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**REVIEWED AND ACCEPTED BY THE BOARD OF DIRECTORS ON NOVEMBER 3<sup>RD</sup>, 2023**

## 1.0 PURPOSE

Westport Fuel Systems Inc., its subsidiaries and affiliates (“Westport”) is committed to operating in an environmentally sustainable manner, by taking tangible steps to minimize and/or eliminate the impact of its activities on the environment, striving for continual improvement in reducing its carbon footprint, and promoting a culture of environmental responsibility throughout the organization.

This environmental policy (“Policy”) states Westport’s commitment to integrating its environmental objectives into its business practices and relations with various stakeholder groups, through identification, assessment and management of environmental factors, with a focus on both, risks and opportunities.

## 2.0 SCOPE

This Policy applies to corporate entities in which Westport has a controlling ownership interest or management responsibility and to all their directors, employees and relevant stakeholders worldwide. If Westport does not have a controlling ownership interest or management responsibility, Westport will take reasonable steps to ensure that associated entities comply with this Policy.

This Policy establishes a commitment to promoting sustainable practices throughout Westport’s operations. It addresses a broad range of environmental issues including climate change, pollution, resource use, and circular economy.

## 3.0 OUR ENVIRONMENTAL POLICY AND COMMITMENTS

Westport recognizes the importance of identifying and assessing the possible impacts of its activities, products and services on the environment. Westport is aware of the need for a process of continuous improvement through initiatives and projects aimed at minimizing the environmental footprint of organizational activities, including the activities of its suppliers, customers and other stakeholders. Westport commits to:

- Ensuring compliance with all applicable environmental laws and regulations, including international conventions and the laws, regulations and standards within the jurisdictions in which it operates.
- Implementing voluntary standards which go beyond legal requirements including utilization of UNI EN ISO 14001 certified environmental management systems and environmental disclosures in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures and the Greenhouse Gas (GHG) Protocol.
- Considering sustainability criteria in choosing suppliers and partners. Assessing products and services on the basis of their entire life cycle, and periodically conducting compliance checks throughout the entire life cycle through “ESG scoring”.

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- Continual identification and assessment of environmental risks throughout its supply chain. In close collaboration with its direct suppliers and other business partners, Westport will adopt appropriate corrective actions and improvement plans to reduce the environmental impact of purchased products and services as part of its production processes.
  - Managing the waste generated through its activities by working towards reducing its product scrap and returns rate, in order to reduce both economic and environmental impact.
  - Effectively train, communicate and demonstrate to employees the social and economic value of environmental sustainability, including education on the initiatives and actions required to embed these principles into organizational practices and activities.
  - Using resources including energy, water and raw materials responsibly with the aim of achieving sustainable growth that respects the environment and the rights of future generations.
  - Future research and development investments to improve the environmental performance of its products and their reduction of emissions, with particular consideration to the selection of materials, technical design and end of life.
  - Prioritizing the reduction of energy consumption across diverse sources to mitigate environmental impact. Where feasible, prioritizing the use of green energy sources with a focus on increasing the percentage of renewable sources.
  - Adoption of measures to prevent environmental accidents and adequate responses in accordance with applicable standards and regulations.
  - Systematically collecting and monitoring ESG data.
  - Considering environmental sustainability criteria as part of the assessment of possible mergers and acquisitions.
  - Transparent and systematic communication of material information about its environmental performance to stakeholders, verified by external and independent subjects (for example, CDP scoring, EcoVadis sustainability rating).

## 4.0 CONTINUOUS IMPROVEMENT

Westport embraces the challenges of climate change and is keenly aware of its global responsibility for the environmental and societal impact of its activities and products. It is committed to continuously improving its environmental footprint and addressing environmental challenges throughout all life cycle stages of its production, while remaining competitive.

The Westport Fuel Systems Inc. Board of Directors (“BoD”) take their responsibilities as environmental stewards seriously and are dedicated to providing strong leadership in support of Westport’s environmental strategy.

The Westport ESG steering committee tracks BoD approved goals and oversees the adequacy of management systems to: identify and manage environmental risks and opportunities; adopt appropriate environmental standards; track, monitor and disclose Westport’s environmental performance; oversee climate-related responsibilities; and incorporate environmental considerations into business development strategies.

Westport continuously improves its ESG reporting scope and data collection processes to increase accountability and improve environmental performance.

## 5.0 POLICY ENFORCEMENT

For any questions about this Policy, please contact Westport Compliance at [compliance@westport.com](mailto:compliance@westport.com).

Violations or suspected violations of this Policy must be promptly reported:

1. To the Compliance Department:

**By Email:** [compliance@westport.com](mailto:compliance@westport.com)

2. Or through the Ethics/Whistleblower Hotline:

**By Telephone: Ethics Hotline:** +1(855) 227-0663 (Canada) / +1(800)-786907 (Italy)

**Online:** [westport.ethicspoint.com](https://westport.ethicspoint.com)

Failure to observe this reporting requirement is a violation of the Policy and, as in the case of any other breach of this Policy, can result in disciplinary action up to and including termination of employment.

## 6.0 RELATED POLICIES

The following Westport policies are linked to and support the principles set out in this Policy:

- Code of Conduct
- Human Rights Policy
- Purchasing Policy