

DOUBLESTAR

Qingdao Doublestar Co., Ltd.

**Sustainability and
Environmental, Social and
Governance (ESG) Report
2025**



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About This Report

The 2025 Sustainable Development and Environmental, Social and Governance (ESG) Report (hereinafter “this Report”) is the standalone ESG report published by Qingdao Doublestar Co., Ltd. (hereinafter “Doublestar”, “the company” or “we”) disclosing information related to sustainability and Environmental, Social, and Governance (ESG) matters.

Guided by the core principles of objectivity, standardization and transparency, this report discloses the core concepts, governance structure, strategic planning and practical performance of the company and its subsidiaries in relation to ESG.

The preparation and issuance of this report represent the company’s commitment to sustainable development and fulfillment of information disclosure obligations as a listed company, as well as a self-review and summary for continuously improving the ESG management system and enhancing sustainable development capabilities.



Scope of the Report

The disclosure scope of this report covers Qingdao Doublestar Co., Ltd. and its subsidiaries, consistent with the scope of the consolidated financial statements of Doublestar (Stock Code: SZ.000599) for the same period.



Reporting Period

The reporting period covered by this report is from January 1, 2025 to December 31, 2025. This report is issued on an annual basis, aligned with the company’s financial reporting cycle. Unless otherwise specified, all data in this report are statistics for the aforementioned period.



Statement on Information and Data

The data, cases and relevant information presented in this report are derived from the company’s official documents, annual statistical reports and valid records generated during daily operations, and contain no false records, misleading statements or material omissions.

The Board of Directors of the Company has reviewed and approved the content of this Report, and is responsible for the authenticity, accuracy and completeness of the information contained herein.

All monetary amounts in this Report are denominated in Renminbi (RMB).



Basis for Preparation

This report is prepared in accordance with the relevant requirements of Chapter VII “Other Material Events to Be Disclosed” of the Listing Rules of the Shenzhen Stock Exchange and mainly based on the Self-Regulatory Guidelines for Listed Companies on the Shenzhen Stock Exchange No.3 – Preparation of Sustainable Development Reports and the Self-Regulatory Guidelines for Listed Companies on the Shenzhen Stock Exchange No. 17 – Sustainable Development Reports.

In addition, this report has extensively referred to authoritative domestic and international standards, including the Global Reporting Initiative (GRI) Standards, the United Nations Sustainable Development Goals (UN SDGs), the IFRS Foundation’s International Financial Reporting Standards Sustainability Disclosure Standard 2 – Climate-related Disclosures (IFRS S2) and the Ministry of Finance of the People’s Republic of China’s Corporate Sustainability Disclosure Standards – Basic Standards (for Trial Implementation). Combined with industry-specific requirements such as the climate-related disclosure guidelines for the auto parts industry, this report defines disclosure content, fully responds to the expectations and demands of stakeholders and highlights the characteristics of industry development and the company’s operational advantages.



Access to the Report and Contact Information

This report is available in both Chinese and English versions. The electronic version can be viewed and downloaded via the company’s official website: www.doublestar.com.cn. In the event of any subtle discrepancies between the Chinese and English versions, the Chinese version shall prevail.

Should you have any inquiries or comments regarding this Report, please contact us via:

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Message from the Chairman

Driving the Wheel of the Times to Chart a Sustainable Future

As the global industrial landscape is reshaped by climate change and technological revolution, and as “carbon neutrality” evolves from a forward-looking vision into a mandatory imperative for every production line and every product, we stand at the tipping point of an era. This is no longer a choice of whether to pursue sustainable development, but a question of how fast, how deeply and with what sense of responsibility we can become active practitioners of this transformation.

2025 was a year defined by strategic refinement and enhanced organizational resilience. It marked the advancement of our “Third Undertaking” – Doublestar’s long-term initiative to build a world-class enterprise. Guided by our “New Four Strategies”, we also turned sustainability from a blueprint into tangible results, strengthened reputation and enhanced competitiveness throughout the year.

This year, we also navigated significant headwinds in our business operations: intensifying market competition, emerging international trade barriers and fluctuations in raw material costs. Yet we firmly believe that true resilience lies not in avoiding storms, but in recalibrating course against the wind; great enterprises anchor themselves in responsibility.

This year, we redefined industrial logic with “Green Intelligent Manufacturing”, endowing production with human-centric warmth.

We go beyond building green smart factories to foster an eco-friendly ecosystem. Our pioneering global tire industry “Industry 4.0” smart factory and AI digital twin platform, established years ago, continue to evolve, simultaneously improving production efficiency and carbon efficiency. Photovoltaic power has been deployed at our Dongjiakou and Shiyan bases. By 2025, clean energy has become our indispensable “new raw material”. What fills us with even greater pride is that while the industry still debates circular economy pathways, we have established a fully closed-loop chain from waste tire recovery to high-value utilization of recycled resources, giving new life to every inch of raw material. Our certification as China’s first ISO 26000 Social Responsibility Management System is not an endpoint, but the starting point for managing every environmental impact.

This year, we responded to the call of our times with “innovation to break through dilemmas”, empowering technology to carry our mission.

The core of new quality productive forces lies in enhancing the quality of development through scientific and technological innovation. We have deeply cultivated the “Rare Earth Gold” ultra-wear-resistant tire technology, delivering longer driving range and slower wear. The sustainable concept tires we launched are made of over 80% renewable and recycled materials - this is not only a product iteration, but a declaration of values. In 2025, we were listed on the Fortune China ESG Impact List, continuously consolidating our brand reputation, and were selected as one of the first batch of high-grade enterprises for quality management capability by the Ministry of Industry and Information Technology. Behind these recognitions lie relentless efforts reflected in nearly 100 newly granted patents, active engagement in formulating 12 industry standards, and the unremitting pursuit of the integration of “aesthetics, functionality and sustainability” behind the Red Dot Award and International Design Excellence Awards.

This year, we harnessed the power of “human-centered symbiosis” empowering the organization to convey compassion.

We firmly believe that the ultimate key to sustainable development lies in every employee’s sense of respect, empowerment and well-being. Centered on career growth, we have established three promotion pathways for management, professional and skilled roles, securing clear upward development opportunities for all staff. With capability empowerment as the core, we have built a training system for “digital artisans”, enabling frontline employees to grow side by side with intelligent production lines. Rooted in heartfelt care, we offer all-round support ranging from hardship assistance and children’s education grants to festival benefits and comprehensive health protection. Doublestar is not merely a manufacturing facility, but a warm home for all.

This year, we extended our responsibility boundary through “Ecosystem co-creation”, making value run through the entire chain.

Sustainable development is never a solitary endeavor. We embedded green procurement principles into supplier lifecycle management, achieving comprehensive carbon management training for core suppliers. We steadily advanced our strategic integration with Kumho Tire, fostering continuous synergy in technology, markets and green standards. With the full commissioning of our Cambodia base, we have proactively deployed high-end overseas green production capacity. Through in-depth localization practices, we showcase China’s tire industry’s low-carbon globalization and ecological cooperation credentials along the Belt and Road Initiative.

Looking ahead, we proceed with humility and determination.

We will continue scaling the “Everest” of materials science, making bio-based and recycled materials the green core of tires. We will root ourselves in global markets, making “Doublestar Tires” synonymous with safety, low carbon, and trustworthiness. We will fortify internal risk control and governance, making transparency and compliance the strongest backbone of our enterprise. We will embrace win-win cooperation outwardly, building a zero-carbon supply chain ecosystem with partners.



Chai Yongsen

Qingdao Doublestar Co., Ltd.

Chairman

Tires bear not only vehicles' weight but also the aspiration of an era toward sustainability.

Qingdao Doublestar aspires to be such a “wheel of the times”: with innovation as its tread pattern and responsibility as its tire pressure. With every rotation, we reduce friction on Earth and extend the range of our future.

On the journey ahead, let us join hands, forge ahead with the times, and jointly chart a brilliant sustainable future.

About Doublestar

Company Overview

Qingdao Doublestar Co., Ltd. (Stock Code: 000599.SZ) is a state-owned holding company listed on the main board of the Shenzhen Stock Exchange. Founded in 1921, the company has accumulated a century of industrial development heritage, achieving steady growth through industry evolution and industrial upgrading.

In 2008, we completed the transformation and upgrading of our core business based on long-term development strategy, fully transitioning from the traditional footwear and apparel industry to the tire industry. In 2014, we embarked on a new journey of "Fulfilling Second Undertaking, Creating A World Famous Brand". In 2020, we launched a new chapter of "The Third Undertaking, Building A World-class Enterprise".

From 2022 to 2024, we were awarded the highest rank of "Pilot Enterprise" in the special assessment of the "Double Hundred Enterprises" for national state-owned enterprise reform for three consecutive years.

Core Strategy and Industrial Layout

As a benchmark and leader in intelligent manufacturing within China's tire industry, we adhere to core business of rubber tires, uphold our corporate mission and social responsibility, and are committed to "making every kilometer of travel safer and lower-carbon". We focus on the entire tire R&D, production and service industry chain, continuously empowering high-quality industrial development through technological innovation and green intelligent manufacturing and building a national tire enterprise with both industry competitiveness and social value.



Development Path

Implement the "New Four Strategies" of **ecologicalization, high-tech, localization and digitization**

Built an industrial internet ecosystem of "R&D 4.0 + Industry 4.0 + Service 4.0"

Established the industry's first full-process "Industry 4.0" intelligent factory and AI digital twin design platform for global tire manufacturing



Product System

Our product portfolio covers a diversified matrix that meets green, intelligent and scenario-based demands. We consolidate market competitiveness through core technologies and a multi-brand strategy.

Passenger car tires Truck & bus tires Engineering / specialty tires Matching tires and accessories



Global Synergy

We carry out multi-dimensional in-depth cooperation with KUMHO TIRE, achieving synergy and complementarity in technology R&D, market layout and capacity allocation, effectively integrating industry resources and enhancing the global competitiveness of Chinese tire enterprises.



Capacity Layout

We have optimized our domestic and overseas production structure and established three major production bases.



2024

In September, the Cambodia Base was officially put into operation.

2025

Annual production capacity steadily and continuously increasing

Our Business

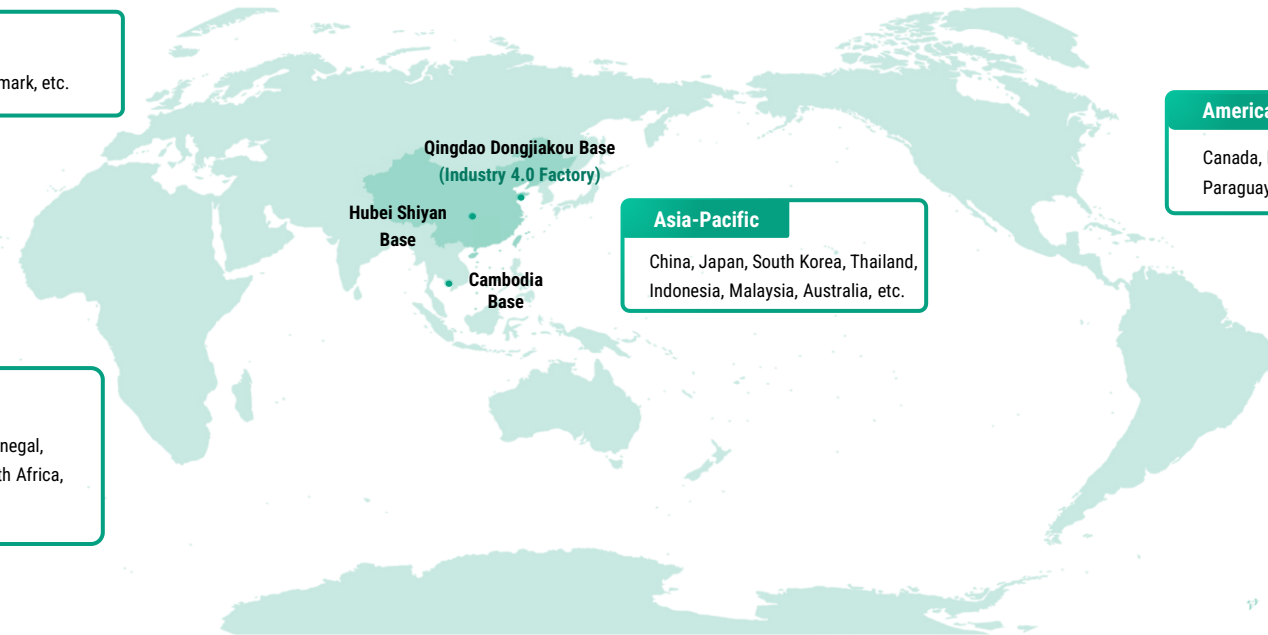


Doublestar actively expands global market, with a business network covering Asia-Pacific region, Europe, the Middle East and Africa, and the Americas.

Sales footprint extends to **180** countries and regions worldwide

Europe

United Kingdom, France, Spain, Germany, Denmark, etc.



Americas

Canada, Mexico, Peru, Brazil, Paraguay, Argentina, Chile, etc.

Asia-Pacific

China, Japan, South Korea, Thailand, Indonesia, Malaysia, Australia, etc.

Middle East and Africa

Saudi Arabia, Ghana, Ethiopia, Kenya, Nigeria, Senegal, Central African Republic, Tanzania, Uganda, South Africa, Mozambique, Namibia, Botswana, etc.



We consistently uphold innovation to enrich brand connotation and continuously enhance brand influence and value.



External Honors and Recognition

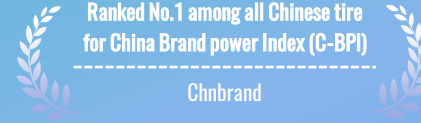
We forge ahead with determination and pioneer innovation, continuously enhancing our brand reputation and securing a series of prestigious honors that reflect our commitment to social responsibility and development value.

ESG Rating Performance //

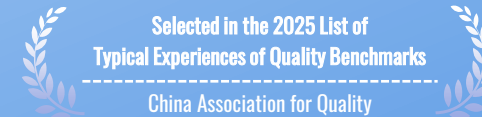


External Honors and Awards //

International Awards



Domestic Awards



Sustainable Development Performance Highlights



Our Corporate Governance

We continue to focus on the goal of high-quality development, strengthening operational improvements and innovative breakthroughs.

Operational Efficiency & Effectiveness

4,630.99 Million

2025 operating revenue

6.84%

YoY growth in annual operating revenue

8.86%

YoY growth in annual total profit

Compliance-based operations

42.67 Million

2025 total tax paid in accordance with the law

0 cases

Lawsuits or administrative penalties related to compliance and integrity in operations

Business Ethics

100 %

Employee self-discipline commitment signing rate

100 %

Coverage rate of business ethics training for employees

Information Security

0 cases

Incidents of information security breaches or customer privacy leaks



Our Employees

As of the end of reporting period, the total number of employees at Qingdao Doublestar was **5,909**, representing a year-on-year increase of **14.5%** compared to 2024.

Diversity & Inclusion

22.25%

Female employee ratio

The average employee tenure is **7.45** years, which reflects the company's strong cohesion and employee sense of belonging.

Employee Development

Average employee training hours: **67.21** hours

Training coverage rate: **100%**

Employee Care

Employee satisfaction survey participation rate: **100%**

Employee satisfaction score: **96.01** points

Occupational Health & Safety

Employee occupational health check-up coverage rate: **100%**

0 major safety accidents occurred throughout the year



Our Value Chain Contribution

Product Quality & Safety

All **3** manufacturing bases in operation have passed the **ISO9001** quality management system certification, with a certification coverage rate of **100%**.

103 quality training sessions and **289** workplace safety training sessions were conducted, both achieving a **100%** coverage rate.

0 major liability accidents related to product safety and quality occurred.

R&D and Innovation

2025 R&D investment: **178** million yuan, accounting for **3.84%** of operating revenue.

R&D personnel accounted for **15.06%** of the total.

A total of **776** authorized patents were held, with **95** new authorized patents added in 2025.

The company has been recognized as a **High-tech Enterprise**.

Customer Service

The average customer satisfaction score reached **98.93** points.

The customer satisfaction survey coverage rate was **100%**.

4 customer feedback cases were received, with a resolution rate of **100%**.

105 dealer training sessions were conducted.

Supply Chain Management

The signing of the "Integrity and Clean Commitment Letter" and "Quality Agreement" was completed with **202** suppliers, achieving a coverage rate of **100%**.

54 on-site supplier audits were implemented.

The **ISO9001** certification coverage rate for core raw material suppliers reached **100%**.



Our Environmental Contributions

Climate Change Response

Carbon emission intensity stood at **0.78** tons of CO₂ equivalent per 10,000 yuan of revenue.

Environmental Compliance and Risk Management

0 environmental incidents and **0** administrative penalties were recorded.

Energy and Resource Management

Energy consumption intensity stood at **0.20** tons of standard coal per 10,000 yuan of revenue.

Total installed photovoltaic capacity reached **35.08 MW**.

Emissions and Waste Management

Hazardous waste legal disposal rate: **100%**

Comprehensive utilization rate of general industrial solid waste: **95%**

Wastewater discharge: **529,948** tons

Exhaust gas emissions: **12,316,828,400** cubic meters

Cleantech Opportunities

Proportion of sustainable materials applied: Exceeded **80%**

Rolling resistance optimization for EV new energy tires: Improved by **5%**, achieving a rolling resistance value of **5.9** N/kN

In 2025, the production and sales of new energy vehicles increased by **29.0%** and **28.2%** year-on-year respectively.

Circular Economy

Procured 202 tons of reclaimed rubber, a year-on-year increase of **292%**.

Procured 500 tons of pyrolytic carbon black, a year-on-year increase of **27.6%**.

Total waste tires put into storage in 2025 exceeded **236,600** units.

Achieved total cost savings of over **4 million** yuan through the recycling and reuse of waste tires.

ESG

Sustainable Development Management



Implementation of Sustainable Development Concepts and Corporate Values

Qingdao Doublestar has always taken “Creating Value, Sharing Value” as its core values, and adhered to the development philosophy of “First, Openness, Innovation”. We integrate sustainable development into the core of our strategy and the entire operation process.

Guided by the “New Four Strategies” of ecologicalization, high-tech, localization and digitization, we have built a green development system covering the entire life cycle of tires. We drive industrial upgrading through scientific and technological innovation, and empower social progress through responsibility, striving to become an environmentally friendly, efficiently governed, and socially recognized sustainable development enterprise.



Strategic Guidance

Striving for the “New Four Strategies” Development Direction

We integrate ESG concepts throughout the entire process of strategic planning and execution and build a core framework for sustainable development supported by the “New Four Strategies”.

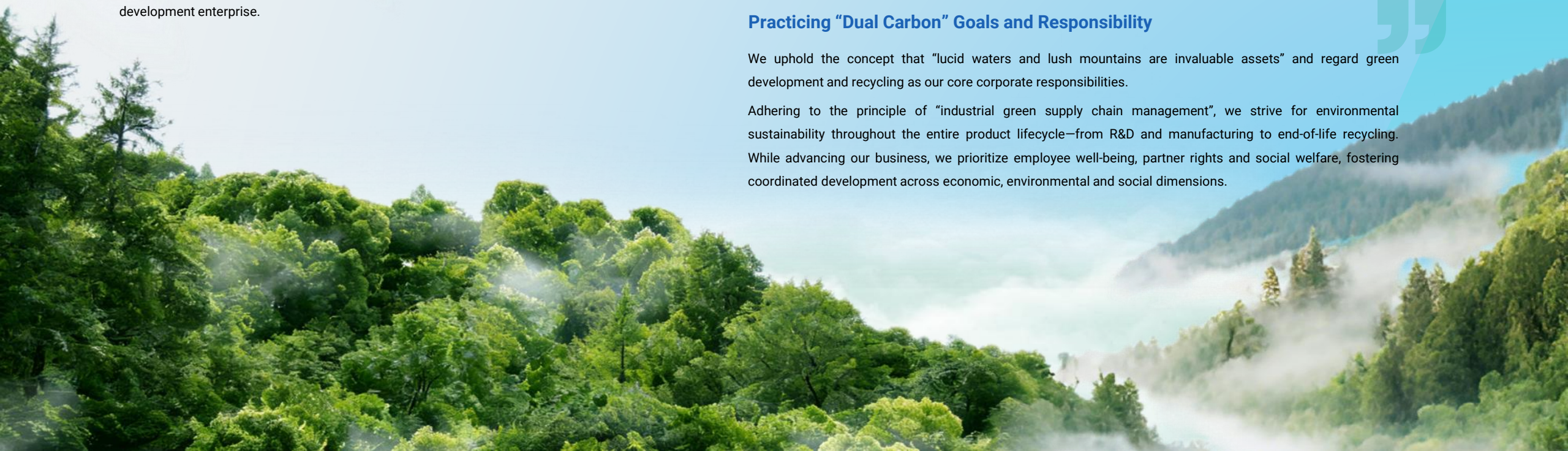
- **Ecologicalization** focuses on green and low-carbon development, constructing an in-industry ecological and social recycling system.
- **High-tech** emphasizes disruptive innovation to create differentiated competitive advantages.
- **Localization** responds to the “Belt and Road” initiative, optimizing the global production capacity layout.
- **Digitalization** promotes full-chain digital upgrading to achieve dual improvements in efficiency and value.

Value Commitment

Practicing “Dual Carbon” Goals and Responsibility

We uphold the concept that “lucid waters and lush mountains are invaluable assets” and regard green development and recycling as our core corporate responsibilities.

Adhering to the principle of “industrial green supply chain management”, we strive for environmental sustainability throughout the entire product lifecycle—from R&D and manufacturing to end-of-life recycling. While advancing our business, we prioritize employee well-being, partner rights and social welfare, fostering coordinated development across economic, environmental and social dimensions.



Sustainable Development Governance Framework

Qingdao Doublestar has established a sustainable development governance framework centered on "Board oversight, supported by specialized committees and implemented by the executive team." This framework integrates ESG management requirements into strategic decision-making, operational management and daily business activities, creating a governance system characterized by clear responsibilities, efficient coordination, and robust oversight. This structure safeguards the long-term resilience of the company's business development.

Board of Directors

The Board of Directors serves as the core leadership organization for the company's sustainable development efforts. It is responsible for coordinating decisions and oversight on major matters related to sustainability, spearheading efforts to ensure alignment between the company's overall strategy and its sustainability goals and providing top-level guidance and directional control for advancing the company's sustainable development initiatives.

Sustainable Development Committee

As a special committee under the Board of Directors, the Sustainable Development Committee is the core professional support platform for sustainable development initiatives. It reports to the Board of Directors and operates under an annual work reporting system. The Committee is responsible for formulating the company's sustainable development strategic plans, setting performance targets and objectives, conducting periodic evaluations, identifying major ESG risks and analyzing opportunities. It also oversees the review of significant ESG matters and the audit of related reports.

Sustainable Development Management Team

The team undertakes the ESG strategy formulated by the committee, combines industry practices and external expert opinions, develops the company's ESG policies and frameworks, and supervises the implementation of the objectives.

Sustainable Development Dedicated Team

The team implements the ESG strategy deployed by the management team, decomposes and assigns various work tasks to corresponding business and functional departments, tracks the progress of work, organizes cross-departmental collaboration and coordinates the implementation of ESG-related tasks.

Sustainable Development Governance Structure

Sustainable Development Operational Support Mechanisms

Institutional Guarantee

Centered on the Rules of Procedure for the Board of Directors Sustainable Development Committee, we clarify the responsibilities, operational processes and work requirements of each level in the governance structure. Adhering to relevant national laws, regulatory documents and the company's articles of association, we have established a governance foundation of "rule-based guidance, process constraints and compliance assurance", ensuring the orderly operation of sustainable development work.

ESG Risk Management

The Board of Directors is the highest responsibility and oversight body of the company's risk management system, ensuring that ESG risks are integrated into the company's risk control system, overall risk appetite and strategic planning review and that ESG issues are deeply integrated with the company's "New Four Strategies". The Sustainable Development Committee guides risk identification, assessment and strategy review.



ESG Risk normalized monitoring and Management

Led by the Management Team, we scan environments, track policies, analyze data, and communicate with stakeholders to mitigate risks and ensure controllability.



Alignment with Domestic and International Standard Systems

Guided by domestic standards and international rules, we integrate both domestic and foreign standards and best practices to improve the scientificity and global comparability of our management system. We adopt the TCFD framework for climate risk management and refer to ISO standards and SASB industry guidelines to refine our risk identification, assessment and information disclosure processes, in line with international best practices.

Operation and Incentives

The Sustainable Development Committee convenes irregular thematic meetings as needed, organizing personnel from all departments to participate, focusing on the implementation progress of the company's sustainable development strategy and the status of management, and identifying problems and formulating targeted improvement measures. For critical ESG initiatives such as carbon neutrality, we have set up dedicated task forces to drive progress. We have launched project incentive mechanisms, offering tailored rewards to teams based on milestone delivery. Safety objectives are integrated into job responsibilities, and sustainability metrics are incorporated into management performance appraisals, with results linked to senior executives' evaluations to strengthen accountability. This system effectively incentivizes, drives, and acknowledges contributions to sustainable governance.

Firm-wide ESG Training

We implement the sustainable development strategy, integrating ESG concepts into the entire talent development chain, and building a "stratified, categorized and targeted empowerment" company-wide ESG training system to promote the internalization and externalization of the green development philosophy.



Diversified ESG Training Matrix and Rich Course Reserve

A total of **1,819** internal and external ESG-related courses have been launched, forming a pattern of "high-quality courses leading and classic courses supporting".



Establishment of a Firm-wide Compulsory Training and Closed-loop Assessment Mechanism. Clear requirements are set, progress is tracked and effectiveness is verified, achieving **100%** ESG training coverage from management to frontline employees.

Sustainable Development Goals Planning and Progress | Environment

| Sustainable Development Plan | Topic & Indicator | Our Goals | Our Actions |
|--|--|--|--|
| <p>Promote Carbon Reduction</p> <p>Establish and improve the carbon footprint management system to comprehensively assess and control carbon emissions throughout the product lifecycle.</p> | <p>Addressing Climate Change</p> <p>Carbon Emission Intensity</p> | <ul style="list-style-type: none"> Short-term: By 2028, reduce carbon emission intensity by 5% compared to 2023. Medium-term: Achieve carbon peak by 2030; by 2035, reduce carbon emission intensity by 10% compared to 2023. Long-term: By 2050, reduce carbon emission intensity by more than 50% compared to 2023, and gradually move towards the goal of carbon neutrality. | <p>In 2025, our carbon emission intensity (based on operating revenue) was 0.78 tons of CO₂ equivalent/10,000 yuan.</p> |
| <p>Optimize Production Processes and Upgrade Equipment</p> <p>Achieve refined energy management through energy monitoring and analysis systems. Optimize production processes and technologies to efficiently utilize resources and minimize waste. Develop and apply clean energy sources such as solar power and energy storage projects.</p> | <p>Energy & Resource Management</p> <p>Energy Consumption Intensity</p> | <ul style="list-style-type: none"> Short-term: By 2028, reduce energy consumption intensity by 5% compared to 2023; the proportion of clean energy electricity consumption will reach 20%. Medium-term: By 2035, reduce energy consumption intensity by 10% compared to 2023; the proportion of clean energy electricity consumption will reach 30%. Long-term: By 2050, reduce energy consumption intensity by more than 20% compared to 2023; continuously increase the proportion of clean energy electricity consumption. | <p>In 2025, our energy consumption intensity stood at 0.20 tons of standard coal per/10,000 yuan of output, photovoltaic power generation reached 36.6487 million kWh, and the proportion of clean energy electricity consumption accounted for 4.63%.</p> |
| <p>Accelerate Green Technology and Product R&D Innovation</p> <p>Optimize product performance in areas such as low rolling resistance, low noise, and wear resistance and durability. Develop tires for specialized environmental applications, including tires for new energy vehicles. Accelerate the development, application, and reserve of new sustainable materials.</p> | <p>Cleantech Opportunities</p> <p>Sustainable Material Ratio</p> | <ul style="list-style-type: none"> Short-term: By 2025, develop tires with a sustainable material content of 80%. Medium-term: By 2030, develop tires with a sustainable material content of 90%. Long-term: By 2050, develop tires with a sustainable material content of 100%. | <p>The proportion of sustainable materials applied exceeded 80%, achieving the short-term goal.</p> |
| <p>Promote Circular Economy Practices</p> <p>Strengthen green management throughout the tire lifecycle. Implement mechanisms for waste tire warehousing and efficient recycling and reuse to improve the regeneration utilization rate of waste tires.</p> | <p>Circular Economy</p> <p>Procurement Ratio of Pyrolysis Carbon Black & Reclaimed Rubber</p> | <ul style="list-style-type: none"> Short-term: By 2028, the proportion of sustainable material procurement will be approximately 30%. Medium-term: By 2035, the proportion of sustainable material procurement will be approximately 40%. Long-term: By 2050, the proportion of sustainable material procurement will be approximately 50%. | <p>In 2025, we purchased 202 tons of recycled rubber, representing a year-on-year increase of 292%; We also purchased 500 tons of cracked carbon black, with a year-on-year growth of 27.6%.</p> |
| <p>Implement Intelligent Waste Monitoring and Compliance Management</p> <p>Implement waste sorting, source reduction, recycling, and process improvements. Monitor waste data in real-time by leveraging intelligent monitoring systems.</p> | <p>Emissions & Waste Management</p> <p>Wastewater & Exhaust Gas Emissions</p> | <ul style="list-style-type: none"> Short-term: Ensure all emissions meet national and local environmental protection standards; by 2028, reduce wastewater and exhaust gas emissions by 5% compared to 2023. Medium-term: By 2035, reduce wastewater and exhaust gas emissions by 15% compared to 2023. Long-term: By 2050, establish zero-emission or low-emission production lines and fully achieve green production. | <p>In 2025, wastewater discharge amounted to 529,948 tons, and exhaust gas emissions reached 12,316,828,400 cubic meters. Exhaust gas emissions at the Shiyan Base decreased by 7% compared to 2023.</p> |

Sustainable Development Goals Planning and Progress | Social

| Sustainable Development Plan | Topic & Indicator | Our Goals | Our Actions |
|---|--|--|---|
| People-oriented By tapping into employees' potential, strengthening individual skills training and regularly updating training programs, we boost workforce productivity while offering competitive industry compensation to foster comprehensive employee development. | Diverse and Inclusive Workplace Percentage of Employees with Labor Contracts | <ul style="list-style-type: none"> Maintain a 100% labor contract signing rate. | The goal has been achieved. |
| | Employee Development and Incentives Employee Training Categories and Duration | <ul style="list-style-type: none"> Short-term: Increase the average training hours per employee to over 70 hours by 2030. Medium to long-term: Increase the average training hours per employee to over 100 hours. | We have conducted employee training in various areas, including corporate culture, environmental protection, occupational health, safe production, and professional capabilities, with an average training duration of 67.2 hours per employee. |
| | Employee Rights and Care Average Employee Satisfaction | <ul style="list-style-type: none"> Short-term: Raise the average employee satisfaction score to above 97 by 2030. Medium to long-term: Gradually improve the average employee satisfaction. | The average employee satisfaction score reached 96.01 and continues to improve. |
| Product and Service Responsibility We continuously optimize our R&D system and enhance customized R&D services, integrating quality assurance with production systems to deliver superior after-sales support to our customers. | Workplace Safety and Occupational Health Occupational Health Management System Certification | <ul style="list-style-type: none"> Short-term: Achieve 100% coverage of occupational health management system certifications at all bases by 2030. Medium to long-term: Maintain 100% coverage of occupational health management system certifications at all bases. | The Dongjiakou and Shiyan bases have obtained ISO 45001 Occupational Health and Safety Management System certification, while the Cambodia base is under continuous construction. |
| | Product Quality Management Quality Management System Certification | <ul style="list-style-type: none"> Short-term: All bases shall obtain ISO 9001:2015 Quality Management System and IATF 16949:2016 Automotive Quality Management System certifications by 2030. Medium to long-term: Regularly update and maintain 100% validity of ISO 9001:2015 and IATF 16949:2016 certifications at all bases. | The Dongjiakou base and Cambodia tire factory have obtained ISO 9001:2015 certification; all production bases have completed IATF 16949:2016 certification. |
| | Customer Service and Benefits Customer Satisfaction | <ul style="list-style-type: none"> Short-term: Increase customer satisfaction to 99.5 points by 2030. Medium to long-term: Continuously improve customer satisfaction. | Customer satisfaction has reached 98.93 points and is steadily improving. |
| Supply Chain Win-Win Continuously developing a global end-to-end digital procurement platform, we unite supply chain collaboration and work together to drive upstream and downstream partners in promoting green development across the tire and rubber industry. | Innovation and Intellectual Property Protection R&D Investment as a Percentage of Revenue | <ul style="list-style-type: none"> Maintain research and development investment at 4% of revenue. | R&D investment accounted for 3.84% during the reporting period. |
| | Supply Chain Management Annual Assessment Rate of ISO 9001/IATF 16949 Systems for Raw Material Suppliers | <ul style="list-style-type: none"> Short-term: By 2035, increase the ISO 14001 certificate pass rate of key raw material suppliers (excluding rubber) to 100%, and maintain a 100% annual assessment rate for ISO 9001/IATF 16949 systems among raw material suppliers. Medium to long-term: Maintain a 100% ISO 14001 certificate pass rate for key raw material suppliers (excluding rubber) and a 100% annual assessment rate for ISO 9001/IATF 16949 systems among raw material suppliers. | The key raw material suppliers (excluding adhesives) achieved a 100% ISO 14001 certification rate, and the annual assessment rate for ISO 9001/IATF 16949 systems among raw material suppliers reached 100%. |

Sustainable Development Goals Planning and Progress | Governance

| Sustainable Development Plan | Topic & Indicator | Our Goals | Our Actions |
|---|---|---|---|
| <p>Strengthen Corporate Governance and Risk Management System</p> <p>We will improve the corporate governance mechanism featuring "statutory authority, clear responsibility, coordinated operation, and effective checks and balances". Build a comprehensive coverage and coordinated risk prevention and control system to enhance sensitivity to risks, response capability, and disposal capacity, providing all-round support for the steady development of overseas business.</p> | <p>Compliance Management</p> <ul style="list-style-type: none"> Annual risk assessment coverage Major risk response plan completion rate Internal control defect rectification completion rate | <ul style="list-style-type: none"> Maintain risk assessment covering all core business segments 100% completion of major risk response plans Conduct annual internal control self-assessment to ensure 100% rectification of major and important internal control defects | <p>The annual comprehensive risk identification and assessment has been completed, corresponding major risk response plans have been updated, and the implementation rate has reached 100%. All internal control defects identified during the year have been closed-loop rectified, with a 100% rectification completion rate.</p> |
| | <p>Business Ethics</p> <ul style="list-style-type: none"> Integrity training coverage ratio Sales staff "Integrity Commitment Letter" signing rate Supplier "Integrity and Clean Commitment Letter" signing rate Dealer "Market Norm Commitment Letter" signing rate Reporting channel smoothness Violation investigation rate | <ul style="list-style-type: none"> Ensure integrity training covers 100% of employees, key suppliers, and dealers 100% signing rate of "Integrity Self-Commitment Letter" by sales staff 100% signing rate of "Integrity and Clean Commitment Letter" by suppliers 100% signing rate of "Market Norm Commitment Letter" by dealers Maintain unobstructed reporting channels throughout the year 100% investigation rate of violations | <p>Carried out 23 professional integrity training sessions in layers and categories, covering all employees and key partners, with a 100% education coverage rate.</p> <p>100% signing rate of "Integrity Self-Commitment Letter", "Integrity and Clean Commitment Letter", and "Market Norm Commitment Letter".</p> <p>We established an integrated multi-channel reporting platform, including letters, in-person visits, online submissions and phone calls. All reported violations during the year have been verified and addressed, with a 100% investigation rate.</p> |
| <p>Deepening Digital and Intelligent Transformation Empowerment</p> <p>Centered on "business-driven, data-enabled" principles, we promote the digital-intelligent upgrading of the entire production, management and service chain, build a safe, efficient and collaborative digital control system, and enhance the core enterprise competitiveness.</p> | <p>Digital Transformation</p> <ul style="list-style-type: none"> Business System Integration Rate | <ul style="list-style-type: none"> Mid-to-Long Term: Digital and intelligent process integration rate for core base business systems $\geq 95\%$. | <p>Cambodia Base: The MES system has been fully upgraded and is being comprehensively implemented.</p> <p>Shiyan Base: Core MES functions have been optimized to meet chip-free management requirements.</p> <p>Dongjiakou Base: The MES system has undergone comprehensive renovation and functional enhancement, further strengthening digital collaboration and lean management capabilities throughout the production process.</p> |
| | <p>Information Security and Privacy Protection</p> <ul style="list-style-type: none"> Number of Information Security Incidents Number of Privacy Breaches | <ul style="list-style-type: none"> Maintain zero information security incidents and zero privacy breaches. | <p>No information security incidents occurred throughout the year.</p> <p>No privacy breaches occurred throughout the year.</p> |

Milestones in Sustainability Development



Globalization and Deepening of ESG

2023

- Released the first Sustainability Report and established a Sustainability Committee.
- Selected for Shandong Province's first "Morning Star Factory" cultivation list for the digital economy.
- Advanced the "localization" strategy, laid the foundation for the Cambodia base.

2024

- Established an Environmental Protection Committee and launched special climate response initiatives.
- Completed the carbon footprint verification of the first product.
- The Cambodia base was officially put into operation.

2025

- Deepened the "New Four Strategies" and developed new productive forces.
- Became the first domestic tire enterprise to obtain ISO 26000 Social Responsibility Management System certification.
- Selected for the Fortune China ESG Impact List 2025.
- Won the first place in the 2025 C-BPI China Domestic Auto Tire Industry Brand Power ranking.
- Selected for MIIT's first list of enterprises with high-level quality management capabilities.



Foundation and Transformation

1921

The earliest predecessor of the company was founded.

1996

Qingdao Doublestar (000599.SZ) was listed on the main board of the Shenzhen Stock Exchange.

2008

Restructuring and divestiture of the footwear and apparel main business, with a full-scale transition to the tire industry.

2014

Old factories were closed and outdated production capacity was phased out.

Intelligent and Green Transformation

2016

- Built the world's first full-process "Industry 4.0" intelligent tire factory in the global tire industry.
- Established an industrial internet ecosystem integrating "R&D 4.0 + Industry 4.0 + Service 4.0".
- Awarded by the Ministry of Industry and Information Technology as a demonstration enterprise for the entire industrial chain in green manufacturing.

2018

- Acquired a controlling stake in Kumho Tire and was included in the "Double Hundred Action" for state-owned enterprise reform.
- Honored with the title of "Shandong Provincial Advanced Unit in Energy Conservation".

2020

- Successfully developed China's first and the world's second "AAA" grade tire.
- Selected for Green Supply Chain Management Enterprise in the Petroleum and Chemical Industry.
- Five products were recognized as "Green Design Products".

2021

- The tire industry's first "Industry 4.0" smart tire factory "Dongfeng Tire" was put into production.

Materiality Analysis and Process

Material Topics Analysis serves as the cornerstone for Qingdao Doublestar to practice the concept of sustainable development and steadily advance its sustainable development strategy. During the reporting period, we conducted material topics review following the core logic of “responding to regulatory requirements, conforming to industrial characteristics, aligning with corporate strategy and focusing on stakeholders’ concerns”, identifying and selecting ESG topics that exert a significant impact on the high-quality and sustainable development of the company.

For the 22 identified topics, the company conducted a dual assessment of impact materiality and financial materiality, completed the ranking of topic importance, constructed a material topics matrix, and disclosed the relevant management and performance practices of the material topics in this report.

Step 1: Issue Identification and Issue Library Establishment

We have clarified the regulatory requirements and industry benchmarks for ESG disclosure by integrating our development background, business layout and strategic planning. Meanwhile, we have identified and prioritized key sustainable development topics in line with the characteristics of the tire industry, drawing on the GRI Standards, the UN SDGs, the SASB Standards and exemplary ESG topic disclosure practices of peers, thereby establishing a candidate topic library.

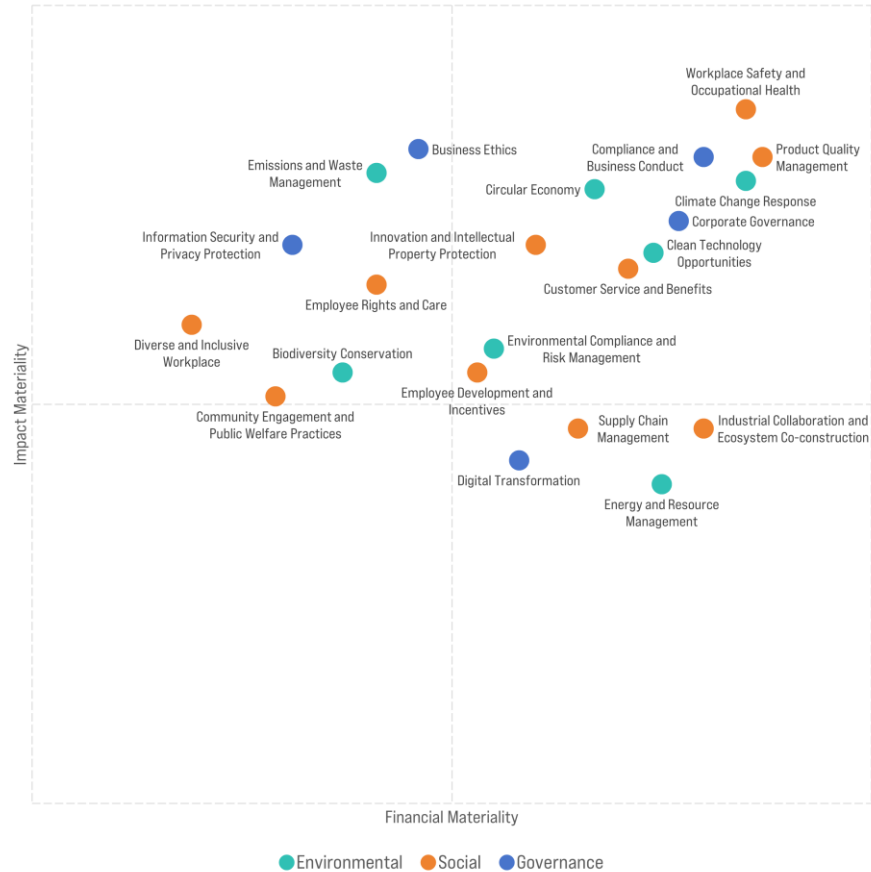
Step 2: Topic Materiality Assessment and Validation

In accordance with the “Double Materiality” framework, we have assessed the impact materiality and financial materiality of the filtered topics. This year, opinions were collected primarily through questionnaires and interviews from the following stakeholder groups:

Senior Management | Employees | Shareholders | Customers | Suppliers

Dealers | Government or regulatory authorities | Media and the public

By integrating expert opinions, industry best practices and feedback from various stakeholder groups, we have conducted a multi-dimensional comprehensive analysis to form the topic importance ranking results and determined the core disclosure topic list for this report. This ensures the report information is targeted, relevant and valuable, effectively aligning the company’s development with the core expectations of stakeholders.



Double Materiality

1. Workplace Safety and Occupational Health | Social
2. Product Quality Management | Social
3. Climate Change Response | Environmental
4. Compliance and Business Conduct | Governance
5. Corporate Governance | Governance
6. Circular Economy | Environmental
7. Clean Technology Opportunities | Environmental
8. Customer Service and Benefits | Social
9. Innovation and Intellectual Property Protection | Social
10. Environmental Compliance and Risk Management | Environmental
11. Employee Development and Incentives | Social



Impact Materiality

1. Business Ethics | Governance
2. Emissions and Waste Management | Environmental
3. Employee Rights and Care | Social
4. Information Security and Privacy Protection | Governance
5. Biodiversity Conservation | Environmental
6. Community Engagement and Public Welfare Practices | Social
7. Diverse and Inclusive Workplace | Social



Financial Materiality

1. Industrial Collaboration and Ecosystem Co-construction | Social
2. Energy and Resource Management | Environmental
3. Supply Chain Management | Social
4. Digital Transformation | Governance

Stakeholder Communication

Qingdao Doublestar consistently values the concerns and expectations of all stakeholders, continuously refining and expanding multi-dimensional communication channels to ensure smooth, efficient, and seamless interactions with all parties. We attentively listen to diverse opinions and requests from stakeholders, providing timely responses and appropriate feedback. We actively communicate the company's sustainable development philosophy and achievements in ESG initiatives, effectively enhancing the transparency of our sustainable development governance.



Stakeholder



Key Topics of Concern



Communication Methods and channels



Government and regulatory authorities

- Environmental Compliance and Risk Management
- Climate Change Response
- Emissions and Waste Management
- Corporate Governance
- Information Security and Privacy Protection
- Workplace Safety and Occupational Health



Investors

- Cleantech Opportunities
- Circular Economy
- Information Security and Privacy Protection
- Corporate Governance
- Digital Transformation
- Business Ethics



Employees

- Diverse and Inclusive Workplace
- Employee Development and Incentives
- Employee Rights and Care
- Workplace Safety and Occupational Health



Customers

- Product Quality Management
- Customer Service and Benefits
- Information Security and Privacy Protection



Suppliers

- Supply Chain Management
- Business Ethics
- Environmental Compliance and Risk Management
- Innovation and Intellectual Property Protection
- Industrial Collaboration and Ecosystem Co-construction



Dealers

- Product Quality Management
- Business Ethics
- Industrial Collaboration and Ecosystem Co-construction



Industry Association / Peers

- Industrial Collaboration and Ecosystem Co-construction
- Cleantech Opportunities
- Environmental Compliance and Risk Management
- Circular Economy
- Energy and Resource Management



Public, Communities & Media

- Climate Change Response
- Environmental Compliance and Risk Management
- Cleantech Opportunities
- Energy and Resource Management
- Emissions and Waste Management
- Community Engagement and Public Welfare Practices
- Circular Economy
- Biodiversity Conservation

- Government-Enterprise Exchange Meeting
- Government-Enterprise Symposium
- Research inspections
- Information Reporting
- General meetings of shareholders
- Performance briefings
- Announcements
- Roadshow events
- Investor online roadshows
- Investor hotlines/emails
- Labor Union and Employee Representative Council
- Employee Training
- Employee Activities
- Employee performance evaluation and promotion
- Employee Grievance Channels
- Employee Satisfaction Survey
- Official website
- WeChat official account
- E-commerce platform
- Customer service hotline/email
- Outreach visits/user communication
- Customer satisfaction surveys
- Supplier training
- Supplier evaluation and audits
- Supplier conferences
- Official website
- WeChat official account
- Phone/email
- On-site visits
- Dealer training
- Dealer conferences
- Official website
- WeChat official account
- Phone/email
- On-site visits
- Industry Exchange Forum
- Industry Standard Setting
- Strategic Project Collaboration
- Public welfare and charity / volunteer activities
- Community activity support
- Energy conservation and emission reduction projects
- Regular information disclosure

Strategic Navigation

Anchoring National Strategies to Empower Development

Qingdao Doublestar has always integrated its own development into the overall national development strategy. With a profound sense of corporate responsibility, we respond to national calls, align the practice of core socialist values with the pursuit of high-quality and sustainable corporate development.

Adhering to national policies as our guide and value creation as our core, we have closely integrated social responsibility with our goals for high-quality development. In the process of serving national development strategies, we have built a new sustainable development landscape that unifies economic, social, and environmental benefits in a coordinated manner.

Consolidating the Foundation of Value

Cultivate and practice core socialist values

Serving the National Strategy

Deepen the implementation of the Belt and Road Initiative

Concluding the 14th Five-Year Plan

Deliver a high-quality development answer sheet

Embarking on the 15th Five-Year Plan

Mapping out a blueprint for development in the new era

Consolidating the Foundation of Value

Cultivate and practice core socialist values

We firmly believe that a solid foundation of values serves as the ballast for an enterprise to achieve steady and long-term development. With Party building as the core guiding force, our company integrates core socialist values into the entire process of corporate governance, production and operation, as well as talent development, fostering an organizational culture characterized by a strong sense of responsibility and cohesion.

Uphold Party Leadership to Fortify Ideological Foundations

We always take Party building as the overarching guide for corporate development, ensuring that the company's development aligns with the nation's major policies and guidelines. We have carried out thematic education on Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era to strengthen theoretical arming. Through continuous education on Party discipline, we have fostered a strong sense of discipline and rules among all employees.

We have created the "Doublestar Vanguard" Party building brand, built teams of "Star Organizations" and "Star Party Members", integrated Party building work into all links of production and operation, thereby enhancing governance effectiveness under the leadership of Party building.

Promote the Spirit of the Times, Forge a Team of Craftspeople

We actively respond to the national strategic calls of building China's strength in Manufacturing and Talent, position the development of industrial talent as a core pillar of high-quality growth. We champion the Model Worker Spirit, Labor Spirit and Craftsmanship Spirit to establish distinctive models for cultivating industrial talent.



1 Core Guidance

With ideological and political guidance as the core, we guide employees to strengthen their ideals and convictions, integrate personal growth into the overall situation of the company's development and national industrial upgrading.



2 Mechanisms

Guided by the "First, Open, Innovation" development philosophy, we have built a dual mechanism of "concept empowerment + intelligent manufacturing-driven" to stimulate the innovation and creativity of all employees, promote the transformation of industrial workers from "sweat-based" to "smart, skilled, and innovation-oriented".



3 Major Platforms

We have built platforms for competence improvement, innovation and value creation, and career development and talent cultivation, carried out skill competitions, established Model Worker Innovation Studios, and opened up channels for industrial workers to advance to management positions.



4 Categories of Craftspeople

We have cultivated four categories of "Star Craftspeople" in "manufacturing, scientific research, marketing, and management", forming a sound talent echelon.

By the end of 2025, we have cultivated a total of 161 advanced craftspeople over the past three years, built a highly skilled talent contingent covering key positions.



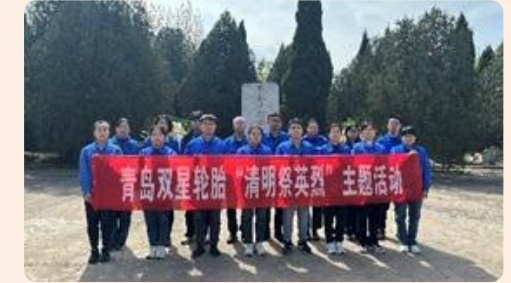
Comprehensive learning program to enhance organizational cohesion and accelerate business goals



Regular corporate culture training to foster a shared vision and ethical mindset



"3-5 Learn from Lei Feng" Publicity and Volunteer Service Activities



"Our Festival · Qingming" Themed Activities

Strengthening Theoretical Foundation to Drive Operational Excellence

The Party Organization formulated the *2025 Theoretical Study Plan* for the Tire Industry Committee. Focusing on 12 key topics, the committee conducted in-depth seminars to ensure learning outcomes translate into practical effectiveness.

The Labor Union organized sessions to study national policy guidelines and regulatory requirements, reinforcing compliance awareness and the mission of "The Third Undertaking".

Through sharing the exemplary deeds of role models and master workers, we promote the Spirit of Craftsmanship. This inspires all employees to learn from the best, transforming a sense of mission into tangible productivity and quality improvements.

**Culture-Led Cohesion
Translating Learning into Action**

We organize hierarchical cultural training every month to leverage corporate culture as a guide and motivator for employee behavior.

During the training period, managers at all levels deeply study the spirit of the Fourth Plenary Session of the 20th Central Committee of the Communist Party of China. They are tasked with internalizing the essence of these directives to enhance political awareness and action consciousness.

Firmly anchoring on "High-Quality Development" as the primary task, we integrate learning outcomes into daily operations. This ensures that theoretical understanding translates into pragmatic actions that fuel the company's sustainable growth.

**Fostering Virtue and Service
Continuing the Legacy of Selflessness**

The Shiyao Base organized young employees to conduct volunteer service campaigns themed "*Emulating the Spirit of Lei Feng*". Upholding the values of dedication, friendship, mutual assistance and progress, these activities inspired a strong sense of responsibility and commitment among the new generation.

Collaborating with local communities, our Youth League launched the volunteer initiative of protecting clear water. Young volunteers cleaned up surrounding water ecosystems, contributing their energy to the national "*South-to-North Water Diversion*" project and demonstrating corporate citizenship.

**Upholding Core Values:
Honoring Heritage and Patriotism**

Our personnel visited the Majiazhuang revolutionary martyrs cemetery in Boli Town to participate in memorial ceremony. They studied the heroic deeds of the martyrs, laid floral tributes and paid respects through solemn bows, thereby expressing profound reverence and sorrow for the fallen heroes.

All employees are encouraged to adopt modern, civilized practices and reject outdated customs. Inspired by the deeds of martyrs, the workforce is motivated to strive for excellence in their roles, channeling this spirit into driving high-quality corporate development.

Serving the National Strategy

Deepen the implementation of the Belt and Road Initiative

We align with the nation's opening-up strategy, positioning 'localization' as a pivotal component of "New Four Strategies". It actively responds to the Belt and Road Initiative, achieving an upgrade from product exports to value chain sharing through overseas technology deployment, capacity cooperation, and joint brand development.



Strengthen Synergy for Growth Forge Forward to Broaden Horizons

The company has completed the major asset restructuring with Kumho Tire. This transaction was reviewed and approved by the M&A and Restructuring Review Committee of the Shenzhen Stock Exchange on February 5, 2026, and granted the registration approval by the China Securities Regulatory Commission on March 23. On March 30, the delivery and ownership transfer formalities of the underlying assets under the transaction were completed, and the issuance of new shares in this transaction was finalized on April 14. It has become the first successful case in China's tire industry for a domestic A-share listed company to conduct merger, acquisition and restructuring of an overseas listed company.

Our product sales network now spans the globe, maintaining robust business ties with multiple member states along the Belt and Road Initiative. Through localized operations, we are extensively expanding our overseas market presence.

As a key overseas manufacturing base and a strategic pillar of Qingdao Doublestar's globalization strategy, the Cambodia base capitalizes on its favorable geographic location to supply high-end markets such as the United States, Brazil, and the European Union.



Establish Chinese brands Convey exceptional value

We remain steadfastly committed to brand-led development. Overseas market expansion continues to center on the "20-80" strategy: the "20" channel collaborates with major international clients to co-develop competitive products, while the "80" channel adopts a "one country, one partner" approach, establishing long-term, stable and mutually trusting partnerships in each key market. Leveraging brand diversification to achieve channel diversification, our truck and bus tires have seen sales growth in Southeast Asian Belt and Road countries, with customized high-temperature and heavy-load tires developed for major mining projects along the route. Passenger car tires have achieved significant gains in brand recognition and market share across both mature and emerging markets in Europe and the Middle East.

Through diversified models encompassing technology transfer, joint capacity building, and shared market advancement, we integrate China's advanced tire manufacturing technologies and quality management systems with the industrial development needs of Belt and Road nations. This approach not only propels the high-quality global expansion of our own operations but also effectively drives coordinated upgrading of local industrial chains, thereby contributing to sustainable regional economic growth.

Concluding the 14th Five-Year Plan

Deliver a high-quality development answer sheet

As a leading enterprise in China's tire industry, Qingdao Doublestar has delivered an "excellent performance" for the conclusion of the 14th Five-Year Plan through its distinctive "New Four Strategies" and resilient, pragmatic innovation practices. It has also contributed valuable "Doublestar experience" to China's manufacturing sector as it strives to become "world-class" under the new development paradigm.

Ecologicalization

A Paradigm Revolution: From Linear Growth to Circular Development

Ecologicalization serves as the underlying logic and value orientation of the strategies. Its connotation transcends the scope of traditional environmental protection, focusing on building a green development model that covers the entire industrial chain and full life cycle.

As the first enterprise in the global tire industry to establish an internal ecosystem across the entire industrial chain, we have built an internal ecosystem where three major sectors—rubber tires, intelligent equipment, and waste tire recycling—mutually reinforce each other and pursue low-carbon development. This framework enables green management throughout the entire industrial chain and product life cycle, empowers external stakeholders, and supports the achievement of the carbon peaking and carbon neutrality goals.

Digitization

The Value Leap: From Data Application to Data Appreciation

Digitalization is the neural center of the strategies, permeating every link and process of R&D, manufacturing and services. During the 14th Five-Year Plan period, we kept pace with the new round of scientific and technological revolution and industrial transformation, further optimizing our integrated "R&D 4.0" + "Industry 4.0" + "Service 4.0" framework to realize digital value creation.

By constructing an industrial internet ecosystem that seamlessly integrates these three pillars, Qingdao Doublestar has transformed its operations from experience-driven to data-driven. In this new paradigm, data has become a tradable factor of production. Through digitalization, the company achieves end-to-end error detection, prevention, and correction, thereby unlocking digital value and laying a solid foundation for future growth.



High-tech

Unique Advantages: From Differentiated Innovation to Disruptive Innovation

High-tech serves as the core engine of the strategies. We have evolved from differentiated innovation in traditional products to disruptive product innovation, forging unique core competitive advantages.

Our globally first "Full Explosion-proof" safety tires, a breakthrough featuring proprietary 'Safort' support body technology and exclusive AFB noise-reduction tread patterns. This innovation allows vehicles to continue driving at 60 km/h for 30 minutes even under zero tire pressure, effectively preventing rollovers on highways and eliminating blowout risks, thereby addressing long-standing public concerns about travel safety.

Simultaneously, this product combines the zero-pressure mobility of conventional run-flat tires with the superior comfort and quietness of standard tires. It offers better fuel efficiency and ride comfort than traditional run-flats, while providing significantly enhanced safety and peace of mind compared to standard tires. Most importantly, this technology democratizes explosion-proof safety, making it accessible for all passenger vehicles.

Localization

Exploration and Practice: From Product Export to Global Capacity Layout

Localization is the spatial extension of the strategies. We have broken through the overseas trade model of relying solely on product exports and shifted to a new model of global development centered on localized production, operation and services.

During the 14th Five-Year Plan period, we actively responded to the "Belt and Road" Initiative, accelerating the optimization of our global capacity layout through the construction of overseas factories, thereby enhancing both economic efficiency and market influence.

This strategy deeply integrates our strengths with local global resources, exemplifying a pivotal shift in Chinese industry: evolving from a participant in the global supply chain to an architect of a global ecosystem.

Embarking on the 15th Five-Year Plan

Mapping out a blueprint for development in the new era

Continuing the strategic development trajectory of the Doublestar Group, the company's 15th Five-Year Plan blueprint will continue to take the "New Four Strategies" as its core. It aligns with major national strategic guidelines such as "accelerating the development of new productive forces" and "promoting the green transformation of development methods", anchors high-quality development goals, and clarifies long-term development paths.

New Heights in Ecologicalization

Anchoring our commitment to green and low-carbon development, we drive efficient resource recycling and contribute to reducing carbon emissions across the industrial chain. We strive to become the leader and exemplar in the green transformation of the tire industry.

New Breakthroughs in High-tech Development

Focus on cultivating new-quality productive forces, increase investment in R&D for cutting-edge high-end intelligent and eco-friendly products, overcome bottlenecks in key core technologies, refine collaborative innovation and drive industrial upgrading through technological iteration.

New Integration of Digital Intelligence

Crafting a Deeply Integrated Industrial Internet Ecosystem of "R&D 4.0" + "Industry 4.0" + "Service 4.0," with digital and intelligent transformation as the core driver, to achieve operational efficiency leaps, refined product quality and superior customer experiences.

New Landscape of Localization

Leveraging and deepening synergies with Kumho Tire, we will optimize global production capacity and market footprint to become a model of community integration and shared value creation along the Belt and Road.

Looking ahead to the 15th Five-Year Plan period, Qingdao Doublestar will remain true to the founding mission, strengthen its foundation, and persevere with unwavering dedication. We will continue to chart our future course with greater foresight and forge new frontiers through steadfast action. Riding the waves of the new era, we will boldly lead the charge and strive for excellence, steadily advancing toward becoming a world-class enterprise committed to sustainable development. We are determined to contribute exemplary strength to propel Chinese manufacturing into the ranks of global leaders.

Governance as Foundation

Strengthen Risk Control through Standardized Operations

In strict compliance with the *Company Law of the People's Republic of China*, the *Securities Law of the People's Republic of China*, the *Corporate Governance Code for Listed Companies*, and the *Self-Regulatory Guidance No. 1 for Listed Companies Issued by Shenzhen Stock Exchange (Standard Operation for Main-Board Listed Companies)*, Qingdao Doublestar continuously advances standardized governance. We continuously improve information disclosure and investor relations management, enhances governance efficiency, and thereby ensures compliant and sound operations.

Corporate Governance

Compliance and Business Conduct

Business Ethics

Digital Transformation

Information Security and Privacy Protection

Alignment with the United Nations Sustainable Development Goals

16 PEACE, JUSTICE AND STRONG INSTITUTIONS



17 PARTNERSHIPS FOR THE GOALS



Alignment with the UN Global Compact 10 Principles

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2: Business should make sure that they are not complicit in human rights abuses.

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

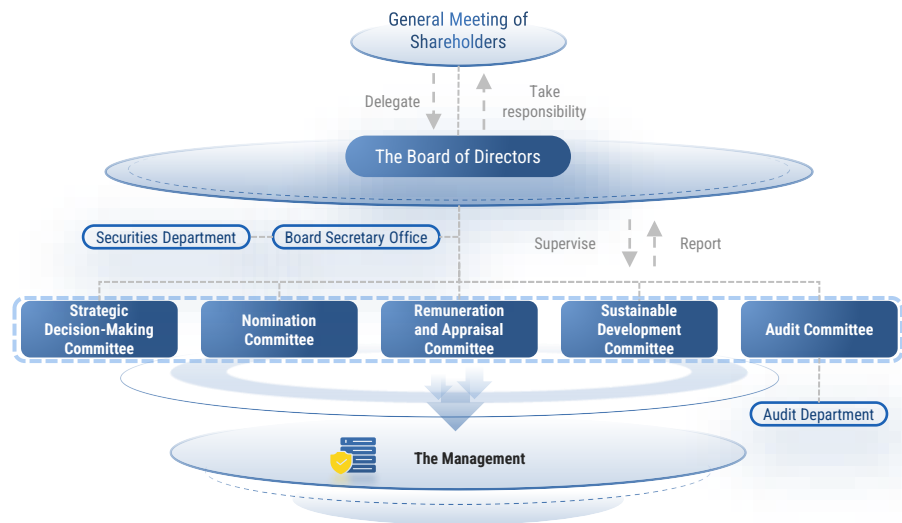
G



Corporate Governance

Qingdao Doublestar has established a modern corporate governance structure underpinned by Party-building leadership, strategic coordination and multi-dimensional collaboration. A sound governance system with clearly defined rights and responsibilities and standardized operations has been formed, with the shareholders' meeting, the board of directors and the management as its core.

We have formulated and implemented a series of institutional documents, including the Rules of Procedure for the Board of Directors and the working rules of various special committees. These systems standardize deliberative and decision-making processes and optimize management procedures, providing solid governance support for the implementation of corporate strategies and the achievement of sustainable development objectives.



Corporate Governance Structure Chart for Qingdao Doublestar

In accordance with the Articles of Association, the Rules of Procedure for the Shareholders' Meeting and other relevant provisions, the Company standardizes the nomination and election procedures for directors. Members of the Board of Directors are elected and determined by the Shareholders' Meeting.

To further advance sound corporate governance, the Board of Directors has established the Strategy Committee, Audit Committee, Nomination Committee, Remuneration and Assessment Committee, and Sustainable Development Committee. Each committee fulfills its responsibilities in accordance with regulations and reports to the Board of Directors on a regular basis. Major findings and valuable recommendations are submitted to support the decision-making of the Board of Directors.



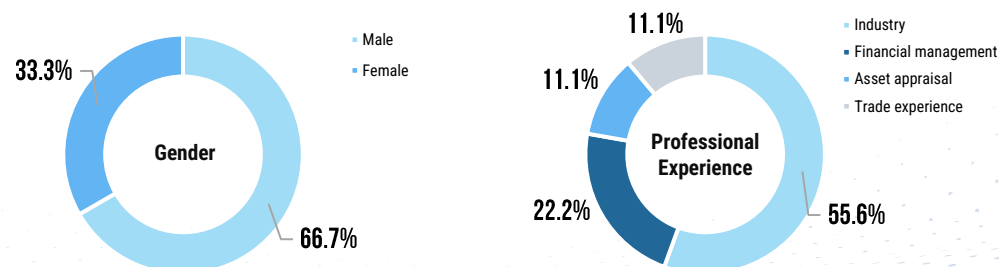
* Note: The company abolished the Board of Supervisors in 2025. The Audit Committee of the Board of Directors now exercises the functions and powers of the Board of Supervisors as stipulated in the Company Law of the People's Republic of China. The Articles of Association of the Company were also revised accordingly.

Board Diversity and Independence

As of the end of the reporting period, the Board of Directors comprised 9 members, consisting of 3 independent directors, 1 employee representative director and 5 non-independent directors. The proportion of independent directors is no less than one-third. All of them possess corresponding professional qualifications and perform their duties independently, in compliance with the requirements of the Measures for the Administration of Independent Directors of Listed Companies. No independent director serves on the boards of more than 3 listed companies.



We attach great importance to the diversification of the Board of Directors. When nominating and appointing members of the Board of Directors, the Nomination Committee fully considers factors such as gender, age, ethnicity, industry experience, professional skills, and cultural background. It also regularly reviews and supervises the implementation of Board diversity to form a complementary and collaborative decision-making team and enhance the overall decision-making capacity of the Board of Directors.



Board Effectiveness Evaluation

Qingdao Doublestar actively promotes the development of a board effectiveness evaluation mechanism. It has established a systematic indicator system for evaluating board effectiveness, covering operational efficiency and decision-making quality of the board. The company plans to conduct annual special evaluations, identify problems and optimize measures based on the evaluation results, continuously improve the standardization level and governance efficiency of corporate governance, and consolidate the governance foundation for high-quality development.

In the process of advancing and implementing the board effectiveness evaluation system, the company has simultaneously integrated ESG concepts into governance improvement. It has carried out systematic and regular ESG special training for the senior management team. This professional capacity building strengthens the foundation for the board to make scientific decisions and perform duties efficiently and promotes the in-depth integration and synchronized improvement of board effectiveness evaluation and the company's sustainable development governance.

Engaged in Provincial Pilots to Advance Carbon Footprint Labeling Certification



To implement the national "Double Carbon" strategy and relevant regulatory requirements, company leaders participated in the national pilot symposium on carbon footprint labeling and certification in Shandong. The meeting focused on international carbon footprint trade policies, helping the company enhance global market competitiveness and build a "model" for carbon footprint management.



We actively engaged in ESG learning and practice, drawing on leading experience in low-carbon operation, social responsibility, and governance. By translating external best practices into internal drivers, we steadily advanced ESG system development and responsibility implementation.

Leveraged Industry Exchange to Benchmark Best Practices and Upgrade Our Responsibility Framework

Participated in "New Global Pathways" Training on ESG Compliance and Green Trade



Together with representatives of more than 40 other well-known Qingdao enterprises, we participated in the "New Voyage for Going Global: ESG Compliance and Green Trade" training organized by the Qingdao Municipal Trade Development Service Center. The program deepened understanding of global ESG policies, response strategies, and management, helping businesses address ESG challenges in operations.

Investor Relations Maintenance

We have established a comprehensive investor relations management system and formulated the *Investor Relations Management System*. Guided by investor needs, we have built efficient communication bridges through multiple channels, including performance briefings, investor research, interactive platforms, on-site events, as well as dedicated hotlines and emails. We promptly respond to investor inquiries. By continuously optimizing our investor service mechanism, we ensure that investors have equal access to information, and effectively safeguard the rights to know, participate, and supervise, especially for small and medium-sized investors.



- 5 general meetings of shareholders convened
- 1 online collective performance briefing for investors held
- 8 research visits by listed company shareholders and investment institutions received



- 90 investor inquiries responded to via the interactive investor platform
- Over 100 investor phone inquiries answered

Information Disclosure and Public Opinion Management

The Company strictly abides by relevant laws, regulations, and regulatory requirements on information disclosure, and adheres to a standardized and transparent information disclosure system. During the reporting period, the *Information Disclosure Management System* was revised to clarify the scope, duties, and approval processes of information disclosure obligors, covering all directors, supervisors, senior management personnel, persons in charge of various departments and holding subsidiaries, as well as shareholders, actual controllers, and other relevant personnel. This ensures that information disclosure is conducted in a standardized manner.

An emergency response team for public opinion has been set up, with clear response and disposal procedures for different levels of public opinion, ensuring that public opinion is responded to and handled in a timely and effective manner.



During the reporting period, the company **did not experience any violations of information disclosure regulations or major negative public opinion incidents.**



Compliance and Business Conduct

Qingdao Doublestar regards compliance as the lifeline of corporate development, continuously improves the internal control system, adheres to the risk management bottom line, and enhances full-staff compliance and risk awareness, ensuring stable and high-quality development through high-standard compliance management.

Internal Control System Development

Based on the *Basic Standards for Enterprise Internal Control* and its supporting guidelines, and in combination with the actual situation of operation and management, we have continuously improved the internal control system. We have formulated the *Internal Control System* and the *Internal Control Evaluation System of Qingdao Doublestar*, sorted out and clarified the management authority matrix of each department.

Through regular internal control training, process review, and special inspections, we have strengthened the implementation of internal control. We regularly evaluate the effectiveness of internal control and promptly rectify weak links, ensuring that the company's business activities are legal and compliant, and that assets are secure.



During the reporting period,

the remediation rate of internal control inspection issues reached **100 %**

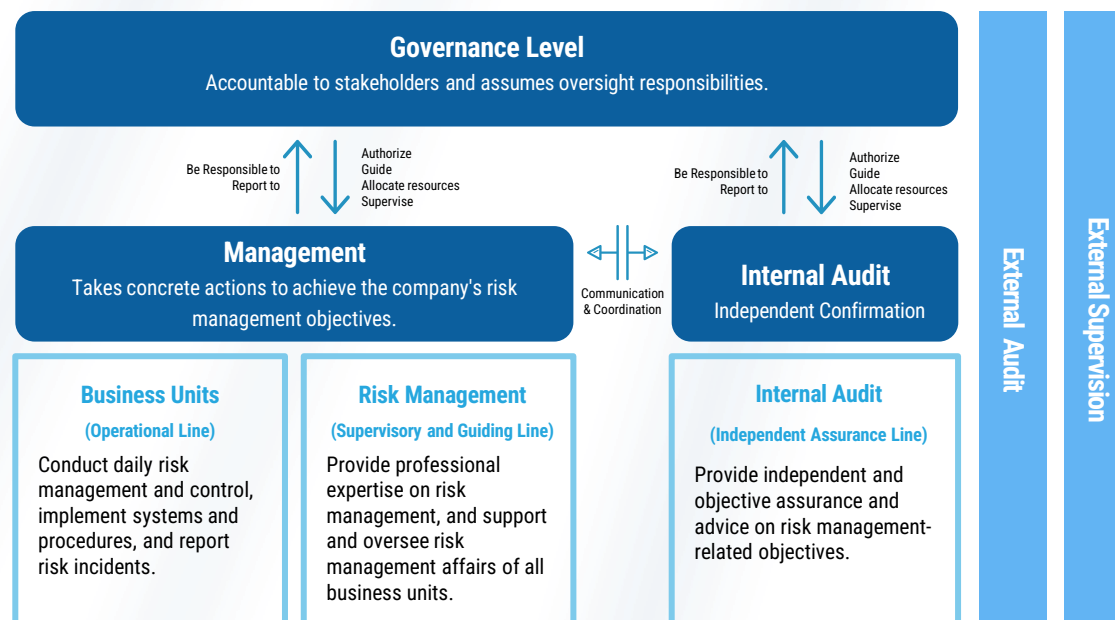
Risk Management

We have established a sound risk management system to support our global business layout. By clarifying risk management responsibilities at all levels and conducting regular comprehensive risk assessments, we identify, evaluate, mitigate, and monitor potential risks related to operations and sustainable development. We focus on preventing and controlling core risks such as cross-border operations, market competition, policy and legal changes, and information security.

We have integrated ESG risks into our overall risk management framework, identifying and assessing climate change response, energy and resource management, safe production and employee rights, supply chain responsibility, product safety and quality, business ethics and compliance, and other related risks and their potential impacts. Identified ESG risks are classified into three levels: high, medium, and low. We formulate targeted risk response plans, strengthen risk monitoring and early warning, and enhance risk prevention and control capabilities to ensure business continuity and stable development.

- **High risk:** Implement key point control, special promotion and pre-response measures. Strengthen monitoring and emergency response to ensure no major risk incidents occur.
- **Medium risk:** Carry out special governance, process control and periodic rectification. Improve systems and control measures to continuously reduce risk levels.
- **Low risk:** Adopt routine management and regular review. Leverage daily operation mechanisms to standardize management and prevent risk escalation.

We have established a three-lines-of-defense risk management system, with the business departments, legal department and audit department working in synergy. Risk management tasks are allocated in accordance with their respective responsibilities. The mechanism is optimized based on the organizational structure, business progress, and complexity to ensure that risk management is fully covered and effectively implemented.



In daily risk management, we have established a cross-departmental risk prevention and control coordination mechanism. It regularly conducts risk investigation and assessment, forms a risk list, and develops tiered response strategies.

Strengthen Risk Control Awareness and Capability



The company has incorporated risk management training as a mandatory module for all employees, covering senior management, professional staff, and new recruits. Specialized content will be published and promoted through internal platforms, thematic columns, and cultural communication channels.

Compliance Management

Qingdao Doublestar upholds the management philosophy of "Compliance First, Practice by All". We have consolidated its compliance management system, continuously monitors updates to laws and regulations in the regions where it operates, promptly revises and improves its compliance management systems, and strengthens the cultivation of a compliance culture, so as to ensure that the Company's operation and management are conducted in full compliance with applicable laws and regulations.



Corporate Culture

Compliance culture is a core component of the Company's corporate culture. We are committed to fostering a proactive compliance culture where "everyone speaks the language of compliance and everything adheres to rules".

We designate managers at all levels as the first responsible persons for compliance management within their jurisdictions. Compliance responsibilities are embedded in job descriptions and performance appraisal systems. Through signing compliance commitments and conducting compliance reporting, we consolidate compliance obligations across all employees, ensuring that compliance management requirements are fully implemented vertically and horizontally.

We design and deliver differentiated compliance training programs tailored to employees at different levels and positions.

Average hours per capita for compliance training exceeded

123 hours

Full compliance training coverage rate 100%

These efforts have effectively enhanced employees' compliance literacy and risk identification capabilities.



Business Compliance

In the stages of partner onboarding and annual evaluation, we strictly implement compliance screening procedures. During contract formulation and review, we fulfill pre-compliance review requirements, focusing on key areas such as export controls and economic sanctions, anti-commercial bribery and anti-monopoly, pre-contract performance, data compliance, and mandatory investment review. We conduct multi-dimensional risk investigations to build a solid compliance firewall for business operations.

In accordance with the Measures for the Supervision of Sunshine Procurement of Municipal Enterprises in Qingdao and the Notice of the Qingdao State-owned Assets Supervision and Administration Commission on Strengthening the Sunshine Procurement Management of Municipal Enterprises, the Company has completed the full connection between its self-built system and the Qingdao Municipal Sunshine Trading Platform and Sunshine Supervision System, ensuring that bidding activities are carried out in a standardized, orderly, and compliant manner.



Tax Integrity

We regard tax integrity as a fundamental obligation and a core responsibility as a corporate citizen. Through strengthening the tax management team, enhancing professional expertise, and aligning tax management with business and financial operations, we ensure the accuracy and compliance of the entire tax filing process, thereby fulfilling our tax obligations and effectively transforming national policy incentives into motivations for corporate development.

During the reporting period, the company recorded no tax-related violations or administrative penalties. We maintain diligent tracking and interpretation of tax policies to fully leverage available preferential opportunities.

Total tax paid in accordance with the law

42.67 million

Tax declaration timeliness rate

100%

Tax credit rating

Maintain the Highest Level of

A Grade



Business Ethics

Qingdao Doublestar adheres to integrity in operation. It integrates fair and transparent business ethics into every link of customer service, supplier cooperation and market competition, and is committed to building a sound and sustainable industrial ecosystem.

Integrity Building

The Board of Directors and Audit Committee of the company earnestly perform their oversight responsibilities. They receive reports from the management on clean governance risk screening, anti-corruption work, special audits in key areas and the handling of disciplinary cases, thereby maintaining a clear understanding of the overall situation of the Company's clean governance.

We remain committed to integrating integrity awareness cultivation into the overall work of comprehensive and strict Party governance and the construction of a clean government. In line with the requirements for the normalization and long-term effectiveness of Party discipline education, we strengthen the sense of discipline, rule awareness and bottom-line thinking among Party members, cadres and key position personnel through thematic education, warning education conferences, and clean governance commitment activities. This helps to build a solid ideological foundation for preventing corruption at the source.

For key business processes, we have strengthened targeted integrity controls.

- ✓ Develop a *standardized Integrity Pledge* for all Party members, cadres and specially appointed personnel to sign.
- ✓ Incorporate integrity and anti-commercial bribery requirements into standard terms of procurement contracts.
- ✓ Made the *Commitment Letter on Integrity and Clean Governance* a mandatory attachment for contract signing.

100%

Signing Rate for Employee Self-Discipline Pledge

100%

Signing Rate for Supplier Integrity and Anti-Corruption Commitment Letter

The disciplinary inspection work in the tire industry adheres to political development as its guiding principle, focusing on key areas to conduct "penetrating" oversight.

- Taking *case investigation as a breakthrough*, we handle cases strictly and quickly, deepen reform through cases, and promote the improvement of systems and the implementation of warning education.
- Taking *daily supervision as the starting point*, we promote problem rectification and equipment maintenance through pre-holiday reminders, unannounced visits, and the regular operation of information-based platforms.
- Taking *clean governance education as the cornerstone*, we continuously build an ideological line of defense against corruption through daily study, family-style clean governance, viewing warning films, and on-site learning.

We attach great importance to the fundamental role of clean governance culture in the company's development. Regularly provide thematic training on integrity, self-discipline and anti-corruption to employees. This strengthens Party spirit education and moral cultivation and consolidates the ideological and institutional line of defense for integrity and self-discipline.



During the reporting period
23 integrity training sessions were conducted with **992** participants

Anti-Commercial Bribery & Anti-Corruption

We adopt a zero-tolerance policy towards commercial bribery and corruption. We have established special internal management systems focusing on key links of business processes and personnel management. Centered on power restriction and supervision, we have built a clean risk prevention and control mechanism with clear powers and responsibilities, explicit risks, and effective measures.

We regard anti-corruption communication and education as an important part of fostering a culture of integrity. [Through diverse and scenario-based communication, we achieve full employee engagement and cultural integration.](#)

OA Periodic Content Push

Internal Platform Case Sharing

Integrity Slogan Display

Anti-Corruption Video

Family Integrity Support

Online, we regularly promote stories of integrity role models, policy interpretations and warning cases through the OA system and internal platforms. Offline, we display integrity slogans and posters to foster a culture where integrity is visible everywhere and discipline is always observed.

We regularly hold anti-corruption and self-discipline training for all employees, covering anti-corruption laws and regulations, internal policies and typical case studies. We guide employees to understand and abide by the law and uphold the legal bottom line of compliant operations. We have also established strict rules on gifts and hospitality, prohibiting employees from offering or accepting any form of bribery, kickbacks or other improper benefits for the purpose of influencing business decisions.

The Company's anti-corruption governance structure consists of the Legal Department and the Discipline Inspection Commission Office.

The Legal Department conducts investigations into integrity, compliance and information security incidents. The Discipline Inspection Commission Office is responsible for verifying corruption leads and carrying out special investigations. In the event of employee corruption or violations, the Human Resources Department cooperates with the investigation, legal and business departments to impose disciplinary and legal sanctions on the responsible employees in accordance with regulations and laws.



During the reporting period, the company had **no incidents of corruption or violations, including commercial bribery, embezzlement, and fraud. No employees were dismissed or subject to disciplinary action due to corrupt practices.**

4 anti-corruption training sessions were conducted, achieving **100%** coverage rate of employees in business ethics and anti-corruption training.



Anti-monopoly and Fair Competition

Qingdao Doublestar upholds its mission as a state-owned enterprise to operate in compliance. We have established a three-tiered anti-monopoly and fair competition management system, consisting of strategic decision-making by the Board of Directors, comprehensive deployment by Senior Management, and coordinated execution led by the legal department in collaboration with key business functions such as product marketing, supply chain and global expansion. We integrate the concept of fair competition into the entire production and operation process to effectively safeguard market order and the legitimate rights and interests of the enterprise.

The Company's Board of Directors serves as the highest decision-making body for anti-monopoly and fair competition work. It reviews and approves core anti-monopoly and fair competition systems, clarifies management objectives, division of responsibilities, and review processes to ensure system design aligns with national laws, regulations, and industry regulatory requirements. The effectiveness of anti-monopoly and fair competition management is incorporated into the corporate governance evaluation system, urging management to improve risk prevention and control mechanisms and ensuring that the company's business activities always comply with the principles of fair competition.



Anti-Unfair Competition

We strictly abide by the *Anti-Unfair Competition Law of the People's Republic of China* and other relevant laws and regulations, as well as international business ethics standards. We resolutely put an end to all unfair competition practices such as commercial defamation, false advertising, unfair prize-based sales and market confusion, so as to maintain a fair and orderly market environment and effectively safeguard the legitimate rights and interests of consumers, partners, and the industry as a whole.

In daily business activities such as pricing, sales, bidding, supply chain collaboration, and communication with peers and upstream/downstream partners, all business units strictly adhere to the principles of fairness and independent decision-making. They are prohibited from organizing or participating in any form of horizontal or vertical monopoly agreements and regularly conduct compliance self-inspection and evaluation of relevant business activities.

We prohibit any employee from obtaining competitors' trade secrets or confidential information through illegal means and strictly forbid the release of false or misleading advertising information.



During the reporting period, the company had no litigation cases arising from unfair competition.



Anti-monopoly

We are committed to upholding fair competition in global operations and adhering to the *Anti-monopoly Law of the People's Republic of China* and competition laws in all countries (regions) where we operate as an uncrossable red line. We resolutely curb and prevent any form of monopoly agreements, abuse of market dominance, and illegal concentration of business operators.

For major investments, mergers and acquisitions, joint ventures, and other business operations that may constitute a concentration of business operators, we have established a pre-monopoly compliance review mechanism. We treat compliance review as a core decision-making prerequisite, preventing monopolistic conduct involving means of production and non-patented technologies at the source of production and operation. We carry out anti-monopoly risk research, control deployment, and response around key project execution, and provide necessary special project suggestions to ensure that all relevant business operations are carried out in a systematic and procedural manner. In 2025, we completed a systematic review of high-risk business scenarios, identifying four core high-risk scenarios: pricing strategy, market division, major customer cooperation and intellectual property licensing. We compiled an *Anti-monopoly Risk Point Inventory* and drafted the *Anti-monopoly and Fair Competition Compliance Management Measures (Draft)*. We also conducted special training for key positions such as management, sales, and procurement, integrating relevant compliance requirements into the overall compliance management system. Meanwhile, we formulated a template for *Anti-monopoly Compliance Risk Emergency Response Plan*, forming a closed loop of anti-monopoly early warning and response.



During the reporting period, the company did not encounter any litigation involving violations of antitrust laws and regulations.

Whistleblowing Mechanism

Qingdao Doublestar has established a standardized mechanism for whistleblowing and accountability. It encourages and protects employees, suppliers, consumers and the public to supervise and report any suspected breaches of business ethics and imposes strict disciplinary action on verified violations.

Whistleblow Channels: Full Access to Voice and Appeals

Commission for Discipline Inspection of Tire Industry, Qingdao Doublestar Co., Ltd.,

Hotline: +86-532-80958506

Email: Itjw@doublestar.com.cn

Address: Room 2007, Tower A, Platinum Plaza, No.5 Wenling Road, Laoshan District, Qingdao City, Shandong Province, China

Postal Code: 266061

Clue Acceptance: Standardized Registration & Strict Review

Clue Receipt and Preliminary Screening

The Discipline Inspection Commission sets up a particular hotline for immediate response to ensure that whistleblowing information is received timely.

Conduct preliminary screening of information received to distinguish between compliance reports (involving corruption, interest transfer, violations of business ethics, etc.) and general complaints (involving product quality, service disputes, etc.), and handle them by category.

Formal Acceptance and Feedback

Reports that meet the acceptance criteria—falling within the Company's jurisdiction and presenting clear facts with specific leads—undergo formal acceptance. They are subject to categorized registration and tiered escalation, with meticulous documentation of the receipt time, content, source, and involved personnel/departments. We shall apply case-number management, and ensure dedicated responsibility and encrypted storage.

For matters outside our purview, a written explanation is provided, directing the whistleblower to the appropriate authority. For submissions lacking complete information, the required supplemental details are communicated comprehensively in a single response to uphold the whistleblower's right to be informed.

Investigation and Feedback: Closed-Loop Management & Timely Disclosure

Classified Implementation

Based on the investigation results, adopt differentiated measures to ensure that all violations are investigated, all disciplinary breaches are pursued, and all illegal acts are transferred to the competent authorities.

Feedback and Disclosure

Real-name whistleblowing: Provide written feedback on the investigation results, handling decisions and subsequent rectification measures, and solicit the whistleblower's opinions.

Anonymous whistleblowing: Issue investigation reports through whistleblowing channels to protect the public's access to investigation results.

| Severity of Violation | Handling Measures |
|-----------------------|--|
| Minor | Education, Criticism, Performance Rating Downgrade |
| Moderate | Warning, Disciplinary Record, Demotion, Job Transfer |
| Serious | Termination of Employment Contract, Pursuit of Economic Liability |
| Suspected illegal | Referral to Judicial Authorities, Cooperation with Investigation and Evidence Collection |

Whistleblower Protection: Full Protection & Strict Confidentiality

Dedicated Personnel for Reporting Channels

We place whistleblower protection at the core. A dedicated person and hotline are assigned to handle reports. Strict confidentiality is imposed on the whistleblower's identity, report content, and reporting behavior throughout the entire process.

Confidentiality During Investigations

Investigations are conducted without exposing the whistleblower's identity. Investigators shall not disclose the source of the report to the investigated party or other personnel. Interviews, evidence collection and other procedures are carried out in the name of "special verification" to avoid any connection to the whistleblower.

Withdrawal Mechanism for Supervision

A withdrawal mechanism is implemented for supervision cases to avoid potential bias arising from interests between the case handler and the person or their relatives, ensuring the objectivity and impartiality of supervision work.

Proactive Whistleblower Protection

We strictly prohibit any form of retaliation and has established a special program to protect the legitimate rights and interests of whistleblowers who uphold business ethics. If a whistleblower faces potential risks, we will immediately activate a dedicated protection mechanism.

We will promptly initiate this mechanism and coordinate necessary safety support measures, such as job reassignment and temporary leave support, based on the actual situation. All details of the protection work are kept strictly confidential to safeguard the whistleblower's personal and occupational security.



During the reporting period

5 reports were received and accepted, with a 100% resolution rate for investigated reports.

Digital Transformation

In the global intelligent transformation of manufacturing, digital transformation serves as the core driver for companies to anchor ESG goals and achieve sustainable development. We empower our operational system through end-to-end digitalization, comprehensively strengthening our digital foundation to achieve full coverage across key business domains. By advancing enterprise digitalization along four main pillars—operations, manufacturing, R&D, and marketing—we have built a new engine for synergistic and efficient development, demonstrating the advantages of digital transformation.

Three-Stage Digital Development

Establishing Solid Foundation for Digitalization

In the phased progression of our digital transformation journey, we have adopted a progressive approach of “foundation building - synergy - deepening” to deeply integrate digital capabilities into sustainable management practices.

Consolidate the Information Infrastructure

- Promote the digitalization of industrial chains and value chains, as well as the full-cycle digitalization of R&D and manufacturing.
- Realize the digitalization of financial sharing and human resource platforms and support low-carbon and sustainable development through digital efficiency.

Horizontal Process Integration

- Centered on the Product Lifecycle Management (PLM), Manufacturing Execution System (MES) and Enterprise Resource Planning (ERP) systems, we have broken down business silos and realized the integrated sharing of financial, supply chain, and human resources data to achieve “end-to-end, full-process, closed-loop” management.
- Actively promote the interconnection of business processes, improve resource allocation efficiency, and meet the needs of high-efficiency operations.

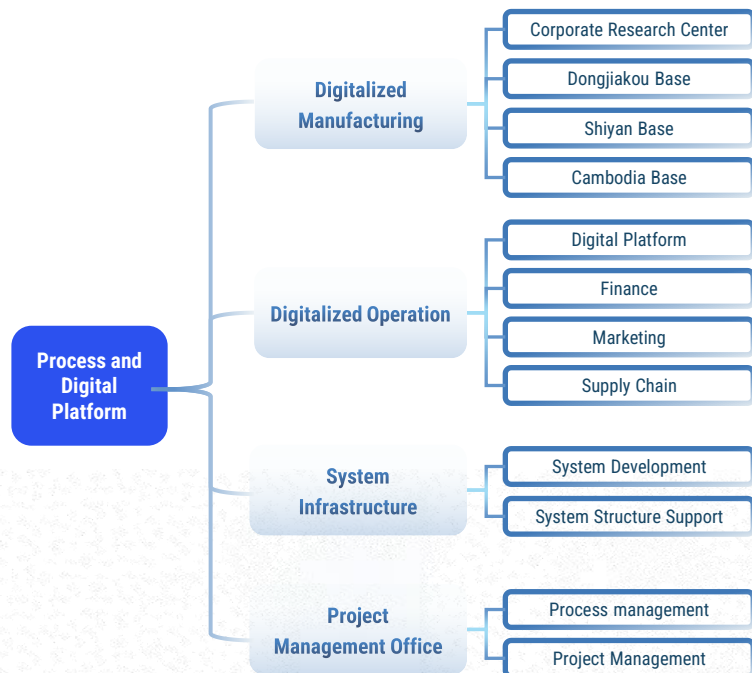
Vertical Data Integration

- Integrate management data with production site data to promote data-driven decision-making and full-chain intelligent collaboration.
- Drive quality improvement through digital management, boost product quality upgrades, enable predictive maintenance, and support the digital upgrading of production and social responsibility.

Process and Digital Platform Organizational Structure

The Process and Digital Platform of Qingdao Doublestar serves as the core enabler of the company's digital transformation. Through a systematic organizational architecture design, it fully supports the achievement of digital goals and sustainable development.

The platform consists of four major modules: project management, infrastructure, operational digitalization, and manufacturing digitalization.

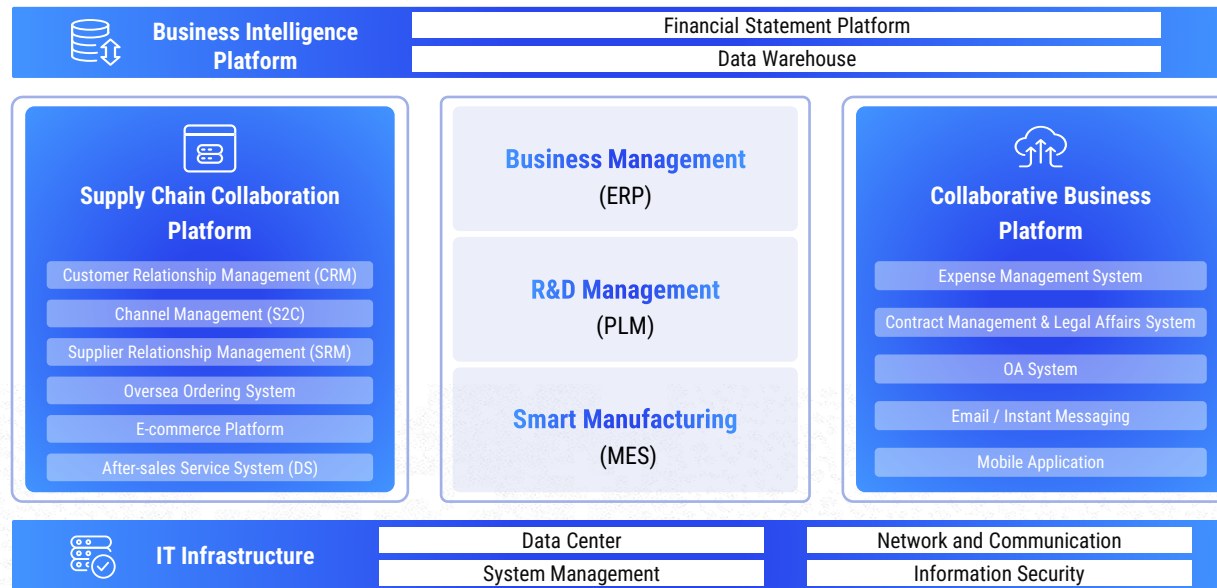


Four-tier Architecture System

Based on the company's "14th Five-Year Plan" digital strategy, we have planned a four-tier system architecture. From bottom to top, it includes:

- ❑ Underlying equipment automation systems
- ❑ Manufacturing Execution System (MES)
- ❑ Enterprise Resource Planning (ERP), Warehouse Management System (WMS) and Product Lifecycle Management (PLM)
- ❑ The upper-layer management

We have gradually achieved high-level integration of internal core systems such as MES, ERP, WMS, PLM, and the management cockpit. Extending upward to suppliers, we have implemented the Supplier Relationship Management (SRM) system. Extending downward to the market and customers, we have built the New Retail Business Model Marketing Management System (S2C) and After-sales Service System (DS), forming comprehensive business information support.



Four Digital Main Lines to Achieve Scenario-based Implementation



Operational Digitalization

Data-Driven Efficient Collaboration

Centered on the ERP system, we have built an integrated business-finance platform, connected the data links of all elements and systems, and consolidated the foundation for data-driven decision-making.

- Build an **integrated business-finance platform** to realize digital management and control of all elements including personnel, finance, materials, production, supply and sales.
- **Horizontally integrate** key business systems such as R&D, procurement and production; **vertically connect** data of finance, production, sales and other fields.
- Optimize modules such as contracts, legal affairs and expense; realize **unified entrance, single sign-on and mobile**.
- Build a **corporate data warehouse + operation cockpit**, establish a framework of **46** core indicators.

Improve Process Quality and Operational Efficiency

Enhance data-driven decision-making



Manufacturing Digitalization

Full-process Intelligent Implementation

Take MES upgrading as the core, establish the equipment-system data link, achieving intelligent management of the entire production process.

- Optimize and upgrade the MES system to realize automatic data collection, abnormal alarm and shutdown control throughout the production process.
- Connect downward to the underlying equipment automation system for comprehensive collection of equipment data.
- Integrate upward with the ERP system to unblock data stream for production planning, materials and quality.
- Implement full-scenario intelligence covering intelligent customization, scheduling, material delivery, warehousing, inspection and evaluation.

Cost Reduction & Efficiency Improvement

Elevate Intelligent Manufacturing

Design Efficiency Improved by **Over 50%**

100% Independent Analysis of Pattern Performance Simulation

R&D Cycle **Shortened by 10%**, with **Integration of Production Materials**

R&D Data Collection Efficiency **Increased by 30%**, linked Monitoring of Production Quality



Research & Development Digitalization

Full-cycle Management for Innovation

Driven by PLM, build a digital management system for the full life cycle of tire products, strengthen R&D innovation and data collaboration.

- Complete the construction of core modules such as R&D data management and digital design platform, realize digitalized management of R&D process and quality.
- Establish a digital design platform, conduct the tire pattern performance simulation analysis.
- Realized the R&D big data visualization and project progress digital presentation.
- Unblock data stream with the Laboratory Information Management System (LIMS) and MES system, automatically collect test data and issue Bill of Materials (BOM).



Marketing and Service Digitalization

Omnichannel Integration for Value Extension

Taking the digital marketing platform as the carrier, connect the entire link of marketing-service-asset management and control.

Marketing End: Improve the efficiency of order execution, avoid performance risks, and realize channel value-added.

Domestic

Taking channels as the main line, establish the entire framework of "Factory-Distributor-Store-Consumer".

Oversea

Taking orders as the main line, realize full-process digital management and control of order execution.

Online Channel

Relying on mainstream e-commerce platforms, realize accurate order distribution and full-link services.

Offline Channel

Empower offline stores through the Nebula System to provide full-process digital management of ordering, inventory and services.

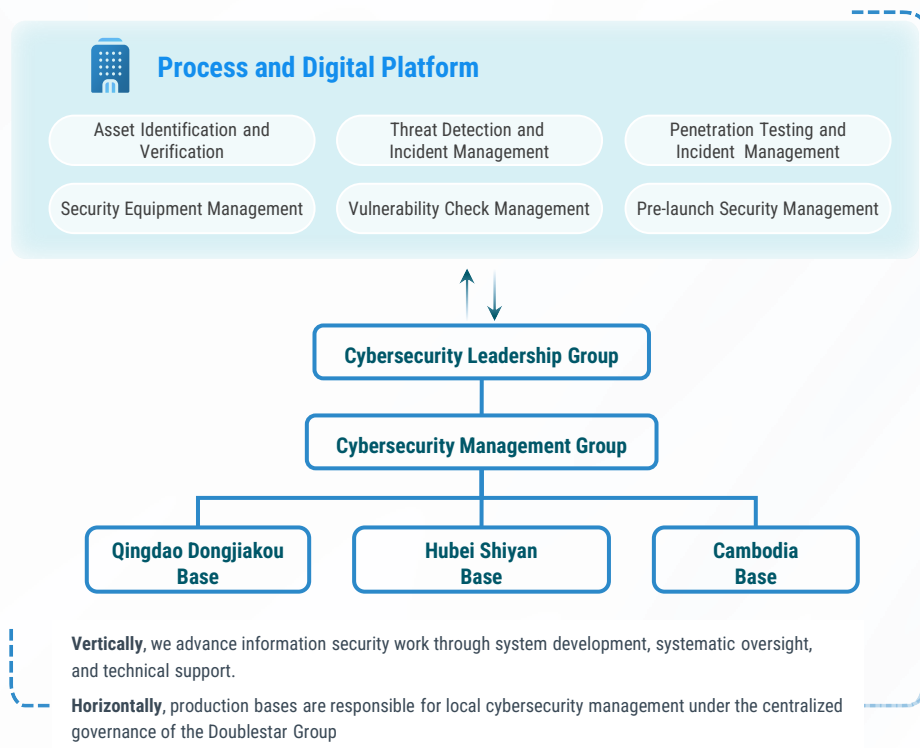
Information Security and Privacy Protection

Qingdao Doublestar strictly complies with national laws and regulations on cybersecurity, data security, and personal information protection, as well as local regulatory requirements in the regions where it operates. We have established an information security protection system that covers the entire process, including system construction, technical protection, personnel management, and emergency response.

During the reporting period, the Company achieved zero information security incidents and zero privacy breaches, providing a solid and reliable security guarantee for the in-depth advancement of digital transformation and the steady expansion of global business operations.

Information Security Governance Framework

We have established an information security governance model featuring overall planning by the Board of Directors, accountability by management, coordination among departments, and participation of all employees, with clear accountability boundaries at all levels. The Process and Digitalization Platform serves as the dedicated information security management body, staffed with a professional team responsible for daily security operations and supervision. We have integrated information security into the Company's internal control system and ESG performance evaluation indicators to ensure resource allocation aligns with strategic priorities.



Information Security Policy Construction

The Company's policies are established and enhanced to strictly align with the requirements of national regulations, including the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, and the *Personal Information Protection Law of the People's Republic of China*. Internal operational standards, such as the *Information Asset Security Management Process*, *Information Security Risk Management Process*, and *Information Security Incident Management Process*, have been revised to adapt to the new scenarios of digital transformation.

Information Security Certification

This section highlights the company's achievements in information security certifications. It features a large image of an 'INFORMATION SECURITY MANAGEMENT SYSTEM CERTIFICATE' issued to Doublestar Group Co., Ltd. for compliance with the ISO/IEC 27001:2022 Standard. Below it is a 'CMM 等级证书' (Data Management Capability Maturity Level 3 Assessment) issued by the China Electronics Standardization Association. A 'Trusted Certification' seal is also visible. To the right, a globe icon is accompanied by the text: 'Obtained Multiple Certifications in Information Security Enhance Brand Security, Credibility and Competitiveness'. Three laurel wreath icons list the certifications: 'ISO 27001:2022 Information Security Management System Certification', 'Data Management Capability Maturity Level 3 Assessment', and 'Trusted Certification'.

Key Measures and Achievements in Data Security and Customer Privacy Protection

Information Security Risk Assessment

Comprehensive information security risk assessments are conducted annually, with the process complying with domestic and international standards such as ISO27001 and ISO27002.



Accumulative identification and handling in 2025

High-risk Issue 14

Medium-risk Issue 15



Vulnerability Scanning and Closed-Loop Remediation

Internal Network
Devices Scanning

7 times

Penetration
Testing

3 times

Remediation
Rate

100 %

Potential Issues for Externally Accessible Systems

100% Remediated



Hardware & Software Iteration

Conduct regular full-network detection of key systems and software patches, perform timely restores and updates.

Strengthen servers, databases and network architectures, upgrade information security hardware facilities at the factory end.



Practical Emergency Drills



Conducted 2 emergency drills

Organize specific emergency drills through simulation attacks and practical handling to improve emergency operations and verify the feasibility of system emergency plans.

Conduct reviews and improvements to enhance the ability to respond to more complex threats and strengthen the company's overall security resilience.



Data Transfer Security

Internal encrypted transmission between domestic and Cambodia bases is realized through dedicated network lines; overseas employees access business systems via SSL VPN. The entire process of data transmission is encrypted.

Network security probes are deployed at the Cambodia base to achieve monitoring and rapid handling of information security risks.



Information Security Training

Organize 4 information security training sessions, incorporate information security courses into the mandatory onboarding courses for new employees, enhancing the practical risk response capabilities.

Email Security

Network Security

Data Security

Personal Information Protection

General Safety Code of Conduct

Information Compliance and Emergency Response

Application and Account Security



Regular Information Security Awareness Enhancement

Conduct daily information security publicity through multiple channels such as publicity boards and public large screens, focusing on enhancing all employees' security awareness and IT skills regarding account password policies, mobile office equipment storage and usage; regularly issue security warning notices to share typical industry cases and preventive measures; establish a security violation accountability mechanism to consolidate employees' information security responsibilities.

Green Drive

Dual-Wheel Synergy for Circular Low-Carbon Practices

Qingdao Doublestar has always integrated the green development philosophy into the whole process of production and operation. We firmly follow a high-quality development path that prioritizes ecology and embraces green and low-carbon growth. We attach great importance to the environmental impact of our business activities. We continue to improve the environmental management system and enhance the comprehensive control of pollutants and the efficient use of energy and resources. Focusing on green manufacturing, clean production and circular economy, we actively respond to climate change challenges. With solid and practical actions, we steadily promote the green leadership of the enterprise.

Climate Change Response

Environmental Compliance and Risk Management

Energy and Resource Management

Emissions and Waste Management

Cleantech Opportunities

Circular Economy

Biodiversity Conservation

Alignment with the United Nations Sustainable Development Goals



Alignment with the UN Global Compact 10 Principles

Principle 7: Businesses should support a precautionary approach to environmental challenges.

Principle 8: Undertake initiatives to promote greater environmental responsibility.

Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

E



Climate Change Response

In response to the increasingly severe impacts of global climate change and China's clearly defined strategic goals of "Carbon Peaking, Carbon Neutrality", Qingdao Doublestar actively responds to the national dual-carbon initiative by incorporating climate change response into the core of its sustainable development agenda. We have systematically established a full-chain response framework of "strategic leadership – organizational support – technological empowerment – action implementation."

Upholding the core philosophy of "green-driven development and circular, low-carbon growth", We advance our climate actions through multi-dimensional efforts, including top-level design, institutional improvement, technological innovation, and project-based implementation. Qingdao Doublestar has established a climate change response control team, conducts in-depth analysis of dual-carbon strategies and policies such as the EU carbon-related regulatory requirements, and continuously improves its climate risk management system. By strengthening climate governance mechanisms and information disclosure, we comprehensively enhance our climate resilience and low-carbon transition capabilities.

Climate Change Governance

Qingdao Doublestar has formulated the institutional document "ESG Management Enhancement Initiative – Climate Change Risk Identification and Response" and established a Climate Change Response and Control Task Force, including the Climate Change Response and Control Task Force Committee and an affiliated Climate Change Committee Office. The Task Force is responsible for managing climate change response activities at the production base level. Under a grid-based management mechanism, responsible entities include base-level management units, department heads, workshop managers, shift supervisors, and team leaders, who serve as the direct and primary persons responsible for climate change response within their respective grid areas. Through systematic coordination, guidance, and implementation of climate-related initiatives at the corporate level, the Task Force has significantly enhanced our organizational effectiveness and decision-making execution in climate governance.

Climate Change Response and Control Task Force Committee (The deputy general manager serves as the director of the committee)

- Coordinate, guide, and supervise climate change response initiatives
- Research, coordinate, and address major climate change issues
- Implement national and superior authorities' policies, guidelines, laws, regulations, and supporting institutional requirements related to climate change
- Formulate annual climate change response target plans, work priorities, and key initiatives
- Establish and implement accountability mechanisms for climate change response across all management levels and departments

Office of the Climate Change Committee

- Coordinate overall climate change response management affairs, including organizing employee training on climate-related laws and regulations to enhance awareness
- Be responsible for coordination and cooperation in the implementation of climate change response management
- Formulate, implement, and supervise the execution of corporate climate-related management system.

Heads of the main units at each base

- Formulate and implement environmental management systems and operational procedures for controlled areas
- Conduct routine maintenance and management of environmental protection equipment to ensure normal operation, and establish equipment operation logs
- Manage pollutants within controlled areas, prevent environmental pollution incidents, and establish pollutant storage and transfer records

Climate Change Strategy

Qingdao Doublestar, based on the characteristics of the tire industry and its own business development realities, proactively adapts to and leads industry transformation under climate change, with the aim of achieving sustainable corporate development.

Climate Risk and Opportunity Identification System

The Company carries out dedicated climate change identification and response initiatives, covering impact assessments under multiple climate scenarios. Focusing on **typical scenarios such as normal climate conditions, warming climate trends, extreme drought, snowstorms, floods, lightning and windstorms**, the Company systematically analyzes potential impacts across the entire value chain, including rubber cultivation and yield, rubber processing, logistics and transportation, and market supply.

These analyses identify key risks that may be triggered by extreme weather events, such as facility damage, production disruptions, supply chain interruptions, and rising costs. On this basis, the Company further expands its impact dimensions by examining the effects of climate change on supply chain efficiency (e.g. damage to transportation infrastructure, increased logistics costs, volatility in raw material supply) and on market demand and consumer behavior (e.g. seasonal demand shifts, growing preference for environmentally friendly products, and the expansion of online consumption).

In addition, the Company comprehensively considers the potential cascading impacts arising from changes in domestic and international greenhouse gas regulation frameworks, carbon pricing mechanisms, carbon tariffs, and policies promoting clean energy. By establishing scientific assessment models, the Company ranks various climate-related risks and opportunities according to their impact severity and likelihood of occurrence, providing robust data support for resource allocation and strategic decision-making.

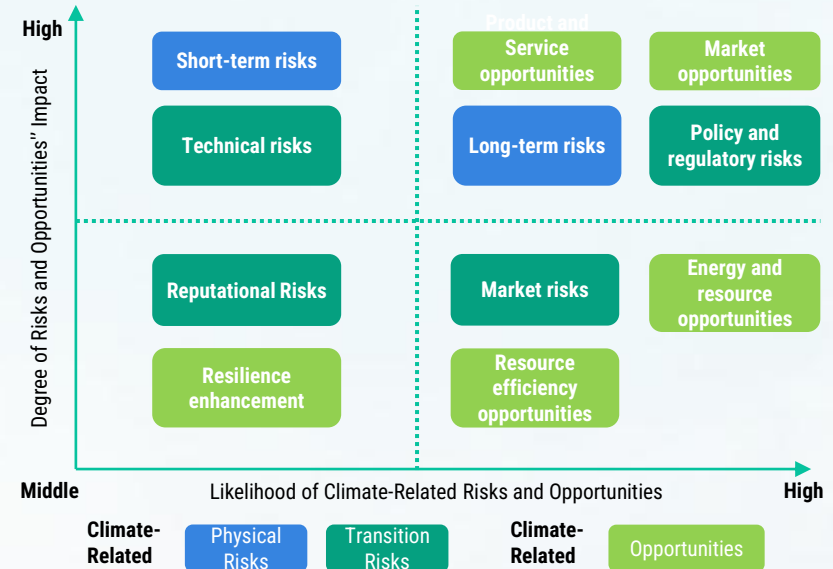
Optimization Strategy for Business Operations and Investment Decisions

Based on the comprehensive assessment of climate-related risks and opportunities, the Company systematically optimizes both its business operating models and investment decision-making processes. Through measures such as optimizing raw material selection, adjusting production processes, deploying energy-saving and emission-reduction technologies, strengthening supply chain resilience, improving warehousing and logistics, advancing product performance R&D, enhancing risk assessment and response mechanisms, and implementing continuous monitoring and feedback, we build climate resilience and sustainable development capabilities.

These efforts effectively address challenges related to production and operations, supply chains, and regulatory compliance brought about by climate change, while reducing losses caused by extreme weather events and policy or regulatory changes. At the same time, we actively capture emerging opportunities, including rising demand for environmentally friendly products, support from green policies, and the application of clean energy, thereby cultivating new growth drivers.

To implement the above optimization strategies thoroughly and meticulously, the company has developed categorized and graded response measures for the identified climate-related risks and opportunities, considering the extent and timeframe of their impact. For details on the characteristics of specific risks and corresponding response measures, please refer to P39; for details on the characteristics of specific opportunities and corresponding response measures, please refer to P40.

Climate Risk and Opportunity Identification Matrix



- **Physical risks:** Extreme weather events resulting from climate change (short-term risks) and long-term climate pattern shifts (long-term risks)
- **Transition risks:** Requirements for mitigation and adaptation resulting from policy, legal, technological, and market changes during the transition to a low-carbon economy.
- **Opportunities:** Efforts to mitigate and adapt to the impacts of climate change will create more opportunities for the company.

Qingdao Doublestar Climate-Related Risks

Based on the climate risk and opportunity identification system, we categorize climate-related risks into two major types: transition risks and physical risks. By conducting a layered breakdown of these risks, we identify actionable countermeasures for each sub-category, thereby providing specific implementation plans for climate risk prevention and control.

| Risk Type | Risk Description | Potential Impact | Countermeasures |
|------------------|--|--|---|
| Transition Risks | Policy and Legal Risks 1. Continued tightening of domestic and international green and low-carbon policies, including the implementation of the EU Carbon Border Adjustment Mechanism (CBAM) and stricter domestic carbon emission controls, which may increase compliance costs and export pressure. 2. Restrictions on fuel vehicle sales may lead to declining demand for traditional tires. | Value Chain: Marketing and sales, overall operations Financial Impact: Operating costs ↑ Operating income ↓ Impact Time: Short - medium term | 1. Continued tightening of domestic and international green and low-carbon policies, including the implementation of the EU Carbon Border Adjustment Mechanism (CBAM) and stricter domestic carbon emission controls, which may increase compliance costs and export pressure. 2. Restrictions on fuel vehicle sales may lead to declining demand for traditional tires. |
| | Technology Risks 1. Increasing technical challenges in balancing environmental performance with traditional product performance. 2. Higher requirements for product durability and adaptability driven by climate change. 3. Accelerated low-carbon transition reshaping market competition, with green products and low-carbon technologies requiring long R&D cycles and substantial investment. | Value Chain: Product and service, R&D investment Financial Impact: Operating costs ↑ Operating income ↓ Impact Time: Medium to long term | 1. Increasing technical challenges in balancing environmental performance with traditional product performance. 2. Higher requirements for product durability and adaptability driven by climate change. 3. Accelerated low-carbon transition reshaping market competition, with green products and low-carbon technologies requiring long R&D cycles and substantial investment. |
| | Market Risks 1. Upgrading market preferences toward environmentally friendly products, increasing demand for low-rolling-resistance and sustainable material tires, while the market for traditional fuel vehicle tires contracts. 2. New energy vehicle tires becoming a new growth driver. 3. Higher requirements for energy consumption and carbon emission management across downstream logistics and transportation, posing challenges for carbon footprint tracking and control across the entire value chain. | Value Chain: Marketing and sales Financial Impact: Operating costs ↑ Operating income ↓ Impact Time: Short - medium term | 1. Upgrading market preferences toward environmentally friendly products, increasing demand for low-rolling-resistance and sustainable material tires, while the market for traditional fuel vehicle tires contracts. 2. New energy vehicle tires becoming a new growth driver. 3. Higher requirements for energy consumption and carbon emission management across downstream logistics and transportation, posing challenges for carbon footprint tracking and control across the entire value chain. |
| | Reputational Risks Rising expectations from investors, customers, and other stakeholders regarding climate information disclosure and management, which may affect financing costs and brand reputation. | Value Chain: Overall operations Financial Impact: Operating income Enterprise valuation ↓ Capital Channels ↓ Impact Time: Medium to long term | 1. Improve the climate change management system and strengthen internal training and awareness-raising. 2. Establish a digital climate management system to enhance management transparency and effectiveness. 3. Regularly disclose climate actions and actively respond to stakeholder concerns. |
| Physical Risks | Short-term Risks Extreme weather events such as floods and typhoons may damage production facilities, disrupt supply chains, and threaten employee safety and asset security. | Value Chain: Supply Chain, Production Operations Financial Impact: Operating costs ↑ Operating income ↓ Fixed assets ↓ Impact Time: Short term | Extreme weather events such as floods and typhoons may damage production facilities, disrupt supply chains, and threaten employee safety and asset security. |
| | Long-term Risks 1. Climate change may lead to reduced output in natural rubber producing regions and higher procurement costs. 2. Prolonged high temperatures and water resource shortages may affect employee health and production efficiency. 3. Damage to production facilities and disruptions in logistics and transportation may result in production stoppages and increased costs. | Value Chain: Supply Chain, Production Operations Financial Impact: Operating costs ↑ Operating income ↓ Fixed assets ↓ Impact Time: Long term | 1. Climate change may lead to reduced output in natural rubber producing regions and higher procurement costs. 2. Prolonged high temperatures and water resource shortages may affect employee health and production efficiency. 3. Damage to production facilities and disruptions in logistics and transportation may result in production stoppages and increased costs. |

Qingdao Doublestar Climate-Related Opportunities

While actively addressing various climate-related risks to build a strong safeguard for operational stability and development, we are also seizing the green development opportunities arising from low-carbon transition and climate change management, thereby advancing the evolution of climate management from "risk prevention and control" to "value creation".

| Opportunity Type | Opportunities Description | Potential Impact | Countermeasures |
|-----------------------|---|--|---|
| Resource Efficiency | Develop a circular economy, improve the efficiency of resource and material utilization, and reduce operating costs. | Value Chain: R&D investment, Overall operations Financial Impact: Operating costs ↓ Impact Time: Short - medium term | Develop a circular economy, improve the efficiency of resource and material utilization, and reduce operating costs. |
| Energy Source | Utilize renewable energy to reduce energy costs and transition toward a low-carbon energy structure. | Value Chain: Overall operations Financial Impact: Operating costs ↓ Impact Time: Short - medium term | Utilize renewable energy to reduce energy costs and transition toward a low-carbon energy structure. |
| Products and Services | Growing market demand for low-rolling-resistance, lightweight, and sustainable-material tires, as well as new energy vehicle tires, creating new revenue growth opportunities. | Value Chain: R&D Investment, Marketing and sales Financial Impact: Operating income ↑ Impact Time: Medium to long term | Growing market demand for low-rolling-resistance, lightweight, and sustainable-material tires, as well as new energy vehicle tires, creating new revenue growth opportunities. |
| Market | The low-carbon transition provides policy, capital, and technological support to the industry, such as green finance policies supporting "electric vehicle tires" and other green economic activities, expanding financing channels and reducing capital costs. Overseas markets' higher entry requirements for green compliant products provide differentiated competitive advantages for technology-leading enterprises, making green products a core driver for international market expansion. | Value Chain: Financing, Marketing and sales Financial Impact: Operating costs ↓ Operating income ↑ Impact Time: Long term | The low-carbon transition provides policy, capital, and technological support to the industry, such as green finance policies supporting "electric vehicle tires" and other green economic activities, expanding financing channels and reducing capital costs. Overseas markets' higher entry requirements for green compliant products provide differentiated competitive advantages for technology-leading enterprises, making green products a core driver for international market expansion. |
| Toughness | Participation in renewable energy projects and adoption of energy-saving measures can reduce long-term operating costs. Diversification of materials reduces supply chain risks. New business models (such as tire leasing) create innovative revenue streams. | Value Chain: R&D investment, Marketing and sales Financial Impact: Operating income ↑ Cost of sales ↓ Impact Time: Long term | Participation in renewable energy projects and adoption of energy-saving measures can reduce long-term operating costs. Diversification of materials reduces supply chain risks. New business models (such as tire leasing) create innovative revenue streams. |

Qingdao Doublestar has fully integrated the management of the above risks and opportunities into its corporate strategy and daily operations. Going forward, the Company will continue to enhance the quantitative assessment of climate-related risks and opportunities and dynamically adjust its management strategies to ensure steady operations under uncertain climate conditions, while maximizing opportunities for green growth.

Climate Impact, Risk and Opportunity Management

Qingdao Doublestar has established a full-cycle climate risk management system encompassing “early-stage identification and assessment – mid-stage systematic control and execution – late-stage dynamic monitoring and optimization.” This closed-loop approach enables comprehensive climate risk management and provides solid assurance for low-carbon transition and sustainable development.



Comprehensive Risk Identification and Assessment

Multi-Dimensional Climate Risk Identification Mechanism

Taking into account the characteristics of the tire industry, the full value chain, and changes in both domestic and international development environments, the Company has established a professional climate risk identification mechanism. By regularly collecting climate-related data, industry trends, and expert insights from both domestic and international sources, the Company builds a comprehensive risk scanning system covering internal operations and the external environment.

Internally, the focus is placed on critical areas such as production facility safety, employee health and productivity, and operational process stability. Externally, the scope includes supply chain and logistics security, changes in market demand and consumer behavior, and developments in domestic and international policies, regulations, and standards, enabling the identification of potential climate risks and their cascading impacts on business operations.

Integrated Qualitative and Quantitative Risk Assessment

A scientific assessment model combining qualitative and quantitative approaches is applied to conduct multi-dimensional analysis of identified climate risks. Key assessment criteria include the likelihood of occurrence, scope of impact, severity, and duration, based on which risk grading standards are established, and a clear risk prioritization is formed.

Through this assessment process, the Company identifies potential impacts on production and operations, financial performance, and compliance management, providing an accurate basis for formulating targeted response strategies and ensuring the efficient allocation of resources to priority risks.



Systematic Risk Management and Execution

Formulation of Response Strategies

Based on the outcomes of risk identification and assessment, the Company develops corresponding response and opportunity-capturing strategies. Tailored measures are designed for different types of risks, including physical risks, transition risks, and supply chain risks, covering areas such as supply chain optimization, technology upgrades, compliance management, and product innovation.

Standardized Process Control and Implementation

A normalized climate risk management promotion mechanism has been established, under which dedicated climate-related meetings are held on a regular basis to track the progress and effectiveness of response measures, and review the effectiveness of our efforts.

Clear responsibilities are defined at each organizational level. The Climate Change Response and Control Task Force coordinates overall efforts, the office ensures execution, and on-site teams implement actions, forming a working framework with clear accountability, defined tasks, and effective execution.



Dynamic Monitoring, Early Warning, and Continuous Optimization

Comprehensive Risk Monitoring System

The Company has established a dual-layer monitoring mechanism combining macro-level trend tracking and micro-level indicator monitoring. At the macro level, the Company closely tracks global climate change trends, updates in domestic and international green and low-carbon policies, and industry market dynamics, promptly identifying emerging risk factors.

At the micro level, real-time monitoring of key indicators is conducted through online monitoring equipment and third-party professional institutions, ensuring data accuracy and reliability and providing a solid data foundation for risk assessment.

Rapid Response and Early Warning Mechanism

An internal information-sharing network has been established, maintaining close communication with meteorological, environmental protection, and other relevant authorities to obtain early warnings on extreme weather events and policy adjustments in a timely manner.

Early warning notifications are rapidly disseminated through internal information platforms, enabling advance preparedness. Dedicated emergency response plans are formulated for different risk scenarios, with clearly defined emergency organizational structures, material reserves, and handling procedures, ensuring swift activation of responses and minimizing potential losses.

Closed-Loop Continuous Improvement Mechanism

By integrating monitoring results and response effectiveness, the Company continuously refines its climate risk management processes, forming a virtuous cycle of “identification – assessment – control – monitoring – improvement.”

The effectiveness of existing response measures is regularly evaluated, and strategies are dynamically adjusted in line with changes in the external environment and the evolution of risks. At the same time, management experience is institutionalized to continuously enhance the refinement and systematic nature of climate risk management.



CLIMATE METRICS AND TARGETS

Greenhouse Gas Emissions Data

Based on a comprehensive assessment of climate-related risks and opportunities, Qingdao Doublestar has established a climate change response target system covering the short, medium, and long term, with the following specific plans:

- Short term (by 2028): Reduce carbon emission intensity by **5%** compared with 2023
- Medium term (by 2035): Reduce carbon emission intensity by **10%** compared with 2023.
- Long term (by 2050): Reduce carbon emission intensity by more than **50%** compared with 2023 and steadily advance the achievement of carbon neutrality targets.

The Company is committed to **achieving carbon peaking by 2030 and carbon neutrality before 2050**.



In 2025,
the Company's carbon emission intensity was **0.78** tCO₂eq/10,000

The Company organizes the preparation of greenhouse gas emissions reports on an annual basis and conducts internal reviews. Third-party professional institutions are regularly engaged to verify greenhouse gas emissions data.

In 2025, we completed the internal verification of our greenhouse gas emissions report and commissioned an independent third-party professional institution to conduct carbon verification in accordance with the *Interim Measures for the Administration of Carbon Emissions Trading*, the *Guidelines for the Verification of Enterprise Greenhouse Gas Emissions Reports (Interim)*, and the *Guidelines for the Accounting and Reporting of Greenhouse Gas Emissions of Enterprises in Other Industrial Sectors (Interim)*. Relevant emissions data were summarized and centrally managed.

Going forward, we plan to carry out internal carbon audits and third-party carbon verification on a regular basis, and to formulate energy-saving and emission-reduction project plans.

| Carbon Emission Types | | Unit | 2025 | 2024 | 2023 |
|--|---------------------------------------|---------------------------------|------------|------------|------------|
| | Total Scope 1 GHG emissions | tCO ₂ eq | 995.42 | 858.74 | 783.38 |
| | Total Scope 2 GHG emissions | tCO ₂ eq | 157,752.29 | 163,428.95 | 146,061.76 |
| | Total Scope 1 & Scope 2 GHG emissions | tCO ₂ eq | 158,747.71 | 164,287.69 | 146,845.14 |
| | Total Scope 1 GHG emissions | tCO ₂ eq | 747.00 | 457.84 | 407.51 |
| | Total Scope 2 GHG emissions | tCO ₂ eq | 105,079.00 | 91,220.11 | 95,904.47 |
| | Total Scope 1 & Scope 2 GHG emissions | tCO ₂ eq | 105,826.00 | 91,677.95 | 96,311.98 |
| | Total Scope 1 GHG emissions | tCO ₂ eq | 508.33 | 173.23 | - |
| | Total Scope 2 GHG emissions | tCO ₂ eq | 96,011.75 | 26,457.71 | - |
| | Total Scope 1 & Scope 2 GHG emissions | tCO ₂ eq | 96,520.08 | 26,630.94 | - |
| | Scope 1 GHG Emissions | tCO ₂ eq | 2,250.75 | 1,489.81 | 1,777.57 |
| | Scope 2 GHG Emissions | tCO ₂ eq | 358,843.04 | 281,106.77 | 340,552.35 |
| | Scope 1 & 2 GHG Emissions (Total) | tCO ₂ eq | 361,093.79 | 282,596.58 | 342,329.92 |
| Scope 1 & 2 GHG Emission Intensity (per yuan 10,000 revenue) | | tCO ₂ eq/10,000 yuan | 0.78 | 0.59 | 0.74 |

Product Carbon Footprint

In response to the national “dual-carbon” strategy and domestic green and low-carbon regulatory requirements, the Company actively advances product carbon footprint management as a core initiative. By strengthening technical solutions for carbon footprint calculation and improving supply chain management practices, the Company supports the achievement of carbon footprint accounting and emission reduction targets.

In 2025, as one of the pilot enterprises for carbon footprint accounting designated by the Qingdao Municipal Bureau of Ecology and Environment, the Dongjiakou Base selected the 195/65R15 tire model for carbon footprint calculation in accordance with government arrangements. This initiative provided essential “tool” and “data” support for subsequent responses to the Carbon Border Adjustment Mechanism.

Looking ahead, the Shiyao Base plans to engage with a third-party vendor in 2026 to complete the baseline carbon footprint accounting for its representative products by the third quarter. This will help identify high-emission processes, enabling further optimization of carbon footprint management and continuously advancing our green development process.

Carbon Asset Management

To actively respond to national strategies on energy conservation, emission reduction, and green low-carbon development, Qingdao Doublestar has established *Carbon Emissions and Carbon Asset Management Regulation* and set up a dedicated Carbon Emissions and Carbon Asset Management Leading Group. The Group is responsible for the overall construction of the Company’s carbon emissions and carbon asset management system and plays a key role in coordinating and advancing energy-saving and emission-reduction initiatives.

Through standardized management approaches, the Company has established carbon asset accounts, verified carbon emission volumes and inventories, and developed a carbon emissions data monitoring and accounting system. By promoting energy-saving and emission-reduction measures, optimizing industrial structure, and improving energy efficiency, the Company enhances its carbon asset management capabilities.

In addition, the Company applies advanced carbon reduction technologies and integrates methodologies such as chemical absorption and heat pump engineering projects. Based on comprehensive risk assessments, the Company actively explores carbon trading mechanisms and regularly reports trading activities, laying a solid foundation for effective emission control and optimized allocation of carbon assets, and ensuring readiness for future carbon asset management.



The Shiyao Base has been included in the list of carbon emission control enterprises in Hubei Province, and carbon emissions verification is conducted annually by the Hubei Provincial Department of Ecology and Environment.

Environmental Compliance and Risk Management

Qingdao Doublestar consistently regards environmental compliance as the lifeline of corporate survival and development. Adhering to the principles of compliance by law, prevention first, and integrated management, the Company integrates environmental risk management throughout its production and operational activities. By establishing a sound environmental management system, strengthening risk identification and control, and enhancing employee awareness, the Company has built a full-process environmental risk management mechanism encompassing prevention in advance, control during operations, and continuous improvement afterward. This ensures that all production and operational activities comply with national laws and regulations, effectively mitigates environmental risks, and provides a solid legal foundation for green transformation.

Environmental Management Strategy

Qingdao Doublestar deeply recognizes that environmental protection is a critical component of sustainable development. From top-level design and system building, the Company strictly implements national and local environmental laws and regulations and integrates environmental management into daily operations. By establishing a systematic, standardized, and efficient environmental management framework and advancing initiatives across multiple dimensions—including **technological innovation, green manufacturing, circular economy and compliance control**—the Company strives to achieve a win-win outcome of environmental performance and economic benefits.

Technological Innovation

- Driven by innovation as a core engine and supported by AI-enabled digital design platforms, the Company continuously advances breakthroughs in formulation design and structural innovation through the development of high-performance tires and green, low-carbon innovative products. These efforts steadily increase the proportion of sustainable materials used in products and enrich the Company’s green product portfolio.

Green Manufacturing

- The Company promotes intelligent energy efficiency improvements and large-scale application of photovoltaic power generation, adopts high-efficiency energy-saving equipment, and deploys smart energy management systems for real-time monitoring. At the same time, it advances cleaner and more efficient production through waste reduction at source, compliance-based resource treatment, and recycling, addressing the long-standing challenges of high pollution and high energy consumption in the tire manufacturing industry.



Circular Economy

- Addressing the industry-wide challenge of waste tires, often referred to as “black pollution”, Qingdao Doublestar collaborated with DoubleStar Ecostar Holdings Limited to establish a circular economy system covering the entire life cycle of tires.
- By integrating processes such as waste tire recycling, retreading, and high-value utilization, the Company has built an integrated closed-loop system, effectively promoting the sustainable development of the waste tire recycling industry.

Compliance Control

- The Company has established a comprehensive environmental compliance management system covering all production bases and key environmental aspects. All operations are managed in accordance with the ISO 14001 Environmental Management System and are subject to annual audits. A closed-loop management mechanism of “monitoring – governance – evaluation” has been formed.
 - The Company has developed a risk management system combining comprehensive contingency plans, specialized emergency plans, and on-site response measures, supported by sufficient emergency resources and regular emergency drills. An internal and external coordination mechanism has been established to enhance emergency response capabilities.
- The Company also strengthens environmental information disclosure and accepts public supervision, ensuring that its green development is orderly, transparent, and traceable.

Environmental Management System and Regulations

Qingdao Doublestar has consistently regarded the construction of its environmental management system as the core support for green development. Guided by the environmental management policy of "Compliance with Regulations, Pollution Prevention, Energy Conservation and Consumption Reduction, and Continuous Improvement" and based on national and local laws, regulations, and standards such as the *Environmental Protection Law of the People's Republic of China* and *GB/T24001-2016 Environmental Management Systems – Requirements with Guidance for Use*, we have integrated the core elements of the ISO 14001 environmental management system. Combining this with its own practical situation, the company has formulated the Qingdao Doublestar Environmental Protection Management Regulations, establishing a full-process environmental management system covering core production bases such as Dongjiakou and Shiyan. This has formed a three-level management structure of "corporate coordination, base implementation, and full staff participation."

The senior management has set up an Environmental Protection Committee to oversee environmental performance, with an executive office responsible for daily work. Each production base has an environmental protection leading group in charge of system implementation, operation and risk prevention.

For major environmental decisions, the Sustainable Development Committee submits proposals to the Board of Directors on climate change response, energy and resource management, emissions, waste, circular economy, biodiversity, and raw material and packaging management to provide strategic guidance.

Environmental Protection Committee (The Vice General Manager serves as the Committee Director)

- Coordinate, guide, and oversee climate change-related work across the entire company.
- Research, coordinate, and resolve major climate change issues.
- Implement the guidelines, policies, laws, regulations, and rules related to climate change issued by the state and higher-level departments.
- Formulate the company's annual climate change response goals, plans, key tasks, and major measures.
- Establish and improve the climate change response responsibility system for leaders and departments at all levels and supervise its implementation.

Environmental Protection Committee Office

- Oversee the company's climate change response and management affairs, including organizing employees to study climate change regulations and raising their awareness.
- Responsible for coordinating and cooperating in climate change response and management work.
- Formulate and supervise the implementation of the company's climate change regulations and systems.

Base Environmental Protection Work Leading Group

- Develop and implement environmental management systems and operating procedures for environmental protection equipment within the jurisdiction.
- Conduct daily maintenance of environmental protection equipment within the jurisdiction to ensure normal operation and establish equipment operation ledgers.
- Control pollutants within the jurisdiction, prevent environmental pollution incidents, and establish ledgers for pollutant storage and transfer.

Various Business Units, General Administration Department, Manufacturing Department, Warehousing & Logistics Department, Technology & Process Department, Human Resources Department, Finance Department, Equipment & Energy Department, Warehouse Department, Quality Department, Purchasing Office



Environmental Objectives

Each base clarifies the responsible departments and job duties for environmental management. They set environmental objectives such as energy consumption intensity, carbon emission intensity, photovoltaic power generation volume, environmental liability accident rate, compliance rates for wastewater, exhaust gases, and noise, legal disposal rate of hazardous waste, and completion rate of energy-saving and consumption-reduction plans. These objectives are broken down into various operational links such as production, technology, and procurement, achieving deep integration of environmental management with production operations.



Core Environmental Protection Regulations

Core Regulations

Core regulations such as the [2025 Environmental Protection Management Regulations](#), [2025 Hazardous Waste Management Regulations](#), [Radiation Safety Management Regulations](#), and [Environmental Protection Facility Operation Management Regulations](#) clarify the standard requirements, operating procedures, and accountability mechanisms for environmental management.

Specialized Regulations

Operational documents such as [Precautions for Startup/Shutdown of Environmental Treatment Facilities and Emergency Response Procedures and Guarantee Plan for Compliance of Online Monitoring Facilities in the Mixing Workshop](#) standardize specific tasks like the operation of environmental protection facilities and pollutant monitoring. Additionally, specialized regulatory documents like the [ESG Management Enhancement Special Project I - Climate Change Risk Identification and Response](#), [2025 Carbon Emissions and Carbon Asset Management Regulations](#), and [Energy Management Manual](#) have been issued. These provide institutional support for the company to address climate change risks and manage carbon, achieving normalized, standardized, and refined environmental management.

Environmental Protection Investment

In 2025, the company invested a total of **RMB 34.0683 million** in environmental compliance promotion, environmental technology research and development, and the construction and operation of environmental protection facilities. This investment is dedicated to enhancing the company's environmental protection capabilities and advancing its green manufacturing goals.

In accordance with the requirements of the Ministry of Environment of the Kingdom of Cambodia, the Cambodia base will provide an environmental and social fund of **5,000 USD** to the Ministry of Environment of Cambodia every year starting from January 2026.

- Environmental Fund
The company provides **4,000 USD** annually for environmental protection and biodiversity conservation.
- Social Fund
The company provides **1,000 USD** annually to support rural development and construction.

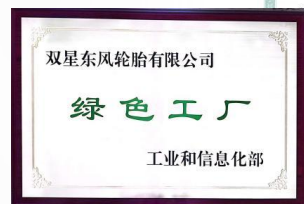
Environmental Management System Certification

As of the end of the reporting period, **both the Dongjiakou Base and the Shiyan Base have obtained ISO 14001 environmental management system certification**. The certifications are **valid**, ensuring the effective operation of the systems.

Furthermore, the Cambodian base has obtained the relevant environmental impact assessment report and signed an environmental protection agreement with the local environmental authority. **It commits to being responsible for and implementing the content of the Initial Environmental and Social Impact Assessment (IESIA) report for the tire factory construction project approved by the Ministry of Environment.**

Green Factories

- Dongjiakou Base: National-level Green Factory, National-level Green Supply Chain Management Enterprise (recognized by MIIT), Green Design Demonstration Enterprise for Industrial Products, Green Design Product (MIIT).
- Shiyan Base: National-level Green Factory.



Green Factories certificate



Environmental Impact Assessment and Risk Management

Systematic Monitoring

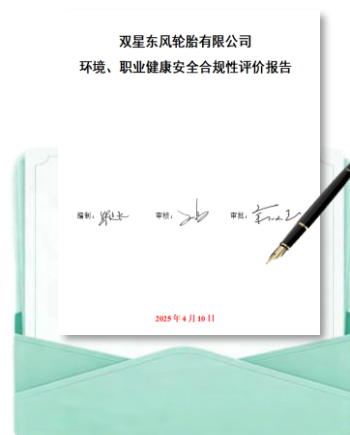
To ensure the efficient operation of the environmental management system and the continuous identification and mitigation of potential environmental and safety risks, the company has established a comprehensive and well-structured monitoring and supervision mechanism. We have built a 24/7 real-time monitoring and intelligent early warning network covering various emission sources such as waste gas and wastewater, ensuring abnormal situations are promptly detected and swiftly responded to.

The quality of monitoring data is controlled throughout the entire process. Professional calibration of various detection equipment is conducted weekly to ensure accurate and reliable data collection. Quarterly self-inspections covering all discharge points and the surrounding base environment are carried out. Additionally, qualified third-party professional institutions are regularly engaged for independent audits and verification, ensuring the objectivity and impartiality of the monitoring results.

The company relies on intelligent management platforms such as SCADA (Supervisory Control and Data Acquisition) and MES (Manufacturing Execution System).

Compliance Evaluation & Risk Screening

Concurrently, the company has established a systematic mechanism for environmental risk identification, assessment, and control. Annually, based on standards such as GB/T 24001:2016, ISO 45001:2018, the company's internal system documents, and relevant laws, regulations, and standards, the company independently conducts compliance evaluations of its environmental management system and occupational health and safety management system. This process includes environmental risk screening and compliance evaluation.



Qingdao Doublestar Environmental, Occupational Health and Safety Compliance Evaluation Report

In 2025, the company conducted a comprehensive screening of environmental compliance risk points, formulated rectification plans for identified issues, and implemented closed-loop management. The compliance evaluation results indicated overall compliance. All operations aligned with the implementation of relevant environmental management systems, laws, and regulations. Both the company and its project departments effectively adhered to laws and regulations during construction. No environmental nuisance incidents, environmental pollution events occurred, and there were no complaints from individuals or organizations. The environmental management practices across all projects complied with legal, regulatory, and standard requirements.

The company has achieved systematic monitoring and closed-loop, refined management of environmental performance by relying on real-time monitoring as the foundation, regular calibration as the guarantee, and self-checks and third-party audits as support.

Environmental Emergency Management

Emergency Plans

The company and each production base have developed comprehensive *Work Safety Accident Emergency Plans* (including general plans, specific contingency plans, and on-site disposal protocols) and *Sudden Environmental Incident Emergency Plans* based on their respective environmental risk profiles. These plans have been filed with the local environmental protection authorities. The plans clearly define the emergency organization structure, responsibilities, response procedures, disposal measures, and support measures. They specify information reporting procedures to ensure that, upon the occurrence of an emergency, emergency response can be activated swiftly, relevant government departments can be notified as required, and external rescue support can be sought when necessary, enabling coordinated emergency response and linkage. Concurrently, the company has formulated the Precautions for Startup/Shutdown of Environmental Treatment Facilities and Emergency Response Procedures, which outline the handling procedures for emergencies such as equipment electric leakage/electric shock, activated carbon adsorption saturation/dust emission/exhaust gas exceeding standards, and PPS filter blockage/damage.

Emergency Supplies Depot

The company has established emergency supplies depots equipped with various emergency resources, including firefighting equipment, protective gear, leak-plugging materials, emergency monitoring equipment, and first aid supplies. These resources are regularly inspected, maintained, and updated to ensure their good condition and effectiveness for emergency support.

Emergency Drills

The company develops an annual emergency drill plan and regularly organizes drills at different levels and covering various subjects, such as fire and explosion, hazardous chemical leakage, and environmental pollution incidents.

In 2025, the company conducted multiple drills, including firefighting and personnel evacuation and escape, with a total participation of **5,600** personnel. These drills tested the operability of the plans, enhanced employees' emergency awareness and their ability for self and mutual rescue, improved the response capabilities of various emergency teams, and were followed by evaluation and summarization to continuously optimize the emergency plans.



Environmental Emergency Drill

Enhancing Environmental Awareness and Internal & External Communication

To continuously consolidate the effectiveness of environmental management, the company organizes special campaigns such as "Safety and Environmental Protection Month" and "Energy Conservation Awareness Week." These activities facilitate systematic summarization, mutual learning, and promotion of best environmental practices across all locations, including with Kumho Tire. Internal environmental protection training and emergency drills are conducted at least quarterly. The content covers operating procedures for pollution control facilities, interpretation of environmental regulations, and emergency response to scenarios such as pollutant exceedances, sudden ambient air quality incidents, and hazardous chemical accidents, ensuring the continuous enhancement of capabilities for personnel in key positions.



In 2025, the company conducted **15** training sessions with a total participation of **3,820** person-times, and **10** drills with a total participation of **494** person-times.

Internal Awareness Enhancement



External Communication Enhancement

Internally, the company has established a regular environmental management meeting system to periodically summarize and analyze environmental monitoring data, compliance performance, and operational issues, driving closed-loop management. Simultaneously, leveraging channels such as labor union feedback and thematic briefings, the latest environmental policies and regulations are promptly communicated to all employees, deepening their sense of environmental responsibility.

Externally, adhering to the principles of openness and transparency, the company actively maintains regular communication with government departments, industry associations, and the public, proactively responding to concerns regarding its environmental performance. By publishing annual reports and ESG reports, utilizing social media platforms, carrying out community environmental public welfare activities, and disclosing discharge information annually through Qingdao's Pollution Source Discharge System, the company systematically showcases its measures and progress in environmental protection. It consciously accepts social supervision and uses this process to gather feedback, driving the continuous improvement of environmental performance.

Conducting Specialized Hazard Screening and Drills in Response to Safety Incidents at Peer Companies and Rubber Factories



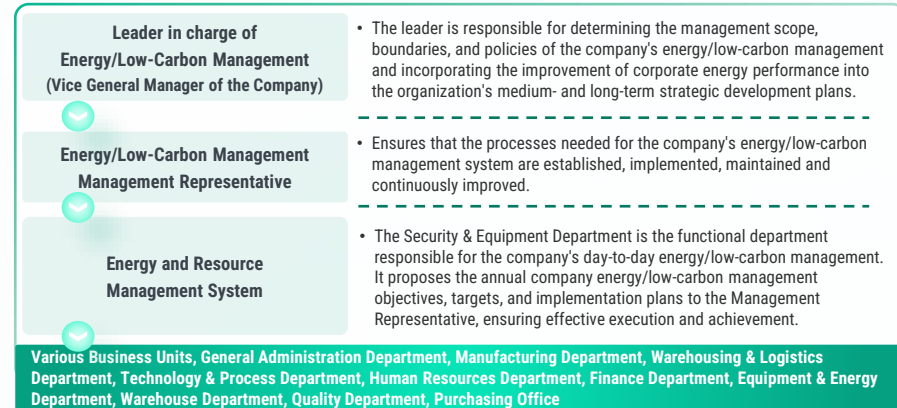
Safety-related Drills

The Dongjiakou and Shiyuan Base conducted comprehensive screenings in response to safety incidents at some peer companies and rubber factories. They established electronic ledgers, implemented inspection systems, carried out partial base modifications (e.g., improvements in key fire prevention areas, installation of gas alarms), and upgraded certain facilities and equipment (e.g., enhancing safety control in drying rooms by adding explosion-proof lighting). Concurrently, following the emergency drill plan, the company organized specialized fire emergency drills. It conducted comprehensive fire emergency drills and firefighting equipment usage training for all staff and tested the training content. This ensured employees grasped basic fire safety knowledge and continuously improved the response speed and emergency handling skills of part-time firefighters.

Energy and Resource Management

Qingdao Doublestar regards energy and resource management as the core support for green and low-carbon transformation and a key lever for sustainable development. The company has established a management system characterized by "systematic control, technological consumption reduction, and resource recycling". It places high importance on improving energy efficiency and promoting intensive resource utilization by establishing an energy management system covering all bases, setting short-, medium-, and long-term energy-saving and consumption-reduction goals, and linking energy-saving performance with incentive mechanisms to solidify the management foundation.

Simultaneously, focusing on the entire production process and driven by technological innovation, the company advances core initiatives such as permanent magnet motor retrofitting, production process optimization, and clean energy substitution. These are paired with an intelligent energy monitoring platform to achieve refined control. Furthermore, the company deeply practices the concept of a circular economy through various initiatives including reclaimed water reuse, waste resource recovery, and green office practices, comprehensively enhancing resource utilization efficiency and injecting lasting momentum into corporate cost reduction, efficiency improvement, and the green development of the industry.



Energy and Resource Management System

Qingdao Doublestar places high importance on improving energy efficiency and conservation during production and has established a systematic and standardized energy management system.

- The company has formulated and implemented the *Energy Management Manual*, which clarifies energy management responsibilities at all levels, incorporates energy-saving goals into the performance evaluation system, and links them with management incentives to ensure accountability.
- The company has a dedicated energy management team structure responsible for overall planning of energy-saving measures, implementing process supervision, monitoring, inspection, and corrective mechanisms. It has also established a regular training and awareness mechanism to drive the continuous improvement of the energy management system.
- The Dongjiakou Base has obtained **ISO 50001** energy management system certification.

Energy Conservation Targets

The company formulates medium- and long-term development plans for energy conservation and consumption reduction, decomposing them annually into specific and actionable measures. By establishing an intelligent energy management platform, energy-saving targets are detailed down to each production unit and major energy-consuming process. A daily tracking and weekly evaluation mechanism for energy data is implemented. Key energy consumption variances are regularly analyzed to drive improvements, steadily advancing the enhancement of energy management efficiency and the transition to green development.



Energy Conservation and Consumption Reduction Targets

□ Short-term:

By 2028, achieve a **5%** reduction in energy consumption intensity compared to 2023; the proportion of electricity from clean energy sources will reach **20%**.

□ Mid-term:

By 2035, achieve a **10%** reduction in energy consumption intensity compared to 2023; the proportion of electricity from clean energy sources will reach **30%**.

□ Long-term:

By 2050, achieve a reduction in energy consumption intensity of **more than 20%** compared to 2023; the proportion of electricity from clean energy sources will be continuously increased.



Target Achievement Status

- Through energy-saving measures such as equipment upgrades and process optimization, the company has achieved significant improvements in energy-saving benefits and regularly tracks the progress of its energy and resource management goals.
- In 2025, the company's energy consumption intensity stood at **0.20** tons of standard coal per 10,000 yuan of output, photovoltaic power generation reached **36.6487 million kWh**, and the proportion of clean energy electricity consumption accounted for **4.63%**.

Practices for Improving Energy Efficiency and Low-Carbon Transition

01 Refined Energy Management

By formulating an Energy Management Manual, establishing specialized functional departments, and implementing a target responsibility system linked to performance, the company systematically improves energy use efficiency and ensures the effective implementation of energy-saving work. It utilizes an energy management platform to monitor key energy-consuming areas and drive continuous improvement.

02 Enhancing Resource Utilization and Process Optimization

The company adheres to the principles of conservation and recycling in the manufacturing process, continuously improving resource utilization through measures such as process optimization, technological improvements, and equipment upgrades.

03 Accelerating the Transition to Clean Energy

The company actively develops and applies clean energy, primarily photovoltaics, continuously increasing the proportion of clean energy in the overall energy consumption mix to achieve a greening transformation of the energy structure.

04 Intelligent Energy Conservation

Through data-driven refined management and automation optimization of production processes, energy is precisely controlled and conserved.

05 Fostering a Green Office Culture

The company promotes green and low-carbon office practices among all employees. By saving electricity, water, and paper, promoting paperless offices, advocating for eco-friendly commuting, and implementing resource sorting and recycling, it integrates the concept of sustainable development into daily operational details.



2025 Completed Energy Efficiency Projects

Permanent Magnet Motor Retrofit for Internal Mixers

The overall efficiency of the internal mixer system increased by **11.07%**, resulting in an **8%** reduction in energy consumption per unit for mixing.

Replacement of High-Energy-Consumption Motors

Replace 3 high-energy-consumption motors (130 kW each) for power pumps, 4 high-energy-consumption motors (45 kW each) for vacuum pumps, and 3 high-energy-consumption motors (250 kW each) for rubber mixing, achieving a **10%** reduction in electricity consumption.

Digital Production Line Technology Upgrade

Procured new high-efficiency dual-mold curing presses and one-machine-four-mold curing presses; upgraded intelligent shaping machines and digital control systems, achieving an annual energy saving of **4.779** tons of standard coal.

Curing Process Optimization

Shortened the existing curing process time by **0.5** minutes, saving **2** tons of steam per day.



2026 Planned Energy Efficiency Projects

Centrifugal Air Compressor Retrofit

Procured 1 centrifugal air compressor to replace 3 screw air compressors, achieving a **15%** reduction in energy consumption and saving **64,800** kWh of electricity per month.

Centrifugal Air Compressor Retrofit

Advance the improvement of new insulation plates for 30 vulcanizing machines. After the retrofit, the base temperature is reduced by **21%–37%**, saving **45** tons of steam per month.

Phase II Photovoltaic Project Construction

Constructed the Phase II photovoltaic project, saving **8,000** kWh of electricity per day.

Vulcanization Insulation Update

Retrofitted insulation on existing vulcanizing machines, saving **3** tons of steam per day.



Case 1: Energy Conservation and Emission Reduction Upgrade Project for Intelligent Tire Factory – Permanent Magnet Motor Retrofit Project

The electricity consumption of the rubber mixing process accounts for approximately 40% of the company's total electricity consumption. The internal mixers originally used high-energy-consumption, high-maintenance DC motors. To reduce energy consumption, the company comprehensively inspected and implemented updates to motors and power equipment, gradually replacing the original DC speed control motors with high-efficiency permanent magnet motors. It also optimized the configuration of frequency converters and dedicated permanent magnet drivers while simultaneously advancing the upgrade and optimization of equipment such as air compressors, vacuum extraction systems, and reclaimed water reuse systems, achieving an overall improvement in equipment energy efficiency.

The Dongjiakou Base achieved a system energy-saving rate of 8.48%, while the Shiyan Base achieved an energy-saving rate of approximately 12%.



Case 2: Production-Research Collaboration for Energy Conservation and Consumption Reduction

In 2025, Qingdao Double Star deepened the collaborative linkage between production and R&D departments, focusing on process optimization and technological innovation, and conducted multiple special studies on energy conservation and consumption reduction. With modular design and process innovation as the core pathways, it significantly enhanced production efficiency and low-carbon operational levels.

Modular Integration of Shaped Tire Blanks

The R&D Institute, in collaboration with the Dongjiakou Base, promoted the modular comprehensive upgrade of tire blanks for the top 20 core specification models by market sales. Through standardized design and structural optimization, the number of tire blank types was reduced by nearly 20%, greatly simplifying the semi-finished product preparation process for the extrusion procedure. This simultaneously improved manufacturing efficiency and manual operation efficiency, achieving lean management for large-scale production.

Modular Integration of Mold Shells

The R&D Institute, together with the manufacturing departments of the three major production bases and the mold factory, carried out modular integration work for mold shells. The original 15 types of mold shells were optimized and consolidated into 6 types, a reduction of 60%. It is estimated that this will reduce fixed investment costs for mold shells by over 10 million yuan in the next three years. At the same time, the *Semi-Steel Radial Tire Mold Shell Selection and Design Guidance Manual* was formulated, establishing a full-process standardized system from design and selection to application, achieving the closed-loop implementation of technological optimization and management norms.

Formula Optimization and Mixing Process Innovation

Addressing the industry pain point of high compound remilling rates, special efforts were made to promote collaborative innovation in formulas and processes. Through dual-dimensional innovation, the compound remilling rate was reduced by more than 50%. This not only reduced energy consumption and material waste and shortened the mixing cycle but also drove the transformation of the production model toward high efficiency and low carbon, providing a replicable and promotable practical example for the industry.

Vulcanization Process Efficiency Improvement

Efficiency enhancement and optimization work was carried out for three mainstream formula series products. Through iterative adjustments of process parameters and adaptation of the production process, an average curing efficiency improvement of 10% was achieved.

Renewable Energy Application

Qingdao Doublestar actively responds to national new energy policies, vigorously promotes photovoltaic power generation projects, increases the proportion of renewable energy application, optimizes the energy structure, and reduces reliance on fossil fuels.

In 2025, the company's photovoltaic power generation reached **36.6487 million kWh**, accounting for **4.63%** of total electricity consumption, representing an increase of **22.91%** compared to the total power generation in 2024.

Dongjiakou Base

The total installed capacity of photovoltaic power generation reached **25.48 MW**, all of which are in operation. From 2021 to 2024, the facility's green electricity consumption increased by **106%**.

Shiyuan Base

The total installed capacity of photovoltaic power generation reached **9.6 MW**. In 2025, photovoltaic power generation reached **5.9457 million kWh**, saving an average of **730.72 tons** of standard coal annually and reducing electricity costs by an average of **1.6614 million yuan** annually. A Phase II photovoltaic project was planned in 2025, with an expected installed capacity of **3 MW** and an estimated average monthly generation of **230,000 kWh**. The preliminary preparations for the project have been completed, and construction is planned to begin in 2026.



Photovoltaic Project Facilities at the Base

Water Resource Management

Qingdao Doublestar fully recognizes the critical role of water resources in production and operations. To this end, the company systematically promotes the integrated upgrade of its water conservation management system. Specific measures include water-saving engineering construction, equipment updates, water resource recycling, process optimization, and fixture retrofitting, comprehensively enhancing water resource utilization efficiency.

Production Processes

The company reduces unit product water consumption at source by optimizing processes. It promotes reclaimed water and production water recycling for multi-cycle utilization. For auxiliary and domestic water, water-saving sanitary fixtures are installed, internal management strengthened, and water waste reduced.

Management Level

The company establishes and improves a water consumption monitoring and analysis system to enable data-driven refined water management. It also fosters an internal water-saving culture through regular campaigns and rules, raising employees' awareness and encouraging good water-use habits.

Through these comprehensive water-saving measures, the company has effectively reduced water consumption in production and daily operations. The reclaimed water reuse rate in production has increased to **20%**, significantly improving water resource utilization efficiency and providing strong support for achieving sustainable water resource utilization and green development.

Reclaimed Water Reuse

Installed two 25-ton reclaimed water treatment reverse osmosis units. The wastewater treated by the sewage treatment station undergoes an added reverse osmosis process to achieve softened water quality, which is then used as a supplementary water source for pump rooms, saving **100 tons of tap water per day**.

Condensate Water Reuse

A condensate cooling tower has been added, and pipeline upgrades along with automation control improvements have been made to the existing condensate system. This enables the cooled condensate water to be reused as a supplementary water source, saving **166 tons of tap water per day**.

Circulating Water System Upgrade and Optimization

Optimized circulating water replenishment by frequently adding small amounts and recovering hot water as a supplement when ambient and air temperatures drop, reducing tap water usage and saving **400 tons of water per day**.

Green Office Practice

Qingdao Doublestar consistently regards fostering all employees' awareness of environmental responsibility and voluntary green behavior as a crucial foundation for corporate sustainable development. Through the dual drivers of institutional guidance and cultural advocacy, it systematically builds a green and low-carbon model for office work and daily life.



The company has established regulations and measures such as the *Plan for Creating a Conservation-Oriented Unit*, *Energy-Saving Production Management Regulations*, *Office Energy Conservation Management Regulations*, *Routine Energy Management Measures*, *Paper Saving Initiative*, *Frugality and Conservation System*, and *Regulations to Eliminate Waste*. These institutionalize the core concept of "Green Office, Energy Conservation, and Environmental Protection" at the mechanism level, promoting the joint building, co-management, and collaborative creation of a green, low-carbon office environment and cultural atmosphere by all employees.



Building on this, the company organizes themed series of activities such as "Energy Conservation Awareness Week", "Green Commuting", the "Clean Plate" campaign, and energy-saving competitions. These initiatives focus on multi-dimensional special campaigns including green electricity usage, green water usage, green commuting, green administration, green dining, and environmental protection training, continuously enhancing employees' awareness of energy conservation and carbon reduction and promoting the formation of behavioral habits.

Green Electricity Usage

- Utilize waste steam heat from production bases for office building heating; set air conditioners to constant temperature energy-saving mode.
- Make full use of natural light; promote the use of energy-saving lamps.
- Turn off power for computers and other equipment after work.

Green Water Usage

- Promote the use of water-saving fixtures.
- Implement measures such as water recycling and multiple uses for the same water.
- Promote the recycling and utilization of reclaimed water and rainwater.

Green Administration

- Use paper double-sided; reduce repeated printing.
- When printing or copying in large quantities, first print/copy one sample; after verifying it is correct, proceed with the remaining copies.
- Promote paperless office practices; use electronic documents and transmission.
- Advocate for waste sorting; set up designated sorting drop-off points.

Green Commuting

- Provide commuter shuttle buses for green commuting.
- Install new energy vehicle charging stations within the campus, encouraging employees to use new energy vehicles for travel.

Green Dining

- Order food based on need to reduce waste; advocate the "Clean Plate" campaign.

Environmental Protection Training

- Carry out activities like "Energy Conservation Awareness Week" and "Safety and Environmental Protection Month" to raise employees' environmental and low-carbon awareness.



Green Packaging Management

Qingdao Doublestar actively practices the concept of green packaging. On the basis of ensuring the safety and reliability of product transportation and sales processes, it comprehensively promotes the environmental friendliness, recyclability, and lightweighting of packaging materials.



On one hand, it proactively communicates with customers to promote the implementation of bare tire shipments, reducing unnecessary packaging.

On the other hand, for situations where packaging is still required, it actively recommends and guides customers to choose environmentally friendly packaging materials, reducing resource consumption and waste generation at the source.

Emissions and Waste Management

Qingdao Doublestar takes emissions and waste management as the core baseline for green development and key social responsibility practice, establishing a "systematic control, full-process governance, resource recycling" framework.

The company prioritizes compliant disposal and reduction of pollutants, building an all-base, all-factor management system and improving a full-chain standard system from source control, process monitoring to end-of-pipe treatment.

Focusing on exhaust gas, wastewater, solid and hazardous waste, it promotes environmental protection facility upgrades, process optimization and classification control driven by technological upgrades, supported by intelligent monitoring platforms for precise management. Meanwhile, it practices the circular economy through waste resource utilization and water recycling to minimize environmental impact.

Emissions and Waste Management System



Rules and Regulations

The company strictly complies with national and industry standards as well as relevant regulations in its operating locations to carry out environmental management. A full-chain environmental management system has been established, covering core documents such as the *Environmental Protection Management System*, *Hazardous Waste Management System*, and *Environmental Protection Facility Operation Management System*. Additionally, practical operational documents, including the *Wastewater Treatment Station Operation Guide* and *Environmental Treatment Facility Startup/Shutdown Precautions and Emergency Response Procedures*, have been developed to clarify management standards and operational specifications for each stage of waste generation, collection, storage, transportation, and treatment. This ensures that all management activities are conducted in accordance with established rules and guidelines. From source control to final disposal of waste, strict process monitoring, treatment, and disposal measures are implemented.



Organizational Structure

The company's organizational structure for emissions and waste management aligns with that of its environmental management. (For details, refer to *P44 Environmental Management Organizational Chart*)



Emission Monitoring

The company has formulated the *Special Environmental Monitoring Plan*, which specifies requirements for full-process monitoring of pollutants such as wastewater, exhaust gases, solid waste, and noise, as well as the management of environmental protection facilities. Pollution prevention facilities have been installed, and environmental monitoring of pollutants is conducted quarterly. Daily inspections, maintenance, and upgrades of environmental protection facilities are also strengthened to ensure stable and efficient equipment operation, thereby preventing pollutant leakage risks at the source. The company engages third-party professional testing agencies to conduct comprehensive monitoring and verification of emission indicators for exhaust gases, wastewater, solid waste, and noise, ensuring the continuous reduction of negative environmental impacts throughout the production and operation processes.

Emission and Waste Reduction Targets:

- Short-term: Ensure all emissions meet national and local environmental standards; by 2028, achieve a **5%** reduction in wastewater and exhaust gas emissions compared to 2024.
- Mid-term: By 2035, achieve a **15%** reduction in wastewater and exhaust gas emissions compared to 2024.
- Long-term: By 2050, establish **zero-emission** or low-carbon emission production lines and fully achieve green production.



The company has established a regular tracking mechanism for emission and waste reduction targets, continuously monitoring waste generation and disposal.

In 2025, the legal disposal rate of hazardous waste reached **100%**, and the comprehensive utilization rate of general industrial solid waste reached **95%**.

In 2025, the company's wastewater discharge amounted to **529,948** tons, and exhaust gas emissions reached **12,316,828,400** cubic meters. All waste is treated and discharged in compliance with standards.

Exhaust Gas Emission Control

Key Measures and Achievements in 2025

- Completed 5 upgrade projects including RTO for mixing and curing exhaust gas treatment, phased out inefficient processes, and adopted high-efficiency technologies such as Zeolite Rotor Concentrator + RTO and Activated Carbon Adsorption + Catalytic Oxidation.
- Achieved an approximate **30%** reduction in VOC emissions compared to 2024, with a significant improvement in treatment efficiency, effectively controlling odors and fugitive emissions.



Planned Projects for 2026

- Launch two key projects: the "Intelligent Tire Factory Energy Conservation and Emission Reduction Upgrade" and "Exhaust Gas Treatment Facility Upgrade", with a total investment of about **61.5 million yuan**. The projects will update and phase out outdated equipment, aiming to cut VOC emissions by around **40%**, improve collection and treatment efficiency, and advance green production.
- Through ongoing technological and equipment upgrades, the company will systematically reduce exhaust emissions and strengthen treatment capacity.



Waste-water Manage-men

Achieve full-process control, compliant discharge, and resource utilization.



Full-Process Management

- Adheres to the strategy of "source reduction, process control, end-of-pipe treatment and recycling".

Real-Time Monitoring

- Installs online monitoring equipment at discharge outlets to ensure water quality compliance.

Segregation and Centralized Treatment

- Domestic sewage and production wastewater are treated separately (using methods such as A/O aeration, oil separation + air flotation + sedimentation) before being integrated into the base system for compliant discharge.

Reclaimed Water Reuse

- Constructed a new wastewater treatment station (daily capacity of 1000 tons) and installed reverse osmosis units. The deeply treated reclaimed water is reused in production and operations, increasing the reuse rate to **20%**.

Solid and Hazardous Waste Manage-men

Achieve full-process safety, compliant control, and source reduction.



Full-Process Management: Implements closed-loop management covering source reduction, segregated collection, safe storage, and compliant disposal.

System Development and Record-Keeping: Establishes multiple specialized systems and hazardous waste management ledgers, with mandatory reporting as required by law.

Source Reduction and Internal Recycling: Optimizes processes, promotes cleaner production, uses waste oil purification equipment to recycle waste oil, and reduces hazardous waste generation.

Segregated Storage and Compliant External Disposal: Hazardous waste, general solid waste, and domestic waste are stored separately by zone and category. All hazardous waste is entrusted to qualified units for disposal with proper waste transfer documentation; general industrial solid waste is utilized comprehensively.

Safety Standards: Hazardous waste storage areas are properly labeled, and employees are trained to ensure safe and compliant operations.

Noise Manage-men

The company adheres to the principles of "full-process control and hierarchical prevention" effectively reducing production and operational noise through systematic measures.



Operation Management and Maintenance: Develops and implements noise control procedures, optimizes process flows, reasonably schedules operation times for high-noise equipment, and conducts regular equipment maintenance to reduce operational noise.

Source Prevention and Isolation: Prioritizes the selection of low-noise equipment and requires high-noise equipment to be equipped with mufflers; establishes soundproof operating rooms in areas with concentrated noise.

Continuous Monitoring and Compliance: Conducts regular quarterly noise monitoring at base boundaries and retains data, ensuring noise emissions consistently comply with national *Emission Standard for Industrial Enterprises Noise at Boundary* requirements. No exceedances have been recorded.

Cleantech Opportunities

Qingdao Doublestar regards clean technology innovation as the core engine for green transformation and a key driver for high-quality development. Guided by market demand and regulatory requirements, it leverages cutting-edge technologies such as AI digital twins to empower R&D, focusing on continuous breakthroughs in core areas like low rolling resistance and high wear resistance. Simultaneously, it deepens the collaborative innovation mechanism involving "government, enterprise, academia, and research" vigorously promotes the development and application of bio-based materials and circular recycled materials, enriching the supply matrix of green materials. By launching diversified products such as new energy vehicle-specific tires and sustainable concept tires, it achieves efficient conversion of technological innovation into market value.

Green Technology and Product R&D

Qingdao Doublestar focuses on the green and low-carbon development direction, deeply strategizing the R&D and application of green technologies. Centered on market demand for green products and technologies and anchored in a full-chain low-carbon strategy, it enables multi-platform collaborative R&D through cutting-edge technologies like AI digital twins. It achieves continuous breakthroughs in key technical fields such as low rolling resistance, run-flat capabilities, and high wear resistance, launching green tire products that are high-end, differentiated, and high-value-added.

The company restricts the use of hazardous substances, strictly implements eco-design concepts, and enhances the green performance of tire products—such as wear resistance, wet grip, durability, and reduced rolling resistance—through optimized design, materials, and processes.

Response Measures to Regulatory Upgrades

Dual strict regulatory requirements

EU Requirements: The ECE R117 regulation mandates that all tires sold in the EU market must continuously meet specific standards regarding wet grip, rolling resistance coefficient, noise emissions, and tire wear particle emissions.

Domestic Requirements: China's Ministry of Industry and Information Technology has introduced new mandatory national standards for tire rolling resistance performance. These require that passenger car tires achieve rolling resistance coefficient (RRC) values of ≤ 10.5 N/kN for standard tires and ≤ 11.5 N/kN for snow tires, mandating compliance upgrades for the rolling resistance performance of passenger car tires.

Response Strategies and Measures

Double Star proactively strategized and precisely addressed these challenges. Through comprehensive technological upgrades across its entire product range and targeted research and development efforts, the company fully meets both domestic and international regulatory requirements.

EU ECE R117 Regulation Response | Dual Breakthroughs in Core Indicators, Industrialization + Continuous Optimization

In response to EU ECE R117, the company focuses on rolling resistance and wear particle control. Through technological innovation, the rolling resistance performance of passenger car tires exported to the EU has improved by an average of **3%**, with related technologies industrialized and applied.

To comply with new tire wear particle restrictions, the company has enhanced both wear resistance and pollutant control. It has upgraded formulations for high-wear tires, achieving up to a **10%** wear rate reduction in internal tests. It has also developed a new wear-resistant tread formula, applying biodegradable polyester materials to lower harmful chemical content, with product wear rate reduced by approximately **20%**.

We will carry out continuous optimization in line with policy implementation to ensure full compliance with EU regulations on rolling resistance, safety and environmental protection, and consolidate its European market access advantages.

China National Standard Compliance Upgrade: Category Iteration for High-Level Dual Carbon Adaptation

Regarding compliance with the upgraded Chinese national standards, the company achieved an overall **8%** improvement in the rolling resistance performance of passenger car tires through early technological planning and the iterative development of global multi-brand products. By the end of 2025, the upgrade and transition of **1,736** products had been completed, all of which meet the mandatory national standards for rolling resistance performance. These technological advancements contribute to the implementation of the national dual-carbon strategy, simultaneously enhancing product compliance and low-carbon environmental attributes.



AI Digital Twin Technology Supporting the Joint Development of Low-Temperature, Low-Rolling-Resistance Tires for New Energy Vehicles



To tackle the critical issue of reduced NEV range in low temperatures, Qingdao Doublestar applied AI digital twin technology to develop low-temperature, low-rolling-resistance tires.

Targeting the 40%–60% rise in rolling resistance at -7°C vs. 25°C and high-cost, long-cycle testing, the company established high-precision tire digital twins. Simulation accuracy for low-temperature rolling resistance exceeded 90%, accurately capturing dynamic, thermal and energy loss characteristics.

Through virtual simulation and optimization of 68 formulations and 15 structures, physical prototypes were cut from over 100 to just 5 in 3 rounds, greatly reducing testing and resource use.

As a result:

The tire's low-temperature rolling resistance growth rate was **reduced from 44% to 33%**.

Under unchanged normal-temperature rolling resistance, the low-temperature rolling resistance coefficient decreased by **0.5**.

Vehicle range under full load increased by **1%**.

While meeting customized needs from automotive OEM clients, the project achieved cost savings, shorter development cycles, and reduced carbon emissions.



Key Optimizations and Upgrades of the Company's Star Green Products in 2025

Big Tire Products

01

"Rare Earth Gold" Tire – Energy Saving and Emission Reduction

This product integrates five key functions: ultra-safety, ultra-fuel-saving, ultra-wear-resistant, ultra-low heat generation, and high mileage. Rolling resistance can reach **3.8–4.5** N/kN. Compared with conventional passenger car tires, fuel efficiency improves by **10%**. Driving mileage can reach **500,000** km (up to 1 million km with retreading), far exceeding the industry average. According to calculations:

If a heavy truck operates 1 million kilometers using this product, the fuel saved is equivalent to reducing carbon emissions by **168** tons.

If applied across the entire heavy-truck sector, annual carbon emissions could be reduced by approximately **3.6 million** tons, while significantly reducing raw material consumption.

超安全 超省油 超耐磨 超低生热 高里程
稀土金系列轮胎



02

Electric Bus Dedicated Tire Launched

This product adopts a wear-resistant "black armor" tread compound formula. Through tread pattern design and structural optimization, wear resistance has increased by **30%**, effectively reducing carbon emissions.

03

Breakthrough in Mid-to-Long-Distance Products

For continuous, high-speed, long-distance transportation scenarios, the product has been upgraded and iterated in tread formulation, structural optimization, and design parameters.

The tire safety coefficient has been improved, and overall performance has increased by about **15%**.

04

Launch of New Energy Heavy Truck Tires

This year, the company introduced the "Diwang – Energy Storage" series tires. A total of 9 products have achieved performance upgrades, and 2 new products are planned for launch in 2026, targeting the new energy heavy truck market.

In 2025, the production and sales of new energy vehicles increased by 29.0% and 28.2% respectively year-on-year, and the market share of new energy vehicles continued to rise.

Small Tire Products

01

Launch of Dongfeng Shengli Series Green Products

Focusing on the concepts of "green, low-carbon, and safety", the company launched the Dongfeng Shengli series products this year. In terms of safety, the products emphasize braking performance and handling stability.

Through high-load structural design, load-bearing capacity has increased by more than **20%** compared to conventional tires. In terms of green and low-carbon performance, ultra-low silicon technology has been applied to improve the endurance performance of new energy vehicles, significantly enhancing tread rolling resistance performance. The entire product series meets the highest EU labeling standard, Class A. The products were evaluated across four key performance dimensions—safety, comfort, handling, and energy efficiency—and were successfully selected in the China Automotive "Top Ten Tires" evaluation, receiving the "Best Comfort Tire" award.



Certified with the "Taishan Quality" mark for run-flat tires

没气还能跑 当然更安全
全防爆安全轮胎



02

Comprehensive Upgrade of Run-Flat Tire Performance

"Run-flat" tires adopt a new safety-oriented design concept. Compared with conventional tires, run-flat tires provide enhanced safety, greater comfort, and improved fuel efficiency.

This year, while improving zero-pressure driving endurance, the company also comprehensively enhanced ride comfort. Starting from tread pattern design, structural design, carcass materials, and compound formulation, and through raw material analysis, finished product testing, and vehicle road testing, overall product performance has been significantly improved.

The company is gradually establishing a technological barrier in the run-flat tire segment within the industry.

03

Improvement in EU Product Rolling Resistance Performance

In response to the upgraded requirements of EU R117 regulations, the company carried out technological innovation and enhancement in rolling resistance performance. Rolling resistance performance of EU products has been comprehensively optimized, achieving an average improvement of over **5%**, meeting the latest EU regulatory standards. The related technologies have now entered the stage of industrial application.

04

Optimization of Rolling Resistance for EV Tires

This year, through the use of new materials and optimization of the contact patch imprint, rolling resistance performance improved by 5%, with the rolling resistance value reaching **5.9**.

Innovation and Application of Sustainable Materials

Qingdao Doublestar takes “performance upgrade and innovation in sustainable material systems” as its core focus, advancing deep innovation in three key directions: high performance, environmental protection, and carbon reduction.

On the application side, the company continues to expand sustainable material coverage across passenger and commercial tire segments, promoting the gradual substitution of bio-based and recycled materials across its product portfolio and reducing reliance on petrochemical raw materials.

On the technology side, it continuously optimizes core material performance to support the industry’s green and low-carbon transformation, striving to achieve breakthroughs in key indicators such as product safety, durability, and low rolling resistance. The company is committed to advancing both industry-wide green transformation and product performance upgrades, injecting core momentum into sustainable development.



Sustainable Carbon Black Technology

Completion of performance testing and large-scale trials, advancing industrial validation and laying the foundation for scaled application.



Diverse Sustainable Additives

Development of bio-based resins, rice husk silica, recycled oils, and other products to enrich the green additive supply system.



Circular Transformation of End-of-Life Tires

Ecostar’s green pyrolysis technology and equipment transform waste tires into pyrolysis carbon black, regenerated oil, steel wire and combustible gas.



Collaborative Innovation Across Industry, Academia and Research

Through joint laboratories and partnerships with industrial chain partners, we have opened up the full-chain collaboration of “resources – R&D – production – recycling”, constructing an innovation ecosystem for the circular economy.



2025 Target

- ❑ The company will iteratively launch PCR (passenger car radial tires) and TBR (truck and bus radial tires) products.
- ❑ While ensuring product safety and performance, it will achieve technological breakthroughs, with sustainable material application ratios exceeding 80%. At the industrial production level, the company has mastered large-scale production technology for 40% sustainable material tires, with process stability and scalability fully meeting batch delivery demands.



Procurement Data (2025)

We have continuously increased the procurement and utilization of recycled eco-friendly materials, taking concrete actions to promote the green and low-carbon transformation of the industrial chain.

During the reporting period, we procured:

202 tons of reclaimed rubber, a year-on-year increase of **292%**

500 tons of pyrolytic carbon black, a year-on-year increase of **27.6%**



Future Outlook

- ❑ The company will continue to deepen R&D of sustainable material tires, further improve material application ratios and process adaptability, and focus on research into microplastic migration pathways and ecological impact mechanisms of tire tread abrasion particles.
- ❑ Through technological innovation, it aims to enhance environmental friendliness across the entire product life cycle and contribute to industry-wide tire microplastic pollution management.

Progress and future goals of the upgrade of sustainable material products

Circular Economy

Qingdao Doublestar has established a comprehensive development framework featuring “full life-cycle management, resource recycling, and industrial chain synergy.”

With product life-cycle management at its core, the company integrates ESG principles throughout its production and operational processes. By building a recycling and high-value transformation system for end-of-life tires, it promotes the recycling and reuse of waste materials. Through innovative green supply chain management, it drives the resource utilization of diversified materials.

By implementing the “reduction, harmless treatment, and resource utilization” approach, and leveraging coordinated innovation among government, industry, academia, and research institutions, the company strengthens R&D and application of circular materials. It has developed a circular economy model characterized by full-process coverage, multi-scenario implementation, and industry chain collaboration, setting a benchmark for resource recycling in the industry.

Product Life-Cycle Management

The company has established a full life-cycle environmental management process for tires covering: R&D and design → raw material procurement → manufacturing → packaging and transportation → usage and recycling. Supported by digital modeling simulation platforms and a Product Lifecycle Management (PLM) integrated digital system, it enables precise environmental impact control and continuous optimization across procurement, formulation design, intelligent manufacturing, and sales.



Raw Material Procurement Stage Strengthening Sustainable Supply Chain Management

- Increased R&D and application of rice husk carbon black, bio-based materials, recycled steel cord, and other green materials
- Deepened “government–enterprise cooperation” to ensure quality and compliance of raw materials
- Reduced dependence on non-renewable resources such as petrochemicals



Manufacturing Stage Promoting Green Operations Across Multiple Dimensions

- Enhanced environmental performance through process improvements, equipment upgrades, and clean energy substitution
- Implementation of energy-saving and emission-reduction projects to reduce material losses and energy consumption
- Advocate green office practices and reduce pollutant emissions in production and operational processes



Packaging and Transportation Stage Implementing Green and Low-Carbon Logistics

- Promoting lightweight and simplified packaging, using recyclable and sustainable packaging materials
- Optimizing distribution models (e.g., centralized shipping, full-truck load, combined delivery) to promote green transportation
- Reducing energy consumption and carbon emissions during logistics



Usage and Recycling Stage Building a Closed-Loop Circular Ecosystem

- Developing low rolling resistance and high-durability products to extend service life
- Promoting cooperation in scrap tire recycling and reuse
- Achieving high-value conversion of scrap tires through green pyrolysis technology of DoubleStar Ecostar Holdings Limited
- Establishing a “Resource – Product – Recycling – Regeneration” circular ecosystem



R&D and Design Stage Building an Environmental Foundation at the Source

- Strict evaluation of technical feasibility and environmental certification at the product design stage
- Clear restriction of internationally prohibited substances; prioritization of sustainable materials in formulation
- Improvement of structural performance while reducing life-cycle carbon emissions and environmental footprint
- Implementation of testing and third-party hazardous substance inspections



Tire Recycling and Reuse

Qingdao Doublestar actively responds to China's "Extended Producer Responsibility (EPR)" system and circular economy development strategy, adhering to the strict quality philosophy that "products that are substandard are waste, and waste must be thoroughly recycled."

In 2025, the company collected more than **236,600** scrap tires, covering three major categories: waste tires, semi-steel tires, and all-steel tires. Through classified warehousing and ledger management, the recycling process is traceable, laying a solid foundation for continued resource utilization.

Conversion Side

Through large-scale recycling and high-value conversion, the company achieved significant cost savings at its two major bases.

In 2025, the company saved over **4 million yuan** in costs through scrap tire recycling and reuse. This practice has reduced EPR expenses and provided a replicable and scalable model for circular economy development in the tire industry.

Leveraging the technical advantages of DoubleStar Ecostar Holdings Limited, we have achieved high-value transformation of scrap tires characterized by **"zero pollution, zero residue, zero discharge, and full utilization"**.

After pyrolysis treatment, each scrap tire can generate approximately: **40%** pyrolysis oil, **30%** environmentally friendly carbon black **20%** steel wire **10%** combustible gas.

These recycled products not only serve as green raw materials for tire manufacturing, but can also be applied in construction, road engineering, and other sectors—**transforming "black pollution" into "green resources"**.

Value Creation Side

Biodiversity Conservation

Qingdao Doublestar regards biodiversity conservation as a significant responsibility for corporate sustainable development and a core component of ecological civilization. It emphasizes the harmonious coexistence of operational activities and the ecological environment, strictly adheres to relevant laws and regulations such as the *Soil Pollution Prevention and Control Law of the People's Republic of China*, avoids ecological damage risks at the source through sustainable procurement, conducts ecological protection monitoring and public welfare activities to ensure operational impacts are controllable, strengthens training to comprehensively enhance the ecological awareness of employees and communities, and contributes to the harmonious coexistence of humans and nature.



Full-Lifecycle Ecological Protection

The company has integrated biodiversity conservation into its overall business plan. It treats sustainable procurement (e.g., natural rubber) as a crucial part of supply chain management, systematically considers biodiversity impact factors, achieves the organic integration of ecological protection and business activities, and is committed to preventing adverse impacts on ecosystems, such as deforestation, at the source.



Environmental Education and Awareness Enhancement

The company actively conducts biodiversity knowledge training, organizes and participates in themed practical activities such as marine life conservation, promotes conservation concepts through internal and external communication channels, and continuously improves the ecological awareness of employees and surrounding communities.



Ecological Protection and Restoration Practices

Implementing ecological protection projects: Actively participates in and organizes public welfare activities like afforestation, mobilizes employee volunteer efforts to support local vegetation restoration and habitat protection, promotes the construction of "garden-style factories", and optimizes the micro-habitat of the industrial park through scientific greening.

Conducting regular ecological monitoring: Carries out routine monitoring and assessment of pollution conditions around production bases and their potential impact on biodiversity, ensuring that operational impacts on the ecological environment comply with regulatory requirements and remain within controllable limits.



Recycling and Reuse of Obsolete Equipment

Qingdao Doublestar maximizes the residual value of obsolete equipment in its disposal process, implementing circular economy principles.

① Equipment in Good Condition with Usable Value

Through professional third-party repair and technical upgrades, previously decommissioned equipment is refurbished to meet new standards. It is then sold on secondary markets, extending its service life.

② Equipment with Partially Intact Components

Dismantled and reusable components are screened for production reuse. The residual value is recovered to reduce overall costs.

③ Equipment with No Reuse Value

Recycled in accordance with regulations as iron and steel resources. Ensures compliant disposal and resource recovery.



Responsibility Fulfillment & Shared Value Creation

Responsibility Commitment Underpins Sustainable Development

Qingdao Doublestar upholds the social responsibility of a state-owned enterprise. Grounded in the philosophy of "Employees as Family", we consolidate our people-oriented foundation and achieve full coverage of employee training and care. We build a green and responsible supply chain, collaborating with upstream and downstream partners to jointly advance zero-carbon development. We deepen the recycling of waste tires and engage in public welfare and volunteer services. Through diverse initiatives, we empower employees, partners, and society, painting a vivid picture of shared prosperity and sustainable development.

Diverse and Inclusive Workplace

Employee Development and Incentives

Employee Rights and Care

Workplace Safety and Occupational Health

Community Engagement and Public Welfare Practices

Product Quality Management

Customer Service and Benefits

Supply Chain Management

Innovation and Intellectual Property Protection

Industrial Collaboration and Ecosystem Co-construction

Alignment with the United Nations Sustainable Development Goals



Alignment with the UN Global Compact 10 Principles

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2: Business should make sure that they are not complicit in human rights abuses.

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4: The elimination of all forms of forced and compulsory labor.

Principle 5: The effective abolition of child labor.

Principle 6: The elimination of discrimination in respect of employment and occupation.

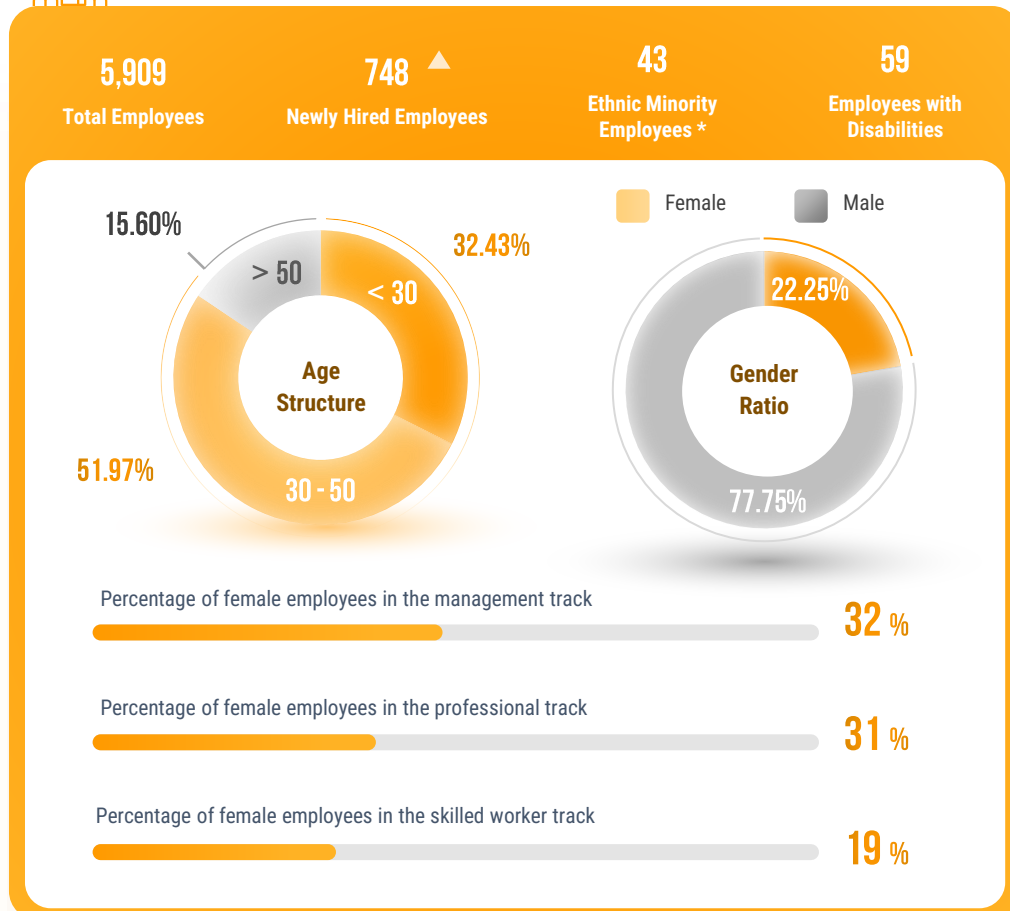


Diverse and Inclusive Workplace

The Company adheres to the core philosophy of **people-oriented development and harmonious growth, and strives to build an equal, diverse and inclusive workplace.**



As of the end of the reporting period



* The statistical scope is based on the year 2025, the total number of active employees who are registered as one of China's 55 ethnic minority groups in their household registration or ID card and have established labor relations with the company.

Employee Recruitment and Retention

Qingdao Doublestar strictly complies with the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, the *Labor Law of the Kingdom of Cambodia*, and other relevant laws and regulations in the regions where it operates.

We apply mature talent management systems from Doublestar Group, including the *Group External Talent Recruitment and Employment Management Platform*, *Group Internal Recruitment Management Platform*, *Employee Resignation Management Measures*, and *Code of Employee Conduct*.

It upholds the employment principle of **fairness, impartiality, openness and merit-based selection**, and has established a systematic and transparent talent recruitment and management mechanism, as well as a diverse and inclusive working environment.

Smooth Recruitment Channels

Leveraging the unified planning and management of Doublestar Group, we have established a smooth and standardized recruitment system. This system breaks down information barriers through clear processes and transparent job qualifications, enabling efficient and precise matching between talents and positions.



In 2025, we actively expanded diversified recruitment channels, including campus recruitment, social recruitment, internal competition, school-enterprise cooperation, and online platforms. A total of **748** new employees were recruited throughout the year.

Standardized Employment Relations

To build a harmonious and stable labor relationship, the company's labor union has established a Labor Law Supervision Committee. This committee is responsible for daily publicity on labor laws and regulations, supervising the employer's compliance with labor laws and regulations, accepting complaints from employees regarding infringements of their rights and interests, safeguarding the legitimate rights and interests of employees, and fostering a harmonious labor relationship.



During the reporting period

We strictly abided by labor-related laws, regulations and internal employment norms.

No irregular employment practices, such as the employment of child labor or forced labor, occurred throughout the year.



Labor contract signing rate

100%



Social insurance coverage rate

100%

Diversity and Inclusiveness

Guided by the *Code of Employee Conduct*, we uphold the principles of fairness, impartiality, and openness, and actively cultivate a vibrant, diverse, and inclusive corporate culture.

The Company has made a formal commitment to eliminate any form of discrimination based on ethnicity, nationality, political affiliation, religious belief, age, physical condition, gender, marital or pregnancy status, or any other reason. It effectively safeguards employees' rights to equal employment and career development, and respects and unlocks the individual value and potential of every employee.

During the reporting period, **no employee discrimination incidents or major labor disputes occurred.** Effectively maintaining an equitable and respectful workplace environment.



Cultural Exchange and Integration

To enhance the cohesion and cultural sense of belonging of overseas teams, the Cambodia base organized a distinctive dumpling-making activity featuring traditional Chinese culture in 2025.

Through joint practice and collaboration, this initiative aimed to deepen mutual understanding and trust among employees of different nationalities and positions, effectively promoting cultural integration and strengthening the overall team identity.



Safeguarding Female Employees' Rights and Precise Care

We prioritize the health and well-being of female employees. Through a series of practical measures, including themed activities for International Women's Day, special legal publicity, and health check-ups for female employees, we comprehensively focus on their physical and mental health and the development of their rights and interests.

We have established a Female Employees' Committee to provide job transfer services for female employees during pregnancy and lactation. Set up "Loving Mom Rooms" to offer a comfortable rest environment for female employees.



"International Women's Day"
Themed Activities



"Caring for Female Employees,
Law by Your Side"
Special Legal Publicity Campaign



Cervical and Breast Cancer
Screening for Female Employees

Employee Development and Incentives

Qingdao Doublestar is committed to building a comprehensive and systematic employee growth and incentive mechanism, aiming to unlock the potential of every employee and promote their career development and personal value realization.

Career Development and Promotion

We have formulated the *Young Talent Echelon Construction Plan* and the *Group Manager Selection and Appointment Platform*, which clarify the internal appointment process and echelon development strategies. These provide a broad development stage for young talents, ensuring that outstanding individuals are cultivated and entrusted with important responsibilities.



Three Career Development Pathways

We adhere to the principle of **step-by-step promotion and progressive advancement** for employee career development.

We have established three parallel career pathways:

Management track **Professional track** **Technician track**

This multi-channel system ensures unobstructed promotion opportunities and provides diverse paths for employee growth.



Employee Training System and Competence Development

Qingdao Doublestar firmly upholds the concept that talents are the "primary resource", attaches great importance to talent work, continuously improves the employee training system and comprehensively builds a learning-oriented organization, ensuring that every employee can obtain sufficient training and development opportunities.

Diversified Training Modes

Building a High-Quality Skilled Talent Team

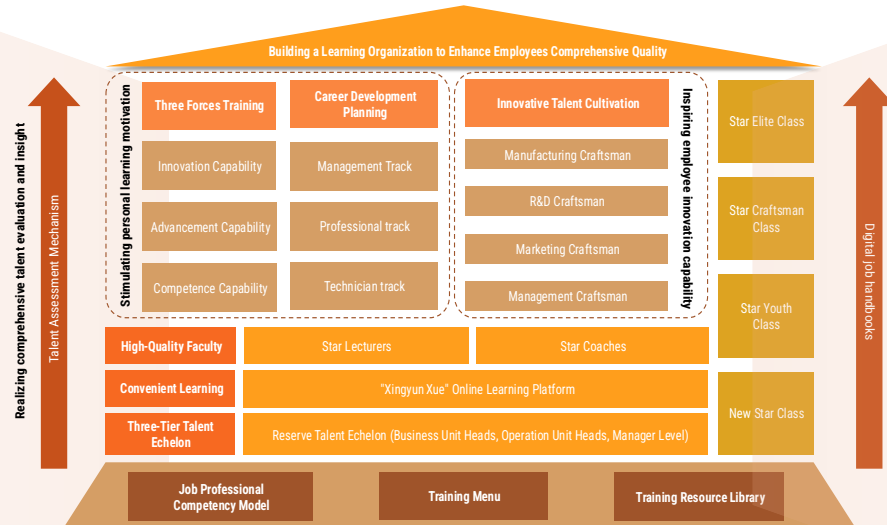
The company's training programs are centrally managed by the Human Resources platform and delivered through a combination of the "Xingyun Xue" online platform and offline sessions.

The training content covers multiple dimensions, including corporate culture, environmental protection, occupational health, safety in production, and professional skills. It is dedicated to the training of highly skilled personnel and aims to enhance the comprehensive competence of employees.

TRAINING SYSTEM CERTIFICATION



Our employee training system has obtained the **ISO 10015 Training Management System Certification**



Talent Assessment

Achieve comprehensive insight of talents

Based on different job levels, position sequences, and employee needs, we have established three vertical training and development pathways: management track, professional track, and skilled worker track.

We deliver "Three-Capability Training" covering competence, advancement, and innovation, ensuring that each employee receives personalized training courses tailored to their individual needs, and empowering them to realize their self-worth.

Diverse Training System, Strengthening Talent Foundation

Language Training for Cambodian Employees

1

In 2025, the Cambodia production base partnered with the Confucius Institute at the National University of Battambang to provide systematic Chinese language training for local employees.

The program improved employees' professional capabilities, laid a solid foundation for China-Cambodia team collaboration and cultural integration, and supported the long-term stable development of business operations.



Professional Skills Training

2

We cooperated with the Shiyuan Municipal Human Resources and Social Security Bureau and professional assessment institutions to launch a training-certification integrated skills upgrading program. More than 60 employees participated in machinist, electrician and other vocational training and certification.

This has boosted employees' motivation for skill improvement and laid a solid foundation for cultivating high-skilled talents.

Professional Skills Competition

3

Organizational Job Skills Competitions

17 competitions 863 participants

Covered job types:

Semi-finished product production, molding, vulcanization, maintenance, etc.

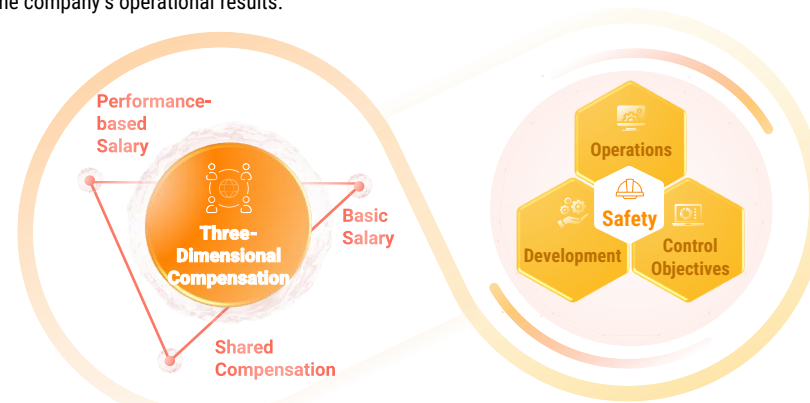
Inspire employees to embrace the spirit of "compete, learn, catch up, assist and surpass", enhancing their practical skills, quality awareness, and collaborative efficiency. Simultaneously, identify and cultivate a pool of highly skilled talent to solidify the foundation for the company's high-quality development.

Performance and Compensation Incentive Mechanism

We have refined our performance management and value-sharing system to drive the mutual growth of both the organization and its employees.

Supported by the *Manager Evaluation Measures* and *Compensation Management Platform*, we have **standardized performance appraisal and incentives, establishing a three-dimensional compensation system integrating basic salary, performance pay, and shared compensation. Aligned with the "1+3" performance management system covering safety, operations, development and control**, this mechanism ensures strategic implementation at all levels, forming a closed-loop performance contract management system.

By directly linking compensation distribution to performance achievement, we effectively align employee growth with the company's operational results.



The multi-dimensional compensation mechanism is closely integrated with the "1+3" performance target system

Outcome Alignment

Compensation payouts are directly linked to the completion of performance commitments.

Personal Job Objectives

Employee income is effectively tied to the company's operational results.

Annual Performance Commitments

The coverage rate of annual performance appraisals reached 100% during the reporting period.

Grounded in institutional frameworks such as the *Manager Evaluation Measures* and the *Compensation Management Platform*, driving the mutual growth of the organization and its employees.

Corporate Performance Management and Value Sharing System | Driving the Mutual Growth of Organizations and Employees



In 2025, Qingdao Doublestar awarded multiple prizes to recognize employees for their exceptional contributions in areas such as marketing, R&D, manufacturing, quality, and management.



Performance Feedback and Appeal

We promote an open and transparent compensation and performance feedback and appeal mechanism, which is implemented in a standardized manner through our internal systems. This ensures that employees' legitimate concerns receive timely and formal responses, safeguarding their legal rights and interests.

Compensation Feedback and Appeal Process

Employees with questions about compensation, benefits or attendance may submit materials to the Group HR dedicated email. HR will review submissions, issue a verification report and finalize resolution within 3 working days.

Performance Feedback and Appeal Process

Performance appraisal results are announced monthly by email and internal notice with unified records. Employees may raise appeals via the dedicated email. If discrepancies are confirmed, calibration interviews will be arranged. The full process is documented to ensure appraisal fairness and accuracy.



Employee Rights and Care

Qingdao Doublestar upholds the belief of "enabling employee success is the highest form of respect, and preventing errors is the greatest expression of care" to comprehensively protect the legitimate rights and interests of its employees. We have built an employee rights and interests system that encompasses career development, health and safety, and humanistic care.

Employee Rights and Welfare Protection

We are committed to development for our employees, development relying on our employees and sharing development outcomes with our employees. We prioritize safeguarding employee rights and interests, integrating it into our key initiatives. We have introduced regulations such as the *Social Insurance, Medical Insurance and Housing Provident Fund Management Measures, Employee Leave Management Measures, Compensation Management Measures* and *Employee Code of Conduct*. These efforts continuously strengthen the safety net for employee rights and interests while enhancing our welfare and benefits system.

Key Tasks

Statutory Rights and Basic Protection

We ensure 100% labor contract coverage for all employees and fully implement statutory rights in accordance with the law, including social insurances and housing fund, statutory working hours, paid annual leave, home leave, maternity/paternity leave, etc. We also provide compliant occupational safety and health conditions and strictly prohibit child labor and forced labor.

Economic Welfare and Incentives

We have established diversified short-term and long-term value-sharing mechanism, which is based on basic salaries and supplemented by performance bonuses, various allowances (such as high-temperature, night-shift, and seniority allowances) and equity incentives.

Health and Safety Welfare

Through regular health check-ups, health knowledge lectures, timely distribution of labor protection supplies and improvement of factory area infrastructure and supporting facilities, we continuously care for employees' physical and mental health and occupational safety.

Employee Care

We steadfastly uphold the cultural philosophy of treating employees as family, always keeping their well-being close at heart. We are committed to building a warm and supportive work environment. Let every employee can feel the warmth of home.

The labor union takes the initiative and acts proactively, providing a series of care services and heartwarming initiatives. Through genuine dedication and emotional investment, we ensure robust service and support, effectively enhancing all employees' sense of fulfillment, happiness, and security. This unity gathers powerful synergy to drive the company's high-quality development.



During the reporting period, the company focused on employee care in areas including **difficulty support, festival condolences, health protection, employee children's education support, and rights and interests' protection**:

Total investment:

1,171 thousand yuan

Number of care activities held:

71 sessions

Number of employees covered:

4,625 employees



Targeted Assistance for Employees in Need



We have established a routine mechanism for visiting and screening employees facing difficulties. Through providing financial assistance, distributing relief supplies, and swiftly addressing urgent needs, we deliver targeted support to employees in need. This approach improves their living conditions, alleviates financial pressures, and continuously enhances both their quality of life and work motivation.



[2025 Spring Festival "Warmth Delivery" Initiative]

Assisted **29** employees facing hardship

Distributed **68,000** yuan in hardship relief funds

Helped employees overcome difficulties, conveying corporate warmth



Employee Children Education Support



We have integrated care for employees' children into our routine support, **providing scholarship grants to children of employees who passed the college entrance examination for eight consecutive years.**

This tangible action demonstrates our commitment to nurturing the growth and development of our employees' children.



[Employee Children College Admission Fund & Symposium]

Benefiting **49** children of employees

Supporting further education and enhancing employees' sense of belonging



Enrich Employees' Cultural and Spiritual Life



We prioritize employees' spiritual and cultural needs, foster a humanistic workplace, enrich their cultural lives, and build a warm, meaningful and vibrant corporate culture platform.



【Employee Book Corner】

Providing employees with a premium platform for learning, reading, and exchange, accompanying them on their journey of self-discovery and continuous growth.



Health and Safety Assurance

Launching the summer "Cooling Relief" campaign, we integrate heatstroke prevention measures with production safety—deploying, advancing, and implementing them concurrently. We organize the delivery of heatstroke prevention supplies to high-temperature production sites, ensuring employees stay safe throughout the summer.

Democratic Management and Communication Mechanism

Qingdao Doublestar integrates democratic management into corporate governance, establishing robust communication and oversight platforms to safeguard employees' rights to information, participation, expression, and supervision, thereby fostering harmonious labor relations.

Employee Opinion Feedback Mechanism

We value the voice of every employee and always prioritize employee rights and interests. To promptly listen to, respond to and resolve the hot and difficult issues of concern to employees, the company has established a comprehensive employee opinion feedback mechanism and opened diversified communication channels, enabling every employee to express their ideas and demands.

For the problems reported by employees, we assign dedicated personnel to conduct timely verification and follow-up and publicly respond to the results after the handling is completed. This smooth communication bridge ensures that employees' opinions are seen and valued, which stimulates their sense of participation and belonging, and gathers the strength to drive the company's continuous progress and mutual growth.

① Implementation of Democratic Management



We have established a formal platform for employees to participate in corporate democratic decision-making, management and supervision.

Employee representatives exercise democratic rights by reviewing major matters including the annual work report, safety report, compensation mechanisms, code of conduct and welfare plans. This fully implements democratic management and safeguards the legitimate rights and interests of all employees.

In 2025, we convened multiple employee meetings, including:

The Employee Representative Assembly

5 sessions

Joint meetings of the Employee Representative Assembly

6 meetings

Plenary meeting of the Trade Union Committee

1 meeting

② Diversified Employee Feedback Channels



Suggestion Box

Each production base is equipped with 10 suggestion boxes to encourage rationalization proposals. The Trade Union regularly collates employee inquiries and communicates the outcomes to all staff, ensuring that grassroots opinions can be heard and processed efficiently.



Hotline

Employees can directly report problems or put forward suggestions by calling their team leader's or workshop director's hotline. Additionally, they can report unfair or non-compliant phenomena through the disciplinary committee hotline, providing a channel for safeguarding legitimate rights and interests.



Regular Survey and Reception Activity

The bases conduct bi-monthly employee reception days regularly. Members of the leadership team conduct regular communication with employees, effectively understanding their demands and solving practical problems in a timely manner.

Employee Satisfaction Survey

The company conducts semi-annual employee satisfaction surveys covering all departments to collect opinions and suggestions, identify and resolve existing issues, and further enhance employee satisfaction and loyalty.

The survey covers four core modules:

Work Environment

Welfare and Benefit

Training and Learning

Comprehensive Matters

All items were collected on schedule, with overall employee satisfaction hovering between "Basically Satisfied" and "Satisfied".



Average Satisfaction Score
96.01 points



Department Coverage Rate
100%



Effective Recovery Rate
100%

Workplace Safety and Occupational Health

Safety Production Management

Qingdao Doublestar strictly implementing the Workplace Safety Law, the 15 measures of the State Council Safety Committee and the provincial "8 Grasps and 20 Items" initiatives. Following the principle of "Safety First, Prevention Focused, Comprehensive Management", we enforce element control, dual responsibility, and the "Five Adequacies" of safety responsibility. Focused on "identifying hazards, promoting rectification, and ensuring safety", we strengthen risk prevention and control to maintain safe and stable operations.

Safety Production Management

Organizational Structure

A Safety Committee has been established under the Qingdao Doublestar Union Committee, coordinating routine safety work under the board's supervision.

The Safety and Environmental Protection Department oversees the Safety Division and the Security Division. The Safety Division manages safety, environmental protection, fire prevention and occupational health. The Security Division is responsible for vehicle control, access inspection, visitor management and security emergency response.



Safety Production Management Policy

We strictly comply with laws and regulations such as the *Work Safety Law of the People's Republic of China* and the *Regulations of Shandong Province on the Main Responsibilities of Production and Business Units for Work Safety*. Combined with the actual operation of the company, we have sorted out and revised the *Compilation of the Company's Work Safety Management Systems* and the *Compilation of Safety Operating Procedures*. These documents clearly define the safety operation processes, operating conditions, protection requirements and emergency disposal measures for each production link, laying a solid institutional foundation for risk prevention and control.

We have also implemented the Safety Production Reports Reward and Punishment System to encourage employees to report hazards, with graded rewards to promote full participation in safety management.

Safety Production Responsibility Implementation Mechanism



Safety Production Responsibility List → Full Coverage with Layered Accountability

The company strictly follows the principle of "designated personnel, designated posts, designated responsibilities," and has established a *comprehensive Safety Production Responsibility List* covering all employees from general manager to frontline workers. This achieves full-chain accountability and seamless transmission of safety responsibilities, ensuring clear responsibility for all personnel.



Closed-Loop Assessment → Performance-Linked Incentives for Effective Safety Management

We have established a safety performance appraisal mechanism linked to the responsibility list, connecting safety performance directly with individual compensation.

Taking safety and environmental managers at each base as an example, key indicators such as fire accident losses and recordable work-related injuries are included in the appraisal system, shifting safety management from passive compliance to active value creation.

During the reporting period

Workplace Safety
Responsibility Agreement

100% signed

Environmental Protection and
Safety Responsibility Agreement

100% signed

Position Risk Management
Checklist

100% signed

Workplace Safety Risk Assessment and Control

We employ a five-element analysis method—covering materials, equipment, processes, environment, and personnel—to conduct systematic risk identification throughout the entire production operation process. This approach addresses major workplace safety risks such as mechanical injury, struck-by objects, and falls from heights. Identified risks undergo probability and severity assessments to determine risk levels.

Based on assessment outcomes, risk management is implemented through a tiered control system. Comprehensive measures encompassing five categories—engineering controls, management practices, training and education, personal protective equipment, and emergency response—are integrated to achieve dynamic, cyclical risk management spanning "identification → classification → assessment → control."

Safety Hazard Identification and Rectification

Special Campaigns

Leadership-Driven Crackdown on Major Hazards

To systematically control risks and prevent accidents, we strictly implement national and local safety policies, and carry out special rectification activities including major hazard investigation, "Safe Doublestar" inspections and hazard identification and rectification campaigns.

Led by the company's top management, we focus on the investigation, rectification and closed-loop management of major safety hazards, effectively consolidating safety responsibilities and ensuring a solid foundation for safe production.

Regular Supervision

Strict System Implementation with Layered Accountability

The Safety Division of the Safety and Environmental Protection Department carries out monthly special inspections on occupational health, warning signs and other key areas across all production bases.

Based on the territorial safety responsibility system, we strictly enforce the Dual-Responsibility Element Control Implementation Measures and Three Violations Management System.

By combining incentives and accountability, we strengthen responsibility implementation. Inspection issues are reported promptly, with assigned personnel tracking rectification to ensure closed-loop management and full effectiveness.



During the reporting period

A total of **134** safety inspections were organized across all production bases, with **2,963** safety hazards identified and rectified throughout the year.

The closed-loop rectification rate reached **100%**, and **no major safety accidents occurred** during the year.

Intrinsic Safety Equipment Upgrades

The Safety and Environmental Protection Department leads the coordination of equipment, technical quality, and workshop departments across all bases to systematically advance intrinsic safety equipment upgrades and technological improvements. Implementing "eliminating operator errors, preventing equipment malfunctions, and ensuring personnel safety" as core safety management measures has further enhanced equipment safety performance and operational reliability.



During the reporting period

A total of **635** equipment intrinsic safety improvement projects were completed across all production bases, with a total investment of RMB **1.585** million.

Emergency Response Plan Management



In accordance with regulatory requirements, we have formulated comprehensive, specialized and on-site emergency plans, with an annual internal review and update mechanism, and external evaluation and revision every three years.

At the start of each year, we develop and systematically implement an annual emergency drill plan, strictly following the "five in place" requirements (plans, personnel, materials, drills, and reviews). We also conduct joint drills with local fire departments in key areas and organize "Enhancing Emergency Skills, Building a Safe Doublestar" rescue competitions to improve practical response capabilities.



During the reporting period

A total of **52** emergency drills were organized across all production bases.

These drills covered critical risks including fire, explosion, special equipment accidents, and mechanical injuries.



Hazardous Waste Emergency Response Drill

"Tire Industry Safety Cloud" Digital Platform Application



The company actively promotes the development of the "Tire Industry Safety Cloud" digital platform, empowering safety management through technology. This platform comprehensively covers key areas including special operations, routine inspections, and real-time monitoring.



Diagram of the "Tire Industry Safety Cloud" Digital Platform

It enables online control throughout the entire process of special operations—taking hot work as a typical example—strictly regulating the online filling and approval of information before, during, and after operations.

It promotes the standardization of routine inspections, requiring inspectors to upload on-site photos in real time to ensure traceability and accountability.

It strengthens intelligent monitoring and early warning capabilities, integrating smoke detection and audible/visual alarm systems with the platform to promptly identify and report abnormal information.

Safety Education and Training

Leveraging the "Doublestar Safety" digital platform, we deepen the integration of online and offline safety education. Through tiered training, focused content, and enhanced practical exercises, we comprehensively improve employees' ability to identify safety risks and respond to emergencies.



Tiered Training

- Focus on key controlled groups and carry out targeted special training.
- Cover all employees and implement comprehensive coverage training.



Multi-faceted Coverage

- Include key content such as occupational disease prevention, emergency response, and post operation specifications.
- Promote the in-depth integration of training with actual work.



Hands-on Improvement

- Effectively enhance employees' workshop risk identification.
- Improve their understanding and operational capabilities in standard operation and hazard early warning response.

During the reporting period

289 safety training sessions were conducted.

The average duration of workplace safety training per capita reached **44** hours.

The employee safety training coverage rate was **100%**.

Workplace Safety and Occupational Health



Occupational Health and Safety Management Certification

Both the Dongjiakou and Shiyan bases have obtained ISO 45001 Occupational Health and Safety Management System certification. The Cambodia base is actively advancing the establishment and implementation of this system.



Occupational Health Protection for Employees



Regular Employee Physical Examinations

- We prioritize employees' physical and mental health by providing pre-employment, regular and on-the-job physical examinations. **Annual coverage of on-the-job physical examinations and occupational disease screenings reaches 100%.**



Production Workshop Environment Improvement

- We focus on occupational health and workplace upgrading across all production workshops. Taking the Shiyan base as an example, we upgraded the vulcanization workshop environment: **renewing 91 roof fans and installing heat insulation devices for 60 vulcanizing machines.** These measures lowered workshop temperature, reduced flue gas emissions, and improved working conditions, comfort and health protection.



Labor Protection Supplies Supply

- We provide targeted labor protection articles—including masks, protective clothing and safety shoes—for employees at all bases based on job risks, ensuring occupational health and production safety.



Health Insurance Coverage

- We provide unified accident insurance for all employees, with enhanced protection for high-risk and frequent business-travel positions.
- Following the operation of the Cambodia base, we have improved the cross-border employee security system. We **make statutory social insurance contributions and provide 100% overseas personal accident insurance for Chinese expatriates.** For local Cambodian employees, we **provide statutory local social insurance plus full-coverage personal accident insurance, achieving full accidental injury protection for all overseas employees.**

Occupational Health Awareness Campaign

We continuously conduct employee physical and mental health awareness campaigns and special lectures.

The Occupational Health Management Office arranges publicity content on occupational disease hazard prevention and emergency rescue measures in prominent positions within production workshops, standardizing the placement of warning signs. Meanwhile, we organize regular occupational health training for employees before starting work and during their employment, urging employees to strictly comply with relevant laws and regulations on occupational disease prevention as well as post operation procedures.

Community Engagement and Public Welfare Practices

Qingdao Doublestar has always placed the fulfillment of corporate citizenship at the core of its strategy. Through systematic and diverse public welfare practices, the company actively participates in community co-construction. We have continuously launched a series of substantive initiatives, including blood donation drives at its two major bases, care programs for disabled care centers, overseas education donations, and sponsorship of urban marathons. Through resource investment and employee participation, the company effectively promotes inclusive growth and sustainable development of local communities.



Blood Donation | Giving Back to Society with Heartfelt Commitment

In June 2025, the company launched the "Unpaid Blood Donation, Let Love Continue" public welfare campaign at its Dongjiakou and Shiyan bases. A total of 58 employees participated, donating 115.5 units of blood, reflecting the enterprise's care and social responsibility.

With long-term commitment to life care public welfare, the company has earned wide recognition, including "Qingdao Outstanding Contribution Collective for Unpaid Blood Donation," "Shiyan Caring Unit for Unpaid Blood Donation," and "Qingdao West Coast New Area Advanced Collective for Life Care Work," embodying the sense of mission and responsibility of Doublestar staff.



Love Illuminates Education | Coexistence Empowers Communities

In December 2025, our Cambodia production base launched a material donation drive for Krek Primary School in Snoul District, Kratie Province, to improve local educational conditions. We provided essential teaching and learning supplies, delivering tangible support to local basic education.

Upholding the "community symbiosis" concept, we helped create a better learning environment for local students, showing our commitment to integrating into the local community and nurturing the younger generation. Going forward, we will continue to engage in overseas community development through practical public welfare initiatives and strengthen localized cooperation.



Community Care | Spreading Warmth During Mid-Autumn Festival

During the Mid-Autumn Festival, we organized a young volunteer team to visit the Disability Care Center in West Coast New Area, conducting a special "Warm Mid-Autumn" volunteer service activity.

Volunteers delivered holiday greetings and care to special groups, conveying warmth and goodwill through concrete actions, bringing genuine festive blessings to those receiving assistance, and fulfilling our firm commitment to continuously care for vulnerable groups.

We will continue to participate in diverse public welfare initiatives, contributing to the promotion of community inclusivity and harmonious social development.



Supporting Qingdao Marathon | Guarding Health Together

In 2025, Qingdao Doublestar actively organized employee participation in the Qingdao Marathon.

At the event, our cheering squad rooted on our runners with enthusiasm. Their spirited shouts of encouragement allowed our participants to feel the warmth and support of the Doublestar family while competing.

We integrated our brand philosophy with the sports spirit of "challenging oneself and transcending limits," supporting the city's signature sporting event through concrete actions, continuously strengthening our focus on public health and actively promoting high-quality community development.



Product Quality Management

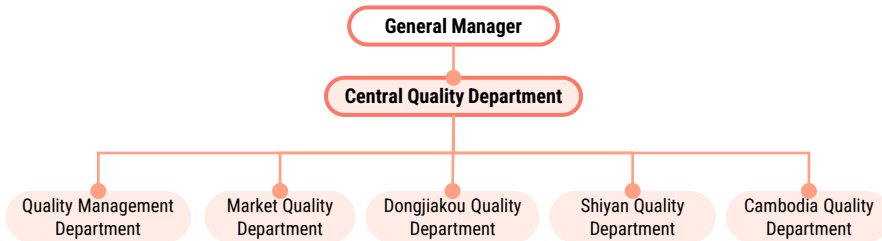
Quality is achieved through continuous improvement and enhancement. Qingdao Doublestar leverages digital transformation as a catalyst to deepen the integration and innovation of intelligent manufacturing, digitalization, and quality management systems.

Through its continuously optimized “smart manufacturing” system and quality management mechanisms, the company stands as the sole enterprise in China's tire industry selected for the Ministry of Industry and Information Technology's “High-Level Quality Management Capability Enterprise List.” It has also been recognized by the China Quality Association as a “2025 Quality Benchmark Exemplary Practice.”

Product Quality Management System

Quality Management Organizational Structure

To comprehensively strengthen our quality governance responsibilities, we have established a Quality Management Center under the direct leadership of the General Manager, which reports to the governance body on an ad-hoc basis. The Center is supported by functional departments including the Factory Quality Department, Market Quality Department, and Quality Planning Department. This structure creates a systematic quality control system that spans the entire product lifecycle.



Quality Management Control Documents

In 2025, we conducted a comprehensive systematic review and optimization of our existing quality management system, revising core regulatory documents including the *New Product Trial Production Management Regulations*, *Finished Product Sample Inspection Management Regulations* and *VOC Treatment Process*.

Through meticulous analysis of critical quality control points, we supplemented the existing quality management process with **256 key control activities**, further enhancing the precision and efficiency of quality oversight.

Product Quality Enhancement Initiatives and Outcomes

Quality Management Measures Throughout the Product Lifecycle

R&D and Prototyping Phase | Proactive Quality Control

The Quality Assurance department conducts full-process quality monitoring in prototyping, identifies and reports anomalies timely, analyzes root causes with the R&D and process teams, and optimizes processes to ensure consistent quality standards from R&D to manufacturing.

Manufacturing Phase | Full-Chain Closed-Loop Quality Control

By integrating dual quality systems, we have established a real-time monitoring mechanism for the entire product lifecycle. This capability is reinforced through intelligent systems and targeted investments to strengthen our control functions.



Integration of Dual Systems, Lifecycle Control

- Integrated Total Quality Management System + Production Quality Standardization System
- Covering the entire lifecycle from raw materials to production processes and finished products, ensuring comprehensive control over all quality activities.



Dual-System Synergy

Intelligent Traceability System

- Intelligent data collection terminals are deployed across all production processes to realize automatic barcode recognition for raw materials and semi-finished products.
- Achieving full-process traceability from raw materials to finished products.

Error Prevention Management System

- **47 error-proofing control points cover 9 core production processes.**
- Quality risk prevention and control are implemented based on 5M1E factors, forming a full-process closed-loop quality assurance system.



Targeted investments to enhance technological empowerment

- An annual special fund of over **30 million** yuan was allocated, focusing on the procurement and deployment of quality control equipment such as online inspection devices and error-proofing equipment.
- All preset targets were **100% completed on schedule** with performance exceeding expectations. These projects enabled real-time identification and online interception of production quality risks, strongly supporting the continuous improvement of product quality.

After-Sales Service Phase | Quality Feedback and Continuous Improvement Closed-Loop

Guided by customer feedback, the Market Quality Department organizes systematic analysis and assessment of quality trends and collaborates with responsible units to advance technical breakthroughs and the implementation of corrective measures. It conducts full-process tracking, supervision, and effectiveness verification for quality issue handling, ensuring that all quality improvement initiatives are effectively implemented and a closed-loop management is achieved.

Quality Inspection

We have formulated management systems including the *Product Inspection and Test Control Procedure*, *Finished Product Random Inspection Management Regulation*, *Delivery Inspection Management Regulation*, and *Product Identification and Traceability Management Regulation*, establishing a full-process quality inspection mechanism.



Measures for product quality improvement and effectiveness inspection results at each stage are documented and filed. Each tire delivered is assigned a unique product identification with corresponding quality inspection reports, enabling full traceability of product quality issues.



Nonconforming Product Management

We act in accordance with the *Nonconforming Product Control Procedure*, *Defective Product Handling Management Regulation* and other policies:

- Strict Grading Criteria and Frozen Nonconforming Product Management.
- Items awaiting repair are stored in designated areas after labeling. Only after 100% reinspection following repair can they be stamped for release.
- Irreparable scrap and defective items are clearly identified, labeled, and frozen to prevent their entry into subsequent processes or the market.

Quality-Related Certification



Product Quality Certification



Domestic Product Quality Certification

- The "Explosion-Proof Safety Wheel Tire" has passed *Shandong Province's T/SDCA 2025 Taishan Quality Certification*, laying a solid foundation for compliant product quality in stable domestic operations.



International Market Qualification Certification

- The "EV95 New Energy Tire" meets the *EU Double-A certification standard*.
- We have successfully obtained multiple international product quality certifications, including *US DOT*, *European ECE*, *Brazil INMETRO* and *Gulf States GCC certifications*.
- Establishing a solid product quality compliance foundation for deepening our global business layout.

Quality Management System Certification



ISO 9001: All three major bases - Dongjiakou, Shiyao and Cambodia - have obtained certification, achieving **100%** full coverage of quality standard certification.



IATF 16949: All three major bases - Dongjiakou, Shiyao and Cambodia - have completed certification, reaching **100%** full coverage of certifiable production bases.



Laboratory Accreditation

Our laboratory has obtained **CNAS (ISO/IEC 17025) accreditation**. It has the autonomous testing capability to conduct **over 190 internal inspection items**, with key testing scopes covering core quality indicators such as tire strength, high-speed performance, rolling resistance, wet grip, and noise. This provides scientific and reliable data to support product R&D and quality control during the production process.

Furthermore, the company's laboratory has established a comprehensive quality inspection system and is qualified to **offer more than 90 entrusted testing services to external parties**.



Quality Training

We continuously improve our quality management training system, organizing a series of specialized training courses focused on key areas including Six Sigma management, whole-process quality control, phased quality assurance, and on-site quality improvement. This ensures in-depth participation and rotational training coverage for key position personnel. Through intensive training combining theory and practice, we effectively strengthen employees' problem-solving capabilities, laying a solid talent foundation for steady product quality improvement and operational excellence.



During the reporting period

The company organized a total of **103 specialized training sessions**, with cumulative training duration **exceeding 3,500 minutes**, equivalent to **over 58 hours**.

Six Sigma Management Training Course



Product Recall Mechanism

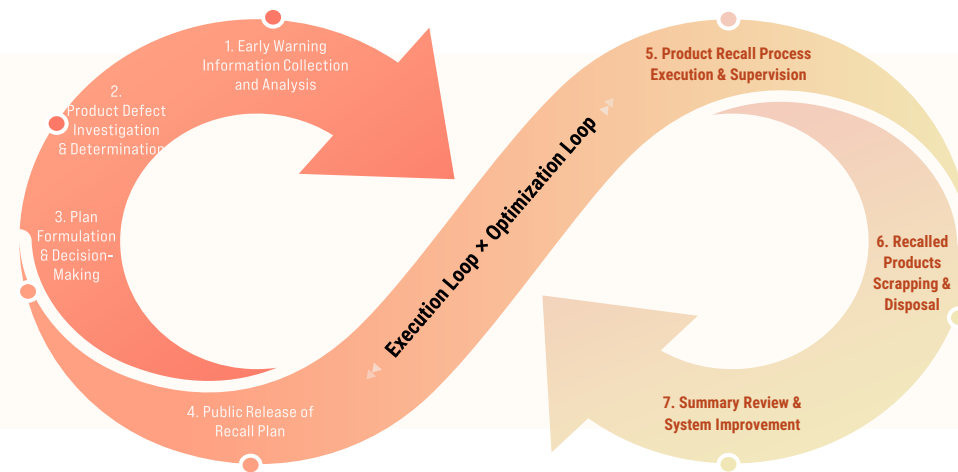
We strictly comply with national standards and laws regarding automotive tires, including the *Consumer Rights Protection Law of the People's Republic of China* and the *Product Quality Law of the People's Republic of China*.

We have established the *Product Recall Management Regulations*, creating a closed-loop product recall operation mechanism covering early warning information collection and analysis, product defect investigation and determination, plan formulation and implementation, and quality management system improvement. This ensures timely and responsible response to potential product risks, safeguarding consumer rights and public safety.



During the reporting period

The company **experienced no product recall incidents**.



Industry Standard Co-construction and Collaborative Quality Improvement



Deep Participation in Industry Standard Formulation

Qingdao Doublestar takes an active leading role in the industry and has been deeply involved in the formulation of the **Green Tire Technical Specification** issued by the **China Rubber Industry Association**.



Proactive Participation in Co-building the Industry Quality and Standards Ecosystem

We are members of several professional organizations, including the **Qingdao Quality Management Association**, the **Chemical Industry Rubber Testing Instruments and Equipment Standardization Technical Committee**, the **Qingdao Standardization Association** and the **Qingdao Quality Development Promotion Association**.

Through active industry exchanges, technical cooperation and joint standard development, we continue to enhance our professional capabilities and industry influence in quality improvement, standard formulation and sustainable development.

Customer Service and Benefits

Qingdao Doublestar upholds the core philosophy of “Service Leadership, Agility for Victory” establishing a Service 4.0 system marked by “Service to Customer” to achieve seamless integration of online and offline services while implementing intelligent management across the entire service process.

Our service center adheres to the market philosophy of “creating demand, leading the market, and serving customers.” Leveraging intelligent information systems, it strengthens market demand interaction to enhance service response speed, meet personalized needs, and boost service value-added capabilities.

Domestic Market: Full-Channel Coverage

Traditional agents

Distributors

Mainstream e-commerce platforms

Overseas Market: Steady Advancement of High-Quality Marketing Network Construction

With a global perspective, we have implemented the “2080” strategy, focusing on serving 20 strategic key customers and deeply cultivating 80 key markets. We have also adopted a localization strategy of “one country, one partner, and developing multiple brands”.

As of the end of 2025, our products have been sold to more than 180 countries and regions worldwide. The customs clearance advantages granted by the AEO Advanced Certification have strongly supported our overseas market expansion.

Customer Management

Customer Management Organizational Structure

We have established a customer management organizational structure overseen by the General Manager, who regularly reports to the company's governance team.

Led by the General Manager, the Product Division (PCR & TBR) oversees domestic strategy, branding and customer relations. The Overseas Development Department is responsible for global expansion, marketing and international customer networks. The Service Center manages the full customer lifecycle from after-sales support to ongoing inquiries, ensuring efficient and professional assistance.

Customer Management Policy

Market Development & Sales Activity Standardization

We have formulated a series of standard operating procedures (SOPs), including the *Marketing Policy Formulation Process*, *New Product Sales Process*, and *Channel Development Process*. These guide the standardized operation of market development and sales activities, effectively safeguarding customer rights and interests.

After-Sales Claims & Service Support

We have issued specialized documents such as the *VOC Information Processing Process* and *Domestic/Overseas Market Three Guarantees Tire Claim System*, along with corresponding response processes. These ensure efficient responses to customer feedback and provide clear, explicit claims and service guarantees for product quality issues, thereby safeguarding and enhancing brand reputation.

Customer Service Management Initiatives and Achievements

Customer After-Sales Service Guarantee

Starting with tire services as its entry point, Qingdao Doublestar is building a comprehensive service ecosystem. By integrating social resources, innovating intelligent systems and advancing road rescue to create a seamless online-offline “Service 4.0” for the automotive aftermarket.



Customer Communication Channels

We are committed to building an efficient and reliable omnichannel customer communication matrix to ensure comprehensive collection of customer feedback and rapid response to customer needs.

Omni-Channel Communication Matrix

- We have established a national 24-hour hotline, 400-017-6666, adhering to the principle of **addressing user issues without delay and resolving customer concerns overnight**.
- By integrating multi-dimensional channels such as our official website, e-commerce platforms, and offline networks, we ensure convenient access for our customers.

Standardized Closed-Loop Management

- Feedback from all channels is consolidated into a centralized customer information management and operations hub, where standardized tracking, analysis, and closed-loop management are implemented.
- The customer-centric philosophy is embedded throughout the entire process of communication, response, and improvement.

During the reporting period



A total of **8,440** customer calls were received, with a call satisfaction closed-loop rate of **99.3%**.



A total of **4** phone complaints were handled, achieving a **100%** complaint resolution and closed-loop rate.

Customer Satisfaction Survey

We conduct customer satisfaction surveys on a quarterly basis using questionnaires. These surveys gather feedback and identify the needs of both corporate clients and end-users. Based on the insights gained, we formulate and implement improvement measures.



During the reporting period, questionnaire coverage rate: **100%**
 Combined proportion of customers rating us as "**Very Satisfied**" and "**Satisfied**": **98.93%**

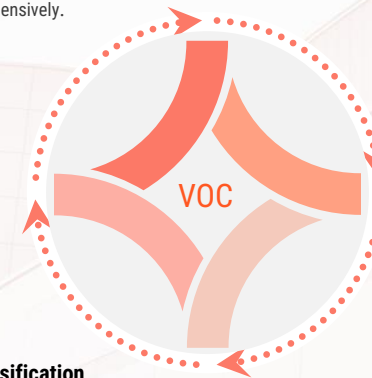
VOC Management

By optimizing our *VOC (Voice of the Customer) Information Processing Procedure*, we have systematically established a management closed loop that spans from information capture to improvement-driven actions. Through standardized analysis, cross-departmental collaboration, and closed-loop verification, the Voice of the Customer is effectively translated into tangible enhancements in our products and services, thereby continuously creating value for our customers.

Multi-Channel Listening

Build an omni-channel network combining online/offline and active/passive methods to capture customer voices timely and comprehensively.

- E-mail
- official website
- social media accounts
- dealer channel feedback
- 400 customer service hotline
- customer satisfaction surveys
- customer visits
- field inspections
-



Verification & Closed-Loop Feedback

Verify the effectiveness of rectification measures through customer follow-up visits, re-tests or data monitoring.
 Provide feedback on results and improvement outcomes to relevant customers to close the management loop.

Integrated Classification

Conduct labeling, filing and preliminary analysis of feedback based on type, affiliated business unit, urgency and impact scope, to identify common issues and prewarn major risks.

Cross-Departmental Joint Rectification

Functional departments jointly conduct root cause analysis on major and recurrent feedback, formulate and implement specific corrective and preventive measures.



During the reporting period, a total of **6** VOC issue work orders were created.
All work orders completed rectification.
 Realized full response to customer feedback and full-process closed-loop management.

Responsible Marketing

Qingdao Doublestar has established marketing management systems including the *Marketing Planning Process Management System* and the *Advertising Release, Exhibition, Storefront Construction and Event Execution Management Measures*, implementing full-process standardization for the creation, review, release and violation handling of promotional content to continuously enhance the rigor of brand marketing.

We strictly review all promotional copy and marketing materials to ensure the accuracy of key information regarding product performance, range, and other aspects across online channels and in-store materials, eliminating vague and excessive marketing claims. Meanwhile, we require all sales personnel to adhere to the principle of integrity, presenting product information and benefits to customers objectively and completely, fully safeguarding customers' right to information.



During the reporting period

the company adhered to compliant operations and **maintained zero violations of laws and regulations in its market promotion activities.**



Thai Distributors Visit Factory



Qingdao Regional Store Distributor Workshop

Channel Compliance Co-construction · Ecosystem Empowerment for Win-Win | Building Long-Term Stable Partnerships

To standardize business conduct and strengthen the foundation of cooperation, the company has signed legally binding *Market Compliance Commitments* and *Distributor Cooperation Agreements* with all distributors, creating a transparent, compliant and healthy cooperation foundation based on clear cooperation benchmarks and business principles.

Through diversified activities such as product training, technical seminars, and factory visits, we empower domestic and international distributors in areas covering products, marketing, and technology. This not only deepens distributors' recognition of our core product competitiveness and brand philosophy but also continuously enhances their market service capabilities, injecting strong momentum into global market expansion and cultivation, while working together with partners to build a long-term win-win channel ecosystem.

Fully Explosion-Proof Safety Tires Test Drive Event | Safety Without Compromise, Comfort Elevated

To provide users with a firsthand experience of safety performance, we invited Tesla owners' club members to participate in our exclusive fully explosion-proof safety tire test drive event.

Centered on the core theme "Safety Without Compromise, Comfort Elevated," the event features extreme zero-pressure tire burst simulations. These simulated scenarios replicate real-world conditions, allowing each participant to personally verify the product's "zero-pressure run-flat capability" through hands-on driving.

From technical specifications to road performance, from lab data to real-world driving experiences, the event transformed abstract safety promises into tangible, verifiable, and drivable safety assurances. Through transparent, evidence-based communication and face-to-face interactions with users, it let the product speak for itself—powerfully demonstrating the company's unwavering commitment to prioritizing life safety above all else.

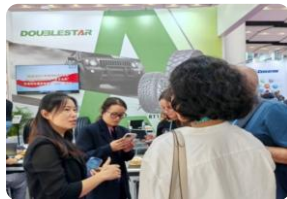


Leveraging domestic and international exhibitions as a bridge to connect global customers and markets

DOUBLESTAR ATTENDED THE 138TH CHINA IMPORT AND EXPORT FAIR (CANTON FAIR)

Qingdao Doublestar showcased its "All-Star" product lineup at the 138th China Import and Export Fair (Canton Fair), driving innovation and deepening exchanges with global partners while committed to providing safer, more energy-efficient, and intelligent tire products and mobility solutions.

Our overseas professional team delivered detailed product performance explanations and offered multiple highly differentiated solutions tailored to different markets and application scenarios. Through exceptional professional expertise, they earned widespread customer acclaim, demonstrating the company's professional manufacturing capabilities and responsible brand image in product performance innovation, global responsibility fulfillment, and localized value creation—effectively conveying the technological value and social responsibility embedded in our products.



DOUBLESTAR TIRE SHINES AT SEMA SHOW 2025 IN LAS VEGAS

The SEMA Show in Las Vegas, as an industry benchmark covering over 130 countries and bringing together more than 2,400 top-tier enterprises, attracted thousands of industry professionals from around the globe.

Doublestar Tire made a stunning appearance with multiple products featuring distinctive differentiated advantages, fully demonstrating Chinese tire innovation capabilities and manufacturing excellence to the global market. The exhibition focused on high performance, customization, and cutting-edge technologies, with the Doublestar Tire booth integrating green technology concepts with modern design principles.



DOUBLESTAR ATTENDED THE AUTOMECHANIKA DUBAI

As the premier global platform for automotive aftermarket collaboration, Dubai Auto Parts Expo brings together premium resources and industry leaders across all sectors of the global automotive aftermarket.

Doublestar Tire showcased its differentiated core products, including desert all-terrain tires, specialized tires for new energy vehicles, and neodymium-alloy tires. These offerings align with the Middle East market's localized demands such as high temperatures and desert terrain—while addressing the evolving trends in new energy vehicles. This demonstration highlights our comprehensive capabilities and innovative prowess in tire technology R&D and customized product development.



Deepening Responsible Marketing Through Knowledge Dissemination

We planned and produced a series of educational videos on tire maintenance, leveraging diverse channels including our official website and offline retail outlets for comprehensive dissemination.

The videos focus on core topics including the identification of safe tire service life, key points for routine inspections, maintenance techniques for different road conditions, and environmentally sound disposal of end-of-life tires. Through intuitive and accessible visual storytelling, they break down technical barriers to effectively enhance public safety awareness and scientific maintenance capabilities.



Supporting the Development of Basketball Events in Qingdao

As the event partner for the 2025 CBA Summer League (Qingdao) "Doublestar Kumho Cup," the Doublestar brand image was deeply integrated throughout the tournament scene.

Through custom-built on-site display racks, venue screens, and looped advertising videos, we created high-frequency and impactful brand touchpoints.

The scenario-based visual presentation effectively conveyed the company's core products and innovative concepts, strengthening the professional and reliable brand perception among the vast fan base.



2025 Qingdao Basketball Season:
Doublestar Kumho Cup Kickoff Ceremony

Supply Chain Management

Qingdao Doublestar actively implements its "Globally Integrated Supply Chain · Green Supply Chain" strategy by signing long-term framework agreements with industry-leading suppliers, systematically integrating sustainable development concepts into supplier access, evaluation, and full-cycle management requirements to build a stable, efficient, and responsible supply chain system.

We collaborate deeply with core suppliers to jointly develop sustainable raw materials, promoting green innovation at the source of the supply chain while strengthening industrial chain resilience and social responsibility practices.

During the reporting period, the company strictly complied with relevant regulations by fulfilling its information disclosure obligations regarding Small and Medium-sized Enterprises (SMEs) payments in the National Enterprise Credit Information Publicity System. No overdue payments to small and medium-sized enterprises occurred, fully safeguarding the legitimate rights and interests of SMEs.

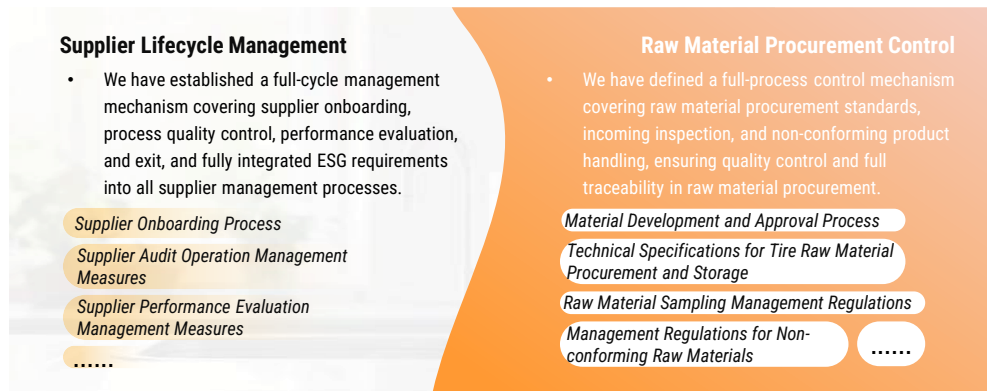
Supply Chain ESG Management System

Supply Chain Management Organizational Structure

We have established the Supply Chain department, operating under the direct leadership of the Company's Deputy General Manager and reporting to the Supply Chain Committee. This division is fully responsible for the coordination and execution of procurement activities encompassing raw materials, auxiliary materials such as packaging, production equipment, and transportation services.

Supply Chain Management Policy Framework

We have established and continuously improved a multi-tiered system of management policy documents to ensure the robustness and reliability of our supply chain.



Supply Chain ESG Management Practices and Performance

Supplier ESG Management



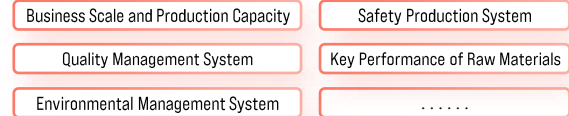
New Supplier Access Management: Strict Source Control, Comprehensive Evaluation

During the supplier access phase, we prioritize the introduction of suppliers with green production practices and relevant environmental certifications and require core raw material suppliers to obtain ISO 9001 Quality Management System certification.

Through qualification review, sample testing, on-site audits, and laboratory testing mechanisms, we conduct multi-dimensional comprehensive evaluations of potential suppliers to ensure their full compliance with sustainability and quality standards.



Dimensions of Comprehensive Supplier Evaluation



Regular On-Site Supplier Audits: Dynamic Supervision, Closed-Loop Management

We conduct annual on-site audits of cooperative suppliers based on the TQRDC framework (Quality, Cost, Delivery, Technology, Service Response), tailored to supplier categories, to perform compliance management reviews.

For issues identified during audits, we have proposed clear rectification requirements and continuously tracked and verified implementation, thereby forming an effective management closed loop.

During the reporting period, a total of **54 supplier audits** were completed, achieving a comprehensive pass rate of **90.7%**.



Business Ethics: Integrity Constraints and Enhanced Oversight

We have signed Integrity and Clean Commitment Letters with all suppliers, requiring them to adhere to the principles of integrity in their cooperation and refrain from any illegal or non-compliant practices, including bid-rigging, commercial fraud, corrupt acts, and unfair competition.

For the aforementioned prohibited behaviors, corresponding liability clauses for breach of contract have been clearly defined in the agreements, and a dedicated reporting mechanism has been established to strengthen supervision and restraint.



Localized Layout: Carbon Reduction, Efficiency Enhancement, and Inclusive Growth

To reduce the carbon footprint of our operations, enhance operational resilience, and promote inclusive growth, we have actively advanced a supply chain localization strategy. To date, we have successfully achieved **100% localized procurement of natural rubber raw materials** in the vicinity of our production base in Cambodia.

Supply Chain Quality Assurance

Raw Material Procurement Quality Assurance

We have signed *Quality Agreements* with all existing suppliers, which mandate that suppliers must strictly comply with our technical standards and specifications when providing goods or services, and maintain an effective quality management system.

We implement a full-process control system for raw materials, from incoming inspection and in-warehouse management to outbound review and strictly enforce the "qualified entry" system. For suppliers with substandard quality, the company will issue rectification notices and require them to submit rectification reports, and provide technical guidance as needed to support their quality improvement.

Internal Training Management

We have continuously improved our procurement training system, focusing on key areas such as procurement strategies, quotation methods, and contract signing norms, and organized a series of professional training courses.

During the reporting period:

We organized and carried out **more than 70** special trainings.

The total training duration **exceeded 2,600** minutes, **approximately 43** hours.

These efforts have effectively enhanced the awareness and professional capabilities of the entire supply chain team.



Green Procurement

Joint Research on Green Raw Materials

With **performance upgrade and sustainable material system innovation as the two core focuses**, we have established joint R&D mechanisms with key supply chain partners to promote upstream and downstream collaborative innovation.

Our core raw material suppliers have set up joint R&D teams, and jointly carried out technical research, performance verification, and industrialization in cutting-edge fields such as bio-based materials and recycled renewable materials (e.g., sustainable carbon black, bio-synthetic rubber). Through the entire "resource-research-production" chain, we are committed to building a green and low-carbon industrial ecosystem, driving the low-carbon and green transformation of the upstream supply chain, steadily reducing reliance on traditional petroleum-based raw materials, and achieving synchronous improvement of product competitiveness and sustainable development capabilities.

We have reserved sustainable materials accounting for **more than 80%** of the total.

Sustainable materials with controllable content account for **more than 40%** of tire production, laying a solid technical foundation for product green upgrading.



Green Packaging Application

We have implemented green packaging initiatives in the packaging link. In the synthetic rubber project, we have achieved **100% replacement with reusable steel crates**. In the future, we will continue to expand the scope of large-scale recyclable packaging, gradually extend it to more raw material types such as natural rubber in the tire sector, and continuously reduce the use of disposable packaging resources.



Innovation and Intellectual Property Protection

With the goal of meeting user needs, we have integrated global technological resources to establish an innovative, open, and interactive R&D platform. The company continuously increases investment in product structure adjustment and research and development, adhering to a product strategy focused on "high-end, high value-added and high differentiation." This has formed a comprehensive technical system covering the entire process of product development, manufacturing, and testing.

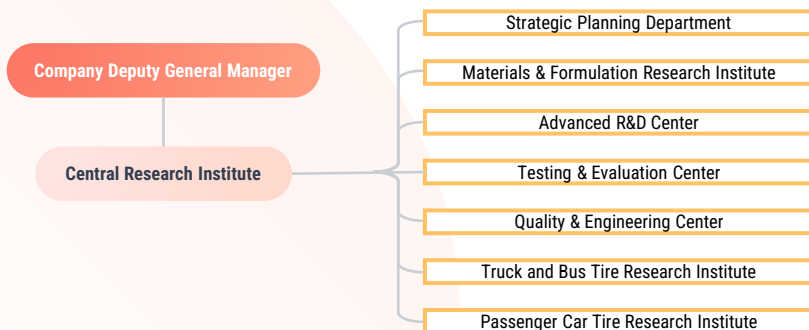
Meanwhile, we have established a systematic intellectual property management system to effectively protect and utilize its innovation achievements. Its management capabilities have been nationally recognized, earning it the title of "National Intellectual Property Demonstration Enterprise" in 2023.

R&D Investment
178 million RMB

R&D Innovation Management System

R&D Innovation Organizational Structure

We have established the Central Research Institute, which is directly led by the company's General Manager and reports to the Board of Directors on a regular basis. Under it, we have set up functional departments such as the Strategic Planning Department, Materials & Formulation Research Institute, and Advanced R&D Center, systematically laying out a full-chain R&D innovation organizational structure that covers from basic research and cutting-edge technological exploration to product commercialization, as well as R&D management and intellectual property protection.



R&D Innovation Management System Documentation

To ensure the smooth progress of R&D activities, stimulate innovation vitality, and improve R&D efficiency and quality, the Central Research Institute of the company has formulated a series of management systems, including the *Regulations on New Product Development Management*, *Procedures for Product Development and Change Management*, *Key Work Incentive Plan* and *the Excess Profit-Sharing Incentive Platform*.

Together, they have established a full-chain closed-loop management system covering project initiation, process control, achievement transformation, and incentive evaluation.



R&D Target Formulation and Continuous Tracking

We take "enhancing profitability, production efficiency, and technical risk response capabilities" as our strategic anchor and decompose R&D targets into specific project-based plans. The company dynamically monitors project milestones, technical indicators, and resource consumption, and relies on regular cross-departmental reviews and management reporting mechanisms to ensure that R&D activities keep pace with the company's strategy and market trends.



Truck & Bus Tires

A total of **122 development tasks** have been completed, including **54 new products** and **68 product improvements**.



Passenger Car Tires

Focusing on key projects such as the development of mid-to-high-end new products in North America, market expansion of EV new energy tires, and the third-generation upgrade of strategic product EV run-flat tires, **all R&D projects have been advanced as planned and achieved key breakthroughs**.

Practices and Achievements in Technological Innovation

Major R&D Innovation Achievements

Guided by the "high-end, high value-added, and highly differentiated" product strategy, the Central Research Institute has focused on key areas such as EV new energy channel customization and flagship product iteration, achieving a series of R&D breakthroughs.

Empowering R&D Innovation with AI Digital Twin Technology

Breaking Through the Low-Temperature and Low-Rolling Resistance Performance Bottleneck of New Energy Vehicle Tires

The Central Research Institute has deeply integrated AI digital twin technology into the entire tire R&D process. By constructing high-precision virtual simulation models to replace a large number of traditional physical tests, the Institute has promoted the transformation and upgrading of the R&D model toward **greater efficiency, virtualization, green development and intelligence**.

In a customized new energy tire development project, the Institute leveraged its AI digital twin platform, combining advanced tire rolling resistance simulation technology with precise rubber material characterization models to build a high-fidelity digital twin. Through multi-dimensional simulation, iteration, and optimization of tire low-temperature rolling resistance performance in a virtual environment, the project reduced the number of physical prototypes required from hundreds in traditional development to just **three rounds of prototyping and five key solutions for physical verification**—significantly shortening the R&D cycle and reducing material and energy consumption.

Driven by simulation-based precision optimization, the Institute achieved key performance breakthroughs within a shorter timeframe: successfully reducing the tire's low-temperature rolling resistance growth rate from **44% to 33% and lowering the rolling resistance coefficient by 0.5**. This significantly enhances the range and energy efficiency of new energy vehicles in low-temperature environments, providing more competitive high-performance tire solutions for NEV models.



Strengthen the core of security

Technological Upgrades in Run-Flat Products

We regard safety as the core principle of product research and development, advancing research to enhance the performance of our run-flat tire technology.

Fully Explosion-Proof Safety Tires →
Now standard equipment on the
Chery Exeed VX model



Starting from fundamental areas such as contour patterns, structural design, skeleton materials and formulation systems.



Reverse engineering and forward development through raw material analysis, finished product bench testing and comprehensive real-vehicle evaluations.



Achieve **optimized improvement in zero tire pressure cruising range**, with enhanced ride comfort and significantly strengthened safety performance.



Enhance product safety performance and market competitiveness and **gradually establish technical barriers** within the industry.

Nationwide Multi-Terrain In-Depth Road Testing: Evidence-Driven Continuous Product Iteration and Upgrades

To further enhance core product competitiveness and align with market demands, we conduct in-depth road testing for truck and bus tire products.

Testing spans multiple provinces including Guangdong, Sichuan, Xinjiang, Inner Mongolia and Northeast China, comprehensively addressing climatic differences between northern and southern regions, varying altitude gradients, complex topography and diverse operational conditions. This achieves **rigorous validation across all geographical areas, seasons and road conditions**.

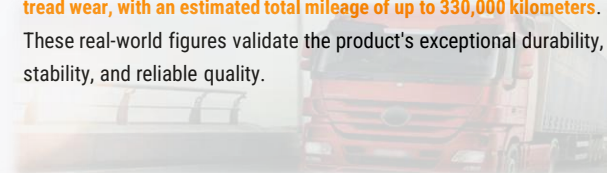
Leveraging a scientific testing system and real-world road test data, Doublestar continuously promotes product technology upgrades, committed to providing global logistics users with safer, more efficient, economical, and durable tire solutions.

Case Study: High-End Steer Tire D953nd Demonstrates Exceptional Durability

Taking the D953nd, a high-end steer tire designed for long-haul, high-efficiency logistics scenarios, as an example, this product exhibited outstanding performance in actual operational testing conducted in Fujian Province.

After accumulating over 100,000 kilometers of real-world vehicle operation, the tire showed uniform and regular wear patterns with no issues of uneven wear or abnormal wear. Test data indicates that the D953nd **achieves a wear rate of 21,400 kilometers per millimeter of tread wear, with an estimated total mileage of up to 330,000 kilometers**.

These real-world figures validate the product's exceptional durability, stability, and reliable quality.



Information on Award-Winning Innovation and R&D Projects in 2025

2 items

International Level

- Red Dot Award | WILD-TERRAIN
- IDEA Award | APOGEE

4 items

National Level

- Included in the Evaluation Database of Science and Technology-based SMEs
- First Prize of Management Innovation Achievements | "Rare Earth Gold" Tire Intelligent Manufacturing Management Practice Based on the "Four Supers and One High" Performance Matrix
- Beauty of Made in China | New Energy Vehicle Tire Product Award
- DIA China Design Intelligence Award | New Energy Vehicle Tire

3 items

Provincial Level

- Eighth Batch of Shandong Provincial Manufacturing Single Champion Enterprises | Fully Explosion-Proof Passenger Car Radial Tires
- Selected for Shandong Provincial Enterprise Technology Innovation Project Plan (First Batch)
- Selected for Shandong Provincial Manufacturing Pilot Testing Platform | Performance Rubber Tire Technology Verification and Waste Rubber Recycling Pilot Testing Platform

2 items

Municipal and District Level

- Passed the re-inspection of Qingdao Technology Innovation Center
- Mayor's Silver Award | WILD-TERRAIN

Participation in Industry Standards and Organizational Initiatives

- The Central Research Institute actively participates in and leads the formulation and revision of national, industry, and group standards, transforming our technical expertise and practical experience into industry norms while continuously guiding the technological development direction of the tire industry.



During the reporting period the Central Research Institute newly participated in the formulation of **9 standards**



To continuously drive industry technological progress and ecological co-construction, Qingdao Doublestar has actively joined authoritative industry organizations including [the Tire Branch of the China Rubber Industry Association](#), [the National Technical Committee on Wheel Rims of Standardization Administration of China](#) and [the Shandong High-end Chemical Industry Development Promotion Association](#).

Through deep participation in technical exchanges and industrial collaboration within these organizations, the company is committed to collaborative innovation in areas such as tire design, application of green chemical materials, and standardized industry development. By co-creating and sharing with industry partners, we jointly drive the industry's transformation toward high-end and sustainable development.

Building a Strong Talent Foundation to Drive R&D Innovation

We implement a project-based responsibility system for R&D, closely linking the performance evaluations of R&D personnel to project outcomes and innovative contributions, emphasizing goal-oriented approaches and value creation. To continuously activate the intrinsic motivation of research teams and foster a robust innovation ecosystem that encourages exploration and promotes the commercialization of results, the Research Institute has established a multi-tiered, systematic incentive framework.



Policy Application Incentives

Through the continuous implementation of the *Incentive Mechanism for Policy or Resource Acquisition*, we encourage and reward teams and individuals who have achieved substantive results in securing government funding, scientific research projects and talent honors.



Project Breakthrough Incentives

We have established the "Excess Profit-Sharing Incentive Platform" system, which provides key rewards to teams that have achieved significant technological leadership, effective industrialization or economic benefits.



Intellectual Achievement Incentives

Leveraging the "Intellectual Property Management Platform" and the "Key Work Incentive Plan",

we offer special rewards for patents, technical standards, software copyrights, and successfully commercialized technological achievements. This promotes the creation and application of intellectual property and strengthens the company's technical soft power.

R&D Talent Development Achievements



Optimization of R&D Talent Team Structure

The R&D team consists of **890** members, accounting for **15.06%** of the company's total employees.



Internal R&D Training System

In 2025, we organized **7** internal training sessions covering expert sharing, technical seminars, and professional fields, with a total of **288** participants.



High-level Platforms and Talent Cultivation

Our "Qingdao Postdoctoral Innovation Practice Base" was recognized as a "Municipal Excellent Postdoctoral Workstation".

Talent cultivation at the municipal level

- **1** municipal-level talent
- **8** new senior engineers



Intellectual Property Protection Mechanism

Institutional Safeguard

Qingdao Doublestar has established a systematic intellectual property management system, strictly complying with the *Patent Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China* and other relevant laws and regulations. We have developed standardized systems including the "Central Research Institute Intellectual Property Management Platform", "Intellectual Property Management Process" and "Patent Application Control Process," enabling full lifecycle management of intellectual property creation, application, maintenance, and operation.

Organizational Structure



Legal Department

Responsible for conducting legal compliance reviews of intellectual property operation demands, coordinating the unified management of software copyright ledgers, and building a solid compliance review line of defense.



Patent Management Department

Responsible for the registration and filing of patent technology ledgers, as well as the maintenance of the validity of granted patents, ensuring that patent assets are standardized, orderly, and continuously effective.

Decision-Making and Oversight Mechanism | Strategic Guidance & Tiered Control

The formulation of the company's intellectual property strategy and decision-making on major matters are centrally managed and directly advanced by senior management. Regular reports are submitted to the board of directors for oversight, ensuring intellectual property efforts align closely with the company's overall development strategy and enabling precise risk control.

Management Efficiency and Risk Prevention | Full Participation & Dual Protection

We continuously strengthen end-to-end IP management, enhance all employees' awareness of IP protection and compliance standards, and **strictly adhere to the principle of not infringing others' intellectual property rights while legally protecting proprietary rights**. This achieves dual-pronged efforts in rights protection and risk prevention through closed-loop management.

Core Cryptographic Initiatives

Encryption of R&D Documents

The R&D center has deployed a dedicated professional document encryption system for central enterprises, implementing high-strength encryption for technical documents, construction drawings, and core R&D data.

- Encrypted classified documents can only be accessed on authorized terminals within the company; unauthorized devices and external computers are unable to access them normally.
- The system is equipped with reliable brute-force cracking resistance, ensuring the complete controllability of core data from a technical perspective.

Software Encryption

We strictly implement information security protection requirements and conduct graded encryption for full-category software such as business office and auxiliary design tools.

- All data generated by encryption is marked with security protection identifiers.
- If it is necessary to provide relevant documents externally for work purposes, the company's approval process must be strictly followed to complete decryption. Only after approval can the documents be used on authorized external computers, with the entire process being traceable.

Terminal Physical Isolation

Adhering to a bottom-line thinking, we implement strict port management and control on encrypted terminal devices.

- Through a combination of systematic and physical isolation measures, we fully block all external interfaces such as USB ports, optical drives and serial ports.
- This cuts off external leakage channels from the source, effectively ensuring data security.

Intellectual Property Outcomes Data

776

Cumulative Valid Patents

95

Newly Granted Patents

125

New Patent Applications

4

Software Copyright Holdings



Industrial Collaboration and Ecosystem Co-construction

Leveraging Complementary Strengths to Unleash Synergies of "1+1>2"

The synergy between Qingdao Doublestar and Kumho Tire is rooted in a strategic integration defined by mutual respect and empowerment. Guided by a governance philosophy that prioritizes people and respects differences, both parties are committed to collaboratively building one of the world's most respected tire brands. This approach has laid a foundation of trust and a cultural cornerstone for deeper industrial synergy.

Together, they are enhancing overall market competitiveness and sustainable operational capacity. This strategic collaboration is embedded within Qingdao Doublestar's broader "New Four Strategies" framework, serving as a key initiative for Localization in global market expansion and Ecologicalization in building a green industrial chain.

DOUBLESTAR × KUMHO



Production and Supply Chain Collaboration | Optimizing Global Layout and Green Manufacturing

The synergy between both parties in production, manufacturing, and supply chain processes is embedded with the principles of green and intelligent manufacturing, focusing on enhancing efficiency, ensuring quality and implementing the concept of green recycling.

In response to changes in the international trade environment and evolving market demands, both parties are optimizing global production capacity allocation and collaboration models to enhance regional market responsiveness and advance international business into higher-level and deeper domains.

The Qingdao Doublestar Cambodia base is participating in the modular tooling integration project, supporting Kumho's global product supply and cost optimization.

Qingdao Doublestar has shared its expertise in building "Industry 4.0" smart factories with Kumho, collaboratively enhancing intelligent manufacturing capabilities and achieving greener, more efficient, and higher-quality production processes.

Both parties have jointly established a procurement model featuring "resource sharing, joint bidding, and independent settlement," continuously integrating high-quality supplier resources to strengthen supply capabilities. A unified bidding platform has been established to ensure an open, fair, transparent and efficient procurement process, supporting the green development of the industrial ecosystem through sustainable supply chain practices.

Sales and Service Ecosystem Synergy | Building a Win-Win Industrial Ecosystem

We have broken through traditional channel barriers to create a future-oriented service ecosystem, driven by brand collaboration and channel integration, achieving a dual enhancement of brand value and market competitiveness.



Strategic Complementarity of Brands and Product Lines

Through collaborative promotion of both brands and products in the Chinese and global markets, the two parties provide customers with one-stop, full-range tire solutions. This enables them to jointly expand into niche markets that were previously difficult for a single brand to cover.



Joint Development of Resources and Channels

As suppliers to globally renowned automakers including Mercedes-Benz, BMW, Volkswagen, Audi and General Motors, as well as leading new energy vehicle brands such as BYD and Geely, their synergy reduces market development costs and enhances their overall competitiveness in the global high-end OEM market.



R&D Collaboration | Driving Green and Safe Product Innovation Through Innovation

Co-creation of High-end Brands

Collaboratively laying out the global high-end market, we launched the Kumho premium passenger car tire brand ZETUM and the Doublestar premium safety tire brand KUMKANG. These two products embody the wisdom of global R&D experts, have undergone testing in world-class laboratories and professional test tracks, and demonstrate high-end quality and technical strength.

Kumho OFF TAKE Full-line Product Development Project

Qingdao Doublestar and Kumho Tire have deepened the strategic R&D alliance to jointly develop the ZETUM and KUMKANG series of high-end tires, specifically designed for the new energy and high-performance passenger vehicle sectors.

By complementing each other in the fields of high-end passenger tires and safety tires, this collaboration not only elevates our technical image in the international market but also strengthens the penetration into emerging segments such as new energy vehicles and high-performance cars.



To meet the high-performance requirements of Kumho products, Qingdao Doublestar has introduced the 2RL Quality Evaluation System, enhancing the stability of product quality and market performance. Through joint testing and standard alignment, we ensure that products comply with the technical specifications and quality requirements of all Kumho markets worldwide, boosting the international competitiveness of both parties' products.

Alignment of Technical Standards and Quality Systems

Joint Development of Differentiated Products

We fully leverage Kumho's technological advantages in the passenger car radial (PCR) tire sector and Doublestar's profound expertise in the truck and bus radial (TBR) tire field to jointly develop cutting-edge products that meet the demands of niche markets.

Technology Sharing and Platform Integration

We have joined hands with Kumho to lead innovation through mission and drive it with mechanisms and built a world-class AI digital twin design platform. This has enabled a leap from physical tire development to virtual development in the digital space, meeting the technical requirements of world-class automakers, improving tire quality, effectively shortening R&D cycles and reducing R&D costs.

Kumho KUDOS High-end Product Project

The Central Research Institute developed a premium product line for Kumho targeting the global market. In 2025, the design of all **61** products had been completed.

The products feature an entirely new tread pattern design with independent intellectual property rights owned by Doublestar. Core performance has been enhanced, with several key indicators meeting or exceeding Kumho's standards.

These include:



The R54 durability test reached **140%** of the standard value, demonstrating significantly enhanced durability performance.



Bead durability improved by **25%** compared to the benchmark, further optimizing structural strength and operational reliability.



Appendix

Appendix I: ESG Performance Indicators Summary

Appendix II: Report Standards Alignment Index

Appendix III: Company Abbreviation Reference Table

Appendix IV: Glossary of Specialized terms

Appendix V: Feedback Form



Appendix I

ESG Performance Indicators Summary

Economy

Economic benefits

| Indicator | Unit | 2025 | 2024 | 2023 |
|--------------------------------|------------|------------|------------|------------|
| Annual Total Operating Revenue | RMB 10,000 | 463,099.55 | 433,457.80 | 465,550.02 |
| Total Assets | RMB 10,000 | 889,238.51 | 911,568.13 | 647,466.05 |
| Total Tax Payment | RMB 10,000 | 4,267.71 | 7,474.84 | 7,529.95 |

Governance

Corporate Governance

| Indicator | Unit | 2025 | 2024 | 2023 |
|--|-----------|------|------|------|
| Number of members of the Board of Directors | Person(s) | 9 | 8 | 9 |
| Number of independent directors on the Board of Directors | Person(s) | 3 | 3 | 3 |
| Number of female members of the Board of Directors | Person(s) | 3 | 3 | 3 |
| Number of meetings convened by the Board of Directors | Time(s) | 11 | 8 | 8 |
| Attendance rate of directors at Board meetings | % | 100 | 100 | 100 |
| Number of meetings convened by the General Meeting of Shareholders | Time(s) | 5 | 3 | 3 |

Business Ethics

| Indicator | Unit | 2025 | 2024 | 2023 |
|--|---------|------|------|------|
| Percentage of management personnel who signed the Integrity Commitment | % | 100 | 100 | 100 |
| Percentage of suppliers who signed the Integrity Agreement | % | 100 | 100 | 100 |
| Coverage rate of directors and senior management who received professional ethics and anti-corruption training | % | 100 | 100 | 100 |
| Coverage rate of employees who received professional ethics and anti-corruption training | % | 100 | 100 | 100 |
| Coverage rate of suppliers and contractors who received professional ethics and anti-corruption policies | % | 100 | 100 | 100 |
| Coverage rate of customers who received professional ethics and anti-corruption policies | % | 100 | 100 | 100 |
| Number of complaints filed against the company for anti-monopoly or unfair competition | Case(s) | - | - | - |

Information Security and Privacy Protection

| Indicator | Unit | 2025 | 2024 | 2023 |
|---|---------|------|------|------|
| Number of information security or privacy leakage incidents | Case(s) | - | - | - |
| Number of information security training sessions held | Time(s) | 4 | 12 | 12 |
| Coverage rate of employees trained in information security | % | 100 | 100 | 100 |

Environmental

Climate Change Response

| Indicator | Unit | 2025 | 2024 | 2023 |
|--|--------------------|------------|------------|------------|
| Number of greenhouse gas verifications | Times | 1 | 1 | - |
| Number of products with carbon footprint certification | / | 1 | 1 | - |
| Total greenhouse gas emissions | tCO2eq | 361,093.79 | 282,596.58 | 342,329.92 |
| - Scope 1 greenhouse gas emissions (CO2, direct emissions) | tCO2eq | 2,250.75 | 1,489.81 | 1,777.57 |
| - Scope 2 greenhouse gas emissions (CO2, indirect emissions) | tCO2eq | 358,843.04 | 281,106.77 | 340,552.35 |
| Greenhouse gas emissions intensity - by operating revenue | tCO2eq/10,000 yuan | 0.78 | 0.59 | 0.74 |
| Carbon allowance trading volume | tCO2eq | 14,916.00 | 13,390.00 | 13,260.00 |
| Carbon allowance trading amount | RMB 10,000 yuan | 479,698.56 | 536,124.89 | 560,454.13 |

Non-renewable Energy Consumption

| Indicator | Unit | 2025 | 2024 | 2023 |
|---|-----------------------|-----------|-----------|--------|
| Total energy consumption - total non-renewable energy consumption | Tons of standard coal | 952.21 | 489.88 | 647.19 |
| - Non-renewable energy consumption - gasoline | Ton (t) | 191.59 | 146.91 | 155.92 |
| | Tons of standard coal | 281.90 | 216.16 | 229.42 |
| - Non-renewable energy consumption - diesel | Ton (t) | 429.98 | 331.83 | 429.91 |
| | Tons of standard coal | 626.52 | 483.51 | 626.42 |
| - Non-renewable energy consumption - natural gas | Cubic Meter | 50,002.00 | 21,200.00 | 24,646 |
| | Tons of standard coal | 43.80 | 25.44 | 29.58 |
| - Non-renewable energy consumption - coal | Ton (t) | - | - | - |
| | Tons of standard coal | - | - | - |
| - Non-renewable energy consumption - fuel oil | Ton (t) | - | - | - |
| | Tons of standard coal | - | - | - |
| - Non-renewable energy consumption - coal gas | Cubic Meter | - | - | - |
| | Tons of standard coal | - | - | - |

Renewable Energy Consumption

| Indicator | Unit | 2025 | 2024 | 2023 |
|---|----------------------------------|----------------|----------------|----------------|
| Total energy consumption - renewable energy consumption | Tons of standard coal | 4,504.12 | 3,640.79 | 3,150.80 |
| Renewable energy consumption - photovoltaic | Kilowatt-hour (kWh) | 36,648,698.60 | 29,624,029.30 | 25,637,140.00 |
| | Tons of standard coal | 4,504.12 | 3,641.26 | 3,150.80 |
| - Photovoltaic power generation | Kilowatt-hour (kW h) | 36,648,698.60 | 29,624,029.30 | 25,637,140.00 |
| - Proportion of photovoltaic electricity consumption | % | 4.63 | 3.58 | 3.69 |
| Renewable energy consumption - waste heat and waste pressure | Kilowatt-hour (kWh) | - | - | - |
| | Tons of standard coal | - | - | - |
| Energy storage installed capacity | Kilowatt-hour (kWh) | - | 9.60 | - |
| Total external energy purchases | Tons of standard coal | 91,799.75 | 71,526.43 | 81,552.68 |
| - External energy consumption-purchased electricity (electricity consumption) | Kilowatt-hour (kWh) | 258,642,775.52 | 202,125,369.69 | 247,880,335.16 |
| | Tons of standard coal | 31,787.20 | 24,841.21 | 30,464.49 |
| - External energy consumption-purchased steam | Kilowatt-hour (kWh) | 637,103.36 | 487,295.48 | 533,724.98 |
| | Tons of standard coal | 60,012.55 | 46,859.13 | 51,324.06 |
| Proportion of renewable energy use | % | 4.63 | 3.58 | 3.69 |
| Total electricity consumption intensity - by operating income | kWh/10,000 yuan | 558.50 | 466.31 | 532.45 |
| Energy consumption intensity - by income | Ton of standard coal/10,000 yuan | 0.20 | 0.16 | 0.18 |

Water Consumption

| Indicator | Unit | 2025 | 2024 | 2023 |
|---|------------------|---------------|---------------|---------------|
| Total water consumption | Ton (t) | 649,471.00 | 555,894.00 | 716,891.00 |
| - Industrial water consumption | Ton (t) | 621,604.00 | 547,613.00 | 669,953.00 |
| - Domestic water consumption | Ton (t) | 27,867.00 | 8,281.00 | 46,938.00 |
| - Water consumption of water Bases (municipal water supply) | Ton (t) | 649,471.00 | 630,452.00 | 401,847.00 |
| - Process recycled water (total amount of recycled water) | Ton (t) | 24,542,782.00 | 23,443,754.62 | 23,348,276.25 |
| Water intake (tap water and industrial water) | Ton (t) | 649,471.00 | 630,452.00 | 372,255.00 |
| Total water intensity - by revenue | Tons/10,000 yuan | 1.40 | 1.28 | 1.54 |
| Total water use intensity - by operating income | Tons/10,000 yuan | 53.00 | 54.09 | 50.15 |
| Total water saving | Ton (t) | 186,866.00 | 46,000.00 | 47,168.20 |
| Water saving amount | 10,000 Yuan | 660,776.40 | 248,400.00 | 248,400.68 |
| Amount of water reused and recycled | Ton (t) | 131,066.00 | 46,000.00 | 46,000.00 |

Resources and Materials Consumption

| Indicator | Unit | 2025 | 2024 | 2023 |
|---|----------------------|------------|------------|------------|
| Total material consumption | Ton (t) | 273,011.36 | 251,949.25 | 299,876.40 |
| Consumption of toxic and hazardous materials | Ton (t) | 742.00 | 187.68 | 175.40 |
| Toxic and hazardous materials consumption intensity - by operating income | Tons (t)/10,000 yuan | 0.0016 | 0.0004 | 0.0004 |
| Non-renewable materials consumption | Ton (t) | 116,086.07 | 47,049.91 | 46,812.79 |
| Non-renewable materials consumption intensity - by operating income | Tons (t)/10,000 yuan | 0.25 | 0.11 | 0.10 |
| Material consumption intensity - by operating income | Tons (t)/10,000 yuan | 0.59 | 0.58 | 0.64 |
| Total packaging material usage * | Ton (t) | 142 | 185 | 150 |
| Total packaging material consumption intensity - by operating income | Tons (t)/10,000 yuan | 0.00031 | 0.00043 | 0.00032 |
| —Usage of Recyclable Mats | Square meters | 92,602.44 | 68,655.06 | 9,877.50 |
| Total office paper consumption | Ton (t) | 8.76 | 3.00 | - |
| Total office paper consumption intensity - by operating income | Tons (t)/10,000 yuan | 0.00002 | 0.00001 | - |

* Note: The statistical scope of the total usage volume of packaging materials covers the consumption of finished product strapping bands at the corporate level. The Cambodia base does not use strapping bands.

EMISSIONS AND WASTE MANAGEMENT

| Indicator | Unit | 2025 | 2024 | 2023 |
|---|------------------------------------|--------------|--------------|--------------|
| Exhaust Emissions | | | | |
| Total exhaust gas emissions (volume) | 10,000 m ³ | 1,231,682.84 | 1,064,722.31 | 1,567,651.21 |
| Waste gas emission intensity (volume) - by operating income | 10,000 m ³ /10,000 yuan | 2.66 | 2.46 | 3.37 |
| Particle emissions | Ton (t) | 8.23 | 10.67 | 32.72 |
| Particle emission intensity - by operating income | Tons/10,000 yuan | 0.000018 | 0.000025 | 0.000083 |
| VOCs volatile organic compound emissions | Ton (t) | 42.74 | 43.09 | 101.16 |
| VOCs volatile organic compounds emission intensity - by operating income | Tons/10,000 yuan | 0.000092 | 0.000099 | 0.000019 |
| Nitrogen oxide emissions (NO _x) | Ton (t) | - | - | - |
| Nitrogen oxide (NO _x) emission intensity - by operating revenue | Tons/10,000 yuan | - | - | - |
| Sulfur oxide emissions (SO _x) | Ton (t) | - | - | - |
| Sulfur oxide (SO _x) emission intensity - by operating revenue | Tons/10,000 yuan | - | - | - |
| Wastewater Discharge | | | | |
| Total wastewater discharge | Ton (t) | 529,948.00 | 271,196.00 | 240,636.00 |
| Wastewater discharge intensity - by operating revenue | Tons/10,000 yuan | 1.14 | 0.63 | 0.52 |
| Solid Waste | | | | |
| Total amount of solid waste generated | Ton (t) | 9,342.94 | 7,972.05 | 7,826.99 |
| - Solid waste generation - general waste | Ton (t) | 8,333.61 | 7,171.91 | 7,237.82 |
| - Solid waste generation - hazardous/hazardous waste | Ton (t) | 1,009.33 | 800.14 | 589.17 |
| Solid waste recycling rate | % | 60 | 100 | 100 |
| - General waste emission intensity - by operating income | Tons/10,000 yuan | 0.02 | 0.02 | 0.02 |
| - Hazardous waste emission intensity - by operating income | Tons/10,000 yuan | 0.0022 | 0.0018 | 0.0013 |
| Total recycled and reused waste | Ton (t) | 4,957.38 | 6,705.27 | 6,352.02 |
| Proportion of recycled and reused waste | % | 53.06 | 84.11 | 81.16 |

Emissions and Waste Management - Dongjiakou Base

| Indicator | Unit | 2025 | 2024 | 2023 |
|---|-------------------|-------|-------|-------|
| Exhaust Emission Concentration | | | | |
| Particle emission concentration | mg/m ³ | 2.28 | 4.88 | 2.60 |
| VOCs volatile organic compound emission concentration | mg/m ³ | 2.96 | 5.10 | 6.77 |
| Non-methane total hydrocarbon concentration | mg/m ³ | 2.96 | 5.10 | 6.77 |
| Wastewater Discharge Concentration | | | | |
| Wastewater discharge concentration-COD chemical oxygen content | mg/L | 32.90 | 44.80 | 33.20 |
| Wastewater discharge concentration - ammonia nitrogen | mg/L | 0.43 | 0.09 | 0.40 |
| Wastewater discharge concentration - total nitrogen (measured as N) | mg/L | 12.00 | 11.30 | 7.76 |
| Wastewater discharge concentration - total phosphorus (measured as P) | mg/L | 0.44 | 0.83 | 0.88 |
| Wastewater discharge concentration-Suspended substance (SS) | mg/L | 8.00 | 25.00 | 18.00 |
| Wastewater Discharge Concentration-Petroleum | mg/L | 0.58 | 0.08 | 0.08 |
| Five-day biochemical oxygen demand (BOD ₅) emission concentration | mg/L | 4.80 | 9.10 | 9.30 |
| Wastewater pollutant discharge concentration-wastewater PH value | Numerical range | 7.17 | 7.20 | 7.90 |

EMISSIONS AND WASTE MANAGEMENT - SHIYAN BASE

| Indicator | Unit | 2025 | 2024 | 2023 |
|---|-------------------|---------|---------|---------|
| Exhaust Emission Concentration | | | | |
| Particle emission concentration | mg/m ³ | 1.46 | 1.25 | 5.48 |
| VOCs volatile organic compound emission concentration | mg/m ³ | 2.68 | 4.69 | 5.20 |
| Non-methane total hydrocarbon concentration | mg/m ³ | 2.68 | 4.69 | 5.20 |
| Wastewater Discharge Concentration | | | | |
| Wastewater discharge concentration-COD chemical oxygen content | mg/L | 10.02 | 18.88 | 55.25 |
| Wastewater discharge concentration - ammonia nitrogen | mg/L | 0.10 | 2.67 | 2.41 |
| Wastewater discharge concentration - total nitrogen (measured as N) | mg/L | 3.53 | 10.50 | 19.58 |
| Wastewater discharge concentration - total phosphorus (measured as P) | mg/L | 0.09 | 0.31 | 0.10 |
| Wastewater discharge concentration-Suspended substance (SS) | mg/L | - | 14.63 | 34.00 |
| Wastewater Discharge Concentration-Petroleum | mg/L | - | 0.74 | 0.29 |
| Five-day biochemical oxygen demand (BOD ₅) emission concentration | mg/L | - | 7.21 | 18.50 |
| Wastewater pollutant discharge concentration-wastewater PH value | Numerical range | 6.0-9.0 | 7.4-8.4 | 7.1-8.1 |

Environmental Compliance and Risk Management

| Indicator | Unit | 2025 | 2024 | 2023 |
|---|-----------------|----------|----------|--------|
| Environmental Protection Investment | | | | |
| Total amount of investment in environmental protection | RMB 10,000 yuan | 3,406.83 | 1,160.41 | 667.16 |
| The proportion of total environmental protection investment to operating income | % | 0.74 | 0.27 | 0.14 |
| Environmental Training and Drills | | | | |
| Number of environmental protection training sessions | / | 15 | 11 | 10 |
| Environmental protection training person-times | / | 3,820 | 3,865 | 4,423 |
| Environmental protection training duration per capita | Hours/person | 3.17 | 2.5 | 2.5 |
| Coverage rate of employee environment-related training | % | 100 | 100 | 100 |
| Number of environment-related emergency drills | / | 10 | 9 | 19 |
| Number of participants in environment-related emergency drills | / | 494 | 865 | 662 |
| Environmental Certification | | | | |
| Proportion of base environmental management system certification | % | 100 | 100 | 100 |
| Proportion of base energy management system certification | % | 50 | 100 | 100 |
| Percentage of workplaces that have conducted environmental risk assessments | % | 100 | 100 | 100 |
| Total number of green factories | / | 2 | 2 | 2 |
| Number of national green factories | / | 2 | 2 | 2 |

Green Supply Chain Management

| Indicator | Unit | 2025 | 2024 | 2023 |
|---|------|------|------|------|
| Number of new suppliers screened using environmental criteria | / | 16 | 12 | - |

Social

Diverse and Inclusive Workplace

| Indicator | Unit | 2025 | 2024 | 2023 |
|---|--------------------------------|--------|--------|--------|
| Number of employees | Person(s) | 5,909 | 5,161 | 4,274 |
| Number of employees by age group | Under 30 | 1,916 | 1,335 | 704 |
| | Aged 30~50 | 3,071 | 3,024 | 2,859 |
| | Aged over 50 | 922 | 802 | 711 |
| Number of Employees by educational background | Doctor | 7 | 7 | 5 |
| | Master | 130 | 110 | 93 |
| | Bachelor | 829 | 872 | 838 |
| | Others | 4,943 | 4,172 | 3,338 |
| Number of Employees by gender | Proportion of female employees | 22% | 21% | 21% |
| | Proportion of male employees | 78% | 79% | 79% |
| Labor contract signing rate | % | 100 | 100 | 100 |
| Number of child laborers employed | Person(s) | - | - | - |
| Employee turnover rate | % | 11.31% | 11.98% | 13.96% |
| Number of Major Labor Dispute Incidents | Case(s) | - | - | - |
| Total number of incidents penalized for violating laws and regulations concerning the use of child labor and forced labor | Case(s) | - | - | - |
| Total number of incidents penalized for violating laws and regulations related to employee recruitment and dismissal | Case(s) | - | - | - |
| Number of incidents related to violations of laws on diversity and non-discrimination | Case(s) | - | - | - |

Employee Development and Incentives

| Indicator | Unit | 2025 | 2024 | 2023 |
|---|------------|-------|-------|-------|
| Average hours of employee training per person | Hour(s) | 67.2 | 65.5 | 50.3 |
| Total investment in employee training | RMB 10,000 | 152.5 | 140.0 | 101.0 |
| Number of employee training sessions | Session(s) | 9,486 | 9,373 | 8,348 |

Employee Rights and Care

| Indicator | Unit | 2025 | 2024 | 2023 |
|---|-----------|--------|-------|-------|
| Social security coverage rate | % | 100 | 100 | 100 |
| Employee Care and Welfare Fund Allocation | RMB 10000 | 117.10 | 41.82 | 29.73 |

Workplace Safety and Occupational Health

| Indicator | Unit | 2025 | 2024 | 2023 |
|---|------------|--------|--------|--------|
| Total investment in work safety | RMB 10,000 | 844 | 687 | 735 |
| Cumulative participants in safety training | Person(s) | 45,601 | 46,034 | 49,296 |
| Cumulative times of safety training | Time(s) | 289 | 387 | 485 |
| Coverage rate of employees receiving safety training | % | 100 | 100 | 100 |
| Number of factory safety inspections | Time(s) | 134 | 288 | 401 |
| Number of emergency drills | Time(s) | 52 | 65 | 201 |
| Employee physical examination coverage rate | % | 100 | 100 | 100 |
| Employee occupational disease screening coverage rate | % | 100 | 100 | 100 |
| Number of factories certified to ISO 45001:2018 | / | 2 | 2 | 1 |
| Employee physical examination coverage rate | % | 100 | 100 | 100 |
| Employee occupational disease check-up coverage rate | % | 100 | 100 | 100 |
| Employee work-related injury insurance coverage rate | % | 100 | 100 | 100 |

Product Quality Management

| Indicator | Unit | 2025 | 2024 | 2023 |
|--|---------|------|------|------|
| Number of factories certified to IATF 16949:2016 | / | 3 | 2 | 3 |
| Number of factories certified to ISO 9001:2015 | / | 3 | 2 | 2 |
| Number of product quality recalls | Case(s) | - | - | - |

Customer Service and Benefits

| Indicator | Unit | 2025 | 2024 | 2023 |
|--|------------|-------|-------|-------|
| Coverage rate of customers participating in satisfaction surveys | % | 100 | 100 | 100 |
| Proportion of "very satisfied" and "satisfied" responses in satisfaction surveys | % | 98.93 | 98.94 | 98.84 |
| Number of illegal incidents in market promotion | Case(s) | - | - | - |
| Number of customer information leakage incidents | Case(s) | - | - | - |
| Number of information security related incidents | Case(s) | - | - | - |
| Loss caused by violations of relevant laws and regulations | RMB 10,000 | - | - | - |

Supply Chain Management

| Indicator | Unit | 2025 | 2024 | 2023 |
|---|------|------|------|------|
| Number of suppliers | / | 202 | 206 | 207 |
| Number of key raw material suppliers | / | 53 | 94 | 84 |
| Proportion of key raw material suppliers with ISO14001 certification | % | 100 | 76 | 64 |
| Coverage rate of incoming inspection for new suppliers | % | 100 | 100 | 100 |
| Coverage rate of comprehensive evaluation for suppliers | % | 100 | 100 | 100 |
| Local procurement rate | % | 88.6 | 94.2 | 94.2 |
| Proportion of suppliers evaluated for environmental impact in the warehouse | % | 100 | 100 | 100 |
| Percentage of new suppliers screened based on environmental evaluation criteria | % | 100 | 100 | 100 |

Innovation and Intellectual Property Protection

| Indicator | Unit | 2025 | 2024 | 2023 |
|--|------------|-----------|-----------|-----------|
| Total R&D investment | RMB 10,000 | 17,800.65 | 19,189.10 | 20,423.88 |
| Ratio of R&D investment to operating income | % | 3.84 | 4.43 | 4.39 |
| Number of R&D personnel | Person(s) | 890 | 771 | 732 |
| Ratio of R&D personnel to total employees | % | 15.06 | 14.94 | 17.13 |
| Number of valid patents during the reporting period | / | 776 | 782 | 689 |
| Number of new patents added during the reporting period | / | 95 | 138 | 115 |
| Number of new participants in standard formulation during the reporting period | / | 9 | 10 | 16 |
| Total number of joint research projects | / | 2 | 4 | 3 |
| Number of Research Projects by Institutions | / | 1 | 3 | 1 |
| Number of Research Projects by Enterprises | / | 1 | 1 | 2 |

Appendix II

Report Standards Alignment Index

① Shenzhen Stock Exchange Index

| Disclosure | Corresponding Report Sections |
|---|---|
| Responding to Climate Change | Climate Change Response |
| Pollutant Emissions | Emissions and Waste Management |
| Waste Disposal | Emissions and Waste Management |
| Ecosystem and Biodiversity Conservation | Biodiversity Conservation |
| Environmental Compliance Management | Environmental Compliance and Risk Management |
| Energy Utilization | Energy and Resource Management |
| Water Resource Utilization | Energy and Resource Management |
| Circular Economy | Circular Economy |
| Social Contribution | Serving the National Strategy |
| | Community Engagement and Public Welfare Practices |
| Innovation Driven | Innovation and Intellectual Property Protection |
| Science and Technology Ethics | Not Related |
| Supply Chain Security | Supply Chain Management |

| Disclosure | Corresponding Report Sections |
|--|---|
| Treat Small and Medium-sized Enterprises Equally | Supply Chain Management |
| Product and Service Safety and Quality | Product Quality Management |
| | Customer Service and Benefits |
| Data security and Customer Privacy Protection | Information Security and Privacy Protection |
| Staff | Diverse and Inclusive Workplace |
| | Employee Development and Incentives |
| | Employee Rights and Care |
| Due Diligence | Supply Chain Management |
| Stakeholder Communication | Sustainable Development Management |
| Anti-commercial Bribery and Anti-corruption | Business Ethics |
| Anti-unfair Competition | Business Ethics |

② Index of GRI Sustainability Reporting Standards (2021)

| GRI Standards Disclosure | | Corresponding Report Sections |
|--|---|--|
| GRI 1: Foundation 2021 | | |
| GRI 2: General Disclosures 2021 | | |
| 2-1 | Organizational details | About Doublestar |
| 2-2 | Entities included in the organization's sustainability reporting | About This Report |
| 2-3 | Reporting period, frequency and contact point | About This Report |
| 2-6 | Activities, value chain and other business relationships | Supply Chain Management |
| 2-7 | Employees | Diverse and Inclusive Workplace Employee Development and Incentives |
| 2-8 | Workers who are not employees | Diverse and Inclusive Workplace |
| 2-9 | Governance structure and composition | Corporate Governance |
| 2-10 | Nomination and selection of the highest governing body | Corporate Governance |
| 2-11 | Chair of the highest governing body | Corporate Governance |
| 2-12 | Role of the highest governance body in overseeing the management of impacts | Corporate Governance |
| 2-13 | Delegation of responsibility for managing impacts | Corporate Governance |
| 2-14 | Role of the highest governance body in sustainability reporting | Sustainable Development Management |
| 2-15 | Conflicts of interest | Business Ethics |

| GRI Standards Disclosure | | Corresponding Report Sections |
|------------------------------------|---|---|
| 2-16 | Communication of critical concerns | Corporate Governance |
| 2-17 | Collective knowledge of the highest governance body | Sustainable Development Management |
| 2-19 | Remuneration policies | Employee Development and Incentives |
| 2-20 | Process to determine remuneration | Employee Development and Incentives |
| 2-22 | Statement on sustainability strategy | Sustainable Development Management |
| 2-23 | Policy commitments | Sustainable Development Management |
| 2-24 | Embedding policy commitments | Consolidating the Foundation of Value Serving the National Strategy Concluding the 14th Five-Year Plan Embarking on the 15th Five-Year Plan |
| 2-26 | Mechanisms for seeking advice and raising concerns | Corporate Governance |
| 2-27 | Compliance with laws and regulations | Business Ethics |
| 2-29 | Approach to stakeholder engagement | Sustainable Development Management |
| 2-30 | Collective bargaining agreements | Sustainable Development Management |
| GRI 3: Material Topics 2021 | | |
| 3-1 | Process to determine material topics | Sustainable Development Management |
| 3-2 | List of material topics | Sustainable Development Management |
| 3-3 | Management of material topics | Sustainable Development Management |















| GRI Standards Disclosure | | Corresponding Report Sections |
|---|---|-------------------------------------|
| GRI 201: Economic Performance 2016 | | |
| 201-1 | Direct economic value generated and distributed | About Doublestar |
| 201-2 | Financial implications and other risks and opportunities due to climate change | Climate Change Response |
| GRI 202: Market Presence 2016 | | |
| 202-1 | Ratios of standard entry level wage by gender compared to local minimum wage | Employee Development and Incentives |
| GRI 203: Indirect Economic Impacts 2016 | | |
| 203-1 | Infrastructure investments and services supported | Serving the National Strategy |
| 203-2 | Significant indirect economic impacts | Serving the National Strategy |
| GRI 205: Anti-corruption 2016 | | |
| 205-1 | Operations assessed for risks related to corruption | Business Ethics |
| 205-2 | Communication and training about anti-corruption policies and procedures | Business Ethics |
| 205-3 | Confirmed incidents of corruption and actions taken | Business Ethics |
| GRI 206: Anti-competitive Behaviour 2016 | | |
| 206-1 | Legal actions for anti-competitive behavior, anti-trust, and monopoly practices | Business Ethics |
| GRI 207: Tax 2019 | | |
| 207-1 | Approach to tax Corporate Governance | Corporate Governance |
| 207-2 | Tax governance, control, and risk management Corporate Governance | Corporate Governance |
| 207-3 | Stakeholder engagement and management of concerns related to tax | Corporate Governance |

| GRI Standards Disclosure | | Corresponding Report Sections |
|--|---|--|
| GRI 301: Materials 2016 | | |
| 301-1 | Materials used by weight or volume | Energy and Resource Management |
| 301-2 | Recycled input materials used | Circular Economy |
| 301-3 | Reclaimed products and their packaging materials | Circular Economy Energy and Resource Management |
| GRI 302: Energy 2016 | | |
| 302-1 | Energy consumption within the organization | Energy and Resource Management |
| 302-2 | Energy consumption outside of the organization | Energy and Resource Management |
| 302-3 | Energy intensity | Energy and Resource Management |
| 302-4 | Reduction of energy consumption | Energy and Resource Management |
| 302-5 | Reductions in energy requirements of products and services | Energy and Resource Management |
| GRI 303: Water and Effluents 2018 | | |
| 303-2 | Management of water discharge-related impacts | Emissions and Waste Management |
| 303-3 | Water withdrawal | Energy and Resource Management |
| 303-4 | Water drainage | Emissions and Waste Management |
| 303-5 | Water consumption | Energy and Resource Management |
| GRI 304: Biodiversity 2016 | | |
| 304-2 | Significant impacts of activities, products and services on biodiversity | Biodiversity Conservation |
| GRI 305: Emissions 2016 | | |
| 305-1 | Direct (Scope 1) GHG emissions | Climate Change Response |
| 305-2 | Energy indirect (Scope 2) GHG emissions | Climate Change Response |
| 305-4 | GHG emissions intensity | Climate Change Response |
| 305-6 | Emissions of ozone-depleting substances (ODS) | / |
| 305-7 | Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions | / |

| GRI Standards Disclosure | | Corresponding Report Sections |
|--|---|--|
| GRI 306: Waste 2020 | | |
| 306-1 | Waste generation and significant waste-related impacts | Emissions and Waste Management |
| 306-2 | Management of significant waste-related impacts | Emissions and Waste Management |
| 306-3 | Wastes generated | Emissions and Waste Management |
| 306-4 | Waste diverted from disposal | Emissions and Waste Management |
| 306-5 | Waste directed to disposal | Emissions and Waste Management |
| GRI 308: Supplier Environmental Assessment 2016 | | |
| 308-1 | New suppliers that were screened using environmental criteria | Supply Chain Management |
| 308-2 | Negative environmental impacts in the supply chain and actions taken | Supply Chain Management |
| GRI 401: Employment 2016 | | |
| 401-1 | New employee hires and employee turnover | Diverse and Inclusive Workplace |
| 401-2 | Benefits provided to full-time employees that are not provided to temporary or part-time employees | Employee Rights and Care |
| 401-3 | Parental leave | Employee Rights and Care |
| GRI 403: Occupational Health and Safety 2018 | | |
| 403-1 | Occupational health and safety management system | Workplace Safety and Occupational Health |
| 403-2 | Hazard identification, risk assessment, and incident investigation | Workplace Safety and Occupational Health |
| 403-3 | Occupational health services | Workplace Safety and Occupational Health |
| 403-4 | Worker participation, consultation, and communication on occupational health and safety | Workplace Safety and Occupational Health |
| 403-5 | Worker training on occupational health and safety | Workplace Safety and Occupational Health |
| 403-6 | Promotion of worker health | Workplace Safety and Occupational Health |
| 403-7 | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | Workplace Safety and Occupational Health |
| 403-8 | Workers covered by an occupational health and safety management system | Workplace Safety and Occupational Health |
| 403-9 | Work-related injuries | Workplace Safety and Occupational Health |
| 403-10 | Work-related ill health | Workplace Safety and Occupational Health |

| GRI Standards Disclosure | | Corresponding Report Sections |
|--|---|--|
| GRI 404: Training and Education 2016 | | |
| 404-1 | Average hours of training per year per employee | Employee Development and Incentives |
| 404-2 | Programs for upgrading employee skills and transition assistance programs | Employee Development and Incentives |
| 404-3 | Percentage of employees receiving regular performance and career development reviews | Employee Development and Incentives |
| GRI 405: Diversity and Equal Opportunity 2016 | | |
| 405-1 | Diversity of governance bodies and employees | Diverse and Inclusive Workplace |
| GRI 406: Non-discrimination 2016 | | |
| 406-1 | Incidents of discrimination and corrective actions taken | Diverse and Inclusive Workplace |
| GRI 413: Local Communities 2016 | | |
| 413-1 | Operations with local community engagement, impact assessments, and development programs | Community Engagement and Public Welfare Practices |
| 413-2 | Operations with significant actual and potential negative impacts on local communities | Community Engagement and Public Welfare Practices |
| GRI 414: Supplier Social Assessment 2016 | | |
| 414-1 | New suppliers that were screened using social criteria | Supply Chain Management |
| 414-2 | Negative social impacts in the supply chain and actions taken | Supply Chain Management |
| GRI 416: Customer Health and Safety 2016 | | |
| 416-1 | Assessment of the health and safety impacts of product and service categories | Product Quality Management Customer Service and Benefits |
| 416-2 | Incidents of non-compliance concerning the health and safety impacts of products and services | Product Quality Management Customer Service and Benefits |
| GRI 417: Marketing and Labeling 2016 | | |
| 417-1 | Requirements for product and service information and labeling | Product Quality Management Customer Service and Benefits |
| 417-2 | Incidents of non-compliance concerning product and service information and labeling | Product Quality Management Customer Service and Benefits |
| 417-3 | Incidents of non-compliance concerning marketing communications | Customer Service and Benefits |
| GRI 418: Customer Privacy 2016 | | |
| 418-1 | Substantiated complaints concerning breaches of customer privacy and losses of customer data | Customer Service and Benefits Information Security and Privacy Protection |

③ Content Index | Contribution to the UN Sustainable Development Goals (SDGs)

| United Nations Sustainable Development Goals (SDGs) | | Corresponding Report Sections |
|---|---|--|
|  | Good Health and Well-being Ensure healthy lives and promote well-being for all at all ages. | <ul style="list-style-type: none"> Employee Rights and Care Workplace Safety and Occupational Health |
|  | Quality Education Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. | <ul style="list-style-type: none"> Employee Development and Incentives |
|  | Gender Equality Achieve gender equality and empower all women and girls. | <ul style="list-style-type: none"> Diverse and Inclusive Workplace |
|  | Clean Water and Sanitation Ensure availability and sustainable management of water and sanitation for all. | <ul style="list-style-type: none"> Energy and Resource Management |
|  | Affordable and Clean Energy Ensure access to affordable, reliable, sustainable and modern energy for all. | <ul style="list-style-type: none"> Energy and Resource Management |
|  | Decent Work and Economic Growth Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all. | <ul style="list-style-type: none"> Diverse and Inclusive Workplace |
|  | Industry, Innovation and Infrastructure Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation. | <ul style="list-style-type: none"> Workplace Safety and Occupational Health Environmental Compliance and Risk Management Emissions and Waste Management |
|  | Reduced Inequalities Reduce inequality within and among countries. | <ul style="list-style-type: none"> Diverse and Inclusive Workplace |
|  | Sustainable Cities and Communities Make cities and human settlements inclusive, safe, resilient and sustainable. | <ul style="list-style-type: none"> Cleantech Opportunities Emissions and Waste Management Innovation and Intellectual Property Protection |
|  | Responsible Consumption and Production Ensure sustainable consumption and production patterns. | <ul style="list-style-type: none"> Workplace Safety and Occupational Health Product Quality Management Customer Service and Benefits |
|  | Climate Action Take urgent action to combat climate change and its impacts. | <ul style="list-style-type: none"> Climate Change Response Environmental Compliance and Risk Management |
|  | Life on Land Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss. | <ul style="list-style-type: none"> Biodiversity Conservation |
|  | Peace, Justice and Strong Institutions Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels. | <ul style="list-style-type: none"> Corporate Governance Business Ethics |
|  | Partnerships for the Goals Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development. | <ul style="list-style-type: none"> Corporate Governance Industrial Collaboration and Ecosystem Co-construction |

Appendix III Company Abbreviation Reference Table

| Abbreviation in the Report | Full Company Name |
|----------------------------|--|
| Qingdao Doublestar | Qingdao Doublestar Co., Ltd. |
| Doublestar Group | Doublestar Group Co., Ltd. |
| Dongjiakou Base | Qingdao Doublestar Tire Industry Co., Ltd. |
| Shiyan Base | Doublestar Dongfeng Tire Co., Ltd. |
| Cambodia Base | Doublestar (Cambodia) Tire Co., Ltd. |
| Ecostar | Doublestar Ecostar (Qingdao) Holding Limited |
| Kumho / Kumho Tire | Kumho Tire Co., Ltd. |

Appendix IV Glossary of Specialized terms

| 缩写词 | 释义 |
|-----------------|---|
| CNAS | China National Accreditation Service for Conformity Assessment |
| CRM | Customer Relationship Management System |
| DS | Dealer and Service System |
| ERP | Enterprise Resource Planning |
| IATF 16949:2016 | International Automotive Task Force |
| IESIA | Environmental and Social Impact Assessment |
| ISO 10015 | Quality management – Guidelines for training |
| ISO 14001 | Environmental management systems – Requirements with guidance for use |
| ISO 26000 | Guidance on social responsibility |
| ISO 27001 | Information technology – Security techniques – Information security management systems – Requirements |
| ISO 27002 | Information technology – Security techniques – Code of practice for information security controls |
| ISO 45001 | Occupational health and safety management systems – Requirements with guidance for use |
| ISO 50001 | Energy management systems – Requirements with guidance for use |
| ISO 9001 | Quality management systems – Requirements |

| 缩写词 | 释义 |
|-------|--|
| LIMS | Laboratory Information Management System |
| MES | Manufacturing Execution System |
| OA | Office Automation |
| PCR | Passenger Car Radial |
| PLM | Product Lifecycle Management System |
| R&D | research and development |
| S2C | Ship to Customer System |
| SCADA | Supervisory Control And Data Acquisition |
| SKU | Stock Keeping Unit |
| SRM | Supplier Relationship Management System |
| TBR | Truck and Bus Radial |
| VOC | Voice Of the Customer |
| WMS | Warehouse Management System |

* Sort by the first letter of abbreviations.



Appendix V

Feedback Form

Dear Reader,

Thank you for reviewing the 2025 Sustainability Report (Environmental, Social and Governance Report) of Qingdao Doublestar. To continuously improve the preparation of this report, we sincerely invite you to share your valuable opinions and suggestions. Your feedback will provide important guidance for the Company to further deepen its sustainable development practices.

1. Which stakeholder type of Qingdao Doublestar do you belong to:

- Shareholder Employee Supplier Customer Government Regulator Distributor Academic Institution
- Community Media Sustainability Practitioner Other (please specify _____)

2. Your overall evaluation of this report:

- Good Fairly good Average Poor Very poor

3. Your evaluation of the clarity, accuracy, and completeness of the information and data disclosed in this report:

- Good Fairly good Average Poor Very poor

4. Your evaluation of the Company's performance in fulfilling its responsibilities as reflected in this report:

Environmental responsibility: Good Fairly good Average Poor Very poor

Social responsibility: Good Fairly good Average Poor Very poor

Governance responsibility: Good Fairly good Average Poor Very poor

5. Do you find the content layout and design of this report easy to read:

- Yes No (please specify the reason: _____)

6. Do you believe the content disclosed in this report effectively addresses your concerns about the Company:

- Yes No (please specify the reason: _____)

7. Content you would like to know about but is not disclosed in this report:

8. Your opinions and suggestions on our environmental, social and governance practices and report preparation:

Welcome to provide here: _____



You may return the completed questionnaire to us by mail or email or provide your specific comments directly.

All feedback you provide will be kept strictly confidential and used solely for the optimization of this ESG report and related work improvements, not for any other commercial purposes.

Thank you for your support and cooperation!

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双星
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