POWER SOLUTIONS INTERNATIONAL, INC.

RELATED PARTY TRANSACTIONS POLICY

Updated on October 15, 2026

Effective as of December 15, 2020

A. Policy Statement

The Board of Directors (the Board) of Power Solutions International, Inc. (including its subsidiaries, the Company) recognizes that Related Party Transactions (as defined below) may raise questions as to whether those transactions are consistent with the best interests of the Company and its stockholders. It is the Company's policy to enter into or ratify Related Party Transactions only when the Board, acting through the Audit Committee (the Committee) of the Board, or as otherwise described herein) determines that the Related Party Transaction in question is (1) in, or not inconsistent with, the best interests of the Company and its stockholders, (2) consistent with applicable legal and regulatory requirements, and (3) compliant with the safe harbor provisions of Section 144 of the Delaware General Corporation Law ("DGCL"), as applicable. Accordingly, upon the approval of the Board, the Company has adopted the procedures set forth below for the review, approval, and ratification of Related Party Transactions. The Company is also subject to the ethics and compliance requirements of the regulations of the Securities and Exchange Commission and, as applicable, stock exchange listing requirements. The Board will review this policy from time to time and may make changes to the policy as it deems appropriate.

B. Definitions

Related Party Transaction:

For purposes of this policy, a "Related Party Transaction" is a transaction, arrangement or relationship (or any series of similar transactions, arrangements or relationships), (including any indebtedness or guarantee of indebtedness), in which, the Company (including any of its subsidiaries) was, is or will be a participant, and in which any Related Party (as defined below) had, has, or will have a direct or indirect Material Interest (as defined below).

Related Party:

For purposes of this policy, a "Related Party" means:

a. Any person who is, or at any time since the beginning of the Company's last fiscal year was, a director or executive officer of the Company or a nominee to become a director of the Company;

b. Any person, entity, affiliate or corporation who is known to be the beneficial owner of more than 5% of any class of the Company's voting securities;

c. Any Immediate Family Member (as defined below); and

d. Any firm, corporation, or entity in which any of the foregoing persons is employed or is a general partner or principal or in a similar position, or in which such person, together with all other Related Parties, have in the aggregate a 10% or greater beneficial ownership interest.

Disinterested Stockholder:

For purposes of this policy, a "Disinterested Stockholder" means any stockholder that (a) does not have a material interest in the Related Party Transaction at issue or (b) does not have a material relationship with the Controlling Stockholder or other member of a control group or any other person that has a material interest in the Related Party Transaction.

Disinterested Director:

For purposes of this policy, a "Disinterested Director" means a director who (a) is not a party to the Related Party Transaction, (b) does not have a material interest in the Related Party Transaction, and (c) does not have a material relationship with a person that has a material interest in the Related Party Transaction. A director who is considered independent under applicable securities rules shall be presumed to be a Disinterested Director. Directors appointed by or affiliated with a Controlling Stockholder shall not be considered Disinterested Directors with respect to transactions in which such Controlling Stockholder has a material interest.

Controlling Stockholder:

For purposes of this policy, a "Controlling Stockholder" means any person that, together with such person's affiliates and associates, (a) owns or controls a majority of the voting power of the Company, (b) has the right, by contract or otherwise, to cause the election of a majority of the members of the Board (or directors who hold a majority of the voting power of the Board), or (c) has the functional power of a majority stockholder through ownership or control of at least one-third of the voting power of the Company. Weichai America ("Weichai") and its affiliates shall be presumed to be a Controlling Stockholder for purposes of this policy.

Immediate Family Member:

For the purposes of this policy, an "Immediate Family Member" means any:

- Child
- Stepchild
- Parent
- Step-parent
- Spouse
- Sibling
- Mother-in-law
- Father-in-law
- Son-in-law
- Daughter-in-law
- Brother-in-law or sister-in-law
- Any person (other than a tenant or an employee) sharing the household of such person.

Conflicted Controlling Stockholder Transaction

For purposes of this policy, a "Conflicted Controlling Stockholder Transaction" means any Related Party Transaction in which a Controlling Stockholder has a Material Interest.

Go-Private Transaction

For the purposes of this policy, a "Go-Private Transaction" means a transaction that constitutes a "Rule 13e-3 transaction" as defined in Rule 13e-3 promulgated under the Securities Exchange Act of 1934, as amended.

Material Interest:

For the purposes of this policy, a "Material Interest" means a direct or indirect interest in the act or transaction at issue that is material to the person holding such interest. A person shall be deemed to have a Material Interest if such person receives a material financial benefit from the transaction that is not shared pro rata with the other stockholders of the Company, or if such person has a material pecuniary interest in the transaction that differs from the interests of the stockholders generally.

Special Committee:

For the purposes of this policy, the "Special Committee" means a committee of the Board consisting of at least two (2) Disinterested Directors, established for the purpose of reviewing and approving Conflicted Controlling Stockholder Transactions or other Related Party Transactions as provided herein. The Board shall determine, prior to any such committee's consideration of a transaction, that all members of such committee are Disinterested Directors with respect to the transaction at issue.

Weichai Transactions:

For the purposes of this policy, "Weichai Transactions" means transactions with Weichai and related affiliates. For the purposes of this policy, Weichai Transactions will be considered Conflicted Controlling Stockholder Transactions.

Standing Weichai Conflicts Committee:

For the purposes of this policy, the "Standing Weichai Conflicts Committee" means a Special Committee established for the purpose of reviewing and approving Weichai Transactions as provided herein. The Standing Weichai Conflicts Committee shall consist of at least two directors who are Disinterested Directors with respect to Weichai. The Standing Weichai Conflicts Committee shall not include any director who (i) was appointed or nominated to the Board by Weichai or any of its affiliates, (ii) is an employee, officer, or director of Weichai or any of its affiliates, or (iii) otherwise has a material relationship with Weichai or any of its affiliates that would cause such director not to be a Disinterested Director with respect to the transaction. The Board can remove or add directors to the Standing Weichai Conflicts Committee by a majority vote of the Board. The initial Standing Weichai Conflicts Committee shall consist of: Frank Simpkins, Simon He and Courtney Shea.

C. Identification of Related Party Transactions

1. **Disclosure of Material Facts by Interested Parties.** Any director, officer, or stockholder who has an actual, potential, or perceived interest in a proposed or potential transaction shall disclose to the Board or the applicable committee all material facts concerning (a) the nature and extent of such person's interest in the transaction, (b) any financial benefit such person expects to receive from the transaction, (c) any relationship such person has with any other party to the transaction, and (d) any other information that would be material to the Board's or committee's evaluation of the transaction or the disinterestedness of any

director. Such disclosure shall be made prior to the Board's or committee's consideration of the transaction and shall be reflected in the minutes of the applicable meeting.

2. **Identification Of Whether a Potential Transaction Is a Related Party Transaction.** After the disclosure of the actual, potential, or perceived interest by a director, officer, or stockholder in a potential transaction, or the identification of an actual, potential, or perceived interest by the Company's General Counsel, outside counsel, or any member of the board of directors, of a director, officer, or stockholder in a potential transaction the Board shall determine whether the potential transaction constitutes a Related Party Transaction. The Board shall follow the following procedures:

   a. After any discussion between the Board and any interested or potentially interested person regarding their actual or potential interest in the transaction, unless the interested person is a director, the interested person shall leave the Board meeting while the Board discusses and determines whether the transaction is a Related Party Transaction;
   b. The Board shall determine whether a new Special Committee should be formed to consider the transaction, or whether the Standing Weichai Conflicts Committee should consider the transaction, pursuant to the procedures below; and
   c. The Board shall consult the General Counsel and outside counsel as appropriate.

D. Approval Policy

Any Related Party Transaction that is identified as such, prior to the consummation thereof or amendment thereto, shall be consummated or amended only if the following steps are taken:

1. **Non-Go-Private Related Party Transactions**. Any Related Party Transaction that is not a Go-Private Transaction shall be reviewed and approved in accordance with the following procedures:

   a. **Special Committee Approval**. Any Conflicted Controlling Stockholder Transaction that is not a Go-Private Transaction shall be submitted to a Special Committee for consideration and final approval. Such approval requires a majority of the Disinterested Directors serving on the Special Committee established to review the transaction. Prior to approving a transaction, the Special Committee shall (1) take steps to be informed of all material facts concerning the transaction and any conflicts of interest held by any director, officer, or the Controlling Stockholder with respect thereto and (2) determine whether the transaction is in the best interest of the Company and its stockholders.

   b. **Disinterested Stockholder Approval**. Notwithstanding Section D(1)(a), in the event that there are not two or more Disinterested Directors with respect to a Controlling Stockholder Transaction, or in the event that the Board or Special Committee determines that it is in the best interests of the Company, a Controlling Stockholder Transaction may be submitted for approval to the Company's stockholders, provided that: (1) the Board or Special Committee has conditioned submission of the transaction to stockholders on approval by a majority of shares held by Disinterested Stockholders; (2) the proxy statement or other disclosure document provided to stockholders discloses all material facts concerning the transaction and any conflicts of interest; and (3) all other conditions under Section 144 of the DGCL are followed.

2. **Non-Go Private Weichai Transactions**. Any Related Party Transaction that constitutes a Weichai Transaction and is not a Go-Private Transaction shall be reviewed and approved in accordance with the procedures in Section D(1), except the Special Committee that reviews and approves the transaction will be the Standing Weichai Conflicts Committee. Furthermore, the Standing Weichai

Conflicts Committee shall also consider, and approve (consistent with the fiduciary duties of the Disinterested Directors in the Standing Weichai Conflicts Committee and procedures outlined herein) the following:

a. Once annually, the full year forecast of Weichai and related affiliate programs, consolidated as heavy-duty engines, Weichai America programs, components, and affiliate programs (collectively defined as "Weichai Programs").
b. As needed, any increase of 10% over the forecasted annual amounts in the programs listed in a. above.
c. Any significant change in terms such as payment or warranty terms or other significant changes in terms (see "nonstandard pricing terms" in the Delegation of Authority for potential examples) of previously approved Weichai Programs.
d. Any new Weichai Programs or transactions not included above, regardless of amount.

3. **Go-Private Related Party Transactions**. Any other Related Party Transaction that is a Go-Private Transaction shall be reviewed and approved by a Special Committee and conditioned on the approval of a majority of disinterested stockholders pursuant to the following procedures:
   a. **Special Committee Approval**. Such approval requires a majority of the Disinterested Directors serving on the Special Committee established to review the transaction. Prior to approving a transaction, the Special Committee shall (1) take steps to be informed of all material facts concerning the transaction and any conflicts of interest held by any director, officer, or the Controlling Stockholder with respect thereto and (2) determine whether the transaction is in the best interest of the Company and its stockholders.
   b. **Disinterested Stockholder Approval**. Such approval requires that (1) the Board or Special Committee has conditioned submission of the transaction to stockholders on approval by a majority of shares held by Disinterested Stockholders; (2) the proxy statement or other disclosure document provided to stockholders discloses all material facts concerning the transaction and any conflicts of interest; and (3) all other conditions under Section 144 of the DGCL are followed.

4. All Related Party Transactions. The following shall apply to the consideration and approval of all Related Party Transactions:

   a. For all Related Party Transactions, prior to entering into any such transaction, the function/department leader responsible for the potential transaction shall provide notice to the Special Committee considering the transaction of the facts and circumstances of the proposed transaction, including:

      (i) the Related Party's relationship to the Company and interest in the transaction;
      (ii) the material terms of the proposed transaction, including the proposed aggregate value of such transaction or, in the case of indebtedness, the amount of principal that would be involved;
      (iii) the benefits to the Company of the proposed transaction;
      (iv) if applicable, the availability of other sources of comparable products or services;
      (v) an assessment of whether the proposed transaction is on terms that are comparable to the terms available to an unrelated third party or to employees generally; and
      (vi) any other information regarding the Related Party Transaction or Related Party that would be material to investors in light of the circumstances of the potential transaction.

   b. The Special Committee shall also consult with outside counsel as the Special Committee deems necessary and/or appropriate, prior to approving any Related Party Transaction. The Special Committee may appoint separate legal counsel to advise on the Related Party

Transaction and related issues.

c. No individual should participate in any review or consideration of a Related Party Transaction if such person or any of his or her Immediate Family Members is the Related Party in such transaction.

d. The Special Committee shall approve only those Related Party Transactions that are in, or are not inconsistent with, the best interests of the Company and its stockholders, and that are fair to the corporation and its stockholders, as the Special Committee determines in good faith.

e. All material facts concerning the Related Party Transaction, including any conflicts of interest, must be disclosed to or known by the entire Board prior to approval.

f. All Related Party Transactions reviewed or approved by the Special Committee shall be documented and evidenced by the minutes of such meeting(s).

g. The Special Committee shall timely advise the Board of all Related Party Transactions, if any, approved or ratified by the Committee.

h. When seeking Disinterested Stockholder approval for any Related Party Transaction, such approval shall be obtained through an informed and uncoerced vote of the Disinterested Stockholders. The Company shall provide full and fair disclosure of all material facts concerning the transaction to all stockholders entitled to vote.

i. Any director who serves as a director or officer for two or more corporations (a "Dual Fiduciary") shall recuse himself or herself from any discussions, consideration, and decision-making with respect to a Related Party Transaction if such director has confidential information from another entity that may be relevant to the transaction or if such director has a perceived, potential, or actual conflict of interest with respect to the transaction. Such director shall disclose to the Board or relevant committee the existence of any such conflict prior to recusal. A Dual Fiduciary should not participate in any aspect of planning or negotiating a Related Party Transaction that gives rise to a conflict of interest.

5. **Ratification**. If the Company enters into a transaction that (i) the Company was not aware constituted a Related Party Transaction at the time it was entered into but which it subsequently determines is a Related Party Transaction or (ii) did not constitute a Related Party Transaction at the time such transaction was entered into but thereafter becomes a Related Party Transaction, then in either such case the Related Party Transaction shall be presented for ratification in the manner set forth above.

E. Other Procedures

Monitoring and Annual Review of Ongoing Transactions:

Annually, the Committee shall review any previously approved Related Party Transaction that remains ongoing with a total amount payable to, or receivable from, the Company if not subject to the approval in Sections D(1) and D(2). Based on all relevant facts and circumstances, taking into consideration the Company's contractual obligations, the Committee shall determine if it is in the best interests of the Company and its stockholders to continue, modify or terminate each such transaction.

Identification of Related Parties:

PSI Legal will maintain a listing of identified Related Parties. This listing will be updated based on the following procedures designed to identify Related Parties and associated transactions:

1. Periodically, but no less than annually, the Company's Corporate Controller shall conduct the following procedures:

    a) Review any amounts paid or payable to, or received or receivable from, any previously identified Related Parties. Legal will compare these transactions to those already approved by the Audit Committee
    b) Review a listing of payments made through Accounts Payable to identify any potential Related Parties not previously identified, including family members of PSI employees.
    c) Review a listing of all current and new customers to identify potential Related Parties not already identified.
    d) Before the Company enters into a transaction, confirm with Weichai whether the counterparty is Weichai or one of its related affiliates, to ensure that all Weichai Transactions are identified.

    The Corporate Controller will provide all potential new Related Parties from the analysis in b – d. above to the General Counsel for review.

2. On an annual basis, as requested by the Company's General Counsel, each director, and executive officer shall disclose in writing to the Company information regarding his or her Related Parties and each charitable or non-profit organization for which the director or executive officer (or any of his or her Related Parties) is actively involved in fundraising or otherwise serves as a director, trustee, or in a similar capacity.

    Any person who is appointed as a director or an executive officer shall comply with such a request for information prior to such person's appointment as a director or executive officer, except in the case of an executive officer where, due to the circumstances, it is not practicable to submit the information in advance, in which case the information shall be submitted as soon as reasonably practicable following the appointment.

    Directors and executive officers are expected to notify the Company's General Counsel of any material updates to the information they provided regarding their Related Parties and the charitable or non-profit organizations with which they and their Related Parties are involved.

If the General Counsel becomes aware of a Related Party Transaction that has not been previously approved, whether as a result of such reviews above or otherwise, such Related Party Transaction will be submitted for ratification in accordance with the procedures described herein, and the Special Committee will determine the appropriate steps to take with regards to the transaction and any potential disciplinary action against the persons involved.

Dissemination of Related Party Information:

The Company's General Counsel shall (i) ensure that information regarding Related Parties is collected as described above in the section labeled "*Identification of Related Parties*," and (ii) distribute the

information (and the periodic updates thereof) to applicable personnel as described further above.

Charitable Contributions:

Proposed charitable contributions or pledges of charitable contributions by the Company to a charitable or non-profit organization identified on the roster of Related Parties shall be subject to prior review and approval by a Special Committee.

Disclosure:

All Related Party Transactions that are required to be disclosed in the Company's filings with the Securities and Exchange Commission, as required by the Securities Act of 1933 and the Securities Exchange Act of 1934 and related rules and regulations, shall be so disclosed in accordance with such laws, rules and regulations, including without limitation, Item 404 of Regulation S-K.

The material features of this policy shall be disclosed in the Company's proxy statement for its annual meeting of stockholders.