

CRRC CORPORATION LIMITED

2024 ACTION PLAN FOR ‘ENHANCING QUALITY, INCREASING EFFICIENCY AND EMPHASIZING RETURNS’

CRRC Corporation Limited (hereinafter referred to as “CRRC” or the “Company”) has actively responded to the Shanghai Stock Exchange’s initiative on the “Enhancing Quality, Increasing Efficiency and Emphasizing Returns” campaign among Shanghai-listed companies by formulating 2024 Action Plan for “Enhancing Quality, Increasing Efficiency and Emphasizing Returns” (hereafter referred to as the “Action Plan”), so as to earnestly fulfil its responsibilities of “Improving the Quality of the Company while Enhancing the Returns and the Sense of Gain for the Investors”. The details are as follows:

I. CREATING AN INDUSTRIAL PATTERN OF “TWO TRACKS AND TWO CLUSTERS” INDUSTRIAL PATTERN TO ENHANCE THE OPERATIONAL QUALITY

As the world’s leading and diverse rolling stock supplier with advanced technology, the Company has consecutively ranked first in the world in terms of sales volume of rolling stock equipment for years. The Company has actively implemented the strategy of building a transportation power, and fully, accurately and comprehensively implemented the new development concept based on the new development stages. We served and integrated into the construction of a new development layout, actively adapted to the new environment and changes, seized market opportunities to accelerate the structural reform, transformation and upgrading. We made great efforts to achieve new breakthroughs in business layout, market expansion, scientific and technological innovation, reform and innovation, management improvement, integration of industry and finance and the Party building “golden card”. The position in the rail transit equipment industry has been further consolidated.

In 2024, the Company has focused on its principal responsibilities and major businesses, striving to create an industrial pattern of “Two Tracks and Two Clusters” for the rail transit equipment business and clean energy equipment business. This will establish a system of graded layout, positive interaction, and cluster development, expediting the enhancement of system solution capabilities and solidifying the industrial foundation for high-quality development.

The Company will accelerate market expansion to lay a solid foundation for excellence. The Company will continue to meticulously cultivate the railway equipment market, deepen the application of the “head-to-head” marketing model, strengthen communication and coordination with key customers, and actively promote the implementation of order procurement. Focusing on the trends of digitalization, intelligence, and green development, the Company will expedite the establishment of a modern logistics equipment system for railways, speed up the transformation of legacy internal combustion locomotives to new energy, and vigorously advance key projects such as CR450. The Company will enhance and strengthen the maintenance business,

fully leveraging professional, scale, and resource advantages to rapidly expand the maintenance market scale. The Company will consolidate and expand the urban rail transit market, organizing research and application of products and technologies such as urban rail maintenance and refurbishment, medium- and low-capacity rail transit systems, and standard subway train 2.0. The Company will make every effort to tap into emerging strategic industries, promote the deployment of bases in an orderly manner, and acquire wind and solar resources. The Company will deepen cooperation with key regional governments and major power generators. The Company will strengthen the strategic presence in the international market, consistently promoting the international development of the “Two Tracks and Two Clusters”, serving the national strategy, enhancing top-level design, and coordinating resource allocation in an integrated manner to achieve comprehensive and systemic “going out” across the whole industry chain with high standards, high added value, and high quality. The Company will accelerate the promotion of “Product+” and “System+” business models, bolster the “growth pole” of the DLS business, and create demonstration projects.

The Company will optimize business layout to enhance its support for excellence, and increase investment in emerging strategic industries. Adhering to a strategy-driven and function-oriented approach, the Company will strategically position itself in new areas and new tracks ahead of time, focusing on technological innovation in clean energy equipment and manufacturing capabilities to carry out effective investments, thereby promoting layout optimization and structural adjustments through investment. The Company will reinforce the deep integration of technological innovation and industrial innovation, using the industrial chain to roll out the innovation chain, and foster the industrial chain with the innovation chain to build new industries, new business forms, and new models, expanding new space for development and cultivating new drivers for growth. The Company will actively liaise with central SOEs responsible for key sectors, working jointly with research institutes and universities to conduct technology foresight and development trend assessments, and scientifically coordinating various elements and forces to form a development synergy. The Company will continuously optimize resource integration and allocation, continuously strengthen strategic, investment, and reform research, and strive to enhance its comprehensive judgment and strategic planning capabilities. The Company will more proactively plan medium- and long-term development strategies in advance, driving higher quality construction of the industrial pattern of “Two Tracks and Two Clusters”, optimizing business layout, and adjusting structures to accelerate the development of a world-class CRRC.

II. ENHANCING TECHNOLOGICAL INNOVATION AND ACCELERATING THE DEVELOPMENT OF NEW QUALITY PRODUCTIVE FORCES

CRRC has insisted on self-reliance in science and technology, vigorously implemented the innovation-driven development strategy, deepened the reform of the science and innovation system, accelerated the construction of sources of original technologies, continued to advance proprietary innovation capabilities to achieve a major leap from falling behind and catching up to taking the lead. In 2023, the Company continued to

promote the national “Advanced Rail Transit Key Projects”, the “Key Technology Projects under CRRC’s 14th Five-Year Plan”, “Wind Power Projects” and other science and technology projects. The Company launched CRRC’s 2023 project for cultivation of original technology for a term of 10 years, with 29 projects established. The Company has promoted the implementation and acceptance of 8 collaborative innovation teams in the frontier areas of magnetic levitation, new materials, new energy, light weighting and health management. In 2023, the Company also launched new products for rail transportation, such as locomotives, freight wagons and urban rail vehicles, new products for new industry, such as complete machines run on clean energy, as well as 480 research and development projects for key systems and components, of which, 61 projects were newly established wind power projects, all being part of the Company’s relentless efforts to achieve breakthroughs in crucial key technologies and launch the work of transformation and application of the achievements. Various projects were progressing smoothly, which strongly supports the sustainable and healthy development of the Company.

In 2024, the Company has continued to prioritize technological innovation among all the other tasks, adhered to the innovation-driven development strategy, focused on developing new quality productive forces, and empowered high-quality development through high-level technological self-reliance and self-strengthening. Focusing on the development of new quality productive forces, the Company will reinforce the deep integration of technological innovation and industrial innovation to build new industries, new business forms, and new models, expanding new space for development and cultivating new drivers for growth. The Company will focus on improving the innovation system, maintain a high level of technological investment, coordinating innovation resources, and concentrating efforts on technical research and project breakthroughs. The Company will optimize the ecosystem for technological innovation, adhere to market orientation, leverage “thirst-quenching” policies, and continuously improve the efficiency of technological outputs. We will strive to enhance our innovative capacity, focus on the construction of source of original technologies, and increase the investment in original technology and research on the disruptive, frontier, common and basic technologies. The Company will strengthen collaboration with upstream and downstream of the industrial chain, enhance the coordination of scientific research projects, and deepen the modern industrial chain synergy actions for CRRC’s rail transit equipment and clean energy equipment. We will focus on translating innovation results into practice, accelerate the application of technological innovation achievements, and follow the product research and development path of “exploring for a generation, pre-researching for a generation, researching and manufacturing for a generation and equipping for a generation”, grasping the trend of digitalization, green development, intelligence, modularization and platformization, accelerating the application of the results of key projects, and creating typical products.

III. STRENGTHENING INVESTOR COMMUNICATION TO ENHANCE MARKET RECOGNITION

The Company strictly adheres to the principles of “Truthfulness, Accuracy, Completeness, Timeliness and Fairness” in the disclosure of information to ensure that all shareholders have fair and equal access to information and to safeguard the interests of all shareholders, in particular the interests of small and medium-sized shareholders. The Company sticks to proactive investor relations management and actively manage multi-dimensional interactions with investors, analysts, media, regulatory authorities and the public. With innovative models, the Company has diversified the promotion channels and deepened the roadshows and reverse roadshows to enhance mutual understanding and trust, and convey the Company’s value. The Company’s information disclosure and investor relations management have been widely recognized by the capital market, regulatory authorities and professional organizations: the Company has been awarded Grade A in the evaluation of information disclosure of listed companies on the Shanghai Stock Exchange for eight consecutive years, and its information disclosure case study has been selected as one of the best practice cases of corporate governance in 2023 by the China Association for Public Companies. The Company won “Top 100 Listed Companies on Main Board” Award at the 17th China Listed Company Value Evaluation, the “Tianma Award” at the 14th Investor Relations of Listed Companies in China, “Excellent Practice Case” Award of Annual Results Brief Session from the China Association for Public Companies, and the Gold Award in 2022 Vision Awards Annual Report Competition held by League of American Communications Professionals LLC, etc.

In 2024, the Company will proactively strengthen multi-dimensional, multi-level and multi-form investor communication and value management to enable the capital market to fully recognize the Company’s intrinsic value. First, the Company will strengthen the value promotion to continuously enhance recognition in the capital market. The Company will hold regular performance briefings, actively organize exclusive presentations for investors and analysts on the annual results, hold regular investor teleconferences by arranging for the participation in person of the Company’s directors, supervisors, and senior management so as to truly and accurately interpret the Company’s operating results, share business achievements and overall strategy, exchange key information on development opportunities and business planning, and respond truthfully to investors’ questions and concerns. The Company will conduct high-quality performance roadshows, visit domestic and international investment institutions, and engage in one-on-one communication with key investors. The Company will organize reverse roadshows in an innovative way to further convey the Company’s value and strengthen recognition in the capital market. Second, the Company will refine daily management to solidify the foundation of investor relations. The Company will organize the compilation and publication of daily media monitoring information, weekly capital market reports and public relations event analyses to provide timely and accurate information support to our directors, supervisors and senior management. The Company will continue to update investor profiles, establish the capital market analyst database,

and convey the Company's operation and management philosophy and strategic plans through visiting long-term shareholders and participating in brokers' strategy conferences, so as to enhance investors' trust and understanding on the Company. The Company will prioritize daily communication with investors, arrange for dedicated personnel responsible for answering investors' phone calls, receiving investors' e-mails, paying attention to investors' questions on the E-interaction platform, and responding patiently to questions raised by investors. The Company will participate in investment education activities to remind investors to make rational investments. The Company's investor relations management efforts are devoted to innovating models to diversify promotion channels and enriching communication methods with investors and analysts, enabling investors to understand the Company's development approach and operational status, thereby enhancing their confidence in and recognition of the Company, and fostering positive interactions between the Company and investors.

IV. EMPHASIZING INVESTOR RETURNS AND SHARING OPERATIONAL ACHIEVEMENTS

Since its establishment, CRRC has implemented annual cash dividends, distributing a cumulative total of over RMB 30 billion (tax inclusive) in cash dividends from 2015 to date. The average annual cash dividend distribution ratio exceeded 40%, higher than the average level of the A-share capital market. Since 2019, the Company has increased the cash dividend to all shareholders per 10 shares from RMB 1.5 (tax inclusive) to RMB 2 (tax inclusive), with the annual total cash dividend amount rising from RMB 4.305 billion (tax inclusive) to RMB 5.74 billion (tax inclusive), the proportion of which to the net profit attributable to ordinary shareholders of the listed company in the consolidated financial statements increased from 36% to 49%. On 18 June 2024, the Company's 2023 annual general meeting reviewed and approved the "Resolution in relation to the 2023 Profit Distribution Plan of CRRC Corporation Limited", with a proposed cash dividend of RMB 2 (tax inclusive) per 10 shares to all shareholders, totalling RMB 5.74 billion (tax inclusive), with the remaining undistributed profits carried forward to the next year for distribution. The Company will adhere to the Articles of Association and relevant provisions of the "CRRC Corporation Limited Medium and Long-Term Shareholders' Return Plan", emphasizing investor returns and sharing operational achievements with shareholders.

The Company will consistently uphold the philosophy of better protecting shareholder rights and creating greater value for shareholders. Emphasis is placed on market capitalization management and the value of market capitalization has been recognized. Since its establishment, CRRC has gradually improved the quarterly meeting system and evaluation system for market capitalization management, listens to third-party opinions, and promptly improves and plans subsequent investor relations efforts. During the period from 30 October 2023 to 29 April 2024, CRRC GROUP Co., Ltd., the controlling shareholder, cumulatively increased its shareholding in the Company's A shares by 29,188,800 shares through the trading system of the Shanghai Stock Exchange by way of centralized bidding, representing approximately 0.1% of the total number of issued shares of the Company, thereby demonstrating to the capital market its recognition of the

value of the Company and its confidence in its sustainable and stable development in the future. In 2024, the Company will continue to proactively engage in regular market capitalization management, coordinate investor relations management for its listed subsidiaries, strengthen internal management coordination and investor relations communication with its listed subsidiaries, mobilize internal resources, form synergy, innovate work methods, and enhance management capabilities to further improve the quality and effectiveness of market capitalization management.

V. OPTIMIZING CORPORATE GOVERNANCE AND ADHERING TO STANDARDIZED OPERATIONS

Focusing on the development of a modern enterprise system with Chinese characteristics, the Company has improved its corporate governance system, forming a basic system that includes the Articles of Association, Rules of Procedure for Board of Directors, Information Disclosure Management Measures, and Investor Relations Management Measures, supplemented by specialized systems such as the Terms of Reference of Special Committees of the Board of Directors, Information Disclosure Implementation Rules, and Market Capitalization Management Measures, thereby establishing a corporate governance mechanism that is legally defined, transparent, coordinated, and effectively balanced. The Company precisely manages the operations of the three corporate governance bodies, adhering to the positioning of the general meeting of shareholders, the board of directors, and the board of supervisors as the power, decision-making, and supervisory bodies, respectively. The Company refines the governance bodies' authority and responsibility, details the list of authority and responsibility, promotes the reciprocity of authority and responsibility, and ensures effective performance of duties; The Company accurately controls the quality of proposals, establishes a proposal quality control procedure, and for important proposals, the Company establishes a joint mechanism with relevant departments at headquarters to intervene in advance and provide advice and recommendations on decision-making procedures and information disclosure compliance. The board of directors of the Company has repeatedly been honored with awards such as the Excellent Board of Directors and Special Contribution Award for Board Development in the capital market.

In 2024, the Company will continue to adhere to its compliance-oriented and efficient and standardized operations, and will continue to improve its corporate governance standards and effectively protect the interests of investors. The Company will firmly refrain from touching the regulatory red line and comply with the relevant requirements of the Central Committee of the Communist Party of China, the State Council, the State-owned Assets Supervision and Administration Commission of the State Council (hereinafter referred to as the "SASAC") and the listing rules in the place of listing, focusing on matters such as related party transactions, major investment and financing projects, external guarantees and other matters. The Company will strictly adhere to the bottom line of compliance, follow rules and exercise the functions and roles of each governance body, especially the board of directors, in accordance with the rules, powers and responsibilities. The Company will further improve its mechanism and system,

continuously refine its corporate governance system, especially in aspects such as board building, information disclosure and market capitalization management, and strengthen the institutional support to ensure that compliance is integrated into the process and mechanism, and that the system is adequately safeguarded and functioning. The Company will continue to optimize the relationship among the governance bodies, and persistently improve the corporate governance mechanism that is legally defined, transparent, coordinated, and effectively balanced. The Company will comprehensively refine the management of the meeting process, focusing on the communication with external directors, and optimizing the efficiency of the operation of the board of directors.

VI. STRENGTHENING THE RESPONSIBILITY OF THE ‘KEY MINORITIES’

The Company maintains close communication with its actual controller, the controlling shareholders, shareholders holding more than 5%, directors and supervisors of the Company and others in order to convey regulatory requirements in a timely manner. The Company organizes the participation of its directors, supervisors, and senior management in trainings hosted by the SASAC, securities regulatory authorities, and listed company associations to study and understand important policy documents and meeting spirits of the Central Committee of the Communist Party of China and the State Council, grasp new regulatory requirements and corporate governance demands, and continuously improve policy comprehension, strategic insight, risk identification, and scientific decision-making abilities.

In 2024, the Company will continue to enhance the sense of the responsibility among the “Key Minorities” and work together to promote their diligence. The Company will organize its directors, supervisors, and senior management to participate in work meetings, training courses, and other activities organized by regulatory authorities and professional associations in strict accordance with regulatory requirements and actual needs, enhancing the “Key Minorities” understanding of capital market laws and regulations, and professional business knowledge, and continuously improving self-discipline awareness to promote high-quality development of the listed company.

The Company will continue to evaluate the specific measures of the Action Plan and fulfil its information disclosure obligations in a timely manner. Investors should be aware that the forward-looking statements included in the Action Plan in relation to future plans and development strategies, among others, do not constitute any substantive commitment to investors by the Company, and investors shall pay attention to the investment risks.