, precisely focused on people's livelihood and public welfare. Key assistance targeted truck drivers and their families, households in difficulty, and employees in difficulty, encouraging positive social actions. We fully supported the development of 3 remote primary schools in Jinan, improving teaching facilities and learning conditions. We also donated 1 test vehicle each to Jilin University and Shandong University, providing solid support for scientific research and innovation in higher education institutions. Adhering to the principle of precise public welfare to convey warmth and repaying society through practical action, we demonstrated the responsibility and commitment of a state-owned enterprise.

Case | Establishing the "Spring City Egret Volunteer Patrol Team"

In 2025, the Group established the "Spring City Egret Volunteer Patrol Team," which regularly conducted public security patrols, traffic guidance, and other services. The team actively participated in summer public security campaigns, safeguarding local peace with concrete actions and earning widespread public acclaim.

"Spring City Egret Volunteer Patrol Team" on Patrol

Case | Arbor Day Tree Planting Activity

During the March 2025 Arbor Day period, various units of the Group in the Jinan area organized employee volunteers to participate in collective tree planting activities at major forest farms and wetlands around Jinan. The units coordinated in advance with forestry departments to determine planting locations, seedling varieties, and planting standards. Volunteer teams were formed and equipped with necessary tools such as shovels and buckets. On-site, under the guidance of professionals, volunteers methodically completed the planting process – digging holes, placing seedlings, backfilling soil, and watering – strictly adhering to standards to ensure planting quality. Simultaneously, seedling adoption registration and follow-up maintenance liaison work were completed. This activity resulted in the planting of a total of 385 trees, contributing corporate strength to the ecological environment restoration and greening enhancement around Jinan.

Volunteer Tree Planting

Case | Employee Voluntary Blood Donation Activity

The Group has organized employee voluntary blood donation activities for many consecutive years, receiving honors such as the "National Voluntary Blood Donation Promotion Award - Special Award," "Outstanding Unit in Shandong Province for Voluntary Blood Donation," and "Love Unit of the Qilu Public Welfare Blood Donation Alliance." The cumulative blood donation volume has reached 900,000 milliliters. In October 2025, the Group carried out an employee voluntary blood donation activity across its campuses in the Jinan area. Responding to the call for blood donation amidst the seasonal clinical blood shortage in autumn and winter, we coordinated in advance, precisely liaised with local blood banks, reasonably set up donation points at various campuses, and equipped them with professional medical equipment and personnel. Concurrently, we promoted blood donation knowledge internally to encourage employee participation. On-site processes, including registration, health screening, and donation services, were meticulously managed to ensure the activity's safe and orderly conduct. The activity received an enthusiastic response from employees across Jinan units, with 386 employees successfully donating blood, totaling 104,000 milliliters, providing strong support for clinical treatment.

In the same year, employee Liu Huan honorably became the 19,720th donor in the China Marrow Donor Program database, the 1,657th in Shandong Province, the 198th in Jinan City, and the 4th from Sinotruk. He was awarded the Jinan City Award for Acts of Courage and Justice, conveying the spirit of volunteerism and the warmth of life through his actions.

Employee Liu Huan, Donor of Hematopoietic Stem Cells

Employee Voluntary Blood Donation

Case | Volunteer Service Enters Community, Appliance Repair Warms Hearts

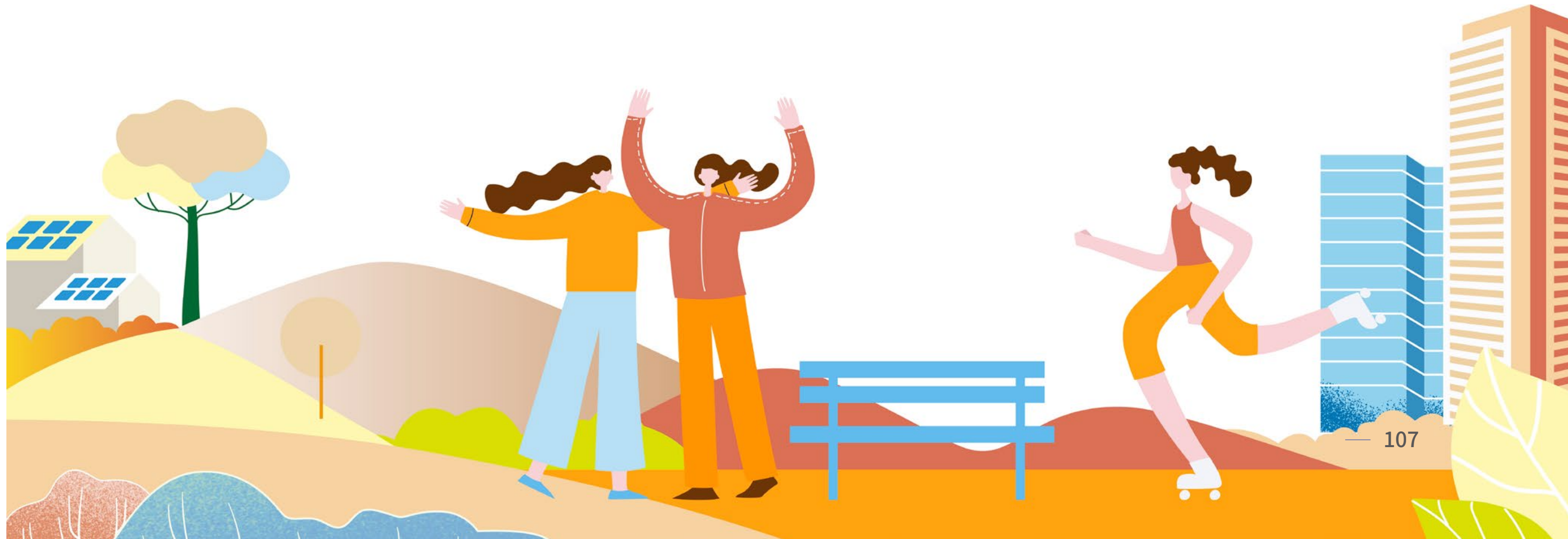
In 2025, Hangzhou Engine Company organized a youth volunteer team to provide public welfare services in the Hongken Community. During the Learn from Lei Feng Day and the community culture festival, the volunteers leveraged their professional technical skills to offer convenient repair services for small household appliances for residents. On-site, volunteers patiently repaired various faulty appliances such as electric kettles, fans, and rice cookers, and provided detailed explanations on usage and safety precautions, earning widespread praise from community residents. This community service activity not only practically solved residents' daily difficulties but also demonstrated the dedication and spirit of serving society of the company's young employees.

Volunteers Repairing Appliances for Residents

Case | Community Street Clean-up Campaign

In July 2025, Datong Gear Company collaborated with Qingyuan Sub-district and the community to jointly launch a community street clean-up campaign, going all out to create a better living environment. On the day of the event, the company's volunteer team assembled in advance, carrying cleaning tools like brooms, shovels, and garbage bags, and fully engaged in the street clean-up work. Through orderly division of labor and joint effort, streets originally littered with garbage and debris were thoroughly cleaned, leading to a significant improvement in the public environment.

Volunteers Cleaning Community Streets



Definitions

Abbreviation	Reporting Specification
"China", "the PRC" or "Chinese Mainland"	The People's Republic of China, and for the purpose of this Report, excludes Hong Kong, Macao Special Administrative Region of the PRC and Taiwan
"Hong Kong"	Hong Kong Special Administrative Region of the PRC
"CNHTC"	China National Heavy Duty Truck Group Co., Ltd., a state-owned enterprise organized under the laws of the PRC with limited liability, being the directly holding company and the controlling shareholder (as defined in the Listing Rules) of the Company
"Group" or "Sinotruk"	Sinotruk and its subsidiaries
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Listing Rules"	The Rules Governing the Listing of Securities on the Stock Exchange
"Board"	The board of Directors of the Company
"ESG"	Environmental, social, and governance
"HDT(s)"	Heavy duty truck(s) and medium-heavy duty truck(s)
"LDT(s)"	Light duty truck(s)
"Ji'nan Truck Company"	Sinotruk Ji'nan Truck Co., Ltd., a joint stock company incorporated under the laws of the PRC with limited liability, being a non-wholly owned subsidiary of the Company and the shares are listed on the Shenzhen Stock Exchange (stock code: 000951)
"Ji'nan Axle Company"	Sinotruk (Ji'nan) Axle Co., Ltd., a company incorporated under the laws of the PRC with limited liability, being a non-wholly owned subsidiary of the Company
"Ji'nan Engine Plant"	Engine plant of Sinotruk Ji'nan Power Co., Ltd.
"Ji'nan Molding Plant"	Molding plant of Sinotruk Ji'nan Power Co., Ltd.
"Jinan's Transmission Plant"	Transmission plant of Sinotruk Ji'nan Power Co., Ltd.
"Chengdu Wangpai Company"	Sinotruk Chengdu Wangpai Commercial Vehicles Co., Ltd., a company incorporated under the laws of the PRC with limited liability, being a non-wholly owned subsidiary of the Company

Abbreviation	Reporting Specification
"Sinotruk Auto Finance Company"	Sinotruk Autos Finance Co., Ltd., a company incorporated under the laws of the PRC with limited liability, being a non-wholly owned subsidiary of the Company
"Ji'nan Commercial Truck Company"	Sinotruk Ji'nan Commercial Truck Co., Ltd., a company incorporated under the laws of the PRC with limited liability, being a wholly owned subsidiary of the Company
"Jinan Parts Company"	Sinotruk Jinan Auto Parts Co., Ltd. a company incorporated under the laws of the PRC with limited liability, being a wholly owned subsidiary of the Company
"Ji'nan Fuqiang Power Company"	Sinotruk Ji'nan Fuqiang Power Co., Ltd., a company incorporated under the laws of the PRC with limited liability, being a wholly owned subsidiary of the Company
"Hangzhou Engine Company"	Sinotruk Hangzhou Engines Co., Ltd., a company incorporated under the laws of the PRC with limited liability, being a wholly owned subsidiary of the Company
"Ji'nan HOWO Bus Company"	Sinotruk Ji'nan HOWO Bus Co., Ltd., a company incorporated under the laws of the PRC with limited liability, being a wholly owned subsidiary of the Company
"Hubei Huawei Company"	Sinotruk Hubei Huawei Special Vehicles Co., Ltd., a company incorporated under the laws of the PRC with limited liability, being a non-wholly owned subsidiary of the Company
"Ji'ning Commercial Vehicle Company"	Sinotruk Ji'ning Commercial Truck Co., Ltd., a company incorporated under the laws of the PRC with limited liability, being a wholly owned subsidiary of the Company
"Ji'nan Light Truck Company"	Sinotruk (Ji'nan) Light Truck Co., Ltd., a company incorporated under the laws of the PRC with limited liability, being a wholly owned subsidiary of the Company
"Ji'nan Rubber & Plastic Parts Company"	Sinotruk Ji'nan Rubber & Plastic Components Co., Ltd., a company incorporated under the laws of the PRC with limited liability, being a wholly owned subsidiary of the Company
"Datong Gear Company"	Sinotruk Datong Gear Co., Ltd., a company incorporated under the laws of the PRC with limited liability, being a wholly owned subsidiary of the Company
"Fujian Haixi Company"	Sinotruk Fujian Haixi Vehicles Co., Ltd., a company incorporated under the laws of the PRC with limited liability, being a non-wholly owned subsidiary of the Company
"Liuzhou Yunli Company"	Sinotruk Liuzhou Yunli Special Vehicles Co., Ltd., a company incorporated under the laws of the PRC with limited liability and a non-wholly owned subsidiary of the Company (and Sinotruk Liuzhou Yunli Kodiak Machinery Co., Ltd. is its subsidiary.)
"Sinotruk International Company"	Sinotruk International Co., Ltd., a company incorporated under the laws of the PRC with limited liability and a non-wholly owned subsidiary of the Company (and Sinotruk Liuzhou Yunli Kodiak Machinery Co., Ltd. is its subsidiary.)
"Intelligent Technology Company"	Shandong Tongxin Zhixing Digital Technology Co., Ltd., a company incorporated under the laws of the PRC with limited liability and a non-wholly owned subsidiary of the Company (and Sinotruk Liuzhou Yunli Kodiak Machinery Co., Ltd. is its subsidiary.)

Index of Environmental, Social and Governance Reporting Code by the HKEX

Subject Areas, Aspects, General Disclosures and KPIs

Subject Area	Aspect	General Disclosures and KPIs	Page
Environmental	A1 Emissions	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	P74-76
		A1.1 The types of emissions and respective emissions data.	P74-77
		A1.2 [Repealed 1 January 2025]	
		A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P77
		A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	P77
		A1.5 Description of emission target(s) set and steps taken to achieve them.	P74-77
		A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	P76-P77
	A2 Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	P68
		A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	P70
		A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	P71
		A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	P68-70
		A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	P71
		A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	P72
	A3 The Environment and Natural Resources	General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources.	P73
		A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	P73
Social	B1 Employment	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	P80
		B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	P82
		B1.2 Employee turnover rate by gender, age group and geographical region.	P84-85

Subject Area	Aspect	General Disclosures and KPIs	Page
Social	B2 Health and Safety	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	P50 P55
		B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	P56
		B2.2 Lost days due to work injury.	P56
		B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	P50-51 P55
	B3 Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	P87
		B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	P92-93
		B3.2 The average training hours completed per employee by gender and employee category.	P93
	B4 Labour Standards	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuerrelating to preventing child and forced labour.	P80
		B4.1 Description of measures to review employment practices to avoid child and forced labour.	P80
		B4.2 Description of steps taken to eliminate such practices when discovered.	P80
	B5 Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.	P45
		B5.1 Number of suppliers by geographical region.	P45
		B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	P45
		B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	P46
		B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	P47

Subject Area	Aspect	General Disclosures and KPIs	Page
Social	B6 Product Responsibility	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	P30 P52
		B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	P33
		B6.2 Number of products and service related complaints received and how they are dealt with.	P43
		B6.3 Description of practices relating to observing and protecting intellectual property rights.	P40
		B6.4 Description of quality assurance process and recall procedures.	P33
		B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	P22-25
	B7 Anti-corruption	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	P19
		B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	P19
		B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	P19
		B7.3 Description of anti-corruption training provided to directors and staff.	P19
	B8 Community Investment	General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	P104
		B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	P104-107
		B8.2 Resources contributed (e.g. money or time) to the focus area.	P104

Climate-related Disclosures

Subject Area	Dimension	Content	Page
Climate-related Disclosures	Governance	19. An issuer shall disclose information about: (a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate related risks and opportunities. Specifically, the issuer shall identify that body(s) or individual(s) and disclose information about: (i) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities; (ii) how and how often the body(s) or individual(s) is informed about climate related risks and opportunities; (iii) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and op-portunities; (iv) how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities (see paragraphs 37 to 40), including whether and how related performance metrics are included in remuneration policies (see paragraph 35); and (b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about: (i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and (ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions	P60
	Strategy	Climate-related risks and opportunities 20. An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall: (a) describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term; (b) explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk (c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and (d) explain how the issuer defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making	P60-65
		Business model and value chain 21. An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain. Specifically, the issuer shall disclose: (a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and (b) a description of where in the issuer's business model and value chain climate related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	P61-65

Subject Area	Dimension	Content	Page
Climate-related Disclosures	Strategy and decision-making	22. An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose: (a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose information about: (i) current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities (ii) current and anticipated adaptation and mitigation efforts (whether direct or indirect); (iii) any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan; and (iv) how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)), described in accordance with paragraphs 37 to 40; and (b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).	P61-65
		23. An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).	/
		Financial position, financial performance and cash flows 24. Current financial effect An issuer shall disclose qualitative and quantitative information about (a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and (b) the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	/
		25. Anticipated financial effect The issuer shall provide qualitative and quantitative disclosures about: (a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: (i) its investment and disposal plans; and (ii) its planned sources of funding to implement its strategy; and (b) how the issuer expects its financial per-formance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	/

Subject Area	Dimension	Content	Page
Climate-related Disclosures	Strategy and Decision-making	26. Climate resilience An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose: (a) the issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of (i) the implications, if any, of the issuer's assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis (ii) the significant areas of uncertainty considered in the issuer's assessment of its climate resilience; and (iii) the issuer's capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term; (b) how and when the climate-related scenario analysis was carried out, including: (i) information about the inputs used, including (1) which climate-related scenarios the issuer used for the analysis and the sources of such scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (4) whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; (5) why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) time horizons the issuer used in the analysis; and (7) what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis); (ii) the key assumptions the issuer made in the analysis; and (iii) the reporting period in which the climate-related scenario analysis was carried out.	P60-66
	Risk Management	27. An issuer shall disclose information about: (a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about (i) the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes) (ii) whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks (iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria) (iv) whether and how the issuer prioritises climate-related risks relative to other types of risks; (v) how the issuer monitors climate-related risks; and (vi) whether and how the issuer has changed the processes it uses compared with the previous reporting period; (b) the processes the issuer uses to identify, assess, prioritise and monitor climate related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and (c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.	P66

Subject Area	Dimension	Content	Page
Climate-related Disclosures	Metrics and Targets	28. Greenhouse gas emissions An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO_2 equivalent, classified as (a) Scope 1 greenhouse gas emissions (b) Scope 2 greenhouse gas emissions; and (c) Scope 3 greenhouse gas emissions.	P67
		29. An issuer shall (a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions (b) disclose the approach it uses to measure its greenhouse gas emissions including: (i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions; (ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and (iii) any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes; (c) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and (d) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011)	P67
		30. Climate-related transition risks An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	/
		31. Climate-related physical risks An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks	/
		32. Climate-related opportunities An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	/
		33. Capital deployment An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	
		34. Internal carbon prices An issuer shall disclose: (a) an explanation of whether and how the issuer is applying a carbon price in decision making (for example, investment decisions, transfer pricing, and scenario analysis); and (b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	P67
		35. Remuneration An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 19(a)(iv).	P60
		36. Industry-based metrics An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry based metrics associated with disclosure topics described in the IFRS S2 Industry based Guidance on implementing Climate-related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks.	P67

Subject Area	Dimension	Content	Page
Climate-related Disclosures	Metrics and Targets	37. Climate-related targets An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose: (a) the metric used to set the target; (b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives); (c) the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region); (d) the period over which the target applies; (e) the base period from which progress is measured; (f) milestones or interim targets (if any) (g) if the target is quantitative, whether the target is an absolute target or an intensity target; and (h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	P67
		38. An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including: (a) whether the target and the methodology for setting the target has been validated by a third party; (b) the issuer's processes for reviewing the target; (c) the metrics used to monitor progress towards reaching the target; and (d) any revisions to the target and an explanation for those revisions	P67
		39. An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance	/
		40. For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39, an issuer shall disclose: (a) which greenhouse gases are covered by the target (b) which greenhouse gases are covered by the target (c) whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target; (d) whether the target was derived using a sectoral decarbonisation approach; and (e) the issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose: (i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits; (ii) which third-party scheme(s) will verify or certify the carbon credits (iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and (iv) any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset).	P67
		41. Applicability of cross-industry metrics and industry-based metrics In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider the applicability of cross-industry metrics (see paragraphs 28 to 35) and (ii) industry-based metrics (see paragraph 36).	P67

Reader Feedback Form

Dear readers:

Thank you very much for your attention and support to the sustainable development of Sinotruk (Hong Kong) Limited. To provide you with more professional and valuable environmental, social and governance information and improve the quality of our sustainability report, we welcome you to answer the relevant questions in the feedback form.

01 Which category of stakeholder does your organization belong to?

02 Are you satisfied with this report? Please make your comments.

03 Do you think that our social responsibilities have been fully disclosed in this report?

04 Has the information you would like to know been fully disclosed in this report?

05 Do you have any suggestions to help improve this report?

Your Information

- Name
- Company
- Title
- Fax
- Tel
- Email

SINOTRUK
中国重汽