



Sinotruk (Hong Kong) Limited
Environmental, Social and Governance Report
2024



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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, 2024 to December 31, 2024 (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 28 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:

• Manufacturing Company of Ji'nan Truck Co., Ltd.	• Truck Sales Department of Ji'nan Truck Co., Ltd.
• Commercial Truck Manufacturing Company of Ji'nan Commercial Truck Company	• Commercial Truck Sales Department of Ji'nan Commercial Truck Company
• Light Truck Manufacturing Company of Ji'nan Commercial Truck Company	• Light Truck Sales Department of Ji'nan Commercial Truck Company
• Ji'ning Commercial Truck Company	• Ji'nan Molding Plant
• Ji'nan Transmission Plant	• Ji'nan Engine Plant
• Ji'nan Axle Company	• Ji'nan Fuqiang Power Company
• Ji'nan Transmission Shaft Company	• Ji'nan Rubber & Plastic Parts Company
• Fujian Haixi Company	• Liuzhou Yunli Company
• Datong Gear Company	• Hubei Huawei Company
• Hangzhou Engine Company	• Chongqing Light Vehicle Company
• Chengdu Wangpai Company	• Nanchong Haile Machinery Company
• International Company	• Research Institute Company
• Ji'nan Commerce Company	• Sinotruk Automobile Finance Company
• Finance Company	• Intelligent Technology Company

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 Code*, 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 of the importance of environmental, social and governance (ESG) matters to the risk management and sustainable development of the Group. We are committed to seeking the balanced development among economic progress, social development, and environmental responsibilities. The Group aims to achieve more robust and sustainable business growth by optimizing its governance structure and enhancing its sustainable competitiveness.

The Group has established a well-developed, three-tiered ESG governance structure comprising "the governance tier, the management tier, and the execution tier" to ensure the full coverage and efficient management of ESG matters. The Board of Directors ("the Board"), as the highest decision-making and supervisory body for ESG matters, is responsible for formulating ESG strategies, setting targets, overseeing execution, and managing overall performance, and it also assumes ultimate responsibility. Under the Board, an Audit Committee has been set up as the core body responsible for implementing ESG strategies, assessing the Group's ESG performance, and advancing the Board's 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 effective implementation of ESG-related work and to promote the in-depth development of various initiatives.

The Group places great importance on the concerns of its stakeholders, actively seeks feedback from all sides, and continuously advances the identification and evaluation of material ESG issues. By leveraging diverse communication channels, the Group strengthens communication with major stakeholders and manages material ESG issues in alignment with regulatory requirements, industry policies, development trends, and the focus of international ESG rating agencies. The Board of Directors regularly reviews these material ESG issues to ensure that the management of such issues aligns closely with the Group's overall development strategy.

In the future, the Group will further enhance communication with its stakeholders, continuously refine its mechanisms for identifying and assessing ESG issues, and closely monitor industry trends and regulatory requirements to ensure that its ESG practices remain consistent with global sustainable development goals. Meanwhile, the Group will continuously improve the transparency and accuracy of its ESG information disclosure. By providing stakeholders with comprehensive, reliable ESG information, we will strive to promote sustainable development and create long-term value for businesses.

This report comprehensively discloses the progress and achievements of the Group's ESG initiatives in 2024. It was submitted to the Audit Committee for review on March 19, 2025, and was formally approved at the Board Meeting on March 27, 2025.



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 four segments according to the nature of products and services:

I

HDTs segment

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.

II

LDTs and others segment

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.

III

Engines segment

Although most of the engines for heavy duty trucks produced by the Group are used to satisfy our own demand, the Group also sells industrial and construction machinery engines to third parties. In addition, the Group produces other HDT key assemblies, parts and components, such as gearboxes and various types of casting and forging. The engines production bases are located at Ji'nan and Hangzhou, the PRC.

IV

Finance segment

The finance segment of the Group provides various financial service to those parties related to the production and sales of the products of the Group and the CNHTC Group, including deposits taking services and commercial financing services such as the provision of loans, bill discounting services and issue of bills as well as providing auto-finance services to finance the end-users and the dealers to purchase the Group's vehicles in the PRC.

Accolades

Mechanical Industry Science and Technology Award

China Machinery Industry Federation

25th China Patent Award

China National Intellectual Property

Award of Science and Technology Progress

China Society of Automotive Engineers

Golden Globe Award - ESG Corporate Governance Excellence Enterprise

GuruFocus

Zhiyuan Award - ESG Pioneer Award

Cailian Press

China Society for the Promotion of Science and Technology Commercialization Science and Technology Award

China Society for the Promotion of Science and Technology Commercialization (CSPSTC)

Good Design Award

China Innovation Design Industry Strategic Alliance

2024 Shandong Provincial Technology Invention Award

Shandong Provincial Science and Technology Award Evaluation Committee

Most Socially Responsible Listed Company Award

Daily Economic News

Most Valuable Investment Award

Cailian Press

Awards Received by the Group in 2024

Managing Sustainable Development

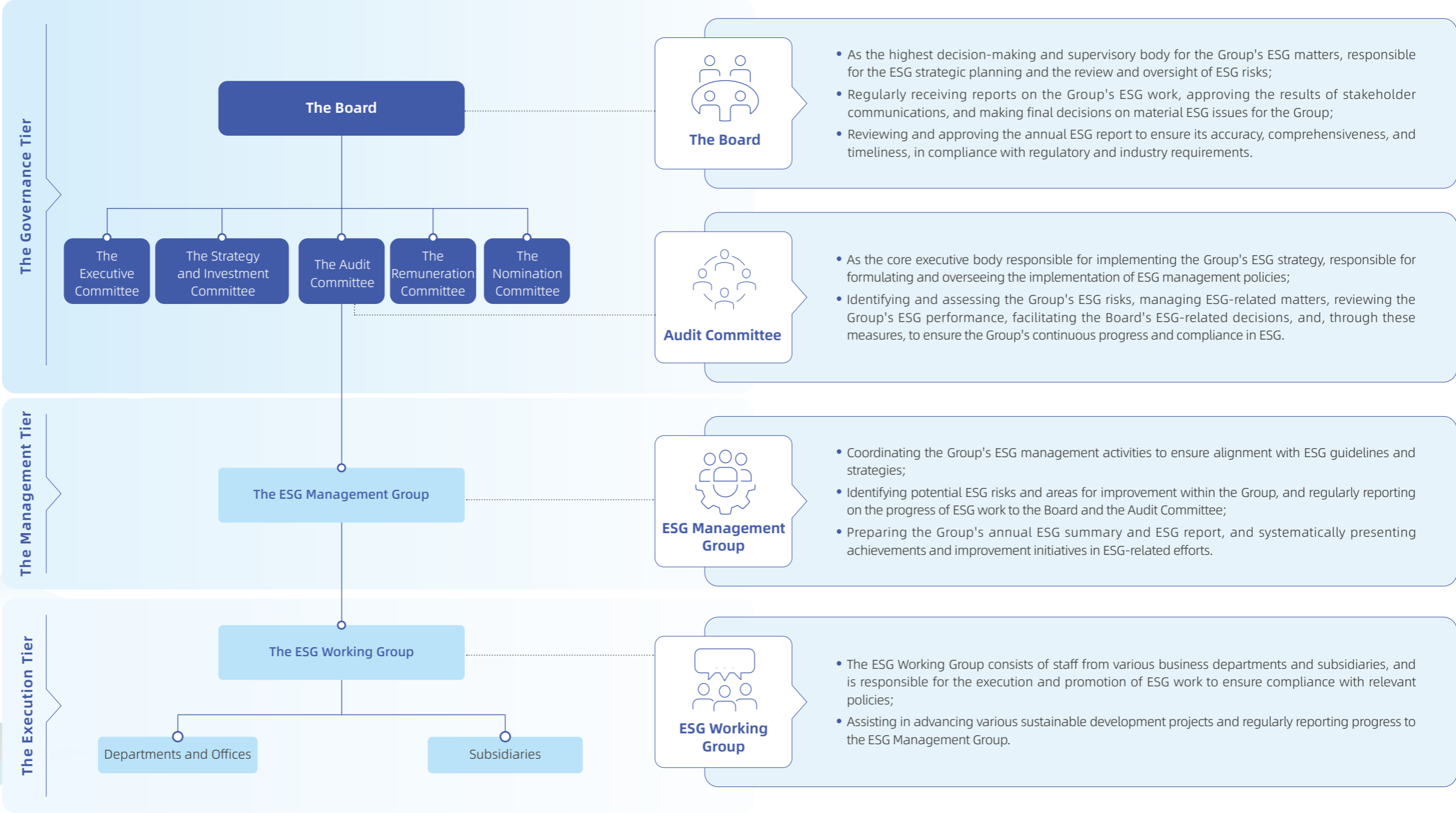
Sinotruk upholds the concept of sustainable development. We have established a sound ESG management system, diverse stakeholder communication mechanisms, science-based material issue assessments, and transparent ESG reporting principles, in a bid to construct a high-quality sustainability management model.



ESG Management

Sinotruk fully integrates the concept of sustainable development into its business management, actively promotes the implementation of sustainability strategies, and continuously deepens communication and cooperation with stakeholders. We also persist in enhancing the comprehensive governance capabilities of the Group and achieving stable, high-quality development in the long term.

The Group strictly complies with ESG regulatory requirements in locations where it is listed. In alignment with international ESG standards and industry best practices, we have established a three-tiered ESG governance structure comprising "the governance tier, the management tier, and the execution tier" tailored to the Group's current situation, so as to ensure effective implementation and supervision of our ESG strategy.



ESG Governance Framework of Sinotruk

Communicating with Stakeholders

Sinotruk places a high priority on communicating and collaborating with all stakeholders. We have a multi-faceted communication mechanism. We actively listen to feedback from government agencies, regulators, shareholders, investors, customers, employees, the public, partners, and environmental organizations. By thoroughly analyzing stakeholders' expectations and concerns, the Group integrates them appropriately into strategic planning and operational decisions, thereby ensuring alignment between corporate development and stakeholder needs and jointly promoting sustainable value creation.

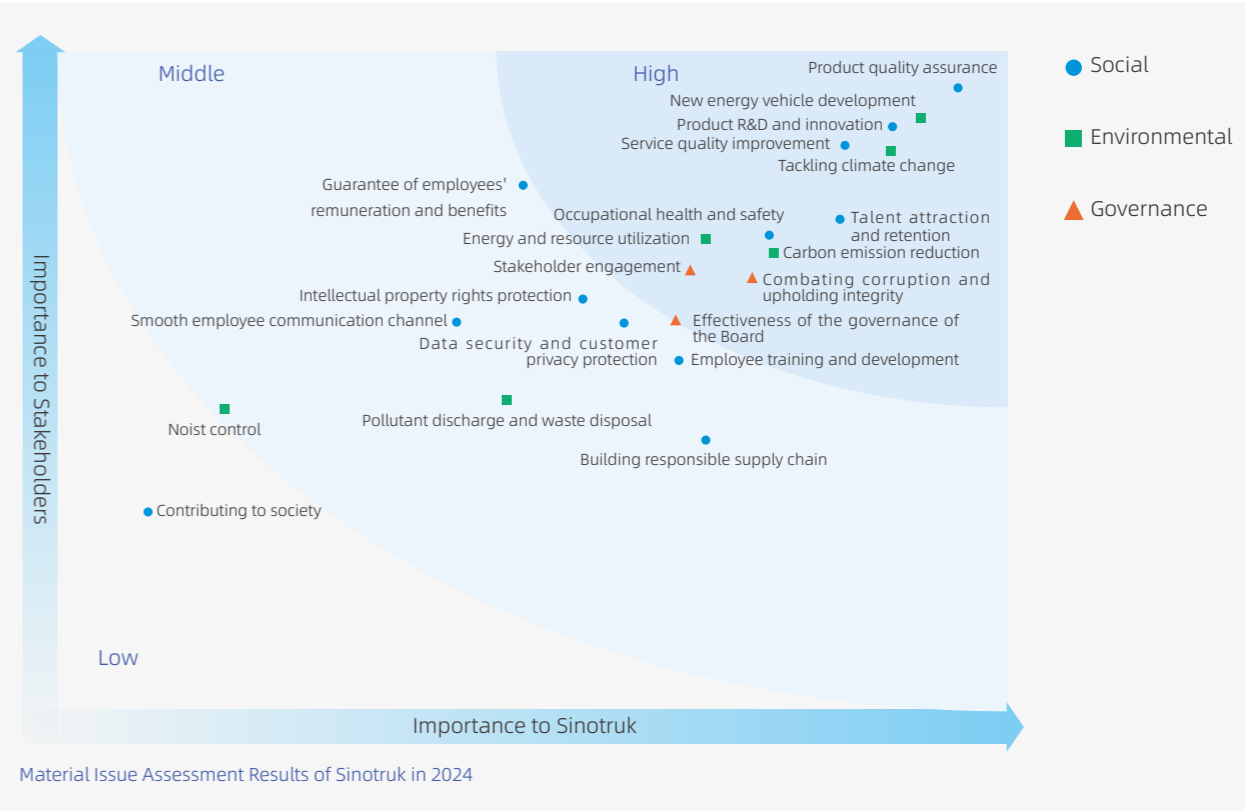
Stakeholders	Stakeholders' Expectations	Communication Mechanism
 Governments and regulators	<ul style="list-style-type: none">Legal complianceCompliant operationsTax paymentSupporting local development	<ul style="list-style-type: none">Information disclosureDaily communication and reportOn-site visitsSupervision and inspectionVisitor reception
 Shareholders and investors	<ul style="list-style-type: none">Sustainable development and rewarding shareholdersInformation disclosure and investor relationsCorporate governance and risk control	<ul style="list-style-type: none">General meetings of shareholdersRegular reports and announcementsCommunication meetings with investors
 Customers	<ul style="list-style-type: none">High-quality productsExcellent servicesProtection of rights and interests of consumers	<ul style="list-style-type: none">After-sale service hotlineSmart Sinotruk (mobile App)Product quality assuranceCustomer satisfaction surveyRegular communication activities with customers
 Employees	<ul style="list-style-type: none">Salaries and benefits assuranceHealthy working environment and development platformEqual promotion and development opportunities	<ul style="list-style-type: none">Remuneration systemPerformance managementStaff trainingDaily communication
 Partners	<ul style="list-style-type: none">Commitment fulfillmentFair, equitable and open procurementWin-win development	<ul style="list-style-type: none">Open tendering and biddingOn-site reviewsSuppliers' meetingsBusiness conferences
 Society	<ul style="list-style-type: none">Contributing to urban developmentImproving public awarenessContributing to community harmony	<ul style="list-style-type: none">Voluntary serviceSupporting cultural and sports activitiesVoluntary unpaid blood donationSupporting anti-pandemic battle
 Environment	<ul style="list-style-type: none">Promoting environmental protectionProtecting ecological balance	<ul style="list-style-type: none">Emissions managementResource consumption reductionNew energy vehicles

Communication with Stakeholders

Assessing Material Issues

Sinotruk adheres to a scientific and systematic approach in identifying and evaluating material ESG issues to ensure targeted and effective information disclosure. In accordance with the *ESG Reporting Code*, in Appendix C2 of the Listing Rules of the Stock Exchange and in combination with key areas of interest in the capital market regarding sustainability, we have benchmarked against best industry practices. Through multi-channel communication with stakeholders, we identify the ESG issues that have the most substantial impact on our operations and long-term development.

With the aim to clearly define the priority of each issue, the Group conducts online surveys to collect and analyze the level of concern from internal and external stakeholders regarding various issues. Furthermore, we regularly review our material issue matrix, taking into account industry trends, changes in regulatory policies, and the characteristics of our business operations. We adjust the materiality ranking of the issues as needed to ensure that it accurately reflects our development status and future direction.



Responding to ESG Reporting Principles

Sinotruk strictly adheres to international standards and regulatory requirements 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

Upholding Responsible Governance for Compliant Operations

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Key Progress in 2024



The Group held

1
session of director risk
management training

11

sessions of employee risk
management training

with the participation of
16 directors

over
500 employees



The Group organized

91
sessions of integrity
education

with a total duration of
200 hours

16
enrollments of directors

5,323
enrollments of
general employees

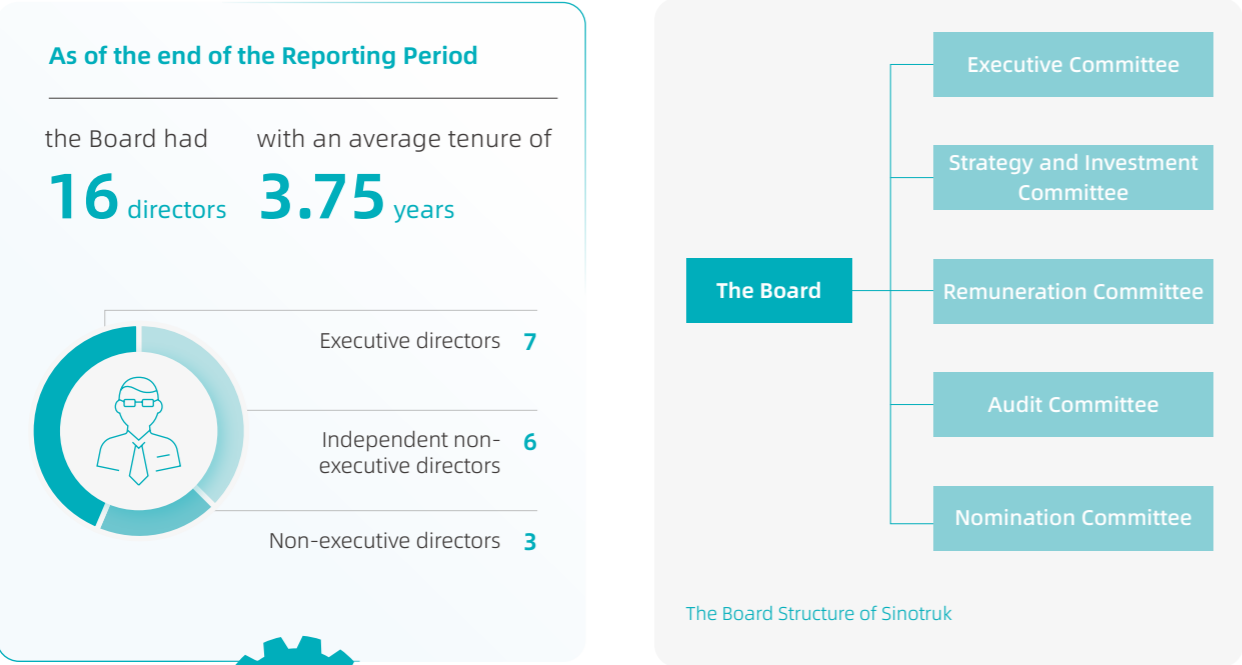


Consolidating Corporate Governance

Sinotruk regards high-quality corporate governance as the core foundation for achieving sustainable development. We continuously optimize our corporate governance structure, enhance the effectiveness, diversity, and independence of the Board, as well as standardize procedures for general meetings of shareholders to safeguard their rights and interests effectively.

Board Management

The Group places great emphasis on the scientific and effective corporate governance. With the Board as the core, we have established a well-developed and efficient corporate governance structure. The Board has set up the Executive Committee, the Strategy and Investment Committee, the Remuneration Committee, the Audit Committee, and the Nomination Committee, which are responsible for jointly supervising and guiding the strategic execution and business operations of the Group. As of the end of the Reporting Period, the Board had 16 directors, including 7 executive directors, 3 non-executive directors, and 6 independent non-executive directors, with an average tenure of 3.75 years.



Board Diversity

The Group enhances its governance capabilities and decision-making quality through a diversified board member structure and strictly implements the *Board Diversity Policy*. During the selection process of Board members, the Group fully considers factors such as diversity, industry experience, and professional skills to ensure that Board members are extensively diverse in terms of gender, age, ethnicity, geographical region, educational background, professional skills, and industry experience. As of the Report release date, the Board had 2 female directors, further making the governance of the Group more inclusive and forward-looking.

Name	Gender	Position/ Responsibility	Professional Capabilities			
			Industrial Experience ¹	Risk Management Experience ²	Financial Management Experience ³	International Project Experience ⁴
Wang Zhijian	Male	Chairman	✓			
Liu Zhengtao	Male	President	✓			
Wang Dechun	Male	Executive Director & Executive President	✓			
Li Xia	Female	Executive Director			✓	
Zhao Hua	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	✓			
Liang Qing	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		✓	✓	

Latest Composition of Board of Directors of Sinotruk

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, systematic risk management philosophy, the Group ensures the scientific and effective risk identification, assessment and response through a comprehensive risk management structure and process, thus safeguarding the sustainable development.

To ensure the effectiveness of the risk management and internal control system, the Group has established the 'Three Lines of Defense' model, which effectively mitigates operational risks and enhances risk management capabilities. The Board of Directors, as the highest decision-making body, is responsible for maintaining the robustness and effectiveness of the Group's risk management and internal monitoring systems, as well as reviewing their operations. In addition, the Group prepares risk management performance evaluation plans and implements annual performance assessments to ensure the efficient implementation of risk management.

First Line of Defense – Business Units & Functional Departments

Business units and functional departments serve as the Group's frontline, responsible for real-time identification and analysis of risks within operational processes.

Second Line of Defense – Risk Management Units

The Legal & Compliance Department acts as the lead unit to coordinate risk management efforts across business units. The Risk Management Steering Committee oversees the operational effectiveness of the company-wide risk management system, conducts periodic reviews of critical risks, and ensures continuous tracking and evaluation of risk mitigation measures.

Third Line of Defense – Audit & Supervision Department

The Audit & Supervision Department assists the management and Board/Audit Committee in fulfilling risk oversight duties. It conducts systematic evaluations of the adequacy, implementation, and effectiveness of internal control systems.

"Three Lines of Defense" Risk Management of Sinotruk

Sinotruk has formulated the *Comprehensive Risk Management Process* and implemented full-process management of key aspects including risk identification, assessment, monitoring, and response to ensure the efficient operation of risk management. Meanwhile, the Group actively conducts risk review covering risk descriptions, probability and impact assessments. In 2024, the Group did not experience any significant risk events, and internal control for financial reporting remained effective.

The Group regularly organizes risk management training to strengthen risk awareness and management capabilities among all employees. In 2024, the Group held a total of 11 risk management training sessions for employees from headquarters and various subsidiaries, with a total of more than 500 participants. In addition, the Group organized one training session for executive directors, non-executive directors, and independent non-executive directors, covering all 16 directors.



Upholding Business Ethics

Upholding business ethics is the cornerstone of sustainable corporate development. Sinotruk establishes a sound business ethics management system, actively conducts integrity management training, expands reporting channels, strictly regulates commercial behavior, and creates a clean and transparent business environment.

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, Sinotruk has formulated the *Management Measures for Consultations and Notifications on Integrity Building*, the *Administrative Accountability Management Measures*, the *Business Ethics Code*, the *Anti-Corruption and Bribery Policy*, and revised the *Management Measures for Accountability of Improper Operations and Investments*, the *Provisions on Management of Integrity Files*, and the *Measures for Operation and Management of "Macro Supervision" Mechanism* so as to continuously improve relevant systems.

The Group has established an internal control system and regular evaluation mechanism with the Board as the highest supervisory body, and has built a purpose-specific, precise, and normalized system for corruption risk identification, prevention, control, and supervision. Each year, the Group audits all businesses in operation through various means such as special inspections, routine audits, and strict supervision, thus comprehensively managing integrity risks in daily operations and production activities and significantly reducing the occurrence of corruption incidents. In 2024, the Group implemented 5 audit projects covering 18 subsidiaries and focusing on the identification and assessment of anti-corruption risks, and strictly fulfilled the supervisory responsibility for audit rectification according to relevant procedures. During the Reporting Period, the Group reported no corruption behaviors or corruption lawsuits.

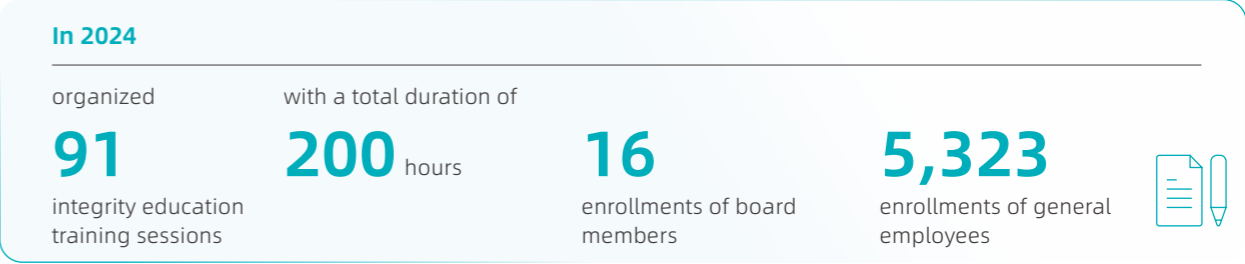
The Group also emphasizes that suppliers and other partners comply with the business practices outlined in the *Supplier Code of Conduct*, and has formulated and implemented the *Management Procedures of "Blacklist" for Business-related Parties* covering all suppliers. This approach has clearly defined strict control and punishment mechanisms for violations of business ethics such as terrorism, money laundering, corruption, commercial bribery, and unfair competition. The Group actively engages with suppliers through events such as supplier conferences and specialized training sessions to clearly communicate its zero-tolerance attitude toward corruption, bribery, and unfair competition and guide suppliers to establish proper business code. In addition, the Group signs the *Agreement*

on *Mutual Commitment to Honesty and Integrity* with suppliers and regularly conducts supervision and audits to ensure that suppliers strictly comply with anti-corruption policies and regulate their own behavior.



Integrity Training

The Group is well aware that cultivating and strengthening integrity awareness is an important approach to preventing corruption and regulating behavior. In order to comprehensively enhance employees' awareness of integrity and self-discipline, the Group continuously conducts a variety of multi-level integrity training activities including Party discipline learning, integrity warning education seminars, and integrity warning education videos. Through these efforts, we strive to integrate integrity concepts into corporate culture and daily management. In 2024, the Group organized 91 integrity education training sessions, with a total duration of 200 hours, 16 enrollments of board members and 5,323 enrollments of general employees.



**Case | Promoting the audit of integrity culture construction**

In February 2024, the Group held a special meeting on integrity warning education. Thoroughly implementing the spirit of the plenary sessions held by the Central Commission for Discipline Inspection and provincial and municipal discipline inspection committees, the meeting emphasized that all Party members and cadres must deeply understand the new requirements for comprehensive and strict Party governance, effectively enhance their sense of responsibility and mission, and further strengthen the ideological defense line of integrity and self-discipline.



On-site of Integrity Culture Construction

Whistleblowing Management

To effectively prevent and combat violations of regulations and discipline, the Group has offered a wide variety of whistleblowing channels, including telephone calls, letters, email messages, online reporting, petition, and reporting to management, all of which are in smooth operation. The Group actively encourages employees to report potential misconduct and handles violations in a timely and efficient manner according to established procedures. At the same time, the Group commits to strict confidentiality of whistleblower information, severely punishes the disclosure of such information and retaliation against whistleblowers, and provides protection for whistleblowers to the greatest extent. During the Reporting Period, the Group did not receive any corruption-related reports or clues.

Tax Compliance

In 2024, the Group continued to strengthen tax management. We engaged in domestic operations in full compliance with laws and regulations including the *Enterprise Income Tax Law*, the *Interim Regulations on Value-Added Tax*, and the *Tax Collection and Administration Law*, while handling overseas operations in strict accordance with tax policies in various tax jurisdictions, international tax rules, and bilateral tax treaties. Upholding the principle of paying taxes according to law, we have formulated a complete set of tax policies to ensure compliance and accuracy in handling tax affairs. The Group has established an efficient tax management structure, clarified the processes, responsibilities, and standards for tax management, and handled tax affairs in a timely and transparent manner.

In terms of tax management, the Group conducts quantitative analysis and regular assessments of potential tax statuses through a professional tax team and advanced tax management systems to promptly identify and avoid potential tax risks. Meanwhile, the Group regularly conducts tax self-inspections to ensure the accuracy of tax filings and avoid tax risks due to improper tax handling. During the Reporting Period, we maintained a sound tax status and paid all taxes promptly and in full, without occurrences of tax disputes.

Safeguarding Information Security

The Group is committed to ensuring information security and user privacy, strengthening measures for data security control and privacy protection, enhancing the process management capabilities of secure operations, and effectively mitigating cybersecurity risks.

Information Security

Sinotruk has always placed a strategic priority on information security and established a robust information security management system to comprehensively prevent and address various security risks. Through these measures, we ensure that the group operations and customer data remain secure and controllable at all times.

Information Security Management System

The Group continuously improves its information security management system. In accordance 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)*, as well as relevant industry standards and specifications, we have formulated the *Information Security Management Measures* to refine security requirements for networks, servers, terminals, and other areas. In 2024, the Group did not experience any information security incidents.

Process and Digital Empowerment Leadership Group

- Setting up a Cybersecurity and Information-based Construction Leadership Group led by the chairman
- Implementing the cybersecurity work deployed by the state, the government and competent authority, and formulating the information-based construction plan
- Directing, coordinating and supervising daily cybersecurity matters of the Group
- Reviewing important cybersecurity strategies and key programs for information-based construction, and supervising their implementation

Cybersecurity and Information-based Construction Leadership Group

- Setting up a cybersecurity and information management framework based on the role of directors.
- Executing decisions and deployments of the Process and Digital Empowerment Leadership Group, conducting research, and proposing relevant recommendations
- Drafting and implementing cybersecurity strategies, information-based construction plans, and key projects
- Establishing a cybersecurity inspection system and ensuring the implementation of standards and specifications
- Organizing training and exchanges

Data Security Management Structure of Sinotruk

In 2024

the Group **did not** experience any information security incidents

Information Security Management Measures

Sinotruk consistently regards information security as a crucial guarantee for corporate operations. We have formulated and implemented a series of stringent information security management measures to ensure the security and stability of information assets. Furthermore, the Group actively carries out information security training to embed information security management into all aspects of its business activities.

The Group regularly conducts information risk assessments to identify potential cybersecurity risks, data breach risks, and other information security hazards. Meanwhile, the Group has established an information security incident response mechanism to ensure effective management of all identified risks. We also continuously improve internal policies such as the *Information System Security Incident Management Process* and the *Information System Security Development Management Process* to clearly define emergency response procedures for information security incidents.



The Group regularly conducts data security audits covering all business operations. In 2024, the Group carried out various initiatives including internet exposure surface and weak password checks, periodic penetration testing of information systems, and privileged account audits of application systems. Internally, a total of 19 special security inspections were conducted, significantly promoting comprehensive improvements in information security in terms of the formulation and execution of relevant systems and procedures. In addition, the Group actively conducts external information security audits. In 2024, the Group obtained ISO 27001 Information Security Management System certification, covering 4 key areas and including 93 control items.



Information Security Management Certificate

In 2024

Sinotruk has passed the ISO 27001 Information Security Management System certification

Covering
4 key areas



Including
93 key areas



Sinotruk requires that all collaborations with third parties undergo stringent processes and approval procedures. Before initiating cooperation, both parties must sign a confidentiality agreement clearly specifying the scope of confidential information, confidentiality obligations, and liabilities in the event of a breach, thus ensuring effective protection of confidential information.

In order to further enhance the security of information systems and strengthen emergency response capabilities, Sinotruk has issued and implemented the *Information System Emergency Response Management Process* and the *Information Leakage Incident Handling and Management Process*. We have also created process forms within the OA⁵ system, fully realizing online management. Furthermore, the Group regularly conducts security emergency drills to ensure that all departments and relevant personnel can respond promptly and operate according to established procedures when emergencies occur. Through these drills, we continuously optimize emergency plans and improve overall emergency response capabilities, thereby minimizing the impact of information system security incidents on corporate operations.

⁵ The OA system, an abbreviation for "Office Automation System", refers to a system that leverages information technology to realize the automated handling of a company's daily office tasks and business processes.

Case | Hangzhou Engine Company organizes a cybersecurity attack and defense drill

In April 2024, Hangzhou Engine Company organized a cybersecurity attack and defense drill. During the exercise, the company formed a four-person team on 24/7 duty. By blocking suspicious attack IPs immediately, the team effectively prevented attackers from breaching the security perimeter and entering the internal network. Throughout the exercise, the company detected a total of 113 cyber-attacks and successfully completed all offensive and defensive tasks, thereby validating the effectiveness of its cybersecurity protection system and emergency response capabilities.



Sinotruk places great emphasis on employee information security awareness training. The Group actively promotes the improvement of employees' digital literacy and information security capabilities by regularly conducting awareness enhancement training for all employees and specialized training for relevant personnel. In 2024, the Group conducted 3 information security awareness training sessions, covering 90.4% of its employees.

In 2024

Conduct information security awareness training
3 times



Employee coverage rate
90.4%

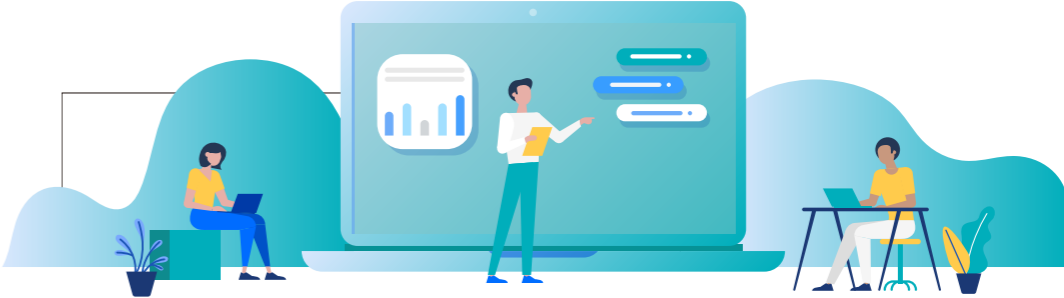


Case | Annual information security awareness training lecture

In March 2024, the Group organized an information security awareness training lecture. We explained the current status of cybersecurity to all participants and provided an in-depth explanation of relevant laws and regulations. After the training, we also conducted an on-site quiz to evaluate the training effectiveness. Moreover, cybersecurity and information-based construction administrators from the Group and its subsidiaries were invited to further enhance their information security management awareness and lay the foundation for improving the Group's overall information security management level.



Information Security Awareness Training Lecture

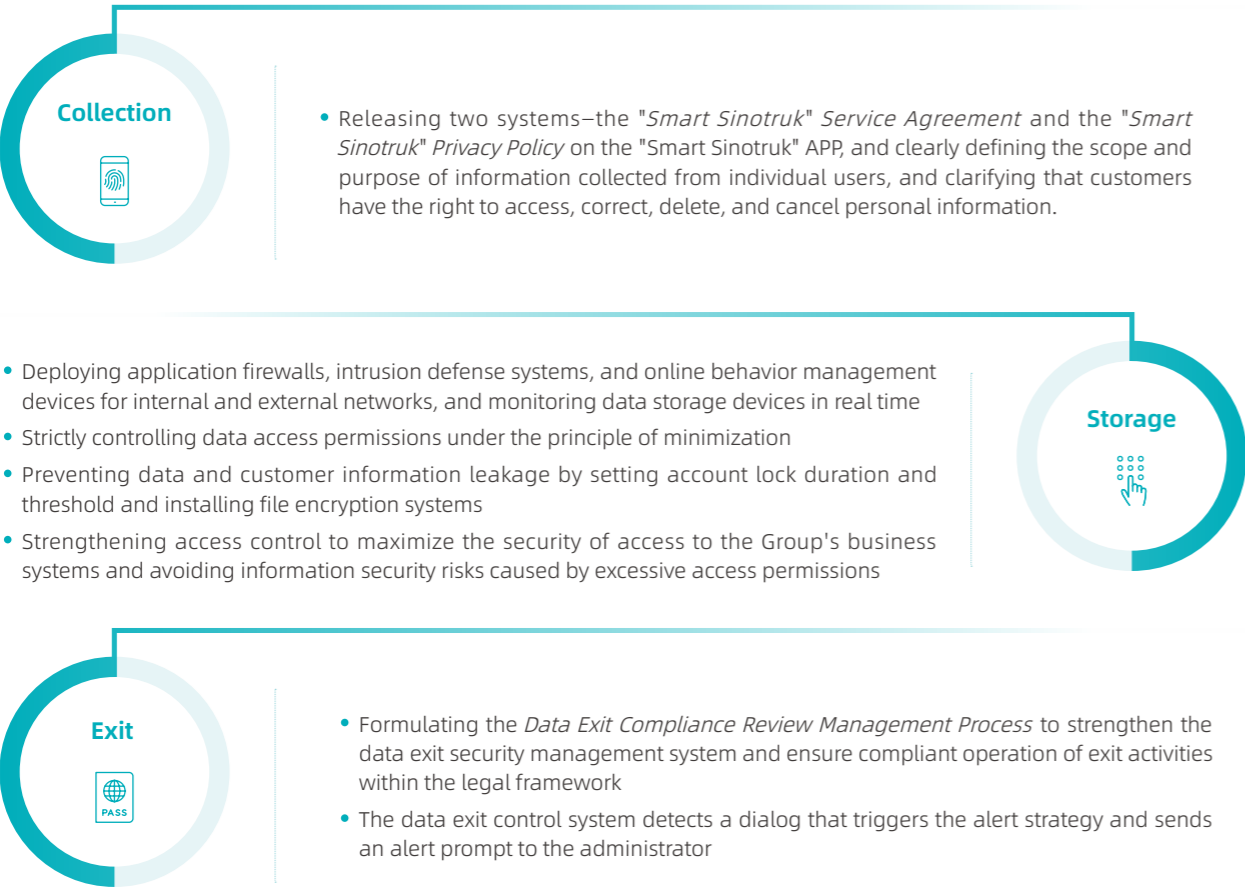
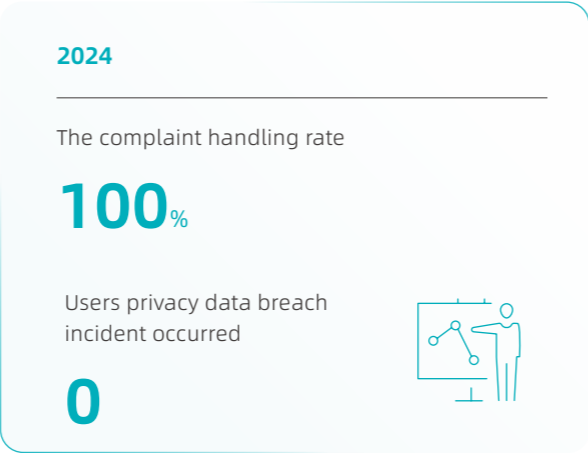


Privacy Protection

Sinotruk has comprehensively established a robust privacy protection mechanism to effectively manage various privacy risks and safeguard customer information security, based on strict compliance with applicable laws and regulations.

Privacy Protection Mechanism

Sinotruk strictly adheres to the *Personal Information Protection Law of the People's Republic of China* and other relevant laws, regulations, and industry standards. It continuously improves data security protection and management across all stages, including information collection, storage, and cross-border transfer, covering the entire lifecycle of soft data. The Group fully protects customer privacy from infringement. In 2024, Sinotruk received a total of 1 complaint related to personal information and privacy, with a complaint handling rate of 100%. No incidents of user privacy data leakage occurred. 0 incident of user privacy data breach occurred.



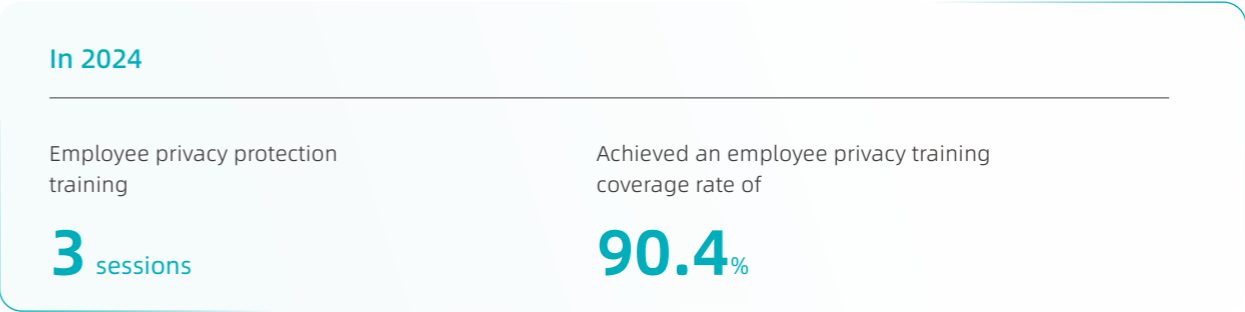
Privacy Protection Mechanism for Vehicle Users

Customer Information Risk Assessment

Sinotruk places great importance on the protection of personal information. We regularly conduct personal information protection impact assessments to identify and evaluate potential risks to users' personal data while promptly implementing effective response measures. Meanwhile, we regularly carry out risk assessments concerning personal information protection and privacy security to ensure timely detection of potential risks. We also report rectification progress to the Cybersecurity and Informatization Working Group. As of December 31, 2024, Sinotruk had obtained ISO 27001 Information Security Management System certification, achieving 100% certification coverage for information security management activities related to the design, development, sales, and management of its core business involving vehicles and spare parts.

Privacy and Security Training

Sinotruk actively conducts privacy and security training. We regularly organize specialized sessions for employees on privacy protection and data security to ensure that all staff understand and comply with internal policies and legal regulations regarding personal information protection. In 2024, Sinotruk conducted 3 employee privacy protection training sessions, achieving an employee privacy training coverage rate of 90.4%. Creating Superior Products with Innovative Endeavors .




02 Creating Superior Products with Innovative Endeavors

Sinotruk persists in advancing intelligent and low-carbon transformation through responsible and innovation-driven sustainable development. We also contribute to building a clean technology industrial ecosystem. Upholding the core business philosophy of "customer first", the Group enhances its service system and optimizes supply chain management to create greater value for customers.

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Key Progress in 2024



100%

of manufacturing subsidiaries of Sinotruk obtained IATF16949 and ISO 9001 quality management system certifications.




The Group invested in R&D

RMB **2.74** billion

The ratio of R&D spending to the revenue reached

2.9%



The Group devoted to R&D of clean technologies


RMB **470** million

Obtained patents related to clean technologies

144

The Group's revenue from new energy products increased compared with 2023 by

67%

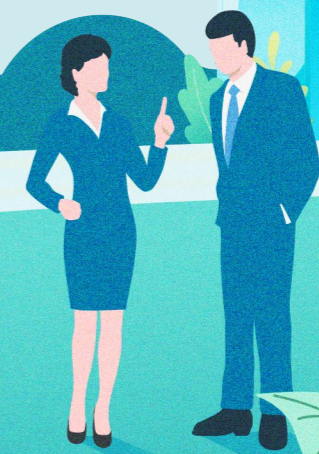


The Group obtained a total of

4,455 valid patents

The score for the annual comprehensive customer satisfaction was

97.13 points



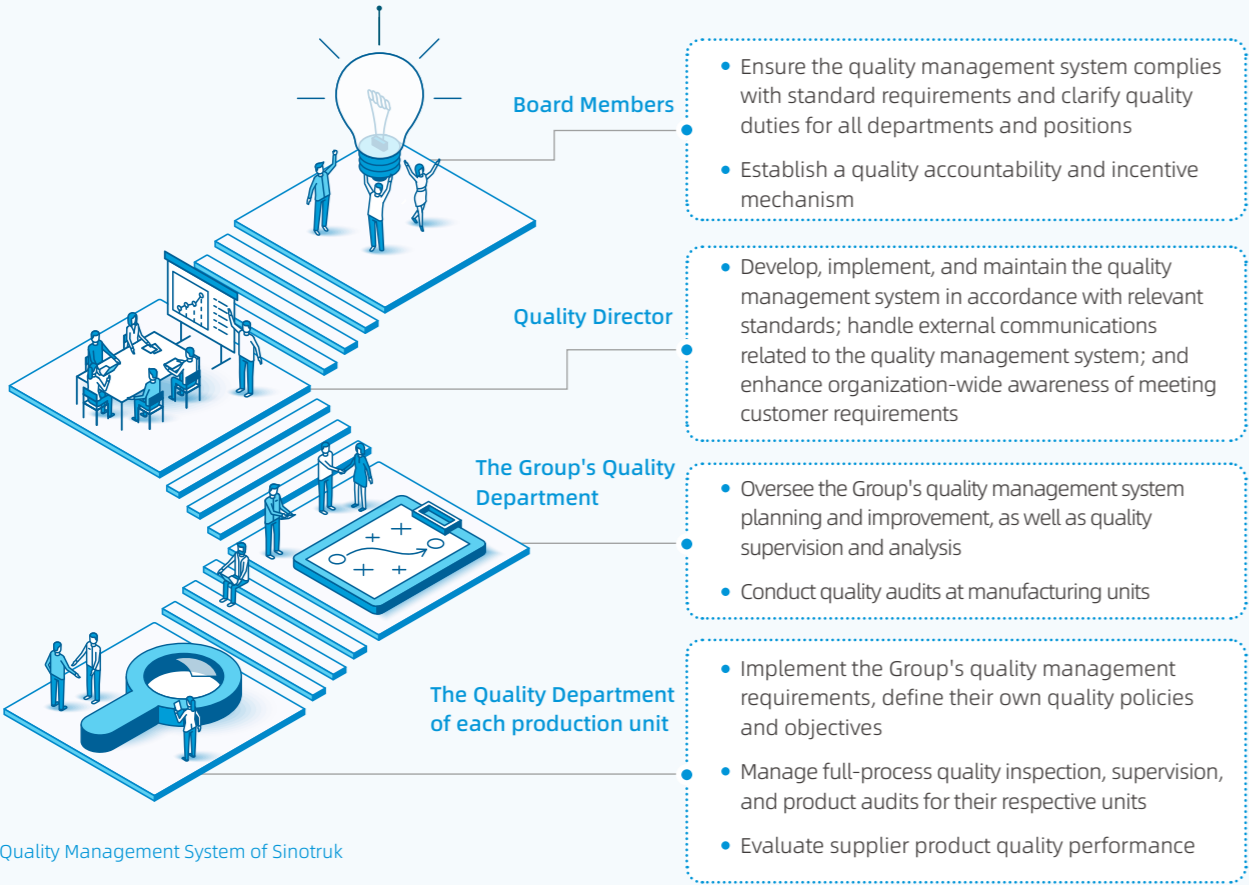
Honoring Product Responsibility

Sinotruk has established a rigorous quality control system. Guided by a "zero-defect" objective, we strive to ensure product quality and safety during the entire product life cycle. Meanwhile, we actively build a quality-conscious corporate culture by integrating quality awareness into daily operations and fostering a workplace where everyone is engaged in quality management practices and improvements.

Quality Management System

The Group strictly adheres to laws and regulations such as the *Product Quality Law of the People's Republic of China* and quality management system standards including ISO 9001:2015 and IATF 16949:2016. We have developed a series of procedural documents such as the *Product Development Control Procedures*, the *Process Development Control Procedures*, the *Product Audit Control Procedures*, and the *Auxiliary Product Quality Management Measures*. Through these efforts, we achieve the comprehensive management covering the entire process of product planning, design and development, manufacturing, component management, and after-sales service.

We have established a top-down quality management structure, with each level performing its duties to implement quality management measures under the leadership of the Board.



Quality Management System of Sinotruk

The Group has further deepened its full-process quality control by closely integrating top-level design with practical implementation. Guided by quality objectives, we persistently advance quality management enhancement, and systematically construct a seven-dimensional target management system that encompasses R&D, procurement, manufacturing, engineering, comprehensive management, services, and quality costs. By clarifying the quality responsibility of each business segment, establishing quality performance assessment indicators, and rigorously implementing the quality responsibility system, we have comprehensively enhanced quality management effectiveness and remained committed to providing customers with excellent product quality assurance.

The Group continuously deepens quality management and conducts maturity evaluation in accordance with the *Quality System Maturity Evaluation Method*. In 2024, we have engaged third-party experts to conduct a customized quality system collaboration project. This initiative includes a comprehensive maturity evaluation of our quality system across the entire process from requirements analysis, product development, and process development to product delivery. The maturity evaluation will guide our formulation of a quality system optimization and enhancement plan, delivering actionable pathways to advance the maturity of our quality management system and strengthen enterprise-wide quality capabilities. Based on the evaluation results, we conduct in-depth analysis and establish a closed-loop rectification mechanism to ensure effective implementation of improvement measures. Meanwhile, the Group strengthens quality risk prevention and control and effectively prevents quality accidents by constructing a risk identification and management system in accordance with the *System for Managing Comprehensive Risks*. In 2024, the Group completed maturity evaluations covering 13 manufacturing units and 58 core production lines, significantly enhancing the quality control capabilities of each unit. In 2024, Sinotruk did not experience any major liability incidents or penalties related to product quality, nor any violations of internal requirements, penalties, or regulatory warnings concerning product health and safety requirements.

In 2024

The Group completed manufacturing unit maturity evaluations

13 units

core production line maturity evaluations

58 lines



Quality Objective System of Sinotruk

In 2024

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 promotes quality management during the full product life cycle by establishing a multi-dimensional quality review mechanism and continuously advancing the standardized and digital transformation of quality management. By innovatively applying intelligent technologies, we have developed a quality information management platform that enables full-process monitoring of vehicle manufacturing. Moreover, closed-loop management measures are also adopted to provide robust support for ongoing improvement in product quality.

Product Development

The Group has systematically implemented quality management for new product development. By formulating and implementing system documents such as the *Measures for Management of Quality Assessment of New Product Development* and the *Product Development Control Procedures*, we have strengthened quality control throughout the product development process to effectively prevent quality risks during the market validation stage of new products. We strengthen cross-department synergy by facilitating regular interactions among R&D, manufacturing, procurement, and testing teams. Aligned with operational needs, this approach drives measurable quality enhancements. At the same time, we place particular emphasis on international market product requirements and the new product development process, so as to precisely align our efforts with market demands. In 2024, the Group conducted a total of 3 specialized internal audits for R&D, thus continuously optimizing R&D processes and enhancing the operational effectiveness of the R&D quality management system.

Supply Chain Quality Management

The Group strengthens supply chain quality management to lay a solid foundation for overall product quality. We have issued the *Supporting Product Supplier Qualification and Product Release Approval Procedures* to enforce stricter quality requirements for suppliers. This includes implementing rigorous controls over component quality, conducting regular supplier performance evaluations, and enforcing measures such as adding non-compliant suppliers to a restricted list or phasing them out. These actions sustain continuous quality improvement and strengthen risk mitigation capabilities across the supply chain.



Product Manufacturing

The Group has developed series of policies and procedures including the *Quality Gate Management Measures*, the *Product Audit Control Procedures*, the *Process Development Control Procedures*, the *Process Development Management Measures*, and the *Management Measures for Research and Evaluation of Process Capability* to strictly control the quality of key production stages and enhance our process development quality control capabilities. In 2024, we completed a total of 55 process audits covering 4 modules and 11 processes, providing strong support for the continuous improvement of product quality.

In addition, we regularly organize quality audits and continuous improvement activities focused on process conformity. We promote key procedures such as product reviews, process audits, and reliability road tests to effectively ensure product consistency. At the same time, we enforce strict control over the quality management of our subsidiaries by providing systematic guidance through specialized coordination meetings, on-site teardown analyses, and monthly improvement reports. In 2024, the Group established a total of 69 Group-level improvement projects and 17 quality improvement initiatives, resulting in a significant reduction of 29% in the overall failure rate.



Product Recall

In accordance with national laws and regulations including the *Administrative Regulations on the Recall of Defective Motor Vehicles* and the *Measures for Implementation of the Administrative Regulation on the Recall of Defective Motor Vehicles* as well as relevant laws and regulations of local markets, the Group revised the *Control Procedures for Recall of Defective Motor Vehicles* in 2024 to clarify the recall process for defective products. In line with relevant requirements of the Integrated Information Management Platform for the Recall of Defective Motor Vehicles, we systematically register and update enterprise and product information, actively carry out proactive recalls or recalls in response to directives, and fully implement corrective and preventive measures. In 2024, the percentage of products sold or delivered by the Group that were recalled for safety and health reasons was 0.00005%.



Fostering Quality Culture

In order to comprehensively enhance quality awareness among all employees, the Group regularly organizes specialized quality awareness training sessions. These sessions aim to strengthen employees' understanding of the quality management system, raise their sense of responsibility toward quality, and foster a deeply ingrained quality culture. Through systematic training on quality awareness, quality policies, and skills competitions, combined with regular discussion meetings, we effectively equip our employees with the fundamental concepts and techniques of quality management. This, in turn, improves their ability to monitor and control quality during work processes, thereby effectively reducing quality risks and enhancing product quality. In addition, we regularly organize internal and external supplier quality conferences to promote coordinated development across the industrial chain and jointly enhance overall quality standards. In 2024, Sinotruk organized a total of 30 quality-related training sessions, with a total duration of 400 hours and 3,000 enrollments.



 **Case | Sinotruk organizes a product improvement exchange conference**

In December 2024, Sinotruk organized a product improvement exchange conference, which was attended by several core authorized service providers. The conference focused on discussing issues related to quality and the R&D process, during which a total of 167 issues related to quality and product were collected. During the event, we promptly communicated with and provided feedback for the relevant departments, offering clear direction and insights for further quality enhancement efforts. This event has effectively promoted optimized product design, improved production processes, and enhanced service procedures, ultimately leading to greater product reliability and stronger market competitiveness.

Innovating Product R&D

Sinotruk upholds innovation-driven development by continuously increasing R&D investment, comprehensively advancing technological innovation and product upgrades, and accumulating extensive patents in clean technologies. Meanwhile, the Group actively participates in industry exchanges, deepens industry-university-research cooperation, and builds an open, collaborative innovation ecosystem.

Innovating R&D Layout

We continuously strengthen a more competent research and innovation talent team. We have formulated internal policies such as the *Management Process for Scientific and Technological Achievement Evaluation* and the *Management Process for Science and Technology Awards* to fully stimulate innovation vitality. As of December 31, 2024, the total number of R&D personnel at Sinotruk was over 3,300.

In addition, we continuously increase investment in R&D and innovation and set the goal of maintaining a ratio of R&D spending over 3% of the Group's revenue. In 2024, we invested a total of RMB 2.74 billion in R&D, and the ratio of R&D spending to the revenue reached 2.9%.

Technological & Innovative Achievements

Leveraging robust R&D capabilities and a strong foundation in technological innovation, the Group undertakes and participates in numerous national and provincial R&D projects. In 2024, the Group led 2 national key R&D projects and 6 provincial key R&D projects, participated in 1 national key R&D project, and received 6 science and technology awards from national and provincial industry associations.

We have continuously focused our efforts on technological innovation in traditional fuel vehicles, R&D of new energy technologies, and intelligent and autonomous driving technologies, leading to numerous innovative achievements.



As of December 31, 2024

the total number of R&D personnel at Sinotruk was

over 3,300

invested a total of

RMB 2.74 billion

in R&D throughout the year

the ratio of R&D spending to the revenue reached

2.9%



Drag Reduction Technology for New Heavy-duty Trucks Based on High-Order Continuity Styling Design



- We adopted a "water drop" design concept and applied advanced continuity theory to create an integrated cab curve design. By incorporating a bionic fish-back cargo box and minimizing the gap between the tractor and trailer, we achieved optimal aerodynamic performance for the overall vehicle shape.
- We developed emerging technologies such as active grille shutters, electronic rearview mirrors, and hidden door handles, achieving a new level of "intelligent" control of vehicle airflow.
- Through detailed parameter optimization and the design of more than 20 airflow control attachments, we achieved refined control of local airflow.
- We achieved a technological breakthrough in drag coefficient with our Huanghe heavy-duty truck, which reached the lowest level among mass-produced commercial vehicles worldwide, and obtained certifications from internationally recognized agencies such as TÜV Rheinland and IDIADA.

- Focusing on fuel economy, braking safety, and lightweight design of heavy-duty commercial vehicles, we established a highly reliable lightweight development technology system based on real-world load spectrums. The overall technology has reached an internationally advanced level, with some aspects achieving international leadership.

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



Key Technologies and Applications of Aftertreatment Systems for Heavy-Duty Diesel Engines



- We explored key technologies and applications of aftertreatment systems for heavy-duty vehicles, achieving efficient and coordinated pollutant reduction. While ensuring vehicle performance and fuel economy, we also reduced resource consumption. This innovation has enhanced both the economic and social benefits of the overall vehicle.

- We developed and applied a simulation platform for advanced intelligent driving systems tailored to highway line-haul logistics scenarios through an end-to-end simulation approach. This leads to an advanced intelligent driving tractor featuring fuel consumption lower than the industry average and a high proportion of autonomous driving on expressways, with resource utilization rates exceeding 90%.

High-Level Autonomous Driving Tractor for High-Speed Trunk Logistics



Highlights of Sinotruk's Technological Innovation Projects and Achievements in 2024

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

Second Prize of Science and Technology Progress Award

China Society of Automotive Engineers

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

Second Prize for Technological Innovation

China Association for Promotion of Science and Technology Industry

Key Technologies for Low Energy Consumption and High Safety in Heavy-Duty Trucks

Second Prize of Science and Technology Award

China Association for Promotion of Science and Technology Industry

Key Technologies and Applications of Aftertreatment Systems for Heavy-Duty Diesel Engines

Excellent Award of Mechanical Industry Science and Technology Award

China Machinery Industry Federation

New 16-Speed Helical Gear Twin Intermediate Shaft Synchronesh Transmission with Lock-Ring Design

Excellent Award of 25th China Patent Award

National Intellectual Property Administration, PRC

Development and Application of Integrated Dual-Motor Drive Axles for Commercial Vehicles

Nomination Award of Good Design Award

China Industrial Design Association

Performance Control Technology and Application of Fully Electric Integrated Power Systems for New Energy Vehicles

Second Prize of 2024 Shandong Provincial Technology Invention Award

Department of Science and Technology of Shandong Province

Key Scientific Research and Innovation Awards and Honors in 2024

Industry-University-Research Cooperation

The Group places great emphasis on external scientific research cooperation and actively integrates internal and external resource advantages. By partnering with leading domestic and international enterprises, universities, and research institutes, we introduce cutting-edge technologies and jointly carry out technological R&D and innovation. In 2024, the Group established close technical cooperation with over 30 universities and research institutions, including Tsinghua University, Jilin University, and Tianjin University. We have a total of 48 ongoing external technical cooperation projects, covering key areas such as new materials, new energy, intelligent driving, and intelligent manufacturing.

Case | Sinotruk's cooperative R&D project with Jilin University

In 2024, Sinotruk and Jilin University jointly launched a cooperative road spectrum extraction project. By collecting road spectrum data from 10 market segments, including express delivery, fast freight, and hazardous goods transportation, and completing engineering verification, the team independently developed a type of road spectrum analysis and extraction software. This innovation has significantly enhanced analysis speed and flexibility. The cooperation has effectively advanced the research and commercialization of cutting-edge technologies, providing key technical support for the intelligent upgrading of sectors such as logistics and energy.

Industry Standard Formulation

We actively participate in the formulation of industry standards and contribute our expertise and strength to the standardized and high-quality development of the industry through our leading technological capabilities and extensive practical experience. In 2024, we were involved in the development of 26 standards, including 24 national standards and two group standards.

National standards

- GB/T 44038-2024 *Requirements and Testing Methods of Warning Sound for Vehicle Reversing*
- GB/T 44040-2024 *Measurement Methods for Noise Emitted by Heavy-Duty Vehicles in Multiple Driving Mode Conditions*
- GB/T 44124-2024 *Road Load Determination of Road Vehicles*
- GB/T 44131-2024 *Post-Crash Safety Requirements for Fuel Cell Electric Vehicles*
- GB 24550-2024 *Protection of Motor Vehicles Against Pedestrians in Collision*
- GB/T 25632-2024 *Data Interface Format for Software of Additive Manufacturing Machines*
- GB 17354-2024 *Passenger Car Front and Rear End Protection Device*
- GB 26134-2024 *Roof Crush Resistance of Passenger Cars*
- GB 44495-2024 *Cybersecurity Technical Requirements for Complete Vehicles*
- GB/T 44410.1-2024 *Road Vehicles—Compressed Natural Gas (CNG) Fuel Systems—Part 1: Safety Requirements*
- GB/T 44410.2-2024 *Road Vehicles—Compressed Natural Gas (CNG) Fuel Systems—Part 2: Test Methods*
- GB 15740-2024 *Protective Device Against Unauthorized Use of Motor Vehicles*
- GB 30510-2024 *Fuel Consumption Limits for Heavy-Duty Commercial Vehicles*
- GB/T 5054.1-2024 *Road Vehicles—Multi-Core Connecting Cables—Part 1: Performance Requirements and Test Methods for Common Sheathed Cables*
- GB/T 5054.2-2024 *Road Vehicles—Multi-Core Connecting Cables—Part 2: Performance Requirements and Test Methods for High-Performance Sheathed Cables*
- GB/T 5054.3-2024 *Road Vehicles—Multi-Core Connecting Cables—Part 3: Structure, Dimensions and Marking of Unshielded Low-Voltage Cables*
- GB/T 5054.4-2024 *Road Vehicles—Multi-Core Connecting Cables—Part 4: Test Methods and Requirements for Spiral Cable Assemblies*
- GB/T 12540-2024 *Measurement Methods for Minimum Turning Diameter, Turning Clearance Circle and Tail Swing Value of Motor Vehicles and Combinations*
- GB/T 17350-2024 *Classification, Nomenclature and Model Designation for Special-Purpose Vehicles and Trailers*
- GB/T 20717-2024 *Road Vehicles—Electrical Connectors Between Towing Vehicles and Trailers (15-Pole) 24V 15-Pole Type*
- GB/T 29912-2024 *Technical Requirements for Urban Logistics Distribution Vehicle Selection*
- GB/T 45120-2024 *Road Vehicles—48V Power Supply Voltage—Electrical Requirements and Tests*
- GB/T 45146-2024 *Test Methods for Pneumatic and Hydraulic Brake Systems of Road Vehicles*
- GB 20072-2024 *Rear Impact Safety Requirements for Passenger Cars*

Group standards

- T/CSAE 315.2-202X *Technical Requirements for Cooperative Intelligent Transport Systems—Application Layer Interaction—Part 2: Perception Data Sharing*
- T/CSAE 357-2024 *Test Methods for Thermal Balance Capability of Fuel Cell Electric Vehicles*

New Energy Industry Development

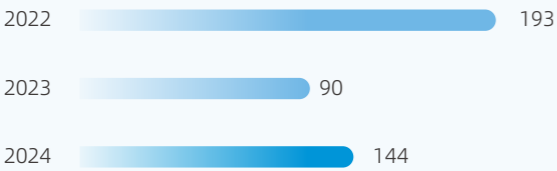
Driven by the global energy transition and the "dual carbon" goals, the new energy vehicle industry has become a key engine leading the transformation of future mobility and transportation. In response to national strategies, the Group is actively exploring the field of new energy vehicles, with the aim to develop green, intelligent, and sustainable products.

In 2024, the Group invested RMB 470 million in the R&D of clean technologies and obtained 144 patents in clean technologies⁶. Our revenue from new energy products increased by 67% compared to 2023. The Group led or participated in multiple technology projects, including the "Development and Application of High-Efficiency Electric Drive Systems for New Energy Commercial Vehicles", the "Research on Optimal Energy Management Algorithms for Hybrid Vehicles", and the "Key Technologies for Heavy-Duty Commercial Vehicle Hybrid Powertrain with Hydrogen Internal Combustion Engines".

⁶ Clean technologies include technologies for "zero emission", "pollution control", "hybrid power", "recycling" and "clean vehicle".

Clean technology R&D goals:

To achieve low-carbon or zero-carbon emissions, the investment plan for clean technologies formulated by the Group will increase the R&D spending for clean technologies. In 2025, we will set the goal of increasing R&D spending in clean technologies by 5% compared with 2024, with a planned investment of RMB 500 million.



Number of Clean Energy Patents of Sinotruk (2022-2024)

Guided by the product planning of "One Main Leading and Two Wings Driving", the Group has concentrated its efforts on two technical routes: battery electric vehicle (BEV) and hydrogen vehicle (HV). By prioritizing the development of differentiated electric driving axle products, we effectively address diverse market demands across multiple sectors.

Pure Electric Technologies

In the field of pure electric technology, the Group has fully mastered the core technologies of development and testing of electronic control systems for new energy vehicles. Building upon independently developed software and hardware platforms, we have successfully established two key powertrain systems: electric driving axles and central driving systems. These innovations position our technological capabilities at the forefront of China's industry and on par with global advanced standards. Leveraging its comprehensive product ecosystem and deep insights into niche markets, the Group has implemented a differentiated product portfolio strategy centered on "electric driving axles" and "central driving systems". By precisely executing the approach of "one strategy and one market for one model", we effectively meet the diverse driving needs of users in different scenarios.

SITRAK Electric Driving Axle Tractor

- Designed for long-haul logistics and transportation, the model features a modular integrated concept with a unified electric and vehicle design. It is equipped with a 600 kWh CTB phosphate iron-lithium battery from CATL, offering a range of up to 450 km. The three-motor configuration delivers a combined power output of 825 kW and maximum torque of 75,000 N·m, achieving transmission efficiency exceeding 94.5% for superior performance.



Key Pure Electric Vehicle Models of Sinotruk

New Energy Tongshuai Pro Light Van

- Featuring a centrally-mounted blade battery pack with 100 kWh capacity, this model achieves 20-80% state-of-charge replenishment in just 20 minutes. The driving system delivers a peak power output of 140 kW, while the two-speed integrated electric drive axle enhances torque output by 50%. This design reduces comprehensive energy consumption by 10%.



HOWO TX Central Driving Rechargeable Tractor

- The model is equipped with a new-generation high-energy-density battery, offering a range of up to 430 km and significantly extended battery life. It features an intelligent electronic control system that supports five-speed efficient energy recovery braking, with a recovery efficiency of up to 30%. The vehicle control programs are autonomously developed to perfectly match various scenarios, achieving high efficiency in energy savings. The tractor is powered by a high-efficiency electric motor with a peak power of 490 kW, delivering vigorous power that makes overtaking effortless. The maximum output torque reaches 34,913 N·m, providing strong starting and hill-climbing capabilities and fully meeting diverse driving needs.



Key Pure Electric Vehicle Models of Sinotruk

HOWO TX Electric Driving Axle Rechargeable Tractor

- Featuring independently developed motor, battery, and electronic control systems with scenario-optimized control algorithms, this vehicle integrates Sinotruk's proprietary electric driving axle technology with a Man-technology vehicle frame to create an optimized power chain. The advanced triple-motor configuration delivers peak power output of 825 kW, while individual motors generate 500 N·m maximum torque for superior starting and climbing performance. Equipped with custom-developed 1.3C high-rate charging capability (600 Ah dual-gun charging), it achieves industry-leading energy replenishment efficiency.



Hydrogen Fuel Cell

Guided by China's national hydrogen energy development strategy, the Group has consistently intensified its R&D and promotion of hydrogen fuel cell vehicles. With over 10 hydrogen-powered models currently in demonstration operation, our hydrogen fuel cell heavy-duty trucks have been successfully applied in various scenarios, including ports, industrial parks, and steel plants, further enhancing the Group's product image in the new energy sector.

SITRAK Hydrogen Fuel Cell Tractor

- Powered by Sinotruk's in-house hydrogen fuel cell system, electric driving axle, vehicle control unit, and transmission control technology, this vehicle achieves an industry-leading operational range of 1,200 km with zero carbon emissions during its entire lifecycle.



Key Hydrogen Fuel Cell Vehicle Models of Sinotruk

Huanghe Tractor with Hydrogen Internal Combustion Engine

- The vehicle system innovatively adopts non-metallic hydrogen cylinders, significantly increasing the hydrogen storage pressure to 70 MPa. Furthermore, the perfect combination of high-density polymer liners and carbon fiber reinforcement layers further enhances the hydrogen storage pressure, achieving a 40% increase in hydrogen capacity and 100% extension in service life. This technological breakthrough provides critical support for building a zero-carbon emission power chain.

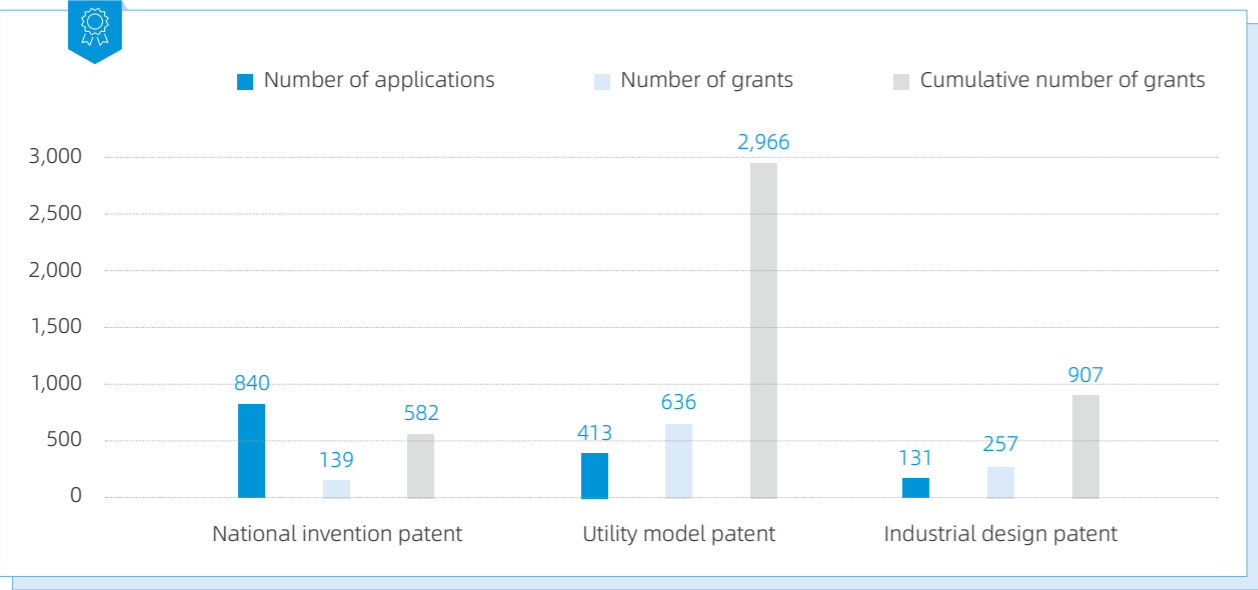


Intellectual Property Right Protection

The Group strictly abides by relevant laws and regulations, such as 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 the *Enterprise Intellectual Property Compliance Management System - Requirements (GB/T 29490-2023)*, we continuously improve our intellectual property management system. We have established and continually updated our intellectual property management and protection system. We revised the *Intellectual Property Management Procedures for R&D Projects*, and developed new policies such as the *Patent Application Management Procedures*, the *Patent Maintenance Management Procedures*, and the *Management Procedures for Patent Implementation, Licensing, and Transfer*, to further strengthen patent management. In terms

of trademark management, we have clarified the departments in charge, registration procedures, usage, authorization, protection, file management, and evaluation in the *Measures for Trademarks*. As of the end of 2024, Sinotruk had a total of 4,455 valid patents, including 582 national invention patents, 2,966 utility model patents, and 907 industrial design patents. In 2024, the Group was not involved in any lawsuit related to intellectual property rights.

The intellectual property management system of Sinotruk has been certified under GB/T 29490-2023



Application and Grant of Patents in 2024 of Sinotruk



In terms of trademark applications and registrations, Sinotruk submitted 32 trademark registration applications domestically in 2024, successfully obtaining 66 grants and hitting 582 grants in total. Internationally, we submitted 277 trademark registration applications, successfully obtaining 107 grants and hitting 2,594 grants in total.

The Group regularly organizes specialized training sessions on intellectual property rights to comprehensively enhance awareness and management of intellectual property protection. We help employees gain a deeper understanding of laws and regulations related to intellectual property, master the methods for the application, maintenance, and protection of intellectual property rights such as patents, trademarks, and copyrights, and strengthen the awareness of intellectual property risk prevention among all employees.

Improving Service Quality

Adhering to a customer-centric philosophy, Sinotruk continuously optimizes its service experience. We are dedicated to delivering efficient and convenient services that promptly address customer needs and elevate customer satisfaction. By providing comprehensive support to our dealers, we empower them to enhance their service capabilities and foster mutual growth. Simultaneously, we maintain rigorous marketing standards, ensuring our promotional content remains authentic and accurate while preserving our brand reputation and protecting consumer rights.

Customer Service

Sinotruk continuously improves its customer service and after-sales management process system. We have formulated customer service management systems such as the *On-site Management Measures of Service Stations* and the *After-sales Service Management Procedures*. In 2024, we formulated the *Family Care Fund Management Procedures* and the *Service Performance Management Procedures*, and updated systems such as the *Customer Follow-up Management Process* and the *Complaint Handling Management Process* to provide customers with comprehensive and high-quality services.

We continuously strengthen the development of our customer service team to efficiently address customers' specialized maintenance requirements. Meanwhile, we have established a training and certification system and implemented a professional qualification certification program for maintenance personnel, systematically enhancing the technical skills of our maintenance team. In 2024, the Group implemented after-sales service training through a hybrid online and offline model. Offline maintenance training was conducted 370 times, covering over 7,000 participants through programs such as 3-star and 4-star technician certification, new service station establishment training, and technical skill enhancement. Additionally, 288 heavy-duty truck driving sessions with 7,831 participants and 125 light-duty truck driving sessions with 1,161 participants were organized, focusing on strategic client driver training and fuel efficiency optimization. Online initiatives included 46 live-streamed sessions on product knowledge and operational best practices, attracting over 86,000 viewers, alongside certification programs for 6,862 personnel, including service station manager qualification exams and information officer training. This comprehensive approach underscores the Group's commitment to elevating service quality and technical expertise across its global network.

In 2024

service training

829

training participation volume

108,854 person-times



After-sales Service

Sinotruk consistently improves customer service management, maintains smooth customer communication channels, and implements multiple measures to enhance service quality and customer satisfaction. The Group has opened multiple channels for complaints, including a 400-hotline available on a 24/7 basis, voicemail complaints, and online complaints through the "Smart Sinotruk" (mobile APP). Furthermore, we are advancing the development of a smart customer service system and have successfully deployed full-scenario applications of core functionalities such as AI-enabled voice answering, AI-driven outbound call follow-ups, intelligent quality inspection, and smart service station locator.

To ensure that customer complaints are handled promptly and efficiently, the Group has put in place a major customer complaint handling mechanism. This guarantees that all complaints are categorized and assigned to the responsible departments within 12 hours, and that problem verification and resolution are completed within 48 hours. Meanwhile, we implement dynamic tracking and management of overdue work orders, monitor their progress in real-time, and comprehensively improve the efficiency of abnormal service response and handling. To continuously enhance service standards, we conduct customer follow-up calls to gather feedback on their satisfaction with the service process, personnel attitude, and maintenance quality, which allows for continual service quality improvements. In 2024, the Group received 114 quality-related complaints, with a complaint handling rate of 100%.

After-Sales Maintenance

Sinotruk has developed a comprehensive and widely distributed service network system with well-defined functions. We have formulated institutional documents such as the *After-Sales Service Network Access Management Process* to strengthen the network service management mechanism, promote standardized construction of the service network, and comprehensively improve the operational efficiency and service quality of the service network. The Group has also developed and issued specific regulations tailored for different product categories, such as heavy-duty trucks and new-energy heavy-duty trucks, which clearly define warranty periods and maintenance standards for complete vehicles and components to ensure product quality. In terms of technical support, the Group has set up a dedicated 24/7 modular failure technical support desk, optimized and upgraded various technical materials, and comprehensively advanced standardized management of maintenance operations. Besides, we innovatively developed an intelligent early-warning platform for new energy vehicles and established a full-life-cycle vehicle health record management system.



Customer Satisfaction Survey

The Group has established a customer demand-driven continuous improvement mechanism. We conduct quarterly customer satisfaction surveys focusing on service outcomes related to warranty policies, channel management, service assurance, technical support, training support, and service hotlines through diverse satisfaction survey mechanisms, including surveys via the "Smart Sinotruk" APP and questionnaires. For areas with lower customer satisfaction scores, we urge the relevant departments to develop and implement rectification plans, and monitor their implementation to ensure continuous improvement of satisfaction indicators. In 2024, the Group achieved an annual comprehensive customer satisfaction survey score of 97.13 points.

Responsible Marketing

Sinotruk consistently engages in responsible product promotion and marketing. In strict compliance with laws and regulations such as the *Advertising Law of the People's Republic of China*, we have formulated internal documents including the *Marketing Material Management Process*, the *Marketing Activity Planning Management Process*, the *Marketing Activity Execution Management Process*, the *Marketing Effectiveness Evaluation Management Process*, and the *Marketing Promotional Materials Management Process* to standardize all marketing activities within the Group. We rigorously review marketing materials and monitor marketing activities throughout the entire process to ensure compliant marketing. Meanwhile, our legal team conducts responsible marketing training for marketing personnel to promote a compliant marketing philosophy and strengthen the awareness of fair marketing.

Marketing materials

- We strictly control marketing materials from four dimensions: strategic compliance, content authenticity, legal compliance, and professional technical support assurance.

Marketing activities

- We conduct full-process supervision of marketing activities, including pre-event risk assessment and legal review, standardized operational procedures and real-time monitoring during implementation, and post-event compliance auditing and effectiveness evaluation, to prevent any violations.

Responsible Marketing Measures of Sinotruk

Furthermore, Sinotruk continuously optimizes its dealer management system, and formulates management systems for service network construction, service process monitoring, technical training, claim recovery, and other aspects. In 2024, the Group revised the *Notice on Optimizing and Improving the Operational Management of Light and Heavy-Duty Truck Service Systems* and the *Operational Evaluation Standards for Sinotruk Authorized Service Stations*, covering all dealers, so as to further standardize dealer management.

The Group regularly conducts inspections of service stations to audit their service practices and imposes corresponding penalties on dealers found to have engaged in fraudulent or non-compliant behaviors. In 2024, we inspected a total of 900 service stations, with a coverage rate of 70%, and identified violations at 33 service stations.

To enhance the customer service capabilities of our dealers, we have adopted a three-level dealer training system aimed at improving the professional competencies and service standards of dealer teams.

Service standards training

- We conducted training on annually revised service station management standards, with a coverage rate of 100%.

Product training and exchange

- We held a total of 175 offline product training and exchange sessions, with 3,707 participants, covering approximately 78% of authorized service providers.

Professional skills training

- We organized various professional skills training sessions, including vehicle operation, maintenance, and business management, to enhance professional service capabilities, with a dealer coverage rate of 100%.

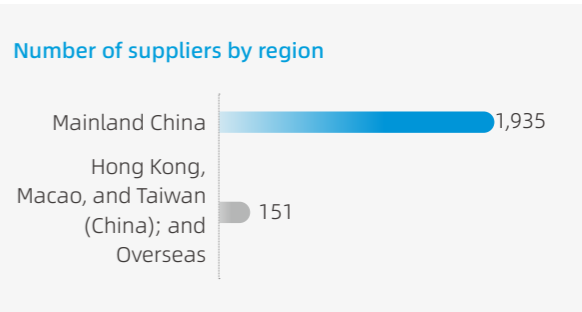
Building Responsible Supply Chains

Sinotruk consistently regards a responsible supply chain as a crucial pillar of sustainable development. We are committed to building a transparent, efficient, and sustainable supply chain system, and working together with our supplier partners to jointly uphold sustainability principles.

Supply Chain Management System

Sinotruk continuously improves its supplier management system by formulating a series of internal policies and implementing supplier classification and grading measures. In 2024, we revised various policies, including the *Supplier Management Procedures*, the *Procurement Control Procedures for Samples and Specimens*, the *Management Measures for Performance Evaluation and Grading of Auxiliary Product Suppliers*, to further refine the full-process management of supplier selection, audit and elimination. To ensure supply chain stability, we have established a foreign supplier registry to mitigate and manage potential supply chain risks. Additionally, we implemented a stockpile mechanism for supply-constrained products and concurrently developed alternative suppliers to strengthen redundancy.

As of December 31, 2024, the Group had 2,086 suppliers as shown in the chart:



Supplier Selection

In the stage of supplier development, the Group systematically promotes supplier risk assessment and access review. We have established a standardized evaluation system that comprehensively examines and classifies potential suppliers from multiple dimensions, including product quality, technical capabilities, critical resources and management competence, financial stability, operational risks, and social responsibility. This enables proactive management and risk control for supplier access in advance.

Supplier Audit

The Group has developed a rigorous supplier audit mechanism. For newly introduced suppliers, we have developed checklists to conduct preliminary audits, process audits, and system audits. We also evaluate suppliers based on their implementation and performance in areas such as occupational health and safety management, as well as environmental management systems. Meanwhile, we implement an annual supplier performance evaluation mechanism and carry out quantitative assessments from four key dimensions, namely quality, delivery, cost, and development, along with annual routine audits and unannounced audits. In 2024, we completed second-party audits for 206 suppliers and engage third-party agencies to audit a total of 16 suppliers. For issues identified during the audits, such as project management, tooling, and equipment management, we provided suppliers with training and improvement plans and guidance on corrective measures.

In 2024

we completed second-party audits for

206 suppliers

Supplier Withdrawal

To continuously optimize supply chain management, we have built a well-developed supplier elimination mechanism. For suppliers that fail to meet standards during evaluation and audit processes, we require them to rectify issues within a specified period. Suppliers that still fail to pass the audit after rectification are subject to withdrawal.

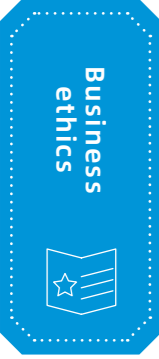
Supplier ESG Management

The Group is committed to building a sustainable supply chain system. We have prepared the *Supplier Code of Conduct*, which sets forth clear requirements for supplier management regarding environmental protection, health and safety, labor standards, business ethics, information security, and other environmental and social aspects. By formulating the *Supplier Capability Preliminary Review Procedures*, we specify explicit requirements for occupational safety, occupational health, and environmental management systems. We clearly integrate environmental and social risks into the entire process of supplier management, enhance the control over environmental and social risks associated with suppliers through admission management, qualification review, regular evaluation, and audit. Through these measures, we manage to identify and address potential sustainability risks within the supply chain. Meanwhile, we incorporate ESG requirements for suppliers into our contractual templates, namely the *Procurement Agreement* and the *Procurement Contract*, in a bid to ensure that supplier ESG management aligns with our ESG management philosophy. In 2024, the Group did not identify any significant negative ESG impacts related to suppliers after conducting audits. In 2024, a total of 1,544 suppliers of the Group obtained IATF 16949 Quality Management System certification, while 421 suppliers achieved certifications such as ISO 9001 or ISO 14001.



- We explicitly require all suppliers to strictly comply with applicable local laws and regulations regarding environmental protection. During the supplier access stage, suppliers are required to assess and present data including their industry category, environmental performance rating, and pollution treatment capabilities, which are used as criteria for project approval. Suppliers providing components that significantly impact the environment during production processes must obtain ISO 14000 Environmental Management System certification.

- Suppliers are required to establish a Health, Safety, and Environment (HSE) system and obtain occupational health and safety certifications such as ISO 45001. Suppliers of products related to safety industries must obtain national safety permits, and products subject to national compulsory certification must pass relevant supervisory authority certifications.
- We also implement a safety scoring system, and conduct regular inspections and third-party audits on aspects such as the appointment of dedicated or part-time safety officers and the provision of employee safety equipment. Suppliers identified as having multiple issues will undergo third-party audits, with audit reports prepared accordingly.



- To build a clean supply chain, we rigorously enforce supplier business ethics management. We have developed and implemented the *Restricted Party List Management Procedures for Business Affiliates*, which apply to all suppliers, and signed the *Integrity Mutual Guarantee Agreements* with suppliers. Additionally, we regularly monitor and audit compliance with anti-corruption policies, maintain publicly accessible grievance channels, and strictly regulate supplier conduct to ensure accountability.

Sustainable Supply Chain Management Measures of Sinotruk

Empowering Suppliers

We are devoted to working closely with our suppliers, aiming to enhance their comprehensive performance in quality management, environmental management, and social responsibility through a series of training programs and supplier conferences. Our goal is to jointly build a more sustainable supply chain ecosystem. In 2024, we developed corrective action plans targeting areas requiring improvement for 22 suppliers. Additionally, we organized 24 training sessions focused on quality tools and quality audits, engaging 908 suppliers with a total participation of 1,282 attendees.

In 2024

we organized training sessions focused on quality tools and quality audits

24

engaging with a total participation of

908 suppliers 1,282 attendees



Case | Sinotruk hosts "2025 Global Supply Chain Strategic Partner Conference"

In December 2024, Sinotruk hosted the "2025 Global Supply Chain Strategic Partnership Conference" in Jinan, Shandong Province, under the theme "We Are One". During the event, we engaged in close communication with several strategic suppliers and presented awards to those excellent suppliers of 2024. This conference further strengthened communication between the Group and its strategic partners. It also helped foster closer partnerships characterized by mutual trust and shared benefits, ultimately aiming to build a world-class supply chain ecosystem with global suppliers.



Sinotruk Presenting Awards to 2024 Excellent Suppliers

03

Embracing Production Safety for Steady Growth

Adhering to the principle of "safety first, prevention oriented, and comprehensive governance", Sinotruk strives to promote the deep integration of its safety management system with intelligent technologies. The Group has established a robust safety production management system and is actively pursuing a transition towards more refined, scientific, and intelligent safety management practices. Through strict implementation of production safety responsibilities, comprehensive institutional safeguards, and regular safety training, the Group ensures a secure production environment and the health and well-being of its employees, thereby fostering a harmonious balance between sustainable corporate development and social responsibility.

Ensuring Production Safety	46
Occupational Health and Safety	50
Fostering Safety Culture	51



Key Progress in 2024



Ensuring Production Safety

Sinotruk continuously improves its safety management systems and measures and accelerates the intelligent transformation of safety management. By introducing advanced technologies and intelligent systems, the Group enhances its risk control and emergency response capabilities to ensure that production sites remain safe and under control.

Safety Management System

Sinotruk strictly abides by relevant laws and regulations, including the *Work Safety Law of the People's Republic of China*, the *Fire Protection Law of the People's Republic of China*, and the *Regulations of Shandong Province on Work Safety*. We have formulated various internal policies, such as the *Management Regulations on Work Safety Responsibility System*, the *Environmental Health and Safety Policy*. We have streamlined and optimized 43 safety management procedures, upgraded four management processes, and further improved the Group's safety management system. In 2024, the Group's investment in safety totaled RMB 59.51 million.

In 2024

the Group's investment in safety totaled
RMB **59.51** million

The Board of Directors

The Board of Directors is the highest leadership level for managing health and safety matters. It is responsible for coordinating the Group's safety production strategy, guidelines, and policies;
It entrusts the Executive Committee with the management of daily operations and specific affairs related to safety production. And it is overall responsible for the group's safety production work, ensuring the achievement of safety production goals, and holding ultimate responsibility for the group's safety production.

Safety Production Committee

Led by the Chairman, it is responsible for formulating and reviewing the safety production strategies, guidelines, and policies, as well as coordinating resolutions for major safety production issues.

Safety and Environmental Protection Department

The department assists the Safety Production Committee in managing the safety production affairs within the Group. It is responsible for supervising, managing, and assessing the safety production of each production unit and subsidiary, promoting the implementation of safety and environmental protection policies, conducting regular safety inspections and risk assessments, and ensuring that corrective measures are effectively implemented.

Each production unit

Implement the safety production responsibility system and establish a sound safety production management system;
Strictly implement the safety management system, do a good job in the safety management of equipment and facilities, hazard source management, labor protection supplies, etc., and formulate emergency plans and responses;
Implement safety culture education and establish a good safety culture atmosphere.

Safety Management Structure of Sinotruk

To further enhance production safety, the Group has formulated the *Responsibility Letter for Safety, Environmental Protection, and Fire Safety*, which clearly outlines the safety regulations and corresponding responsibilities. All employees are required to sign this agreement to ensure that safety responsibilities are assigned to relevant personnel. At the same time, the group has set annual safety management goals for personnel at all levels, including the board of directors, and established a safety production responsibility performance evaluation system, linking the achievement of safety production goals to performance compensation. In 2024, Sinotruk achieved all its safety management targets.

Indicator	Target value for 2030	Actual value for 2024
Incident rate of major injuries per 1,000 employees (%)	0.12	0
Incident rate of minor injuries per 1,000 employees (%)	2.4	0.16
Fire accidents	0	0
Accident rate of contractors	0	0

Long-term Safety Management Goals and Completion Status of Sinotruk

Safety Management Measures

Sinotruk has always regarded safety management as the cornerstone of its corporate development. By adopting multi-dimensional measures, we transform safety management from a reactive to a proactive approach. These efforts provide robust safety guarantees for production and operations, ensuring the continuous and stable development of the Group.

Product Safety

Sinotruk has established a sound product safety management system that covers the entire process from R&D, production, to after-sales service. During the R&D process, we conduct thorough safety performance testing and evaluation in strict accordance with national and industry safety standards. In the production process, we advanced manufacturing techniques and quality control measures are employed to ensure that every heavy-duty truck meets high safety requirements. In terms of after-sales service, we provide timely technical support and maintenance to guarantee the safety of the products during usage.

Sinotruk places safety at the forefront of the product design and manufacturing process, striving to provide users with highly secure commercial vehicles. By consistently incorporating cutting-edge safety technologies, we ensure that each vehicle offers reliable protection for drivers and passengers across diverse driving conditions.

Active Safety System

Electronic Stability Control (ESC)

By monitoring the driving status in real-time, it automatically adjusts the power and braking systems to prevent loss of control, especially on slippery or winding roads.

Autonomous Emergency Braking (AEB)

In the event of a potential collision, it uses sensors and radar to detect obstacles ahead and automatically applies the brakes to avoid or mitigate the severity of a collision.

Blind Spot Monitoring (BSM)

It monitors the blind spots around the vehicle through installed sensors, and alerts the driver of potential collision risks when changing lanes.

Forward Collision Warning

It uses radar and cameras to detect traffic conditions ahead, and issues early warnings to remind the driver to take action to avoid collisions.

Passive Safety System

Reinforced Body Structure

It adopts high-strength steel and intelligent body design to enhance the vehicle's strength in the event of a collision, thus ensuring that the interior space remains structurally intact and protecting the driver and passengers.

Collision Energy Absorption

Designed with energy-absorbing areas (front and rear bumpers, doors, etc.), it can absorb impact forces, thus reducing injuries to occupants.

Airbag System

It automatically inflates safety airbags during a collision, thus effectively protecting drivers and passengers and reducing injuries caused by the impact, especially to the head and chest.

Seat and Seat Belt Design

It features ergonomic seat design and three-point seatbelts that reduce injuries to the driver and passengers in the event of a collision by ensuring their bodies remain stable.

Intelligent Driving Assistance System

Adaptive Cruise Control (ACC)

It automatically adjusts the vehicle's speed according to the traffic conditions ahead. It also helps to maintain a safe distance from the vehicle in front and reduce driver fatigue, thereby improving comfort during long drives.

Lane Keeping Assist (LKA)

When the vehicle unintentionally drifts out of its lane, it makes slight adjustments to the steering wheel or triggers an alert to help the driver stay within the lane, thus preventing deviations caused by fatigue or inattention.

Traffic Sign Recognition (TSR)

It uses cameras to identify traffic signs on the road in real-time, such as speed limit signs and stop signs, provides feedback to the driver, and improves compliance with traffic regulations.

Automatic Parking System

It uses multiple sensors and cameras to help the vehicle automatically park into a parking space, reducing scratches or accidents caused by improper parking operations.

Product Safety Systems

Safety Production Risk Prevention and Control

Sinotruk improves its risk assessment and filing system to ensure that potential safety risks are effectively identified and prevented. The Group conducts regular and thorough safety risk assessments, updates assessment content and standards in a timely manner in response to changes in the production environment and industry standards, and ensures that every operation and link is under control. In addition, the Group maintains detailed records of all assessment results and shares them with relevant authorities to ensure transparency of information and clear accountability.

The Group continuously optimizes its safety inspection system and steps up efforts toward safety risk inspections to nip hazards in the bud. The Group conducts regular and comprehensive safety inspections, including special checks such as fire safety, hazardous waste, and explosive hazards, as well as seasonal and nighttime inspections, to ensure at least one comprehensive inspection is carried out every six months. In addition, we provide channels for reporting safety hazards on a daily basis, put forward rectification requirements for typical issues identified, and also require other units to learn from the example. In 2024, we published 246 daily reports which identified a total of 738 issues.

Case | The Group promotes intelligent fire safety

To facilitate the transition of safety management from "passive safety" to "proactive safety", the Group actively advances intelligent transformation by organizing multiple smart upgrade projects. These include 25 initiatives such as an electrical welding operation supervision system, a combustible gas alarm system, and a remote-controlled access system for confined spaces, all aimed at enhancing safety management capabilities. As of the end of 2024, the Group's intelligent fire safety project in the Jinan operational area achieved full coverage with dedicated cameras integrated into a unified monitoring system, ensuring real-time surveillance of key areas and safeguarding the safety of the production environment.

Sinotruk always believes that safety management of mechanical equipment is vital to ensuring production safety. We also make every effort to ensure that all equipment remains in a safe and reliable condition during operation. In our production workshops, every piece of machinery undergoes regular safety inspections and maintenance to guarantee operational safety. By establishing equipment safety records and implementing a periodic maintenance system, the Group effectively reduces safety incidents caused by equipment malfunctions. Moreover, we provide safety operation training for operators to enhance their awareness of safe equipment usage and ensure that every operator strictly adheres to operational procedures for the sake of safety.

Safety Emergency Management

Sinotruk has continuously strengthened its emergency management system and effectively enhanced its ability to respond to emergency safety incidents. In 2024, the Group conducted 843 emergency plan drills, with a total of 21,874 enrollments, significantly improving the team's practical emergency response capabilities.

In 2024

A total of

843

emergency response drills have been conducted

The number of participants in the drills reached

21,874

person-times

Case | Safety emergency drills

Sinotruk has established an annual emergency response plan for production safety incidents and conducts quarterly safety emergency drills. These drills encompass specialized emergency exercises for various scenarios, including fire accidents, confined space incidents, and on-site response procedures for mechanical injuries, object strikes, electrical shock incidents, vehicle-related injuries, falls from heights, lifting injuries, diesel generator malfunctions, elevator accidents, poisoning and asphyxiation incidents, scalding injuries, food poisoning, container explosions, chemical spills, and other potential hazards.

Safety emergency drills

Contractor Safety Management

In accordance with the *Work Safety Law of the People's Republic of China*, Sinotruk has formulated the *Suppliers Health and Safety Policy*, and revised the [Safety Management Measures for Relevant Production Parties](#). We require all production units to sign the *Safety Management Agreement*, the *Safety Notification*, and other relevant documents with contractors before commencing operations. The agreement specifies the safety contact persons and their contact details to ensure that safety management responsibilities are clearly assigned to relevant personnel. Meanwhile, we regularly organize specialized health and safety meetings to provide training and guidance on critical safety aspects, thereby enhancing the safety management capabilities of our contractors. In 2024, Sinotruk signed the *Safety Management Agreement* with 100% of contractors.

In 2024

Sinotruk' *Safety Management Agreement*' signing rate reached

100%



Occupational Health and Safety

In strict compliance with the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* and other relevant laws and regulations, we revise internal management systems such as the *Management Measures for Labor Protection Articles and Workwear* and the *Management Regulations on Work Safety Responsibility System*, to further safeguard the occupational health and safety of production personnel.

To continuously improve occupational health and safety management, the Group regularly conducts internal audits, management reviews, and third-party supervision audits of the ISO 45001:2018 Occupational Health and Safety Management System in alignment with internationally leading standards for occupational health and safety management systems. In 2024, 100% of Sinotruk's subsidiaries obtained the ISO 45001 Occupational Health and Safety Management System certification.



0 casualties

The Group actively implements occupational health and safety management from multiple aspects, including health check-ups, occupational disease screening, and provision of labor protection articles, thereby comprehensively enhancing employees' health condition and safety awareness.

Occupational Health and Safety Management Measures

Safety and occupational health meetings

- We hold weekly meetings to ensure that employees are promptly informed of the latest occupational health and safety policies to strengthening their safety awareness and health management capabilities.

Occupational disease screening

- We conduct health examinations and occupational health check-ups, for over 32,000 employees. This initiative helps to detect health risks early and provide personalized health advice.

Free clinic activities themed "Bringing Health to General Employees"

- We organize 5 free clinic activities themed "Bringing Health to General Employees", benefiting more than 20,000 employees. This initiative aims to effectively prevent occupational diseases and chronic diseases through free health check-ups and disease screenings.

Provision of labor protection articles

- We develop quality inspection standards for labor protection articles and workwear to ensure all employees receive adequate labor protection. By providing employees with necessary labor protection articles, we protect them from occupational diseases in the production process, thus effectively enhancing workplace safety.

Indicator	2024	2023	2022
Lost days due to work injury (day)	588	200	237
Fatality accident	0	0	0

Work Injury and Fatality of the Group in 2024

Fostering Safety Culture

The Group consistently prioritizes safety culture as an integral part of corporate culture. Adhering to the strategic principle of "ensuring safety through education", we aim to strengthen employees' safety skills. Guided by relevant laws and regulations such as the *Work Safety Law of the People's Republic of China* and the *Regulations of Shandong Province on Work Safety*, the Group actively promotes the development of its safety culture. In 2024, all subsidiaries of Sinotruk organized approximately 2,348 safety education and training sessions, with a total of 228,483 enrollments and an average of 8.3 training hours per person.

The Group promotes the popularization and implementation of safety concepts and enhances all the safety awareness and emergency response ability of all employees through diverse measures.

Occupational Health and Safety Training

- We carry out various forms of occupational health and safety training and provide systematic safety training for the management and employee. The training covers aspects such as safety responsibilities and fire safety, aiming to ensure that personnel at all levels understand safety management requirements and acquire the necessary emergency response skills.
- We continuously strengthen the construction of safety training bases. By integrating simulated environments with advanced equipment, we optimize training methods and enhance employees' safety operation capabilities.

Safety Manual

- We have revised and issued the *Safety Production Knowledge Manual of Sinotruk Group* (2nd Edition). We refined the modules of production safety, fire safety, daily safety, and traffic safety in order to make safety education activities more relevant to employees' workplace.

Safety Platform Columns

- We continued to utilized the platform columns "Voice of Safety and Environment" and "Tips on Safety and Environment" to disseminate safety concepts and knowledge.

Case | Construction of safety training base

In 2024, Hangzhou Engine Company established a new safety training base to further enhance safety training standards. By utilizing advanced educational platforms and equipment, the company combined safety knowledge with real working environment to reduce the resource consumption and potential risks associated with physical drills. Employees are able to learn and practice safety operations in a simulated environment, thereby improving their safety awareness and skills.



VR Safety Education Platform

04

Pursuing Low-carbon Development with Green Philosophy

Sinotruk adheres to the concept of green development and is committed to building a green, low-carbon and sustainable future. We tackle climate change, enhance environmental management, and promote green and low-carbon operations in various aspects, integrating environmental protection into our strategies and daily operations to strive for a harmonious balance between Group development and environmental protection.

Tackling Climate Change	54
Implementing Green Operations	57
Promoting Low-carbon Operations	62

Key Performance



In 2024, all subsidiaries of Sinotruk passed the annual audit for ISO 14001 Environmental Management System certification, with

100% coverage of certification and external audits



The emission density of hazardous, non-hazardous, and solid waste per RMB 1 million of operating revenue reduced by more than

10% compared to 2021



In 2024, 18 Sinotruk's subsidiaries obtained ISO 50001 Energy Management System certification, with

75% coverage of certification and external audits



In 2024, the actual value for the energy and water consumption per RMB 10,000 of industrial output value decreased by

10.88%



Tackling Climate Change

Sinotruk embraces the national call for "carbon peaking and carbon neutrality " by continuously enhancing its capacity to tackle climate change, identifying and actively responding to climate-related risks and opportunities, promoting the intelligent and low-carbon transformation of its industrial structure, and strengthening the climate resilience of its supply chain.

Governance

Sinotruk attaches great importance to climate-related risks and opportunities by formulating the *Climate Risk Management Policy* and establishing a climate change governance system. We integrate climate risk management into our overall ESG management and have set up a three-tier governance structure, consisting of the Board, the ESG Management Group, and the ESG Working Group, to address the Group's climate change issues.



Sinotruk's Climate Change Governance Structure in 2024

Strategy

Sinotruk actively explores green and low-carbon development models, analyzes climate-related risks and opportunities, and actively formulates risk management strategies. We continuously adjust our business development strategies and resource allocation to address various risks posed by climate change while seizing opportunities for low-carbon development and transformation. By intensifying research and development of clean technologies and continuously enhancing operating income from clean energy products, we strive to achieve green development for the Group and society.

Risk Management

Sinotruk places great emphasis on the actual and potential impacts of climate change, integrating climate change risk management into the Group's risk management system. Aligning with the disclosure framework outlined in the *IFRS S2 Climate-related Disclosures*, we analyze transition risks and physical risks, assessing the operational impacts of climate change through risk identification, risk assessment, and strategy formulation.

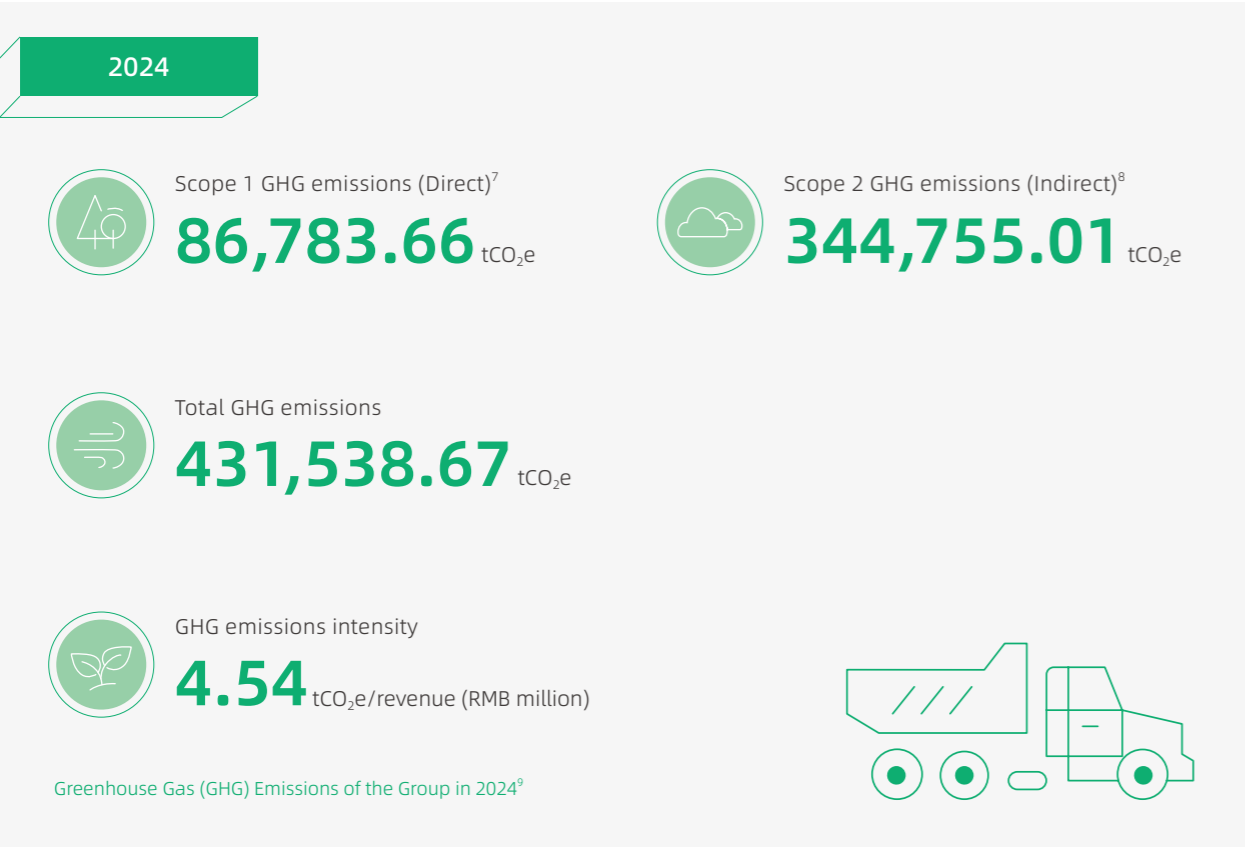
Risk category	Specific risk	Risk description	Risk response
Transition Risk	Policy and Legal Risk	<ul style="list-style-type: none">With the progress of the "carbon peaking" and "carbon neutrality" goal, the government has further refined regulations on greenhouse gas emissions. As a result, industries with high emissions such as heavy-duty vehicles may face stricter compliance requirements, leading to increased hidden costs;As the international and domestic regulators strengthen control over carbon emissions, enterprises may face more strict regulatory policies on carbon emissions. If they fail to meet the relevant requirements, they will face more stringent regulatory penalties.	<ul style="list-style-type: none">We will continuously track international and domestic climate change policies, draw on advanced climate management frameworks, optimize internal management mechanisms based on the Group's actual situation, and refine measures to address climate risks;We will regularly assess our current carbon emissions, analyze the scale and distribution of emissions, and develop scientific emission reduction plans. In addition, we will set clear short- term, mid-term, and long-term carbon emissions reduction goals, and regularly disclose our progress;With the goal of "building green, eco-friendly factories", we will comprehensively promote energy-saving and eco-friendly technologies to promote the low-carbon transformation of core products.
	Technical Risk	<ul style="list-style-type: none">Low-carbon and green elements have become mainstream trends. The existing technology advantage of the Group is mainly concentrated on traditional fuel-powered vehicles, which may face market competition from new energy vehicles;The Group finds it challenging to devote all of its existing equipment and technologies accumulated to the development of new energy products, which may cause the risk of asset impairment.	<ul style="list-style-type: none">We will strengthen R&D efforts and persist in the development of pure electric vehicles, hybrid vehicles, and fuel-cell electric vehicles. We will also improve the development layout for core vehicle products to improve our technology R&D abilities;We will strengthen cooperation with upstream and downstream enterprises. We will also promote the low-carbon initiative during the full life cycle of products. This approach not only provides a buffer period for the application of environmental protection technologies but also facilitates technology implementation.
	Market Risk	<ul style="list-style-type: none">With the growing low-carbon and energy-saving attention among numerous consumers, new energy vehicles are gradually becoming mainstream in the market. As the demand for traditional fuel vehicles may decline, the market share of the Group will be affected;The gradual increase of non-renewable resources' prices may lead to rising product costs and add financial pressure on enterprises.	<ul style="list-style-type: none">We will establish diverse channels for customer communication and gain deeper insights into consumer demands. We will also ensure business strategies are in alignment with market changes;We will improve customer services and enhance our brand influence while better understanding consumers. This approach will improve customer loyalty;We will enhance the efficiency of cross-department cooperation within the Group. We will also facilitate information sharing and cooperation between production and financial management, thus promoting the steady development of the Group;We will integrate energy-saving and consumption-reducing performance into the standards for production and operations. We will continuously increase the proportion of renewable energy usage in our production facilities to meet market demands for green and low-carbon products.
Physical Risk	Reputation Risk	<ul style="list-style-type: none">The heavy-duty vehicle industry's efforts to reduce energy consumption and carbon emissions are closely watched by all stakeholders. Therefore, we need to take concrete and practical action towards low-carbon transition. Moreover, we must provide quantitative performance data, and enhance stakeholder satisfaction and social image.	<ul style="list-style-type: none">We will refer to the latest international and domestic disclosure requirements, standardize the disclosure of climate-related information such as carbon emissions, and effectively address the demands of all stakeholders;We remain committed to conducting annual internal audits and cooperating with third-party agencies to ensure operational compliance of the Group.
	Acute Risk	<ul style="list-style-type: none">The occurrence of extreme weather events such as typhoons, heavy rainfall, and floods may increase the probability of damaging equipment and accelerating depreciation, leading to economic losses;Extremely hot or cold weather will deteriorate the workplace for employees, thereby affecting their health and safety.	<ul style="list-style-type: none">We provide daily weather updates to our employees working at various locations, including industrial parks. Additionally, we promptly issue disaster warnings to ensure ample time for preparation in the event of extreme weather or natural disasters;We will assess the potential impact that various "acute" risks may have on the production and employees of the Group. We also regularly update emergency response plans and organize emergency rescue drills to continuously enhance our capacity to respond to emergencies and disasters.
	Chronic Risk	<ul style="list-style-type: none">The chronic risks associated with climate change, such as persistent high temperatures and rising sea levels, may affect the stability of production equipment and the supply chain.	<ul style="list-style-type: none">We will regularly conduct maintenance and updates of production equipment and facilities;We will increase investment in R&D to develop more efficient equipment that has lower energy consumption.

List of Identified Climate Change Risks



Metrics and Targets

Sinotruk regards greenhouse gas emissions as a key indicator of climate change and has integrated it into the Group's strategic goal. The Group continuously promotes green office practices and actively embraces low-carbon operations to contribute wisdom to the fight against climate change.



Waste Gas Emission Management

Sinotruk attaches great importance to the control and management of waste gas emissions, and strictly abides by the laws, regulations, and relevant emission standards, such as the *Atmospheric Pollution Prevention and Control Law of the People's Republic of China*. The Group has established a comprehensive waste gas emission management system to ensure that all emissions meet the standards and minimize the impact on the environment.

The Group continuously improves production equipment and processes, introducing advanced environmental protection equipment and adopting eco-friendly coatings and advanced spraying techniques to reduce waste gas emissions at the source. To tackle the main pollutants generated during production, such as volatile organic compounds (VOCs¹⁰), welding fume, cutting dust, and natural gas combustion emissions, and toxic emissions such as sulfur dioxide, nitrogen oxides, benzene, toluene, and xylene, which may be generated during the production process, we have installed mobile welding soot collectors, strengthening the control over emissions from welding and painting operations, continuously improving the efficiency of waste gas treatment, and enhancing the green transformation of our production processes, to reduce the intensity of pollutant emissions. We established the objective of achieving and maintaining 100% compliance in exhaust gas emissions by 2030. As of the end of the Reporting Period, the target has been accomplished.

Case | The environmental equipment upgrade and renovation project of Ji'nan Rubber & Plastic Parts Company



Ji'nan Rubber & Plastic Parts Company has significantly enhanced waste gas treatment efficiency by upgrading environmental equipment and optimizing air suction devices. Ji'nan Rubber & Plastic Parts Company has fully upgraded the environmental facilities for the mixing and coating process, redesigned the processing capacity, and revamped core equipment including suction ducts, zeolite rotors, and RTOs, significantly boosting VOC collection and treatment efficiency to ensure compliant waste gas emissions. Additionally, Ji'nan Rubber & Plastic Parts Company has revamped the suction devices for both the mixing-coating and rubber-compounding processes, enhancing suction efficiency, reducing fugitive emissions of waste gas, and effectively lowering the intensity of waste gas emissions.

Indicator of Waste Gas	Unit	2024	2023	2022
Smoke and dust	Ton	37.00 ¹¹	57.71	62.42
Sulfur dioxide	Ton	3.88	4.13	2.14
Nitrogen oxides	Ton	20.13	26.80	23.08
Benzene	Ton	0.18 ¹¹	0.39	0.39
Methylbenzene	Ton	1.17 ¹¹	2.20	1.26
Xylene	Ton	4.77 ¹²	3.10	6.11
Non-methane hydrocarbon	Ton	128.51	109.62	61.42
Volatile organic compound	Ton	23.98	/	/

Waste Gas Emissions of the Group in 2024

¹⁰ VOC, volatile organic compounds.
¹¹ In 2024, the scope of pollutant discharge permit statistics was adjusted, and some plants did not need to count this indicator according to the new pollutant discharge permit requirements, and the data decreased compared to 2023.
¹² In 2024, the expansion of production capacity at the factory resulted in an increase in total xylene emissions compared to 2023.

Wastewater Management

Sinotruk strictly complies with the relevant laws and regulations such as 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*. The Group has established a comprehensive wastewater management system to ensure that wastewater discharge is fully controllable and consistently meets the standards. The wastewater discharged from the Group mainly includes production wastewater and domestic sewage from the manufacturing area. Emphasizing an approach of control from the source and treatment at the terminal, we implement strict monitoring and in-depth processing of all types of wastewater, and toxic substances such as ammonia and nitrogen to reduce the COD¹³ indicator while minimizing the total volume of wastewater discharge.

We established a wastewater emission reduction target of more than 5% reduction in wastewater and COD emissions per million of revenue compared to 2021 by 2030.

By 2030

Wastewater and COD emissions per million of revenue decrease compared to 2021

>5%



Highlight measures adopted to dispose of wastewater in 2024

Chengdu Wangpai Company: In 2024, we reduced total wastewater discharge by

23.5%

compared to the same period of last year through reclaimed water reuse from sewage



Chengdu Wangpai Company reclaimed water reuse processing technology

Indicator of wastewater discharge	Unit	2024	2023	2022
Wastewater	Ton	1,721,524.55	1,830,383.32	1,588,486.78
COD	Ton	91.86	73.17	51.04
Intensity of COD discharge	kg / revenue (million RMB)	0.966	0.856	0.861
Ammonia nitrogen	Ton	6.41 ¹⁴	3.05	2.05
Intensity of ammonia nitrogen discharge	kg / revenue (million RMB)	0.067	0.036	0.035

Wastewater Discharge of the Group in 2024

¹³ COD, Chemical Oxygen Demand.
¹⁴ In 2024, the expansion of production capacity at the factory resulted in an increase in total ammonia nitrogen emissions compared to 2023.

Waste Management

In strict compliance with 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 other laws and regulations related to waste management, Sinotruk has formulated special systems such as the *Standardized Management of Hazardous Wastes* to ensure full compliance and efficiency throughout the waste management process. In 2024, the Group issued the *Assessment Standards for Standardized Hazardous Waste Management*, mandating quarterly self-assessments by all manufacturing units to ensure effective standardization of waste management criteria and processing procedures.

The Group implements strict waste classification management at all production sites, monitors the whole process and

continuously improves the management process. Each plant systematically promotes the optimization of waste management by increasing the proportion of solid waste recycling and realizing energy-based waste treatment.

The Group has implemented full-process control over wastes, focusing on recycling production residues such as iron shavings generated by cutting and increasing the proportion of materials recycled, and reducing waste generation at the source. For hazardous wastes, we have established a mechanism involving reporting and registration, enclosed and centralized storage, designated personnel for handling, and collaboration with hazardous waste management entities or collection and utilization, to prevent secondary pollution.



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.



Designated Personnel for Handling

Designate trained professionals to collect, transport, and dispose of hazardous wastes to ensure compliant operations.



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.

Disposal Mechanism of Hazardous Wastes

The Group established a solid waste/hazardous waste reduction target of achieving 100% compliant disposal of hazardous wastes and reducing hazardous waste, non-hazardous waste and solid waste emission intensity by more than 10% permillion of revenue compared to 2021 by 2030.

By 2030

Hazardous waste disposal in accordance with regulations

100 %

Hazardous waste, non-hazardous waste and solid waste emissions per million of revenue decrease compared to 2021

>10 %



Toxic emissions and waste	management measures
Waste acid and heavy metal waste liquid	In view of the waste acid produced in the production process and the waste liquid containing heavy metals, such as pickling waste liquid and electric waste water, we should continue to explore resource treatment paths, shorten the disposal cycle, and realize the circular utilization of waste acid.
Volatile organic compounds	In view of the centralized classification and storage management of toxic waste materials such as paint buckets and paint barrels produced in the painting industry, it is strictly forbidden to enter ordinary garbage dumps, and handed over to professional hazardous waste disposal institutions for joint disposal, and at the same time optimize the coating process, adopt low-influencious paint materials, and reduce VOCs emissions.
Scrap trucks dismantling waste	In view of the explosive acid batteries and flame retardant plastics produced by the recycling and dismantling of abandoned old trucks, we will strictly separate the harmful substances such as iron and mercury, and cooperate with regular recyclers to ensure the professional recycling of thermal acid batteries and the thermal utilization of plastic parts.

Toxic emissions and waste management measures

Indicator of Waste Discharge	Unit	2024	2023	2022
Amount of hazardous waste discharge	Ton	6,516.97	7,279.67	5,735.68
Intensity of hazardous waste discharge	Ton / revenue (million RMB)	0.07	0.09	0.10
Amount of non-hazardous waste discharge	Ton	125,939.58	144,310.71	109,235.76
Intensity of non-hazardous waste discharge	Ton / revenue (million RMB)	1.32	1.69	1.84

Waste Discharge of the Group in 2024

Noise Control

Sinotruk attaches great importance to the impact of its operations on the ecological environment surrounding its projects. The Group strictly complies with relevant laws and regulations such as the *Law of the People's Republic of China on Noise Pollution Prevention and Control*. We employ various measures to avoid, promptly identify, and strictly control noise pollution. Additionally, we continuously optimize specialized

noise prevention and control plans and clarify noise emission management procedures. Noise pollution control has been incorporated into the criteria for equipment and facility upgrades and technique optimizations. We ensure that manufacturing noise stays within national limits, minimizing disruptions to the environment and nearby residents, and reducing noise transmission.



Noise control measures:

- We reasonably plan the layout of production areas and equipment procurement, prepare isolation plans for high-noise areas, as well as prioritize purchasing production equipment with sound elimination, shock prevention, and noise reduction features.
- We utilize information technology platforms and intelligent control systems to monitor noise in real time. This enables us to accurately identify noise hotspots and trace their dynamics, allowing for the development of specialized measures for persistent noise issues.
- We engage professional institutions to regularly test noise emissions in accordance with environmental management requirements. Production units found to exceed emission standards are urged to take corrective measures to ensure 100% of the noise within the factory boundary should meet the emission regulations.

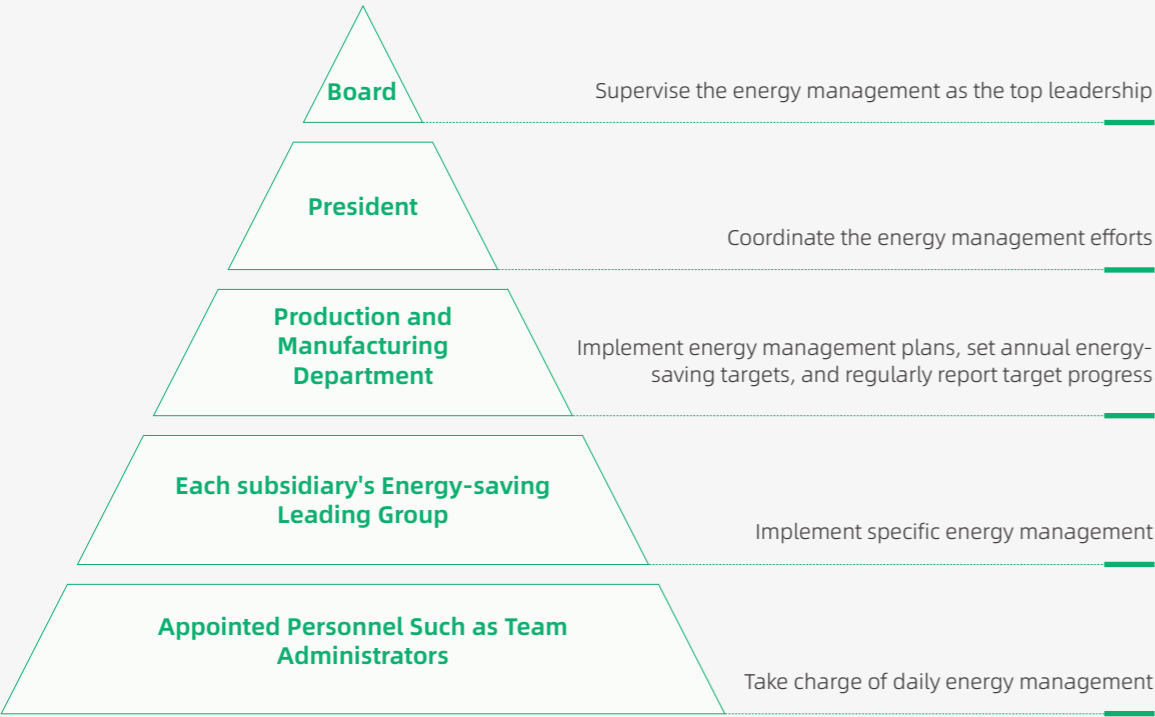
Promoting Low-carbon Operations

Sinotruk prioritizes enhancing resource efficiency and adopting energy-saving and emission-reduction technologies, embedding a low-carbon mindset across our entire production and operation processes. We are committed to building a resource-conserving and environment-friendly enterprise.

Energy Use

In strict compliance with the *Law of the People's Republic of China on Conserving Energy*, the *Management Measures for Energy Conservation of Major Energy-Consuming Units*, and other relevant laws and regulations, Sinotruk has continuously improved its seven internal management measures including the *Energy Management Measures*, the *Substation Management Measures* and the *Management Measures for Sewage Treatment Plant Operation*. Additionally, the Group updated its five management processes including the *Management Process for Energy Equipment and Facilities Planning* and the *Management Process for Energy Emergency Planning and Management*. We aim to practice standardized and refined energy management.

The Group has established a comprehensive energy management system, setting up a three-tier energy management framework with the Board as the top leadership. The President leads the Production and Manufacturing Department to coordinate the Group's energy management efforts, set annual energy-saving targets, implement energy management plans, and regularly report to the Board on the progress of target achievement. Each subsidiary has established an energy-saving leading group and appointed personnel such as team administrators for energy management, achieving full coverage of the energy management system. Additionally, the Group incorporates energy use into the performance evaluation system for managers at all levels, clarifying responsibilities for energy-saving targets, and ensuring effective implementation of energy management.



Sinotruk's Energy Management System

We regularly conduct external audits of our energy management system. In 2024, 18 subsidiaries of Sinotruk obtained ISO 50001 Energy Management System certification, with a certification coverage rate of 75% and an external audit coverage rate of 75%.

The Group is committed to promoting efficient use of resources and energy. We enhance energy efficiency across the board through green technology upgrades, establishing a digital information system, and organizing energy management training for employees. In 2024, we continued to develop our digital energy management platform, adopting the PDCA¹⁵ model to foster a virtuous cycle of energy control. We rigorously implement the "switch off when not in use" principle for energy consumption, enforcing precise management of electrical equipment in office spaces such as air conditioners and water dispensers. In addition, we actively offered training courses on energy management and environmental protection to boost employees' awareness of energy conservation.



2024 Energy Management System Certification

Certification coverage reaches	The coverage rate of external audits has reached
75%	75%

Highlight Initiatives for Green Technology Transformation of the Group in 2024



Ji'nan Commercial Truck Company has optimized equipment operation by adjusting the operating mode of the chiller system. The refrigeration module was shut down in winter, with the cooling water circulation function retained only. Additionally, the operation of the compressed air dryer was optimized by turning off the switching mode between Tank A and Tank B during non-production periods. The Group saved 600,000 kWh of electricity and RMB 378,000 in 2024.



Ji'nan Molding Plant has actively pursued waste heat recovery and utilization by retrofitting equipment such as the MP8,000-ton production line and the casting natural gas drying oven, which was used for employee showers and workshop heating. This initiative has resulted in annual energy cost savings exceeding RMB 1 million and a reduction of 538 tons of standard coal equivalent (tce) in overall energy consumption.



Fujian Haixi Company has upgraded the blowers and exhaust fans in its painting line with frequency converters, saving RMB 151,000 in electricity costs annually and reducing energy consumption by 21.84 tce.

¹⁵ PDCA, refers to "Plan - Do - Check - Act".

Case | Optimizing the operation of the heat exchange station at Ji'nan Transmission Shaft Company

In 2024, Ji'nan Transmission Shaft Company achieved significant water and energy savings by optimizing the operation mode of its heat exchange station. Ji'nan Transmission Shaft Company implemented an automated operation system for the heat exchange station, allowing for flexible personnel allocation. Additionally, it established heating temperature standards, dynamically adjusted steam flow based on temperature, and through daily monitoring, reduced annual steam consumption by 349 tons, resulting in steam cost savings of RMB 94,000.

We continuously optimize our energy consumption structure, increase the proportion of green and clean energy, accelerate the deployment of renewable energy applications, and persistently promote the construction of photovoltaic projects. In 2024, Jinan Light Truck Company and Laiwu Plant promote the construction of photovoltaic power generation facilities, and realize the dynamic monitoring and accurate allocation of the whole process of power generation through the deployment of an intelligent management and control platform, which will significantly improve energy utilization efficiency. Among them, the annual cumulative power generation of the photovoltaic power station of Jinan Light Truck Company reached 3.45 million kWh, providing strong support for the enterprise to achieve green and low-carbon production.

Indicator category	Indicator name	Unit	Indicator explanation	Calculation Method	Actual value for 2024	Target value for 2024	Target value for 2025
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	13	22	21

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



Energy indicator	Unit	2024	2023
Direct energy			
Natural gas	m ³	30,912,100.00	29,871,834.00
Gasoline	Ton	49.52 ¹⁶	9.31
Diesel	Ton	3,044.26	3,716.11
Liquefied petroleum gas	m ³	110.44	108.70
Kerosene	Ton	0	0
Indirect energy			
Electricity	MWh	562,452.99	590,782.63
Steam	Ton	93,624.00	82,542.30
Purchased heat	GJ	149,392.35	125,009.20
Total comprehensive energy	tce	124,970.05	125,966.24
Energy consumption intensity	tce / revenue (RMB million)	1.31	1.47

Energy Consumption of the Group in 2024



¹⁶ The statistical scope of gasoline consumption in 2024 has been expanded to include the fuel consumption of official vehicles.

Water Conservation

Sinotruk strictly abides by relevant laws and regulations such as the *Water Law of the People's Republic of China* and continuously enhances its water resource management system to ensure efficient utilization and sustainable management of water. The Group has clearly assigned water management responsibilities to each subsidiary and strengthened oversight accordingly. Each subsidiary is tasked with setting annual water-saving goals, and devising detailed action plans tailored to its operations, and ensuring the effective implementation of water-saving measures. The water supply of the Group is mainly municipal water. The Group does not have any issue in sourcing water that is fit for the purpose.

Requirements for water-saving management for all production units

- We implement a water management responsibility system and establish a multi-level measurement framework and a water use ledger mechanism. We also comprehensively monitor, analyze and assess water use to effectively prevent waste of water resources.
- We develop scientific water use indicators and plans based on the actual production and operation conditions and break them down into monthly targets. By establishing a water-saving performance reward and punishment system, we incorporate the completion of water use indicators into the performance assessment system of management personnel to effectively implement water-saving measures.
- We have established and refined our water inspection system, organizing regular and irregular inspections of water use. We implement dynamic analysis of water usage data and enhance maintenance of water supply pipelines and valve facilities. We also promptly identify and address waste of water resources, such as leaking and dripping to continuously optimize water use efficiency.
- We embrace the principle of prioritizing water conversation in new, renovated, and expanded projects and implement specialized water-saving planning in advance. Furthermore, we select water-saving process equipment as a priority and organize technological transformation projects to boost water use efficiency.
- We carry out water balance tests every four years for units with an annual water consumption of more than 200,000 cubic meters, systematically diagnose water use links, and deeply tap the potential of water conservation.
- We establish third-party energy and resource management requirements, including water usage metrics control, to reduce water resource waste.

We have integrated the concept of water conservation and environmental protection throughout the entire process of construction, production, and operations. By adopting water-saving techniques, equipment, and technologies for technological innovation and process optimization, we have enhanced water resource utilization efficiency. Our production systems incorporated water recycling, treating and reusing industrial wastewater, significantly reducing the consumption of fresh water.

Indicator	Unit	2024 年	2023	2022
Municipal water	Ton	3,634,657.33	3,248,853.26	2,188,626.00
Underground water	Ton	934,407.00	881,559.00	1,371,032.34
Total consumption	Ton	4,569,064.33	4,130,412.26	3,559,658.34
Water consumption intensity	Ton/revenue (RMB million)	53.44	48.31	60.04

Water Consumption of the Group in 2024


Packaging Materials Use

Sinotruk is committed to addressing the environmental impact of packaging materials used in its production and operations. To this end, the Group has established a packaging materials management system, setting clear goals and requirements for reducing packaging waste and promoting recycling. Leveraging existing production processes, we conduct a thorough evaluation of packaging materials use and actively implement reduction measures. By refining packaging designs and advocating circular

packaging solutions, we strive to maximize the efficient use of packaging resources. In 2024, the Group adopted recyclable packaging for 58,689 types of products.


Based on their material properties, the Group has classified the packaging materials used in product manufacturing, transportation, and sales into three categories: plastics, wood and carton. During the Reporting Period, the Group used a total of 1,839.51 tons of traceable packaging materials.


Main Measures for Packaging Materials Management:



R&D


We keep a close eye on market trends, draw on industry-leading experiences, and are committed to researching and developing recyclable packaging materials. We also explore innovative methods for packaging recycling and reuse.






Production


We actively implement reusable packaging solutions, products and components. We also continuously learn from practical applications and tackle technical challenges to drive the widespread application of reusable packaging.






Transportation


We deeply analyze the transportation characteristics of different businesses and products, accurately align packaging needs, and fully capitalize on the strengths of various packaging materials to promote lightweight and reusable packaging.





Daily Operations

We enhance the promotion of lightweight and circular packaging concepts, along with the "Three-in-One" equipment philosophy, by sharing successful case studies and concrete implementation measures to effectively elevate their exemplary value.



Highlight Initiatives for Optimizing Packaging Materials of the Group in 2024:

- Hangzhou Engine Company:** Actively promoting packaging material recycling, and utilizing recyclable iron pallets for engine deliveries within the Group to reduce the consumption of wood and cardboard.
- Jinan's Transmission Plant:** Recycles hollow boards from the packaging of delivered gearbox middle shells, using them as dividers and dust covers during material transportation. This has effectively resolved cardboard debris contamination during repackaging. Furthermore, the packaging for front shell deliveries has been upgraded from traditional wooden pallets with paper wrapping to recyclable PE packaging, enhancing on-site visual management and product protection while reducing suppliers' packaging costs.

Packaging material indicator	Unit	2024	2023	2022
Plastic	Ton	1,655.50	1,612.19	1,416.32
Wood	Ton	178.01 ¹⁷	6,165.89	3,771.72
Carton	Ton	6.00	/	/

The Use of Packaging Materials of the Group in 2024

¹⁷ In 2024, the Group increased the recycling rate of packaging materials, so the amount of materials purchased was significantly reduced.

05

Promoting Collaborative Development with United Efforts

Sinotruk fully recognizes that employees are the most valuable asset and core competitiveness. Committed to a people-oriented approach, we prioritize employees' rights, development, and well-being, striving to foster a harmonious, diverse, and dynamic workplace that benefits both the Group and our staff. Additionally, we remain dedicated to fulfilling our corporate social responsibility by actively participating in public welfare initiatives, contributing to the betterment of society.

Protecting Employee Rights and Interests	70
Empowering Employee Growth	76
Caring for Employees	84
Contributing to Community Building	89

Key Performance in 2024



Sinotruk Cloud Academy offered

493 online courses



With the employee online learning coverage rate of

100%



The number of employees who participated in the master's and doctoral degree enhancement program totaled

488



Degrees were awarded to

168 participants



Employees' voluntary service totaled

29,532 hours



Protecting Employee Rights and Interests

Sinotruk attaches great importance to lawful employment practices and has established a sound system to safeguard employees' rights and interests. The Group standardizes management in employee recruitment, communication, compensation, and performance, adheres to the principle of equal pay for equal work, and explicitly prohibits any form of discrimination and harassment, effectively protecting the legitimate rights and interests of employees.

Talent Employment

Sinotruk is committed to lawful employment practices and strictly adheres to relevant laws and regulations, such as the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, the *Regulation on the Implementation of the Employment Contract Law of the People's Republic of China*, and the *Regulations on the Prohibition of Child Labor*. We also comply with the provisions of the *United Nations Global Compact*, core conventions of the International Labour Organization (ILO) and the additional *Administration Convention*. We have formulated internal policies including the [Employee Diversity Policy](#), the *Administrative Measures for Social Recruitment*, the *Administrative Measures for the Reception and Placement of PhD Graduates*, and the *Measures for the Introduction of Talents in Short Supply*, establishing a comprehensive human resources management system.

We strictly prohibit any form of child labor and forced labor and ensure that all employees enter into labor contracts and collective agreements. In the event of any violations, the Group will promptly terminate such practices, take stringent legal measures, and report the cases to relevant authorities. In 2024, there was no forced labor or child labor incidents occurred.

Equal, Inclusive, and Diverse

The Group upholds the principle of diversity and prioritizes the establishment of a diverse talent team. During recruitment, we actively seek out and treat equally high-quality talents from diverse educational backgrounds, beliefs, nationalities, political affiliations, marital statuses, genders, health conditions, and ethnicities. We offer fair employment opportunities to all candidates, ensuring the steady growth of our talent pool.

The Group emphasizes fostering an equal, open, and inclusive corporate culture, explicitly prohibiting any bias or discrimination based on employees' backgrounds in recruitment, promotion, and compensation. To enhance employees' awareness of diversity and facilitate more effective teamwork, we integrate anti-discrimination and anti-harassment content into various training programs, including new hire orientations. This ensures that employees are well-informed of our policies on equal employment and anti-workplace harassment, thereby strengthening their self-protection awareness in these areas.

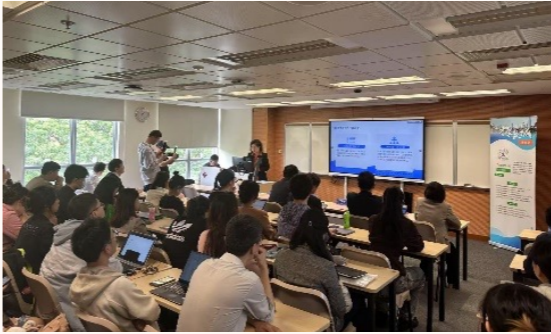
Talent Development Strategy

Aligning with the future growth trajectory, the Group undertakes scientific workforce analysis to devise talent acquisition and reserve strategies. Drawing on adjustments to our strategic layout and production/sales forecasts and considering both internal/external environments and the talent market, we leverage analytical tools like data-driven decision platforms and workforce models. These tools enable us to analyze various dimensions, including employees' educational backgrounds, ages, tenures, work areas, and turnover rates, allowing us to estimate the required talent in terms of quantity, quality, role, cost, and timing. We have formulated a talent strategy that aligns with our development plans. Through scenario simulations and cost-benefit optimizations, we have crafted refined workforce planning solutions to ensure our talent pool's quality, size, and structure meet the Group's development needs.


In 2024, to effectively implement the Group's talent strategy, we recruited outstanding graduates from universities and colleges in China included in the "Double First-Class" initiative and overseas prestigious universities, intensifying our efforts to attract talent and build a reserve for the Group's high-quality development. During the Reporting Period, we deepened our strategy for attracting high-quality talent, bringing in over 1,500 high-quality talents in various fields such as R&D and technology, including 10 doctorates and 573 masters—expanding our total R&D workforce to more than 3,300.

Case | Hong Kong-specific campus recruitment campaign

In March 2024, we launched a targeted campus recruitment campaign in Hong Kong to attract top graduates from local universities. During the campaign, we elaborated on the Group's development journey, core operations, and future strategic plans, highlighting Sinotruk's robust strength and promising prospects as an industry leader. Our recruitment team engaged directly with students, addressing their career development queries and igniting their enthusiasm for Sinotruk. This campaign provided Hong Kong students with a deeper understanding of our career opportunities and helped the Group build a talent pipeline for its international expansion.



The Recruitment Team's Instruction of the Group to the Hong Kong Students



The Recruitment Team's Communication with the Hong Kong Students



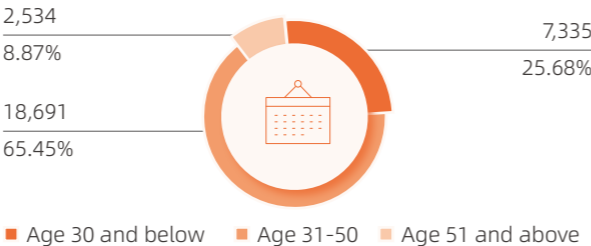
Employee Data in 2024

Total Number of Employees

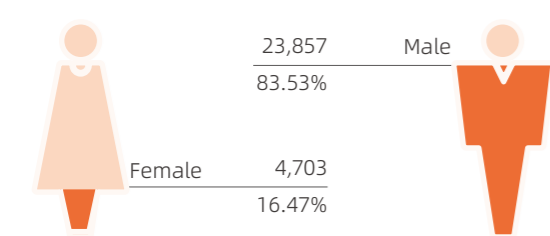
28,560



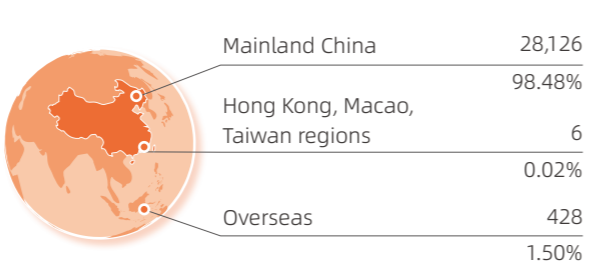
Number and Proportion of Employees by Age



Number and Proportion of Employees by Gender



Number and Proportion of Employees by Region



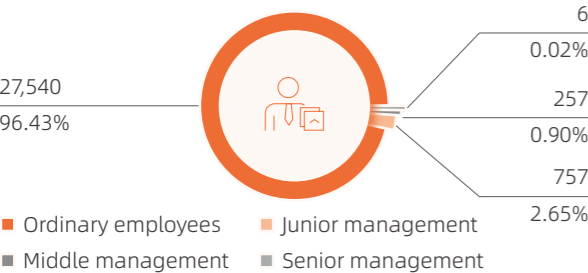
Number and Proportion of Employees by Ethnicity



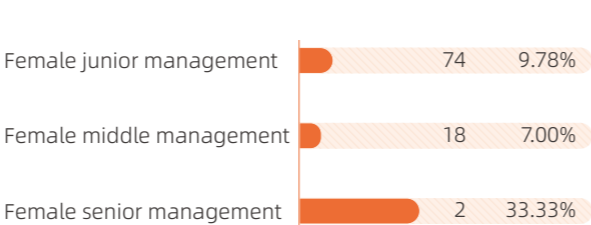
Number and Proportion of Employees by Nationality



Number and Proportion of Employees by Rank



Number and Proportion of Females in Management Positions



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

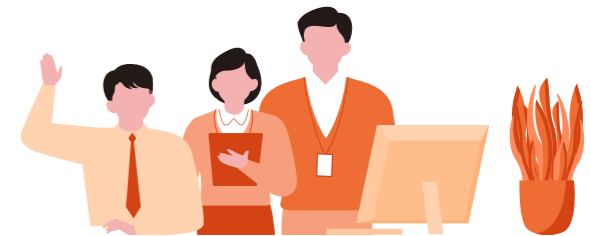


Number and Proportion of Females in STEM¹⁸-related Positions

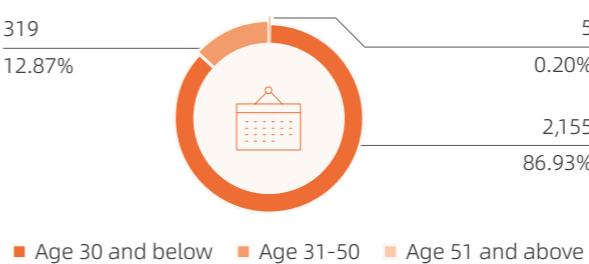


New hires in 2024

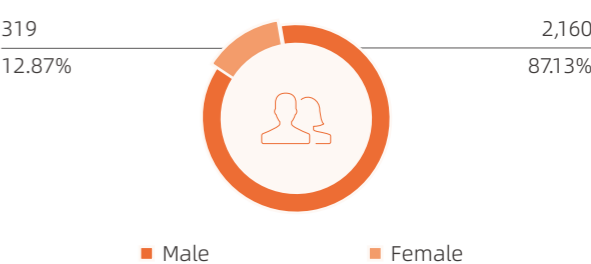
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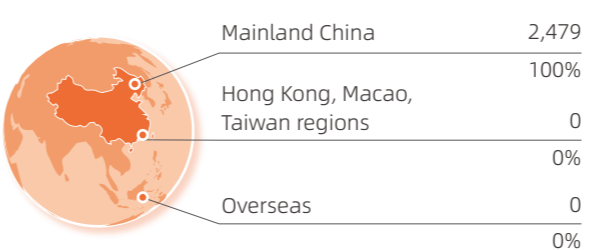
Number and Proportion of New Hires by Age



Number and Proportion of New Hires by Gender



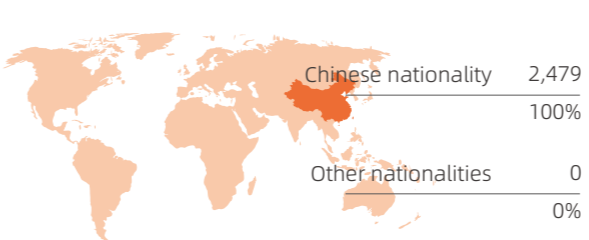
Number and Proportion of New Hires by Region



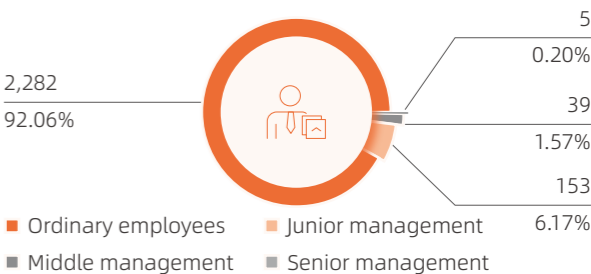
Number and Proportion of New Hires by Ethnicity



Number and Proportion of New Hires by Nationality

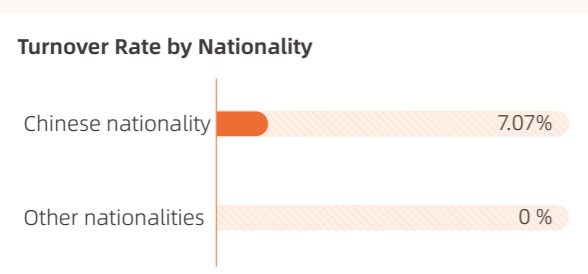
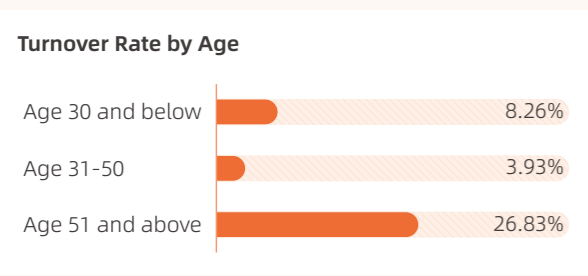
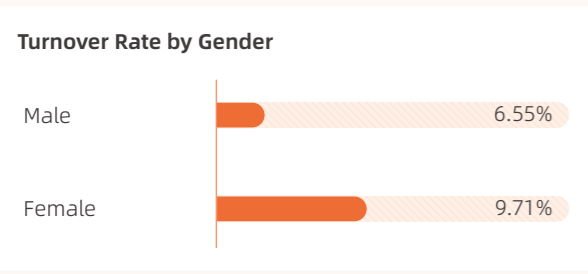


Number and Proportion of New Hires by Rank

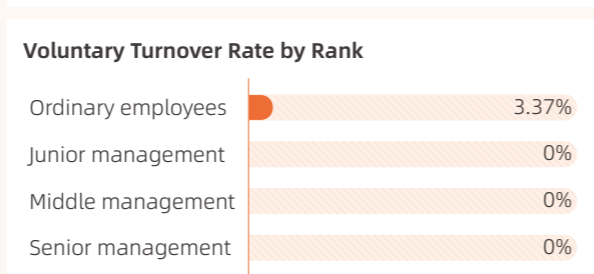
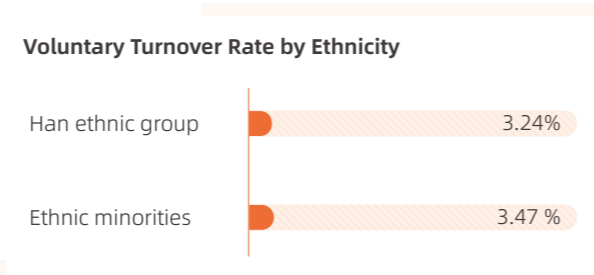
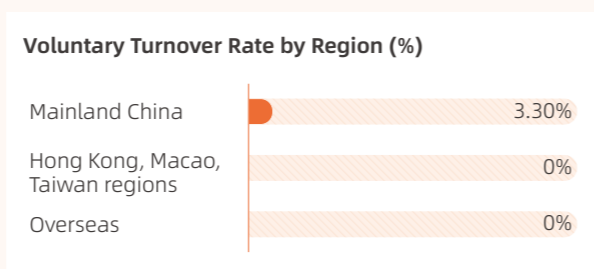
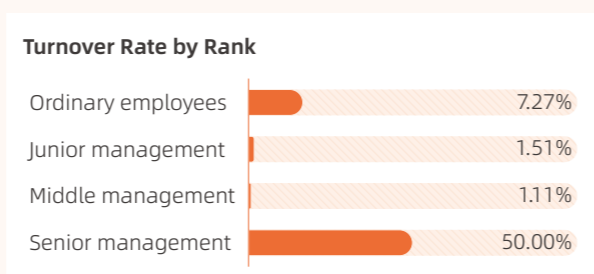
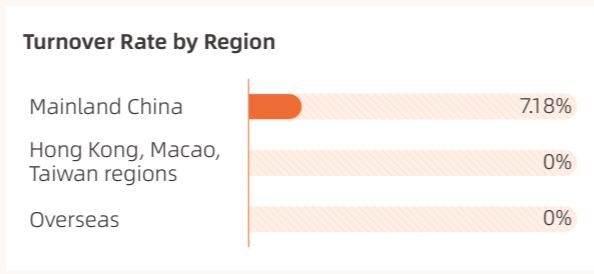
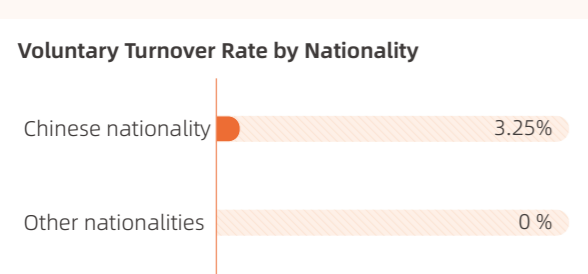
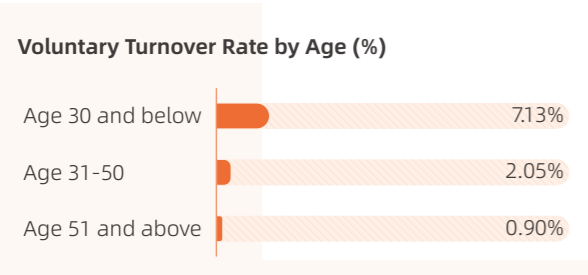
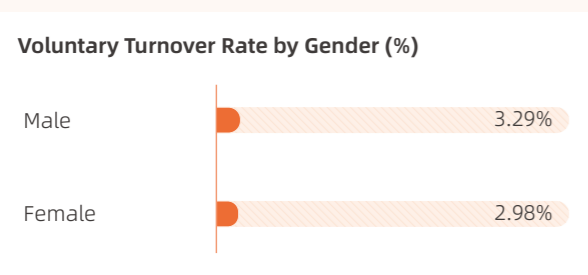


¹⁸ Science, Technology, Engineering, and Mathematics.

Total Turnover Rate¹⁹7.07%



Total Voluntary Turnover Rate²⁰3.25%



¹⁹ Total Turnover Rate = number of employees who left / total number of employees * 100%.
²⁰ Total Voluntary Turnover Rate = number of employees leaving voluntarily / total number of employees * 100%.

Remuneration and Performance

The Group has developed a fair and motivating remuneration and performance system to objectively assess employee performance, offering competitive salaries and clear career advancement opportunities, thus effectively attracting and retaining talent.

Sinotruk has established a performance-driven and value-oriented income distribution system, with employee compensation comprising both basic salary and floating wage. We have set differentiated compensation standards for personnel in technical R&D, management, sales, and production operations based on the value and characteristics of each role, ensuring external competitiveness and internal fairness, while also allowing ample room for performance incentives. In accordance with the *Rules Governing the Listing of Securities of the Stock Exchange of Hong Kong Limited*, the *Trial Measures for the Implementation of Equity Incentives by State-Controlled Listed Companies (Overseas)*, and the *Notice on Regulating the Implementation of Equity Incentive Systems by State-Controlled Listed Companies*, and in line with the Group's existing management systems including the current compensation framework and performance evaluation mechanism, the Group implemented a Restricted Share Award

Scheme in 2024 for directors, senior management, as well as key R&D, technical, marketing and administrative personnel, covering a total of 188 employees with an aggregate of 27.17 million incentive shares.

The Group adheres to a strategy and performance-oriented approach, establishing a performance management system and mechanism that covers all employees. This system evaluates employees on a monthly and annual basis across various criteria, including performance, attitude, competencies, knowledge sharing, overall capabilities, development potential, values, and strategic orientation. These evaluations integrate quantitative metrics with qualitative assessments to gauge employees' performance at different stages. Decisions regarding promotions and performance bonuses are made based on these evaluation results. The Group conducts performance feedback sessions following the annual assessment. During these sessions, we deeply analyze employees' performance and achievements, identify their development potential, and formulate plans for their personal growth and work objectives for the upcoming year. We also clarify action plans and provide necessary support.

Monthly Assessment

- We conduct performance assessment mainly based on quantitative indicators and supplemented by qualitative indicators.
- We assess employees' performance across dimensions such as monthly performance, growth value, work attitude, and alignment with strategic objectives.

Annual Assessment

- We conduct comprehensive assessment focused on employees' performance and capabilities.
- We use scientific tools to assess employees' annual performance, overall capabilities, values, and alignment with strategic objectives.
- We adhere to an objective, precise, and comprehensive assessment of employee performance through quantitative and qualitative methods.

Performance Assessment System of the Group



Empowering Employee Growth

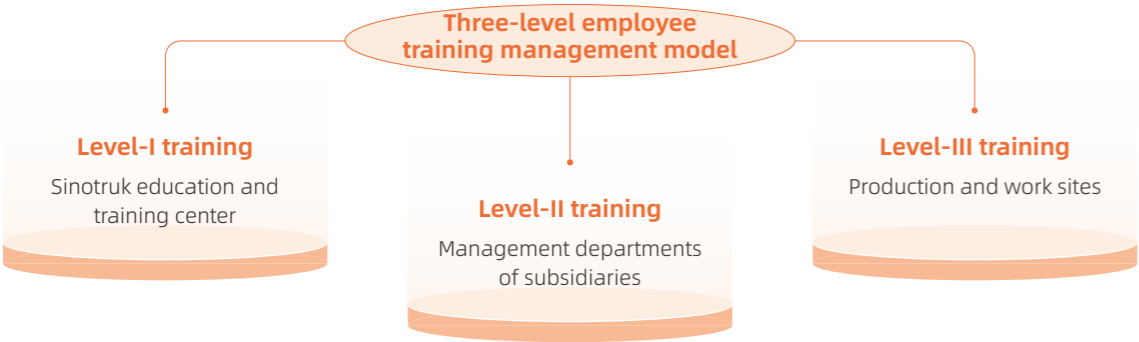
Sinotruk focuses on talent cultivation and development. Through a comprehensive talent cultivation system, systematic training programs, and diversified career development paths, we provide employees with a broad platform for learning and promotion. We emphasize unlocking employees' potential, continuously enhancing their professional skills and comprehensive abilities, and assisting every employee in realizing their self-worth. This lays a solid talent foundation for achieving our sustainable development goals.

Employee Training

Embracing the philosophy that "everyone is talent, and everyone can become talent", the Group has formulated the [Employee Development Policy](#), establishing a comprehensive employee training management system. This system provides diverse training opportunities for different employees to enhance their overall qualities and adapt to the Group's development needs.

To ensure the systematic and effective implementation of training programs, the Group has formulated internal regulations such as the *Employee Training Implementation*

Measures and the Procedures for Training Management to standardize the management of employee training. Meanwhile, we adopt a three-tier training management model for employees to facilitate the synergistic coordination of theoretical education and on-site practice, deepen the integration of industry and education, and provide all-round training covering macro strategies and specific skills. This training model consists of the education and training center, management departments of subsidiaries, as well as production and work sites.



Three-level Employee Training Management Model

The Group encourages employees to take the initiative in learning and has developed the "Sinotruk Cloud Academy" platform for online training. This platform integrates learning resources and internal expertise, offering online courses on topics including general knowledge, professional skills enhancement, management, and leadership development, to meet the diverse growth needs of employees. In 2024, the "Sinotruk Cloud Academy" developed 493 online courses, with an employee online training coverage rate of 100%. Besides facilitating skill improvement and career development for all staff members, we offered a series of offline training courses to enhance employees' frontline operational capabilities and foster a sense of teamwork and collaboration. During the Reporting Period, the Group organized 2,052 training sessions, with 490,000 participants, 2.9 million training

hours, and the average training hours was 81 hours per employee. The total training investment amounted to RMB 23.75 million. To further promote the personalized development and professional growth of employees and cultivate outstanding R&D talent, the Group has collaborated with renowned domestic universities such as Shandong University, Tianjin University, and Shanghai Jiao Tong University to develop a master's and doctoral degree enhancement program for all employees. This program supports employees in pursuing external degree courses and certifications. In 2024, we selected outstanding employees through internal recommendations and selection exams and provided them with full tuition support, which was open to all employees. By the end of the Reporting Period, a total of 488 employees had participated in this program, with 168 of them obtaining their degrees.

Training conducted	Participants	Total training hours	Training hours per trainee
2,052	490,000	more than 2.9 million	81

Orientation Training

The Group has designed a diversified orientation training program. Through courses, competitions, assessments, and other methods, we aim to help new hires quickly adapt to the work environment, integrate into the corporate culture, and master job-specific skills.

Case | Intensive training for new Hires in 2024

In July 2024, the Group held the intensive training for new hires of 2024 at Laiwu Vocational and Technical College. Adopting a closed-off management approach, 1,340 participants were divided into Red Battalion and Blue Battalion. The training alternated between military drills and theoretical training, to comprehensively enhance the overall qualities of new hires. The overall satisfaction score for the training reached 97.96.

For the first time, the training adopted a unified management model combining "general positions and engineers," assigning 1,252 newly hired graduates to full-chain internships in vehicle, assembly, and component units. A mandatory job rotation system ensured that new hires gained comprehensive exposure to the entire vehicle business. During their internships, the Company organized them into special task forces to address project challenges, effectively tackling practical issues across departments. This approach achieved the training goal of enabling new hires to "learn by doing and practice in real-world scenarios," fostering the integration of theory and practice.



Intensive training for new hires



Professional Capability Training

To enhance employees' professional literacy and core competitiveness, the Group has developed a professional capacity training curriculum that covers areas such as leadership, innovative R&D, skill operations, marketing management, and general knowledge. We emphasize the pertinence and effectiveness of the training, tailoring personalized training plans for employees at different levels and positions to help them acquire the latest knowledge and skills required for their career development.

Case | Skill training - Customized Series of Information Technology (IT) Training

In 2024, to tackle the challenges arising from business expansion and the growing complexity of information systems, we initiated a customized series of IT training programs. Focusing on IT personnel, we organized targeted training on data model design, enabling 81 IT team members to master the core concepts and best practices of information service management, thereby enhancing their strategic thinking and management skills. Additionally, we conducted training on information security management and configuration standards throughout the system lifecycle. This training effectively raised the security awareness of 34 participants, standardized their information handling practices, and provided strong safeguards for the secure operation of our information systems.



IT Training

Case | Skill training - "Ace Soldier Training Camp" and team leader training program

From October to December 2024, we organized the "Ace Soldier Training Camp" and team leader training program for 669 manufacturing team leaders. The program included a variety of internal and external courses, such as on-site management, quality control, "A Day of an Exceptional Team Leader," situational communication, and efficiency improvement, receiving an enthusiastic response from participants.



Opening Ceremony of the "Ace Soldier Training Camp"



Case | Skill training - Brand ambassador and product advocate training

In April 2024, we offered training to 45 product advocates, focusing on product promotion strategies, presentation skills, and PPT logical design and beautification. Through case studies and simulations, we helped participants grasp key product promotion elements, improve their advocacy skills, and develop competencies in highlighting product value, addressing customer needs, and refining presentation skills. This empowered them to professionally showcase the Group's product strengths at industry events, thereby boosting brand promotion efforts.



Brand Ambassador Training



Case | Skill training - Training for upgrading vocational skills

From March to June 2024, Hangzhou Engine Company provided training to employees seeking skill enhancement certifications in automotive engine assembly, casting molding (core), and melting and pouring. The training, which combined online and in-person sessions, covered both theoretical knowledge and practical skills. As a result, nine participants successfully passed the subsequent vocational skill assessments and achieved higher skill levels.



Vocational Skill Assessment



Leadership Training

To cultivate a management team with strategic vision, innovative thinking, and exceptional execution capabilities, the Group has launched leadership training programs targeting leaders at all levels, continuously enhancing the overall perspective and leadership abilities of the management.

Case | Leadership training - Regular training for newly promoted leaders

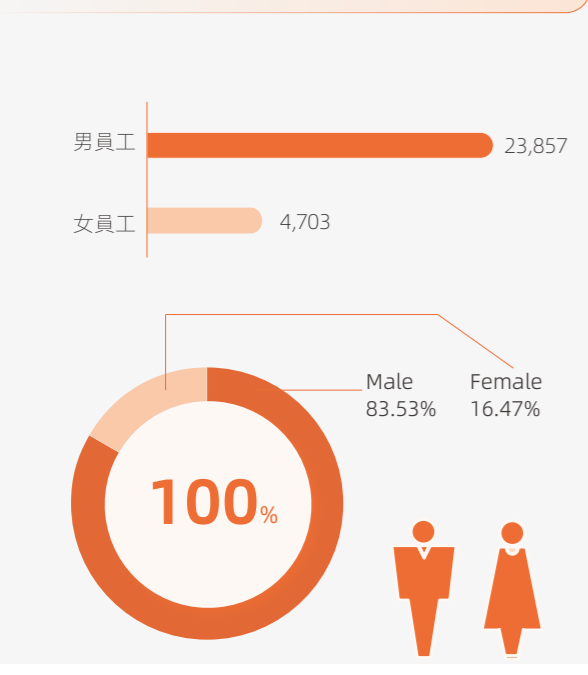
In 2024, the Group established a regular training mechanism for newly promoted supervisory-level leaders, dynamically tracking promotion data and organizing training sessions once the required number of participants was met. Over the year, we successfully conducted four training sessions for newly promoted leaders, with 253 participants in total. The training included a pre-training competency assessment and a post-training self-improvement plan to reinforce closed-loop management, integrate training with practical application, help new leaders clarify their goals, and enhance their management, communication, coordination, and problem-solving skills.



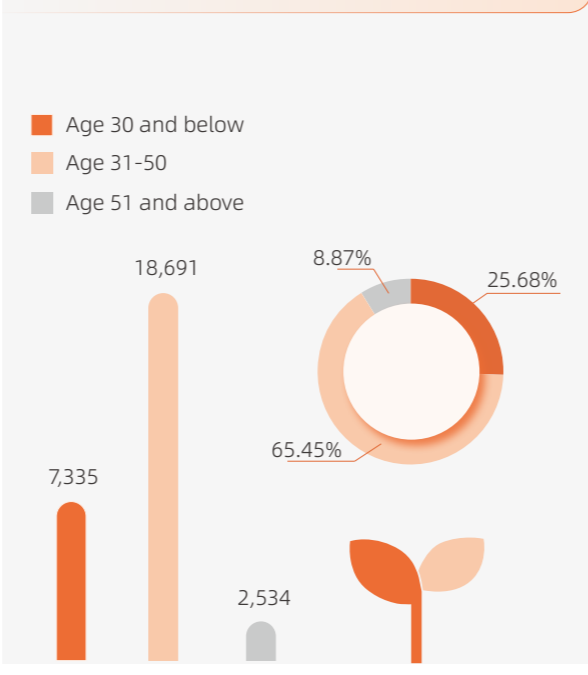
Training for Newly Promoted Leaders

Employee Training Data in 2024

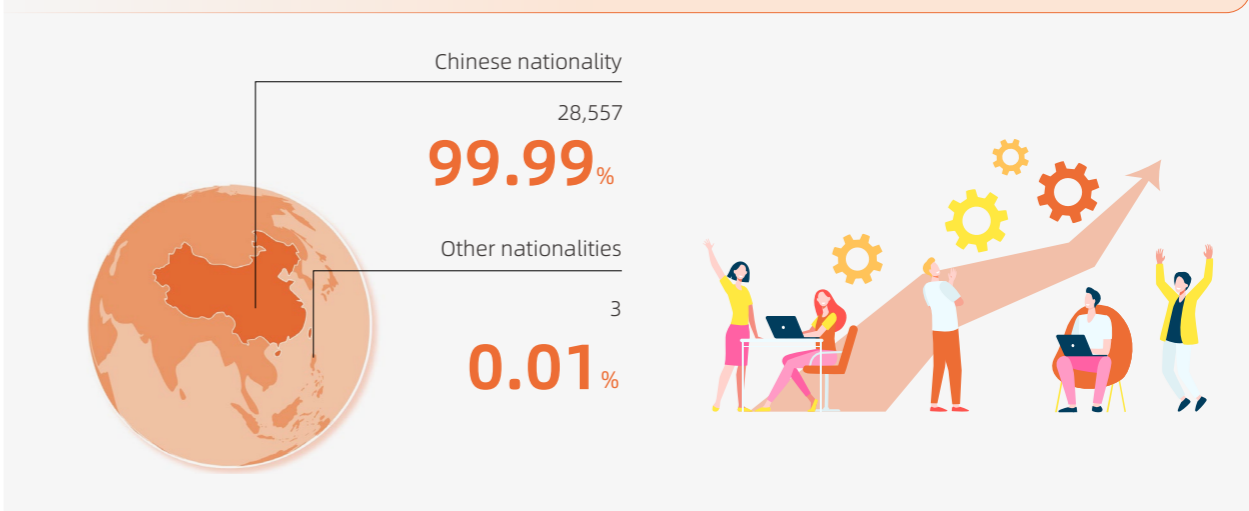
Number and Proportion of Trained Employees by Gender



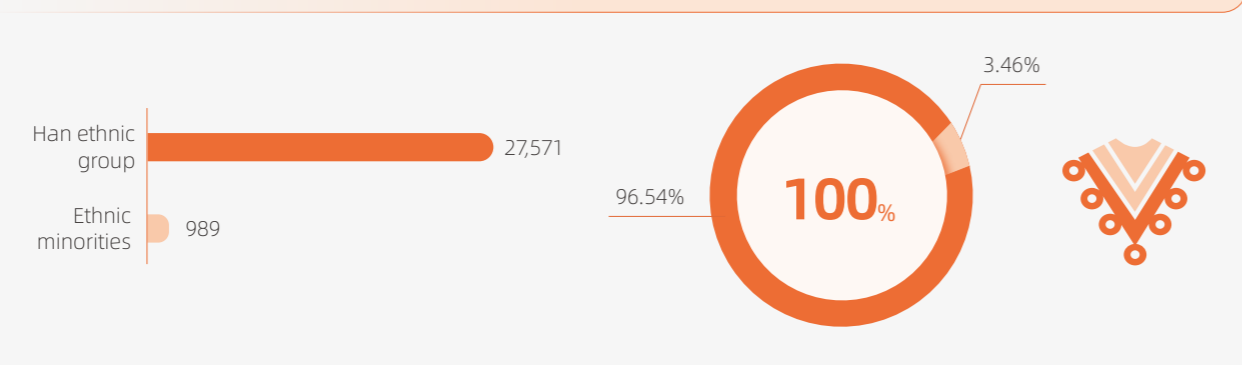
Number and Proportion of Trained Employees by Age



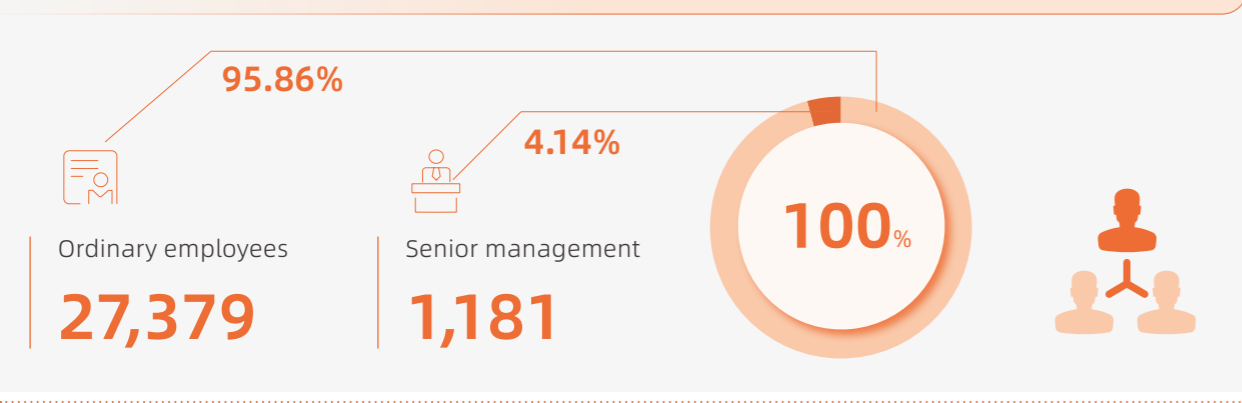
Number and Proportion of Trained Employees by Nationality



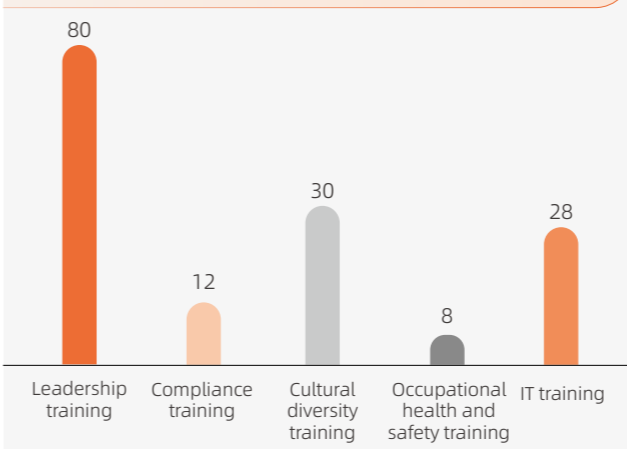
Number and Proportion of Trained Employees by Ethnicity



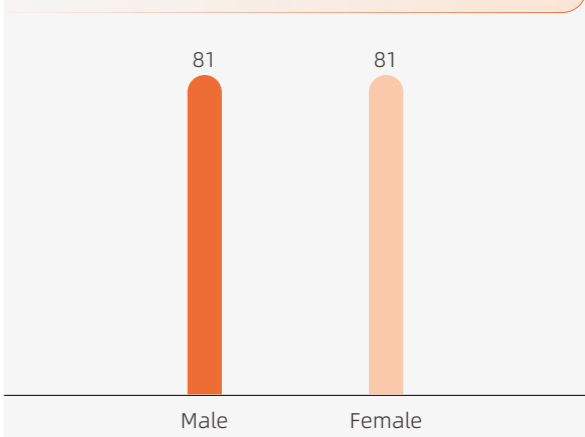
Number and Proportion of Trained Employees by Rank



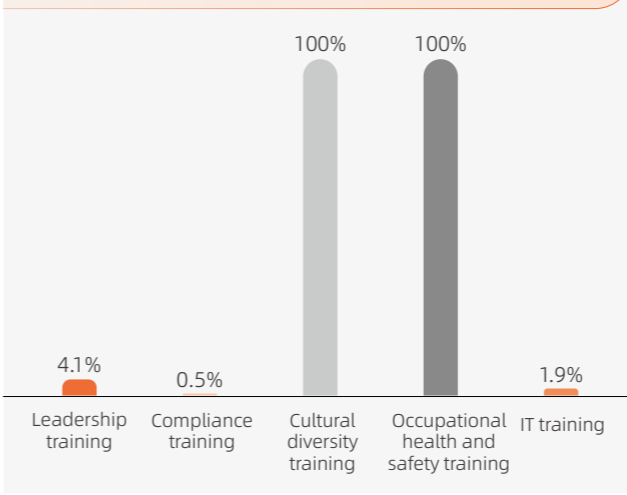
Average Training Hours per Employee Participating in Corresponding Training by Training Type (Hours)



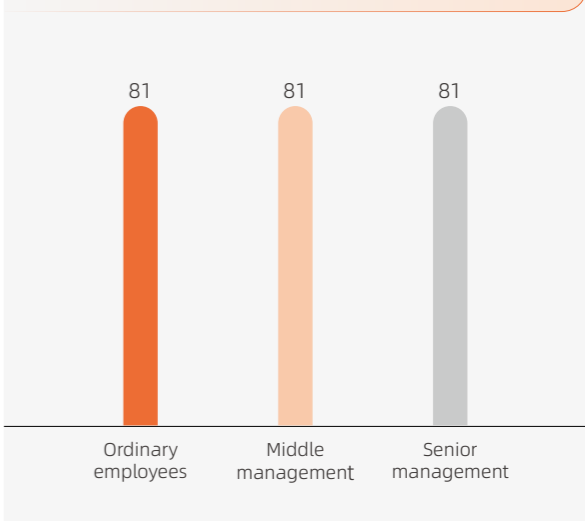
Average Training Hours per Employee by Gender (Hours)

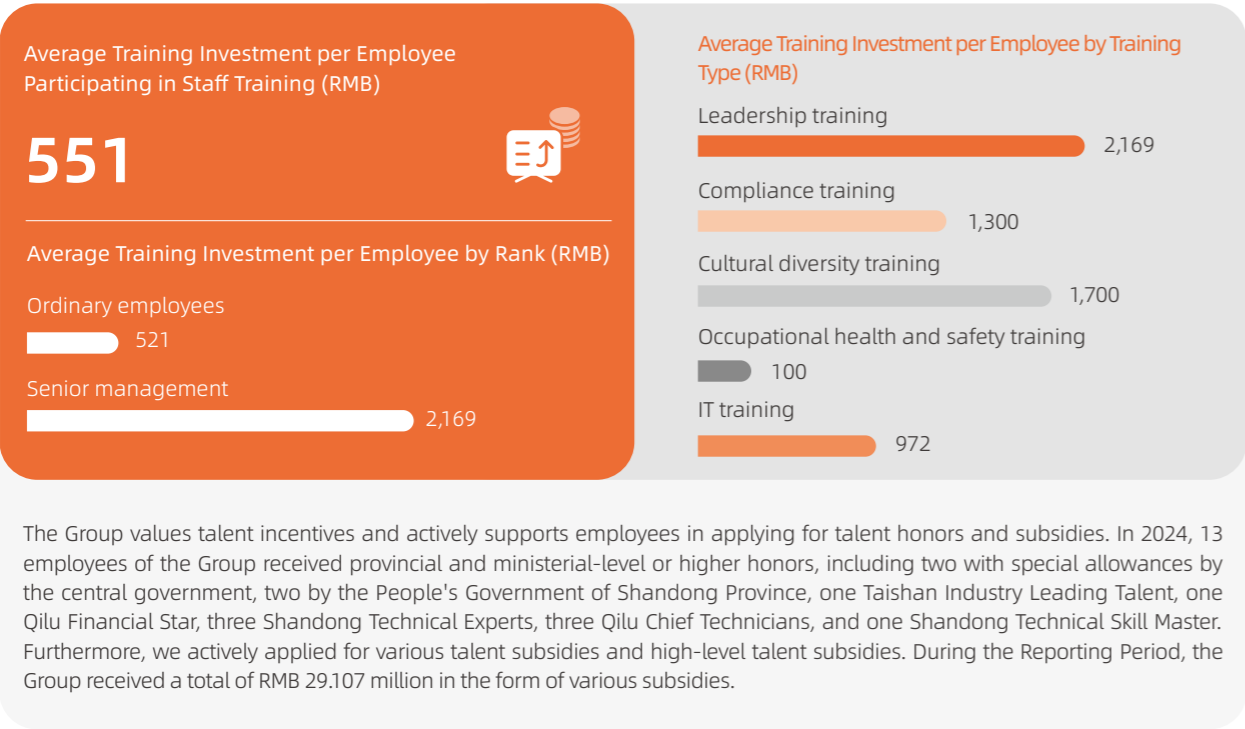


Proportion of Trained Employees Participating in Corresponding Training to All Trained Employees by Training Type



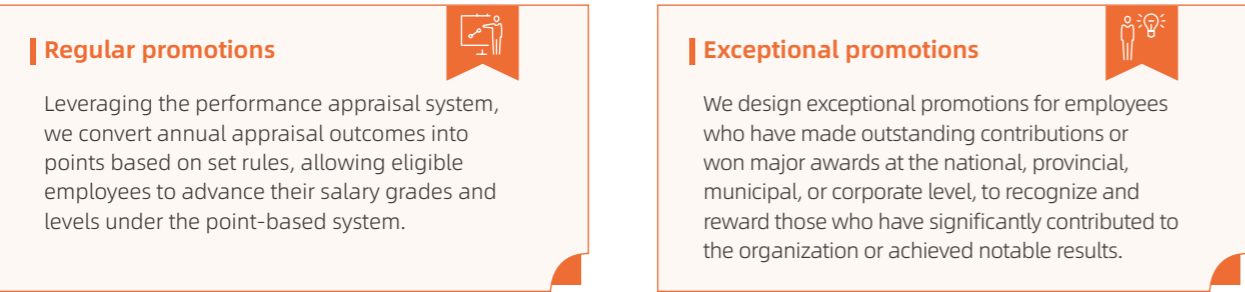
Average Training Hours per Employee by Rank (Hours)





Employee Promotion

Sinotruk adheres to the principles of fairness and impartiality in its promotion management, establishing a comprehensive talent cultivation and promotion system that provides all employees with clear career development paths and promotion opportunities. The Group has implemented a dual-channel promotion mechanism comprising "regular promotions and exceptional promotions", which stimulates employees' enthusiasm and creativity, continuously injecting development momentum into the Group.



Caring for Employees

Sinotruk has always placed employees' well-being at the forefront, striving to deeply understand their needs and foster a healthy, safe, and harmonious work environment. Implementing a robust security system, diverse welfare policies, and practical care measures, the Group comprehensively meets employees' material and spiritual needs, thereby boosting their satisfaction and work efficiency while cultivating harmonious and stable labor relations.

Employee Communication

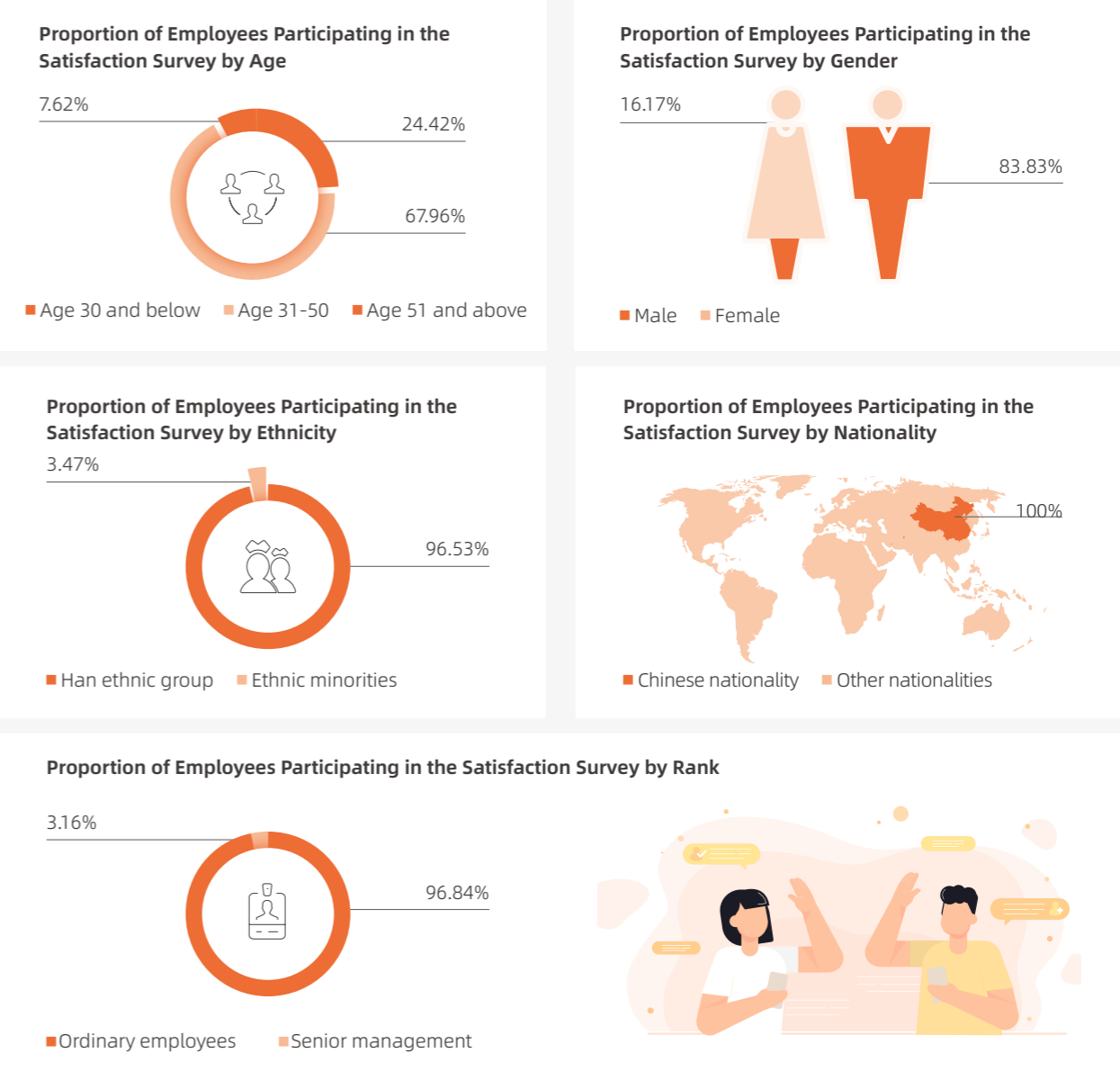
Sinotruk respects employees' democratic rights, actively listens to their feedback, and establishes multiple communication and feedback channels to enhance employee engagement and effectively protect their rights. The Group has set up a Workers' Congress to facilitate employees' democratic management, participation, and oversight. Meanwhile, labor dispute mediation committees have been established at all levels of the trade unions to mediate disputes, safeguard employees' legitimate rights and reasonable demands, and ensure their rights to information, participation, expression, and supervision. Furthermore, we respect employees' rights to collective bargaining and freedom of association, allowing them to join trade unions voluntarily. In the coming year, we plan to convene at least one staff congress to deliberate collectively on matters concerning employees' vital interests. In 2024, there were no labor dispute incidents within the Group.

To ensure employees' voices are fully heard, the Group has launched a "Voice of Employees" column to understand and respond to their expectations and demands. Additionally, we offer offline communication channels and email for employees to submit complaints, ensuring timely and effective resolution of feedback.

Every year, we carry out employee satisfaction surveys. In 2024, we surveyed all employees across seven dimensions: corporate strategy and brand culture, organizational climate and leadership, compensation and benefits and performance evaluation, talent selection and professional training, holiday benefits and team building, as well as service and support. A total of 26,295 employees participated in the survey, with a participation rate of 91.66%, and the overall employee satisfaction score was 88.43. Based on the survey results, the Group extensively gathered feedback on its management practices, providing directional guidance for enhancing employee management in the future.

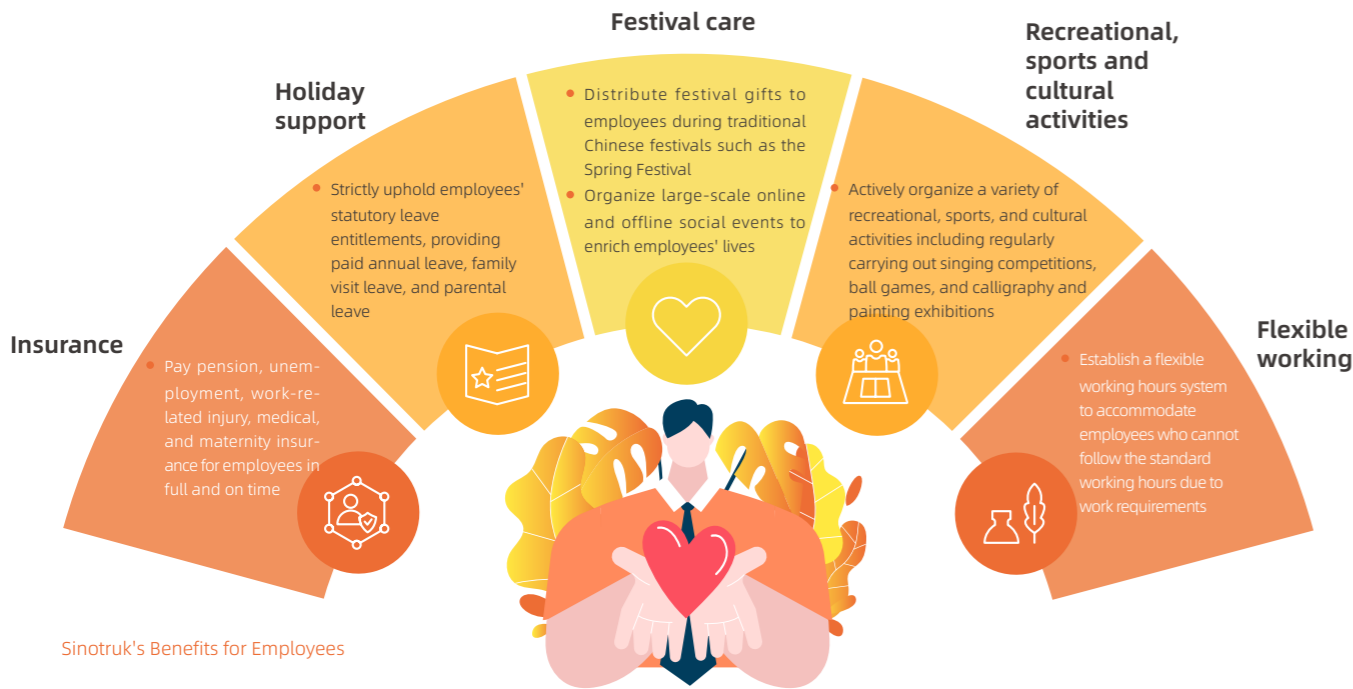
Participants of employee satisfaction survey	Participation rate of employee satisfaction survey	Overall employee satisfaction score
26,295 employees	91.66%	88.43

Employee Satisfaction Survey Data in 2024



Employee Care

The Group emphasizes caring for and assisting employees by organizing a variety of employee care activities, creating a warm and supportive work and living environment.



Spring Festival Cultural Activities



"Sinotruk Joy Run · Dash to the Future" – The 13th Long-distance Running Race among Employees



Moreover, we offer support to employees who are in particular need of care to boost their overall happiness.

Front-line production employees

- We organized the "Employee Care in Summer" activity for front-line production employees. We distributed heatstroke prevention and relief food and drugs such as watermelon, ice cream, and Huoxiang Zhengqi Shui to the front-line production employees during hot weather in summer in Ji'nan. The supplies totaled RMB 244,500.
- We organized the "Employee Care in Winter" activity. We distributed ginger tea, warming patches, honeysuckle, scaphium scaphigerum, and other warming supplies, as well as immunity-boosting Chinese herbal medicine, to more than 12,000 employees of over 150 front-line teams in Ji'nan. The supplies totaled RMB 686,400.
- We conduct monthly inspections on the medication consumption of the "Medicine Box for Employee Care", replenish supplies, and replace expired medicines in time. These efforts ensure that front-line workers are always in good health and ready to engage in safe production.

Female employees

- We have formulated and implemented the *Management Measures for the Protection of Female Employees and Minors* to safeguard female employees during pregnancy, childbirth, and lactation, and established dedicated lactation rooms.
- We organize selection and amusing activities to celebrate International Women's Day on March 8. We send holiday gifts to all females and purchase special disease insurance for them.
- We regularly cooperate with local health departments to organize cervical and breast cancer screenings for eligible female employees. We also invite gynecological experts to provide specialized training and answer questions regarding gynecological health for all female employees.

Employees in need

- Leveraging the three key assistance mechanisms - charity workstations, mutual aid funds, and regular relief programs, we ensure timely support for eligible employees in need through home visits led by assistance coordinators, online data verification, and regular check-ins by union officials. We continuously enhance our support network, promote information sharing, streamline processes, and offer online application channels for assistance.
- We carried out 13 activities, such as performance evaluations of special assistance funds for employees in need, assessments of poverty alleviation outcomes, and home visits. We organized, reviewed, and updated the files of employees in need at various levels, and assisted four national and municipal-level employees in need in applying for the "Ji'nan Preferential Treatment Card for Employees in Need."
- We actively organized special holiday visits, educational support for children, and autumn scholarship initiatives. We visited and assisted 1,228 families of employees in need, distributing charitable aid totaling RMB 826,200. These efforts enabled the employees in need to genuinely feel the concern and warmth of the Group.

Special Employee Care of the Group in 2024

Case | Liuzhou Yunli Company shows care to the employees in need during the Spring Festival

In January 2024, Liuzhou Yunli Company visited eight employees in need, providing them with Spring Festival supplies and New Year blessings, which enhanced the sense of happiness and honor among the grassroots staff.



Spring Festival Supplies



Case | Ji'nan Transmission Shaft Company carries out fun craft activity

In June 2024, Ji'nan Transmission Shaft Company hosted a "Dragon Boat Festival Fun Craft Activity" themed "Heartfelt Traditions, Wellness Shared." The event featured craft materials inspired by the Dragon Boat Festival, including spices, fabrics, colorful threads, dragon boat models, and mugwort ornaments, enabling employees to create festive handicrafts and enjoy a lively cultural experience.



Ji'nan Transmission Shaft Company's Fun Craft Activity for the Dragon Boat Festival

Contributing to Community Building

Sinotruk remains committed, striving for both self-development and societal contribution. By supporting rural revitalization and engaging in philanthropic endeavors, the Group actively fulfills its corporate social responsibility, contributing to the harmonious progress of society.

Rural Revitalization

The Group actively embraces the national rural revitalization strategy and fully commits to the principle of "common prosperity" by dedicating itself to rural revitalization initiatives. Through on-site investigations, community visits, and financial aid, we carry out comprehensive support programs to boost the effectiveness and quality of rural revitalization efforts. This multi-faceted approach fosters economic growth in formerly impoverished regions and increases local incomes, contributing to the broader goals of rural revitalization and common prosperity.

Case | Innovative partnership model drives rural industry revitalization in Dongying

In 2024, the Group launched industrial assistance projects in six villages, including Erjiazhang Village in Dongying City, to foster the growth of new rural collective economies. By capitalizing on Dongying City's "Ten Thousand Leaders to the Grassroots" initiative, we partnered with the city's first secretary teams to pioneer innovative models like cross-village collaborations, village-enterprise alliances, and village-community partnerships. This led to the establishment of five industrial assistance projects, notably the "Huixin" fragrant rice processing facility. To guarantee the seamless execution of these projects, we implemented a structured approach involving weekly progress checks, monthly oversight, and quarterly advancements. As of the end of 2024, the Group had invested RMB 30,000 in these initiatives, with all five projects completed. Four projects are already operational, and they are projected to boost rural collective economic income by over RMB 430,000 in 2025 while creating local job opportunities for 66 farmers.



Community Welfare

Committed to giving back to society and improving people's livelihoods, the Group has formulated the *Interim Rules for Sinotruk's Voluntary Service Management*, the *Interim Implementation Rules for Sinotruk's Star Volunteer Assessment*, and other measures. We have also established the "Sinotruk Group Volunteer Service Alliance" and organized employee volunteers to carry out voluntary activities such as blood donation, charity clinics, book donations, educational charity, and care for the elderly. In 2024, several employees of the Group were awarded the title of "Outstanding Individual in Youth Volunteer Service in Jinan", and the voluntary service hours of the Group's employees totaled 29,532.

In 2024

The voluntary service hours of the Group's employees totaled

29,532



Case | Lei Feng spirit volunteer service month

To champion the spirit of Lei Feng and foster a corporate culture of dedication, friendship, and mutual aid, the Group initiated a series of events during the Lei Feng spirit volunteer service month. The Group organized more than 30 volunteer activities spanning tree planting, community development, and sanitation improvement. These efforts enhanced the community's environment and residents' life quality while contributing to its harmonious growth. Through their tangible actions, the employee volunteers have crafted contemporary narratives of Lei Feng's legacy, projecting a positive social image for the Group.



"Blossoming New Beginnings, Youthful Sinotruk" Tree-planting Activity

Case | Employees' voluntary blood donation

To inspire employees to embrace the volunteer spirit of selflessness and helpfulness, the Group has organized blood donation drives annually for several years. In August 2024, we launched the blood donation campaign themed "Sinotruk: Committed to Public Welfare, Loyal to the Party." Employees from the headquarters and subsidiaries actively participated, with 491 individuals donating a total of 165,400 milliliters of blood. In recognition of the Group's long-standing commitment to blood donation, the Shandong Blood Center presented it with a banner that read, "Blood Donation with Boundless Love, State-Owned Enterprise's Warmth for All." Our employees have demonstrated their dedication by donating blood and advocating for this cause, encouraging more people to join the blood donation movement and contribute to a warmer and stronger society.



Blood Donation Activity

Case | Charity donation activity

To fulfill its corporate social responsibility and spread positivity, the Group embraced the national call by organizing the "One-Day Charity Donation" activity in Ji'nan. Led by the leaders, employees enthusiastically participated, donating their love and support. With 23,406 participants contributing, the campaign raised RMB 415,400, showcasing our employees' strong sense of social responsibility and dedication.

Case | Ji'nan Transmission Plant carries out volunteer services for the elderly during the Double Ninth Day

In October 2024, Ji'nan Transmission Plant organized young volunteers to visit Ji'nan Yuntianshi Nursing Center to promote China's excellent traditional culture and honor the time-honored tradition of respecting the elderly. They staged a volunteer performance titled "Double Ninth Glow Warms Hearts, Youth Lights Sunset Years," celebrating the Double Ninth Festival with the elderly. The volunteers carefully prepared a variety of programs, bringing joy and companionship to the seniors and embodying the virtue of respecting the elderly.



The Volunteer Services for the Elderly during the Double Ninth Day

Definitions

Abbreviation	Reporting Specification
"China" or "the PRC"	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 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 Co., Ltd."	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)
"Manufacturing Company of Ji'nan Truck Co., Ltd."	Manufacturing Company of Sinotruk Ji'nan Truck Co., Ltd., a company incorporated under the laws of the PRC with limited liability, being a non-wholly owned subsidiary of the Company
"Truck Sales Department of Ji'nan Truck Co., Ltd."	Truck Sales Department of Sinotruk Ji'nan Truck 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 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.
"Ji'nan 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
"Sinotruk Automobile Finance Company"	Sinotruk Automobile 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
"Commercial Truck Manufacturing Company of Ji'nan Commercial Truck Company"	Commercial Truck Manufacturing Company of 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
"Commercial Truck Sales Department of Ji'nan Commercial Truck Company"	Commercial Truck Sales Department of 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

Abbreviation	Reporting Specification
"Light Truck Manufacturing Company of Ji'nan Commercial Truck Company"	Light Truck Manufacturing Company of 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
"Light Truck Sales Department of Ji'nan Commercial Truck Company"	Light Truck Sales Department of 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
"Ji'nan Transmission Shaft Company"	Sinotruk (Ji'nan) Transmission Shaft 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 Truck 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
"International Company"	Sinotruk International Co., Ltd., a company incorporated under the laws of the PRC with limited liability and a wholly owned subsidiary of the Company
"Intelligent Technology Company"	Shandong Tongxin Zhixing Digital & Intelligent Technology Co., Ltd. a company incorporated under the laws of the PRC with limited liability and a non-wholly owned subsidiary of the Company
"Ji'nan Commerce Company"	Sinotruk (Ji'nan) Commerce Co., Ltd., a company incorporated under the laws of the PRC with limited liability, being a non-wholly owned subsidiary of the Company
"Finance Company"	Sinotruk Finance Co., Ltd., a company incorporated under the laws of the PRC with limited liability, being a non-wholly owned subsidiary of the Company
"Chongqing Light Vehicle Company"	Sinotruk (Chongqing) Light Vehicle Co., Ltd., a company incorporated under the laws of the PRC with limited liability, being a non-wholly owned subsidiary of the Company
"Nanchong Haile Machinery Company"	Nanchong Haile Machinery Co., Ltd., a company incorporated under the laws of the PRC with limited liability, being a wholly owned subsidiary of the Company
"Research Institute Company"	Research Institute Co., Ltd., a company incorporated under the laws of the PRC with limited liability, being a wholly owned subsidiary of the Company

HKEX ESG Reporting Code Content Index

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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.	P58-61
		A1.1 The types of emissions and respective emissions data.	P58-59; P61
		A1.3 Total hazardous waste (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	P61
		A1.4 Total non-hazardous waste (in tonnes) and, where appropriate, intensity (e.g., per unit of production volume, per facility).	P61
		A1.5 Description of emissions target(s) set and steps taken to achieve them.	P58-60
		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.	P57; P60
	A2 Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	P62-64; P66-67
		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).	P65
		A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	P66
		A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	P62-64
		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.	P66
		A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	P67
	A3 Environment and Natural Resource	General Disclosure Policies on minimizing the issuer's significant impacts on the environment and natural resources.	P57; P62
		A3.1 Description of the significant impact of activities on the environment and natural resources and the actions taken to manage them.	P63-64
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.	P70; P75
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		B1.2 Employee turnover rate by gender, age group and geographical region.	P74

Subject Area	Aspect	General Disclosures and KPIs	Page
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		B2.2 Lost days due to work injury.	P50
		B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	P46-51
	B3 Development and Trainin	General Disclosure Policies on improving knowledge and skills for discharging duties at work. Description of training activities.	P76
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	B4 Labor Standards	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 preventing child and forced labor.	P70
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	B5 Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.	P41
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	B8 Community	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.	P89
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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

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