POWER SOLUTIONS INTERNATIONAL, INC.

RELATED PARTY TRANSACTIONS POLICY

Updated on August 3, 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 and (2) consistent with applicable legal and regulatory requirements. Accordingly, upon the approval of the Committee, 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 Committee will review this policy from time to time and may recommend to the Board 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 interest. Related Party Transactions do not include those transactions listed on Annex A attached hereto.

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.

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.

C. 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. Related Party Transactions with Weichai and related affiliates (collectively defined as "Weichai Transactions"). Related Party Transactions with Weichai will be submitted to the Audit Committee (after approval per the Delegation of Authority) for approval as follows:

    a. Once annually, submit 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, submit 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 programs.
    d. Any new Weichai programs or transactions not included above, regardless of amount.

2. Other Related Party (Non Weichai) Transactions. Any Related Party Transaction where the amount involved is less than $25,000, may be approved by the Chair of the Committee (the "Committee Chair") (or, in the case of a Related Party Transaction involving the Committee Chair, by another independent member of the Committee designated by the Committee), after consultation with the Company's General Counsel. If so approved, the Committee Chair (or such designated member, as applicable) shall report the material terms of the transaction to the Committee at its next meeting. Any Related Party Transaction where the amount involved is in excess of $25,000 shall be submitted to the Committee for consideration at its next Committee meeting, or if it deems it advisable, prior thereto at an interim meeting called for such purpose.

3. For all Related Party Transactions, prior to entering into any such transaction, (a) the Related Party, (b) the director, executive officer, nominee or beneficial owner who is an Immediate Family Member of the Related Party, or (c) the function/department leader responsible for the potential transaction shall provide notice to the General Counsel (or, in the case of a Related Party

Transaction involving the General Counsel, the Committee Chair) 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.

4. The Committee Chair (or such designated independent member of the Committee, as applicable) or the Committee, as the case may be (such party, the "Approving Party"), shall consider all of the relevant facts and circumstances available (as outlined above), as well as, but not limited to, the impact on a director's independence, if applicable.

The Approving Party shall also consult with outside counsel as the Approving Party deems necessary and/or appropriate, prior to approving any Related Party Transaction. 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. The Approving Party shall approve only those Related Party Transactions that are in, or are not inconsistent with, the best interests of the Company and its stockholders, as the Approving Party determines in good faith.

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

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

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. If such Related Party Transaction is not ratified by the Committee, then the Company shall take all reasonable actions to attempt to terminate the Company's participation in the transaction.

D. 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, including Weichai Transactions approved under Section C 1. 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) Provide a listing of all current customers to Weichai / Weichai America management for review to ensure that any and all Weichai Related Parties 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 review in accordance with the procedures described herein, and the Approving Party 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 the 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.

Annex A

Related Party Transactions do not include:

a. Transactions involving compensation of executive officers of the Company if:

   i. the compensation is required to be reported by the Company under Item 402 of Regulation S-K and has been approved by the Board; or

   ii. the executive officer is not an Immediate Family Member of another executive officer or director of the Company, the related compensation would be reported by the Company under Item 402 of Regulation S-K if the executive officer was a "named executive officer" (as such term is defined in Item 402(a)(3) of Regulation S-K), and the compensation has been approved by the Board.

b. Transactions involving compensation of directors for service on the Board, or committees thereof, that have been approved by the Board;

c. Compensation or other transactions available on the same basis to all employees of the Company generally, or to all salaried employees of the Company generally;

d. Transactions in which the interest of the Related Party arises solely from the ownership of a class of the Company's securities and all holders of that class receive the same benefit on a pro rata basis, including interests in securities created or otherwise granted pursuant to and in accordance with a Company incentive compensation plan;

e. Transactions with another company at which a Related Party's only relationship is as (i) an employee (other than an executive officer) or director, (ii) a beneficial owner of less than 10%, together with his or her Immediate Family Members, of that company's outstanding equity, or (iii) in the case of partnerships, a limited partner, if the limited partner, together with his or her Immediate Family Members, has an interest of less than 10% and the limited partner does not hold another position in the partnership;

f. Transactions involving a Related Party where the rates or charges involved are determined by competitive bids;

g. Transactions with a Related Party involving the rendering of services as a common or contract carrier, or public utility, at rates or charges fixed in conformity with law or governmental authority; or

h. Transactions with a Related Party involving services as a bank depositary of funds, transfer agent, registrar, trustee under a trust indenture, or similar services.