

2025

Environmental, Social, and Governance (ESG) Report



Dezhou United Petroleum Technology Corp.

📍 Address: No. 1518 Jinghua South Avenue, Songguantun Subdistrict,
Tianqu New District, Dezhou City, Shandong Province

☎ Tel.: 0534-2237999

✉ Email: limingxia@dupt.cn

🌐 Company Official Website: <http://www.dupm.cn>

Dezhou United Petroleum Technology Corp.

About This Report 03

Message from the Chairman 05

Afterword to the Report 117

Key Performance Form	117
Indexes	124
Feedback	126

01 About DUPT

Company Profile	07
Industrial Layout	07
Corporate Culture	08
Development Milestones	09
Certifications and Awards	11
Annual Performance Highlights	11

02 Sustainable Development Governance

Response to SDGs	13
Philosophy of Sustainable Development	14
Governance Framework for Sustainable Development	15
Identification of Sustainable Development Risk	15
Deepening of Sustainable Development Practices	15
Communication with Stakeholders	16
Management of Material Topics	17

03 Solidifying Foundation through Sound Governance and Ensuring Sustainability through Compliant Operations

Consolidation of Governance System	21
Optimization of Compensation Management	22
Advancement of Investor Relations Management	23

Enhancement of Returns to Shareholders	24
Improvement of Risk Management	25
Anti-Commercial Bribery and Anti-Corruption	28
Anti-Unfair Competition Management	30

04 Advancing Craftsmanship through Environmental Protection and Empowering Production with Green Intelligence

Response to Climate Change	33
Environmental Compliance Management	37
Recycling of Resource	51
Ecological and Environmental Protection	57

05 Reshaping Industrial Ecosystem through Resilient Supply Chains and Delivering Quality Excellence through Continuous Innovations

Enhancement of Innovation Engine	61
Consolidation of Product Quality	71
Protection of Customer' Rights and Interests	77
Protection of Data Privacy	79
Co-Building of Responsible Supply Chain	83

06 Establishing Rigorous Disciplines through Safety Management and Reinforcing Well-Being through Health Protection

Fortification of Safety Defense Lines	91
Coordination of Safety Strategy	91
Enhancement of Risk Control	92
Implementation of Protection Measures	95
Establishment of Safety Goals	98
Support for Occupational Health	99

07 Fostering Shared Growth through Employee Development and Contributing Warmth to Society through Talent Engagement

Protection of Employees' Rights and Interests	103
Practice of Social Welfare	112
Contribution to Rural Revitalization	114

About This Report



Introduction

This is the inaugural Environmental, Social, and Governance (ESG) Report (the "Report") of Dezhou United Petroleum Technology Corp. ("the Company"), aiming at providing stakeholders with a complete disclosure of the Company's ESG practice and performance in 2025 and responding to ESG topics of critical concern to stakeholders. The Board pledges to prudently oversee the contents of this report, ensuring its absence of false records or misleading representations, and assuming responsibility for its truthfulness, accuracy and completeness. For any discrepancy between the Chinese version and the English version, the Chinese version shall prevail.

Reporting Scope

The Report covers Dezhou United Petroleum Technology Corp. and its subsidiaries. Unless otherwise stated, the scope of the Report is consistent with that of the Company's Annual Report.

Reporting Period

This report covers the period from January 1, 2025 to December 31, 2025 (the "Reporting Period"). To enhance the continuity and comparability of the Report, certain disclosures have been extended appropriately to include data from preceding and subsequent years.

Preparation Basis

- ▶ Shenzhen Stock Exchange *Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange - Sustainability Report (For Trial Implementation)*
- ▶ Shenzhen Stock Exchange *Self-Regulatory Guidelines No. 3 for Listed Companies on the Shenzhen Stock Exchange - Preparation of Sustainability Reports (Revised in 2026)*
- ▶ Ministry of Finance of the People's Republic of China *Guide to Application of China Corporate Sustainability Disclosure Standards - Basic Standards (for Trial Implementation)*
- ▶ Global Reporting Initiative *Sustainability Reporting Standards (GRI Standards 2021)*
- ▶ China Enterprise Reform and Development Society *Guide to Corporate Sustainability Reporting in China (CASS-ESG 6.0)*
- ▶ China National Standardization Administration Committee (CNSA) *Guidelines on Social Responsibility (GB/T 36000-2015)*
- ▶ *Task Force on Climate-related Financial Disclosures (TCFD) Recommendations*
- ▶ United Nations Sustainable Development Goals (SDGs)
- ▶ Sustainability Accounting Standards Board Standards (SASB Standards)

Data Source

All information and data in this report are sourced from the Company's actual operational data, publicly available government data, annual financial statements, relevant internal statistical reports, and third-party survey questionnaires, etc. Unless otherwise specified, all amounts in the Report are expressed in RMB. For any discrepancy between the financial data in the Report and that in the Company's Annual Report, the latter shall prevail.

Appellation Description

Company Name	Short Name
Dezhou United Petroleum Technology Corp.	DUPT, the Company, We
Xinjiang DUPT Machinery Co., Ltd.	Xinjiang DUPT
Qingdao DUPT Energy Technology Co., Ltd.	Qingdao DUPT
Lianhe Petroleum Technology Service Ltd.	Russian subsidiary
IAE International Inc.	IAE International, U.S. Subsidiary

Access to this Report

This report can be accessed and downloaded from the websites of the Company (<http://www.dupm.cn>), the Shenzhen Stock Exchange (<http://www.szse.cn>), or the Cninfo platform (<http://www.cninfo.com.cn>).

Reader Feedback

To further enhance the quality of our ESG information disclosure, improve our ESG management practices, and strengthen recognition of our value in the capital markets, we sincerely invite readers to share your comments and suggestions (see the "Feedback Form" for details). Please kindly send your feedback to the Company's email address (limingxia@dupm.cn).

Message from the Chairman



In 2025, amidst a complex external environment and numerous industry challenges, Dezhou United Petroleum Technology Co., Ltd. upheld the values of being "customer-centered and striver-oriented", embraced the mission to "provide first-class products and services to the oil and gas development industry", and integrated customer requirements throughout the value chain. In addition, we integrated the ESG philosophy into the core of our strategy, drove green transformation through innovation, led sustainable development through responsibility fulfillment, and achieved remarkable results.

As a leading manufacturer in the petroleum drilling and production equipment industry, we stand at the forefront of energy development and promote industry advancement through technological innovation. In 2025, we advanced with determination, deepened the integration of intelligent equipment and low-carbon technologies, and actively participated in the optimization of the global energy structure. We also supported the green, intelligent, and efficient development of the oil and gas equipment industry, and continuously enhanced our core competitiveness within the value chain of the global petroleum drilling and production equipment industry.

Environmental (E): Promoting Sustainable Development through Green Innovation

We regard sustainable development as a core strategy and have comprehensively promoted our green and low-carbon transformation. In 2025, we fully upgraded the management model of downhole motors, one of our core products, and adopted component lifecycle management to cover the entire process from R&D and production to recycling, significantly improving our resource utilization efficiency. In the same year, we obtained Green Enterprise Evaluation Certification and Carbon Footprint Certification. This marked that our overall environmental management level and product lifecycle carbon reduction capabilities reached an industry-leading level. We completed the installation of a photovoltaic power generation system, and a green electricity coverage across our plant areas, contributing to realizing regional carbon neutrality goals. We also upgraded our intelligent production lines, introduced automated spraying production lines, and implemented environmental upgrades to glue injection production lines, significantly reducing energy consumption per unit product. Our adhesive injection process received an "A" rating in the environmental impact assessment. These efforts enabled us to gain a win-win outcome for both economic and environmental benefits, and set an industry benchmark for green and sustainable development.

Social (S): Empowering Shared Growth through the Fulfillment of Social Responsibilities

We uphold a striver-oriented philosophy, and regard employees as our core strength. We strive to protect employees' rights and interests, highly value the rights and dignity of every employee, and advocate an open and transparent management model that enables employees to fully realize their potentials and grow with us in a fair, harmonious, and respectful working environment.

We also practice the philosophy of "taking from society and giving back to society". In 2025, we supported regional development through diversified public welfare initiatives. For cultural and educational development, we donated RMB 500,000 to the Library of Dezhou City to support the construction of a digital reading platform. In ecological and environmental protection, we donated more than 500 native tree species to Dezhou City to improve the urban microclimate. In addition, we actively organized employees to participate in voluntary blood donation, contributing 8,900 milliliters of blood to alleviate the shortage of blood for clinical use, thereby demonstrating our commitment as a responsible corporate citizen.

Governance (G): Ensuring Steady Operations through Standardized and Transparent Governance

We prioritize standardized and transparent governance to improve our institutional framework. In 2025, focusing on legal risk prevention and control, we issued multiple compliance management systems, established review mechanisms, formulated integrity-building systems, and reorganized and standardized the Audit Committee to strengthen our audit oversight capabilities. The Board of Directors issued five listing compliance and adaptability management systems, and refined regulations on financing processes, investor communication, and information disclosure standards to ensure the comprehensive coverage of our governance system.

Furthermore, supported by our outstanding credit performance and compliant operation capabilities, we obtained a "5A" rating in corporate credit, to further strengthen our industry reputation and market competitiveness.

Looking Ahead: Embarking on an Intelligence-ignited New Development Journey with Joint Efforts

The year 2026 will be a critical year for the development of the oil and gas equipment industry. Guided by ESG principles, we will continue to deepen our digital and intelligent transformation, and promote breakthroughs in R&D innovation and market expansion. We sincerely call on all employees to "embrace change and build resilience", seeking new opportunities in quality improvement, cost reduction, efficiency enhancement, and capital market operations.

Let us work together to put the philosophy of green development into practice through concrete actions to safeguard our shared planet. With a strong sense of responsibility, we will contribute to the development of the oil and gas equipment industry, jointly promote its transformation and upgrading, and create an even more brilliant future for DUPT!

Thank you!

Cheng Guihua, Chairman of DUPT

About DUPT



Company Profile

Founded in 1961, Dezhou United Petroleum Technology Co., Ltd. (Stock Code: 301158.SZ) is a comprehensive petroleum equipment manufacturing enterprise integrating R&D, production, operations, and services. The main products of the Company include drilling tools, wellhead equipment, drilling equipment, oil production equipment, and related engineering and technical services. Our core products, i.e., downhole motors, are widely used in oilfields both domestically and internationally and have become an industry benchmark. In the principles of being "Customer-Centered and Striver-Oriented", we have established the HSE system, and passed API and ISO 9001 quality management certifications. Our products and services have been recognized by the three major state-owned groups—CNPC, Sinopec, and CNOOC—and are exported to more than 20 countries and regions worldwide. The Company has been honored with titles such as "National High-Tech Enterprise", "National 'Little Giant' Specialized and Sophisticated Enterprise that Produces Novel and Unique Products", and "National Intellectual Property Advantage Enterprise". Moving forward, the Company will continuously drive innovation to create sustainable value for its customers and society.

Industrial Layout

Manufacturing of Drilling Tools and Drilling Equipment	Drilling Tools	We manufacture a wide range of specialized drilling tools, including downhole motors, non-magnetic products, hydraulic vibrators, near-bit motors, and RSS downhole motors. Downhole motors, one of our main products, are widely used in drilling operations for vertical, directional, sidetrack, and horizontal wells, as well as various workover operations. They meet the demands of complex drilling scenarios, and enjoy a strong reputation and market presence in oilfields both domestically and internationally.
	Wellhead and Well Control Equipment	With over 30 years of deep expertise in wellhead and well control equipment, we have developed a range of mature products, including conventional wellheads, integrated wellheads, single-casing dual-wellheads, fracturing wellheads, and choke and kill manifolds. We possess comprehensive support capabilities for operations ranging from onshore to offshore (and from conventional to unconventional) oil and gas operations.
	Oilfield Production Enhancement and Injection Systems	Focusing on the systematic R&D and manufacturing of oilfield production enhancement and injection products, our products include hydraulic injection pumps, hydraulic profile control and water shutoff pumps, and intelligent injection systems. These solutions enhance recovery rates and injection efficiency, providing reliable equipment support for stable and increased oilfield production.
	Drilling Equipment and Downhole Motor Testing System	We provide key equipment such as oil drilling rigs, downhole motor testing systems, and hydraulic assembly/disassembly stands. The downhole motor testing system includes a full set of inspection and verification platforms, such as a rotary steerable system (RSS) ground simulation water circulation test system, and a downhole motor test bench, ensuring product performance and operational safety.
	High-Pressure Hoses	We are also engaged in the high-end hose business in the oil and gas exploration and production field, with our core product being ultra-wear-resistant high-pressure acidizing and fracturing hoses. These hoses offer advantages such as high-pressure resistance, corrosion resistance, wear resistance, and long service life, making them suitable for various harsh operating conditions.

Engineering and Technical Services Relying on our proprietary core products, we provide engineering and technical services and integrated solutions covering directional drilling, horizontal drilling, and workover operations, achieving a "products + services" dual-drive model.

Corporate Culture

DUPT regards corporate culture as the core driving force of corporate development. We advocate the core values of "Customer-Centered and Striver-Oriented", and are committed to promoting the shared development of our company, our employees, and society through integrity-based operations, continuous innovation, and excellent services, thereby creating sustainable value for all stakeholders.



Development Milestones



1961

Founded the predecessor of the Company
Established the Repair Factory of the First Survey and Exploration Team under the Geological Department



1992

Successfully completed the independent R&D of downhole motors



2006

Conducted relocation and capacity expansion
Initiated independent entrepreneurship



2018

Listed on the National Equities Exchange and Quotations (NEEQ) Market



2023

Set a new Asian drilling record with high-temperature downhole motors



2025

Completed the first downhole service of independently developed MWD instruments



2022

Listed on the Growth Enterprise Market



2024

Conducted the strategic acquisition of IAE International



1987

Successfully developed mud pump components
Took the lead in achieving the localization of imported components



2004

Implemented restructuring and diversification
Realized self-reliance



2011

Established strategic cooperation with Yantai Jereh Oilfield Services Group Co., Ltd.



Certifications and Awards



Awarding Authority	Name
★ Environmental and Sustainable Development Certification ★	
Jinchen Standard (Tianjin) Certification Group Co., Ltd.	AAAAA-Level Green Enterprise Certification
Jin Qian Certification Co., Ltd.	Organizational Carbon System Certification
Excellent Oriental (Tianjin) Inspection and Certification Co., Ltd.	Green Factory Certification
	Green Supply Chain Certification
★ Management System and Capacity Certification ★	
Jinchen Standard (Tianjin) Certification Group Co., Ltd.	AAA-Level Enterprise Credit Evaluation Certification
China Electricity Council (CEC) Science & Technology Service Center	AAA-Level Integration of Informatization and Industrialization Management System Certificate
	AAA-Level Digital Transformation Management System Evaluation Certificate
★ Awards for Technological Innovation and Recognition of Platforms ★	
China Land Science Society	Second Prize of the Natural Resources Science and Technology Award (Project: Key Technologies and Applications for Efficient Detection of High-Temperature Geothermal Resources)
Dezhou Science and Technology Bureau	Second Prize of the Science and Technology Progress Award of Dezhou City
	Dezhou Key Laboratory for Manufacturing and Application Technology of Downhole motors
★ Environmental Protection and Product Quality Certification ★	
Dezhou Municipal Bureau of Ecology and Environment	"A" Rating of the Adhesive Injection Process in Environmental Impact Assessment
Department of Industry and Information Technology of Shandong Province	"Premium Products on Shandong Chain" Certification (Product: Downhole motors)

Annual Performance Highlights



Economic Performance

Total Assets 193,731.58 RMB 10,000	Operating Revenue 72,114.41 RMB 10,000	Net Profit Attributable to the Parent Company 11,660.69 RMB 10,000
--	--	--

Environmental Protection Performance

Investment in Environmental Protection 52.02 RMB 10,000	Total GHG Emissions 10,905.91 tCO ₂ e	GHG Emissions Intensity 0.1512 tCO ₂ e/RMB 10,000 revenue
Pollutant Monitoring Compliance Rate 100%	Waste Disposal Compliance Rate 100%	Violations of Laws and Regulations Concerning Environmental Protection 0 Case

Governance Performance

General Meeting of Shareholders 2 Session	Board of Directors 5 Session	Number of On-Site Investor Surveys Received 5 Session	Participants of Training Sessions on Anti-Commercial Bribery and Anti-Corruption for the Management 14 Person
Total Participants of Training Sessions on Anti-commercial Bribery and Anti-Corruption 807 Person		Business Ethics Violation Incidents 0 Case	

Industry Value Performance

Investment in R&D 2,807.75 RMB 10,000	Cumulative Number of Authorized Patents 115 Case	Customer Satisfaction 96.73%	Number of Violations Incidents Related to Information Security and Privacy Protection 0 Time
---	--	--	--

Human Resources Performance

Investment in Work Safety 175.39 RMB 10,000	Coverage Rate of Occupational Health Checkup 100%	Percentage of Female Employees 12.41%
Number of Employee Training Sessions 225 Session	Investment in Employee Training 53.74 RMB 10,000	Training Coverage Rate 100%



Sustainable Development Governance

Response to SDGs

SDGs	Our Action	Corresponding Section
	<ul style="list-style-type: none"> Provide local employment opportunities Support community services 	<ul style="list-style-type: none"> Contribution to Rural Revitalization Practice of Social Welfare
	<ul style="list-style-type: none"> Ensure the health and safety of employees Deepen employee care and benefits 	<ul style="list-style-type: none"> Support for Occupational Health Protection of Employees' Rights and Interests
	<ul style="list-style-type: none"> Offer employee training Provide smooth development pathways 	<ul style="list-style-type: none"> Protection of Employees' Rights and Interests
	<ul style="list-style-type: none"> Protect employees' rights and interests Promote gender equality 	<ul style="list-style-type: none"> Protection of Employees' Rights and Interests
	<ul style="list-style-type: none"> Strengthen water resource management Prevent and control water pollution 	<ul style="list-style-type: none"> Environmental Compliance Management
	<ul style="list-style-type: none"> Use clean energy Improve resource efficiency 	<ul style="list-style-type: none"> Recycling of Resources
	<ul style="list-style-type: none"> Establish a sound compensation system Promote local economic growth 	<ul style="list-style-type: none"> Protection of Employees' Rights and Interests
	<ul style="list-style-type: none"> Advance digital transformation Implement technological innovation 	<ul style="list-style-type: none"> Enhancement of Innovation Engine Protection of Data Privacy
	<ul style="list-style-type: none"> Promote fair employment Reduce internal inequality 	<ul style="list-style-type: none"> Protection of Employees' Rights and Interests

SDGs	Our Action	Corresponding Section
	<ul style="list-style-type: none"> Engage in community construction Support sustainable development 	<ul style="list-style-type: none"> Practice of Social Welfare Environmental Compliance Management
	<ul style="list-style-type: none"> Implement responsible production Optimizing Resource Utilization 	<ul style="list-style-type: none"> Environmental Compliance Management Recycling of Resources
	<ul style="list-style-type: none"> Respond to climate change Promote carbon emission reduction 	<ul style="list-style-type: none"> Response to Climate Change
	<ul style="list-style-type: none"> Protect water environments Prevent pollutant emission 	<ul style="list-style-type: none"> Environmental Compliance Management
	<ul style="list-style-type: none"> Enhance ecological governance Protect land resources 	<ul style="list-style-type: none"> Ecological and Environmental Protection
	<ul style="list-style-type: none"> Improve corporate governance Uphold compliant operations 	<ul style="list-style-type: none"> Solidifying Foundation through Sound Governance and Ensuring Sustainability through Compliant Operations
	<ul style="list-style-type: none"> Strengthen communications with stakeholders Build partnership 	<ul style="list-style-type: none"> Sustainable Development Governance

Philosophy of Sustainable Development

Focusing on long-term development and aligning with global sustainable development trends, DUPT has established and continuously refined the *Environmental, Social and Governance (ESG) Management System*. Guided by the development philosophy of innovation, coordination, green development, openness, and shared benefits, the Company comprehensively promotes the implementation of environmental protection, social responsibility, and governance practices in corporate operations, injecting strong momentum into sustainable development.

Governance Framework for Sustainable Development

DUPT places sustainable development at the core of corporate governance and has established a three-tier ESG governance structure featuring "overall leadership by the Board of Directors, implementation by the Management, and coordinated execution by functional departments and subsidiaries". Specifically, the Board of Directors is responsible for reviewing ESG strategic directions and major issues, and exercising decision-making and oversight duties; the Management integrates ESG targets into operational decision-making to ensure effective implementation of strategies; and business units and functional departments collaborate with a clear division of responsibilities to strengthen resource support and closed-loop management. Through this system, the Company systematically identifies and manages ESG risks and opportunities, strengthens the Board's oversight of sustainable development performance, and promotes the creation of long-term value with stakeholders. Going forward, the Company will continue to optimize governance mechanisms, enhance the transparency of information disclosure, and improve governance effectiveness.



Identification of Sustainable Development Risk

Closely aligned with development strategies and operational realities, DUPT integrates ESG into the overall management system. During the Reporting Period, the Company identified and assessed risks and opportunities in areas such as environmental compliance management, response to climate change, pollutant emissions, occupational health and safety, innovation-driven development, and safety and quality of product and service. Targeted control measures were formulated and implemented effectively enhance proactive management and forward-looking response capabilities for ESG risks.

Details regarding the identification of core risks and opportunities are provided in the corresponding sections below.

Deepening of Sustainable Development Practices

DUPT continuously deepens the ESG capacity building by offering specialized training and organizing seminars and exchanges to enhance all employees' understanding of and ability to apply the philosophy of sustainable development. The Company is committed to integrating ESG principles into job responsibilities and key business processes, promoting the effective transformation from conceptual understanding to practical implementation, and laying a solid foundation for improving ESG management effectiveness.

On this basis, DUPT actively explores mechanisms for linking ESG indicators with the compensation and performance evaluation system. Through quantitative evaluation methods, the Company establishes a two-way transmission channel for incentives and constraints, strengthens the motivation of the Management to fulfill ESG responsibilities, and promotes the deep integration and long-term implementation of sustainable development objectives into corporate operations and management.




Case Kick-off Meeting for the Preparation of DUPT's 2025 ESG Report

In December 2025, DUPT held a kick-off meeting for the preparation of the ESG report, bringing together heads of various business units. The meeting focused on interpreting ESG policies and industry trends, analyzing market risks and peer case studies, and conducting thematic discussions based on the Company's realities. These efforts comprehensively enhanced key personnel's understanding of ESG, their ability to implement ESG initiatives, and their data governance capabilities, to ensure that subsequent efforts meet high-standard professional requirements.



Communication with Stakeholders





DUPT regards stakeholder engagement as a critical component of ESG management and continuously builds a systematic and multi-dimensional communication system. We strictly follow GRI, AA1000 and other international standards, expand communication channels, optimize interaction methods, actively listen to stakeholder concerns, respond to reasonable requests, and enhance the inclusiveness and effectiveness of communication, thereby supporting the Company's sustainable development.

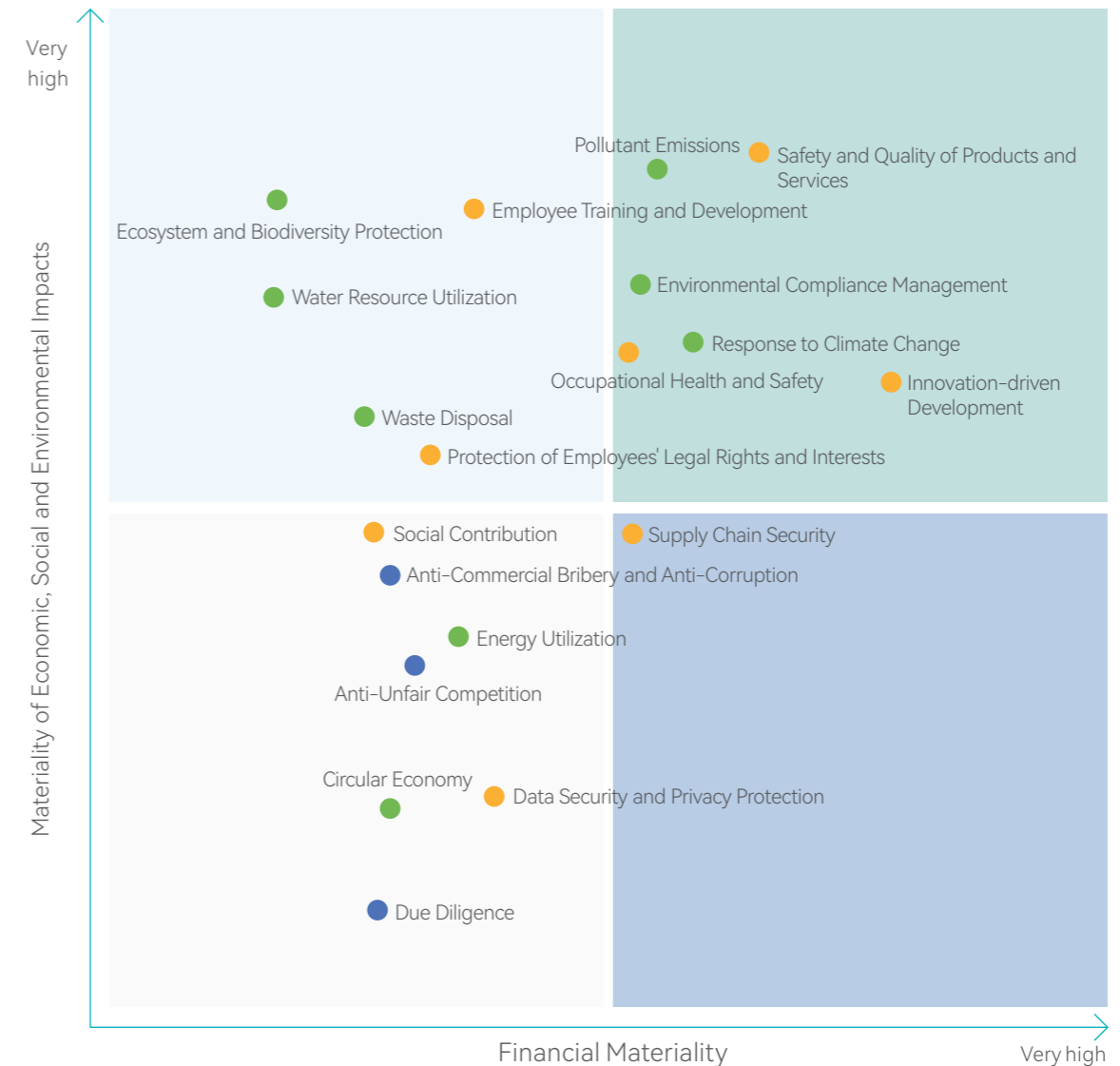
Stakeholders	Expectations and Demands	Communication and Response
 Government or Regulator	Compliant Operation Environmental Compliance Management Response to National Development Policies Lawful Tax Payment Fulfillment of Social Responsibility	Comply with laws and regulations Implement environmental protection Respond to relevant policies Pay taxes fully and legally Create employment opportunities
 Customers	Product Quality and Safety Customer Service Management Customer Privacy Protection	Conduct pre-sales communication Provide after-sales service and complaint management Conduct customer exchange Implement customer data and privacy management
 Shareholders or Investors	Return on Investment Information Disclosure Governance	Improve business performance Ensure timely and transparent information disclosure Standardize corporate governance

Stakeholders	Expectations and Demands	Communication and Response
 Employees	Employment and Protection of Rights and Interests Employee Compensation and Benefit Career Development and Training Employee Safety and Health	Protect employees' rights and interests Improve compensation system Establish smooth promotion pathways Enhance health and safety systems
 Suppliers and Partners	Achievement of Mutual Benefit and Win-Win Results Supply Chain Management Anti-Corruption and Integrity	Realize strategic cooperation Conduct supplier management Create responsible supply chain Implement transparent procurement
 Public Welfare Organizations or Community Organizations	Social Contribution Rural Revitalization	Actively engage in public welfare activities Support rural revitalization

Management of Material Topics

In line with the development strategy, with reference to domestic and international ESG disclosure standards such as the *Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange - Sustainability Report (For Trial Implementation)*, and in close alignment with the latest industry development trends, DUPT identified material topics by comprehensively assessing stakeholder engagement, ESG expert opinions, and management feedback with a dual-perspective assessment approach based on financial materiality and impact materiality.

Topic Analysis Process	Assessment Method
 Self-Assessment	The Company comprehensively reviewed business value chains and carefully analyzed the impacts, risks, and opportunities related to ESG associated with each operational segment.
 Topic Identification	Based on comprehensive consideration of stakeholder opinions, and with reference to international standards and industry practices such as GRI, SDGs and SASB, the Company established a multi-dimensional and multi-level sustainability topic pool through topic benchmarking and preliminary screening.
 Topic Assessment	In the principle of double materiality, the Company systematically assessed the short-, medium-, and long-term impacts of ESG topics on the environment, society, and the Company's finances through internal and external research and expert evaluation, and scientifically prioritized these topics to clarify management priorities.
 Topic Response	Based on the topic assessment results, a materiality matrix was developed and submitted to the Management for review, and the final results were transparently and comprehensively disclosed in this Report.



Impact Materiality	Topic
Double Materiality	Environmental Compliance Management, Response to Climate Change, Pollutant Emissions, Occupational Health and Safety, Innovation-Driven Development, Safety and Quality of Products and Services
Financial Materiality Only	Supply Chain Security
Impact Materiality Only	Water Resource Utilization, Waste Disposal, Ecosystem And Biodiversity Protection, Protection of Employees' Legitimate Rights and Interests, Employee Training and Development
General Materiality	Energy Utilization, Circular Economy, Anti-Commercial Bribery and Anti-Corruption, Anti-Unfair Competition, Due Diligence, Data Security and Privacy Protection, Social Contribution

04

Solidifying Foundation through Sound Governance and Ensuring Sustainability through Compliant Operations



DUPT continuously optimizes a modern governance structure centered on the Board of Directors, improves a closed-loop management system covering strategy, compliance, risk control, and integrity, strictly implements information disclosure systems to safeguard investor communication, and integrates business ethics and anti-corruption requirements into the entire operational process, thereby effectively enhancing governance transparency and effectiveness and consolidating the foundation for sustainable development.

Responded UN Sustainable Development Goals (SDGs):



Consolidation of Governance System



Governance Structure

DUPT has established a modern corporate governance structure centered on the General Meeting of Shareholders, the Board of Directors, and the Management, featuring clear delineation of powers and responsibilities and effective checks and balances. In response to regulatory requirements, and in accordance with the *Company Law of the People's Republic of China* and the *Transitional Arrangements for the Implementation of Supporting Institutional Rules under the New Company Law*, and based on operational realities, the Company, taking into account operational realities and following a resolution at an Extraordinary General Meeting of Shareholders, has abolished the Board of Supervisors and incorporate functions into the Audit Committee under the Board of Directors, and simultaneously strengthened independent director supervision and internal audit mechanisms, to further improve the effectiveness of internal control and risk management.

In conjunction with adjustments to the governance structure, DUPT systematically revised and formulated 27 institutional rules and regulations, and improved the governance institutional system centered on the *Articles of Association*, including rules of procedure for the General Meeting of Shareholders, the Board of Directors, and specialized committees. Through standardizing meeting operations, strengthening information disclosure, and ensuring the performance of duties by independent directors, the Company ensures the effective implementation of governance mechanisms and continuously enhances the standardization of corporate governance.



Organizational Chart

General Meeting of Shareholders

The General Meeting of Shareholders serves as the highest decision-making body, and strictly operates in accordance with the *Articles of Association* and the *Rules of Procedure for the General Meeting of Shareholders*. It is convened through a combination of on-site and online voting methods to fully safeguard the rights of all shareholders—especially minority shareholders—to attend and vote at the General Meeting of Shareholders. For major matters involving the interests of minority

investors, the Company strictly implements separate vote counting and timely disclosure. During the Reporting Period, the Company convened and held the General Meetings of Shareholders in accordance with applicable laws and regulations, and ensured that procedures were compliant and resolutions were lawful and valid, thus effectively safeguarding the legitimate rights and interests of all shareholders.

★ Key Performance

General Meetings of Shareholders Convened: **2** Sessions Proposals Approved: **19** Proposals

Board of Directors

The Board of Directors is the decision-making body of the Company and answers to the General Meeting of Shareholders. To ensure scientific decision-making and standardized operations, the Board of Directors has established four specialized committees, i.e., the Strategy Committee, the Remuneration and Appraisal Committee, the Audit Committee, and the Nomination Committee, and strictly implements the *Rules of Procedure for the Board of Directors*.

In terms of independence, DUPT has formulated the *System of Work of Independent Directors*, which clearly defines the qualifications, performance requirements, and independence judgment principles of independent directors to ensure their independence in fulfilling their duties. The Board of Directors consists of 9 members, of which 3 are independent directors. All independent directors meet the independence requirements of the *Measures for the Administration of Independent Directors of Listed Companies* and the *Articles of Association*. They do not hold positions in the Company other than as directors, and have no relationships with the Company, major shareholders, or actual controllers that may affect their independent and objective judgment, and they are able to participate in decision-making and exercise effective oversight in a diligent and responsible manner.

In terms of diversity, members of the Board of Directors possess diverse professional backgrounds in fields such as petroleum engineering, business administration, finance and legal compliance, and have extensive industry and management experience, which enables the Board of Directors to have a scientifically structured and well-balanced board composition. Through well-established nomination and election procedures, the Company has built the Board of Directors a team with complementary knowledge structures and experience backgrounds, to make the decisions of the Board of Directors more scientific and holistic.

★ Key Performance

Meetings Held by the Board of Directors: **5** Sessions Proposals Approved: **52** Proposals

Meetings Held by the Remuneration and Appraisal Committee: **1** Session Meetings Held by the Audit Committee: **5** Sessions

Optimization of Compensation Management



Through the Remuneration and Appraisal Committee, DUPT implements standardized management of the remuneration of directors and senior management. Based on job responsibilities, performance, and industry standards, remuneration policies and specific plans are formulated and implemented upon approval by the Board of Directors, ensuring that remuneration decisions are standardized, transparent, and aligned with the Company's long-term interests.

Advancement of Investor Relations Management



Information Disclosure

In strict accordance with applicable laws and regulations on information disclosure, DUPT has formulated internal systems such as the *Information Disclosure Management System* and the *Insider Information and Insiders Registration Management System*, to effectively fulfill information disclosure obligations and ensure that information is true, accurate, complete, timely, and fair. The Company publishes announcements in a standardized manner through designated media and platforms, continuously improves internal reporting, review, and confidentiality mechanisms, and effectively prevents insider trading and selective disclosure.

DUPT has clearly designated the Chairman as the primary person responsible for information disclosure, with the Board Secretary taking the lead in managing information disclosure affairs. All departments and subsidiaries strictly fulfill their direct responsibilities to ensure investors have equal access to information and to safeguard their legitimate rights and interests. During the Reporting Period, no violations related to information disclosure, leakage of insider information, or insider trading occurred in the Company.

★ Key Performance

Total Announcements Disclosed throughout the Year:	116	Periodic Reports And Summaries:	6
Interim Announcements:	110	Investor Relations Activity Record Forms:	7

Public Opinion Management

To effectively manage reputation risks in the capital market, DUPT has established a public opinion management system, formulated the *Public Opinion Management System*, and specifically set up a Public Opinion Management Leading Group. For major public opinion events that may cause or have caused abnormal fluctuations in the share price, the Company has established standardized handling procedures covering event investigation, solution formulation, clarification of information through compliant channels, and accountability. Through efficient handling of public opinions, the Company maintains market fairness and stability, and effectively safeguards brand reputation and the legitimate rights and interests of shareholders.

Investor Relations Management

DUPT attaches great importance to investor relations management and has formulated the *Investor Relations Management System*. Adhering to the principles of compliance, equality, proactiveness, and integrity in communication, the Company actively maintains transparent and efficient interaction with investors through diversified channels, and ensures information symmetry through regular earnings briefings and investor open days. This approach continuously enhances market recognition, builds a mutually trusting and win-win investor relationship, and establishes a sound image in the capital market.

★ Key Performance

Investors' On-site Surveys:	5 Times
Investors' On-site Surveys:	20 Person-times
Investor Questions Replied on Cninfo Platform:	151 Reply Rate: 100 %

★ Case "Rational Investment with Me" Investor Open Day Event

In September 2025, the Company successfully held the "Rational Investment with Me" Investor Open Day Event, inviting more than ten representatives from institutions such as Guoxin Securities and individual investors to visit the digital exhibition hall and intelligent workshops on site. During the event, the Management engaged in in-depth discussions with investors on topics such as the Company's development strategy, core technologies, and industry trends. This effectively enhanced the market's understanding of and trust in the Company, further deepening transparent and mutually trusting investor relations.



Enhancement of Returns to Shareholders



Upholding sustainable returns to shareholders, DUPT has formulated profit distribution policies based on the current development stage, profitability level, and future capital planning. We have established a stable, transparent, and continuous cash dividend mechanism to ensure that shareholders can share in the development achievements of the Company. By continuously improving return planning and clarifying dividend expectations, the Company strengthens long-term market confidence, enhances investor trust and return levels, and achieves synergistic growth in shareholder value and corporate value.

Dividend Year	2022	2023	2024
Total Cash Dividend (Tax Inclusive)	RMB 24.0593 Million	RMB 45.1112 Million	RMB 45.9244 Million
Annual Dividend Payout Ratio	31.45%	52.01%	46.30%



Improvement of Risk Management



Compliant Operations

Compliance Management System

DUPT steadily advances the construction of compliance management systems and strictly implements comprehensive compliance management requirements. By formulating regulations such as the *Litigation and Arbitration Case Management System*, the *Employee Code of Conduct*, and the *Integrity Construction Management System*, the Company has established a regulatory framework covering core areas including legal compliance, operational management, and integrity and self-discipline. In addition, an Integrity Development Committee and a specialized working group have been established to clarify responsibilities and operational mechanisms. Consolidating the foundation of compliance through top-level design, institutional systems, and organizational support, the Company is committed to fostering a culture of compliance and an ecosystem of integrity, to provide reliable guarantees for the steady operation and sustainable development of the Company.

Compliance Management Mechanism

DUPT continuously improves the implementation mechanism for compliance management. By formulating and implementing special guidelines and operational standards, compliance requirements are embedded into processes such as contract management and business approvals. The Company focuses on conducting systematic identification and prevention in key areas such as contract management and financial transactions, clarifies compliance standards and responsibility boundaries in various business activities, and promotes the effective implementation of compliance management measures through institutional promotion and routine supervision. These efforts effectively enhance the overall level of compliant operations and provide execution support for standardized operations and risk prevention.

Case Formulation of Guidelines for Contract Risk Prevention and Control

In February 2025, DUPT organized all functional departments to systematically identify legal risks in external contracts, covering key types such as revenue and expenditure contracts. The Company then developed targeted standards for the entire process—from drafting to signing—ultimately producing the *Guidelines for the Identification and Prevention of Legal Risks in External Contracts*, thereby establishing a standardized framework for compliance operations and risk prevention in core business processes.

Cultivation of Compliance Culture

DUPT is committed to fostering a compliance culture that involves all employees. Through specialized legal awareness campaigns and a series of training programs, the Company continuously enhances the compliance awareness and risk prevention capabilities of employees in key positions. Additionally, the Company strengthens behavioral constraints and positive guidance to ensure that compliance requirements are internalized and reflected in actions, making compliance a conscious behavior and professional habit for all employees.

★ Key Performance

Number of Compliance Training Sessions: **4** Sessions

Duration of Compliance Training: **321** Hours

Participants of Compliance Training: **1,700** Person-times

Case Company-wide Legal Awareness Promotion Campaign

In December 2025, DUPT launched a two-week company-wide legal awareness promotion campaign. Through online quizzes, offline legal information stations, and special exams and contract evaluations covering key positions such as procurement, sales, and technologies, the campaign deepened employees' awareness of compliant operations in areas such as the control of contract risks and the protection of trade secrets, and effectively promoted the integration of risk control into business operations.



Case Special Training on Lawful and Compliant Employee Management

In December 2025, to enhance the management team's ability to prevent and control employment risks, the Company organized a special training session titled "Legal and Compliant Management Pathways for Employees Deemed 'Unable to Perform Their Duties'". The session systematically explained relevant legal concepts, scientific methods for performance evaluation, and compliance-based termination procedures, aiming to shift management practices from subjective judgment to objective criteria, thereby effectively improving the compliance level of employment management.



Import and Export Compliance Management

DUPT has formulated and implemented the *Measures for Trade Compliance Management*, strengthening compliance control throughout the entire import and export process. Compliance screening has been embedded into business processes, and strict reviews are conducted for key aspects such as customer background, end use, material sources, supplier admission, and transactions involving sanctioned countries/regions in revenue and procurement contracts. The Company has established and dynamically maintained compliance control lists and transaction review ledgers to enhance traceability across all aspects of cross-border business, thereby ensuring that international operations fully comply with applicable laws, regulations, and trade control requirements while preventing cross-border operational risks.

Case Training on the Compliance of Import and Export Trade

In September 2025, the Company organized specialized training on trade compliance covering four key modules: terminology explanations, an overview of U.S. international trade laws, and the Company's compliance systems and processes. The training aimed to equip key business personnel with a thorough understanding of international regulations and the Company's latest compliance requirements, enhance their ability to identify and mitigate risks in cross-border operations such as procurement and sales, and ensure the stable operation of international business.

Risk Management

Risk Management System

DUPT has established the risk management system commensurate with business scale and risk characteristics. With the *Internal Audit System* as the core supervisory mechanism, the Company clarifies that the Board of Directors and the Audit Committee are responsible for risk management oversight, while the Audit Department independently carries out risk assessments and internal control evaluations and regularly audits and reports on key risks related to finance, operations, and compliance. The Company integrates risk management into the entire business process, engages accounting firms to conduct audits of internal control effectiveness, and dynamically optimizes controls in conjunction with internal audits. This forms a closed-loop management model of self-inspection, attestation, and optimization, ensuring the effective operation of risk prevention and control across all stages and safeguarding the operational security of the Company.

Training on Risk Management

DUPT regards the training on risk management as a critical component of system capacity building, aiming to enhance the management team's capabilities in risk identification, assessment, and response. The Company regularly conducts specialized training covering all business areas. Through case studies, process reviews, and mechanism discussions, we continuously strengthen risk awareness among all employees, and provide a solid foundation of talent and organizational support for the effective implementation of the comprehensive risk management system.

★ Key Performance

Training Sessions on Risk Management:

4 Sessions

Duration of Training on Risk Management:

5 Hours

Participants of Training on Risk Management:

216 Persons

★ Case Team Collaboration Risk-Themed Exchange and Training

In July 2025, DUPT organized management personnel at all levels to participate in training on barriers to team collaboration, enhancing awareness of collaboration-related risk control. Through mechanism optimization driven by case studies and follow-up verification, the Company achieved a 30% improvement in cross-departmental communication efficiency and a 25% year-on-year reduction in work delay incidents. This effectively strengthened team execution and cohesion, laying a solid foundation for advancing the Company's operational objectives.



Tax Management

To standardize tax management, DUPT formulated and implemented the *Tax Management System*, clearly designating the Finance Management Department to oversee tax-related work, and requiring subsidiaries to establish full-time or part-time

tax management positions with clearly defined job responsibilities and approval authorities. The Company has established rules for key processes such as contract execution, invoice management, and tax declaration to ensure the lawful fulfillment of tax obligations and effectively prevent tax-related risks. Meanwhile, the Company continuously tracks tax incentive policies, regularly conducts tax risk assessments and control activities, and promotes the iterative upgrading of the tax management system toward compliance and efficiency, providing strong support for the Company's sound operations.

Anti-Commercial Bribery and Anti-Corruption



Anti-Corruption Management System

Attaching great importance to anti-corruption management, DUPT has formulated core policies such as the *Integrity Construction Management System* and strengthened their implementation effectiveness. The Company has established an Integrity Construction Committee and a daily working group led by the Chairman to coordinate and advance anti-corruption efforts across the Company and all business operations. Responsibilities, authorities, and codes of conduct are clearly defined, and specialized integrity conduct standards have been developed for key areas such as procurement and investment.

DUPT adheres to the fundamental principle of "zero-tolerance", establishes a reward and punishment mechanism that includes specific exemption clauses, as well as confidential reporting channels to encourage internal oversight. Through integrity training, cultural awareness campaigns, and internal audits, the Company effectively prevents and controls risks of bribery and corruption, ensuring honest and compliant operations. During the Reporting Period, neither the Company nor its employees were involved in any incidents of embezzlement or corruption, nor were there any violations of business ethics.

Anti-corruption Management Measures

Integrity Culture Development

DUPT prioritizes the construction of an integrity culture, striving to create a corporate culture ecosystem characterized by integrity, transparency, and compliance among all employees. Through regular anti-corruption training programs, the Company strengthens professional ethics and behavioral standards across the workforce. Targeted integrity education is implemented for key leadership positions to deepen the Management's awareness of clean and responsible performance of duties, thereby fortifying the defense against misconduct at the ideological and behavioral levels.

★ Key Performance

Participants of Training Sessions on Anti-Commercial Bribery and Anti-Corruption for the Management: **14** Persons

Duration of Training on Anti-Commercial Bribery and Anti-Corruption for the Management: **25.50** Hours

Participants of Training on Anti-Commercial Bribery and Anti-Corruption for Employees: **807** Persons

Duration of Training on Anti-Commercial Bribery and Anti-Corruption for Employees: **1,210.50** Hours

Case Themed Lecture on "Integrity Building"

In July 2025, the Chairman of the Company delivered a themed lecture on "Integrity Building" at the mid-year all-staff meeting. He explained the Company's integrity values and code of conduct to employees, aiming to foster an atmosphere that values integrity and practicality and convey the unwavering commitment of the Management to integrity and compliance from the top down.



Case Special Deployment for "Integrity Building-Themed Lecture and Work Arrangements"

In December 2025, the Company conducted a special deployment for "Integrity Building-themed Lectures and Work Arrangements" for the Management. Through activities such as company-wide quizzes, self-inspection and self-correction, and supervisory feedback, the initiative promoted top-down, company-wide learning in key departments such as the Financial Management Department and the Procurement Center, ensuring the comprehensive permeation and effective implementation of the integrity culture.



Training of the Surface Technology Business Division



Training of Procurement Center

Anti-Corruption Risk Control

DUPT systematically manages risks related to commercial bribery and corruption across high-risk areas including procurement, sales, finance and taxation, investment, and human resources. These risks are assessed and prioritized based on their likelihood of occurrence and potential impact. The Company identifies key risk positions, and adopts comprehensive internal control measures such as segregation of duties, authority control, transparent operations, and behavioral constraints. Continuous monitoring is achieved through financial monitoring, IT early-warning systems, and internal audits. Major risks are promptly identified and corrected to ensure they remain under control and to continuously optimize the governance environment.

Integrity Management for Business Partners

DUPT extends the requirements for integrity to the management of business partnerships. At the initial engagement stage, the mutual obligations for anti-bribery and anti-corruption cooperation are clarified and incorporated into the core criteria for the selection, performance evaluation, and termination of partners. The Company promotes the signing of integrity agreements to jointly foster an open, fair, and transparent business environment and collaboratively mitigate the risks of commercial corruption.

Anti-Corruption Audit and Supervision

DUPT integrates ongoing anti-corruption audits into routine business audits and internal control assessments, focusing on reviewing the design effectiveness and implementation rigor of internal control systems in high-risk areas, and evaluating their actual effectiveness in preventing fraud. During the Reporting Period, the Company completed special audits in areas such as procurement and bidding, as well as infrastructure construction, and identified no fraudulent activities. For areas requiring improvement as identified during the audits, the Company has formulated corrective measures, which are being steadily implemented by the Management to continuously enhance the effectiveness and deterrent impact of anti-corruption efforts.

Whistleblower Protection Mechanism

To strengthen integrity oversight, DUPT has established a secure, independent, and multi-channel whistleblowing network for employees, partners, and the general public. In accordance with established policies, the Company clearly defines whistleblowing channels and strictly upholds its commitment to the confidentiality of reported information. Any form of retaliation is strictly prohibited, and violators are held strictly accountable to ensure the effectiveness and credibility of the whistleblowing mechanism, thereby continuously fostering a clean and upright operational environment.

Whistleblowing Channels	☎ 0534-2237900 0534-2237998 ✉ qinglian@dupm.cn	📦 Integrity Construction Suggestion Boxes in the office building and workshops
Whistleblowing Treatment	The Integrity Construction Working Group is responsible for receiving, registering, preliminarily reviewing, and investigating reported matters. Based on the investigation results, cases will be handled in accordance with regulations, and timely feedback will be provided to the whistleblower to ensure a compliant and transparent process.	
Protection of Whistleblowers	The information of whistleblowers and the content of reports will be kept strictly confidential. Retaliation is strictly prohibited, and violators will be held strictly accountable to effectively safeguard the legitimate rights and personal safety of whistleblowers.	
Reward for Whistleblowers	Whistleblowers whose reports are verified as true and help recover losses for the Company will be rewarded with cash or in-kind incentives to encourage proactive supervision.	

Anti-Unfair Competition Management

In strict accordance with laws and regulations such as the *Anti-Unfair Competition Law of the People's Republic of China* and the *Anti-Monopoly Law of the People's Republic of China*, DUPT clearly defines specific codes of conduct for marketing activities in the *Integrity Construction Management System*, regulating the behavior of sales personnel to ensure honest business practices, fair competition, and the maintenance of market order. Relying on existing integrity construction framework and training system, the Company incorporates anti-unfair competition management into routine compliance education and supervision, and requires all employees to uphold professional ethics and firmly resist behaviors that undermine fair market competition, such as false advertising, malicious defamation, and commercial bribery. During the Reporting Period, no major litigation or administrative penalties due to unfair competition occurred in the Company.

★ Key Performance

Training on Anti-Monopoly and Fair Competition:	1 Session
Signing Rate of Integrity Agreements for Key Positions:	100%

05

Advancing Craftsmanship through Environmental Protection and Empowering Production with Green Intelligence



DUPT deeply integrates sustainable development into corporate governance and daily operations, identifies and manages transition and physical risks arising from climate change, actively promotes energy-saving and low-carbon production methods, improves energy and resource utilization efficiency, and establishes a green management system covering the entire operational process to fulfill environmental responsibilities through concrete actions.

Responded UN Sustainable Development Goals (SDGs):



Response to Climate Change



In active response to the national "carbon peaking and carbon neutrality" goals, and following domestic and international climate policies and the industry's low-carbon plans, DUPT explores ways to integrate carbon neutrality targets into the long-term development path, gradually implements emission reduction measures, promotes green operations and low-carbon technological innovation, improves resource utilization efficiency, and reduces the carbon footprint across the entire value chain. Through concrete actions, the Company addresses climate change and works together to build a green and sustainable future.

Governance to Address Climate Change

Under the leadership of the Board of Directors and the ESG Working Group, DUPT steadily advances climate governance initiatives. The Company fully recognizes the potential risks and opportunities climate change presents to corporate operations, incorporates climate-related topics into existing management system planning, and continuously improves the identification, assessment, and management of climate-related risks to enhance climate adaptation capacity and overall governance capability.

To promote standardized carbon management, DUPT strictly follows international and industry standards and gradually establishes and improves internal carbon management systems, focusing on enhancing greenhouse gas accounting and disclosure levels. During the Reporting Period, the Company successfully passed the organizational carbon management system certification following an audit by a qualified third-party institution.



Organizational Carbon Management System Certification Certificate

Strategies to Address Climate Change

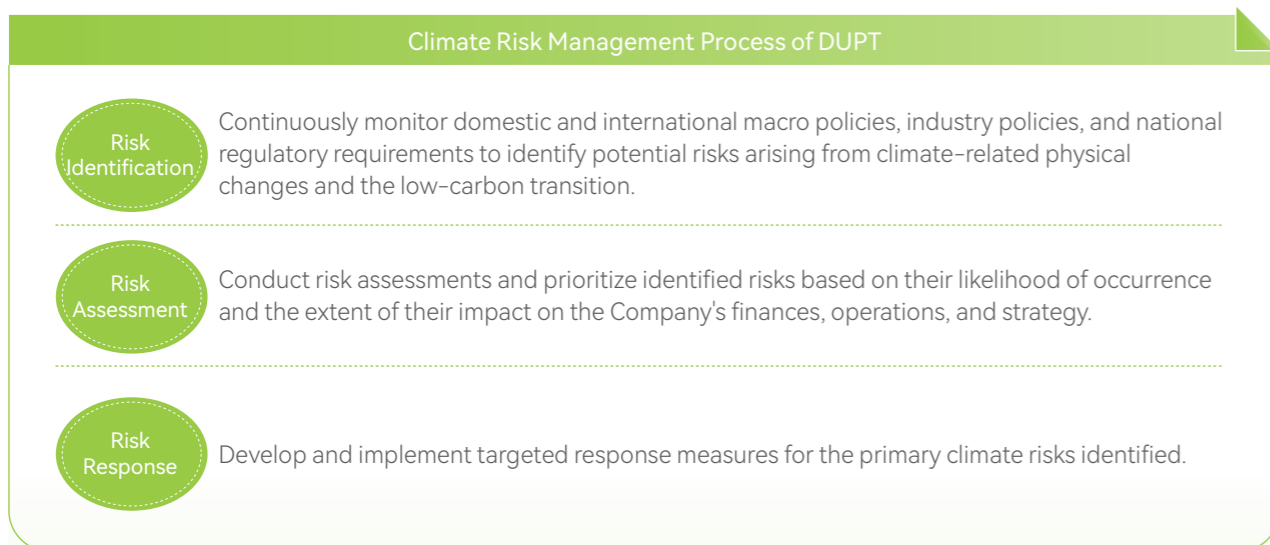
Risk Type	Description of Risk	Likelihood of Occurrence	Impact Cycle	Financial Impact	Countermeasures
Physical Risk	Acute Risk Extreme weather affects the safety and progress of production base operations, logistics, or project construction.	Medium	Short and medium term	Increase in operating costs: equipment damage, production suspension, increase in maintenance costs and insurance expenses, and increase in energy consumption costs due to rising temperatures.	<ul style="list-style-type: none"> Assess and enhance the climate resilience of key facilities Construct rooftop photovoltaic systems to reduce purchased electricity Establish extreme weather warning mechanisms and formulate production and logistics emergency response plans
	Chronic Risks Changes to long-term climate patterns affect operational efficiency in high-temperature regions and increase the need for equipment cooling and maintenance.	Medium	Long term	Decrease in operating revenue: delayed order delivery results in reduced revenue.	

Risk Type	Description of Risk	Likelihood of Occurrence	Impact Cycle	Financial Impact	Countermeasures
Policy and Regulatory Risks	Tighter domestic and international policies, such as carbon taxes and emissions standards, increase compliance and carbon cost pressures.	High	Long term	Increase in operating costs: increased compliance costs, upgraded investment in equipment, etc.	<ul style="list-style-type: none"> Closely monitor domestic and international climate-related laws and regulations, and simultaneously implement corresponding environmental management systems Intensify R&D efforts in low-carbon technologies Conduct carbon footprint accounting and set emission-reduction targets
Market Demand Risks	The acceleration of the global energy transition and fluctuations in investment in traditional oil and gas exploration and production affect demand for drilling and production equipment.	Medium to high	Medium to long term	Decline in revenue: Shrinking revenue from traditional businesses.	<ul style="list-style-type: none"> Expand new energy equipment business lines Upgrade the energy efficiency of existing products
Transition Risks	Supply Chain Risks Suppliers of upstream raw materials (such as specialty steel and alloys) face supply instability or price volatility due to environmental production restrictions and energy price fluctuations.	Medium	Short and medium term	Increase in operating costs: rising raw material costs, supply delays affecting production plans.	<ul style="list-style-type: none"> Conduct supplier climate risk assessment and diversified procurement Promote collaborative emission reduction with suppliers
Customers' Low Carbon Requirements	Customer preferences shift toward low-carbon enterprises and require "low-carbon" certification.	High	Medium to long term	Decrease in operating revenue: loss of green procurement orders. Increase in operating costs: increased certification costs.	<ul style="list-style-type: none"> Establish green factory management systems and green supply chain management systems Apply for green certifications, such as green factory and green enterprise certifications
Reputation Risks	Low ESG ratings undermine investor confidence.	Medium	Long term	Decrease in operating revenue: increased financing costs and loss of market share.	<ul style="list-style-type: none"> Regularly disclose ESG progress and emission-reduction achievements Improve ESG governance structure Strengthen publicity on low-carbon transformation to enhance the Company's green brand image

Opportunity Type	Description of Opportunity	Likelihood of Occurrence	Impact Duration	Financial Impact
Opportunities in Energy Structure Optimization	Promote the substitution of clean energy in production, utilize resources such as factory rooftops to build distributed solar projects, and optimize the energy consumption structure in production.	High	Long term	Decrease in operating costs: reduced purchased electricity expenses and access to green electricity subsidies.
Opportunities in Green Collaboration Across the Supply Chain	Develop green equipment and solutions—such as complete geothermal drilling and production systems and resource-efficient processing of drilling cuttings—to drive collaborative carbon reduction across the industry chain.	Medium	Long term	Increase in operating revenue: strong demand for new energy equipment, and enhanced value-added of orders.
Opportunities in Green Financing	Leverage green factory certifications and new energy equipment business qualifications to apply for low-cost funding such as green loans and sustainability-linked bonds.	High	Medium term	Decrease in operating costs: access to subsidized loans and reduced financial expenses, support for R&D and capacity expansion.

Climate-related Risk Management

To effectively manage the long-term impacts of climate change, DUPT has incorporated climate-related risks into the Company's overall risk management framework and established a scientific management process. Following an "identification-assessment-response" climate risk management process, the Company continuously identifies physical risks and transition risks, evaluates their likelihood of occurrence and financial impacts, formulates and implements targeted mitigation measures, and promotes the normalization and refinement of climate risk management.



Metrics and Targets to Address Climate Change

In strict accordance with national and industry laws, regulations, and policy requirements in the field of low-carbon environmental protection, DUPT continuously improves greenhouse gas (GHG) emission control from source to end-of-pipe, actively advances the construction of solar photovoltaic projects and implements multiple measures such as emission reduction through production process optimization to effectively reduce the carbon footprint. During the Reporting Period, the Company's GHG emissions were mainly derived from direct emissions from the consumption of natural gas in daily office and production operations, and indirect emissions from the use of purchased electricity.

Key Performance	2023	2024	2025	Unit
Direct GHG Emissions (Scope 1)	1,685.33	1,553.29	1,526.20	tCO ₂ e
Indirect GHG Emissions (Scope 2)	8,582.99	9,625.13	9,379.71	tCO ₂ e
Total GHG Emissions	10,268.32	11,178.42	10,905.91	tCO ₂ e
GHG Emissions Intensity	0.1811	0.1675	0.1512	tCO ₂ e/RMB 10,000 revenue
GHG Emission Density	13.51	13.48	12.65	tCO ₂ e/Person

Practice for GHG Emission Reduction

DUPT continuously deepens green manufacturing practices and promotes greenhouse gas emission reduction through multiple measures. By optimizing the energy structure and implementing clean energy substitution and energy efficiency improvement projects, the Company consolidates the foundation for emission reduction. Meanwhile, leveraging technological innovation, the Company develops low-carbon products and solutions to advance carbon reduction across the full value chain from the production to the use of products. In addition, in strict compliance with international standards in carbon accounting and management, we continuously reduce our own carbon footprint and that of our value chain, and fulfill our primary responsibilities in climate action.

Case Construction of a Photovoltaic Power Generation Project

During the Reporting Period, the distributed photovoltaic project on the roof of Workshop No. 6 was completed and put into operation. The project utilized approximately 12,000 square meters of rooftop space and installed 2,649 photovoltaic modules with a total installed capacity of 1,721.85 kWp. Operating under the model of "the self-generation and self-consumption of green electricity and the feeding of surplus green electricity into the grid", the project generated approximately 1.9373 million kWh annually. In addition to meeting the power demand for production purposes, it reduces carbon emissions by approximately 1,931 tons per year, effectively optimizing the energy structure.



Case CC-Grade Casing Wellhead Products Empowering National CCUS Projects

The CC-grade high corrosion-resistant casing wellheads independently developed by the Company have achieved key application in the Tuha Oilfield CCUS Project. Using strong corrosion-resistant materials and a high-pressure metal sealing structure, it achieved zero leakage during the cumulative injection of 500,000 tons of carbon dioxide, helping increase crude oil recovery in the block by 15%. The annual carbon sequestration capacity of the Project is equivalent to the annual carbon sequestration capacity of 100,000 mu of forest, delivering significant emission reduction benefits and providing a replicable technical equipment solution for the low-carbon transformation of the oil and gas industry.



Case Driving Production Optimization and Emission Reduction Practices Through Carbon Footprint Accounting

The Company carried out "cradle-to-gate" carbon footprint verification for down-hole motor products in accordance with relevant standards such as PAS 2050, the GHG Protocol, and ISO 14064-3:2019. Calculations show that the carbon footprint of producing 1 ton of downhole motors is 4,434.64 kgCO₂e. This provides quantitative evidence for the Company to identify emission reduction priorities and optimize production processes, thereby supporting the reduction of product carbon footprint.



Environmental Compliance Management

Regarding green ecology and sustainable development as core components of corporate strategy, DUPT effectively fulfills primary responsibility for environmental protection in strict accordance with environmental protection-related laws and regulations such as the *Environmental Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on Prevention and Control of Soil Contamination*, and the *Law of the People's Republic of China on Clean Production Promotion*. Upholding the environmental policy of "people orientation and cleaner production", the Company continuously improves the HSE system, formulates internal regulatory documents such as the *HSE Manual* and the *HSE Procedure Documents*, and establishes a scientific and systematic environmental management mechanism.

During the Reporting Period, neither the Company nor any of its subsidiaries had violated any applicable environment-related laws and regulations; pollutant emissions were not subject to major administrative penalties, and no adverse effects were caused to employees or local community residents.

Sound Environmental Management System

DUPT continuously improves the environmental protection management system, and has established an environmental management responsibility structure with clearly defined roles and responsibilities. As the top executive, the General Manager is responsible for coordinating the Company's overall environmental policy and strategy, and bears ultimate responsibility for the effective operation of the environmental management system. The HSE Management Department has been established as the central administrative and professional oversight body for environmental management, leading the coordination of system development, planning, implementation, and performance evaluation. Each business department, in accordance with assigned environmental responsibilities, is responsible for the implementation and execution of specific environmental management measures within its department and operational processes.

As of the end of the Reporting Period, DUPT has passed ISO 14001:2015 environmental management system certification, and the adhesive injection process has received an "A" rating in the environmental impact assessment.



ISO 14001:2015 Environmental Management System Certification Certificate

Key Performance

Investment in Environmental Protection: RMB **520.2** Thousand

Violations of Laws and Regulations Concerning Environmental Protection: **0**

Identification of Environmental Risks and Opportunities

Categories of Main Environmental Risks	Risk Type	Description of Risk	Likelihood of Occurrence	Impact Cycle	Financial Impact	Countermeasures
Environmental Compliance Risks	Pollutant Discharge Risks	Emissions of waste gas, wastewater, and solid waste generated during the production process may exceed national and local standards, resulting in environmental pollution incidents.	Low	Short and medium term	Increase in operating costs: this risk may cause environmental protection fines, losses from production suspension for rectification, additional investment in environmental protection equipment, and environmental remediation costs.	<ul style="list-style-type: none"> Conduct regular monitoring of pollutant emissions Upgrade environmental protection facilities and conduct regular inspections Establish comprehensive records for hazardous waste management and regularly audit the qualifications of contracted disposal providers Improve internal environmental management systems and strengthen environmental compliance training
	Hazardous Waste Management Risks	If violations such as unclear labeling, incomplete ledgers, or entrusting disposal to unqualified units occur during the storage, transfer, and disposal of hazardous waste, the Company will face severe penalties.				

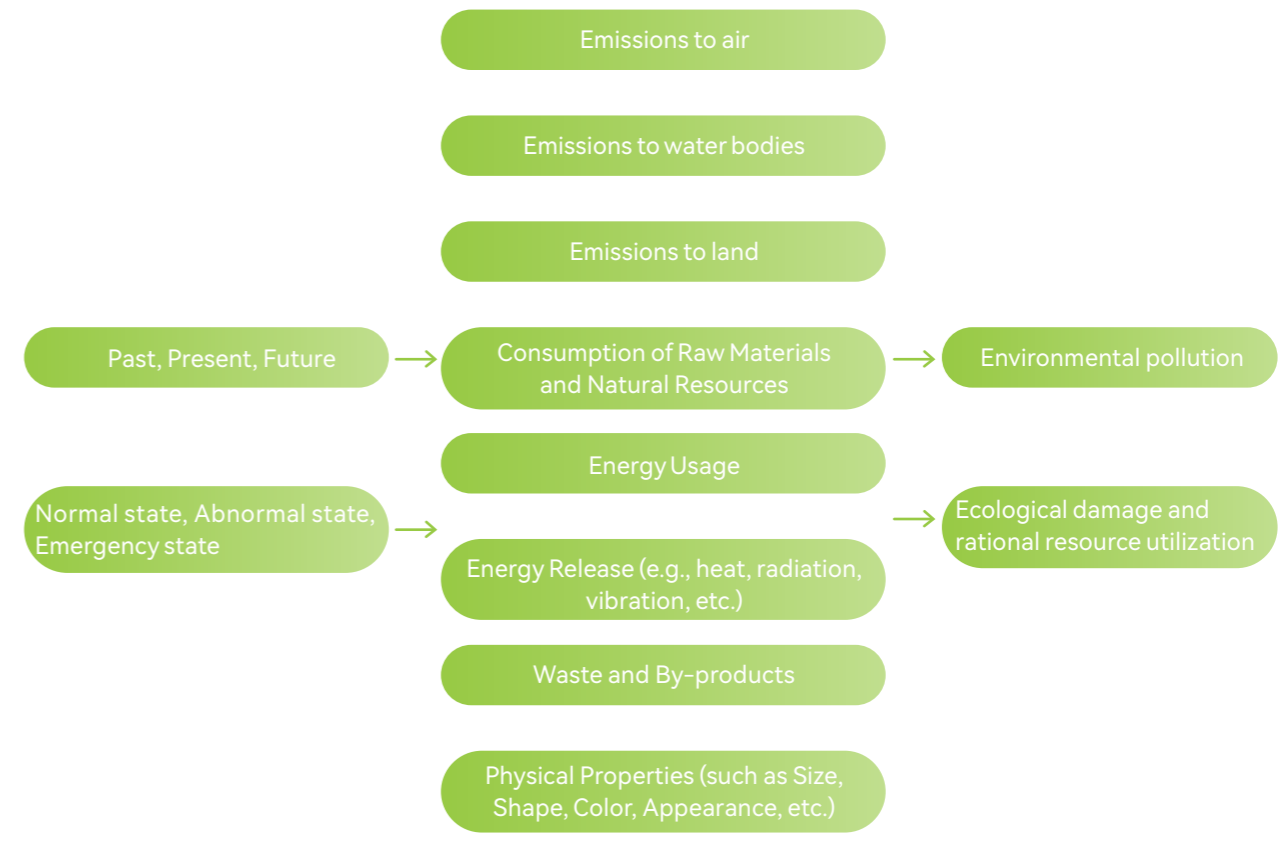
Categories of Main Environmental Risks	Risk Type	Description of Risk	Likelihood of Occurrence	Impact Cycle	Financial Impact	Countermeasures
Environmental Compliance Risks	Environmental Impact Assessment Risks for New Construction, Reconstruction and Expansion Projects	For new construction, reconstruction and expansion projects of drilling and production equipment manufacturing plants and production lines, failure to complete environmental impact assessment procedures and obtain approvals in a timely manner may result in project suspension, fines, or even demolition.	Low	Short term	Increase in operating costs: the risk may cause potential exposure to substantial fines, rectification costs, and losses due to operational interruptions.	<ul style="list-style-type: none"> Strictly implement the "three simultaneities" system for environmental protection facilities in construction projects Strengthen cooperation with professional environmental institutions to ensure that all new projects commence construction only after the completion of all legal procedures
Transition Risks	Reputation and Market Risks	Failure to meet increasingly stringent environmental performance requirements from major oil and gas company customers in the supply chain may result in order losses, tightened financing conditions, and fluctuations in market value.	Low	Short term	Decrease in operating revenue: The brand image and customer orders may be affected, resulting in increased financing costs or fluctuations in market value.	<ul style="list-style-type: none"> Strengthen communications with stakeholders Participate in the formulation of industry green standards and promote the development of green supply chains

Opportunity Type	Description	Likelihood of Occurrence	Impact Cycle	Financial Impact
Opportunities in Green Supply Chains and Low-Carbon Certification	By promoting supply chain emission reductions and product carbon footprint certification to meet procurement requirements of oil and gas customers for low-carbon equipment, the Company can enhance market access opportunities and brand premium.	Medium	Medium term	Increase in operating revenue: The Company may enhance the ability to obtain customer orders, improve brand premium, and obtain priority in green procurement.

Enhancement of Environmental Compliance Management

Identification of Environmental Factors

DUPT has established and implemented the *Procedure for the Identification, Evaluation, and Control of Environmental Factors* to create a standardized mechanism for the identification, scientific evaluation, and management of environmental factors. The Company organizes environmental factor identification and evaluation annually, and screens and determines a list of significant environmental factors based on clear and quantitative evaluation criteria. For identified significant environmental factors, the Company implements effective control through multi-level measures, such as formulating environmental objectives and management programs, implementing operational control procedures, and improving emergency preparedness and response systems, ensuring the foresight, adaptability, and effectiveness of the Company's environmental management system.



Environmental Factor Identification Flowchart of DUPT

Environmental Monitoring and Management

In strict accordance with national pollutant discharge permit management requirements, DUPT has formulated environmental self-monitoring plans, clarifies monitoring points and frequency, and regularly entrusts qualified third-party testing institutions with CMA certification to conduct monitoring, ensuring that monitoring data are authentic, accurate, and valid. The Company promptly enters monitoring data and reports into the Shandong Provincial Pollutant Discharge Permit System as required, voluntarily accepts supervision from the public and regulatory authorities, and continuously improves the environmental compliance level.

Environmental Impact Assessment

DUPT strictly complies with national laws and regulations on environmental protection for construction projects, and fully implements the environmental impact assessment and the "three simultaneities" management system for environmental protection. Environmental impact assessments are conducted in accordance with applicable laws and regulations at the initiation stage for new construction, reconstruction, and expansion projects, and environmental protection facilities are planned, constructed, and put into operation simultaneously with the main project during the design, construction, and commissioning stages. Upon project completion, the Company organizes professional institutions to conduct environmental protection acceptance and monitoring to ensure that all pollutant emissions continuously comply with national standards, thereby promoting the harmonious integration of corporate development and environmental protection.

Identification of Potential Environmental Hazard

To enhance the effectiveness of the environmental management system, DUPT continuously organizes on-site environmental inspections and specialized risk assessments covering the entire production process. For environmental hazards identified during inspections, the Company establishes ledgers one by one, clarifies responsible departments, and implements rectification within specified time limits, thereby continuously improving proactive prevention capabilities and effectively reducing environmental compliance risks.

★ **Key Performance**

Comprehensive HSE Hazard Inspections: **125**

Potential Environmental Hazards Identified: **1,403**

Rectification Pass Rate of Potential Project Hazards: **100%**

Case Identification and Rectification of Potential Hazards

In November 2025, during an on-site inspection of the resin application workshop, department managers discovered that dripping during adhesive application was a significant issue, posing a pollution risk. The workshop immediately implemented rectification measures: plastic sheets replaced daily were laid at locations prone to adhesive dripping, and adhesive collection cartons were installed beneath stator coating positions to effectively collect drips, control pollutant diffusion at the source, and improve on-site environmental management levels.

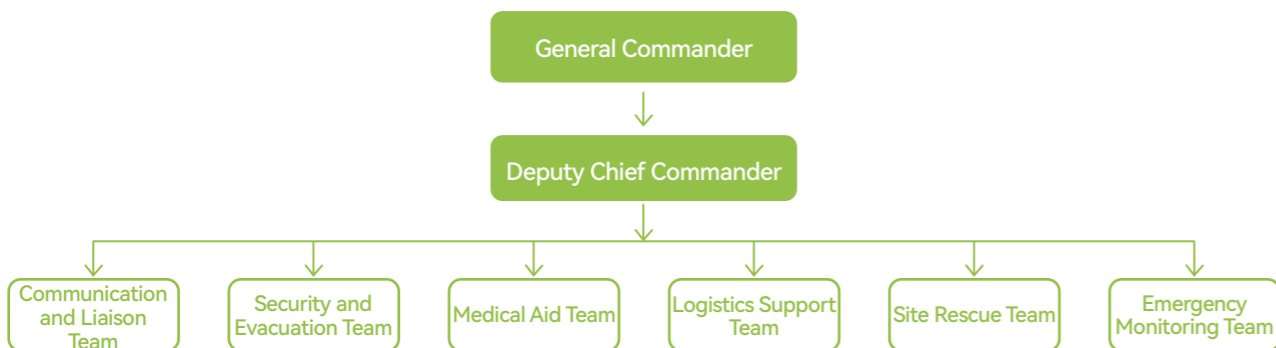


Before Rectification

After Rectification

Environmental Emergency Response

DUPT has established an environmental emergency management system in strict accordance with laws and regulations such as the *Emergency Response Law of the People's Republic of China*. The Company has formulated and continuously improved the *Emergency Response Plan for Environmental Incidents*, clarifying the emergency organizational structure, response procedures, and graded response mechanisms to ensure efficient and orderly emergency response and post-incident recovery in the event of emergencies. To enhance practical emergency response capabilities, the Company regularly organizes special drills and emergency training, strengthens risk prevention awareness and emergency response skills among all employees, and continuously optimizes emergency resource allocation and coordination mechanisms.



Organizational Structure for Emergency Response of DUPT

★ Key Performance

Environmental Emergency Drills: **2**

Number of Participants in Environmental Emergency Drills: **89**

Case Emergency Response Drill for Phosphating Solution Leakage

In September 2025, the Company carried out a practical emergency response drill for phosphating solution leakage outside Workshop No. 1. The drill covered early warning and alarm, personnel evacuation, emergency response, and material deployment. The overall drill process was efficiently coordinated, with clear personnel responsibilities and proficient operations. Emergency response procedures were implemented smoothly, achieving the expected objectives and effectively verifying the operability of the emergency response plan.



Training on Environmental Compliance

DUPT deeply integrates environmental protection principles into daily operations and management. By regularly organizing training on environmental regulations, pollution control, and on-site operational standards, the Company continuously strengthens all employees' environmental awareness and sense of responsibility. Based on compliance cases from production scenarios, the Company promotes environmental knowledge dissemination and guides employees to translate environmental management requirements into conscious daily practices.

★ Key Performance

Training on Environmental Protection: **4** Sessions

Participants in Training on Environmental Protection: **102** Person-times

Duration of Training on Environmental Protection: **816** Hours

Case Hazardous Waste Knowledge and On-site Management Series – "Explaining the Law Through Cases"

In March 2025, the Company organized hazardous waste management training under the theme of "explaining the law through cases". Through the analysis of typical cases, the training effectively enhanced managers' awareness of risk prevention and control related to hazardous waste leakage and their compliance handling capabilities by explaining the requirements for the classification, hazards, and on-site management of hazardous wastes.



Promotion of the Control of Wastewater, Waste Gas and Solid Waste Emissions

Control of Wastewater Emission

DUPT standardizes wastewater discharge management in strict alignment with national and local environmental protection laws, regulations, and discharge standards such as the *Law of the People's Republic of China on the Prevention and Control of Water Pollution* and the *Emission Standard of Pollutants for Electroplating (GB 21900-2008)*. Wastewater generated during the Company's production and operation mainly includes chromium-containing process wastewater and general domestic sewage. To effectively control wastewater discharge, the Company has constructed a chromium-containing wastewater treatment system and an integrated wastewater treatment system, and regularly entrusts qualified third-party testing institutions to conduct monitoring to ensure that all types of wastewater meet discharge standards after treatment.

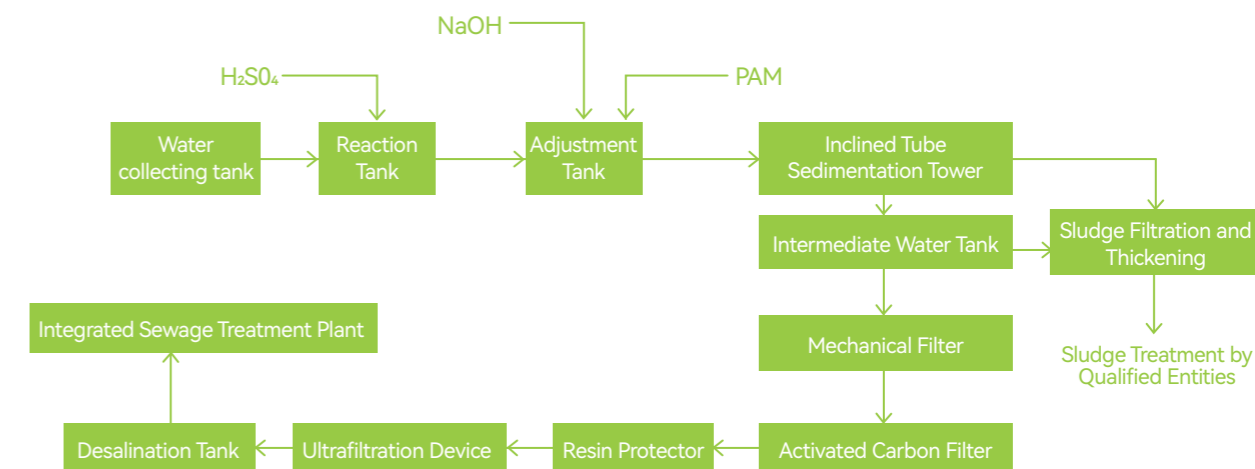
During the Reporting Period, wastewater generated from the Company's production and operations was treated and discharged into the municipal sewage pipeline after meeting discharge standards, with a compliant wastewater discharge rate of 100%.

Wastewater Discharge	2023	2024	2025	Unit
Wastewater Discharges	56,834.00	46,243.00	56,639.00	Ton
Wastewater Discharge Intensity	100.23	69.31	78.54	Ton/RMB 1,000,000 revenue

Types of Wastewater Pollutant	2023	2024	2025	Unit
Chemical Oxygen Demand (COD)	11.90	5.90	10.00	Ton
Five-day Biochemical Oxygen Demand (BOD ₅)	3.19	4.25	5.60	Ton
Suspended Solids	2.55	1.68	3.12	Ton
Ammonia Nitrogen (NH ₃ -N)	0.01	0.39	0.40	Ton
Total Phosphorus (Calculated at P)	/	5.35	5.50	Ton
pH	7.40	7.40	7.50	/

Case Recycling of Wastewater from Boiler Room

The Company implemented a water resource recycling renovation for wastewater discharged from the boiler room purification system. By connecting pipes at the drainage outlet to divert wastewater into the washing pool of Plant No. 4 and installing dedicated irrigation valves in the greenbelt, a dual-path utilization model of "primarily for washing, supplemented by irrigation" was established. After the renovation, the annual water costs are reduced by approximately RMB 583.44, effectively improving wastewater utilization efficiency and reducing tap water consumption.



Wastewater Treatment Process Flowchart

Control of Waste Gas Emission

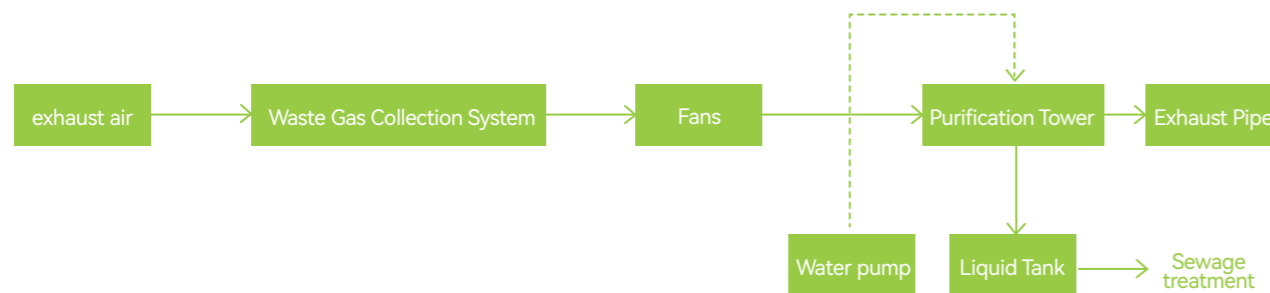
DUPT has established a sound waste gas management system in strict compliance with applicable laws, regulations, and discharge standards such as the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution*, the *Integrated Emission Standard of Air Pollutants (GB 16297-1996)*, and the *Regional and Integrated Emission Standard of Air Pollutants (DB 37/2376-2019)*.

To address major emission sources generated during production—such as chromic acid mist, acid mist, particulate matter, and waste gases from natural gas boilers—DUPT has installed a range of treatment facilities, including grid-type chromic acid waste gas purification and recovery units, chromic acid mist purification towers, water curtain spray treatment systems, baghouse dust collectors for polishing dust, sulfuric acid mist neutralization and purification towers, and waste gas treatment equipment for steam generators. Through standardized operation and regular maintenance, the Company ensures that all types of waste gases are effectively treated and discharged in compliance with standards.

DUPT formulates self-monitoring plans in accordance with pollutant discharge permit requirements and regularly entrusts qualified third-party institutions to conduct monitoring. During the Reporting Period, the waste gas pollutants generated by the Company in production and operation processes were all discharged in compliance with applicable standards, realizing a 100% compliance rate of waste gas emissions.

Waste Gas Emissions	2023	2024	2025	Unit
Waste Gas Emission	3.38	3.47	3.67	Ton
Waste Gas Emission Intensity	0.0060	0.0052	0.0051	Ton/RMB 1,000,000 revenue

Types of Exhaust Pollutants	2023	2024	2025	Unit
Nitrogen Oxide (NOx)	0.62	0.71	0.72	Ton
Volatile Organic Compounds (VOC)	1.88	1.90	2.05	Ton
Particulate Matter (PM)	0.72	0.70	0.74	Ton
Sulfuric Acid Mist (H ₂ SO ₄)	0.16	0.16	0.16	Ton



Waste Gas Treatment Process Flowchart

DUPT continuously increases investment in environmental protection resources, deepens the application of emission reduction technologies in production processes, and innovates treatment models, successfully earning the designation of an "A-Level Enterprise for Atmospheric Environmental Performance" in the rubber products manufacturing industry. To further consolidate A-rated performance achievements and fulfill responsibilities for atmospheric pollution prevention and control, the Company has specially formulated and implemented the *Administrative Provisions for Class A Enterprises in Atmospheric Environmental Protection Performance*, to clarify operational standards and management responsibilities, promote systematic and normalized atmospheric environmental protection governance, and support the Company's green, low-carbon, and high-quality development.

Waste Gas Treatment Measures

- Fully replace traditional boilers with low-nitrogen oxide steam generators to significantly reduce the initial generation of nitrogen oxides
- Introduce an internationally advanced "Rotary Concentrator + Regenerative Thermal Oxidizer (RTO) integrated unit" waste gas treatment system to achieve efficient adsorption and complete oxidation of volatile organic compounds (VOCs), with emission concentrations far lower than national standards
- Implement fully enclosed retrofits for internal mixers and automated upgrades to the coating process to further improve VOCs collection efficiency and reduce fugitive emissions



"Rotary Concentrator + Regenerative Thermal Oxidizer" Integrated Unit

Control of Waste Emission

Disposal of General Waste

Thoroughly implementing applicable laws and regulations, including the *Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Wastes*, DUPT has established the *General Solid Waste Management System* to standardize the classification, collection, storage, transfer, and disposal of general solid waste. During the Reporting Period, all general industrial solid waste generated by the Company was entrusted to qualified third-party entities for compliant transportation and disposal, achieving a 100% compliance rate for general solid waste disposal. This effectively prevents environmental pollution risks associated with solid waste and upholds our commitment to resource recycling and environmental responsibility.

Measures for Disposal of General Industrial Solid Waste

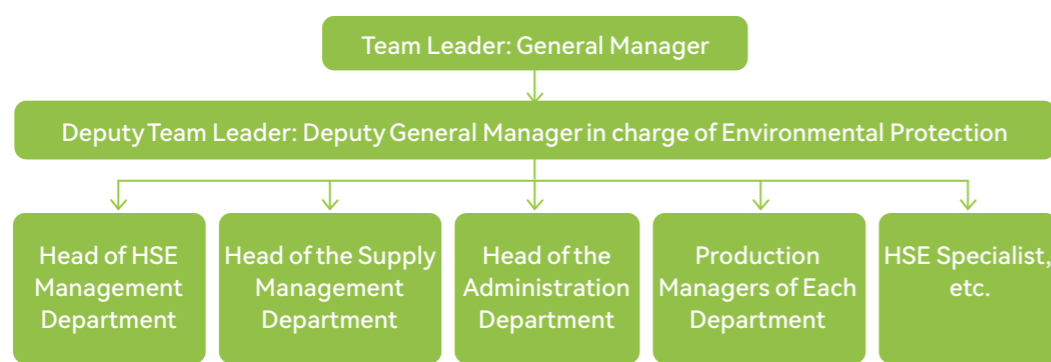
<p>Identification and Determination</p>	<ul style="list-style-type: none"> Identify solid waste not listed in the <i>National Catalogue of Hazardous Wastes</i>, or solid waste determined to lack hazardous characteristics in accordance with the identification criteria of GB 5085 and the identification methods of GB 5086 and GB/T 15555
<p>Collection and Storage</p>	<ul style="list-style-type: none"> Transfer solid waste to designated temporary storage points after generation according to categories and attributes Take prevent rainwater infiltration, leakage, scattering, and loss in storage sites, and place environmental protection signs Prohibit the mixing of general solid waste with hazardous waste, or arbitrary dumping, piling, or landfilling
<p>Disposal and Recycling</p>	<ul style="list-style-type: none"> Designate departments to conduct regular inspections and ensure accurate classification and orderly stacking of all types of waste Establish management ledgers to record sources, types, quantities, and destinations of solid waste to ensure full-process traceability Dispose of recyclable waste in accordance with the <i>Waste Materials Disposal Procedure</i> of the Company Transport and dispose of non-recyclable waste through qualified third-party entities

Waste Emission	2023	2024	2025	Unit
Volume of General Waste Generated	2,000.00	2,100.00	2,150.00	Ton
Disposal Volume of General Waste	2,000.00	2,100.00	2,150.00	Ton
Total Volume of Recycled General Waste	1,800.00	1,850.00	1,900.00	Ton
Percentage of Recycled General Waste	90.00	88.10	88.37	%

Disposal of Hazardous Waste

In accordance with regulatory requirements such as the *Standard for Pollution Control on Hazardous Waste Storage* (GB 18597-2023), DUPT has formulated management system documents including the *Environmental Pollution Prevention Accountability System for Hazardous Waste* and the *Hazardous Waste Management System* to standardize the identification, classification, collection, storage, transfer, and disposal management of hazardous waste. Under the coordination of the HSE Management Department, a Hazardous Waste Pollution Prevention Leading Group has been established to take overall responsibility for hazardous waste management. By clarifying job responsibilities, strengthening process control, and establishing traceable ledgers, the Company ensures lawful and compliant operations and prevents pollution risks.

During the Reporting Period, all hazardous waste generated by DUPT was entrusted to qualified third-party entities for compliant transportation and disposal, achieving a 100% compliance rate for hazardous waste disposal.



Hazardous Waste Management Leading Group

Hazardous Waste Disposal Measures	
 Identification and Determination	<ul style="list-style-type: none"> Accurately identify and determine hazardous waste in accordance with the <i>National Catalogue of Hazardous Wastes</i> and the identification criteria stated in GB 5085 series standards
 Collection and Storage	<ul style="list-style-type: none"> Store in designated locations and affix hazardous waste labels containing information such as name, code number, and hazard characteristics Provide storage facilities with rainproof, seepage-proof, and loss-prevention functions, equip firefighting facilities, and place prominent signs Prohibit the mixing with general solid waste, and store incompatible hazardous waste separately Designate special personnel for management, and assign trained and qualified operators to take posts with personal protective equipment
 Transfer and Disposal	<ul style="list-style-type: none"> Establish fully traceable ledgers to record information such as sources, quantities, and destinations Entrust disposal to qualified entities and sign contracts, and implement the transfer manifest system in accordance with applicable laws and regulations Formulate the <i>Hazardous Waste Emergency Response Plan</i>, and conduct regular drills, evaluations, and revisions Promote source reduction and develop management plans to reduce the volume and harm of waste generated

Waste Emission	2023	2024	2025	Unit
Quantity of Hazardous Wastes Generated	92.85	105.56	122.56	Ton
Volume of Hazardous Waste Disposed	100.77	107.96	119.20	Ton

Note: The difference between the disposal volume and generation volume of hazardous waste in 2025 is due to cross-year transfer of some waste. All hazardous waste has been disposed of in compliance with relevant regulatory requirements

Advancement of Green Development Practices

Promotion of Green Office

Adhering to the philosophy of green development, DUPT continuously deepens green office practices and actively implements resource conservation measures such as energy, water, and paper conservation, effectively reducing energy and material consumption in daily operations. In addition, the Company standardizes the setup of recycling points for hazardous waste such as used batteries. Through publicity and practice, the Company strengthens employees' environmental responsibility awareness, and fosters a green corporate culture that prioritizes resource conservation and environmental friendliness.



Used Battery Recycling Bin

Slogan for Electricity and Paper Conservation

Implementation of Green Transportation

DUPT is committed to building a green transportation system. Through measures such as implementing strict access standards for transport vehicles, promoting clean energy vehicles, and optimizing transportation models, the Company reduces carbon emissions and environmental impacts in the logistics process. Furthermore, the Company promotes innovative transportation models such as intensive loading, regional centralized distribution, and information-based integration of route resources to improve vehicle utilization efficiency, reduce empty runs and ineffective transportation, and promote low-carbon and clean transportation processes at the structural level.

Green Transportation Initiatives

Access Control: implement access control management for freight vehicles and prohibit vehicles that fail to meet emission standards from entering the plant premises

Green Transportation Initiatives

- Cleaner Vehicles:** prioritize the admission of new energy and clean energy vehicles and reduce the proportion of high-emission vehicles in use
- Transport Intensification:** implement weekly shipment planning and consolidate cargo on the same routes to reduce the use of dedicated vehicles and improve load factors
- Regional Diversion Optimization:** rely on regional service stations and adopt a "centralized dispatch + terminal distribution" model to replace scattered direct transportation
- IT Integration:** integrate carrier route resources through an IT platform to facilitate cargo source sharing and improve transportation efficiency

Promotion of Clean Production

DUPT has vigorously advanced clean production. Through measures such as process optimization, clean energy substitution, and comprehensive resource utilization, the Company has reduced pollutant emissions at the source, improved resource utilization efficiency, and continuously lowered the environmental loads during production processes. As of the end of the Reporting Period, the Company has completed a clean production audit acceptance, achieving phased reductions in major pollutant emissions and improvements in both environmental and operational benefits.

★ Environmental Benefits of Clean Production

- Reduction in Volatile Organic Compound (VOC) Emissions: **1.4122** tons/year
- Reduction in General Solid Waste (Steel Scrap) Generation: **3** tons/year
- Reduction in Hazardous Waste (Waste Cleaning Liquid) Generation: **0.08** tons/year

Case Full-Process Emission Reduction Practices in the Adhesive Injection Workshop

DUPT implemented a full-process green transformation in the adhesive injection workshop, establishing a cleaner production model covering source substitution, process control, and end-of-pipe treatment. Equipped with online monitoring devices and an intelligent access control system, the workshop implements smart closed-loop monitoring of pollutant emissions and logistics transportation, enhancing the visualization of environmental data and promoting the dual objectives of environmental protection and refined management across production processes.



Building of a Green Enterprise

DUPT closely aligns with the "carbon peaking and carbon neutrality" strategic goals and integrates a full-chain green industrial layout across green design, manufacturing, and supply chain processes. During the Reporting Period, the Company achieved significant results in energy conservation, consumption reduction, and low-carbon operations, successfully obtained both the Green Factory and the Green Supply Chain Management System Certifications, and was rated as an AAAAA-level Green Enterprise, with green development capabilities receiving authoritative recognition. Moving forward, the Company will continue to deepen the integration and implementation of management systems, drive coordinated carbon reduction across the entire value chain, and provide a practical model for the green transformation of the industry.



Green Factory of Shandong Province



Green Factory Management System Certification Green Supply Chain Management System Certification Green Design Product Management System Certification

Achievement of Environmental Performance Targets

DUPT regularly conducts quantitative assessments of environmental impacts arising from business operations and sets quantifiable environmental targets and indicators based on assessment results. Simultaneously, the Company has formulated the *Performance Measurement and Monitoring Control Procedure* to monitor and measure the achievement of environmental targets and indicators, thereby driving the continuous optimization and improvement of environmental performance.

Environmental Metrics and Targets in 2025	Achievement
Zero Recordable Environmental Incidents	Achieved
Zero Environmental Administrative Penalties	Achieved
Compliant Disposal of Hazardous Wastes	Achieved

Recycling of Resource



Material Utilization

Based on institutional development, DUPT systematically optimizes material and packaging management processes and promotes efficient resource utilization. The Company has formulated systems such as the *Specifications for Material Warehousing Management*, the *Specifications for On-site and Inbound/Outbound Management of Raw Material Yard (Warehouse)*, and the *Measures for the Handling of Recyclable Waste Materials*, to standardize the entire material management process from receipt to recycling and implement the standardized and proceduralized handling of recyclable waste materials.

In the material management process, DUPT implements warehouse optimization and the first-in, first-out principle, strengthens dynamic inventory monitoring and regular stocktaking, and establishes prevention and handling mechanisms for slow-moving materials, to optimize inventory structure, improve material turnover efficiency, and reduce resource occupation and waste.

In packaging management, DUPT has issued the *Green Packaging, Warehousing and Transportation (Planned Implementation) Scheme* and the *Specifications for the On-site Management of Packaging Box Storage Areas*, and established a dedicated implementation department for green packaging, and coordinated standardized control across the entire process of packaging—including procurement, operations, transportation, recycling and reuse—thereby continuously reducing the carbon footprint and environmental impacts of packaging processes and steadily improving the level of green packaging management.

Usage of Packaging Materials				
Indicator Name	2023	2024	2025	Unit
Total Use of Packaging Materials	5,931.00	5,936.40	4,785.00	Ton
Consumption Intensity of Packaging Materials	0.1046	0.0890	0.0664	Tons/RMB 10,000 revenue



Material Management Measures

- Storage of Raw Materials**
 - Establish a graded raw material storage system, and clarify inbound and outbound procedures, storage principles, and job responsibilities
 - Conduct six warehouse safety inspections each month in terms of storage conditions, labeling, and safety protection, with a 100% rectification rate for identified hazards
- Transportation of Raw Materials**
 - Adopt a "self-pickup for bulk materials + annual bidding for qualified carriers" model for off-site transportation to ensure the transportation safety of core raw materials and the stability of the supply chain
 - Promote green transportation for in-plant transfer: use low-energy rail-guided vehicles for steel distribution and electric forklifts for other materials to reduce carbon emissions and energy consumption
- Requisition and Use of Raw Materials**
 - Establish a product BOM information database to achieve precise matching between raw material requirements and production plans
 - Rely on the ERP system to digitally manage material requisition and strictly implement BOM benchmarks to ensure demand-based requisition and precise proportioning
- Packaging Reduction and Recycling of Waste Packaging Materials**
 - Implement a "differentiated packaging by transport mode" strategy for export business and promote packaging reduction and cost savings while ensuring transportation safety

Case Project to Streamline Packaging for Export Products via Land Transport

To put the philosophy of green operations into practice, DUPT optimized the previously standardized packaging model for export products. By analyzing the differences in protective requirements between land transport and sea transport, the Company eliminated the plastic sheeting wrapping step in land transport packaging while retaining core protective structures (fixing frames + protective barriers) and optimizing assembly processes. Following the optimization, the labor time required to package a single product was reduced to 15 minutes, and plastic sheeting consumption for each batch of land-transported products was reduced to zero, significantly lowering resource consumption and improving packaging efficiency.

Case Recycling and Reuse of Used Wooden Cases and Pallets

DUPT has established a sustainable resource management model centered on "recycling, sorting, and repurposing", and set up a dedicated area for collecting used wooden products. To meet internal shipping needs for components, repairable used wooden boxes and pallets were preferred and reprocessed through damage repair, size adjustment, and protection reinforcement to meet transportation protection requirements, thereby reducing new timber procurement, effectively promoting resource recycling and reducing waste generation.

Case Green Packaging Practices Rated as "Excellent"

In accordance with national standards such as *GB/T 37422-2019 Methods and Criteria for Green Packaging Assessment*, DUPT prioritized the procurement of recyclable and biodegradable packaging materials and established a comprehensive packaging recycling mechanism. According to the third-party assessment results, the comprehensive score for green packaging reached 94 points, earning the Company an "Excellent" rating as a green packaging implementation entity, with a significant reduction in environmental impact and operational costs in the packaging process.



Energy Utilization

Energy Management System

In strict accordance with laws and regulations such as the *Energy Law of the People's Republic of China* and the *Renewable Energy Law of the People's Republic of China*, DUPT has formulated supporting documents such as the *Energy Management Work System* and the *Energy Measuring Instrument Management System* to improve the energy management system framework. The HSE Management Department serves as the primary energy control department, with the Deputy General Manager acting as the Energy Management Representative. An Energy Management Leading Group has also been established to oversee energy strategic planning and decision-making on major matters. The primary production supervisors of each workshop and work team have been designated as energy management responsible persons within a tiered management mechanism, with duties such as monitoring energy consumption, implementing measures, and evaluating outcomes. Through the combination of institutional regulation and organizational support, the Company continuously improves the standardization and execution effectiveness of energy management. As of the end of the Reporting Period, the Company has passed the ISO 50001:2018 Energy Management System certification.



ISO 50001:2018 Energy Management System Certification Certificate

Practices of Energy Conservation and Consumption Reduction

Focusing on energy structure optimization and process energy efficiency improvement, DUPT promotes energy conservation and consumption reduction practices across the entire production chain. By integrating clean energy applications, energy-saving retrofits of key equipment, and digital management systems, the Company achieves precise control over energy consumption and carbon emissions.

Measures for Energy Conservation and Consumption Reduction

- Construct rooftop photovoltaic power generation projects to increase the self-sufficiency rate of clean energy
- Upgrade energy-saving technologies for key equipment such as steam generators and industrial furnaces to achieve thermal energy recycling
- Deploy the MES system to realize real-time monitoring and dynamic optimization of energy efficiency and material consumption
- Promote digital traceability across the entire product lifecycle in conjunction with ERP, PLM, and other systems to support closed-loop resource utilization
- Carry out multi-dimensional energy performance diagnostics, and formulate and implement the *Prioritized List of Energy Performance Improvement Opportunities*
- Prioritize the procurement and use of energy-efficient and environmentally friendly raw materials, products, and services

Case Steam Generator Technology Upgrade Supporting Improvements in Energy Efficiency and Waste Emissions

The Company adopted high-performance steam generators capable of linear steam output adjustment ranging from 20% to 100%, with the minimum continuous steam output as low as 200 kg/h. Equipped with the FPTS flow-through chamber technology, this equipment effectively suppresses the generation of nitrogen oxides during combustion, with NOx emission concentrations below 30 mg/m³. Additionally, with the condensate heat recovery technology, the latent heat of flue gas is fully absorbed, achieving a thermal efficiency of 100.27%, with waste gas temperature lower than 60°C, realizing efficient energy utilization and clean emissions.



Energy Consumption Metrics and Targets

DUPT places high importance on energy consumption management and efficiency improvement during operations. The Company has established an intelligent data monitoring system to continuously track energy consumption across all stages and strictly controls energy consumption through technical upgrades and management optimization.

Energy Consumption	2023	2024	2025	Unit
Total Energy Consumption	2,934.48	3,090.19	3,018.71	tce
Energy Consumption Intensity	0.0518	0.0463	0.0419	tce/RMB 10,000 revenue
Renewable Energy Consumption	-	-	16.87	tce

Note: The total energy consumption is calculated based on the conversion factors specified in GB/T 2589-2020 General Rules for Comprehensive Energy Consumption Calculation, a national standard of the People's Republic of China.

Energy Usage				
Energy Types	2023	2024	2025	Unit
Natural Gas	48.00	40.00	34.00	10,000 m ³
Gasoline	34.99	50.31	50.27	Ton
Diesel	176.08	174.83	208.02	Ton
Total Purchased Electricity	16,176,015	18,140,080	17,677,545	kWh
Photovoltaic Power Generation	-	-	137,278	kWh

Note: The Company's photovoltaic project was officially put into operation on November 15, 2025. The statistical period for photovoltaic power generation data in 2025 is from November 15, 2025 to December 31, 2025

Water Resource Utilization

Water Resource Management System

In strict accordance with national laws and regulations such as the *Water Law of the People's Republic of China* and relevant standards, DUPT standardizes water resource management, and focuses on strengthening the conservation, protection, and rational utilization of water resources. Water used in the Company's production and operations mainly comes from municipal water supply and internal recycled water, covering production manufacturing, cooling circulation, daily office operations, and living services. During the Reporting Period, no direct or indirect significant water resource impact incidents occurred in the Company during the water withdrawal, use, drainage, and storage processes, and the Company effectively fulfilled responsibilities for water conservation and protection.

Measures for Water Resource Management

DUPT actively responds to the national call to build a water-saving society. Through measures such as technical transformation, process optimization, and cultivation of employees' water-saving awareness, the Company continuously improves water resource utilization efficiency and achieves scientific management of water usage structure.

Water Conservation Measures
<ul style="list-style-type: none"> Promote reclaimed water reuse systems to realize cascade utilization and recycling of water resources.
<ul style="list-style-type: none"> Enhance daily maintenance and management of water-using equipment, and strictly check for any leakage, emission, dripping, or wastage.
<ul style="list-style-type: none"> Prioritize the procurement and use of water-saving and environmentally friendly raw materials, products, and services.
<ul style="list-style-type: none"> Post water-saving slogans to enhance employees' awareness of water conservation.

Water Resource Metrics and Targets

In the principle of "prioritizing water conservation and realizing water recycling", DUPT continuously improves water use management through measures such as process optimization and facility upgrades. In the future, we will steadily advance water-saving technical transformation and efficiency improvement work in combination with advanced industry practices and our own operational needs, thereby contributing to the achievement of sustainable water resource utilization targets.

Indicator	2023	2024	2025	Unit
Total Water Consumption	60,745	76,513	85,483	Ton
Water Consumption Intensity	1.0713	1.1467	1.1854	Tons/RMB 10,000 revenue
Consumption of Fresh Water	60,745	66,913	70,983	Ton
Total Water Circulation and Reuse	-	9,600	14,500	Ton
Water Recycling and Reuse Rate	-	12.55	16.96	%

Note: The company's water reuse system was officially put into use in May 2024, and the total water circulation and reuse is an estimated figure.

Ecological and Environmental Protection

DUPT attaches great importance to the impacts of operational activities on biodiversity, and actively responds to the call of the Kunming–Montreal Global Biodiversity Framework. In strict accordance with laws and regulations such as the *Opinions on Further Strengthening Biodiversity Conservation* and the *Law of the People's Republic of China on the Prevention and Control of Soil Contamination*, the Company systematically advances biodiversity protection efforts. The Company also conducts biodiversity risk assessments and hazard investigations, strengthens full-process control from project environmental impact assessments to operational emissions, ensures that pollutants are discharged in compliance with standards, and effectively prevents adverse impacts on surrounding ecosystems.

During the Reporting Period, the Company continued to improve the ecological monitoring and assessment system and the ecological monitoring network, and monitored environmental elements such as air, surface water, soil, and groundwater in the surrounding areas of production and operation sites. In 2025, there were 40 ecological monitoring points, and 893 sets of monitoring data were obtained. Monitoring results showed that the Company's production and operations did not affect local ecological functions. Moreover, the Company actively promoted eco-friendly operations through technological innovation, reduced land occupation, soil disturbance, and environmental pollution, and supported ecological restoration and biodiversity protection at mines, thereby promoting coordinated development between industrial production and the natural ecosystem.

Case Integrated Solid Waste Crushing and Backfilling Supporting Ecological Protection and Biodiversity Restoration in Mining Areas

The "Integrated Solid Waste Crushing and Backfilling Solution" of the Company realized resource utilization of mine solid waste through a full-chain treatment system. It eliminated land occupation, dust generation, and leachate pollution caused by traditional stacking from the source, reduced damage to surrounding soil, water bodies, and vegetation, and lowered human disturbance to natural habitats, thus creating conditions for ecological reconstruction in mining areas and effectively promoting local biodiversity protection and restoration.

Case Integrated Blending and Backfilling Solution Supporting Hydrological Stability and Ecological Restoration in Mining Areas

The "Integrated Blending and Backfilling Solution" of the Company provided reliable technical support for coal mine water control, goaf management, and surface subsidence mitigation through automated precision control and remote pumping. It reduced mining-induced disturbances to groundwater and surface ecosystems at the source, minimized the risks of subsidence and pollution, maintained regional soil stability and hydrological balance, and created stable habitats for vegetation restoration and biodiversity conservation.



06

Reshaping Industrial Ecosystem through Resilient Supply Chains and Delivering Quality Excellence through Continuous Innovations



Adhering to the values of "customer-centered and striver-oriented", DUPT drives the technological advancement in drilling and directional drilling through innovation, strictly controls product quality and service standards, and leverages an efficient and collaborative supply chain system to provide stable and reliable equipment and engineering solutions for global energy exploration and development, continuously creating greater value for customers.

Responded UN Sustainable Development Goals (SDGs):

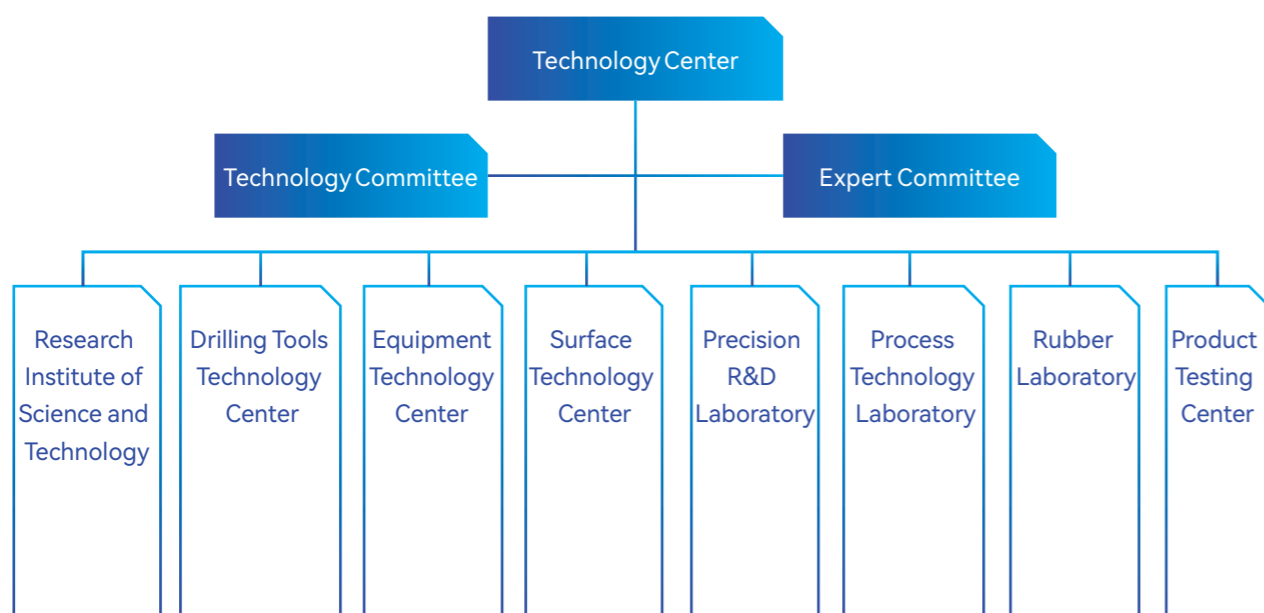


Enhancement of Innovation Engine



R&D Innovation Management System

DUPT is committed to establishing a systematic and standardized R&D innovation management system. The Company has formulated and implemented documents such as the *R&D Project Management System* and strictly enforces the Project Leader Accountability System to achieve closed-loop management throughout the entire project lifecycle—from proposal and feasibility studies to project initiation, review, and acceptance. In terms of organizational structure, the Company has established an innovation platform centered on the Technology Center, with multiple specialized R&D departments. Through a flat management model of "Technical Director in Charge, Technical Managers for Assistance", the Technical Director is granted authority over R&D decision-making and resource allocation. Concurrently, the Company has established a normalized cross-departmental collaboration mechanism to integrate technical expertise, shorten management chains, efficiently promote knowledge sharing and collective innovation, and stimulate the creativity of R&D teams.



Organizational Chart of the Technology Center

★ Key Performance

R&D Investment: RMB **28.0775** million Proportion in Operating Revenue: **3.89%**
 New R&D Projects Initiated: **28**

With strong innovation capabilities, DUPT has successively been recognized as the "National High-Tech Enterprise", the "National 'Little Giant' Specialized and Sophisticated Enterprise that Produces Novel and Unique Products", the "Single-Champion Manufacturing Enterprise of Shandong Province", etc. In terms of innovation platforms, the Company owns provincial R&D platforms such as the Recognized Enterprise Technology Center of Shandong Province, as well as municipal innovation carriers such as the Dezhou Wellhead Equipment Engineering Research Center. Relying on the Provincial Postdoctoral Innovation Practice Base, the Company gathers high-end talent to comprehensively support core technology breakthroughs and the commercialization of innovation achievements.

Identification of Innovation Risks and Opportunities

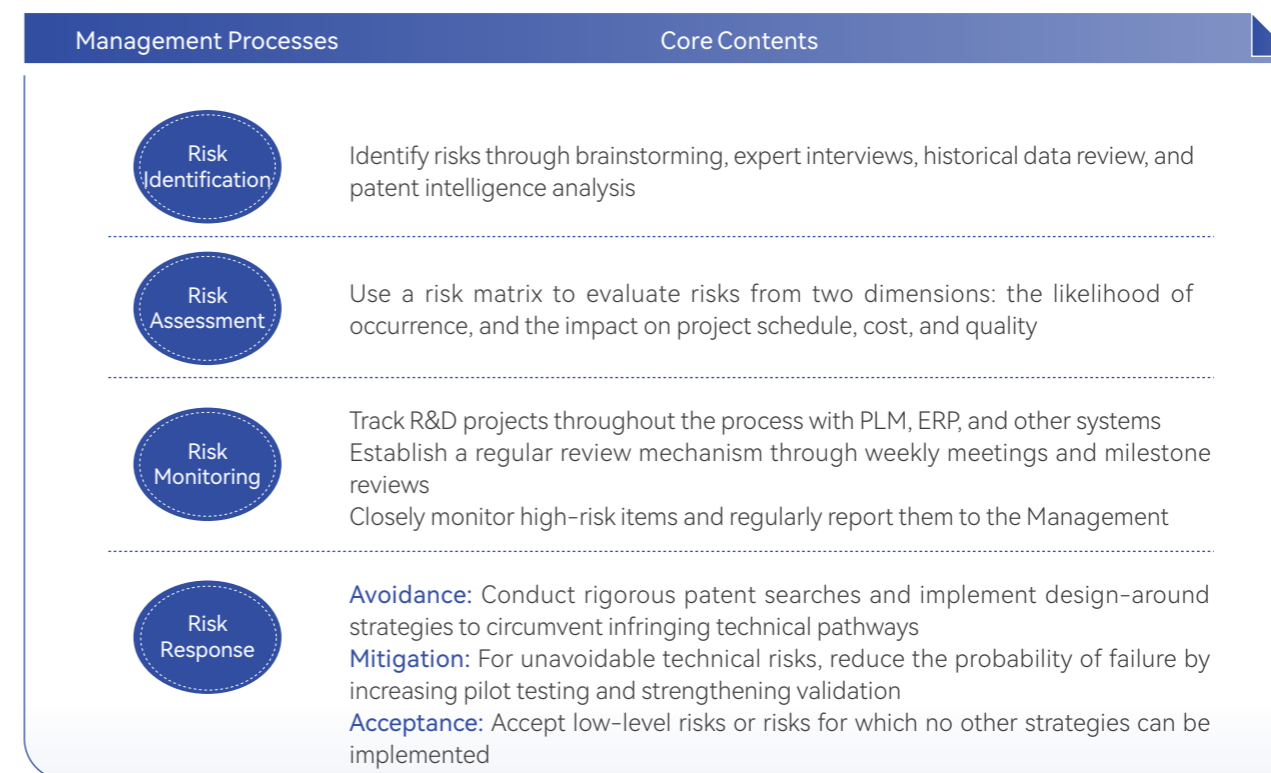
Risk Type	Description of Risk	Likelihood of Occurrence	Impact Cycle	Financial Impact	Countermeasures
Technology R&D Risk	The R&D of oil and gas equipment for extreme environments—such as ultra-high temperatures, high pressures, and high corrosion—is highly challenging and time-consuming. Failure to achieve breakthroughs in key technologies or industrialization may lead to project failure.	Medium	Medium to long term	<p>Decline in operating profit: Failure to launch new products on schedule may result in missed market opportunities and hinder the Company's revenue growth.</p> <p>Increase in operating costs: Prolonged high R&D investment without expected results in R&D expenses exceeding the budget.</p>	<ul style="list-style-type: none"> Deepen industry-university-research cooperation and jointly build laboratories to overcome key technical challenges Establish phased technical review and industrialization evaluation mechanisms to adjust R&D direction and resource allocation in a timely manner Conduct small-scale pilot tests to verify technical feasibility and industrialization pathways

Risk Type	Description of Risk	Likelihood of Occurrence	Impact Cycle	Financial Impact	Countermeasures
Technology Iteration Risks	The industry is rapidly evolving toward intelligence, electrification, and low-carbon transformation. Failure to timely deploy cutting-edge technologies such as electric drive and digitalization may result in outdated products and declining competitiveness.	Medium	Short term	Decline in operating profit: Technological lag weakens the ability to command premium prices, reduces market share, and impacts operating profit.	<ul style="list-style-type: none"> Establish a technology trend monitoring team to regularly analyze industry developments Increase R&D investment in emerging technologies such as electric drive and digitalization
Talent Turnover Risk	Loss of core R&D personnel due to insufficient incentives or limited development opportunities will directly affect R&D progress and the confidentiality of core technologies.	Low	Medium term	Decline in operating profit: Disruptions in key technologies lead to delays in R&D projects and product launches, affecting sales revenue and market share. Increase in operating costs: Additional investment required for recruitment and training increases labor costs.	<ul style="list-style-type: none"> Establish competitive compensation and medium- to long-term incentive mechanisms Improve career development pathways and training systems for R&D personnel Strengthen technical information management and confidentiality systems

Opportunity Type	Description of Opportunity	Likelihood of Occurrence	Impact Cycle	Financial Impact
Opportunities in Deep-Earth and Deep-Sea Development	With the advancement of the national deep-earth and deep-sea energy strategy, market demand for high-end downhole motors capable of withstanding extreme environments is surging. The Company can leverage existing technical expertise in drilling tools to enter high-value-added niche markets.	High	Long term	Increase in operating profit: High-end drilling tools feature significant technical barriers and strong pricing power, enabling the Company to optimize product mix and improve overall gross margin.
Opportunities in the Convergence of Intelligent Technologies	With a clear trend toward integrating technologies such as logging-while-drilling (LWD) and digital drilling with traditional tools, drilling tools are provided with "sensing, transmission, and control" capabilities to improve operational efficiency and safety.	Medium	Medium to long term	Increase in operating revenue: The development of "intelligent drilling tools" enhances single-product value and opens new business models such as data services and predictive maintenance based on data connectivity, achieving dual revenue growth through "products + services".

Management of Innovation Risks Opportunities

Focusing on four categories of risks—technology, market, resource, and intellectual property risks, DUPT has established a full-process R&D risk management system covering "identification – evaluation – monitoring – response". This system is deeply integrated into the Company's overall management and quality systems and supported by the PLM system to achieve traceable management of R&D documents, records, and changes.



Establishment of Innovation Metrics and Targets

DUPT places technological innovation at the core of strategic priorities, maintaining long-term R&D investments at over 3% of operating revenue. Guided by market demand, the Company sets and strictly implements annual quantitative innovation targets, strengthens intellectual property planning and management, and promotes the industrial application of core achievements. In addition, the Company actively participates in major provincial science and technology projects. Among these, the project titled "R&D and Industrialization of High-Temperature, Corrosion-Resistant Deep-Sea/Deep-Earth Downhole Motors with Intelligent Communication Capabilities" has been approved as a major science and technology innovation project of Shandong Province, demonstrating the Company's R&D capabilities and industrialization potential in the field of cutting-edge technologies. During the Reporting Period, all annual innovation targets were achieved as scheduled.

Innovation Metrics and Targets in 2025	Achievement
New R&D Projects Initiated: ≥5 Items	✔ 28 Items
Scientific and Technological Achievements Commercialized ≥ 5 Items	✔ 30 Items
Patent Applications ≥ 15 Cases	✔ 32 Cases
Patent Implementation and Commercialization Rate ≥ 90%	✔ 93%

Optimization of Innovation Support Mechanisms

R&D Team Building

DUPT attaches great importance to the development of the R&D team. Relying on independent R&D institutions, the Company has built a professional R&D team that is well-structured, youthful, efficient, and highly innovative. Led by intermediate and senior engineers, the team brings together more than 100 professionals holding master's and bachelor's degrees. With solid technical R&D foundations and rich experience in project management and technical services, the team lays a strong foundation for technological breakthroughs and product iterations.

★ Key Performance

Number of R&D Personnel: **153** Persons

Percentage of R&D Personnel: **18.64%**

Composition of R&D Team		
Indicator	2025 (Person)	
By Age	Under 30 (exclusive) Years Old	65
	30 (inclusive) to 40 (exclusive) Years Old	56
By Educational Background	Bachelor's Degree	110
	Master's Degree	35

Incentives for R&D Innovation

DUPT has established an innovation incentive system in accordance with systems such as the *Measures for the Management of R&D Innovation Incentives* and the *Measures for the Management of Patents, Professional Title, and Vocational Qualifications*. This system comprehensively covers three key dimensions: projects, patents, and talent. Project incentives promote technology transformation, patent incentives strengthen technical barriers, and professional title and honor incentives stimulate talent potential, systematically driving R&D innovation.

As of the end of the Reporting Period, regarding project incentives, several key products and technologies—including high-pressure flexible hoses, zero-pressure hydraulic vibrators, and a series of flat valves—successfully passed acceptance inspections and received grade evaluations. Regarding patent incentives, multiple patents—such as "A Drive Shaft Assembly and RSS Downhole Motor" and "A Micro High-Pressure Flat-Plate Valve"—were granted, and the corresponding rewards were disbursed, effectively unleashing innovation potential and enhancing the efficiency of R&D commercialization.

Protection of Intellectual Property Rights

In strict accordance with laws and regulations such as the *Trademark Law of the People's Republic of China*, the *Patent Law of the People's Republic of China*, the *Copyright Law of the People's Republic of China*, and the requirements of GB 29490-2023, in combination with the compliance management policy of "strengthening intellectual property protection and safeguarding trademark rights", DUPT has established a systematic intellectual property management system. The Company has designated the top executive as the primary responsible person for intellectual property management. The Tech-



Training on Intellectual Property Management System

nology Center serves as the lead department, coordinating all related efforts, while each functional department supports implementation within its respective scope.

DUPT has established full-process management systems covering the acquisition, maintenance, utilization, and protection of intellectual property, and continuously improves employees' awareness of intellectual property protection through regular internal training. In addition, based on the PDCA cycle framework, compliance reviews are embedded into key business process nodes—including project initiation, R&D, procurement, production, sales, and after-sales—to enable proactive risk identification and continuous improvement, thereby effectively safeguarding the realization of value from innovative achievements.

Key Performance

Annual Cumulative Patent Applications: 32	Number of Utility Model Patents: 62 Items
Valid Authorized Patents as of the End of the Reporting Period: 115	Design Patents: 6 Items
Invention Patents: 47 Items	Software Copyrights: 11 Items
	Trademarks: 14 Published Papers: 14

Case Downhole Motor Recognized as a Patent-Intensive Product

In March 2025, the China Patent Protection Association released the 2024 List of Patent-Intensive Products. The downhole motor products of the Company were successfully included in the list for Shandong Province due to outstanding patent value and economic benefits. Winning this high-value national certification in the national intellectual property sector not only serves as authoritative recognition of our technical strength, but also demonstrates the remarkable achievements of our long-term commitment to scientific research and innovation.

地区	序号	备案号	产品名称	专利数	单位名称
	2340	20243700004691.2	射向机活塞	40	金马工业集团股份有限公司
	2341	20243700004798.5	节能型多液替置设备	37	山东中德石化设备有限公司
	2342	20243700004801.7	聚醚醚树脂油	13	兴发新材料科技(山东)有限公司
	2343	20243700004848.8	轻量化刮车盘	5	烟台莱士机械集团有限公司
	2344	20243700004852.0	螺杆钻头	9	德州联合石油科技股份有限公司
	2345	20243700004884.3	马铃薯收获机	3	山东思尔农农业装备有限公司
	2346	20243700004890.0	改性化学氧化钛粉	16	烟台艾弗尔阻燃科技有限公司
	2347	20243700004994.0	悬挂式增补增密机	3	山东思尔农农业装备有限公司
	2348	20243700005064.7	马铃薯增选输送机	3	山东思尔农农业装备有限公司
	2349	20243700005016.4	方圆扣 10.0	4	山东方圆建筑材料有限公司
	2350	20243700005026.3	剪刀墙	7	山东方圆建筑材料有限公司
	2351	20243700005133.4	咖啡糖片	3	德州德药制药有限公司
	2352	20243700005175.5	高性能中重卡车轴	7	天润工业技术股份有限公司
	2353	20243700005187.0	高性能中重卡轴	5	天润工业技术股份有限公司
	2354	20243700005381.9	固壳膜干膜膜	7	济南万象生物技术有限公司
	2355	20243700005382.7	超高分子量聚乙烯纤维	21	山东莱威新材料有限公司
	2356	20243700005390.0	乳酸菌发酵罐产物	5	山东鲁康健康产业有限责任公司
	2357	20243700005440.3	全钢巨型工程机械轮胎	39	山东新象轮胎有限公司
	2358	20243700005464.3	半刚-一次法轮胎成型机	8	青岛航控机电工程有限公司
	2359	20243700005493.2	变压器(电抗器)状态综合监测系统	16	山东和见智能科技有限公司

Presentation of R&D and Innovation Achievements

Technical Breakthroughs

Leveraging robust technical problem-solving capabilities and breakthroughs in manufacturing processes, DUPT efficiently transforms highly complex design concepts into precision components with stable performance and reliable quality. The Company has mastered more than 40 key and difficult machining processes, forming a system of specialized process solutions that are both feasible and reusable.

In the field of precision machining, DUPT possesses industry-leading key technologies such as precision deep-hole machining, deep-hole gun drilling, slender shaft machining, deep-hole EDM, and spatial inclined hole machining. Additionally, the Company has mastered more than ten special surface treatment and strengthening processes including laser cladding, supersonic flame spraying, anodizing, nitriding, and Teflon coating.

For special structures in instruments, DUPT comprehensively applies advanced processes such as precision multi-axis machining, special electro-processing, and laser cladding. While ensuring micron-level dimensional accuracy, these techniques enhance product assembly sealing performance and wear resistance, doubling the service life of key components, and extending the working cycle of the entire machine in harsh downhole environments.

Case Process Technology for Non-Magnetic Components

To address the unique machining challenges of non-magnetic components, the Company has persistently tackled these issues to achieve breakthroughs in key technologies. Taking the azimuthal acoustic LWD drill collar as an example, the Company innovatively developed a dedicated machining process to precisely machine a series of precision "expanded hole" structures along the same axis, with depths gradually decreasing from 84 mm to 18 mm and wall thickness differences of up to 29 mm. This breakthrough overcomes the high-precision machining bottleneck for complex irregular holes, providing critical process support for the industrialization of high-end non-magnetic drilling tools.



Case Process Technology for Complex Irregular-shaped Components

For complex and irregular-shaped components such as engineering parameter housings, the Company utilizes four-axis gantry machining centers to achieve the high-precision intersection of multiple spatial inclined holes. This ensures that the positional tolerance of pin holes is consistently controlled within <0.05 mm—equivalent to completing "micro-threading engraving" within the spatial scale of a hair's diameter—intuitively demonstrating the Company's strong technical capabilities in precision machining.



Case Electric-Drive Hydraulic Skid-Mounted Pressurization Unit

DUPT focuses on promoting the innovation and application of electric-drive hydraulic skid-mounted pressurization devices in oilfield pressure-drive processes. During pressure-drive operations at oilfields, the Company innovatively applies electric-drive hydraulic pressurization technology. A single-cylinder double-acting reciprocating injection pump driven by hydraulic power achieves high-pressure, large-displacement injection and is combined with coordinated operation of vehicle-mounted skid pump units, significantly reducing construction costs and energy consumption and solving the problem of inefficient development in mature oilfields.



Achievement Application

DUPT continuously promotes product and technology iteration, focusing on key scenarios such as deep-earth engineering, efficient drilling, safe gas production, and intelligent pressure-drive operations. The Company has successfully developed and applied multiple innovative products. Through university-industry collaboration, material structure optimization, and the integration of intelligent control systems, the Company has significantly enhanced product performance in terms of high-temperature resistance, efficiency, sealing integrity, and construction cost-effectiveness. These achievements have been validated in national major engineering projects and multiple oilfield blocks, effectively solving industry pain points and reducing operating costs and risks.

Innovative Products	Core Technical Advantages	Applications and Outcomes
High-Temperature Downhole Motors	High-temperature-resistant stator rubber formulation, transmission shaft material and structural optimization	<ul style="list-style-type: none"> Applied in the Xin'an-1 Well (with the maximum bottom-hole temperature of 206°C) under the "Deep-Earth Engineering" Initiative, supporting breakthroughs in vertical depth exceeding 10,000 meters Provided operational services for specific well sections of the Take-1 and Chuankou-1 wells
Hydraulic Vibrators	Ball-drop Activation Technology	<ul style="list-style-type: none"> Included in Shandong Province's List of First-of-a-Kind Technical Equipment Increased mechanical drilling speed of sliding drilling (by over 40%) and the proportion of composite drilling, and reduced drilling cycles and costs, during pilot applications in Daqing, Sichuan and other blocks
Sand-control Gas Production Wellhead	Top-loaded Composite Metal Seal, and a Sand-Ejecting Structure in the Flat Valve Elastic Assembly, Compliant with PSL 3G Standards	<ul style="list-style-type: none"> Reduced seal leakage rate by over 70% and extended equipment lifespan by over 60% Promoted and applied in Sinopec Northeast Bureau, Yanchang Oilfield and other blocks, significantly reducing oil and gas leakage risks
Complex Medium Injection Device	Low-Shear and Low-Damage Design with the Intelligent Control Technology	<ul style="list-style-type: none"> Supported multiple processes including small-scale fracturing, sand and chemical injection, and enhanced oil recovery Solved the challenges of high-pressure, high-flow injection and displacement, and reduced construction costs and operational intensity
Fracturing Hoses	UPE+HNBR Lining, Wear Warning Layer, Corrosion Resistance, and Ultra-High Wear Resistance	<ul style="list-style-type: none"> Withstand pressures up to 140 MPa and feature "conformable" flexibility Calculated on a 4-well chain operation: reduced the number of high-pressure pipe and valve components for flexible fracturing hoses to only one third of that for conventional steel pipe connections, decreased connection points by approximately 70%, shortened manifold connection time by approximately 50%, and saved equipment costs by approximately 41.2%

Industry Leadership

As a leading enterprise in China's oil and gas drilling and production equipment sector, DUPT is deeply engaged in industrial technology collaboration and standardization initiatives. Relying on long-term accumulated engineering practice and technical systems, the Company leads or participates in the formulation and revision of multiple national, industry, and association standards, guiding quality upgrades in segmented fields through technical standard output. In addition, leveraging its strengths in adapting to local operating conditions and handling extreme operating environments, the Company has built a technical collaboration ecosystem with upstream and downstream partners in the industry chain to advance the localization of key equipment.

Participation in Standards Development Over the Past Five Years		
Standard No.	Name of Standard	Standard Type
GB/T 46051-2025	Choke and Kill Hoses and Hose Assemblies	National Standard
GB/T 46167-2025	Specifications for Flexible Hoses and Hose Assemblies Used For Fracturing	National Standard
T/CPI 11037—2024	Technical and Application Specifications for Hydraulic Vibrators in Oil and Gas Drilling and Production Equipment	Group Standards
T/CAS ES200912001-2022	Rules for Quality Grading Evaluation of Industrial Products —Wellhead Equipment and Christmas Trees for Petroleum-Specific Equipment	Group Standards
T/ZZB 2582-2021	Bolts for Steel Pipe Flanges in the Petrochemical Industry	Group Standards

Participation in Association		
S/N	Association Name	Position in Association
01	China Petroleum & Petrochemical Equipment Industry Association	Executive Director
02	China Petroleum and Chemical Industry Federation	Member
03	Shandong Industrial Design Association	Director
04	Shandong Enterprise Innovation Promotion Association	Member
05	Dezhou Equipment Manufacturing Association	Vice Chairman

R&D, Innovation, and Digital-Intelligent Development

DUPT steadily advances digital and intelligent development, focusing on core businesses such as drilling tools, equipment manufacturing, and oil and gas engineering technical services. The Company deepens the integration and application of digital and intelligent technologies around key strategic directions such as unconventional oil and gas development and integrated downhole motor services. The Company has been recognized as a "Morning Star Factory" in Shandong Province's digital Economy Initiative, established a digital platform integrating multiple systems such as ERP, MES, and PLM, and simultaneously advanced the digital transformation of production processes and the intelligent upgrading of downhole equipment products. By leveraging digital and intelligent capabilities to empower core business strategies, the Company continuously enhances operational efficiency across the entire chain of the oil and gas equipment industry.

Case R&D Big Data Platform—Establishing a Closed-Loop Management System for the Instrument Lifecycle Management

To comprehensively empower the precise management of high-end downhole instruments such as high-temperature MWD, the Company has independently developed a supporting big data management platform which establishes a closed-loop data system covering the entire lifecycle of instruments—from factory release, through downhole operations and maintenance, to decommissioning—enabling real-time instrument status monitoring, controllable operational processes, and data-driven management decisions. This ensures the Company can consistently provide customers with highly reliable and high-value-added comprehensive downhole motor solutions.

Based on an IoT framework, the system integrates four-dimensional core data streams:

- Real-time operation data: dynamically monitor more than 30 key downhole parameters
- Equipment health data: enable fault warning and condition assessment
- Historical operation data: form a traceable and analyzable operating-condition database
- Maintenance data: optimize maintenance strategies

Based on multi-dimensional data integration, the platform provides four core functions:

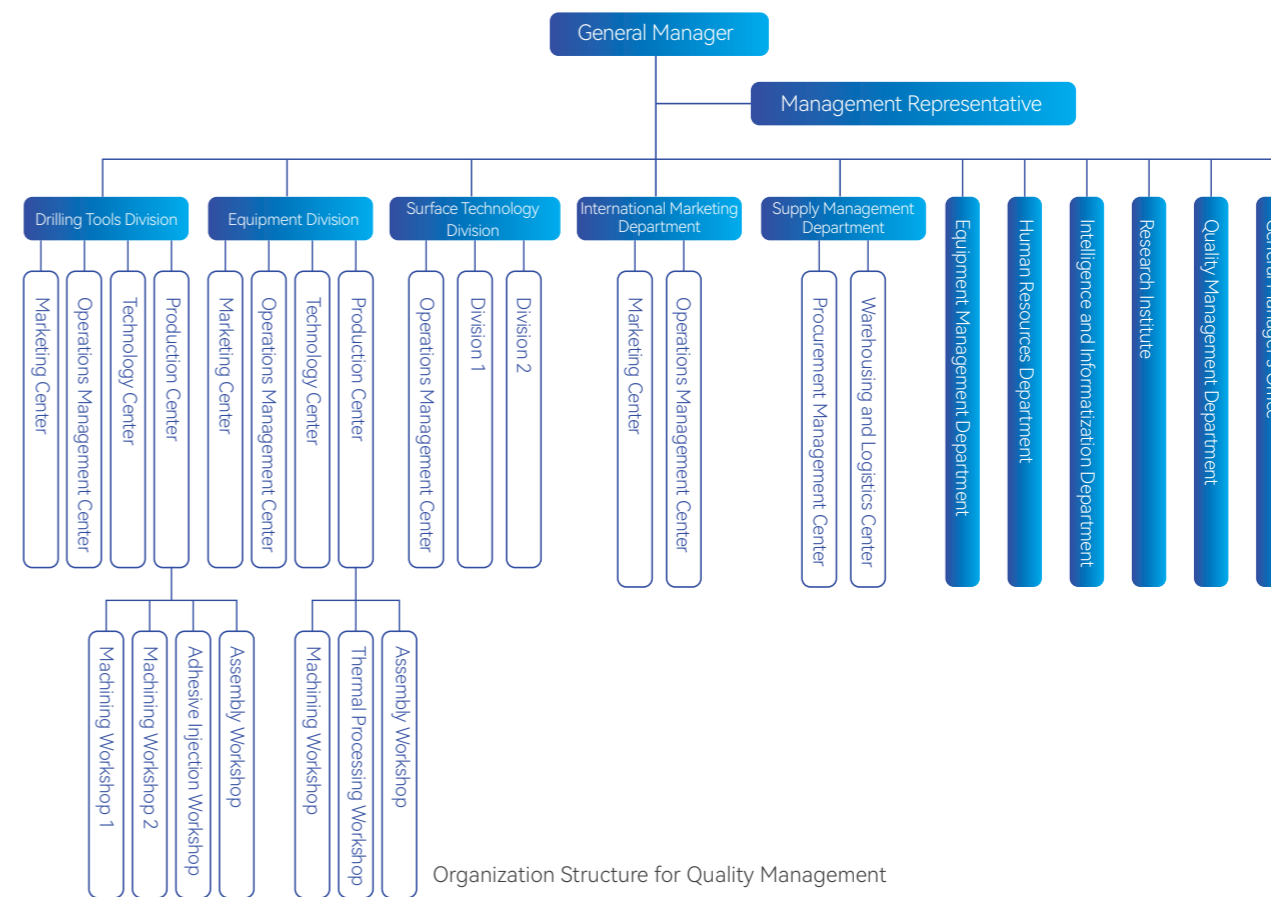
- Visualized monitoring and real-time warning to prevent unplanned shutdowns
- Data traceability and intelligent analysis to support condition review and parameter optimization
- Lifecycle management to achieve a closed-loop asset data system from acquisition to decommissioning
- Collaborative customer service to enhance cooperation transparency and configuration accuracy



Big Data Management Platform

ISO 9001:2015, and guided by the *Quality Manual* as the guiding framework, and led by the Quality Management Department as the leading department of the system, the Company implements quality management covering the entire product realization process. By clearly defining organizational responsibilities and processes, quality control is deeply integrated into every stage of R&D, manufacturing, and service. Supported by systematic monitoring, analysis, and improvement mechanisms, the Company continuously promotes the achievement of quality objectives and ensures product reliability and consistency.

Since passing ISO 9001 certification in 1996, DUPT has deeply cultivated systematic quality management and obtained API Spec Q1 certification in 2013, becoming a pioneer in quality management within the industry. At present, a three-dimensional certification framework has been established with API Spec Q1 and ISO 9001:2015 as the core, supported by product specifications such as API 6A and 7-1 and supplemented by specialized systems including measurement and welding, providing systematic support for full-process quality control.



Consolidation of Product Quality

Establishment of Quality Management System

In strict accordance with the *Product Quality Law of the People's Republic of China* and standards such as API Spec Q1 and



API Spec Q1 Certification Certificate



ISO 9001:2015 Certification Certificate



API 6A Certification Certificate



API 7-1 Certification Certificate

Measurement Management System Certification Certificate

Welding Management System Certification Certificate

Opportunity Type	Description of Opportunity	Likelihood of Occurrence	Impact Cycle	Financial Impact
Opportunities in Quality Digitalization	Build a digital quality platform covering the entire equipment lifecycle to enable data traceability and early warnings from the supply chain through to operational monitoring, driving a shift from reactive control to proactive prevention.	High	Long term	<p>Reduction in operating costs: Early avoidance of quality issues through data warning reduces losses such as product rework, after-sales maintenance, and customer compensation.</p> <p>Increase in operating profit: The lifecycle quality data reports are provided to oilfield customers to strengthen their trust in product reliability and support the acquisition of high-value long-term orders.</p>

Identification of Quality Risks and Opportunities

Risk Type	Description of Risk	Likelihood of Occurrence	Impact Cycle	Financial Impact	Countermeasures
Product Quality Risk	Products are applied in high-temperature, high-pressure, and high-abrasion downhole environments. If sealing performance, strength, and other parameters continuously fail to meet API standards and operating condition requirements, reliability and service life may be affected.	Low	Medium term	<p>Increased operating costs: A lower product pass rate affects delivery, while decreased customer satisfaction impacts future cooperation and orders.</p> <p>Increase in non-operating expenses: Costs for after-sales maintenance, on-site technical support, and parts replacement rise significantly, and the Company may face liability for compensation and fines.</p>	<ul style="list-style-type: none"> Implement tiered audits and sampling inspections, with focused monitoring of critical processes Conduct design verification and type testing to identify design defects in advance Strengthen assembly training and standardized operations and implement quality traceability
After-sales Service Risk	In the event of equipment failure at a customer site, delayed service response, insufficient spare parts support, or inadequate on-site technical capabilities may impact the customer's operational progress and satisfaction.	Low	Short term	<p>Increase in operating costs: Compensation for downtime, free services, and emergency logistics expenses may be caused by service errors.</p> <p>Decline in operating profit: Poor after-sales service leads to customer dissatisfaction, resulting in churn and reduced orders, which in turn impacts revenue.</p>	<ul style="list-style-type: none"> Establish tiered response protocols and service commitments, and clarify handling procedures Establish a knowledge base for common faults to support rapid on-site reference Implement a service case review mechanism to continuously optimize service processes

Quality Risk and Opportunity Management

Based on regulatory requirements and dynamic management principles, DUPT has formulated and implemented the *Risk Assessment Management and Emergency Response Plan Control Procedure*. Each year, the Quality Management Department organizes all departments to identify risks with professional methods and conducts a comprehensive evaluation and classification based on three dimensions—probability, severity, and detectability—according to a risk matrix, dividing risks into major, moderate and low risks. The Company implements differentiated control measures for risks of different levels, strengthens response measures and conducts regular drills for medium- and high-level risks. Through a systematic risk management mechanism, the Company proactively seizes opportunities for improvement, thereby ensuring the effective operation of the quality management system and the steady development of business operations.

Improvement of Product and Service Quality

Quality System Audit

DUPT regularly conducts internal audits of the quality management system, covering core processes such as nonconformity and complaint handling, risk and opportunity assessment, objective management, and compliance evaluation, and coordinates these efforts with management reviews. By identifying and correcting operational deviations, preventing potential risks, and driving continuous improvement of the system, the Company ensures that all quality activities comply with standard requirements and maintains the suitability, adequacy, and effectiveness of the management system. During the Reporting Period, the Company successfully passed the annual audits of API Spec Q1 and DNV quality management systems, and the systems continuously operate effectively.

Product Quality Inspection

DUPT implements full-process inspection of raw materials, production processes, and finished products in strict accordance with industry specifications and quality management standards. The Company routinely conducts multi-dimensional inspections such as chemical composition analysis, mechanical property testing, ultrasonic testing, and magnetic particle testing. It systematically implements third-party inspections and special equipment type tests and achieves full-process traceability based on various quality records. Through continuous optimization of inspection processes and strengthening quality control, the Company ensures product conformity and consistency, and provides customers with oil and gas equipment products that meet high-standard requirements. During the Reporting Period, the Company conducted 1 internal quality audit and hired third-party institutions for 19 inspections.



Type Test Certificate for Special Equipment

Key Performance

First Pass Yield: **99.96%**

Quality Assessment and Incentives

DUPT has formulated the *Measures for Product Quality Assessment* to implement strict quality assessments and positive incentives. For quality issues, the Company clarifies responsibilities and initiates assessments, and informs and takes disciplinary actions against behaviors such as delayed reporting or concealment. By establishing the "General Manager Quality Award", the Company recognizes outstanding performance and encourages all employees to proactively report potential quality hazards and participate in improvement activities, thereby forming a closed-loop quality management system that combines rewards and penalties with full employee participation, effectively driving product quality improvement.

Quality Culture Development

DUPT deeply promotes the development of a quality culture, and has established a structured training mechanism that covers all employees and is implemented at different levels. The Quality Management Department organizes company-wide training on the quality management system to strengthen overall quality awareness; technical departments provide new employees with training on basic product knowledge to help them quickly adapt to their roles; and production personnel focus on on-site quality issue analysis methods to improve practical problem-solving capabilities. Through targeted training, the Company ensures that employees in all positions possess the necessary quality literacy and skills, thereby continuously strengthening product quality.

Key Performance

Training on Quality: **30** Sessions Training Duration: **425.85** Hours Participants of Training: **470** Person-times



Site of Quality Training

Quality Building Trust

With high-quality management, DUPT has earned widespread recognition and numerous honors within the industry. This not only significantly enhances our brand awareness and reputation, but also solidifies our industry-leading position and continuously motivates technological innovation and brand development.

Case Honorary Title of the First Batch of "Lulian Premium Products Manufactured in Shandong Province"

In December 2025, the downhole motor products independently developed by the Company were awarded the title of the First Batch of "Lulian Premium Products Manufactured in Shandong Province" by the Department of Industry and Information Technology of Shandong Province. This honor is an authoritative recognition of the product's technological advancement, quality reliability, and market influence. It fully demonstrates our technical strength and brand value in the petroleum equipment field and further enhances our industry reputation and customer trust.



Quality Management Metrics and Targets

To ensure the comprehensive achievement of annual quality management objectives, DUPT continuously optimizes production processes for core products such as drilling equipment and wellhead equipment, strengthens quality skills training for employees in key positions such as R&D, production, and quality inspection, and introduces advanced quality management tools and technologies. During the Reporting Period, all quality targets were successfully achieved, and overall quality management continued to meet high industry standards and core customer requirements.

Quality Targets for 2025	Achievement
Number of New Products Developed Annually \geq 12 Items	✓ 24 Items
Customer Satisfaction \geq 90%	✓ 96.73%
Contract Fulfillment Rate \geq 97%	✓ 98.11%
First Pass Yield of Purchased Products: \geq 92%	✓ 95.34%
Scrap Rate of Drilling Tools \leq 0.1%	✓ 0.04%
Scrap Rate of Equipment Products \leq 0.1%	✓ 0.02%
Scrap Rate of Heat Treatment Products \leq 0.015%	✓ 0.015%
Ex-factory Pass Rate of Downhole Motors: 100%	✓ 100%
Ex-factory Pass Rate of Flat Valves: 100%	✓ 100%

Protection of Customer' Rights and Interests

After-Sales Service System

DUPT adheres to a customer-centered approach. By establishing the *After-sales Service Management System*, the Company systematically standardizes service processes and uses quality control procedures such as the *Nonconforming Product Control Procedure* to provide proactive quality assurance. The After-Sales Service Center has been established to integrate service networks and engineering resources nationwide. The Company defines six core responsibilities covering the entire process from service planning and on-site support to feedback, and has implemented an efficient complaint handling mechanism to ensure rapid response and closed-loop resolution of customer issues. As of the end of the Reporting Period, the Company has passed the after-sales service certification, the enterprise integrity management system certification, and the AAA-level enterprise credit certification, jointly demonstrating the maturity of the service system.



Quality Complaint Process



After-sales Service Certification

Enterprise Integrity Management System Certification Certificate

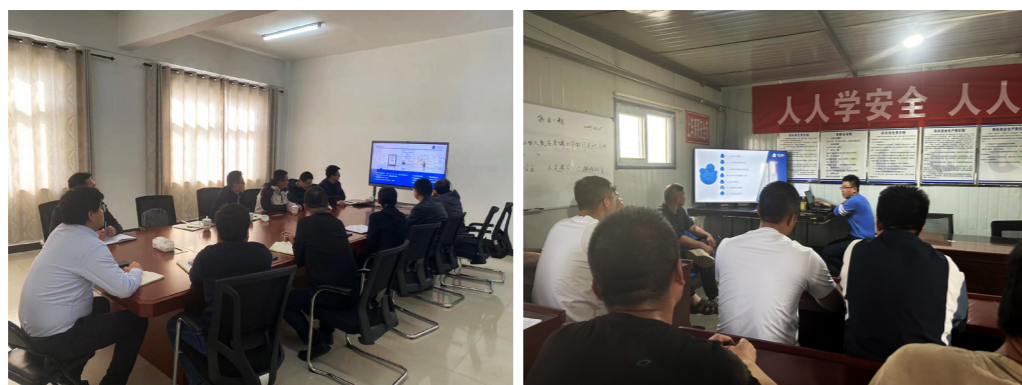
Enterprise Credit Evaluation Certification Certificate

Improvement of Customer Experience

DUPT has formulated and implemented the *Operational Guidelines on Customer Satisfaction Measurement*. Through the *Customer Satisfaction Survey Form* and diversified feedback channels, the Company systematically collects customer evaluations and requirements, conducts annual satisfaction analyses, assesses the alignment of products and services from the customer's perspective, and drives continuous quality improvement. Simultaneously, the Company provides training for customers' technical teams and operators on product technology, knowledge, and operational standards. By offering proactive guidance and optimizing product application, the Company enhances the customer experience from the source.

Key Performance

Customer Satisfaction: **96.73%**



Product and Service Training Session

Protection of Data Privacy

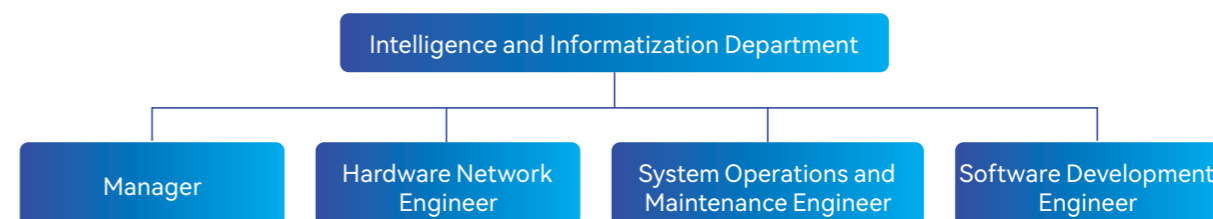
Information Security Management System

DUPT improves the full lifecycle data security management in strict accordance with the *Data Security Law of the People's Republic of China*, the *Personal Information Protection Law of the People's Republic of China*, the *Cybersecurity Law of the People's Republic of China*, and other laws and regulations. The Company has established a three-dimensional protection system with the Intelligence and Information Department as the execution center and engineers in various technical positions performing coordinated duties. This ensures the integrity, confidentiality, and availability of internal data, customer information, and operational systems, empowering business innovation and compliant operations through compliant data management. During the Reporting Period, the Company successively obtained AAA-level certification for the Integration of Informatization and Industrialization Management System and the AAA-level certification for the Digital Transformation Management System, thereby solidifying the foundation of digital security.

Key Performance

Investment in Information Security and Privacy Protection: RMB **84,000**

Number of Information Security and Privacy Protection Violations: **0**



Information Governance Framework



Certificate for Integration of Informatization and Industrialization Management System Certification



Digital Transformation Management System Certification Certificate

Information Security Protection Measures

Information Security Mechanism

DUPT has formulated and strictly implemented the *Computer Room Management System of the Information Department*. Focusing on key aspects such as data confidentiality and backup, virus prevention, and equipment operation and maintenance, the Company implements full-process secure and confidential control of system data. This effectively prevents risks of data alteration, leakage, loss, and damage, and comprehensively ensures the safe, stable, and efficient operation of equipment and software systems in the server room.

In addition, in accordance with the *Measures for Data Security Management*, DUPT strengthens data security risk management through systematic identification, evaluation, monitoring, and control mechanisms to safeguard core data assets. During the Reporting Period, the Company completed 12 monthly cybersecurity and data center screening audits, and invited external security vendors to conduct 1 network penetration attack-defense drill, to comprehensively evaluate and enhance the practical effectiveness of its cybersecurity defense system.

Information Security Management Measures

Data Confidentiality and Backup Management

- Set access permissions and approval procedures according to data usage
- Strictly prohibit unauthorized disclosure, lending, or transfer of data
- Regularly back up and securely store data to ensure immutability and rapid recovery in case of system failure
- Back up the central servers on a scheduled basis

Virus Prevention and Security Management

- Conduct regular virus scans, and address and report any findings immediately
- Use genuine antivirus software and update it promptly
- Ensure programs or data transmitted remotely pass virus detection
- Monitor device status in real time, and report and log any abnormalities immediately
- Strictly safeguard server accounts and change passwords regularly
- Never disclose the center's information or data without authorization

Equipment Operation, Maintenance, and Management

- Ensure software and hardware changes must be approved and registered for filing
- Strictly implement the systems of data backup and the custody by designated personnel
- Conduct weekly inspections of the power supply and operational status of servers, networks, and peripheral equipment
- Ensure servers must not be debugged or have software installed without authorization, and require approval before configuration
- Report server failures immediately upon discovery, and prohibit unauthorized restart or configuration

Emergency Response for Information Security

Adhering to an approach that combines preventive measures with post-incident response, DUPT standardizes emergency management procedures for failures from the core server room to office areas. based on the *Emergency Response Plan for Data/Network Failure*. In response to system or network failures, the Company strictly enforces standardized response requirements and continuously optimizes its emergency response mechanisms through regular drills and contingency plan reviews, thereby effectively enhancing emergency response capabilities and the practicality of contingency plans to ensure the stable operation of information systems. During the Reporting Period, the Company conducted a total of 4 fault disaster recovery emergency drills.

Case Emergency Replacement Drill for Network Switches

In September 2025, to strengthen the emergency support capabilities of the network system, the Company organized a switch emergency replacement drill. The drill effectively improved the practical operational skills of technical personnel, identified areas for improvement in the emergency response process, and provided important insights for refining emergency plans and enhancing overall emergency response effectiveness.



Case PLM Database Server Disaster Recovery Drill

In December 2025, the Company simulated a scenario involving an interruption of the PLM business system and a database server crash. By rapidly switching to a backup server to restore operations, the drill validated the availability of the disaster recovery system and data security. The drill effectively improved the emergency response and fault-handling capabilities of the operation and maintenance team and accumulated practical experience for handling real failures.



Training on Information Security

To strengthen the protection of information security, DUPT enhances information security awareness among all employees by expanding training coverage, increasing drill frequency, and strictly adopting the "training-verification-interview-retraining" model. In addition, through a designated liaison training mechanism, the Company strengthened the team's network authentication capabilities, promoted the deep integration of authentication functions with information security management, and further enhanced the entire workforce's ability to protect against network threats and prevent data security risks. During the Reporting Period, the Company organized 1 phishing attack-defense drill for all employees.

★ Key Performance

Training on Information Security and Privacy Protection: **2** Sessions Total Training Duration: **853** hours

Number of Trainees: **831** Persons Coverage Rate of Employee Training: **100%**

★ Case Training on Network Access Authentication Operations

In June 2025, the Company offered a training on network access authentication operation covering two major access scenarios: internal employees (DingTalk authentication on computer/mobile terminals) and external visitors (SMS authentication). The training aimed to guide participants to quickly select the corresponding process according to their identity and complete network access securely and conveniently, ensuring effective implementation of access permissions and security policies.



★ Case Training on Information Security Awareness

In October 2025, the Company organized a special training session on information security awareness. The course focused on real cases and drills, systematically analyzing actual information security threats and new attack methods, and interpreting drill results to strengthen employees' awareness of security risks and effectively improve protection awareness and practical response capabilities.



Co-Building of Responsible Supply Chain

Supply Chain Management System

DUPT continuously improves its supply chain management system by formulating and implementing a series of policies, including the *Supplier Management Standards* and the *Material Procurement Bidding System*. The Company enforces closed-loop management throughout the entire lifecycle of supplier management, covering supplier development,

onboarding, performance evaluation, and potential elimination. Led by the procurement department and in collaboration with R&D, quality, and other departments, we have established a joint review mechanism to comprehensively evaluate suppliers' technical capabilities, quality control, and overall support capacity. This approach drives the optimization and upgrading of the supplier structure, facilitating the transformation of the supply chain toward high-quality and sustainable development.

★ Key Performance

Number of key cooperative suppliers: **20**

Supplier Management Mechanism	
Approval for Supplier Admission	The Company has established systematic supplier onboarding criteria, covering business qualifications, credit status, supporting capabilities, supply channels, compliance, and other requirements. The onboarding process includes information submission, qualification review, and multi-dimensional evaluation conducted jointly by procurement, R&D, quality, and other departments, with a focus on qualification validity, risk status, demand alignment, and cooperation feasibility. Qualified suppliers are added to our dynamically managed List of Qualified Suppliers.
Performance Evaluation of Suppliers	The Company conducts regular performance evaluations of suppliers on the List of Qualified Suppliers every 1 to 2 years, primarily assessing quality, delivery timeliness, pricing, and service cooperation. Based on the evaluation results, classified management is implemented and procurement strategies are adjusted accordingly. Immediate evaluation is triggered in cases of major quality fluctuations, delivery delays, service deterioration, unauthorized changes, or breaches of integrity obligations.
Elimination and Exit of Suppliers	Suppliers with substandard performance, serious quality issues, delivery delays, poor cooperation, or prolonged inactivity are promptly eliminated. The supplier suspension and blacklisting process is initiated through the OA system.

Identification of Supply Chain Risks and Opportunities

Risk Type	Description of Risk	Likelihood of Occurrence	Impact Cycle	Financial Impact	Countermeasures
Price Risk	Special raw materials, such as high-pressure alloy steel and wear-resistant rubber used in the production of screw drill tools and wellhead devices, are exposed to sharp price fluctuations due to commodity market cycles, investment volatility in the oil and gas sector, and environmental production restriction policies.	Low	Long term	Increased operating costs: The surge in raw material prices directly drives up the procurement cost.	<ul style="list-style-type: none"> Flexibly adjust procurement strategies and negotiate favorable prices and payment terms. Sign long-term price-lock agreements with core suppliers and establish price adjustment mechanisms.

Risk Type	Description of Risk	Likelihood of Occurrence	Impact Cycle	Financial Impact	Countermeasures
Supply Risks	Import of core precision components, such as high-performance bearings, seals, and control system chips, faces risks of supply disruptions or extended delivery lead times due to geopolitical tensions, export controls, or insufficient supplier capacity.	Medium	Long term	Increased operating costs: Supply shortages result in production shutdown losses, higher expedited shipping expenses, and potential delivery delays and contractual claims.	<ul style="list-style-type: none"> Maintain safety stocks for key components. Promote R&D and certification of domestic alternatives. Sign agreements with overseas suppliers that include minimum supply guarantees and priority supply rights.
Logistics Risks	Over-dimensional transportation of large-scale equipment, such as fracturing equipment and wellhead devices, may experience delays, cargo damage, or disruptions due to road administration approvals, geopolitical conflicts, or extreme weather conditions.	Medium	Short term	Increased operating costs: Overdue liquidated damages, repair or replacement costs for damaged goods, order losses and capital tied up in in-transit inventory caused by transportation interruptions.	<ul style="list-style-type: none"> Establish long-term agreements with leading over-dimensional transport logistics companies to secure shipping capacity and priority scheduling. Purchase transportation insurance for high-value equipment.

Opportunity Type	Description of Opportunity	Likelihood of Occurrence	Impact Cycle	Financial Impact
Digital Collaboration Opportunity	Leverage industrial Internet, IoT, and other advanced technologies to enhance procurement and logistics tracking platforms, improving supply chain transparency and response efficiency.	High	Long term	Decreased operating costs: Optimize inventory turnover, and reduce capital tied up and losses from planning errors.
Supply Chain Deployment Opportunity	Expand overseas operations by deploying localized supply chain nodes (e.g., cooperative distributors, warehouses) in target regions to align with demand and mitigate risks from cross-border logistics and trade barriers.	High	Long term	Increased operating profit: Enhance overseas revenue and net profit by lowering logistics costs and shortening delivery cycles.

Management of Supply Chain Risks and Opportunities

Strengthening Exchanges and Cooperation

DUPT has consistently prioritized strategic collaboration with suppliers. By organizing supplier conferences, the Company fosters an efficient and in-depth communication platform that encourages value co-creation and resource complementarity. The Company continuously expands its strategic cooperation ecosystem, optimizing collaboration processes, deepening partnership details, and enhancing both domestic collaboration capabilities and overall market competitiveness. We are committed to establishing a long-term, stable, and mutually beneficial supply chain ecosystem.

Case Strategic Cooperation between DUPT and China Petrochemical International (Chongqing) Co., Ltd.

In April 2025, as a representative of strategic suppliers, DUPT signed a strategic cooperation agreement with China Petrochemical International (Chongqing) Co., Ltd. at the Qilu Petrochemical Hydrogenated Nitrile Rubber Cooperation Signing Ceremony. This partnership encompasses raw material supply and market collaboration, with the goal of establishing a full-chain collaborative ecosystem covering "R&D - Production - Sales - Application". It represents a new phase of cooperation in the special rubber materials sector and marks a significant milestone in industrial chain collaborative innovation.



Case DUPT Holds Its First Strategic Supplier Conference

In September 2025, under the theme "Unite as One, Shape the Future with Smart Chains", DUPT successfully hosted its first strategic supplier conference. Chairman Cheng Guihua and other executives joined supplier representatives to discuss industry trends and establish a quality symbiosis system. During the event, four categories of awards were presented to recognize outstanding partners. The conference aimed to deepen collaboration and foster the development of a resilient, efficient, and mutually beneficial supply chain ecosystem.



Strengthening Procurement Capabilities

DUPT emphasizes the professional development of its procurement system and enhances the capabilities of its supply chain team through multi-dimensional initiatives. The Company regularly organizes specialized training programs on core procurement modules to effectively improve both the professional skills and overall competency of procurement personnel, thereby supporting the high-quality operation of the supply chain.

Case Training on Procurement Negotiation Skills and Supplier Management Improvement

In November 2025, DUPT launched a training program aimed at enhancing supplier management and procurement negotiation capabilities. The program covered key modules, including supplier quotation analysis, digital performance evaluation, and cross-departmental collaborative cost reduction. Through practical case studies, participants explored negotiation strategies, shared effective experiences, identified areas for improvement, and comprehensively strengthened their professional negotiation skills and supply chain management capabilities.



Through clear responsibility and supervision mechanisms, the Company fully integrates integrity requirements across the entire supplier lifecycle—including supplier onboarding, performance evaluation, and exit—ensuring full traceability and transparent management. By signing the *Partner's Commitment to Integrity with suppliers*, DUPT reinforces mutual accountability, fosters a fair and healthy procurement ecosystem, and builds a clean line of defense to support the sustainable development of its supply chain.

Key Performance

Signing Rate of Integrity Agreement by Supplier: **100%**

Digital Empowerment

DUPT integrates ERP, OA, and the supply chain management platform (SRM), supported by a document management system, to achieve full digital connectivity across the entire procurement process. This digital integration covers procurement requests, inquiries and comparisons, contract approvals, and order execution. The system enables unified online control over supplier onboarding, performance tracking, bidding management, and contract filing, comprehensively improving digital operational efficiency and supply chain collaboration.



SRM system

Sustainable Development of Supply Chain

ESG Management

DUPT integrates Environmental, Social, and Governance (ESG) Standards into the full lifecycle supplier management, actively building a resilient and sustainable supply chain system. Guided by responsible procurement principles, the Company prioritizes product environmental performance as a key decision-making factor. During the procurement process, we focus on selecting materials and technologies that have a low environmental impact, high resource utilization efficiency, and compliance with green standards. In addition, we are working to incorporate social responsibility performance, work safety management, and environmental protection practices into our supplier onboarding review and dynamic evaluation systems, thereby driving the value chain toward greater responsibility, lower carbon emissions, and enhanced resilience. During the Reporting Period, DUPT successfully passed the GB/T 33635-2017 Green Supply Chain Management System Certification, further enhancing our brand competitiveness in the sustainable supply chain sector.



Green Supply Chain Management System Certification

Supply Chain Metrics and Targets

The Company establishes supply chain KPIs focused on procurement quality, delivery timeliness, and cost control, which are monitored and analyzed collaboratively by quality control, operations, finance, and other departments. During the Reporting Period, DUPT successfully met all preset performance targets, achieving precise control over overall supply chain performance.

Procurement and Management Targets for 2025	Achievement
First Pass Yield of Purchased Products: ≥92%	✓ 95.48%
Qualified rate of drilling tool procurement: ≥96%	✓ 97.20%
Qualified rate of equipment procurement: ≥91%	✓ 94.57%
Timeliness rate of procured products: ≥91%	✓ 95.78%
Timeliness rate of drilling tool procurement: ≥82%	✓ 87.89%
Timeliness rate of equipment procurement: ≥90%	✓ 94.75%

Transparent Procurement

DUPT regards procurement integrity as the cornerstone of supply chain management. We have established a transparent supply chain system guided by the *Integrity Management System*, regulated by the *Agreement on Procurement Behaviors*, supported by embedded process controls, with the aim of jointly building a robust supply chain ecosystem.

07

Establishing Rigorous Disciplines through Safety Management and Reinforcing Well-Being through Health Protection



DUPT has established and continuously improved its occupational health and safety management system, implemented comprehensive risk control measures and full-staff training. These efforts prevent workplace safety incidents and occupational hazards, protect employees' physical and mental health, ensure safe operations, and provide a solid foundation for the Company's sustainable and long-term development.

Responded UN Sustainable Development Goals (SDGs):



Fortification of Safety Defense Lines



Adhering to the policy of "Safety First, Prevention First, Comprehensive Management" and the principle that safety must be managed in every industry, every business operation, and every production and business activity, DUPT has established a comprehensive safety production responsibility network that spans the entire workforce. The Company has formulated and strictly implemented 52 safety management systems, including the *Work Safety Responsibility Management System*, the *Work Safety Inspection Management System*, and the "Three Simultaneities" *Management System for Occupational Health and Safety Facilities in Construction Projects*. These regulations clarify that the Chairman is the ultimate person responsible for work safety. The Company has established an HSE Management Department as the dedicated body responsible for safety management, ensuring that safety responsibilities are implemented at all levels and by every individual. We have in place a dual prevention mechanism that focuses on safety risk classification and control and the identification and management of potential hazards. Assessment results under the work safety responsibility system are directly linked to employees' job adjustments and remuneration, further strengthening the full implementation of safety responsibilities across the organization.

★ Key Performance

Investment in Work Safety:
RMB **1.7539** Million

Coordination of Safety Strategy



Risk Type	Description of Risk	Likelihood of Occurrence	Impact Cycle	Financial Impact	Countermeasures
Work Safety Risk	Non-compliant operations, equipment failures or inadequate protection in production workshops may cause accidents such as mechanical injuries and fires, resulting in casualties or production shutdowns.	Low	Short term	Increased operating costs: Additional expenses on medical compensation, equipment repairs, and maintenance. Decreased operating revenue: Delayed order deliveries and potential contractual penalties due to production shutdown.	<ul style="list-style-type: none"> Implement risk classification and control and hazard investigations. Strengthen special operation training and work permits. Conduct regular inspection and maintenance of key equipment. Visualize operating procedures and enforce on-site supervision.
On-site Safety Risk	Safety requirements and local community permit conditions at both domestic and overseas job sites are frequently updated. Failure to adapt to these changes in a timely manner can result in fines, production shutdown, or legal action.	Low	Short term	Increase in operating costs: Additional expenditures due to fines, necessary rectification, and compliance consulting. Decrease in operating revenue: Losses incurred from production shutdown and restricted market access.	<ul style="list-style-type: none"> Conduct thorough due diligence on HSE regulations and social risks at the early stages of project development. Appoint local compliance managers to dynamically track evolving regulations and ensure ongoing compliance. Develop emergency response plans.
Occupational Health Risk	Hazards such as noise, dust, and welding fumes are present in the production process. Prolonged exposure can lead to occupational diseases.	Low	Short term	Decrease in operating revenue: Reduced project efficiency due to staff absenteeism.	<ul style="list-style-type: none"> Provide occupational health training and hazard notifications. Supply and enforce the use of personal protective equipment (PPE). Implement regular job rotation and conduct occupational health check-ups.

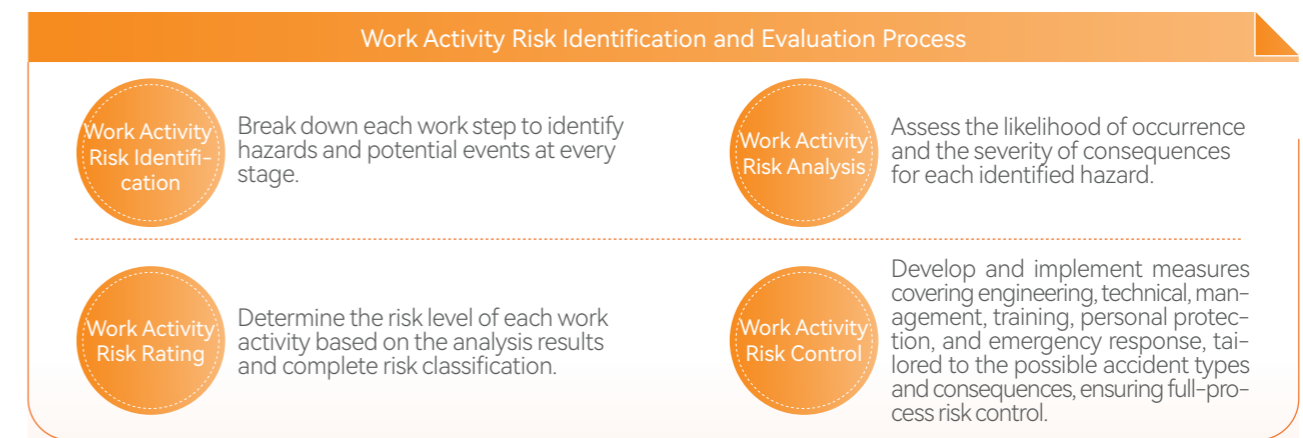
Opportunity Type	Description of Opportunity	Likelihood of Occurrence	Impact Cycle	Financial Impact
Efficiency Opportunities	A robust HSE system helps prevent accidents and occupational diseases, enhances employee well-being, and boosts operational efficiency.	High	Long term	Decrease in operating costs: Reduced work injury compensation claims, equipment damage, fines, and insurance premiums. Increase in operating revenue: Reduced downtime and staff turnover, ensuring stable and efficient production.
Market Opportunities	Driven by policies for work safety and green manufacturing, the Company continuously strengthens its HSE management capabilities to secure high-end market orders and sustainable cooperation opportunities both at home and abroad.	High	Long term	Increase in operating revenue: Win contracts and enhance customer loyalty through a strong HSE reputation. Decrease in operating costs: Lower spending on market access and bidding due to non-compliance issues.

Enhancement of Risk Control



Risk Management Mechanism

DUPT identifies, assesses, and hierarchically controls occupational health and safety risks associated with equipment, facilities, and work activities, following the *Risk and Opportunity Control Procedure* and the *Hazard Identification and Risk Classification and Control Procedure*. The Company has developed special risk control lists covering core operations, equipment and facilities, and implements dynamic monitoring and regular reviews to ensure effective control over all types of risks.

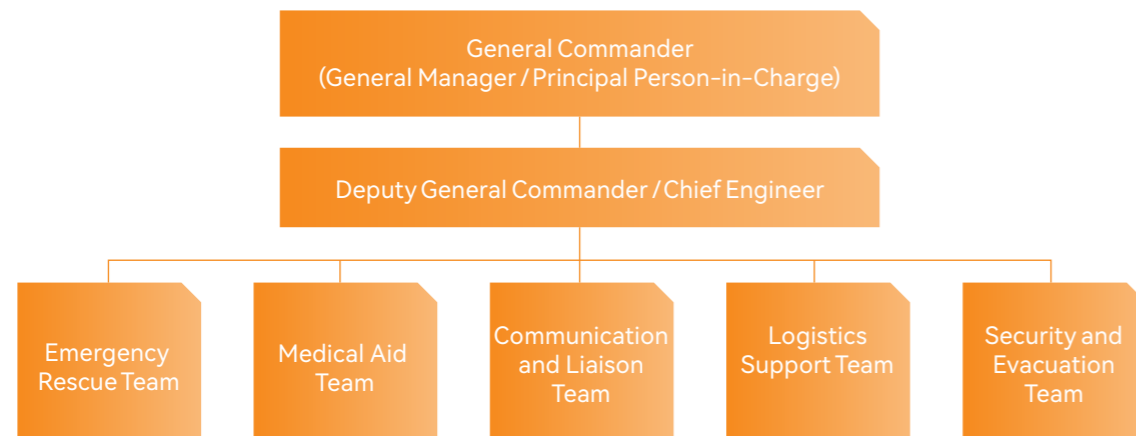


Safety Emergency Management

In accordance with the *Management Measures for Work Safety Accident Emergency Response Plan* and relevant laws and regulations, DUPT has developed a *Comprehensive Emergency Response Plan for Work Safety Accidents*. This plan outlines the emergency rescue organization system, response procedures, and rescue measures. The Company regularly conducts emergency drills, covering scenarios such as fire, confined space entry, and mechanical injuries, ensuring the availability of complete emergency facilities and materials. Post-drill reviews and corrective actions are immediately implemented to continuously enhance employees' emergency response and self-rescue skills, minimizing accident losses, and ensuring personnel safety and operational stability.

★ Key Performance

Organized Safety Emergency Drills: **33** Times



Emergency Rescue Organization Chart

★ Case Confined Space Emergency Drill – Glue Injection Workshop

In March 2025, the Company conducted a confined space emergency drill in the glue injection workshop, simulating personnel accidents during vulcanizing tank maintenance. The drill effectively enhanced employees' abilities in risk identification, emergency response, and coordinated rescue operations within confined spaces, thereby strengthening overall safety production.



★ Case On-site Emergency Drill – Lifting Accidents

In March 2025, the Company carried out an on-site emergency drill simulating lifting accidents, including lifting belt failure and heavy object falling scenarios. The drill encompassed the entire emergency response process, including casualty treatment and accident investigation, testing and improving the practicality of the emergency plan and employees' emergency handling capabilities.



Hazard Investigation and Rectification

DUPT strengthens the investigation and management of hazards to proactively prevent potential safety hazards at source. The Company has developed the *Equipment and Facility Risk Hierarchical Control List* and the *Potential Hazard Atlas* to comprehensively identify production risks through routine inspections, special inspections, and seasonal checks. These risks, along with their control measures, are integrated into required knowledge and assessed alongside safety education and responsibility implementation, ensuring that all employees have a full awareness of safety risks. The process for managing identified hazards follows four key steps: registration, assessment, rectification, and acceptance, with regular re-inspections to verify the effectiveness of corrective actions. Additionally, the HIC system (Hazard Investigation and Control System) supports digital and process-based management, enhancing the timeliness and traceability of the hazard investigation and rectification processes.

★ Key Performance

Total safety hazards investigated: **13,606** Potential Hazard Inspection and Rectification Rate: **99.29%**

★ Case Special Team-Based Hazard Investigation Activity

In June 2025, the Company organized a team-based hazard investigation activity under the theme "Find Hazards Around You". The initiative actively engaged front-line employees, encouraging full participation. Through on-site identification, recording, and evaluation, specific risk points in daily operations were accurately detected. At the same time, the activity enhanced front-line employees' ability to recognize and respond to potential safety hazards, strengthening overall workplace safety awareness.



Implementation of Protection Measures

Safety Accident Management

DUPT has established the *Rules of HSE Accident Management*, which standardizes the process of accident classification, reporting, investigation, handling, rectification, and knowledge sharing, following the Four-No-Let-Go principle. In the event of an accident, the Company mandates the immediate activation of emergency response procedures and reporting. Simultaneously, a root cause analysis is conducted, operational procedures are revised as needed, and targeted employee training is reinforced. Accountability is enforced based on the investigation outcomes, with relevant personnel assessed and disciplined according to the *Rules of HSE Assessment and Incentive Management*. Typical cases are incorporated into warning education programs to reduce the likelihood of recurrence and to support the continuous improvement of the HSE management system. During the Reporting Period, no work-related fatalities or major safety liability accidents occurred in the Company.

Training and Culture Development

Focusing on the construction of the HSE training system and the cultivation of safety culture, DUPT has formulated the *Management System for Occupational Health and Safety Training and Education* and developed the *2025 HSE Plan*, establishing a diversified training system that integrates both online and offline approaches, as well as theory and practice. Online, the Company utilizes DingTalk Cloud Classroom to disseminate legal knowledge and conduct online assessments, ensuring that theoretical content is broad, up-to-date, and accessible. Offline, the Company organizes practical training sessions such as emergency rescue drills and special procedure operations to strengthen employees' operational skills and emergency response capabilities. Additionally, starting with 2025 Safety Production Month, we plan a series of themed promotional activities, produce and broadcast safety education videos, and implement quarterly special action plans. This strategy combines targeted educational priorities with ongoing campaigns under the slogan "Safety is Always First", creating a culture of safety production where full attention and active participation are prioritized.

★ Key Performance

Total Investment in Safety Training:
RMB **0.158** Million

Number of Safety Training Sessions:
15 Sessions

Participants of Safety Training Sessions:
12,000 Person-times

Average Duration of Safety Training Per Person:
13.92 Hours

Coverage Rate of Safety Training:
100 %



"Work Safety Month" Event in June 2025

Case "Managers Talk About Safety" Awareness Campaign

The Company launched a special initiative, "Managers Talk About Safety". The chairman and department heads personally shared safety concepts and discussed typical cases with employees, drawing on their own management experiences. Through this high-level engagement and in-depth communication, employees' awareness of safety responsibilities was strengthened, effectively fostering a proactive safety culture.



Case Emergency Rescue Competition

The Company organized an emergency rescue skills competition, evaluating employees' proficiency and teamwork in three key areas: fire extinguisher and hydrant operation, air respirator use, and CPR first aid, conducted in a team relay format. The competition reinforced training and helped improve employees' emergency response speed and on-site handling capabilities.



Case "Double-Blind" Emergency Drill

In addition, the Company conducted double-blind emergency drills with no prior notice, simulating real fire scenarios. These drills provided a comprehensive test of the office building's emergency plan, the readiness of emergency equipment, and employees' immediate response, procedural execution, and internal coordination skills.



Case Safety Slogan Promotion

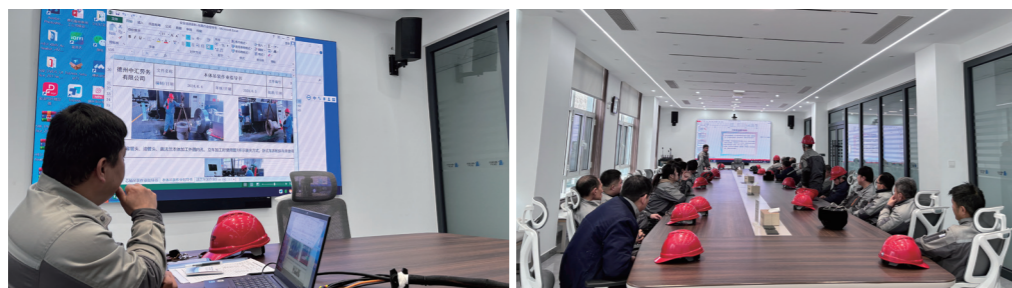


Safety Management for Related Parties

DUPT has established the *Stakeholder Safety Management System* and the *Management Rules of HSE Thirty Clauses*, clearly defining the safety obligations and compliance standards for external partners and integrating their management into operational processes. We enforce unified safety supervision, on-site inspections, and end-to-end control over contractors and suppliers. Through mandatory safety training and the creation of a Thirty Clauses Red-Line Action Statistics Ledger, high-risk behaviors are systematically tracked and managed. Additionally, any violations by external parties are incorporated into the safety assessments of the corresponding departments, reinforcing each department's management responsibility and ensuring comprehensive control over external safety risks.

Case Labor Safety Training

In January 2025, the Company conducted special safety training for contractors, covering operation guidelines and safety operating procedures. The training aimed to strengthen the contractors' understanding and adherence to unified safety management standards, while also improving collaborative risk control starting from the point of access.



Management of Hazardous Chemicals

In strict compliance with the *Regulations on the Management of Hazardous Chemicals*, the *Regulations on the Management of Precursor Chemicals*, and other relevant laws and regulations, DUPT manages the entire lifecycle of hazardous chemicals systematically. The Company has established a *Hazardous Chemical Management System*, specifying requirements for procurement, transportation, storage, use, and disposal of hazardous chemicals, while maintaining a dynamic *List of Hazardous Chemicals* to keep risk characteristics up to date. Quarterly special inspections are conducted to ensure timely rectification of issues, strengthen weak links, and enforce accountability for major hazards. These measures effectively prevent risks such as fire, poisoning, and environmental pollution, ensuring the safe and compliant management of hazardous chemicals.

Establishment of Safety Goals

DUPT adopts "Zero Accidents, Zero Injuries, and Zero Occupational Diseases" as its safety management goal. The Company establishes annual quantitative safety indicators, which are then broken down into department-level performance assessments to drive continuous improvement in the operation and effectiveness of the safety management system.

Occupational Health and Safety		
Specific Indicators	Annual Objectives	Achievements in 2025
Number of first-class minor injuries, serious injuries, and above	0	0
Number of vehicle accidents, fire accidents and other recordable incidents	0	0



Support for Occupational Health



Occupational Health Management System

In strict compliance with the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* and other relevant regulations, DUPT has established dedicated systems, including the *Occupational Disease Prevention and Control Management System* and the *Management Measures for the Warning and Notification of Occupational Disease Hazards*, to continuously enhance occupational health management. The HSE Management Department coordinates the identification, risk assessment, and prevention and control of occupational disease hazards in the workplace, and organizes standardized training and awareness programs to ensure full-staff occupational health protection. As of the end of the Reporting Period, the Company has passed ISO 45001 Occupational Health and Safety Management System Certification.



Occupational Health and Safety Management System Certification

Key Performance

Working Hours Lost due to Work-related Injury:
560 Hours

Investment in Work-Related Injury Insurance:
RMB **357.6** Million

Coverage Rate of Work-Related Injury Insurance:
98.67%

Investment in Work Safety Liability Insurance:
RMB **14** Thousand

Coverage Rate of Work Safety Liability Insurance: **100%**

Occupational Hazard Protection Measures

DUPT systematically addresses various occupational hazards throughout the production process. Following systems such as the *Management Measures for the Monitoring and Evaluation of Occupational Disease Hazards*, the *Management Measures for the Maintenance and Repair of Occupational Disease Protection Facilities*, the *Management Measures for the Monitoring and Filing of Workers' Occupational Health*, and the *Operating Procedures for Occupational Health of Key Posts*, the Company has built a multi-level occupational health protection framework covering engineering controls, management protocols, and personal protection.

Key Performance

Number of New Occupational Diseases: **0** Case

Coverage Rate of Occupational Health Checkup: **100%**

Protection Type	Specific Actions	Implementation Method
Detection of Hazard Factors	Regular monitoring of occupational disease hazard factors in the workplace	Entrust qualified third-party institutions to perform testing and assessments according to internally formulated procedures.
Engineering Protection Control	Source control and engineering protection	Equip welding, laboratory, and other relevant posts with specialized facilities such as welding fume purifiers and fume hoods; perform regular maintenance to ensure effective operation.
Management Standard-ization Measures	Standardized management of operational behaviors and working environment	Develop the <i>Operating Procedures for Occupational Health of Key Posts</i> , install warning signs for occupational disease hazards, and implement fixed on-site placement and cleaning management systems.
Personal Protective Equipment (PPE)	Provision and supervision the use of PPE	Distribute PPE (e.g., protective clothing, goggles, gas masks, earplugs, safety helmets) according to post-specific risks, and supervise proper wearing and usage.
Occupational Health Monitoring	Dynamic monitoring of employees' health status	Conduct occupational health check-ups before employment, during employment, and upon departure; establish and maintain individual occupational health files.
Health Follow-up	Response mechanism for abnormal health conditions	Implement post adjustment, medical observation, diagnosis, and treatment measures according to law for employees with occupational contraindications or suspected occupational diseases, safeguarding employees' health rights and interests.

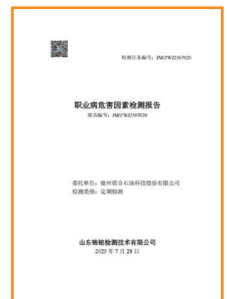
Case Employer Work Injury Prevention Training

In November 2025, the Company held a two-day occupational injury prevention training for workers exposed to hazards in key positions. After the training, an occupational injury prevention examination for employers was held to promote learning through assessment, strengthen employees' risk prevention capabilities and safety awareness, and minimize occupational health risks.



Case Detection of Occupational Hazard Factors

In July 2025, the Company engaged a professional third-party institution to conduct annual occupational health monitoring. This included assessing all production workshops and support facilities. On-site sampling and lab analysis were carried out to measure various physical and chemical hazards such as dust, noise, acid-base levels, and organic solvents. This ensured the results were accurate and objective, providing a solid scientific foundation for the Company's occupational health protection efforts.



08

Fostering Shared Growth through Employee Development and Contributing Warmth to Society through Talent Engagement



DUPT is committed to fostering a diverse and inclusive workplace. The Company safeguards employees' rights and interests, continuously improves career development opportunities, and enhances its compensation and benefits system. Through employee care initiatives and open, transparent communication channels, DUPT actively promotes employee well-being and engagement, encouraging both employees and the Company to grow and succeed together.

Responded UN Sustainable Development Goals (SDGs):



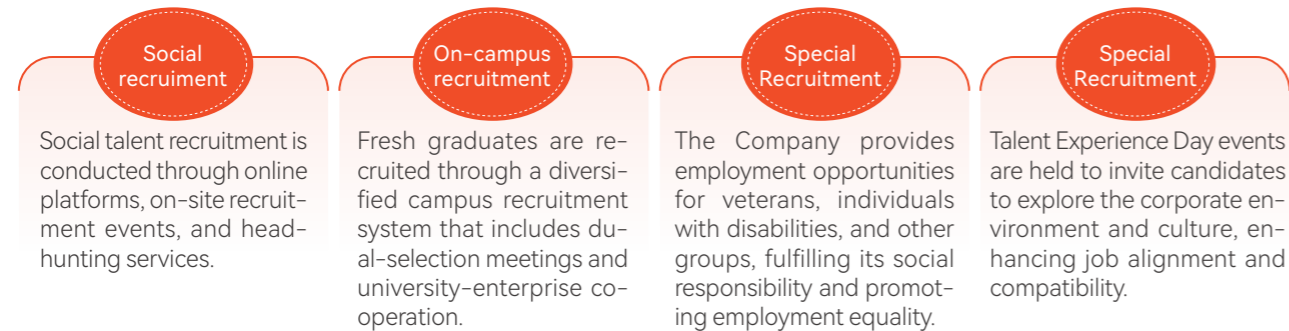
Protection of Employees' Rights and Interests

Targeted Talent Recruitment

DUPT has established the *Recruitment Management System*, adhering to the principle of diverse hiring practices. The Company actively broadens its talent acquisition channels, including social recruitment and campus recruitment. We continually strengthen university-enterprise partnerships by co-developing internship programs and creating talent development platforms, which enhance both talent pipeline and training mechanisms. Additionally, the Company introduces specialized recruitment channels targeting specific groups and organizes unique brand events, such as Talent Experience Day, to boost its employer brand visibility. These efforts foster a mutual understanding and precise alignment between the Company and prospective talents. By diversifying its recruitment and training initiatives, DUPT builds a sustainable talent supply and development system to meet the Company's long-term growth needs.

★ Key Performance

New Employees: **92** Persons
 Campus Recruitment: **27** new employees
 New Employees from Social Recruitment: **65** Persons



★ Case Two-Wheel Drive to Strengthen the Talent Foundation

The Company actively partners with universities such as Dezhou University to deepen the integration of industry and education. This is achieved through initiatives like co-building internship bases, offering special lectures, and conducting joint research. These efforts help introduce and train skilled professionals. Additionally, campus recruitment is further expanded through presentations and recruitment fairs, broadening the pool of young talent and strengthening the Company's talent reserves.



Company Visit & Tour



Special Symposium on University-Enterprise Cooperation

★ Case Two-Wheel Drive to Strengthen the Talent Foundation



Campus Presentation Sessions



Campus Recruitment Site

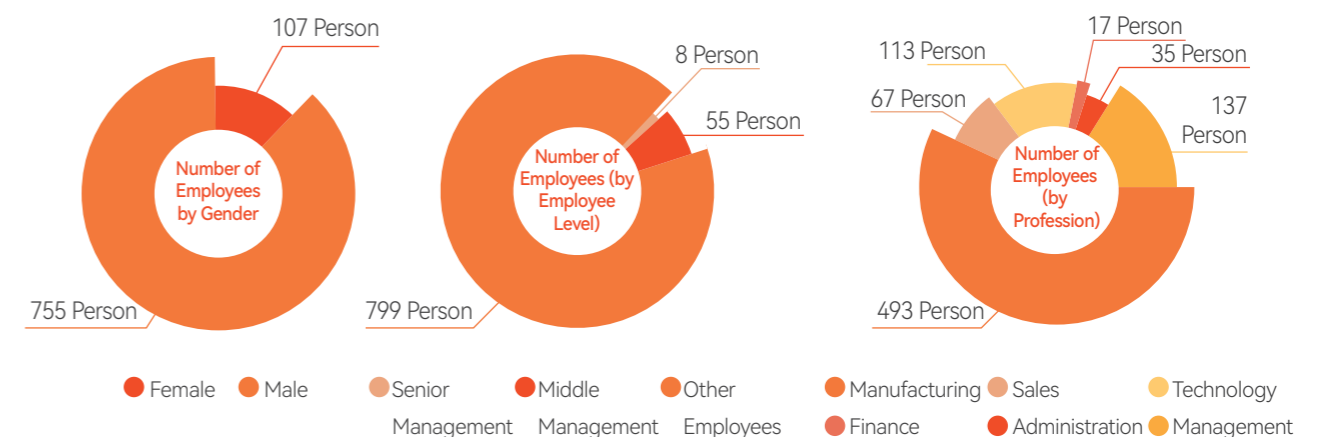
Talent Structure

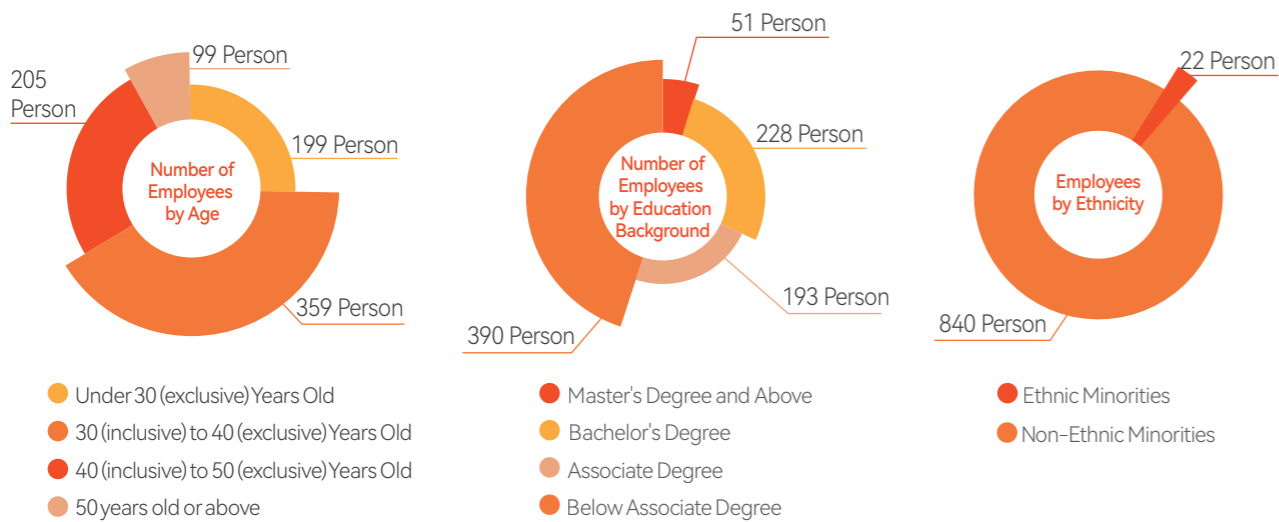
DUPT continuously optimizes its employee structure by building a scientific talent echelon, opening clear development pathways, and enhancing the salary and welfare system. These measures create a harmonious and stable employment environment and strengthen the Company's ability to attract and retain talent.

★ Key Performance

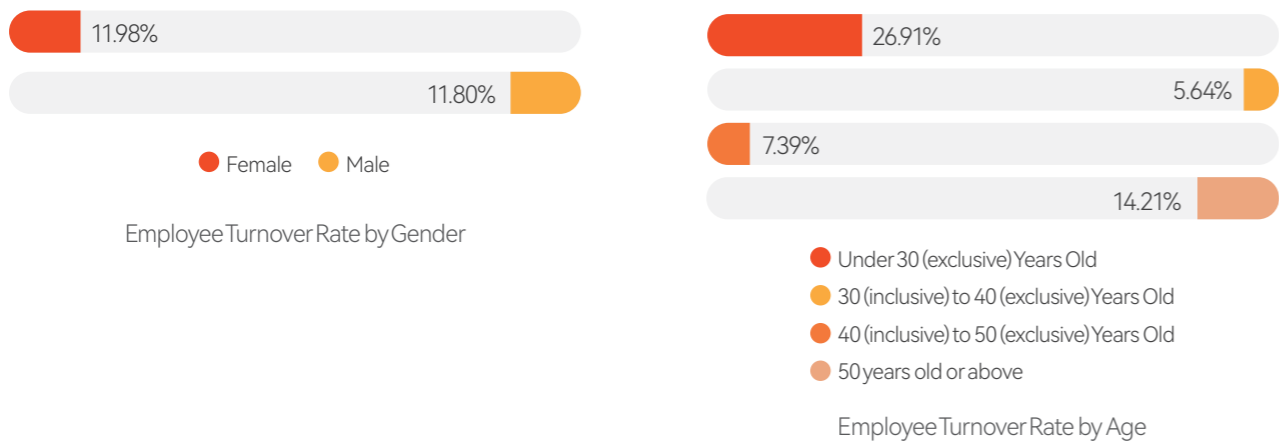
Total Number of Employees: **862** Persons
 Employees with Disabilities: **3** Persons
 Veteran Employees: **23** Persons
 Employees of Ethnic Minority: **22** Persons
 Total Employee Turnover Rate: **11.83%**

Employee Composition





Employee Turnover



Protection of Rights and Interests

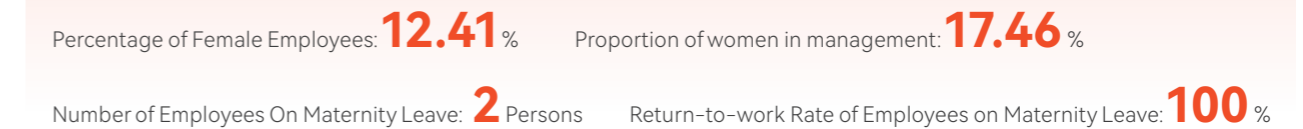
Labor Security

DUPT strictly complies with the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, and other relevant laws and regulations. The Company adheres to the principle of fair employment, improves its anti-discrimination system, and explicitly prohibits differential treatment based on gender, age, ethnicity, or other factors in recruitment and employment. The Company regularly conducts anti-discrimination training and assessments to strengthen the awareness and standards of its recruitment team. We have established interview supervision and anonymous feedback mechanisms and rigorously review recruitment information to ensure a fair and transparent process. DUPT strictly prohibits illegal practices such as child labor and forced labor. Committed to fostering a respectful, equal, and inclusive workplace, we resolutely prevent violence, defamation, and harassment. Through diversified initiatives, we continuously build a workplace culture that is respectful, equitable, inclusive, and integrated.

Protecting Women's Rights and Interests

DUPT strictly implements the *Special Provisions on the Labor Protection of Female Employees*, ensuring full compliance with statutory leave rights, including maternity leave, breastfeeding leave, and miscarriage leave. The Company also continually improves its internal care and support mechanisms for female employees. In addition, DUPT regularly organizes themed activities for International Women's Day, promoting gender equality in the workplace and fostering a corporate culture that is gender-friendly, mutually supportive, and inclusive.

Key Performance



Case "Women's Day" Event

In March 2025, the Company hosted a themed activity for International Women's Day, aimed at expressing care, inspiring enthusiasm, and demonstrating respect and attention toward female employees.



Training and Development

Talent Cultivation

Guided by strategic development and centered on employees' core growth needs, DUPT has established a comprehensive training system supported by an internal trainer development mechanism and the extensive application of a digital learning platform. The Company has built a full-coverage, multi-level, and three-dimensional training framework, forming a collaborative and integrated training matrix that spans new employee onboarding, professional skill enhancement, and leadership development. This system emphasizes practical capability building and compliance awareness training, promoting both operational effectiveness and organizational knowledge retention, while supporting the continuous development of a structured talent pipeline.

Key Performance



Case Special Training for Team Leader Capability Improvement

In September 2025, the Company held a specialized training program aimed at improving team leader capabilities, focusing on three key role scenarios. The immersive theory + practice approach enabled participants to systematically develop role awareness and collaboration skills, thereby laying the ground for enhanced team management efficiency and stronger collaboration.



Case Middle Manager Exchange Training

In November 2025, the Company organized a special training session for middle managers. Using four typical cases as discussion starting points, the training encouraged group discussions, helping managers establish core principles, improve employee empowerment, unify management thought, and enhance team building and operational efficiency.



Case Training on Project Management Practice

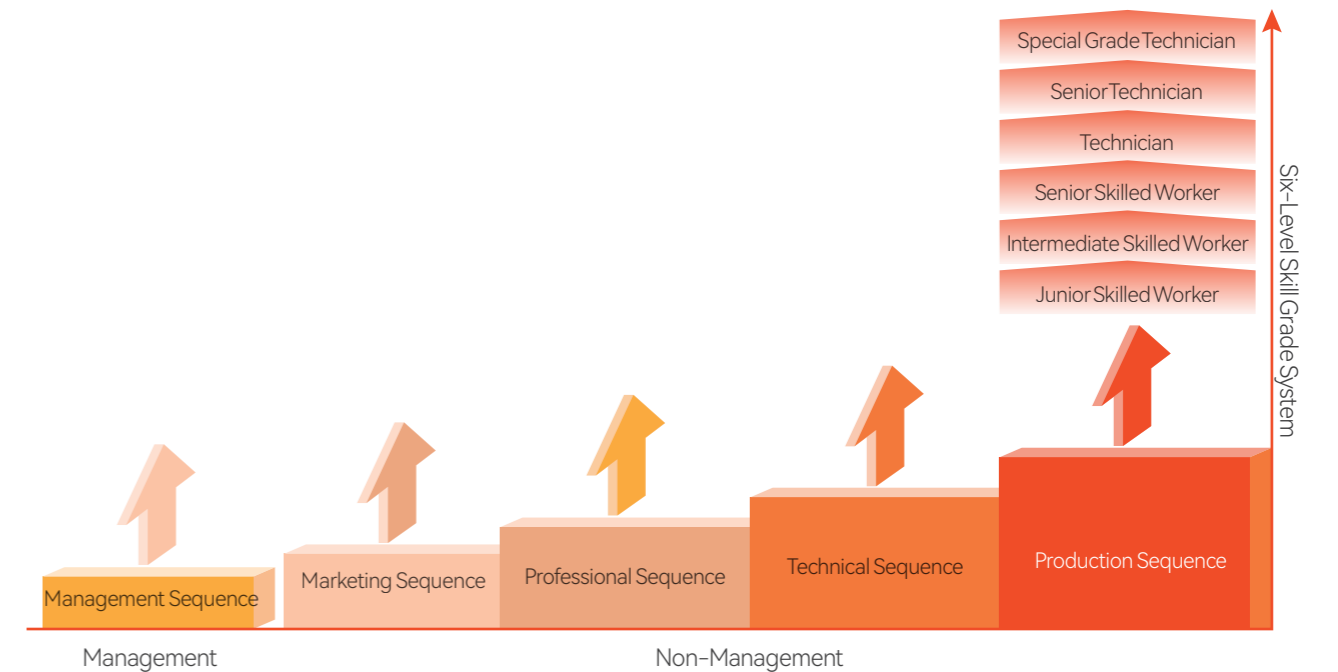
During the Reporting Period, the Company conducted a training on project management best practices. Focused on critical areas such as project planning, execution control, and risk management, the training significantly improved the team's professional capabilities, promoted standardized project management practices, and supported efficient business progression.



Career Development

DUPT has established a dual-channel career development system, offering distinct paths for both management and non-management roles, supported by a robust production skill level evaluation mechanism. Through standardized qualification certification and comprehensive performance assessments, the Company provides clear promotion criteria and

growth opportunities for employees. The evaluation results are directly linked to salary incentives, personalized training plans, and the development of a talent reserve. This creates a virtuous cycle where capability development and value return are continuously reinforced. By offering ongoing coaching and feedback, the Company supports employees in achieving long-term career goals, fostering mutual growth for both individuals and the organization.



Performance and Welfare

Salary and Welfare

DUPT has established the *Salary Management System*, constructing a matrix-based salary framework centered on job sequences, with job value and performance contribution as core considerations. The salary structure includes a post-performance salary system, a structural salary system, and a daily wage system. Performance-based pay is closely linked to both organizational and individual achievements and is particularly emphasized for key business areas and core positions, achieving a balanced combination of internal fairness, effective incentives, and sustainable enterprise development.

In parallel, the Company provides a multi-level welfare and security system, combining statutory benefits with distinctive company-specific offerings. Beyond full coverage of the five social insurances and one housing fund, employees receive supplementary commercial insurance and comprehensive support, including meals, accommodation, health check-ups, and participation in cultural and sports activities. During the Reporting Period, DUPT implemented an employee stock ownership plan, closely aligning the interests of core talent with the Company's long-term growth and establishing a sustainable long-term incentive mechanism.

The Company also strictly complies with national working hours and leave regulations, employing standard, comprehensive calculation methods as well as flexible working arrangements. Employees' leave rights are fully protected, ensuring adequate rest. Additional subsidies are provided to employees on business trips and overseas assignments, while working conditions and the operational environment are continuously optimized to enhance employee well-being and strengthen organizational belonging.

Performance Drive

DUPT has established the *Performance Management System*. Using a combined quarterly and annual review cycle, the company applies end-to-end performance management focused on KPIs, covering goal setting, ongoing coaching, performance evaluation, and feedback-based improvement. The evaluation process strictly follows the SMART principles, incorporates a forced distribution rating mechanism, and closely integrates assessment outcomes with compensation incentives and career development pathways. To ensure the fairness, impartiality, and transparency of performance evaluations, the Company has established diversified appeal channels. Employees who disagree with their assessment results may submit appeals through written applications, email, or in-person interviews within the specified timeframe. The Human Resources Department, in coordination with relevant departments, verifies each case and provides timely feedback.

Employee Relations

Labor Relations

Based on the *Labor Relations Management System*, DUPT has developed a standardized labor contract management framework covering the entire employment lifecycle, including onboarding, employment, and resignation, thereby safeguarding the legitimate rights and interests of both the Company and its employees. In terms of labor dispute management, internal negotiation and communication are prioritized, with the Human Resources Department and the Trade Union intervening in accordance with applicable laws and regulations to ensure fair and transparent procedures. Resignation management strictly follows legal procedures, standardizing resignation applications, work handovers, salary settlements, and related processes. Exit interviews and root-cause analyses are conducted to continuously optimize employee relations and maintain a harmonious and stable employment environment.

Case Special Symposium on Employee Labor Relations Management

In November 2025, the Company organized a special symposium on labor relations for the management, with a focus on analyzing high-frequency risk areas such as contract management, salary structures, rewards, and disciplinary actions. The primary objective of this symposium was to enhance compliance with management regulations, proactively address potential labor disputes at source, safeguard the legitimate rights and interests of both the Company and its employees, and foster a harmonious and stable work environment.



Democratic Governance

DUPT has established the *Employee Congress Management System*, implementing democratic management through this fundamental framework. Employee representatives are democratically elected, with a significant proportion drawn from front-line employees and technicians to ensure broad representativeness. These representatives exercise functions and powers—including deliberation, supervision, and election—in accordance with applicable laws. Regular meetings are c-

onvened to deliberate on and vote for major matters affecting employees' vital interests, with follow-up mechanisms to ensure decisions are effectively implemented. The Trade Union, serving as the permanent working body of the Employee Congress, is responsible for daily organization and coordination. It safeguards employees' orderly participation in corporate democratic decision-making, management, and supervision, while systematically promoting the harmonious and stable development of labor relations.

Key Performance

Projects Reviewed and Approved at the Employee Congress: **2** Projects

Projects Reviewed and Approved by the Trade Union: **3** Projects Number of Trade Union Members: **828** Persons

Case Co-building Systems to Forge Employee Consensus

In 2025, the Company further strengthened democratic management, centering on the Employee Congress to effectively implement employee participation. In March, a special seminar was held on the *Performance Management System* (Revised Draft, March 2025). During the seminar, the Human Resources Department addressed employees' questions on site, and employee representatives provided extensive feedback and suggestions. This collaborative process helped advance the development of a fairer and more transparent performance evaluation system. In December, a dedicated review was conducted for the *DUPT Employee Code of Conduct*. Feedback from employee representatives was integrated to refine specific provisions, strengthen overall compliance awareness among employees, and foster a stronger sense of cultural identity within the organization.

Employee Assistance

DUPT has established a standardized and institutionalized assistance mechanism to support employees facing difficulties. Through detailed investigations, file management, and dynamic tracking, the Company ensures that assistance is targeted and effective. During the Reporting Period, under the leadership of the Trade Union, the Company visited and expressed consolation to employees in need. Targeted subsidies were granted according to individual circumstances to provide financial assistance. Additionally, timely care and support were provided to the families of employees facing major life adversities, reflecting the Company's sincere humanistic care. The assistance process is open and transparent, effectively resolving employees' difficulties and fostering a supportive atmosphere where employees feel valued and cared for by the Company, inspiring them to contribute to its development and success.

Key Performance

Number of Employees Receiving Assistance: **27** Persons

Amount of Assistance for Employees in Difficulty: RMB **44** thousand

Employee Activities

DUPT places strong emphasis on employee care, organizing a variety of themed activities around key annual milestones. These include annual celebrations, holiday care initiatives, cultural and sports events, team-building exercises, and cross-unit fellowship activities. Such immersive experiences strengthen team cohesion, deepen employees' sense of belonging, and cultivate a positive, healthy, collaborative, and progressive corporate culture. These initiatives not only promote work-life balance but also infuse vitality into the organization's sustainable development.

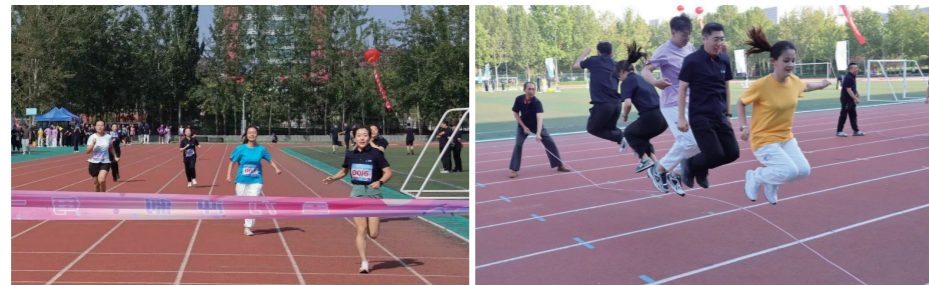
Case "Across Mountains and Seas, Toward the Distant Horizon" Themed Annual Meeting

In January 2025, the Company held the themed annual meeting, attracting over 800 employees and family members. The event featured summaries, commendations, and lottery activities, effectively enhancing team cohesion and reinforcing corporate cultural identity.



Case "Vitality · Passion · Toward the Future" Sports Event

In September 2025, the Company held the "Vitality · Passion · Toward the Future" sports event, featuring a variety of special competitions. The event enriched employees' cultural and sports life, ignited enthusiasm for physical activity, improved staff fitness, showcased the Company's dynamic spirit, and strengthened collective teamwork.



Case Teacher's Day Special Event

In September 2025, to celebrate Teacher's Day, the Company presented customized gift boxes and gratitude cards to over 200 trainers and mentors. An experience-sharing session was held to enhance the mentor training mechanism and support the long-term development of the Company's talent pool.



Case Football Invitational Tournament

In November 2025, the Company's Trade Union hosted the DUPT Football Invitational Tournament, involving four units. The event promoted inter-unit communication, deepened the "Strive for Victory" culture, promoted employee health and wellness, and celebrated a strong spirit of collaboration.



Case Diversified Team-Building Activities

During the Reporting Period, all departments regularly organized team-building activities including outdoor development programs, group outings, and team dinners. These activities strengthened teamwork, improved communication, and continuously boosted organizational cohesion and employee satisfaction.



Practice of Social Welfare



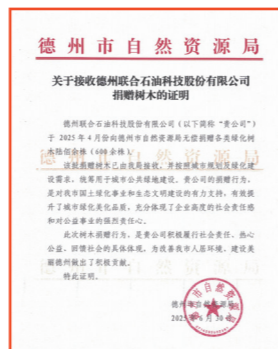
DUPT actively fulfills its corporate social responsibility, serving as a bridge for coordinated development between enterprises and local communities through social welfare initiatives. The Company consistently invests in key areas, including people's livelihood, ecological co-construction, cultural empowerment, and talent employment. By supporting the growth of local public undertakings through sustained and structured public welfare practices, DUPT not only enhances social well-being but also promotes the deep integration of corporate social value with local development. These efforts contribute to building a symbiotic and prosperous ecosystem for sustainable development.

Key Performance

Charitable Donations for Public Welfare: About RMB **0.8** Million

Case Ecological Co-construction – Landscaping Tree Donation

In April 2025, the Company actively participated in ecological construction by donating over 600 landscaping trees to the Natural Resources Bureau of Dezhou City for urban public green space development. This initiative supports the construction of livable rural areas through ecological empowerment, improves the regional living environment, and highlights the Company's commitment to fulfilling its corporate ecological responsibilities.



Case Cultural Investment – Public Service Donation

In November 2025, responding to local needs for cultural development, the Company made a donation of RMB 500,000 to the Dezhou City Library. The donation was specifically earmarked for the development of an electronic reading platform and the expansion of youth literature collections. This support enriches public reading resources, encourages the cultivation of reading habits, improves the local cultural service system, and advances the development of a spiritually civilized society through cultural empowerment.



Case Public Welfare – Normalized Blood Donation

The Company regularly organizes employees to participate in voluntary blood donation drives. During the reporting period, the total blood donation volume reached 8,900 ml. Over the past five years, 163 employees have participated in the program, collectively donating 59,600 ml of blood. This initiative not only bolsters local medical blood supplies and supports clinical treatment but also strengthens team cohesion, reflecting the Company's strong commitment to corporate social responsibility.



Case Spring Bud Program – Talent Employment Empowerment

During the Reporting Period, the Company continued its Spring Bud Program, focusing on talent employment support. The initiative created 92 local jobs, including the recruitment of 21 college graduates and 3 veterans. By offering a stable career development platform and opportunities for skill enhancement, the Company helps optimize the local talent pool and solidifies the foundation for regional development.



Case Industrial Collaboration – Industrial Chain Upgrade Empowerment

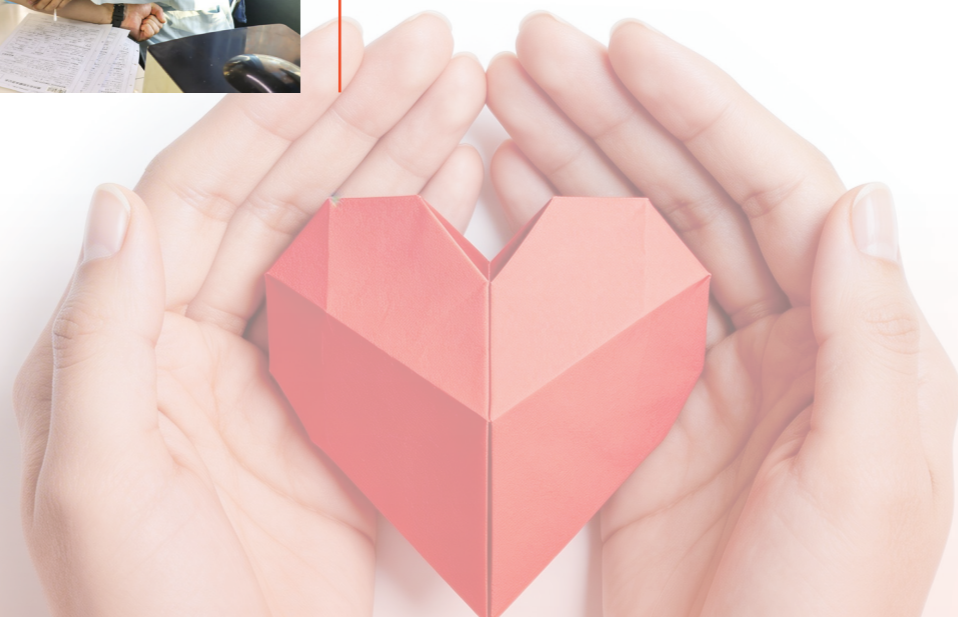
During the Reporting Period, in line with regional industrial development needs, the Company focused on collaborating with local small and medium-sized enterprises (SMEs) in mechanical and accessory processing industries. Through establishing close cooperation, offering stable orders, and providing technical guidance, the Company's annual outsourcing cost surpassed RMB 50 million. This collaboration has played a vital role in upgrading the local industrial chain and stimulating regional economic growth.



Contribution to Rural Revitalization



DUPT has consistently supported the national rural revitalization strategy, regarding support for rural development as a core part of its corporate social responsibility. In alignment with its own growth trajectory, the Company actively aligns with national priorities. With a strong sense of responsibility and concrete actions, DUPT remains focused on the modernization of agriculture and rural areas. By exploring ways to integrate corporate values with key national strategies, the Company contributes to the comprehensive progress of rural revitalization and the promotion of common prosperity.



Afterword to the Report



Key Performance Form

Overall Notes to Key Performance Indicators:

In the key performance form, "-" indicates that the indicator is not applicable, and "/" indicates that the relevant indicator for the year was not disclosed or not statistically recorded.

Indicator Name	Unit	2023	2024	2025
Governance Dimension Performance				
Governance				
General Meeting of Shareholders Convened	Time	2	4	2
Proposals Reviewed at the General Meeting of Shareholders	Item	12	15	19
Meetings of the Board of Directors Convened	Time	5	7	5
Proposals Reviewed at the Meetings of the Board of Directors	Item	28	39	52
Meetings Held by the Strategy Committee under the Board of Directors	Time	1	0	0
Meetings Held by the Remuneration and Appraisal Committee under the Board of Directors	Time	2	2	1
Meetings Held by the Audit Committee under the Board of Directors	Time	5	6	5
Meetings Held by the Nomination Committee under the Board of Directors	Time	2	0	0
Information Disclosure				
Number of Announcements Disclosed	Copy	86	115	116
Number of Periodic Reports and Summaries Disclosed	Copy	6	6	6
Number of Interim Announcements Disclosed	Copy	80	109	110
Number of Investor Relations Activity Records Disclosed	Copy	2	5	7
Investor Relations Management				
Number of Investor Receptions	Time	2	5	7
Number of On-Site Investor Surveys Received	Time	1	4	5

Indicator Name	Unit	2023	2024	2025
Number of On-Site Investor Surveys Received	Person-times	1	18	20
Replies to Investor Questions on Cninfo Platform	Time	51	43	151
Reply Rate of Investor Questions on Cninfo Platform	%	100	100	100

Business Ethics

Participants of Training Sessions on Anti-Commercial Bribery and Anti-Corruption for the Management	Person	/	14	14
Duration of Training on Anti-Commercial Bribery and Anti-Corruption for the Management	Hour	/	8.50	25.50
Total Participants of Training Sessions on Anti-commercial Bribery and Anti-Corruption	Person	/	796	807
Total Duration of Anti-Bribery and Anti-Corruption Training	Hour	/	393.00	1,210.50
Number of Training Sessions on Anti-Monopoly and Fair Competition	Time	/	/	1
Duration of Training on Anti-Monopoly and Fair Competition	Hour	/	/	0.50

Environmental Dimension

GHG Emission

Direct GHG Emissions (Scope 1)	tCO ₂ e	1,685.33	1,553.29	1,526.20
Indirect GHG Emissions (Scope 2)	tCO ₂ e	8,582.99	9,625.13	9,379.71
Total GHG Emissions	tCO ₂ e	10,268.32	11,178.42	10,905.91
GHG Emissions Intensity	tCO ₂ e/RMB 10,000 revenue	0.1811	0.1675	0.1512
GHG Emission Density	tCO ₂ e/Person	13.51	13.48	12.65

Environmental Indicators

Investment in Environmental Protection	RMB 10,000	85.45	22.64	52.02
Training on Environmental Protection	Session	4	4	4
Number of Participants in Training on Environmental Protection	Person-times	95	102	102
Duration of Training on Environmental Protection	Hour	760	816	816

Pollutant Emissions

Waste Gas Emission	Ton	3.38	3.47	3.67
--------------------	-----	------	------	------

Indicator Name	Unit	2023	2024	2025
Pollutant Emissions				
Waste Gas Emission Intensity	Tons/RMB 1,000,000 revenue	0.0060	0.0052	0.0051
Compliance Rate of Exhaust Gas Emissions	%	100	100	100
Wastewater Discharges	Ton	56,834.00	46,243.00	56,639.00
Wastewater Discharge Intensity	Tons/RMB 1,000,000 revenue	100.23	69.31	78.54
Compliance Rate of Wastewater Discharge	%	100	100	100
Volume of General Waste Generated	Ton	2,000.00	2,100.00	2,150.00
Quantity of Hazardous Wastes Generated	Ton	92.85	105.56	122.56
Waste Disposal Compliance Rate	%	100	100	100
Energy and Water Resources				
Total Energy Consumption	tce	2,934.48	3,090.19	3,018.71
Energy Consumption Intensity	tce/RMB 10,000 revenue	0.0518	0.0463	0.0419
Renewable Energy Consumption	tce	-	-	16.87
Total Water Consumption	Ton	60,745	76,513	85,483
Water Consumption Intensity	Tons/RMB 1,000,000 revenue	1.0713	1.1467	1.1854
Total Use of Packaging Materials				
Total Use of Packaging Materials	Ton	5,931.00	5,936.40	4,785.00
Consumption Intensity of Packaging Materials	Tons/RMB 1,000,000 revenue	0.1046	0.0890	0.0664
Industry Value Dimension				
R&D and innovation				
Investment in R&D	RMB 10,000	1,798.00	2,091.80	2,807.75
Number of R&D Personnel	Person	117	136	153
Percentage of R&D Personnel	%	15.66	17.09	18.64
Number of Valid Authorized Patents as of the End of the Reporting Period	Item	90	100	115

Indicator Name	Unit	2023	2024	2025
—Validly Authorized Invention Patents	Item	22	33	47
—Validly Authorized Utility Model Patents	Item	62	61	62
—Validly Authorized Design Patents	Item	6	6	6
Number of Valid Patents per RMB 1 Million of Operating Revenue	Item	0.1587	0.1499	0.1595
Cumulative Number of Software Copyrights as of the end of the Reporting Period	Item	9	10	11
Cumulative Number of Trademarks as of the end of the Reporting Period	Item	14	14	14
Number of Software Copyrights per RMB 1 Million of Operating Revenue	Item	0.0159	0.0150	0.0153
Product Quality				
First Pass Yield	%	99.95	99.99	99.96
Sessions of Quality Training	Session	28	26	30
Quality Training Duration	Hour	528.00	613.00	425.85
Number of Participants in Quality Training	Person-times	575	673	470
Customer Service				
Customer Satisfaction	%	93.48	94.97	96.73
Data and Information Security				
Investment in Information Security	RMB 10,000	11.50	7.70	8.40
Number of Violations Incidents Related to Information Security and Privacy Protection	Time	0	0	0
Training on Information Security and Privacy Protection	Session	/	1	2
Duration of Training on Information Security and Privacy Protection	Hour	/	796	853
Participants in Training on Information Security and Privacy Protection	Person	/	796	831
Coverage Rate of Training on Information Security and Privacy Protection	%	/	100	100
Supply Chain Management				
Procurement Training Sessions	Session	/	/	2
Procurement Training Participants	Person	/	/	21

Indicator Name	Unit	2023	2024	2025
Human Resources Dimension				
Employee Occupational Health and Safety				
Investment in Work Safety	RMB 10,000	249.25	306.52	175.39
Investment in Safety Training	RMB 10,000	19.60	22.23	15.80
Total Training Duration	Hour	12,000	12,000	12,000
Average Duration of Safety Training	Hour	15.79	14.48	13.92
Number of Safety Training Sessions	Session	15	15	15
Participants in Safety Training	Person-times	12,000	12,000	12,000
Number of Security Emergency Drills	Time	28	26	33
Safety Hazard Inspection and Rectification Rate	%	100	99.46	99.29
Number of Occupational Safety Accidents	Case	0	0	0
Total Number of Work-related Injuries	Person	6	10	5
Work Hours Lost due to Work-related Injury	Hour	1,200.00	3,312.00	560.00
Work Injury Insurance Investment	RMB 10,000	36.61	41.14	35.76
Safety Production Liability Insurance Investment	RMB 10,000	1.40	1.40	1.40
Coverage Rate of Safety Production Liability Insurance	%	100	100	100
Incidence Rate of Occupational Diseases	%	0	0	0
Injury Rate per Million Working Hours	%	2.4	4	2
Occupational Health Checkup Participants	Person	342	342	342
Coverage Rate of Occupational Health Checkup	%	100	100	100
Employment				
Total Number of Employees	Person	760	829	862
Percentage of Female Employees	%	12.50	13.27	12.41
Percentage of Employees of Minority Nationalities	%	1.97	2.29	2.55

Indicator Name	Unit	2023	2024	2025	
Employee Numbers by Gender	Male	Person	665	719	755
	Female	Person	95	110	107
Employee Numbers by Job Level	Senior Management Personnel	Person	8	8	8
	Middle Management Personnel	Person	43	43	55
	Grassroots employees	Person	709	778	799
Number of Employees by Profession	Manufacturing	Person	416	440	493
	Sales	Person	56	62	67
	Technology	Person	93	112	113
	Finance	Person	12	16	17
	Administration	Person	35	34	35
	Management	Person	148	165	137
Number of Employees by Age	Under 30 (exclusive) Years Old	Person	133	180	199
	30 (inclusive) to 40 (exclusive) Years Old	Person	341	350	359
	40 (inclusive) to 50 (exclusive) Years Old	Person	193	201	205
	50 years old or above	Person	93	98	99
Number of Employees by Education Level	Master's Degree and Above	Person	15	39	51
	Bachelor's Degree	Person	179	211	228
	Associate Degree	Person	165	186	193
	Below Associate Degree	Person	388	393	390
Number of Employees by Ethnicity	Ethnic Minorities	Person	15	19	22
	Non-Ethnic Minorities	Person	745	810	840
Employee Turnover					
Number of Employees Resigned		Person	102	124	100
Employee Turnover Rate		%	14.10	15.16	11.83
Employee Turnover Rate by Gender	Male	%	/	16.47	11.80
	Female	%	/	9.76	11.98

Indicator Name		Unit	2023	2024	2025
Employee Turnover Rate by Age	Under 30 (exclusive) Years Old	%	/	37.70	26.91
	30 (inclusive) to 40 (exclusive) Years Old	%	/	10.13	5.64
	40 (inclusive) to 50 (exclusive) Years Old	%	/	7.61	7.39
	50 years old or above	%	/	15.71	14.21

Employees' Rights and Interests

Number of Employees Receiving Assistance	Person	22	27	27
Amount of Assistance for employees in Difficulty	RMB10,000	3.10	5.40	4.40

Employee Recruitment

New employees in the Year	Person	55	118	92
——Social Recruitment	Person	45	84	65
——On-campus Recruitment	Person	10	34	27

Women's Rights and Interests

Number of Female Employees in the Management	Person	7	10	11
Proportion of Female Employees in the Management	%	13.73	19.61	17.46
Number of Employees on Maternity Leave	Person	3	6	2
Return-to-work Rate for Employees on Maternity Leave	%	100	100	100

Employee training

Training Investment	RMB10,000	42.67	66.06	53.74
Total Number of Training Sessions	Session	138	172	225
Total Number of Training Sessions	Person-times	2,713	3,364	4,524
Total Training Duration	Hour	173.85	249.75	292.65
Training Coverage Rate	%	100	100	100

Employee Development

Number of Internal Transfers or Internal Job Applications by Employees	Person	34	71	80
Percentage of Internal Transfers or Internal Job Applications by Employees	%	4.47	8.56	9.28

Indexes

Chapters and Sections	Global Reporting Initiative Sustainability Reporting Standards (GRI Standards)	Guidelines on Corporate Social Responsibility Reporting for Chinese Enterprises (CASS-CSR 6.0)	Self-Regulatory Guideline NO. 17 for Companies Listed on Shenzhen Stock Exchange - Sustainability Report (Trial)	
About This Report	2-2/2-3	P1.1/P1.2	Articles 4/6	
Message from the Chairman	/	P2.1	/	
About DUPT	2-1	P3.1/P3.2/P3.3	/	
Sustainable Development Governance	Response to SDGs	/	/	
	Philosophy of Sustainable Development	2-22	G1.1.2/G1.1.6	Articles 11/12
	Governance Framework for Sustainable Development	2-14	G1.1.1	Articles 11/12
	Identification of Sustainable Development Risk	/	G1.1.8	Articles 11/18
	Deepening of Sustainable Development Practices	/	G1.1.3/G1.1.5	Article 12
	Communications with Stakeholders	2-16/2-29	G1.3.2	Articles 9/53
	Analysis of Material Topics	3-1/3-2/3-3	G1.1.8/G1.1.9	Articles 5/11/18
	Solidifying Foundation through Sound Governance and Ensuring Sustainability through Compliant Operations	Consolidation of Governance System	2-9/2-10/2-12/2-13/2-17/2-18	/
Optimization of Compensation Management		2-18/2-19/2-20	/	/
Advancement of Investor Relations Management		2-16/2-27	/	/
Enhancement of Returns to Shareholders		201-1	/	/
Improvement of Risk Management		2-27/207-2	/	/
Anti-Commercial Bribery and Anti-Corruption		205-1/205-2/205-3	G2.1.1/G2.1.2/G2.1.3/G2.1.4/G2.1.6/G2.1.7	Article 55
Anti-Unfair Competition Management		2-27/206-1	G2.2.1/G2.2.2/G2.2.3	Article 56

Chapters and Sections	Global Reporting Initiative Sustainability Reporting Standards (GRI Standards)	Guidelines on Corporate Social Responsibility Reporting for Chinese Enterprises (CASS-CSR 6.0)	Self-Regulatory Guideline NO. 17 for Companies Listed on Shenzhen Stock Exchange - Sustainability Report (Trial)	
Advancing Craftsmanship through Environmental Protection and Empowering Production with Green Intelligence	Response to Climate Change	201-2/305-1/305-2/305-4	E1.1.1/E1.1.2/E1.1.3/E1.1.4/E1.1.5/E1.1.6/E1.1.7/E1.1.8/E1.1.13/E1.1.14/E1.1.15/E1.1.16/E1.1.19	Articles 21/22/23/24/25/26/27/28
	Environmental Compliance Management	2-27/303-2/303-4/305-7/306-1/306-3/306-4/306-5	E2.1.1/E2.1.2/E2.1.5/E2.1.6/E2.1.7/E2.1.8/E2.2.1/E2.2.3/E2.2.5/E2.2.6/E2.2.7/E2.4.1/E2.4.2/E2.4.3/E2.4.4/E3.3.2/E3.3.4/E3.3.5	Articles 29/30/31/33/37
	Recycling of Resources	301-1/301-2/302-1/302-3/302-4/302-5/303-2/303-3/303-5	E3.1.1/E3.1.2/E3.1.3/E3.1.4/E3.1.5/E3.2.1/E3.2.2/E3.2.3/E3.2.4/E3.3.2	Articles 35/36/37
	Ecological and Environmental Protection	304-2/304-3	E2.3.2/E2.3.3	Article 32
Reshaping Industrial Ecosystem through Resilient Supply Chains and Delivering Quality Excellence through Continuous Innovations	Enhancement of Innovation Engine	/	S2.1.1/S2.1.2/S2.1.3/S2.1.4/S2.1.5/S2.1.6/S2.1.7/S2.1.9/S2.1.10/S2.1.11/S2.1.13	Article 42
	Improvement of Product Quality	416-1	S3.3.1/S3.3.2	Article 47
	Protection of Customers' Rights and Interests	417-1	S3.3.4/S3.3.6	Article 47
	Protection of Data Privacy	/	S3.4.1/S3.4.2/S3.4.3/S3.4.4	Article 48
Establishing Rigorous Disciplines through Safety Management and Reinforcing Well-Being through Health Protection	Con-building of Responsible Supply Chain	308-1/308-2/414-1/414-2	S3.1.1/S3.1.2/S3.1.3/S3.1.4	Article 45
	Fortification of Safety Defense Lines	403-1	S4.2.2	Article 50
	Coordination of Safety Strategy	/	S4.2.1	Article 50
	Enhancement of Risk Control	403-2	S4.2.1/S4.2.4/S4.2.6	Article 50
	Implementation of Protection Measures	403-5/403-7	S4.2.4/S4.2.6	Article 50
	Establishment of Safety Goals	/	/	/
Fostering Shared Growth through Employee Development and Contributing Warmth to Society through Talent Engagement	Support for Occupational Health	403-1/403-3/403-5/403-6/403-7/403-9/403-10	S4.2.3/S4.2.4/S4.2.5	Article 50
	Protection of Employees' Rights and Interests	2-7/2-8/201-3/401-1/401-2/401-3/405-1/406-1/408-1/409-1	S4.1.1/S4.1.3/S4.1.5/S4.1.6/S4.1.8/S4.1.9/S4.1.11/S4.1.12/S4.3.1/S4.3.2/S4.3.3/S4.3.4/S4.3.5/S4.3.6	Articles 49/50
	Practice of Social Welfare	203-1	S1.2.1/S1.2.2	Article 40
Afterword to the Report	Contribution to Rural Revitalization	/	S1.1.1	Article 40
	Key Performance Form	/	A2	Article 6
	Indexes	/	A3	Article 57
	Feedback	2-16	A6	Article 9

Feedback

Dear Readers,

Thank you for taking time to read this report. We highly value your valuable feedback on our ESG reporting and sustainability management. Your suggestions will serve as an important basis for improving our ESG efforts and enhancing our sustainability management. We sincerely invite you to complete the feedback form and submit it to us via the following methods. Thank you once again for your support of our ESG efforts!

Email: limingxia@dupt.cn

Tel.: 0534-2237999

Address: No. 1518 Jinghua South Avenue, Songguantun Subdistrict, Tianqu New District, Dezhou City, Shandong Province

1. Which of the following stakeholder categories do you belong to:

- Shareholders or Investors Government or Regulator Employees Customers or Partners Suppliers
 Communities or the Public Others _____

2. Your overall assessment of this ESG report:

- Excellent Good Average Below Average Poor

3. How do you rate this report:

Information Disclosure: Excellent Good Average Below Average Poor

Layout Design: Excellent Good Average Below Average Poor

Readability: Excellent Good Average Below Average Poor

4. Which topics are of most concern to you? (You may select 3 items)

Governance Topics: Anti-commercial Bribery and Anti-corruption Anti-unfair Competition Due Diligence

Social Topics: Protection of Employees' Legitimate Rights and Interests Employee Training and Development
 Occupational Health and Safety Innovation-Driven Development Safety and Quality of Products and Services
 Data Security and Privacy Protection Supply Chain Security Social Contribution

Environmental Topics: Environmental Compliance Management Energy Utilization Response to Climate Change
 Water Resource Utilization Pollutant Emissions Waste Disposal Circular Economy Ecosystem and Biodiversity Protection

5. Is the information you are interested in reflected in this ESG report:

- Yes No (What additional information would you like to see _____)

6. Do you have any other comments or suggestions regarding our ESG efforts and sustainable development management?