CTI
CENTRE TESTING
INTERNATIONAL

2021
ENVIRONMENTAL SOCIAL AND GOVERNANCE REPORT

Reporting Methodology

This is the second Environmental, Social and Governance Report (hereinafter referred to as the "ESG Report," or the "Report") made public by Centre Testing International Group Co., Ltd. (hereinafter referred to as "CTI," "we," or the "Group"). The Group's Board of Directors, all directors and senior management hereby undertake that the information herein is truthful, accurate, and complete, free from false records, misleading statements or major omissions, for which they bear individual and joint liabilities. We promise to update our management, practices and performance surrounding ESG to stakeholders in a consistent, precise and timely manner, and seek to provide a fair, transparent and balanced report to meet the needs of stakeholders.

Reporting Scope

For ease of expression, Centre Testing International Group Co., Ltd. is referred hereinafter as "CTI," "the Group," or "we". Unless otherwise specified, the Report covers CTI's information and data from January 1, 2021 to December 31, 2021, and the monetary amounts herein are RMB. Social and governance sector of this report is consistent with the Annual Report of CTI. Based on the significance of the operational impact, the scope of environmental data includes the group headquarters and all its subsidiaries and offices in China, unless specially marked. From the revenue perspective, the revenue of the above sites accounted for 96.64% of the overall revenue in 2021.

Reporting Standards

This Report has been prepared under applicable Chinese regulations and standards such as the Guidance on Social Responsibility (GB/T 36000-2015), the Guidance on Social Responsibility Reporting (GB/T 36001-2015), and the Guidance on Classifying Social Responsibility Performance (GB/T 36002-2015), and with reference to the ISO 26000 Guidance on Social Responsibility by the International Organization for Standardization and the GRI Standards by the Global Reporting Initiative.

Report Access

This Report is available in digital version. To learn more, you may download it via CTI's official website (www.cti-cert.com) or www.cninfo.com.cn.

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www.cti-cert.com

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MESSAGE FROM CHAIRMAN

When spring returns the world is renewed. 2021 was the 100th anniversary of the founding of the Communist Party of China and the opening year of the "14th Five Year Plan". Following the pace of China's high-tech development, our inspection and testing industry has also entered an era of rapid acceleration.

Last year, we released our first Environmental, Social and Governance (ESG) report to establish and improve our ESG systems at the board level. We also incorporated ESG objectives into the overall strategy of the Group to fulfil our mission to provide sustainable development services for global customers as well as improving our own ESG performance.

We continue to improve our strategy based on the characteristics of the third-party testing, inspection and certification service industry, marking contributions not only to the industry, but to the country at large.

CTI is naturally linked to Sustainable Development Goals

In today's society climate change and greenhouse gas emissions have become global issues impacting the development and survival of human society. CTI's core business in scientific verification is instrumental in supporting Chinese industries and society to achieve green transformation and the adoption of low-carbon lifestyles. Our capabilities cover environmental services, low-carbon energy projects, food and agricultural safety, and independent verification across multiple sectors. We support the pursuit of quality living via professional services.

Accelerating international development via trust and recognition

The TIC industry is an important tool in the conduct of international trade in which China remains a key player. However, we understand that in order to further promote trade and sustainable development, we must ensure our services meet international standards and align with global expectations. Through establishing the CTI Research Institute we seek to elevate China's professional technical services and industrial standards to an internationally recognized level. We strive to attract and cultivate the most accomplished professionals in order to develop a global strategic vision and perspective. In terms of our industry accomplishments, CTI is China's leading TIC company involved in the development of international standards and we encourage each sector to apply international product certification standards so China can improve its core competitiveness and positioning in global trade.

Our commitment to social responsibility

As a private enterprise established in China we actively support national developmental strategies toward improving the health and economic prosperity of society. CTI's independent verification services supported the construction of the Guangdong-HongKong-Macao Greater Bay Area (GBA) and we continue to devote ourselves to emerging industries.

In the fight against COVID-19, we responded quickly to help prevent and control the epidemic disease in Henan, Shanghai and Tianjin by providing volunteers and nucleic acid testing services. We also commit to the common prosperity of poverty-stricken villages via rural revitalization projects. Employee diversification projects are carried out in conjunction with public welfare organizations, and we help people with disabilities to contribute and feel valued in CTI. As our secretary-general Xi Jinping pointed out, enterprises that undertake social responsibilities are the most competitive and viable; having a sense of responsibility and a commitment to society will ensure we progress further and wider with stability.

Maintaining our mission for the future

CTI is deeply embedded in the field of inspection and testing in China, and our future development is built on a far reaching vision of international development. We will continue to align with the latest innovations and initiatives, and continuously improve our service delivery and professionalism. We aim to grow alongside the industrial sectors in which we operate by providing relevant and meaningful services beyond our borders and into the international arena.

Our mission to create a better qualify of life for all through trust enables us to step further towards reaching our goals, upholding our vision that "CTI is always by your side". By accelerating our international expansion, we aim to build a reputable Chinese independent verification company that is respected and recognized by the world.

Chairman of CTI

MESSAGE FROM PRESIDENT

We continue to implement both domestic and international strategies as Chinese manufacturing quality and ingenuity drives the creation of a new generation of products and technologies. Biotechnology, new energy sources, new materials, state-of-the-art equipment, artificial intelligence, life and health and other new technologies and industries continue to be developed. Our industry is facing unprecedented development challenges that present even larger opportunities. In the last year, we made significant advancements in the fields of environment, society and governance, and the establishment of our sustainable development goals; including multiple ESG improvement tasks. We are committed to moving forward in promotion of sustainable development, social responsibility, and modern corporate governance.

Be greener, use sustainable development as the strategic direction

This year, we insisted on taking sustainable development as our strategic direction. High-quality development is inseparable from the concept of sustainability. The proposal of the "30·60" dual-carbon goal provides a broad opportunity for our TIC industry and it also makes us pay more and more attention to our own impact on the environment of climate change. As a courier of trust, our automatic environmental monitoring service provides customers with all-field covered services. Our SA8000 certification services helps the society identifying responsible companies that truly caring about labor rights and interests. Our various business sectors help customers carrying out green manufacturing, identification of harmful substances, promoting resource recovery and reduction of negative environmental impacts. In the future, we will also help customers achieve greener, safer and better sustainable development with high-quality services.

Be smarter, digital strategy facilitates high-quality development

As a practitioner of sustainable development, we carry out lean management and also use digital tools to comprehensively improve the management, operation efficiency and synergy of enterprises. To implement the digitization strategy, we fully deploy online service capabilities and operate the official self-operated e-commerce platform CTI MALL. We gradually complete the transformation of traditional inspection and testing enterprises to digitization. We lead the key projects of the Ministry of Science and Technology to help the resource integration and technical synergy of the integrated inspection and testing service platform for emerging industries. Hence it helps the entire industry to improve the level of digitization.

Be more people-oriented, employees have a higher sense of achievement and happiness

The competition between productivity and international competitiveness comes from the competition of talents. Only by creating an environment that recognition, love, respect and utilization of talents, it allows employees and teams to grow. At the end, the vitality of the enterprise can be fully maintained. We strive to explore innovative talent management mechanisms and provide employees with multi-level training programs. We actively seek and cultivate oversea indigenous talents while cultivating employees' international vision. We pay attention to the diversity of employees in terms of gender, experience and ability. We also provide employees with equal development opportunities. The proportion of our female employees exceeds 50% and the proportion of female managers is close to 40%, basically achieving equal development opportunities for male and female employees.

Be more transparent and win social trust with sincere disclosure

Transparency is CTI's lifeline and its most unique competitiveness. Working outside regardless of extreme weather, getting good results over spring and autumn. CTI has been adhering to the principles of integrity, pragmatism, independence and impartiality. We has created influence to the industry and earned the brand reputation with sincere and transparent communication. We have obtained the "A" grade assessment result for information disclosure by the Shenzhen Stock Exchange for three consecutive years and released ESG reports for two consecutive years. In the future, we will continue to do a good job in ESG information disclosure. We take the ESG report as the second annual report of the Group and provide stakeholders with a satisfactory answer for sustainable development with open and transparent ESG information.

The visionary goes far and further and only the doer succeeds. Sustainable development is inseparable from the persistence of long-term and stepwise efforts. In the future, we will continue to move towards sustainable development goals. Being an ESG leader, architect and practitioner in Chinese TIC industry, we continue to step forward to deliver high-quality and better life.

PRESIDENT of CTI

ABOUT CTI

Company Profile

Centre Testing International Group Co., Ltd. (CTI) is a leading TIC company in China. We offer global customers one-stop solutions covering testing, calibration, inspection, certification and technical services.

Founded in 2003 and headquartered in Shenzhen, CTI is now operating 150+ laboratories in more than 90 cities, covering over 10 countries and regions around the world. On October 30, 2009, we went public on the Shenzhen Stock Exchange (stock code: 300012), becoming one of the first companies in China to be listed on the ChiNext, as well as the first in Shenzhen to do so. As the first listed company in China's testing and certification sector, CTI boasts a global service network and advanced service capabilities. We are now granting more than 2 million testing and certification reports every year, and have served more than 100,000 customers worldwide.

11,000+
11,000+ employees

100,000+
100,000+ customers

150+
150+ laboratories
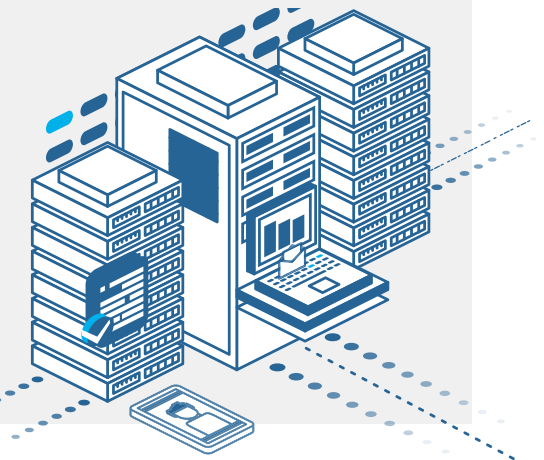
Corporate Culture

Vision CTI Is Always By Your Side

Mission CTI builds trust through global testing & certification services to ensure quality of life for all.

Values Integrity
Collaboration
Expertise
Client Centricity
Ambition

CTI Is Always By Your Side

Our service includes five major business sectors: life science, trade assurance, consumer goods, industrial testing, medicine and medical services, which covering food, environment, medical, consumer goods, industrial production, construction and many other niche. We can offer testing, inspection, certification, calibration and other technical services as to provide one-stop solution for the enterprise.

Service Detail

Food, Agricultural and Health Products Services

Our scope covers planting and breeding, primary production, processing and packaging, storage and transportation, distribution and retail, as well as meeting import and export requirements. CTI is a one-stop shop for the R&D, advisory services, verification and risk management of the food & agricultural supply based on behalf of food companies and their vendors.

Environmental Services

Our laboratories provide a wide scope of services including environmental testing and monitoring, automatic environment monitoring, marine environmental monitoring, occupational health and safety evaluations, agricultural and environmental monitoring, environmental protection and judicial expertise. Our services meet the health, safety environmental needs of stakeholders across government, enterprises and society at large.

Pharma and Clinical Services

For Pharma and clinical sector, the pharmaceutical services teams provide drug screening, pre-clinical safety evaluation, bioanalysis, clinical trial monitoring, and quality consistency evaluation of generic drugs. For biopharma, there are protein characterization, and protein structure analysis, with bio-safety services. Within clinical services, the team provides precise clinical testing, genetic testing, functional medicine evaluations, pathological diagnosis, metabolomics, scientific research services etc. During the Covid19 epidemic, the nucleic acid testing services were offered by the clinical services team. Normalized nucleic acid testing helped to provide a strong guarantee for promoting the economy and protecting people's livelihood, stabilizing domestic and foreign trade, and boosting consumption.

Construction Engineering and Industrial Services

We provide laboratory testing, NDT, inspection, product and system certification, project consultation and management services. It widely covers various industrial sectors which include but not limited to civil and public construction projects – building materials, rail transit, fire safety and flammability, metallic and polymer materials, machinery and the life cycle management on large industrial products and systems.

Metrology & Digital Services

We cover areas such as measurement and calibration, commodity and luxury inspections at ports of entry, pest risk control management, laboratory preparation design and certified consultant, cyberspace security and software testing, the commercial password products and services, and we can meet the multi-location business service needs of major enterprise customers.

Consumer Goods Services

Industries include textiles, apparel footwear accessories, luggage, bags footwear, personal protective equipment, toys & juvenile products, furniture products, food contact materials, hardline goods including sports equipment, and electronic and electrical products including raw materials, microchips and semiconductors. We provide professional technical services solutions in testing, product certification, CCC compulsory certification, supply chain management auditing, product quality improvement, market access and compliance, making CTI as a one-stop-shop for consumer goods requirements.

Automotive Industry Chain Services

We provide solutions that mitigate risk and ensure compliance including automotive materials parts testing, on-board electronics, ICVs, components function and reliability testing, whole vehicle testing and inspection, 2nd and 3rd party audits & certification, fossil fuel related chemical testing and environmental protection regulation services. We provide services for the automotive industrial supply and value chain including R&D, purchasing services, production and after-sales services.

Electronic Technology Service

Our services cover products such as electronic appliances, automotive electronic parts, rail transportation locomotives and parts, electric power equipment, large machinery and medical devices. Our services cover safety testing, energy efficiency testing, EMC testing, automotive electronics EMC testing wireless RF testing, health lighting testing, EMC field testing and other testing services as well as machinery directive certification and multi-country certification services.

Technical Services

Our technical services include the certification of systems, services, and products, greenhouse gas verification, product carbon footprint verification, carbon neutral verification, ESG report preparation and improvement services, supplier assessments, inspection and production monitoring, corporate social responsibility, factory quality management, supply chain security and environmental assessments, warehouse and logistics assessments. store audits and training, occupational health checkups and medical examinations. CTI's technical services provide a one-stop solution to the sustainable development goals of enterprises globally.
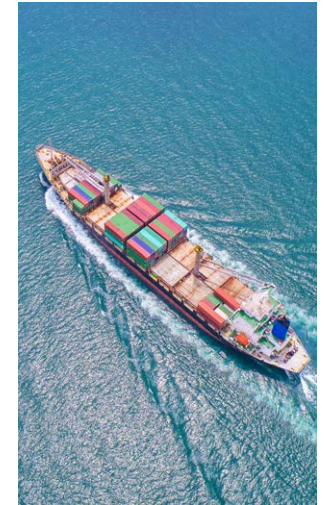
Marine Services

We provide third party inspection, testing & certification services for shipping companies, shipyards, manufactories and suppliers worldwide. Our services include-Marine Fuel Testing Solutions, Ballast Water Analysis(BWMS Commissioning Test and Ballast Water VGP Test), sewage/potable/scrubber/bilge water testing, preparation of Inventory of Hazardous Materials(IHM) and IHM maintenance, one-Stop Solutions for asbestos survey/asbestos removal & abatement/asbestos management and asbestos free Certification.

CTI Services

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1. Testing of Hazardous Substances in Electronic & Electrical Products
2. Reliability Testing
3. Electronic Materials and Components Testing
4. Digital and Computer Accessories Testing and Certification
5. Hardgoods Testing
6. Toys Testing
7. Food Contact Materials Testing
8. Stationery Testing
9. Textiles,Footwear,Luggage and Bags Testing
10. Energy Testing
11. Oil, Gas and Chemicals
12. Power and Utilities
13. Industrial Equipment Testing
14. Building Testing
15. Civil Constructions Testing
16. Transportation Infrastructure Testing
17. Rail Transit Equipment Testing and Systems Evaluation
18. Materials Testing and Analysis
19. Environment Testing and Monitoring
20. Automated Environmental Monitoring
21. Marine Environmental Testing and Monitoring
22. Occupational Health
23. Food Testing
24. Feed Testing
25. Rapid Inspection
26. Testing of Special Foods and Personal Care Chemical Products
27. Agricultural Products Testing
28. Medical Equipment Testing
29. Information Appliances Testing and Certification
30. Home Appliances Testing and Certification
31. Communication Devices Testing and Certification
32. Lighting Appliances Testing and Certification
33. Metrology and Calibration
34. Laboratory Construction and Consulting
35. Digital CA
36. Software Testing
37. APP Security Testing
38. Inspection at Ports
39. Vehicles Testing
40. Aviation Testing Service
41. Contract Research Organization
42. Medical Laboratory Science
43. Audit and Inspection
44. Occupational Safety Clinic
45. Systems and Products Certification
46. Energy Management Systems Certification
47. Low-carbon Planning and Certification
48. ESG Consulting and Management Improvement
49. Construction and Evaluation of Green Manufacturing Systems
50. Energy-saving Diagnosis and Audit
51. Marine Testing
52. Personal Protective Equipment Testing and Certification

Sustainability Services

As we conduct our business, we are concerned about the increasing demand for sustainability from our customers. We continue to serve our customers across the industry and globally to improve safety and quality; actively innovating sustainable services to help global businesses manage safety and quality risks. We also help our customers achieving compliance in their business operations and ensuring that their suppliers being able to implement sustainability requirements. We are committed to fulfil our sustainability responsibilities by helping our customers reduce their impact on the natural environment, reduce resource consumption, and work together to address environmental risks and challenges to achieve win-win development.

1,500+
Completed more than 1,500 greenhouse gas verification projects

5,000+
Complete more than 5,000 greenhouse gas emission verification projects for key units in various provinces and cities

500+
complete more than 500 energy management system certifications

Ensuring operational stability
- We provide customers with compliance product quality testing and certification services to help customers achieve stable operations and development.
- Entrusted by customers, we audit the management system of their suppliers and eliminate supplier risks in a timely manner.
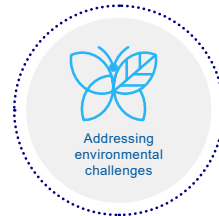
Addressing environmental challenges
- We provide energy saving and emission reduction solutions, and help customers transforming to a green, low-carbon and circular economy.
- We help customers sorting out the greenhouse gas emissions in the whole life cycle of products and provide support for customers to achieve '30·60' dual carbon goal.

Gaining market advantage
- We provide national and world leading certification services for quality, environmental, occupational health, and energy management systems, to help customers raising their market competitiveness.
- We offer objective evaluations on industrial energy conservation and green development such as green products, green factories, and green supply chains, helping customers win social recognition.

Improving Awareness & Ability
- We keep tracking of the latest trends in sustainable development and offer timely information and professional advice.
- We focus on international leading practices and excellent experience, and continue to provide knowledge and tool supporting for the improvement of customers' sustainable development capabilities.

Local Foundation, Global Vision

We are now operating 150+ laboratories in more than 90 cities, covering over 10 countries and regions around the world. In the future, we will keep expanding our service landscape and provide professional services and support for global partners.
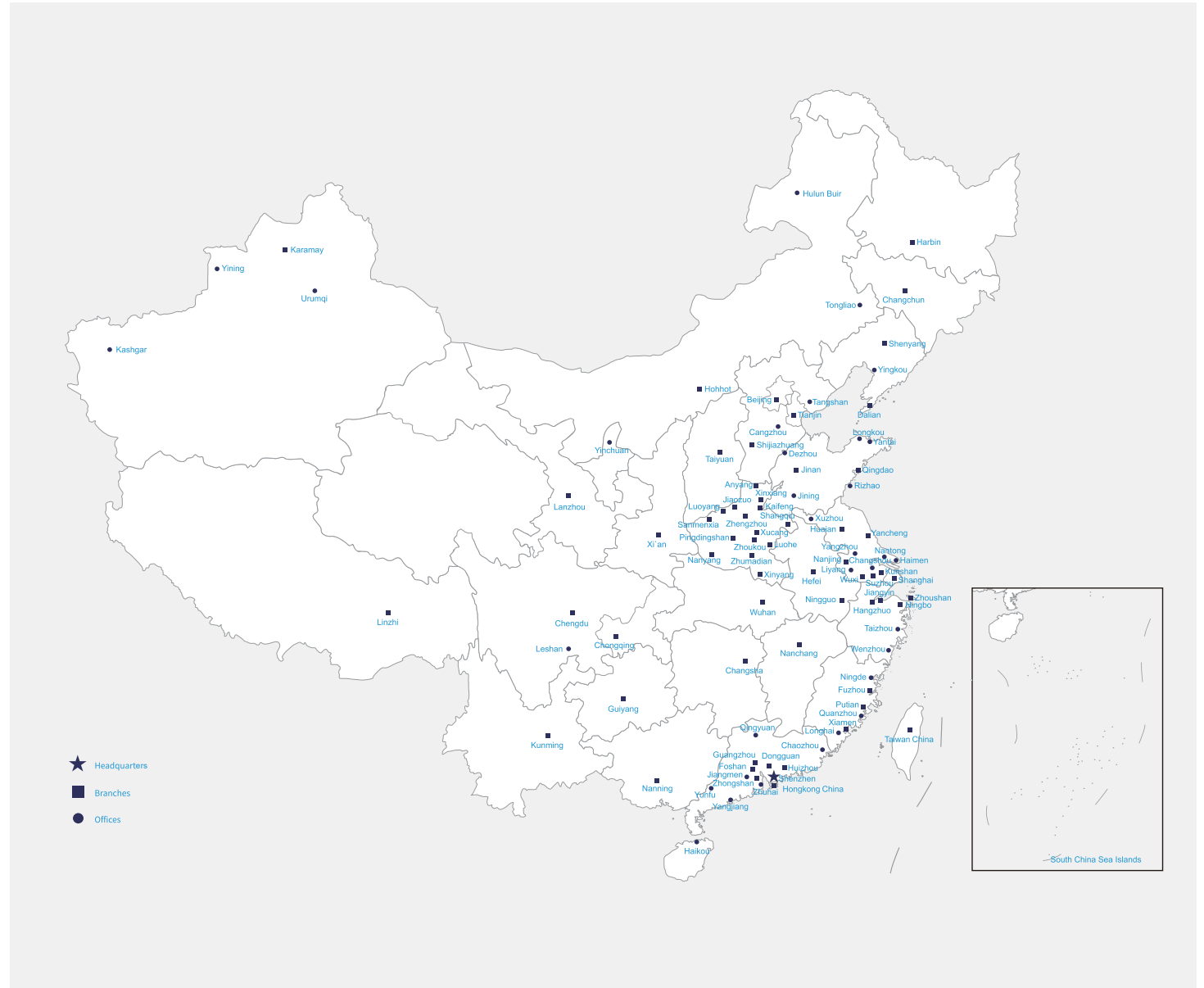
BRANCHES
90+

LABS
150+

EMPLOYEES
11,000+

★ Headquarters
■ Branches
● Offices

South China Sea Islands

UK
Netherlands
Germany
Ireland
France
Turkey
Greece
China
Korea
Japan
USA
Mexico
India
Malaysia
Philippines
Singapore
Indonesia
South Africa

CTI Global Business Distribution

Highlight Performance in 2021

1 Financial Performance

In 2021, total revenue of 4.329 billion RMB was achieved, increased 21.34% by comparing to last year; net profit attributed to shareholders of the parent company was 746 million RMB, increased 29.19% by comparing to last year.

2 ESG Governance and Stakeholder Communication

- We carried out ESG management improvement projects during the reporting period, bringing together 10 business units and 8 functions to formulate and complete 30 ESG improvement tasks.

- We compiled the *CTI Environmental, Social and Governance (ESG) Regulations*.

- We held 4 online performance briefing sessions, with 1,717 participants in total, and fully ensured smooth communication with investors through telephone, WeChat, Irm.cninfo.com.cn and other channels.

- We obtained the A grade in the Shenzhen Stock Exchange's information disclosure assessment.

- We ranked 84th in the selection of Top 500 Chinese ESG Enterprises jointly organized by Sina Finance and CCTV.

- We won the award of Top 500 Brand Communication Power of Listed Companies in Guangdong-Hong Kong-Macao Greater Bay Area in 2020.

3 Business Ethic

- The coverage of business ethics and anti-fraud training was 100%.

- *CTI Supplier Code of Conduct* were compiled, and the signing rate of new laboratory suppliers was 100%.

- The signing rate of the Integrity Statement on Fair Competition and Clean Procurement was 100%.

- We won the title of "The Integrity Compliance Model Enterprise of Bao'an District.

4 Professional Services

- 10 new companies have passed ISO 9001 quality management system certification and the number of certified subsidiaries has reached 36.

- 49 new standards were issued including 4 ISO international standards, 2 invention patent authorization and 39 utility model patent authorizations.

- We were selected into the third batch of service-oriented manufacturing demonstration list and the fourth batch of industrial technology basic public service platforms of the Ministry of Industry and Information Technology.

- We won the Shenzhen Market Quality Credit AAA Grade award, Shenzhen Quality Month Excellent Innovation Award, and Wan Feng, the Chairman of CTI, was elected as Shenzhen Quality Leader.

5 Talent Management

- There was a total of 11,091 employees worldwide, of which 50.3% were female, and 38% of manager level employees and above were female.

- We provided comprehensive training, including new employees, leadership, professional skills, etc. and the average training time of employees was up to 21.4 hours.

- By 2025, the average annual training time of employees will reach 50 hours as an ESG key performance target.

- Employee training supporting plan and female leadership accelerating program were launched during the reporting period.

- 10 new subsidiaries have passed the occupational health and safety management system certification. By the end of 2021, the number of subsidiaries that have passed the occupational health and safety management system certification has reached 32.
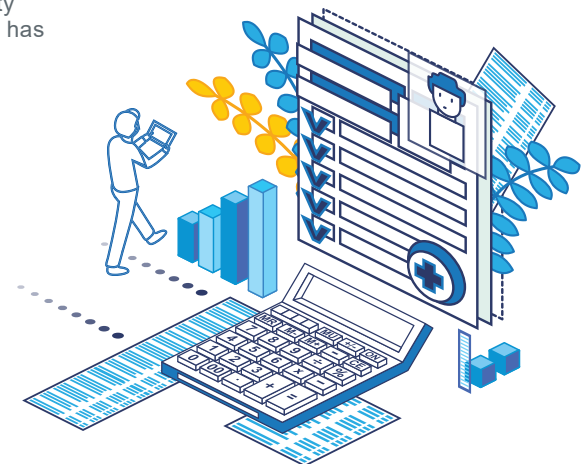
6 Environmental Protection

- 12 new subsidiaries have passed the ISO 14001 environmental management system certification. As of the end of the reporting period, the number of subsidiaries that have passed the ISO 14001 environmental management system certification has reached 31.
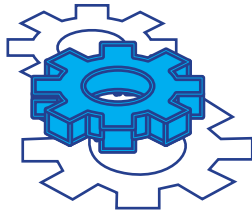
7 Social Contributions

- We donated 321,800 RMB to the society, carried out 20 public welfare projects and voluntary service time over 500 hours.

01

CORPORATE GOVERNANCE

CTi Environmental, Social and Governance Report 2021

Corporate Governance | Professional Services | Talent Management | Environmental Protection | Social Contributions | **16**

CORPORATE GOVERNANCE

The core value of a modern enterprise system is corporate governance. Steady and effective corporate governance can stimulate creativity, promote the development of enterprises in a healthy, stable and sustainable direction as to create greater value for society.

Corporate Governance

Governance Structure

Under the Guidelines for *the Standard Operation of Companies Listed on the ChiNext Market of Shenzhen Stock Exchange* and other listing requirements, we have established a rule system and a governance structure based on the *Articles of Association*, the *Rules of Procedure of the General Meeting of Shareholders*, the *Rules of Procedure of the Board of Directors* and the *Rules of Procedure of the Board of Supervisors*. This is to ensure that the General Shareholders' Meeting, the Board of Directors, the Board of Supervisors and the management perform their duties for regulating operations according to the *Articles of Association* and corresponding rules of procedure and working instructions, to respond to future challenges.

CTI Governance Structure
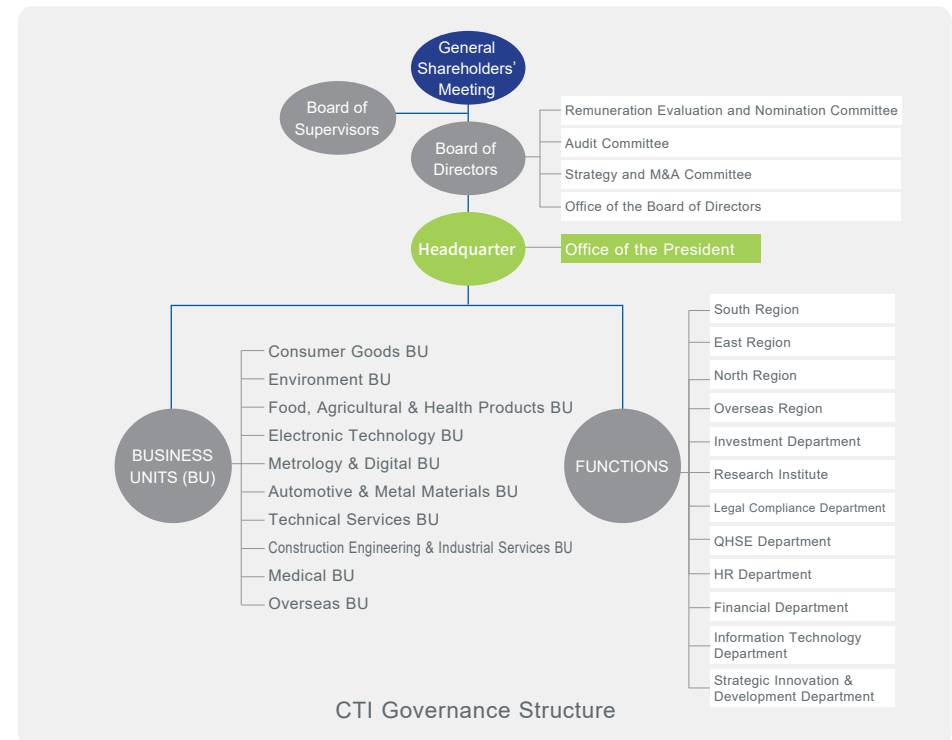
Board of Directors

Wan Feng
Chairman

Richard Shentu
Director

Chen Yan
Director

Liu Jidi
Director

Cheng Hong
Independent Director

Zeng Fanli
Independent Director

Cheng Haijin
Independent Director

Senior Management

Richard Shentu
President

Chen Yan
President of Administration
Board Secretary

Qian Feng
Vice President

Xu Jiang
Vice President

Zhou Lu
Vice President

Li Fengyong
Vice President

Wang Hao
Vice President

Zeng Xiaohu
Vice President

CTi Environmental, Social and Governance Report 2021

Corporate Governance

Professional Services

Talent Management

Environmental Protection

Social Contributions

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Board Diversity

The Company strictly following the *Articles of Association* and other regulations, implemented the diversity policy of the Board of Directors. All appointments to the Board are based on merit and are committed to selecting the best candidates for each position based on diversity, including but not limited to gender, cultural background and ethnicity, to ensure an appropriate balance of skills, experience and diversity of perspectives to enhance the effectiveness of the board. We are convinced that the diversity of board members is of great benefit to improving the performance quality of the company, and improving diversity at the board level is an essential element to support the achievement of strategic goals and sustainable development.

As at the end of the reporting period, the company's board of directors consisted of 7 directors, including 2 executive directors, 2 non-executive directors, and 3 independent non-executive directors, including 1 female director. The current directors of the company all have solid professional quality and good educational background. 2 directors have obtained doctorate degrees. Among them, director Cheng Haijin has rich experience in business development and mergers and acquisitions, and has risk management knowledge and ability.

Internal Control and Risk Management

At CTI, a sound internal control mechanism has been established in accordance with the *Basic Norms of Enterprise Internal Control*. The management is responsible for establishing and perfecting our internal control system, performing risk assessments and internal monitoring; and each function or business unit builds internal control regulations and procedures for itself, reducing internal control risks with effective control measures, supervision and inspection. With the assistance of external and internal auditors, the Board of Directors and the Audit Committee monitor and evaluate internal control procedures and regulations.

Investor Relations Management

We are committed to establishing regular and effective two-way communication with our shareholders and investors. We have established a comprehensive information disclosure mechanism to communicate information to our shareholders in a timely manner. In 2021, we held a total of 4 online performance briefings to fully communicate with investors on the content of regular reports, with a total of 1,717 participants. The company actively participated in the strategy meeting and reverse roadshow activities, and fully ensured smooth communication with investors through telephone, WeChat, Irm.cninfo.com.cn and other channels, which promoted the long-term and stable relationship between the company and investors, and obtained the A grade in the Shenzhen Stock Exchange's information disclosure assessment.

ESG Management

As a leading TIC company in China, we acknowledged the importance and urgency of improving sustainability capabilities. In 2021, we continued to improve the ESG management system and capabilities.

Our Performance in 2021:

4
Identified **4 strategic pillars** of ESG development

30
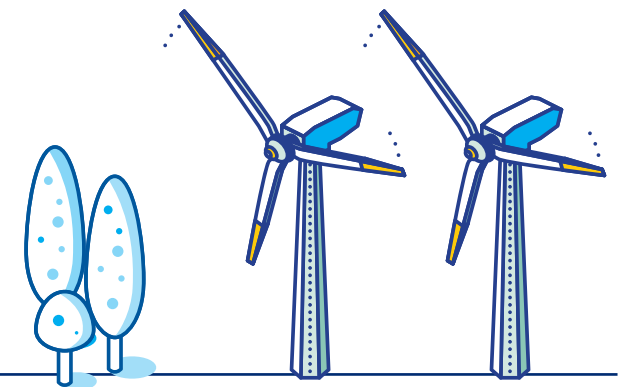Identified 30 ESG management improvement tasks

3
Conducted 3 times ESG trainings for senior management

2
Conducted 2 times Group staff training and work arrangement meeting

CTi Environmental, Social and Governance Report 2021

Corporate Governance
Professional Services
Talent Management
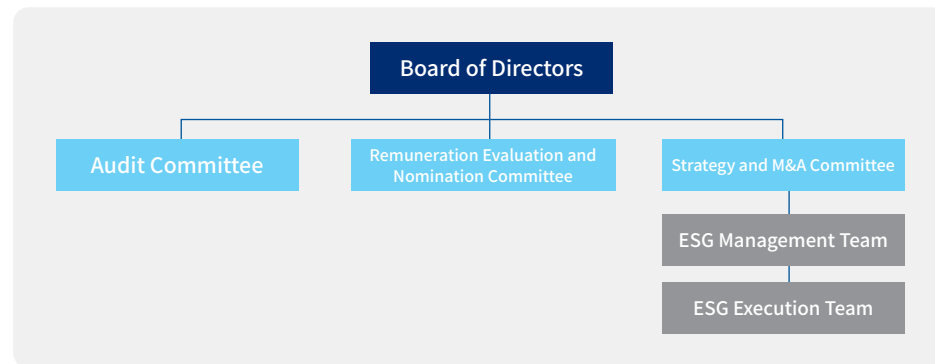Environmental Protection
Social Contributions

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Improve ESG Governance

During the reporting period, we further promoted the normalization and standardization of ESG information disclosure, and compiled and improved *CTI Environmental, Social and Governance (ESG) Regulations*.

Our ESG Management Team is headed by the Group President, with Group President of Administration and the President of the Technical Services BU are responsible for execution and report to Group Chairman on a regular basis. And the ESG Executive Team is headed by the CEO, with the heads of all functions and business units form up as team members. The following are the responsibilities and duty of the ESG Management Team and the ESG Executive Team.
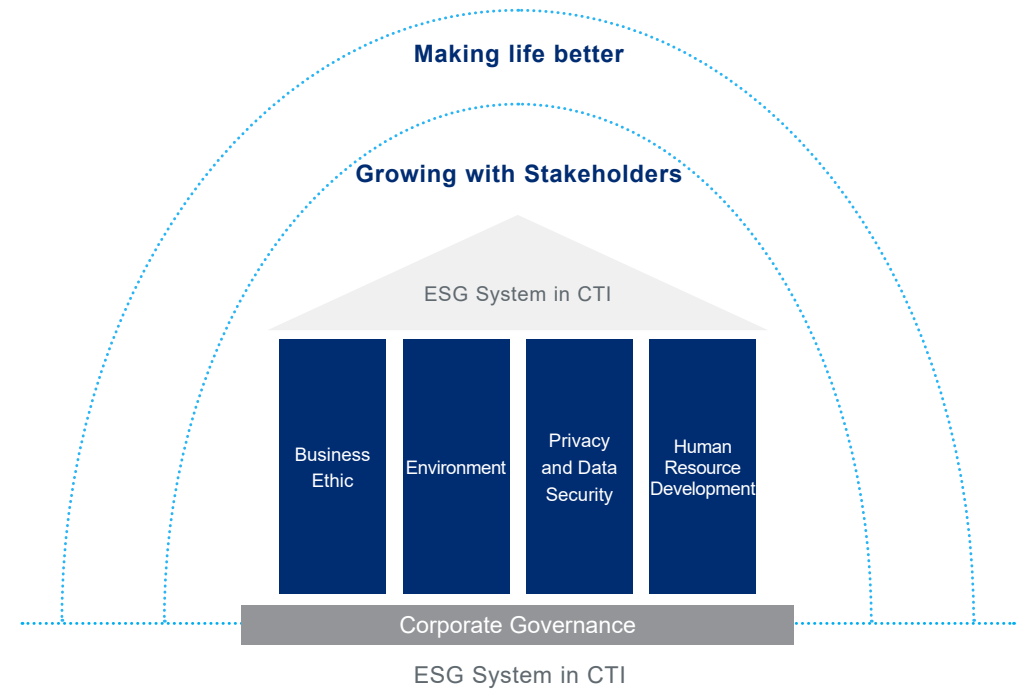
ESG Management Team	ESG Execution Team
➤ Establish an ESG implementation mechanism at the company's operation and management level, establish a clear organizational structure and division of responsibilities, and evaluate ESG management methods; ➤ Establish a measurement and monitoring mechanism for ESG indicators; coordinate the group's senior management and relevant departments to promote the completion of ESG performance goals.	➤ Improve the company's ESG information disclosure quality and report preparation mechanism, benchmark the general indicator system and international standards, and communicate and demonstrate the company's ESG performance in a comprehensive and standardized manner; ➤ Continue to implement and promote the company's ESG improvement actions, collect and disclose relevant data and information, and ensure the accuracy, timeliness, balance and consistency of information; ➤ Respond to stakeholder comments and inquiries about the company's ESG matters.

Board of Directors

Audit Committee — Remuneration Evaluation and Nomination Committee — Strategy and M&A Committee

ESG Management Team

ESG Execution Team

ESG Team Structure of CTI

ESG System in CTI

During the reporting period, we established an ESG system and identified ESG strategic pillars and priorities. We committed to achieving and continuously improving responsible environmental and social benefits, as well as effective management and governance of company operations. Our ESG system is based on corporate governance and has established four pillars of business ethics, environment, privacy & data security and human resource development. While achieving common development with stakeholders, we contributed to the community in order to realize our vision "CTI Is Always By Your Side".
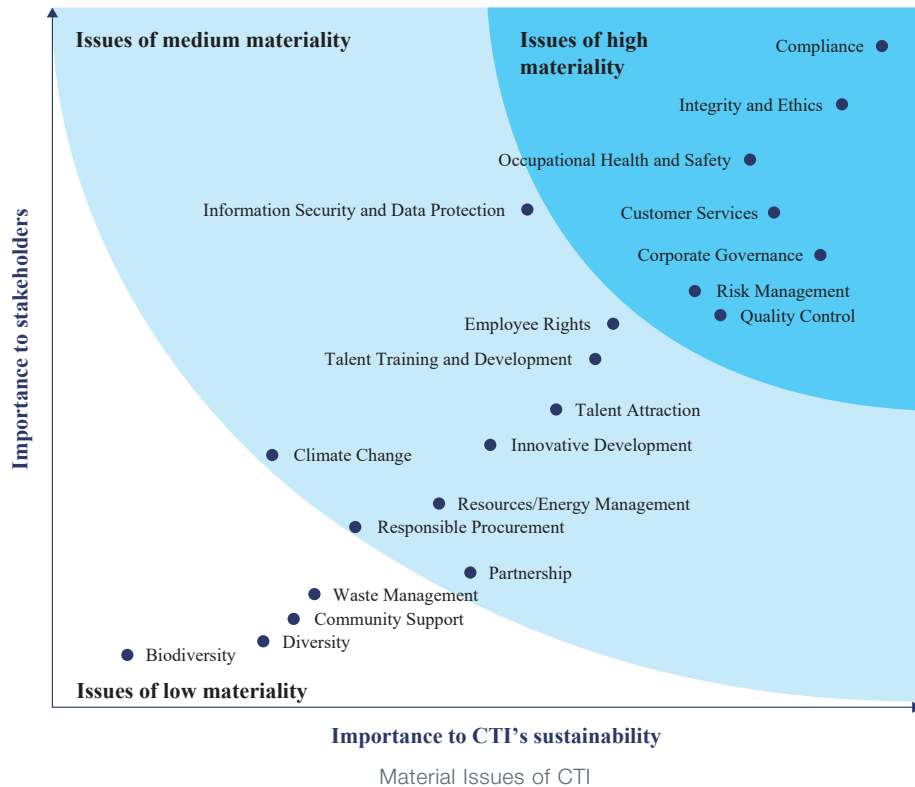
Making life better

Growing with Stakeholders

ESG System in CTI

| Business Ethic | Environment | Privacy and Data Security | Human Resource Development |

Corporate Governance

ESG System in CTI

CTI Environmental, Social and Governance Report 2021

Corporate Governance | Professional Services | Talent Management | Environmental Protection | Social Contributions | **20**

Stakeholder Communication

Stakeholder	Issue of concern	Way of communication/response
Shareholder	➢ Continuous growth in operating performance ➢ Good performance in market value ➢ Company value improvement ➢ Open and transparent corporate information ➢ Sustainability models	➢ General Meeting of Shareholders ➢ Announcements and periodic reports ➢ Performance briefings ➢ Investor researches and investment strategy meetings ➢ Responding to the Board through the Board Office
Employee	➢ Protection of basic rights and interests ➢ Well-defined career development paths ➢ Competitive employment opportunities ➢ Welfare and Care	➢ Company annual conferences. ➢ Whistleblowing hotline and website ➢ Cultural and sports activities
Customer	➢ Fair, objective and professional services ➢ Desirable service experience ➢ Information security and data protection	➢ Customer inquiry and complaint hotline ➢ Customer satisfaction surveys and complaint return visits ➢ E-commerce platform (CTI MALL) ➢ Customer demand researches and project reporting
Government and Regulator	➢ Compliance with laws and regulations, and compliance operation ➢ Accepting supervision and timely information reporting ➢ Legal tax payment to boost economy	➢ Fulfillment of information disclosure obligations required for listed companies ➢ Receiving supervision by industry regulators such as CNAS, CMA, and government departments such as the State Administration for Market Regulation, and submitting necessary documents

Stakeholder	Issue of concern	Way of communication/response
Environment	➢ Mitigating greenhouse effect ➢ Reducing resource consumption ➢ Lowering impact of operating activities on the environment	➢ Services for greenhouse gas and sustainable development ➢ Green procurement chains ➢ Developing green economy through energy saving and consumption reduction
Partner	➢ Mutual benefits and win-win results ➢ Promoting healthy development of the industry	➢ Participating in or holding industry forums and exchanges ➢ Cooperation and business negotiations
Supplier	➢ Shared growth ➢ Fair and transparent procurement ➢ Ethical procurement	➢ Notices of invitation for bids and disclosure of bidding procedures and results ➢ Supplier audit
Community	➢ Concern and support for community development	➢ Charitable donation ➢ Voluntary service
NGO	➢ Experimental animal protection	➢ Humane care and protection for animals

Material Issues Identification

We evaluated the importance of our ESG issues via matrix analysis. We identified our own ESG material issues from daily work, with reference to domestic and international sustainability guidelines and the ESG issues of our peers. The importance and priority of material issues were determined from two dimensions – "importance to stakeholders" and "importance to CTI".

Issues of medium materiality

Issues of high materiality

Compliance ●

Integrity and Ethics ●

Occupational Health and Safety ●

Information Security and Data Protection ●   Customer Services ●

Corporate Governance ●

● Risk Management
● Quality Control

Employee Rights ●

Talent Training and Development ●

● Talent Attraction

● Innovative Development

● Climate Change

● Resources/Energy Management
● Responsible Procurement

● Partnership

● Waste Management
● Community Support
● Diversity

● Biodiversity

Issues of low materiality

Importance to stakeholders

Importance to CTI's sustainability

Material Issues of CTI

ESG Capabilities Enhancement

We focus on corporate ESG capacity building, continue to pay attention to international and domestic ESG development and the ESG disclosure requirements of relevant regulatory agencies and actively focus on ESG concerns in the capital market. During the reporting period, the ESG executive team conducted 3 times ESG trainings for senior management, and 2 times training and work arrangement meetings for group employees. CTI led or participated in a number of special researches related to ESG and green finance. We developed our own ESG database and cooperated with the China (Tianjin) Pilot Free Trade Zone Management Committee to publish the Enterprise ESG Evaluation Guide (Trial Version). We also led in compiling the standard *Evaluation Guide for the Sustainable Development of Enterprises in the Electronics Industry (T/CIE 108—2021)* and *Evaluation Methods for the Sustainable Development of Enterprises in the Electronics Industry (T/CIE 109—2021)*. In addition, we deeply participated in the research on related topics of Shenzhen Special Economic Zone Green Finance Regulations. We continuously improved the research level and ability of ESG in special research and further integrate ESG into management, business, disclosure and other parts.

Business Ethic

Good faith is the core of everything we do at CTI.

Our Performance in 2021:

100%
of new employees passed the integrity training

100%
of employees in positions with major integrity risks received training and passed appraisal

100%
coverage of training on anti-fraud topics

100%
of whistleblowing cases for fraud and corruption were handled

Management and Policies

Our Board of Directors and Audit Committee monitor and evaluate internal control procedures and systems, including business ethics. During the reporting period, we revised the *Code of Business Conduct*, which clarifies how we comply with business ethics and legal explicitly. The document covers the basic principles and norms applicable to the behaviors inside the Group as well as those related to external partners and the public. Our system stipulates that the code should be reviewed and revised at least every three years. The code applies to all employees of the company, including full-time, part-time and temporary employees. The *Code of Business Conduct*, together with related policies and training resources, is made available in our internal system, and serves as an important part of the employee training on business ethics and compliance.

The *Code of Business Conduct* includes:

- Comply with national laws and regulations
- Mutual respect, honesty and integrity
- Comply with the principles of fair competition
- Do not give, request and accept any benefits
- Avoid conflicts of interest
- Protect customer data and privacy security
- Protect the environment and conserve natural resources
- Protect the safety of employees in the workplace
- Protect complaints and whistleblower information from being leaked
- Require suppliers to agree with CTI's values and comply with applicable laws

We have formulated an array of documents such as the *Internal Audit Management Regulations*, the *Anti-fraud and Whistleblowing Management Regulations*, with reference to international conventions such as the *United Nations Convention against Corruption*, technical guidelines for clean governance management by Transparency International, as well as applicable national laws and regulations and customer requirements. Through a strict and transparent review mechanism, we effectively rectify discipline and implement risk management to avoid corruption and fraud.

We conduct internal evaluations every year with the assistance of external and internal auditors, based on the *Internal Audit Management Regulations*. The assessment includes the effectiveness of internal control and risk management, the truthfulness & integrity of financial information and the efficiency & effectiveness of business activities for the Group's internal organizations and holding companies.

Whistleblower Protection

We permit and encourage employees to lodge complaints and reports to their supervisors or the HR Department, the President's Office, and the Internal Audit Department of the Board of Directors for acts and facts that violate the *Code of Business Conduct* and laws and regulations, or harm the interests of the Group and employees. We have compiled the *Anti-fraud and Whistleblowing Management Regulations* and other employee complaint and whistleblowing management procedures and established special communication channels including whistleblowing mailbox, whistleblowing hotline, etc. The Internal Audit Department of the Board of Directors has been designated as the unified department being responsible for the unified responsibility for handling whistleblowing matters. We explicitly require that for visitors or callers to the whistleblower, a dedicated staff to receive or answer, any unrelated personnel are not allowed to participate in the activity. For investigation and verification, it is advised to choose a strictly confidential place and a time convenient for whistleblowers. Although employees are encouraged to use their real names, all complaints and reports may be submitted in anonymity. CTI promises to keep all documents confidential within the scope permitted by law and does not tolerate any retaliation against whistleblowers.

Integrity Training

All new hires of CTI are required to receive training of business ethics. Every year, we carry out different frequency and different forms of training and corresponding learning activities according to the business ethics of different positions, especially the level of integrity risk.

We have identified high integrity risk positions including but not limited to: procurement, engineering construction or subcontracting engineering, investment and mergers, acquisitions, sampling, subcontracting testing, inspection, auditing, certification, accounting, cashier and other positions. For those positions in high-integrity-risk, we have clarified the employees' responsibilities for integrity, standardized work processes with transparent mechanisms and systems, separated responsibilities and functions and implemented supervision and inspection. We arranged all personnel in medium and high integrity risk positions to receive systematic integrity training at least once a year, and evaluate the effectiveness of the training. The integrity officers of each department are responsible for the supervision of the training.

Meanwhile, a culture of honesty and integrity has been promoted across the Group. Through education, training, and independent learning, we urged employees to comply with CTI's code of business conducts and professional ethics. During the reporting period, we added an E-learning course of *Training on Anti-Fraud*, covering all employees of the company.

Responsible Operation

Fair Competition

In strict compliance with the *Law against Unfair Competition of the People's Republic of China*, we explicitly prohibit employees from obtaining competitive intelligence using commercial espionage, bribery, theft, wiretapping or other approaches, or maliciously disseminating false information about our competitors or their products or services.

Anti-money Laundering

Our *Code of Business Conduct* explicitly defined the relevant provisions of anti-money laundering. We strictly abide by *Anti-money Laundering Law of the People's Republic of China* on and the internal procedures that prohibiting money laundering, as well as all accounting, bookkeeping and financial reporting regulations that applying to cash and payments in transactions and contracts. Our goal is to work with reputable clients, consultants and business partners who are engaged in legal business activities and have legal sources of funds.

Intellectual Property Rights

We respect and protect intellectual property rights and expertise, and have developed the *Intellectual Property Rights Management Regulations* to regulate the management of intellectual property rights. A *Procedure for Protecting Customer Secrets and Ownership Rights* has been compiled for the proper protection of customers' property and intellectual property rights. We strictly prohibit activities and behaviors that infringe the intellectual property rights of other companies or individuals. And while protecting our own intellectual property rights, we also take into account the expectations and basic needs of the society and the industry.

Advertising

CTI complies with the *Advertising Law of the People's Republic of China*, stick to responsible marketing, and is against false publicity in all forms. We are confident enough to demonstrate our service capabilities and competitive advantages, with absolute authenticity and objectivity, and strictly prohibiting false advertising.
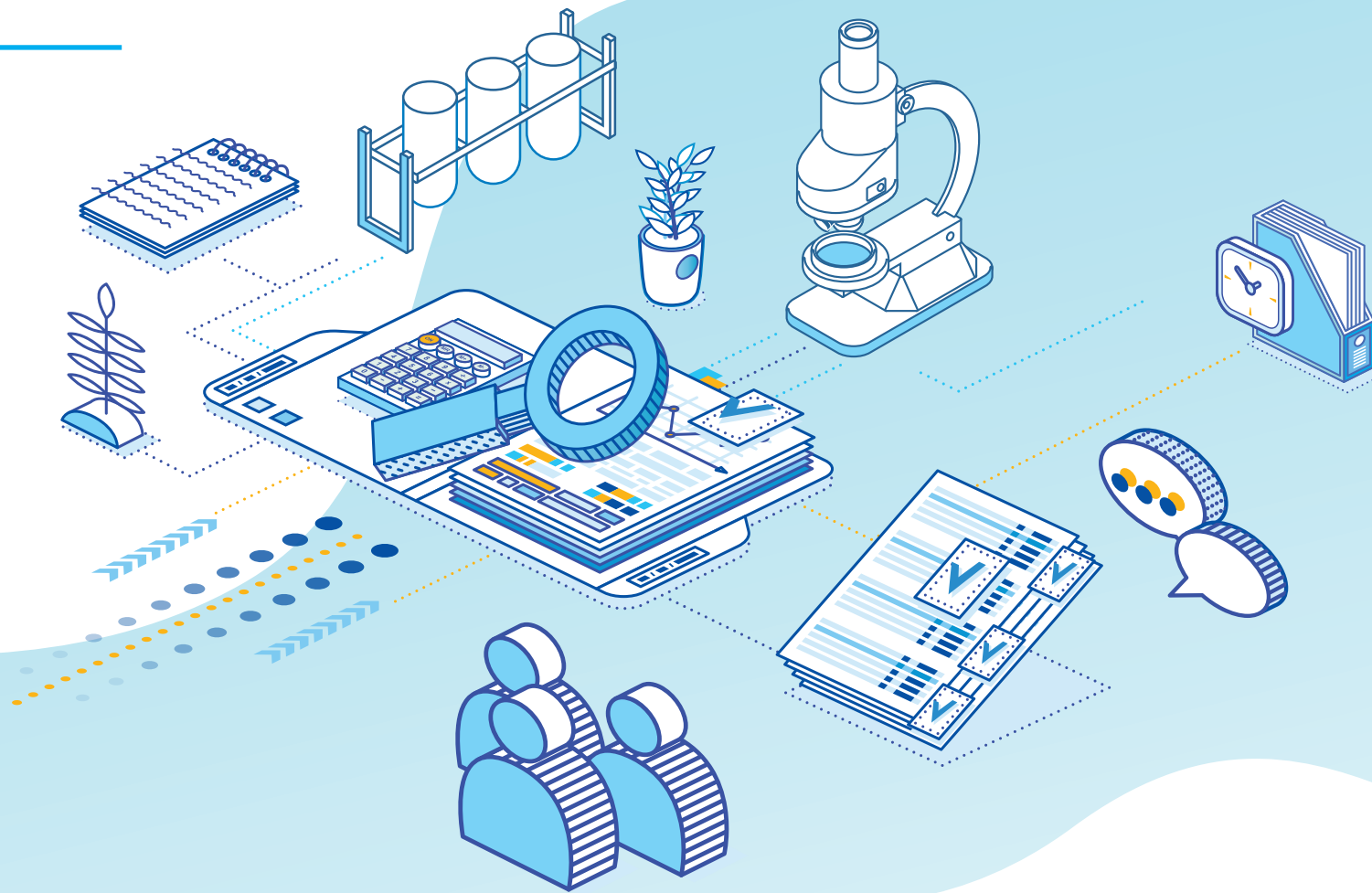
Legal tax payment

We fulfill our tax obligations every year with the support of external and internal tax experts and in accordance with national tax regulations. All of our tax planning needs to be consistent with the principles of sustainability, corporate responsibility and risk management.

02

PROFESSIONAL SERVICES

PROFESSIONAL SERVICES

We take "Integrity·Teamwork·Professionalism·Service·Growing" as our core values, our mission is "Build Trust for Better Life". We provide one-stop solutions on testing, inspection, certification, calibration, audit, training & technical services to global customers. CTI is committed to deliver trust between Government, enterprise and customers, fully guarantee quality and safety. We have always maintained the principle of focus and innovation on the road of adhering to professional services, leveraging industrial upgrade and quality upgrade with professional technology for achieving green, sustainable and high-quality development.

Quality Control

We regard the compliance, accuracy and validity of the reports and certificates provided as the foundation of the third-party testing organization and the company's sustainable development. We ensure the professionalism of the company's business through independent, strict and effective quality supervision system, thereby continuously consolidating the core competitiveness of CTI Group. In terms of business lines, we truthfully report data, test results and other crucial facts, ensure that all issued reports are consistent with true survey data, and provide professional judgment or opinion.

In 2021, Our performance:

14
Developed 14 quality training courses

66,759
Quality training covered 66,759 employees

41,569.63
The total course hours are 41,569.63 hours

Enhancing Professional Strength

We are not only a China Compulsory Certification (CCC) designated certification body, China National Accreditation Service for Conformity Assessment (CNAS) and China Metrology Accreditation (CMA) institutions. We are also the EU Notified Body (NB) designated certification party and Singapore accredited national certification body. We have been approved by the US, UK, Canada, Norway, Mexico, Germany & other overseas national authorities and authorized cooperation. Based on the global service network and our authority & credibility, CTI can issue more than 2 million testing and certification reports per year.

In 2021, we officially became an APSCA FULL MEMBER, EU CE certification body of PPE product, FOSTA accredited inspection agency, authorized testing agency of South African National Bureau of standards, authorized verification agency by International Climate Bond Initiative (CBI). In the meanwhile, we have obtained the "CCC certification" of the Ministry of agriculture. 16 laboratories were rated as "farmland quality standard laboratory of the Ministry of Agriculture and Rural Affairs". With more comprehensive qualification and more professional level, we will provide our customers with better services.
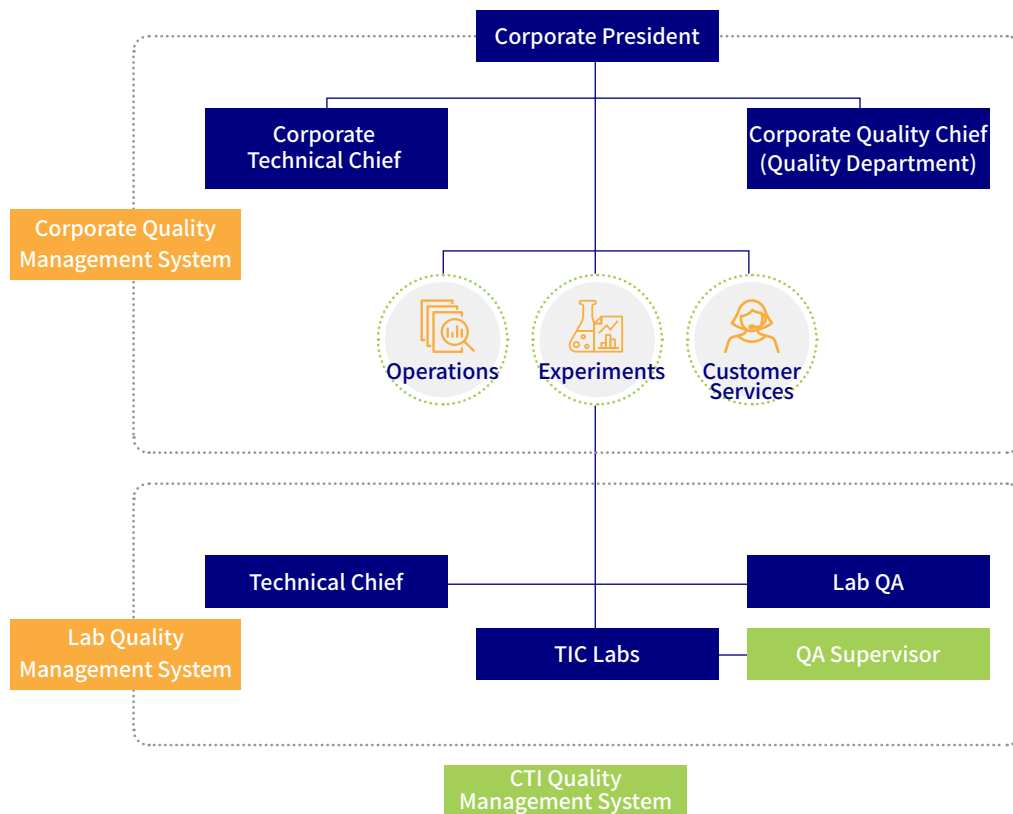
Quality Management System

In terms of quality monitoring system, we have established a graded system. At the Group level, we set up the QHSE department to coordinate and take charge of the Group's quality control matters. At the level of each business unit, subsidiary and service station, each level is supplemented and formulated according to their respective business features, relevant systems and strengthen quality control.

We continuously promote our own ISO 9001 Quality Management System certification work. During the reporting period, 10 subsidiaries have passed the Quality Management System certification. As of the end of 2021, the subsidiary certified for ISO 9001 Quality Management System has reached 36.

CTI Quality Management System

Corporate President

Corporate Technical Chief

Corporate Quality Chief (Quality Department)

Corporate Quality Management System

Operations

Experiments

Customer Services

Technical Chief

Lab QA

Lab Quality Management System

TIC Labs

QA Supervisor

CTI Quality Management System

Quality Control in Laboratories

In order to ensure that the testing or calibration activities engaged in the laboratory are compliance with laws and regulations, the guidelines and rules of China National Accreditation Service for Conformity Assessment (CNAS) and China Metrology Certification (CMA). In accordance with ISO/IEC 17025, ISO/IEC 17020, *Laboratory Qualification Accreditation Review Guidelines* and the company's internal *Quality Supervision and Management Measures of the Group* and *Management Procedures of Laboratory Risk and Opportunity*, we perform quality risks assessment, evaluation and following control. We carry out quality supervision and inspection every year. We also adopt hierarchical management of laboratories according to the degree of risk. We request the person in charge of the laboratory and the person in charge of the product line being responsible for quality control to submit a rectification plan for the quality risks found and the rectification should be strictly completed. This year's quality supervision and inspection covered 105 laboratories and more than 1,500 reports.

Training for Quality Professionals

Regular high quality training for quality professionals is the necessary measures to ensure the effectiveness of CTI Laboratories and its report and results. In 2021, we will adhere to the principles and regulations of CTI Group's *Management Measures for Quality Professionals*. It carries out training in "online + offline" approach and develop "New Employee Onboarding – Chapter of Quality" and "Laboratory Quality Supervision and Management", "Measures of Laboratory Supervision and Management" documented advertisement, "Quality and Technical Training Course of CTI Group" and other courses of laboratory accreditation/qualification accreditation internal auditor training. 6 online trainings and 11 offline trainings were held in this year and the overall satisfaction of trainees feedback was 95.85%.

Guarantee Independence, Impartiality and Honesty

"Integrity" is at the top of our values, and "independence", "impartiality" and "honesty" are the essential requirements for our business. Therefore, we have established *Procedures for Ensuring Independence, Impartiality and Honesty* and *Management Procedures of Certification Activities Fairness*. We strictly prohibit employees from participating in any activities that affect the independence, impartiality and integrity of inspection and testing work, insist on independent, objective and truthful reporting of testing and calibration results. We ensure that testing and certification results are not affected by the external parties.

Specific measures taking to ensure independence, impartiality and honesty include, but are not limited to:

- Top management takes the lead in implementing the impartiality statement
- Publicity and impartiality statement for new employee induction training
- Issued the impartiality process to the public and accepted the supervision of all parties from the society
- Confirm that the employee has no conflict of interest before taking up the job
- Laboratory quality and technical activities are not interfered by administrative staff
- Technical personnel are responsible for the test data, and some special professional fields are responsible for the authenticity of test data and reports for life
- The premise of reaching a service agreement is not to promise "100% success"

Tamper Proof System of Experimental Data

In order to avoid tampering of experimental data, CTI uses the LIMS system to ensure that all operations will be completed via online system. The LIMS system uses codes & barcodes to track the samples in the process of circulation, so that most of information including the product brands, manufacturers and other labels are invisible, so that the involved personnel in each business link can not know the actual provider of the sample or the customer who needs it. Fraudulent behaviors such as data modification can be avoided effectively. On the other hand, all original records and data are needed to be uploaded or automatically captured by the LIMS system. Once the data was generated in electronic format, it could not be tampered. This electronic format avoids the collusion of various links to falsify data effectively. Even if there was any amendment, modification history will be recorded in the system, which is convenient for the quality management department to discover abnormalities.

Customer Services

In CTI Group, stable customer relationships are the key to the company's long-term, high-quality and sustainable development. Our policies in this regard are based on two key components: timely collection of customer experience through customer satisfaction surveys; and prompt and responsible handling of customer complaints. In order to implement relevant measures and provide customers with professional and high-quality services, we strive to equip all employees with awareness of customer service, knowledge and skills through regular training, and maintain a keen sense of customer needs at all times.

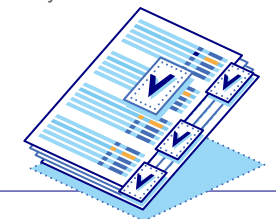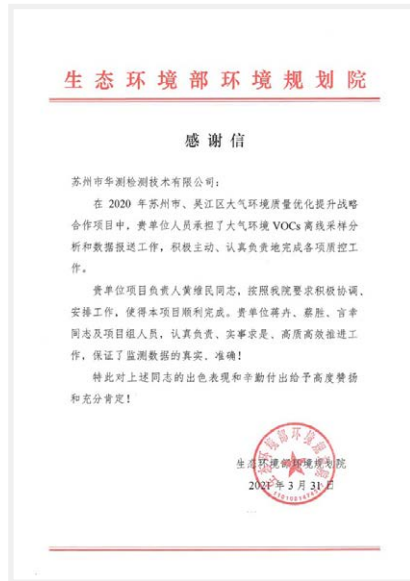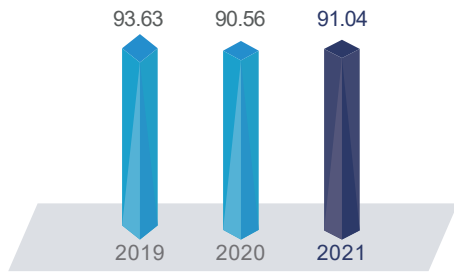### In 2021, our performance:

91.04%
Customer satisfaction

0
complaints about invasion of customer privacy, environment, occupational hygiene

Customer Satisfaction

CTI Group attaches great importance to customer satisfaction. In addition to daily communication with customers, we also follow the requirements of the *Management Measures for Customer Satisfaction Survey* formulating customer satisfaction survey plans on a regular basis every year as to carry out surveys by using questionnaires to collect customer opinions, etc. And our satisfaction survey department revises the questionnaire every year according to the feedback of customers so that it can reflect the opinions of customers more truly and aptly. After the survey, we prepare an analysis report on the results of the satisfaction survey and the satisfaction survey department will supervise the effective implementation of the "improvement plan". During the reporting period, we carried out a customer satisfaction survey and collected 8,299 questionnaires, with customer satisfaction at 91.04%, a slight increase by comparing to last year. Our professional services have been recognized by customers and we have received a thank you letter to affirm and praise our work performance.

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Customer Satisfaction
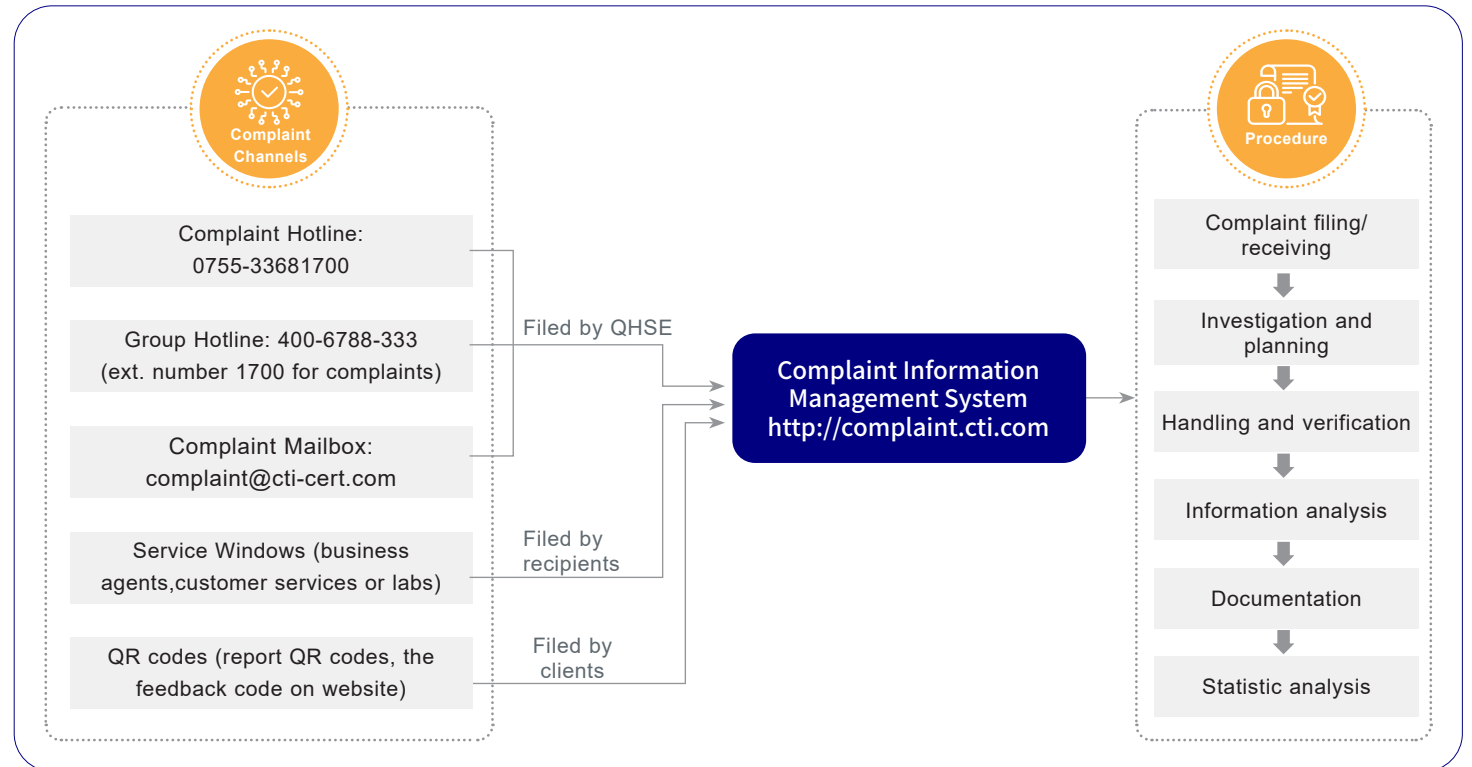
93.63   90.56   91.04
2019   2020   2021

A letter of thanks from Chinese Academy of Environment Planning (CAEP), Ministry of Ecology and Environment of the People's Republic of China (MEE)

Handling of Customer Complaints

Properly handling customer suggestions and complaints is an important part of the customer service module of CTI Group and it is a key channel to improve business quality and company service level. CTI Group ensures that customer suggestions and complaints can be effectively fed back to relevant business departments and dealt with in a timely manner through four major channels of telephone complaints, email complaints, scanning code complaints, business window complaints and an integrated complaint information management system. In 2021, CTI's customer complaint system was upgraded. The role of customer complaint manager was newly established for product lines which increased the convenience of customers' feedback by scanning QR codes. And we further enhanced the Group's attention and satisfaction with customer feedback. We always face customer complaints with a positive, objective and serious attitude, and take the timeliness of response, effectiveness of rectification and customer return visit satisfaction as the measure of complaint management. Every year, we summarize the current year's customer complaints from the distribution of complaints, reasons for complaints, level of urgency, and evaluate the effectiveness of improvement measures submitted by relevant departments. Finally, we conduct a return visit investigation on the customer complaints that have been closed this year. In 2021, we received a total of 284 complaint cases, of which 234 have been closed and 50 have not been closed as of the end of the reporting period. During the reporting period, no complaints were received regarding the violation of customer privacy, environment and occupational hygiene.

Complaint Channels

Complaint Hotline: 0755-33681700

Group Hotline: 400-6788-333 (ext. number 1700 for complaints)

Complaint Mailbox: complaint@cti-cert.com

Service Windows (business agents,customer services or labs)

QR codes (report QR codes, the feedback code on website)

Filed by QHSE

Filed by recipients

Filed by clients

Complaint Information Management System http://complaint.cti.com

Procedure

Complaint filing/ receiving

↓

Investigation and planning

↓

Handling and verification

↓

Information analysis

↓

Documentation

↓

Statistic analysis

CTI Customer Complaint Management Mechanism

Information Security and Data Protection

Based on the needs of the Group's business, we receive or possess a huge amount of customer information and data. We regard the protection of customer information, data and privacy as an important part of operation management, which is also a commitment to our business partner. We keep paying attention to information security and data protection work. Based on the compliance, we gradually improve the information security structure to respond mutable cyber-attacks. Identification, warning, interception and response to various high-risk information security incidents are carried out in a timely manner. In 2021, the Group's data center was hosted by an external data service agency, and with the help of a third-party professional force, the stability and security of the system could be effectively guaranteed.

In 2021, our performance:

No

No customer complaints about privacy and data leakage was received

2

Added 2 courses related to privacy and data security covering all company

Information Security Management Organization

In order to ensure the effective implementation of information security and data protection, we have established an information security leading team headed by the CEO and vice president of IT department as the deputy head. The team is the highest organization for the group's information security work, being responsible for researching, making decisions, and coordinating major matters of the Group's information security work. The information security working team composed of information security engineers, system engineers, network engineers, and information security officers of various functional departments, business units, and branches, and is responsible for implementing and feeding back control measures for information security and data security. The specific management structure and division of responsibilities are as follows:
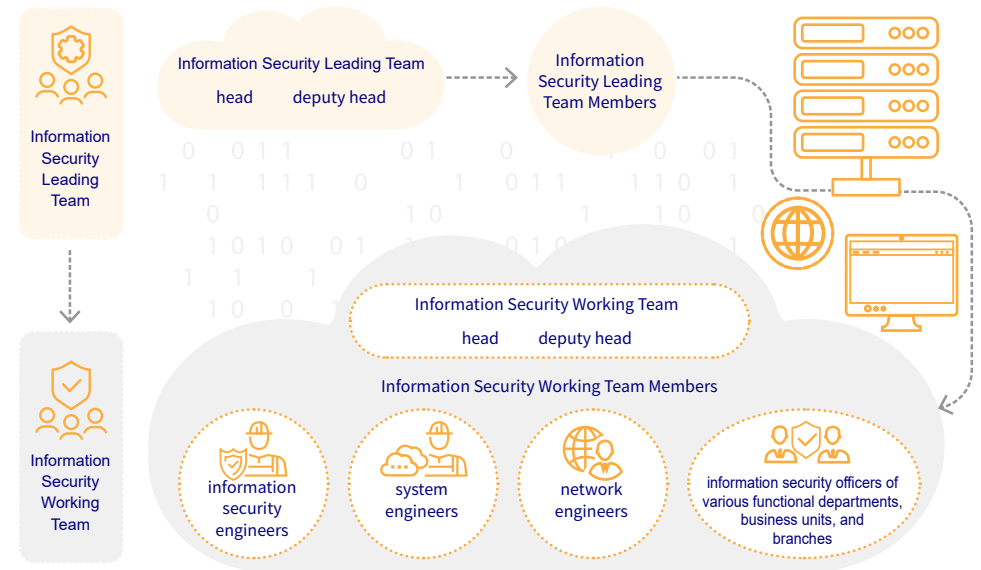
Information Security Management Structure

Information Security Leading Team	Information Security Working Team
• Research, decision making and coordinating major matters of the group's information security work;	• Response to the guidance of the Information Security Leading Team;
• Implementing relevant national laws, regulations and rules; and implementing the information security work requirements of relevant parties;	• Implement and feedback control measures for information security and data security;
• Reviewing the group's information security policies, objectives, overall planning and resource input;	• Establish and maintain information security procedures and operation manuals;
• To comprehensively coordinate and organize the work of personal information security and data security within the group;	• Responsible for the assessment of security issues and the investigation of security incidents;
• Develop and update privacy policies and related procedures;	• Responsible for the execution of information security checks and audits.
• Research, deploying and summarizing information security work; and coordinating the implementation of measures decided on major information security research.	

In addition, our Information Security Risk Assessment Team conducts information security risk assessments to adapt to changes in information assets every year. We determine whether new threats or weaknesses is existed and whether new control measures need to be added.

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Corporate Governance
Professional Services
Talent Management
Environmental Protection
Social Contributions

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Information Security Management Policy

To strengthen the management of the group's information security and to ensure that the company's activities meeting the requirements of laws and regulations; and to protect data from unauthorized use or leakage, we have formulated the *Management Specification of Database Operation, Management Measures of Information System User* and *Management System of Data Center* and other relevant management systems, and according to the degree of data security risk, gradually adopt the world's leading information security management standard framework, and establish a management system that runs through the entire life cycle of data security.

During the reporting period, we also formulated new rules and regulations such as the *Management Measures for Vulnerability of Information System* and *Management System of Software Genuine Work*. We reviewed the various chapters of the *Management System of Information Security* and *Emergency Response Plan for Information Network Incidents*. We also revised all related chapters to ensure that our information security management framework keeping update in a leading position.

Dealing with the Risk of Data Loss and Disclosure

In accordance with the *The Cybersecurity Law of the People's Republic of China, Emergency Response Plan of National Network and Information Security Incident* and other laws and regulations, and based on the working principle of "active defense, comprehensive prevention, rapid response and joint handling", we have formulated the *Emergency Response Plan of Unforeseen Information Network Incidents*. It clarified the classification of events and the conditions for activating the emergency plan. The information security leading team conducts unified leadership, deployment of work, and mobilization of personnel and materials for the resolution of various information security incidents occurred in the information system. The information security working team conducts emergency response according to its own responsibilities. Through the analysis of the current environment of network security, we believe that the highest risk of data leakage is when the data center is subjected to infiltration attacks from hacker groups. To prevent the occurrence of such risks, we have taken the following proactive and reactive countermeasures:

➢ We deployed firewalls, application firewalls and other security devices at the network boundary of the data center. We repaired and strengthened the vulnerabilities of host computers and application systems; and performed real-time and off-site backup of important data.

➢ At the technical level, we had deployed security systems such as anti-tampering systems of webpage, web application protection systems, operation and maintenance of security auditing systems. Those intrusion prevention systems could effectively protect against illegal attacks such as illegal tampering, illegal network requests and threat traffic.

➢ In daily operation and maintenance, the information security working team would conduct security checks in the steps of collection, storage, transmission, usage, provision and destruction of networks. Our important systems and databases could prevent hacker attacks and data leakage eventually.

➢ We regularly carried out emergency supporting training for data management personnel. We would also conduct all-rounded emergency response drill of information network every year with subsidiary company as a unit to improve emergency response capabilities.

➢ We had hired external professional organization to conduct penetration testing and risk assessment of information security on the company's intranet for discovering deficiencies in information security and strengthening the company's security protection measures.

Protecting Customer Data and Privacy

Access Permission

The customer data holding by us is resided primarily in the Group Laboratory Information Management System (LIMS). LIMS accounts have a dedicated user management interface which differentiates different user rights according to types of users. In addition, throughout the management mechanism of the system, we can classify and customize functions for users with different identities, including accessing, modifying and deleting data or files. We also use the cross management of users and roles to achieve precise control of assess permissions.

CA Certification

In order to strengthen the protection of customer privacy and information security, we have added CA electronic certification for electronic report seals and electronic signatures. CA certification adopts physical, electronic and management security protection measures in line with industry standards. It establishes a security system to ensure operational security during the process of information storage, usage and access.

Privacy Policy

During the reporting period, we formulated and issued a Privacy Policy including the following points:

➤ Access and modification of personal information: We guarantee the right of users to access, update, amend and delete personal information.

➤ Minimize data retention time: We will only retain the user's personal information for the period till completion of the service.

➤ Providing information to third parties: We will not share users' personal information with any company, organization or individual other than CTI except for the mandatory requirements of laws or competent authorities and the necessary scenarios specified in the privacy policy.

Information Security Training for Employee

We have clarified employee information security responsibilities when hiring employees. We require employees to sign the *Employees' Agreement on Confidentiality of Business Secrets* when they join the company. We organize information security training within one month of new employees' entry. On this basis, we will provide regular information security training on publicity for all employees to improve employees' awareness and ability to protect our business secrets, intellectual property, personal privacy and customer data.

During the reporting period, we added two compulsory E-learning courses on information security and privacy protection: "Data Security and Privacy Protection" and "Network Security Awareness Training". Those courses covered our employees in all business lines of the company.

Information Security Audit

We actively carry out internal and external audits of the information security management system. Our *Management System of Information Security* requires an external risk assessment every two years. During the reporting period, we hired an external professional organization to conduct an information security risk assessment of the company to identify risk weaknesses.

In addition, we build an information security management system in accordance with ISO/IEC 27001 standards. Now our rapid food inspection and feed product line and our subsidiary CTI Electronics Certification Co., Ltd. have been certified by the ISO/IEC 27001, and the rest divisions are undergoing or will soon start the certification. Our CTI MALL, CTI Electronics Certification Service Platform, and the LIMS of Shanghai CTI-Medlab Co., Ltd. (CTI MedLab) have already obtained the L3 certification under the national multi-level protection scheme (MLPS). During the reporting period, we started planning to carry out ISO/IEC 27001 certification. Starting from 2022, the ISO/IEC 27001 system certification will be gradually implemented in our subsidiaries.

In 2021, we conducted an information security review of our software development outsourcing supplier. During the reporting period, we launched a supplier information security and privacy protection improvement plan. It is expected to release management systems and measures for IT suppliers in 2022, in order to promote IT suppliers for the improvement on information security capabilities.

Innovative Development

In today's society, the rapid development of technology, the great changes in living patterns and environment have brought new business risks to enterprises, as well as new opportunities and challenges for the Testing, Inspection and Certification industry (TIC). We pay high attention to the development of cutting-edge technology; and focus on the cultivation of innovative talents; and continuously improve the innovation incentive mechanism and cultivate an innovative culture. As a result, we effectively stimulate employees' innovative thinking and ability; enhance the group's technological innovation competitiveness and promote the innovation progress and development of the TIC industry. We have formulated the *Management System of Innovative Research and Development* to standardize the group's innovation activities and develop research institutes to focus on scientific research and innovation such as digital strategy; construction of talent bases; research, development and revision of standard; invention of patent, etc., To further digging in regional innovation and development, we combined with the local industrial policy and business development direction, and the establishment of research centers located in different regions and fields.
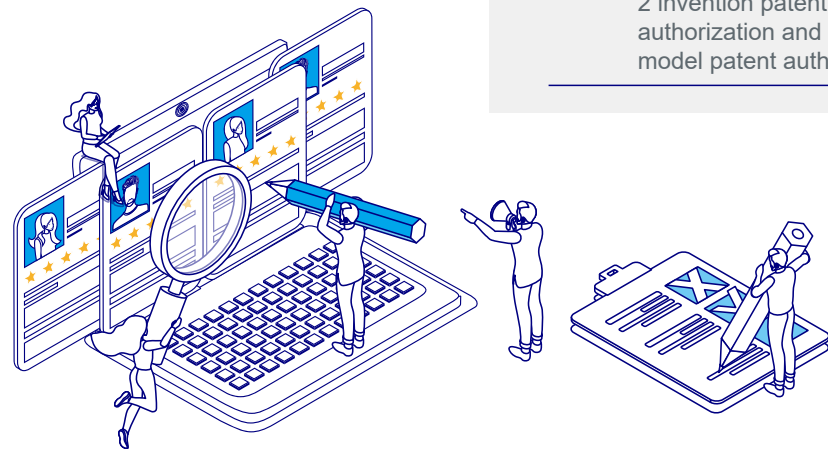
In 2021, our performance:

545

We published 545 standards accumulately, and 102 standards are currently under research

49

We released 49 new standards including 2 ISO international standards

41

We newly obtained 2 invention patent authorization and 39 utility model patent authorizations

Cultivate Innovative Talents

In order to excavate and cultivate scientific and technological talents, we build a team of senior scientific research talents and provide technical support for CTI to enhance the competitiveness on scientific and technological innovation. We established a post-doctoral innovation practice base in 2018 to provide national-level innovation for outstanding young people from colleges and research institutes. The scientific research projects and experimental platforms allow employees to improve themselves in practice and create social value at the same time. The Group's postdoctoral innovation base currently has 5 postdoctoral fellows in the station. It carries out research work in the fields of materials, chemistry, marine environment, rail transition and environmental big data.

During the reporting period, we carried out 3 special training for innovative research & development (R&D). Those training focused the R&D personnel of each subsidiary in the fields of project application, innovative R&D and management, patent application, paper publication, etc. It standardized the writing of technical data and summarized the R&D results systematically. A total of more than 300 people participated. We also held the first oral debate of innovative projects, and selected 8 excellent proposals from 22 innovative proposals, covering RPA robot process automation and automatic identification of sample management. We input forward effective suggestions for the construction of scientific and technological inspection and testing institutions.

Overcoming Difficulties in Scientific Research

While cultivating and enhancing the innovation capability of the CTI Group, we leverage our professional advantages to actively contribute wisdom to the development of the industry and society. Starting from 2020, we took the lead in undertaking the national key research and development plan of the Ministry of Science and Technology of the People's Republic of China to undertake the key special project "Development and Application of Integrated Inspection and Testing Service Platform for Emerging Industries". The key project of "R&D and Application Demonstration of Key Technologies for Common Services in Modern Service Industry" focuses on new materials, new energy and energy saving technology on emerging industries. Ir covers carbon emission reduction and environmental protection, resource integration, quality control, evaluation standards, inspection, testing, certification, calibration and other service links during the whole process of design and development, production and manufacturing, and operation and maintenance services of important equipment, products and key components. The mid-term inspection of the project has been completed and it is expected to break through no less than 25 key technologies; applied for no less than 15 patents; formulated no less than 2 national, industrial or core enterprise standards; and formed a one-stop inspection and service collaborating platform. During the reporting period, we were awarded the "National Key R&D Program of the Ministry of Science and Technology – Application Demonstration Base in East China and South China".

Implementing Digital Strategy

Our digital and innovative strategy focuses on both internal and external aspects: improving internal business processes through digital technology; providing digital external services to improve customer experience.

Improve the Internal Business Process

establish a standardization information management platform of the Group throughout the process of extraction, cleaning, utilization, improvement and data analysis. It can reflect the distributive structure of the Group and the training of professional talents. It can monitor the work dynamics and distribution of standardization and talent training. It also establish a public information service platform to provide online & real-time query for localized companies and business groups in various regions of the group to obtain information in a timely manner. We update and explore new scientific research capabilities to provide services for CTI Group. Standardization work and scientific research talents provide technical support for communication and publication.

In Terms of Improving Customer Experience

the Group has established a CTI MALL platform and a big data analysis mechanism. It starts from the personalized customization needs of customers for driving business improvement through data analysis. It can improve overall operational efficiency & service quality. It continuously provide customers with customized and high value-added services.

Research and Development of Domestic and Foreign Standards

Since 2007, CTI has actively participated in the research and development of international and domestic standards. It also participated in the formulation and revision. It led or participated in the formulation and revision of more than 600 national standards, industry standards and group standards, and has 56 seats in the Standardization Technical Committee of each industry.

CTI leads or participates in the formulation and revision of a number of standards for International Organization of Standardization (ISO) and the International Electro Technical Commission (IEC). CTI convenes domestic and foreign experts to conduct new project including project proposals, project voting, standard document drafting, verification of methodology and opinion solicitation in global scale. In 2021, we led the revision of "ISO/TC34/SC6: Determination of Glutamate Content in Meat and Meat Products" and participated in the formulation of *ISO/TC34/SC6: Meat and Meat Products-Determination of Total Phosphorus, ISO/TC52: Thin-walled Metal Containers – Dimensions of Easy-Open and Easy-Tear Caps, ISO/TC34/SC6: ISO7124 Determination of Residues of Fipronil and Its Metabolites in Eggs and Egg Products by Liquid Chromatography-Mass Spectrometry* and *ISO/TC34/SC6: ISO7158 Determination of Nitrite and Nitrate in Meat and Meat Products – Ion Chromatography* and other national standards. By the end of 2021, we had successfully released more than 500 national standards, industry standards and group standards and more than 100 standard projects in the process of research, formulation and revision. Among them, the convener unit of the international working group of CTI Group had occupied in the International Organization for Standardization. In 2021, it would be newly registered in the easy-open and easy-tear lid working group of the ISO Technical Committee for Standardization of Thin-Wall Metal Containers.

Serving Emerging Industries

As an inspection and testing industry, we have always grown together with the industry and our professional talents acted as the guaranteed foundation. We provide standard planning, standard development, patent application, testing and certification and other services for emerging industries. We help the country's emerging industries to continuously improve their quality system and overcome technical standards. We proceed research on the difficulties of development and help the transformation of scientific and technological achievements as to achieve high-quality development.

Case: Preparing to build "Public Service Platform for the Service Robot Industry"

In 2021, we built a "public service platform for the service robot industry" which aimed to establish a public service platform for standardization and modular sharing technologies for service robots through the research on key technologies in the service robot industry and hence to construct a standard system. We provided testing and certification services for products, materials, parts, etc., It improved the safety, reliability and technological innovation of service robot products. We helped enterprises quickly adapting to the international/domestic market. It can shortened the research and development cycle to improve product competitiveness. Hence, it promoted upgrade and sustainable development of the service robot industry.

03

TALENT
MANAGEMENT

TALENT MANAGEMENT

Talent team building is the cornerstone of our growth and development. We protect the fundamental rights and benefits of employees under *Labor Law of the People's Republic of China, Employment Contract Law of the People's Republic of China, Presidential Decree of the People's Republic of China* and other laws and regulations. We provide employees with professional skills training to support their career development. A healthy and safety management system has been built at CTI to keep employees healthy and safe. Also, we organize a variety of activities to balance employees' work and life.
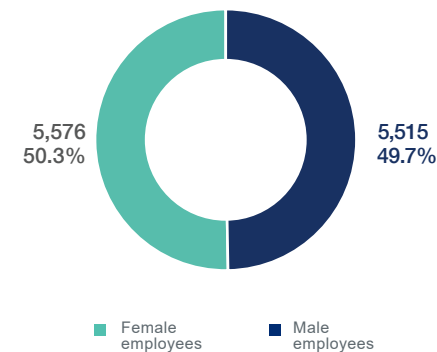
Diversified Employment

Talents are CTI's greatest wealth and a strong guarantee for long-term development. In strict compliance with national labor laws and regulations, CTI establishes legal, compliant and harmonious labor relations with employees. We formulate rules for labor contract management, establish labor contracts with employees in accordance with the law, and implement contract management for all employees. We are against employment discrimination in all forms, stick to equal pay for equal work and never employ child labor. We treat every employee equally and do not affect their employment, treatment or promotion due to their social status such as ethnicity, race, nationality, gender, religion, age, sexual orientation, political affiliation or marital status.

As of the end of 2021, there were 11,091 employees at CTI. We have counted the number of employees separately, by gender, nationality, education background, age, etc., for the ease of refined management.
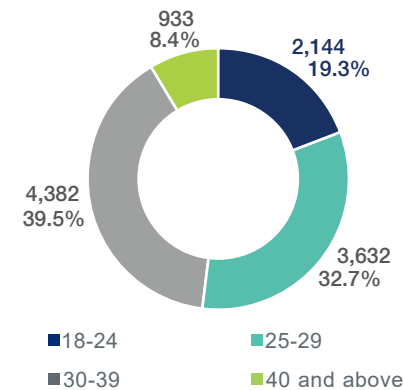
Number of employees
11,091
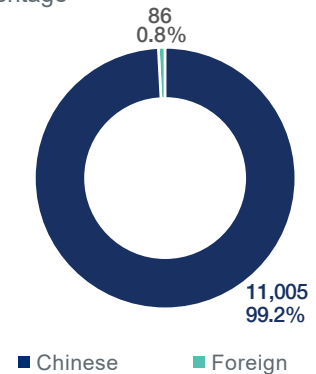
By Age
Number
Percentage

933 8.4%
2,144 19.3%
4,382 39.5%
3,632 32.7%

■ 18-24 ■ 25-29
■ 30-39 ■ 40 and above

By Nationality
Number
Percentage

86 0.8%
11,005 99.2%

■ Chinese ■ Foreign

By Gender
Number
Percentage

5,576 50.3%
5,515 49.7%

■ Female employees ■ Male employees

By Education Background
Number
Percentage

877 7.9%
28 0.3%
4,737 42.7%
5,449 49.1%

■ Junior college and below ■ Bachelor degree
■ Master degree ■ Doctoral degree (including postdoctoral)
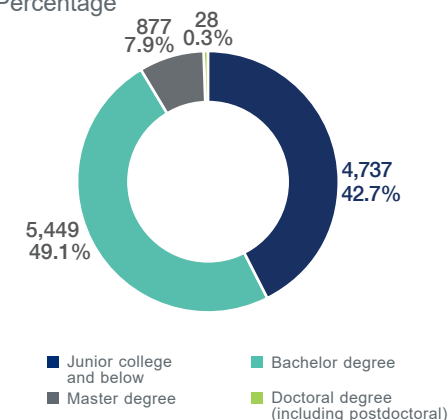
By Speciality
Number
Percentage

171 1.5%
589 5.3%
3,351 30.2%
4,256 38.4%
2,724 24.6%

■ Production staff ■ Salesman ■ Technical staff
■ Financial personnel ■ Administrative staff
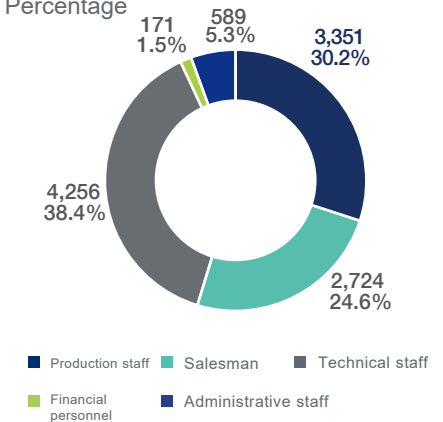
Fair Recruitment

For the purpose of fair, open and just recruitment, we have developed a series of regulations and measures such as the *Group Recruitment Management Regulations*, the *Employee Onboarding Management Regulations*, the *Post-probation Assessment Management Regulations*, and the *Qualification Management Regulations*. During the reporting period, we formulated the *Human Rights Policy* in accordance with *the Universal Declaration of Human Rights, the Ten Principles of the United Nations Global Compact* and *the International Labor Organization Declaration on Fundamental Principles and Rights at Work*. We have zero tolerance for any form of harassment, abuse and threats in the workplace and any work-related environment. In particular child labor is strictly prohibited and employees (especially female employees) are protected from unfair treatment and retaliation.

Multi-platform recruitment. We recruit via a variety of recruitment platforms to ensure fairness and transparency. Such platforms include 51job.com, Zhaopin.com, Zhipin.com, Liepin.com, Job1001.com, our official website and internal recruitment. In 2021, we launched a recruitment management system that integrates functions such as personnel needs, internal recommendation, and recruitment management, effectively improving recruitment efficiency.

Local recruitment. We have been promoting the localization of overseas employees with a positive attitude, insisting on localized recruitment and management of overseas employees. In 2021, the total number of foreign employees employed was 84, and the localization rate of overseas employees was 99%.

Recruitment honor

Our outstanding human resource management capabilities are recognized by industry professional organization:

Time	**2021.09**
Honor	**2021 Human Resource Management Excellence Award**
Awarded by	**51job which is a professional human resource service organization**

CTI Campus Recruitment in 2021

Employee Diversity

Diversity of talents is the driving force for CTI's sustainable development. We hope to establish a more diverse and equal work environment and encourage women and minorities to develop their potential. Our Board of Directors, Strategy and M&A Committee oversee ESG issues, including employee diversity. Our ESG Management Team and ESG Executive Team have identified employee diversity as one of ESG's top priorities. In order to strengthen the employment and retention of people from diverse backgrounds and promote an inclusive and equal corporate culture, we have developed corresponding measures to promote employee diversity:

We insist on selecting and hiring talents in a fair and equal manner.

We adhere to the principle of non-discrimination and do not discriminate against candidates based on educational background, religion, nationality, work background, marital status, gender, ethnicity (or race) and other reasons.

We maintain an open, respectful and inclusive attitude at work, value and listen to all viewpoints, and eliminate unconscious discrimination and prejudice.

We help employees understand the value of diversity and fully consider diversity factors in career development and promotion.

Support the Career Development of Female Employees

We actively advocate gender equality and strongly support the personal development of female employees. We encourage female employees to participate in discussion and decision-making and create more growth paths for female employees to realize self-worth. Among all employees, female employees account for 50.3%; among managers and above, female employees account for 38%. In 2021, we launched the "Women's Leadership" project and a series of female leadership courses on E-learning to support more elite women with lofty dreams, strong execution ability and understanding of the industry to develop their potential.

among managers and above, female employees account for

38%

Recruitment of the Disabled

We cooperated with RuChang Group to provide auxiliary positions for the disabled. We pay and insure our disabled employees for their work. The insurance costs are fully covered by the company. In 2021, we employed 53 persons with disabilities.
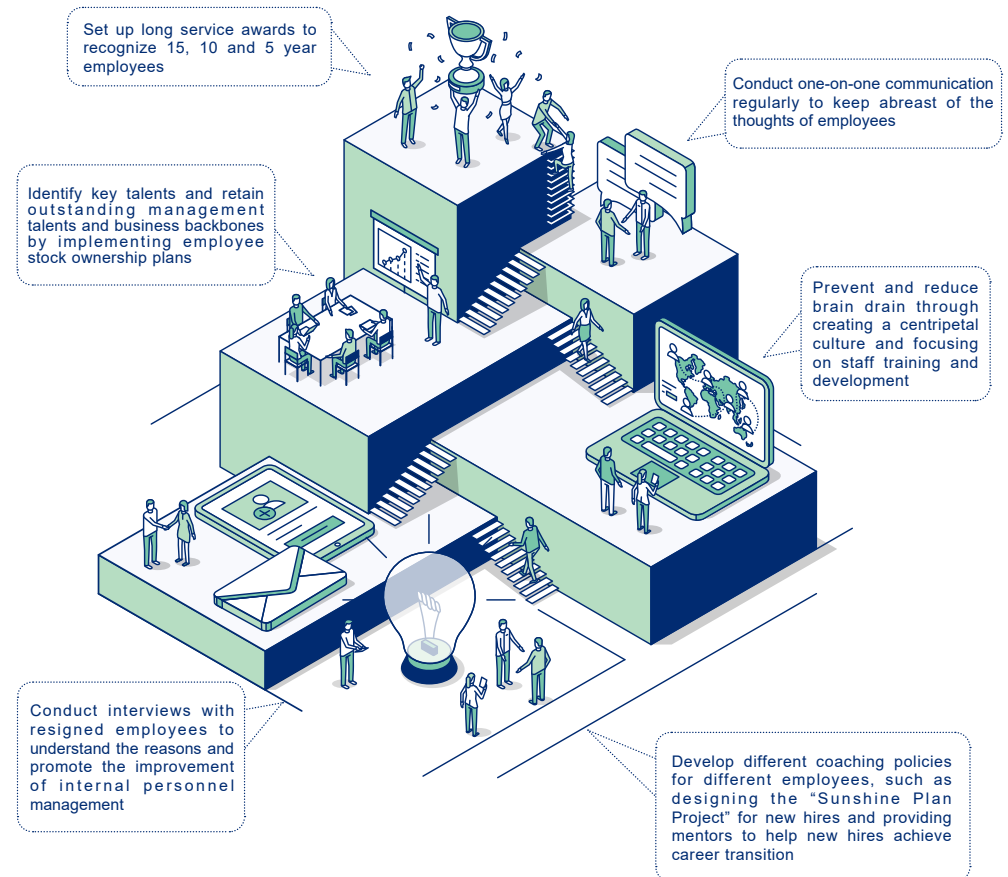
CTI 华测检测

【看好剧 · 学管理】

身为**职场女性**
如何进阶**自我领导力**

讲 师：高 静

E-learning course on women's leadership

Employee Retention

We value talent retention and have a strong talent retention program. We have formulated the *Employee Resignation Management Regulation* to understand and summarize the reasons for employees' resignation specifically. Based on the analysis, we provided regular feedback on employee turnover rates and provides suggestions for subsequent employee development and retention. During the reporting period, the total number of active employee turnover was 3,036 and the active employee turnover rate was 27.4%.

Our talent retention measures include the following contents:

Set up long service awards to recognize 15, 10 and 5 year employees

Conduct one-on-one communication regularly to keep abreast of the thoughts of employees

Identify key talents and retain outstanding management talents and business backbones by implementing employee stock ownership plans

Prevent and reduce brain drain through creating a centripetal culture and focusing on staff training and development

Conduct interviews with resigned employees to understand the reasons and promote the improvement of internal personnel management

Develop different coaching policies for different employees, such as designing the "Sunshine Plan Project" for new hires and providing mentors to help new hires achieve career transition

Remuneration and Benefits

Pursuant to the laws and regulations of China and our operation location, we have formulated regulations and measures such as the *Remuneration Management Regulations* and the *Welfare Management Regulations* to regulate the management of employee salaries and benefits. We also observe the national regulations on statutory leaves and paid leaves.

Our salary setting adheres to the principle of equality and non-discrimination and is only based on different job functions and ranks in accordance with established rules. The salary is never affected by factors such as gender, physical ability/intelligence, race, age, nationality, belief, family situation, etc., to ensure that all the rights and interests of employees are equally respected and protected. In 2021, the average salary ratio of men to women was 1.02:1.

We provide our employees with comprehensive basic social insurance and benefits. We pay basic social insurance and housing fund for employees who have signed formal labor contracts with CTI, in accordance with national and regional policy requirements. We also provide additional welfare subsidies for housing, communication, meals, working environment an so forth.

Case: International Women's Day activities of the branch company

International Women's Day activities in Shenzhen

International Women's Day activities in Suzhou

International Women's Day activities in Changsha

In 2021

we invested

2,237,418

RMB in welfare and activities

held 261 activities with

22,890 employees

participating

We care about the quality of life of each employee. We provided various benefits such as birthday gifts, maternal and child care, holiday condolences, etc., and hold various activities such as festival activities, team building activities, association activities, employee birthday parties, sport festivals, etc.

We care for female employees and set a special lactation room in the office area. According to the company's regulations, all female employees take a half-day paid vacation on March 8 every year and various activities are held across the country for female employees.
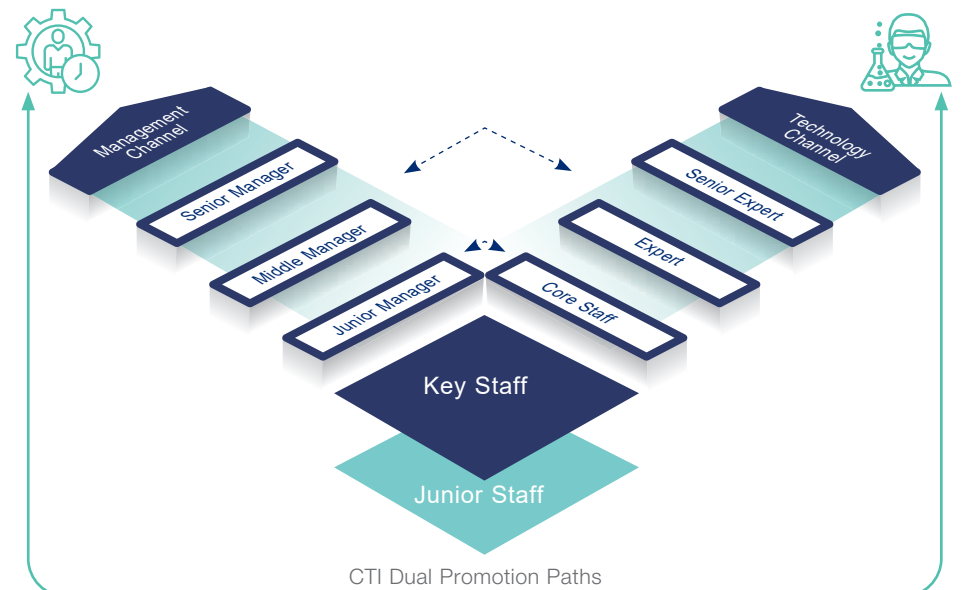
Talent Team Building

As a professional TIC company, human resources are arguably the most important asset of CTI. It is the driving force for CTI Group to build a high-quality R&D team, continuously explore new technologies and cultivate talents, which can maintain rapid development and continuously achieve breakthroughs in improvement.

Clear and Diverse Promotion Paths

Career development is the need for continuous improvement and development of each employee's own quality and potential. We have set up clear and diversified promotion paths, which are divided into two categories – management and technology. The dual channels can flow horizontally between the same levels. Employees can choose their own career development paths according to the characteristics of their own development paths and the company's job requirements. At the same time, the same level of dual channels enjoys the same range of remuneration, benefits and other incentive resources, which realized a reward system based on ability and contribution.

During the reporting period, 90% of employees were regularly assessed for performance and career development. In 2021, the total number of upgrades was 3,118, and the upgrade rate was 28.11%. The *Qualification Management Regulations* provides a system for employee promotion. If employees have any objection to the promotion results, they can communicate with the heads of departments. If the communication is invalid, they can appeal to the HR department.

Management Channel — Senior Manager / Middle Manager / Junior Manager

Technology Channel — Senior Expert / Expert / Core Staff

Key Staff

Junior Staff

CTI Dual Promotion Paths

Employee Training
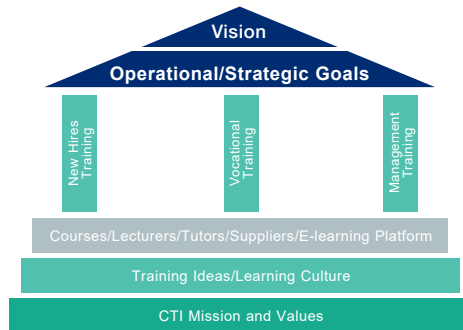
Comprehensive Training System

We continue to improve the training management system and formulate an array of training management regulations such as the *CTI Group Training Management Manual*, the *Group Certified Lecturer Management Regulations*, the *Group Expatriate Training Management Regulations*, and the *E-learning Platform Management Regulations*. We also develop a detailed Annual Training Plan every year to meet the needs of managers and employees. We have built a training model called "CTI Learning Development Building" to build a talent development system covering management training, vocational training, new hire training, E-learning. We also update the employee learning map every year to enhance employee's capabilities and growth.

Our online learning platform, E-Learning, contains a wide variety of courses in content and form. The course content covers vocational skills, general skills, working methods, Communist Party culture,

expert lectures, etc. Course formats include online study groups, live broadcasts, and interactive quizzes. All employees can conduct online independent learning according to their actual needs. In 2021, we held a total of 237,028.9 hours of online and offline training, with 21.4 hours of training per employee.

Among them, the E-learning platform has accumulated 150,729 hours of learning and 1,539 training courses. The cumulative hours of offline training were 86,299, and the number of participants were 25,432.

Our training covers substantive topics such as integrity, occupational health and safety, human rights, and privacy and data security, including 3,623.3 hours of integrity training, 31,354 hours of health and safety environment (HSE) related training, 3,127.5 hours of human rights training, and 1,082.4 hours of privacy and data security training.

Series	Course	Objectives
New Hires Training	◆ New employee training for social recruitment ◆ New employee training for campus recruitment ◆ Intern Orientation	◆ To accelerate the adaption of new employees to their teams ◆ To improve the comprehensive quality of management trainees from all aspects, laying a foundation for the subsequent Management Trainee (MT) Program.
Vocational Training	◆ General Skill Training ◆ Vocational Skills Training ◆ Technical Skill Training	◆ To systematically improve the professional and technical capabilities of all employees.
Management Training	◆ The Executive Development Program (EDP) ◆ The Leadership Accelerating Program (LAP) ◆ The Management Accelerating Program (MAP) ◆ The Management Trainee Program (MT)	◆ To comprehensively develop the leadership of managers at all levels.

CTI Learning Development House Building

Sunshine Project

The Leadership Accelerating Program (LAP)

Excellent Trainer Team

We provide excellent trainers for employee training, with particular emphasis on the training of trainers within the group. According to *Group Internal Lecturer Management Regulations*, we encourage employees to serve as internal trainers. We are building a team of internal trainers that align with the development needs of the Group, to deliver better and more effective training. During the report period, we properly managed the Group's internal training resources and improved our certified lecturer system. The first internal trainer selection competition, which lasted for three months and also ended successfully in July. By the end of 2021, there were a total of 60 internal trainers.

The first internal trainer selection competition in CTI

Encourage Employees to Participate in External Training

We have formulated the *Group Training Management Regulation for Expatriate* to support employees in participating in external training courses, further education and obtaining certificates. We provide support to all certified employees in the form of reimbursement of training fees. We continuously increased the support for the improvement of employees' academic qualifications and skills, and encourage employees to improve their personal abilities and achieve better professional performance.

Environment BU:	Marine Product Line:	Consumer Goods BU:	Construction Engineering & Industrial Services BU:
Encouraged employees to participate in Project Manager (PMP) training, and reimbursed the exam fee if they obtain a certificate.	Encouraged employees to take online learning through platforms such as Coursera and Udemy, and supported employees to earn multiple certificates in 2021.	Encouraged employees to participate in training, and gave certain monthly subsidies to employees who have obtained professional title certificates recognized by the company.	Formulated the *Reward Regulation for Professional Titles and Practice Certificates*. A one-time cash reward was given to those who have passed the examination and obtained the Professional certificate.

Occupational Health and Safety

Occupational Health

Health and Safety Management System

We have established a sophisticated occupational health and safety management system, together with a four-level management organization structure composed of the Group's QHSE Planning Department, Regional Quality Department, HSE Department in each local company, each company and department.

We strictly abide by the *Law of the People's Republic of China on Prevention and Control of Occupational Diseases*. During the reporting period, we drafted the *Occupational Health Management Regulations* to create a healthy and safe working environment by upgrading production equipment and occupational disease protection facilities based on the principles of prevention, comprehensive planning, localization and integrated management. We have required our sub/sub-agencies to conduct regular and comprehensive testing of workplaces where occupational hazards are present, and set up warning signs in places with occupational disease hazards. We have also implemented monitoring of occupational disease hazards and ensured that the monitoring system was in a normal state. We organize employee medical examinations at least once a year to ensure the health and safety of employees. During the reporting period, we achieved the goal of 0 major occupational health incidents. We also continued to promote our own occupational health and safety management system certification. 10 new subsidiaries of us have passed the occupational health and safety management system certification. By the end of 2021, the number of subsidiaries that passed the certification reached 32.

Health and Safety Management Regulations

Our *Quality, Health, Safety and Environment (QHSE) Accidents and Incidents Management Measures* has made detailed specifications on the types, levels, handling procedures, rectification and acceptance of accidents and incidents. Through the measures, we regulated the management and handling of work-related accidents and incidents that take place during work, such as fires, explosions, construction hazards, occupational diseases, accidental injuries in workplaces, group health incidents, and exposure to dangerous goods.

Subject to applicable national and regional laws and regulations, CTI has been identifying potential HSE risks in production and operation, and establishing measures and emergency management accordingly. This task covered a wide range of fields, including chemicals, firefighting, environment, occupational health, special equipment and special operations. Meanwhile, safety management and culture were promoted across the Group. We have formulated the *QHSE Whistleblowing Management Measures* to encourage all employees to monitor and report QHSE-related management defects and risks, so as to avoid and reduce accidents caused.

Category	Regulation
Health and Safety Management	The *Work Safety Targets Management*, the *Work Safety Accountability Regulations*, the *Safety Targets and Accountability Assessment, Reward and Punishment Regulations*, the *Safety Inspection and Hazards Identification Management Regulations*, the *Emergency Rescue Management Regulations*, the *Safety Incidents Reporting and Handling Regulations*, and the *Safety Education and Training Regulations*
Health and Safety Operations	The *High Altitude Operations Management Regulations*, the *Special Operations Staff Management Regulations*, the *Regulations on Safety Management of Hazardous Chemicals*, the *Hazardous Operations Management Regulations*, the *Restricted Spaces Management Regulations*, and the *Labor Protective Equipment Management Regulations*
Daily Health and Safety	The *Occupational Health Management Regulations*, the *Fire Safety Management Regulations*, the *Fire and Explosion Safety Management Regulations*, and the *Fire Equipment Inspection Standards*

During the reporting period, we had four minor injuries and no serious injuries or fatalities. In order to implement the "six 100%" goals of the Group's environment, occupational health and safety, we carried out HSE compliance inspections on each subsidiary/branch every year and then rectify the discovered security risks within a time limit. Effective inspections eliminated potential operational risks of HSE and prevented and reduced the occurrence of production safety accidents.

Health and Safety Training and Education

In accordance with national policies on work safety, we have formulated the *Safety Education and Training Regulations* to train and assess all employees (including contract workers, temporary workers, part-time workers, interns, etc.) and employees of external suppliers, contractors, dispatch workers, etc. We also formulate the *Regulations on QHSE Knowledge Assessment of Middle-level Management* to regularly assess the QHSE knowledge of middle-level management every year, and the performance is linked to promotion and salary. We carry out HSE training for all employees of the company at least once a year, and carry out special training for important events.

Category	Training Requirements and Content
Managers	Managers are required to obtain safety management qualification certificates and participate in regular training. The training topics include national safety policies, laws and regulations; local work safety rules and regulations; safety management, technical and occupational health knowledge, fire management, hazardous chemicals management; and risks management, accident cases, emergency management, etc.
Employees (special positions and operations)	Employees engaged in special operations shall receive dedicated safety training or obtain operating qualification certificates before taking up their posts. Before new processes, technologies, devices, and products are put into use, responsible operators shall be trained in accordance with the safety operating procedures prepared by departments; they are allowed to start operation after compliance. In case of any material accident, on-site training is organized to learn lessons from the accident.
New hires	New hires are trained on three dimensions: the company, the department, and the team. They can start their jobs only after passing the training. Training topics include national laws and regulations; safety, fire protection, occupational health and other safety practices and management knowledge; corporate safety goals, regulations and operating procedures; and accident cases, etc.
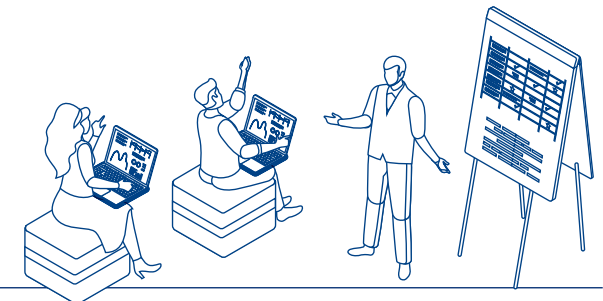
At the same time, we carried out a wide range of online training courses on E-learning, including the interpretation of the *New Employee Orientation – Quality and Safety, QHSE Risk Management Measures*, the *Laboratory Quality Supervision and Management Measures, QHSE Accidents and Incidents Management Measures* and etc., as well as many courses such as *Laboratory Safety Management* and Interpretation of the Group's HSE "Six 100%" Targets.

36
36 new online courses

95.85%
95.85% overall satisfaction with offline training

20
20 training sessions （7 online training sessions and 13 offline training sessions） with more than 1,300 participants

800
Nearly 800 E-Learning tasks, with more than 27,000 learners

Operational Safety

We strictly abided by laws and regulations such as the *Work Safety Law of the People's Republic of China, Fire Control Law of The People's Republic of China* and the *Law of the People's Republic of China on Prevention and Control of Occupational Diseases*. We improved the safety management documents such as the *Group Quality Supervision and Management Measures, QHSE Risk Management Measures, Environmental Protection Management Measures*, etc. We also upgraded laboratory instruments, occupational disease protection facilities, to further deepen the construction of the safety system and then improve the standardization of safety management procedures.

Laboratory Safety

In order to further strengthen the safety management of the laboratory, we have formulated the *Occupational Health Management Regulations* and the *Laboratory Quality Supervision and Management* Measures to ensure the occupational health of our employees and prevent the occurrence of occupational diseases. According to the characteristics of laboratory in which we use and store toxic and harmful substances, we have formulated different emergency plans. Before employees take up their posts and in their daily work, we have established a training and an assessment system for occupational health and safety knowledge and regulations. At the same time, we ensured that every employee uses effective labor protection equipment.

Production Safety

Our production safety risks were derived from activities such as the storage, use, transfer and disposal of hazardous chemicals. In order to strictly manage hazardous chemicals, prevent accidents caused by hazardous chemicals and reduce the negative effects on employees and production, we formulated the *Measures for the Safety Management of Hazardous Chemicals*. We also appointed special personnel to be responsible for the work related to hazardous chemicals and conduct training on relevant laws and regulations, safety and occupational health protection expertise and emergency rescue knowledge for those engaged in related work.

Fire Safety

In order to standardize and strengthen fire management work, we have formulated the *Fire Safety Management Measures* to reduce and prevent the occurrence of fire accidents. We implemented the fire safety responsibility system under the principle of "who is in charge, who is responsible". Each department appointed a special fire safety administrator to formulates detailed rules for the implementation of fire safety. In addition to the fire training for new employee orientation, we organize fire safety knowledge training and fire drills at least once a year.

04
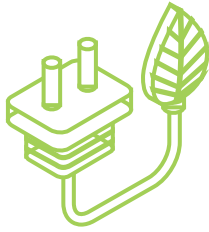
ENVIRONMENTAL PROTECTION

ENVIRONMENT

SOCIAL

GOVERNANCE

ESG
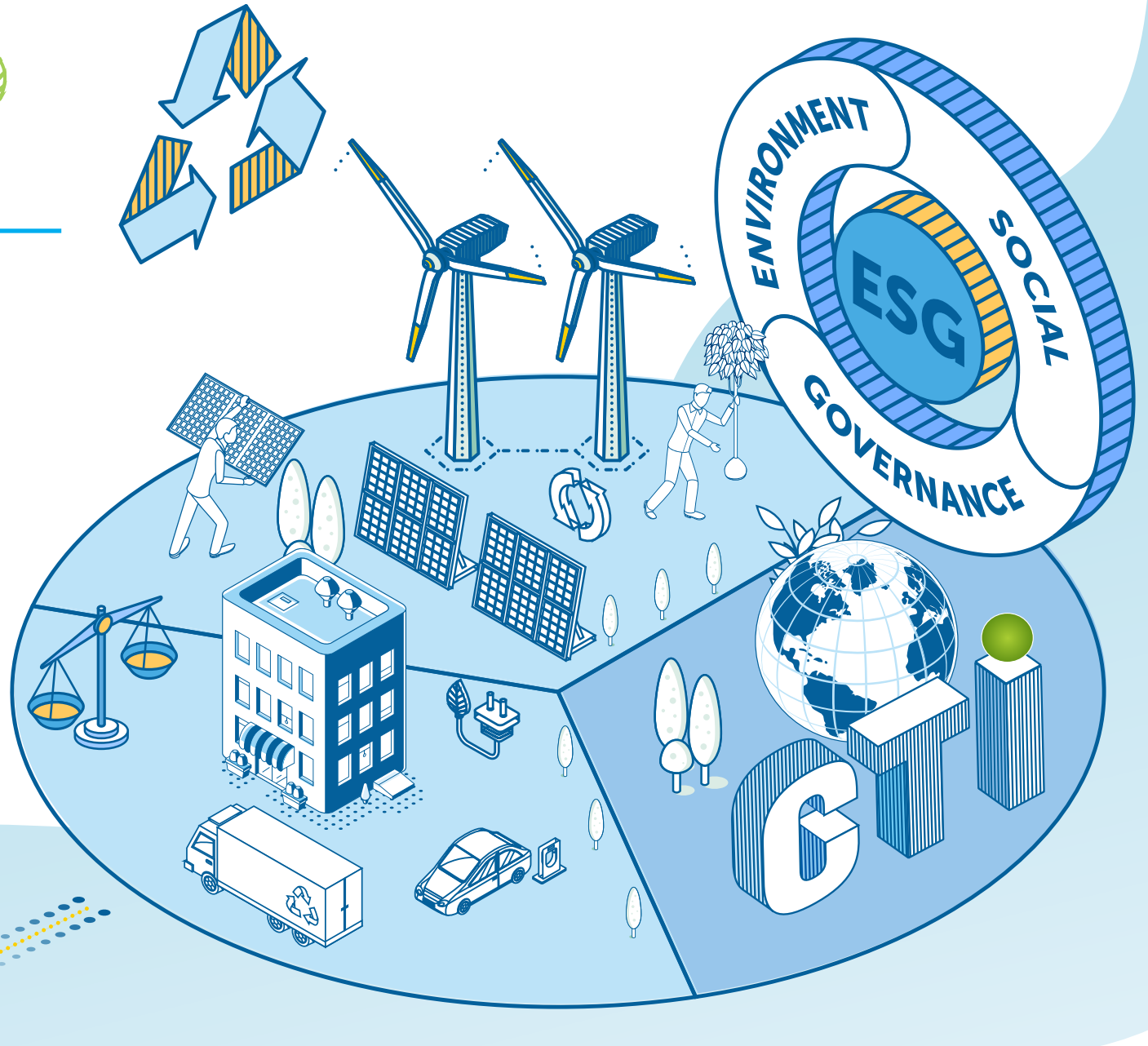
ENVIRONMENTAL PROTECTION

A stable natural environment is the foundation of development. CTI Group attaches great importance to the protection of the ecological environment, voluntary participation in the action of protecting the earth's homeland. We keep contributing to the harmony and sustainable development of society and the environment through reasonable disposal of waste and efficient use of energy.

Improving Environmental Management

Environmental Management System

We have established a solid environmental management organization, and formed a four-level management organization structure of "QHSE Planning Department of the Group – HSE Management Department of Major Regions – HSE Management Department of Local Companies – Companies and Departments".

We are committed to improve operation way to reduce the environmental impact of our business. We strictly abide by the *Environmental Protection Law of the People's Republic of China, Law of the People's Republic of China on Conservation Energy, Law of the People's Republic of China on Prevention and Control of Water Pollution, Law of the Peoples Republic of China on the Prevention and Control of Atmospheric Pollution, Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes, Law of the People's Republic of China on Prevention and Control of Soil Pollution, Law of the People's Republic of China on Prevention and Control of Ambient Noise Pollution* and other relevant environmental protection laws and regulations and industry standards. Based on the above policies and norms, we combined with the production and operation conditions of different bases. In line with the environmental management system of its own operation and development, the *Management Measures of Environmental Protection* have been formulated. In order to protect and improve the environment for ensuring environmental safety, we have taken emergency measures to prevent pollution from the aspects of water pollution, air pollution, solid waste pollution and noise pollution. It results in a decline in environmental quality and endanger the balance of the ecological environment and public and social property.

Our major impact on the environment comes from the leakage and pollution that may occur during the experiment and sampling process. For this rationale, we specify the sample treatment process in detail to strictly manage the discharge of wastewater and waste. We also reduce the use of additives that are likely to cause environmental pollution. As an example, we avoid bringing large quantities of chemicals into the sampling site in order to reduce pollution on the basis of meeting the experimental requirements.

We attach great importance on learning from advanced, scientific and practical management experience. We encourage all bases and subsidiary companies to promote the process of environment-related system certification. During the reporting period, 12 new subsidiaries had passed certification of the ISO 14001 environmental management system. As of the end of the reporting period, the number of subsidiaries that have passed the certification of ISO 14001 environmental management system reached 31.

31
the number of subsidiaries that have passed the certification of ISO 14001 environmental management system reached 31

Environmental Risk Management

In terms of environmental management, we have formulated the Management Measures of QHSE Risks and actively carried out internal assessments and audits including risk identification, evaluation, and the formulation and implementation of control plans. We organize relevant staff to collect relevant laws and regulations related to inspection and testing institutions and information required by relevant parties. We establish a QHSE risk management database and we will review and update it annually. For daily production and operation, we carry out HSE compliance inspections on branches and subsidiaries to identify and investigate possible environmental risk points and hence to strengthen management and avoid adverse environmental impacts. For construction projects, we prioritize the selection of production processes with low energy consumption, low pollution, high energy-saving and environmentally friendly equipment at the design stage of the project.

During the reporting period, we received a penalty of RMB166,000 from the local ecological environment authority. We had asked the company to clarify the responsible department and the rectification deadline, and the company will supervise the rectification of problems. After combining with the problems found in this incident, we listed out bundle of problems and carried out self-examination. In 2021, a total of 39 subsidiaries/branch companies in 33 cities was inspected.

Environmental Management Training

In order to strengthen the environmental protection awareness of all employees, we have formulated the "*Management Measures of HSE Training*" and "*Management Measures of Environmental Protection*". Our HSE training includes environmental management training on special content and focuses on key content such as waste disposal, accident and leakage emergency response. We carry out special training and conduct emergency response drills. We organize HSE training for all employees of the group at least once a year to ensure that employees master the knowledge and skills of environmental management. In 2021, employees received HSE training including environmental management training for 13,451 person-times, with a total training time exceeding 31,264 hours.

HSE on-site training

Addressing Climate Change

Coping with climate change is the common cause of all mankind and it can be fundamentally solved only if it is coordinated within the framework of sustainable development. As one of practitioner, facilitator and supporter of sustainable development, CTI actively responds to the "the Belt and Road" green development partnership initiative jointly launched by China and 28 countries. We firmly supports the State Council's "solid efforts on various work to achieve carbon peaks and carbon neutrality". CTI advocates green, low-carbon, circular, and sustainable production and lifestyle. We incorporates the response to climate change into the overall ESG development plan of the Group.

Climate Change Governance

We identify and disclose our company's approach and actions to address climate risks. We seize climate opportunities in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) framework. The board of directors is responsible for overseeing the climate impact of the company's operations. They also review environmental, social and governance reports including the issue of "addressing climate change" every year. At the same time, the company promotes ESG-related matters including climate change through a multi-departmental ESG working mechanism.

Strategy and Risk Management

We mainly refer to the analysis framework on climate-related risks and opportunities proposed by the Task Force on Climate-related Financial Disclosures (TCFD) on the basis for living climate opportunities.

By identifying, assessing and analyzing of potential financial impact of climate risks and opportunities on the company's business and operations. Through the promotion of energy conservation and emission reduction, we mitigate physical risks and provide climate-related services as to respond climate change.

Risk type	Climate risk factor	Risk classification	Description	Involved business section	Impact intensity
Physical risks	Extreme climate disasters	Acute operational risks	Extreme climate disasters will cause physical damage to the physical assets of the affected areas. CTI Group has many offices and laboratories located in coastal areas and areas with rich rainfall which further increases the impact of extreme weather on the Group's operations.	CTI group-wide	High
	Climate Change	Chronic Operational Risk	If CTI's customers from the fields of agriculture, forestry, fishery, animal husbandry and other industries encounter long-term global warming, sea level rise and other climate changes. Their normal production and operations may be affected as resulting in the loss of CTI's specific business.	CTI group-wide	Low

Risk type	Climate risk factor	Risk classification	Description	Involved business section	Impact intensity
Transition Risk	New policies for low-carbon economic transition	Market and technology risks	China has committed to the 3060 dual carbon targets, the government has introduced new policies to support low-carbon transformation. The Group has made efforts to reduce the impact of its operations on the natural environment. We has carried out measures to reduce energy consumption and greenhouse gas emissions.	CTI group-wide	High
	Energy transition policies	Market and technology risks	Due to the government's more stringent emission reduction policies, the company needs green energy with lower emissions to replace the existing high-emission energy sources, which increases the cost of transitioning to lower-emission technologies.	CTI group-wide	Middle
	Carbon market price fluctuations	Market and Reputation risks	As the government has introduced more stringent carbon emission policies, the company's cash flow will be affected by carbon market price fluctuations. But the Group is not a high-emitting enterprise, and then the fluctuated carbon market price is low risk to the Group.	CTI group-wide	Low
	Regulatory Mandatory Information Disclosure	Operational and Reputation Risk	Regulatory and mandatory disclosure of climate-related financial information, lacking of historical data and accurate accounting methods, it affects the quality of disclosure.	CTI group-wide	Low

Risk type	Climate risk factor	Risk classification	Description	Involved business section	Impact intensity
	Raising environmental protection standards	Market and technical risks	As the government has introduced more stringent environmental protection policies, the company needs to raise building energy consumption standards to comply with laws and regulations for energy conservation and low emission standards. It may increase R&D investment for energy conservation and environmental protection measures.	CTI group-wide	High

Opportunities

Our climate-related opportunities are primarily in services and markets. China's "3060" carbon neutrality goal has been upgraded to a national strategy. More and more companies (organizations) have begun to transit to a low-carbon green economy. Therefore, we can give full effort to our service advantages in energy management, energy conservation and emission reduction, green environmental protection, etc.. We help partners transforming to a low-carbon, circular, and green economy, and hence to build a green financial system. Our country has formulated policies for low-carbon products and services for many industries which has further expanded the market demand for low-carbon, green technologies and services.

Targets and Goals

The Group collects information of emissions from electricity consumption, heating and cooling in laboratories and offices, and emissions from business travel through monthly reports, online system reporting and other systems as for further management, integration and analysis.

In 2021, our total carbon emissions at the operational level of group headquarters and all subordinate institutions and offices in China was 125,441.2 tonnes of carbon dioxide equivalent. The emissions of purchased electricity, travel of employee and purchased heat was the top three emission sources, as shown in the following table:

No.	Scope	Type	Main Content	Carbon Emissions (tonnes of CO_2 eqv)	Percentage
1	One	Natural gas	Natural gas is mainly used for heating, humidification and laboratory sterilization in Suzhou biological animal laboratory	511.2	0.4%
2	One	Gasoline	Daily consumption as the power source of CTI's own sampling vehicles, mobile monitoring vehicles, fast inspection vehicles, medical examination vehicles and commercial vehicles	612.6	0.5%
3	One	Diesel	Consumption as a power source for generators and self-owned sampling vehicles	206.0	0.2%
4	One	Refrigerant	Emissions from Refrigeration Equipment (Air Conditioning) in CTI Office	231.9	0.2%
5	One	Septic tank	Discharges from CTI's own base sewage treatment	648.8	0.5%
Total of Scope One				2,210.5	1.8%
6	Two	Purchased electricity	Power consumption of CTI's own and leased offices and laboratories	76,698.8	61.1%
7	Two	Purchased heat	The purchased heat for central heating of CTI's own and leased offices	2,294.7	1.8%
Total of Scope Two				78,993.5	63.0%
8	Three	Business travel	Carbon emissions from employee travel (cars, high-speed trains, airplanes, etc.)	44,237.3	35.3%
Total of Scope Three				44,237.3	35.3%

Note:

1. In 2021, the data coverage was the group headquarters and all subordinate institutions and offices in China.

2. The emission factors are selected from the provincial power grid emission factors in the *2010 China Regional and Provincial Power Grid Average Carbon Dioxide Emission Factors* issued by the National Development and Reform Commission in 2013. Applying to global data, GHG Protocol, UK Defra and other international authoritative emission factors or relevant authoritative documents issued by domestic governments.

3. Taking technical feasibility and cost feasibility into consideration, other indirect emissions that are mainly considered as carbon emissions generated by means of transportation (cars, high-speed trains, airplanes, etc.) for employees' business travel.

Dealing with Climate Change

In order to deal with climate change, our main strategies at this stage include the following three aspects.

Reduce Energy Consumption

For different types of energy, we take a classified management approach. For the electricity consumed in laboratories and offices, we have strengthened the management of power-consuming equipment, efficiently utilized experimental equipment, and reduced electrical energy consumption. We encourage saving office electricity and promote the use of energy-saving electrical appliances. We advocate turning off lights to reduce the standby energy consumption of office equipment. For gasoline, the company adopts the methods of registering fuel cards and driving mileage for reasonable control. We gradually adopts electric sampling vehicles to replace gasoline and diesel sampling vehicles.

Reasonable Arrangement of Business Travel

According to business needs, we prioritize employees who are closer to the project site as team members to reduce the distance of business travel. We also advocate the use of video conference rooms in the company to reduce the number of business trips in reasonable way. At the same time, we encourage employees to prioritize public transportation.

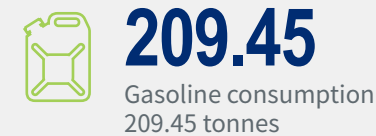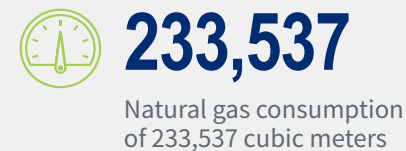### Improving Climate-Related Service Capabilities

We have been strengthening the attention and research on climate change and related regulations and policy trends. From the perspective of customer needs, we have continuously improved the quality and forward-looking of sustainable development services such as climate change.

Resource Consumption

Our laboratories and offices around the world consume a lot of electricity, water, paper and other resources to maintain normal business operations. It is also our greatest impact on the natural environment. We have realized the scarcity of resources and the fragility of the ecosystem and we have also paid attention to the expectations of stakeholders such as the government and the public for energy conservation and emission reduction. It is our urgent duty and responsibility to save resources and protect the common earth home of mankind.

We are committed to striving to improve the energy efficiency of our equipment and reducing unnecessary resource consumption as much as possibly minimizing the environmental impact. Our engineering and equipment management center is responsible for the overall energy management of the group. It has formulated the *Management Measures of Experimental Equipment* and other systems to strengthen energy conservation and emission reduction management.

In 2021, our performance:

107.71
Total electricity consumption of 107.71 million kWh

233,537
Natural gas consumption of 233,537 cubic meters

209.45
Gasoline consumption 209.45 tonnes

397,063
Water consumption 397,063 tonnes

58.96
Diesel consumption 58.96 tonnes

33.33
Energy intensity 33.33 kg of standard coal /10,000 revenue

0.95
Water intensity 0.95 tonne/10,000 revenue

Energy Management

At this stage, we mainly reduce the energy consumption of business operations by strengthening management and raising awareness. We make energy saving knowledge as a part of our daily training. We incorporate "low energy consumption" into the purchasing conditions of laboratory and office equipment. We encourage employees to reduce the standby time of office computers and experimental equipment and turn off unnecessary electrical appliances and lighting switches in a daily manner. We recommend that customers receiving electronic versions of testing, inspection, certification and other documents to reduce paper consumption. We have also taken various energy-saving measures to reduce energy consumption and carbon emissions, such as:

- Environmental protection measures for green energy buildings: According to the requirements of the *Unified Standard for Energy Efficiency Design of Industrial Buildings* and other standards, in the process of building and designing our own properties. We take the construction of a natural and ecological office environment as the starting point for relying on advanced technology. We do our best to adopt advanced and mature new materials, new technologies, new equipment and new processes for making bold attempts and active explorations in environmental protection, land saving, energy saving and utilization of renewable resources;

- Every winter season, with opening of the laboratory exhaust system, the external cold air is used to reduce the temperature of high-power equipment as to avoid the use of air conditioning;

- Outside the new office building in the Suzhou base, we install the external louver shading facilities made of metal materials with high heat dissipation performance to effectively block direct sunlight and diffuse radiation. Then it controls heat entering the room to improve the indoor thermal environment. It also reduces building air conditioning energy consumption and electricity for artificial lighting;

- In view of the large demand for lighting at many facilities and high power in large inspection areas, the lighting adopts L-shaped, F-shaped and Z-shaped designs which are closely installed and controlled around the equipment to improve the lighting efficiency;

- While taking into account security, the Group's data center is entrusted to an external data service agency to reduce the energy consumption of the self-built data center with its efficient energy management capabilities.
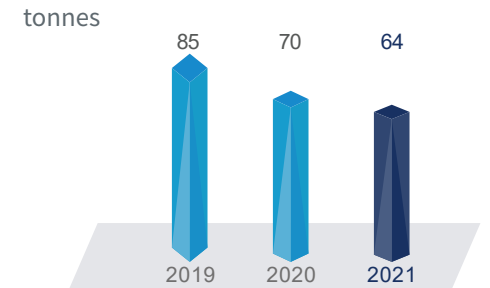
Water Resource Management

We are not a water-intensive company compared to other industries. Our water usage is mainly concentrated in laboratories as well as drinking water and sanitation. While our operations are in areas that are not affected by drought and water scarcity, we monitor water usage and work to improve water efficiency. We minimize water usage where practicable, we also encourage reuse of water use and promote employee water conservation awareness through advertisement and posters. In the future, if we operate in regions or countries where water is scarce, difficult to provide, or where water conservation is critical, we will closely monitor water usage and strive to minimize water consumption and impact.

Our water consumption in 2021 was 397,063 tonnes which was an increase from the previous year. The reason for the increase in water consumption was the situation of the COVID-19 in 2021 had eased compared with the previous year. The office form had gradually returned from home office to corporate office resulting in an increase in water consumption. On the other hand, due to the number of laboratories had increased, the water consumption had also increased.

Material Management

The materials we consume mainly come from the paper used to issue reports for our customers. We have started to implement a paper-free LIMS system. Records and certificate issuance are performed in paperless operation. Customers receive electronic versions of testing, inspection, certification and other documents to reduce paper consumption. While our business has grown, we have achieved a reduction in reporting paper consumption for three consecutive years. In 2021, our reporting paper consumption was 8.6% lower than the previous reporting year. At the same time, the Group has carried out the deployment of the electronic labor contract system. The completion of the system can effectively optimize the process of signing labor contracts and reduce the paper printing which is more efficient and environmental friendly.

Reporting Paper Consumption

tonnes

2019	2020	2021
85	70	64

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Corporate Governance | Professional Services | Talent Management | Environmental Protection | Social Contributions | **50**

Waste Management

Wastewater Management

The wastewater produced includes domestic sewage, industrial wastewater from laboratories, etc. We ensure the compliance of sewage discharge and clarify the waste water management process in accordance with the *Management Measures of Environmental Protection*. We discharge it into the municipal pipeline network after relevant treatment in accordance with the requirements of the local government and conduct regular monitoring to prevent excessive discharge. In 2021, we strengthened the management of wastewater discharge. We installed flow meters and detection devices in industrial wastewater discharge outlets and strengthened the management of the emission concentration, rate, total amount and operating time of treatment facilities for each emission factor. Data of wastewater discharge is expected to be disclosed from 2022.

In 2021, our performance[1]:

1.31
Nitrogen oxide emissions: 1.31 tonnes

0.37
Sulfur oxide emissions: 0.37 tonnes

Exhaust Gas Management

We manage exhaust emissions from the overall level in accordance with the *Management Measures of Environmental Protection* requiring each subsidiary/branch to select processes and equipment that do not generate or low generation of exhaust gas. We shall test the exhaust gas and strictly control the emission of pollutants. We shall not violate the emission permit and exceed certified emission limits. We equip the laboratory with corresponding ventilation facilities in accordance with regulations. The R&D and production operations involving volatile organic compounds are all carried out in a fume hood or exhaust hood with local ventilation. At the same time, we cover various containers for storing chemicals in time to minimize the volatilization of volatile organic compounds. We properly handle the exhaust gas generated during the experiment and discharge it after the treatment reaching the standard. It is strictly forbidden to directly discharge the exhaust gas that does not meet the standard to the environment. For construction projects, we are equipped with reasonable processing technology and technical personnel as to comply with local government requirements to do a good job of monitoring.

3.00
Non-methane total hydrocarbon emissions: 3.00 tonnes

0.96
Particulate matter (PM) emissions: 0.96 tonnes

Waste Management

Hazardous and non-hazardous waste generated by our business operations mainly includes chemicals, test samples, organic waste, waste liquid, paper, plastic, office waste, electronic waste, etc. We generate less waste than traditional industries. The amount of different wastes produced varies according to the business that each laboratory focused. However, we still pay close attention to the generation and treatment process of these wastes and strictly require the laboratory to carry out special personnel management and special warehouse storage of the samples after testing. We regularly hand them over to professional institutions for processing.

In 2021, our performance:

590.25
Hazardous waste 590.25 tonnes

3,258.48
The non-hazardous waste generated is 3,258.48 tonnes[2]

290.19
Recycled non-hazardous waste 290.19 tonnes

In 2021, we established a waste management data statistics mechanism. We managed the general solid waste generated throughout the process. In the management process of collection, identification, weighing, storage, and disposal, pollution must be strictly avoided. For example, when storing and processing waste materials, the materials should be put into the designated waste material transfer channel. When they are stored outside the laboratory, they should be placed in designated temporary storage locations. The cleaning management and protection should be done well.

Hazardous chemical waste management

Due to the particularity of our business, we need to use hazardous chemicals for testing. Therefore, in accordance with national regulations and policies such as the Regulations on the *Safety Management of Hazardous Chemicals*, we have formulated a number of systems such as the *Measures for the Safety Management of Hazardous Chemicals* to standardize the use and disposal of such chemicals. In accordance with relevant laws and regulations, we organize HSE training for legal persons, general managers, chemical procurement personnel, and chemical users to ensure that relevant personnel have sufficient capabilities to use and handle chemicals in an appropriate, safe and standardized manner.

Medical Waste Management

Medical waste is also the waste that we focus to control. In accordance with the *Management Regulations of Medical Waste*, they are uniformly processed by a specialized medical waste treatment company and strictly record the treatment process to ensure that all wastes are disposed of in the correct way.

[2]   The scope of non-hazardous waste data is CTI's own properties, including CTI Shenzhen, Beijing, Shanghai, Harbin, Suzhou, Kunshan, Chongqing bases, covering 65% of the total number of people in the group.

[1]   The data covers 23 sub/branches which have industrial emissions.

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Care for Experimental Animals

Pre-clinical evaluation of drugs is one of the businesses of CTI Group. In order to ensure the safety and effectiveness of drugs, and to clarify the process of drug absorption, distribution, metabolism and excretion in the body, animal tests are required before new drugs are marketed, which has been approved by governments around the world and has become a mandatory requirement. The entity involved in the animal tests is CTI Biotechnology (Suzhou) Co., Ltd, which is fully accredited by AAALAC. Therefore, we are committed to care and respecting all experimental animals and handling them humanely to ensure animal welfare. We promise to adhere to the 3R principles (**R**eduction, **R**eplacement and **R**efinement) on the premise of ensuring the reliability of the test results.

In 2021, our performance:

100%
Animal welfare training coverage was 100%

0
0 incidents of violation of animal welfare requirements

➤ Obtained the record certificate of Suzhou Municipal Health Commission Biosafety Laboratory

➤ Won the vice chairman unit of Suzhou Laboratory Animal Association

Standardize the Use of Animals

We have clear operating procedures and ensure that all staff working with laboratory animals receive extensive training – new staff will receive animal welfare training on induction of proper management and care.
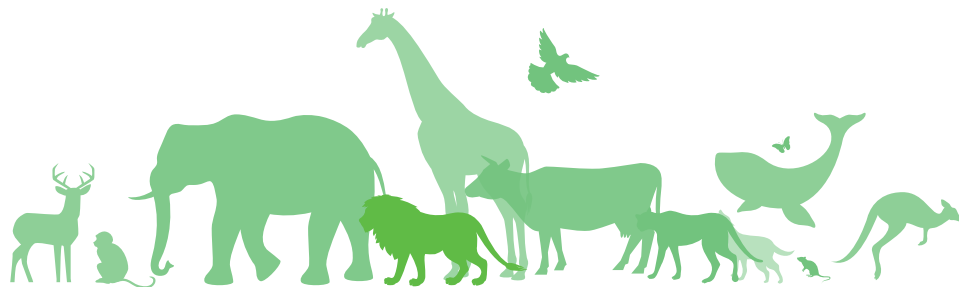
Caring of Animal Welfare

To improve the quality of life and welfare of laboratory animals, we provide them with comfortable housing, adequate recreational time, necessary social activities, health monitoring and care. We have also established the following procedures to ensure the welfare and quality of life of laboratory animals.

- According to the habits and preferences of experimental animals, different environmental enrichment measures and provision of food, auditory welfare and social activities are set up;

- All non-human primate laboratory animals must be housed in pairs or in suitable populations except for animals that do not require co-housing[1] as specified by the test director, researcher, veterinarian, or the experimental protocol, and can only be housed in single cages;

- Health monitoring and care of laboratory animals, we provide rehydration[2] and using the most appropriate analgesics according to their physical conditions;

- Provide professional pre-surgery and post-surgery care for experimental animals.

[1]   Co-housing refers to 2 or only animals with more than 2 animals raised together can be raised in a single cage.
[2]   Rehydration is a colloquial term for the medical term fluid therapy, which is a treatment method in which fluids (such as glucose, normal saline, electrolytes, colloids, blood, acidic or alkaline fluids, etc.) are introduced into the environment of animals through infusion devices or oral intake.
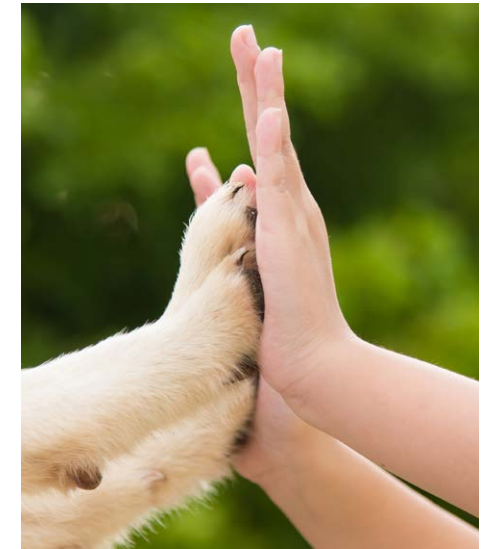
Supervise Animal Management and Use

We have established an Institutional Animal Care and Use Committee (IACUC) composed of veterinarians, experts with extensive animal testing experience, non-animal testing participants of the Group and public representatives to oversee animal management and use. IACUC inspects experimental animal facilities and animal feeding every six months. They supervise the implementation of animal welfare in the process of feeding and using experimental animals. They also review various animal test plans to be carried out and the corresponding animal management and use approval records. After IACUC finds a violation of animal welfare requirements, it will take assessments, necessary investigations, or transfer to relevant departments to make final conclusions and handling methods, including verbal warnings, written warnings, follow-up inspections. It will temporary or permanent terminate relevant personnel and reporting personnel's qualifications.

05

SOCIAL CONTRIBUTIONS

GOVERNANCE

SOCIAL

ENVIRONMENT

+$500
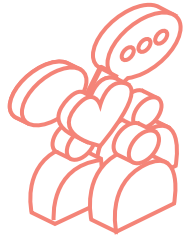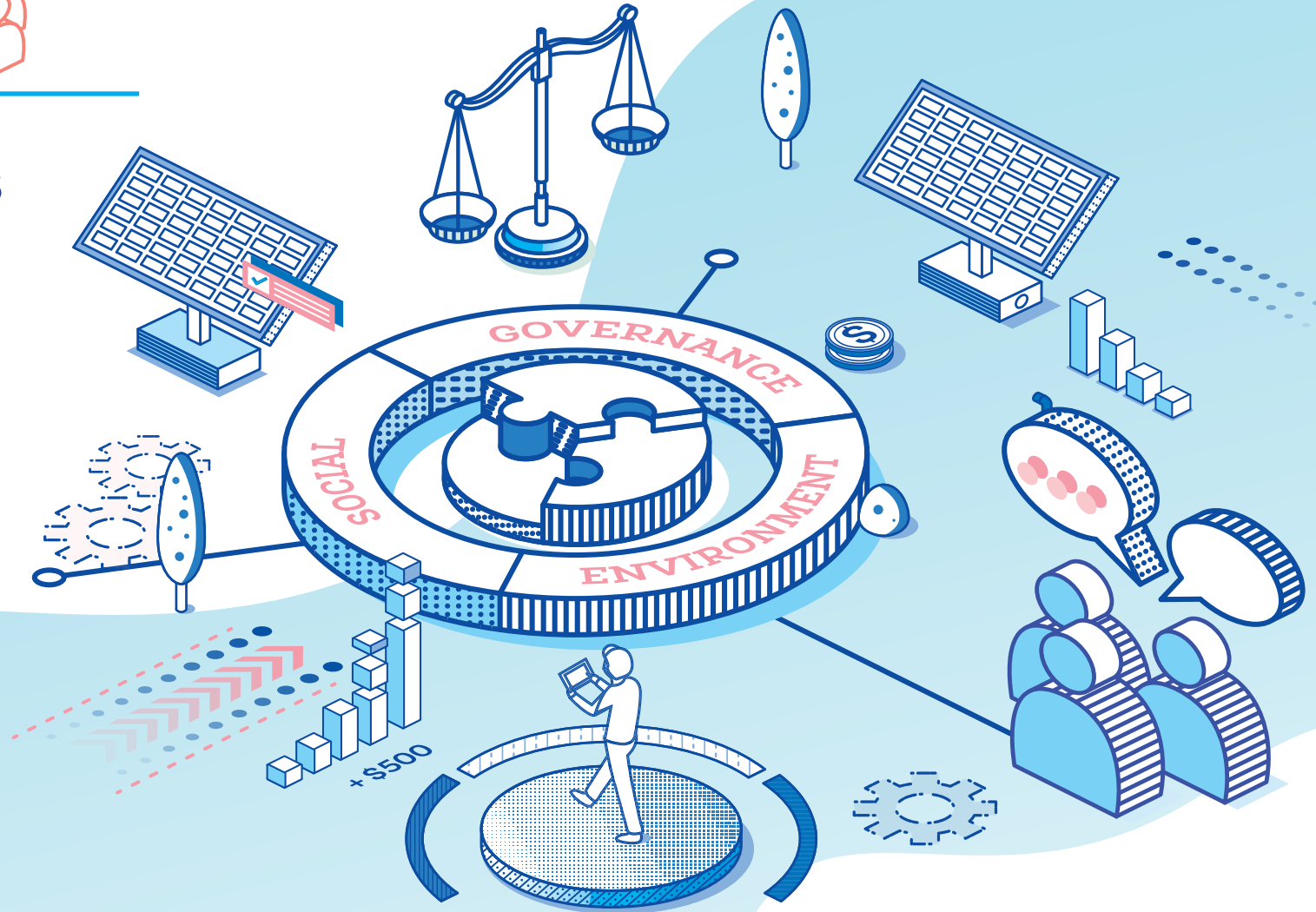
SOCIAL CONTRIBUTIONS

Extending from a business ecosystem to a diversified social ecology, CTI never ceases delivering value through suppliers, partners, communities and other stakeholders.

Supplier Management

Partnership with suppliers is an important way for CTI to boost value. We are committed to purchasing products and services in a responsible manner and achieving sustainable development with our suppliers.

In order to build a cooperative relationship between upstream and downstream of co-prosperity and help the sustainable development of the industry, we have drafted *CTI Supplier Code of Conduct* based on the concept of corporate sustainable development. The *Code* requires all suppliers to abide by business ethics standards, strictly control quality standards during the delivery of products and services. They are required to respect employees' rights and equality and promote employees' occupational safety, health and well-being to adhere to sustainable development, environmental protection and ethical business. From 2021, all new laboratory suppliers have signed this *Code*.

We are committed to purchasing products and services in a responsible manner and achieving sustainable development with our suppliers.

We hope suppliers could agree with our values and fulfill their responsibilities to stakeholders in honor of the principles similar to ours:

- Abide by all applicable laws;

- Respect the basic human rights of employees;

- Comply with laws banning the use of child labor;

- Be responsible for the health and safety of employees;

- Follow CTI's regulations and measures applicable to suppliers.

Our Performance in 2021:

1,956

We worked with 1,956 suppliers of laboratory equipment and supplies

100%

100% suppliers of laboratory equipment and supplies signed the Fair Competition and Sunshine Procurement Statement

100%

100% of new suppliers signed CTI Supplier Code of Conduct

Laboratory equipment and experimental supplies[1] occupy the largest proportion in our procurement activities. They are also the prerequisite for CTI to operate and sustain. Accordingly, we have formulated procedural documents such as the *Procurement Management Regulations, the Implementation Rules for Experimental Supplies Procurement*, and the *Implementation Measures for Experimental Equipment Procurement*. These documents contain rigorous specifications on major procurement procedures within the Group to keep our procurement compliant, open and transparent. We are concerned with the compliance of suppliers in environmental protection, labor protection and many other aspects. And our onboarding process for new suppliers includes the review of their permits, qualifications and certifications in this regard.

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[1] Laboratory equipment refers to the various types of instruments, equipment and supporting facilities used for testing/calibration in each laboratory; laboratory materials refer to experimental materials, including standard substances, chemical reagents, instrument consumables/support and tools, utensils, low-value consumable equipment and other categories; laboratory equipment and laboratory materials are collectively referred to as production materials.

Supplier ESG Audit

CTI's main procurement categories are laboratory equipment and experimental materials, and there was a total of 1,956 suppliers. We perform supplier audits at least once a year under the *Management Measures for Suppliers of Productive Materials* and other procedural documents. After the audition, according to the *Qualified Supplier List*, suppliers who met the prohibited conditions of supplier qualification were banned.

In 2021, we gradually carried out ESG audition for key category suppliers. The evaluations on environmental and social aspects were taken into the supplier assessment. During the reporting period, we have conducted investigations to 89 key suppliers which were accounted for 70% of our total procurement. There were no significant risks related to child labor, forced or compulsory labor, freedom of association or environmental pollution.

For equipment with impact on environment such as energy consumption, noise, wastewater, exhaust gas, radiation and vibration, we set different assessment indications in the procurement process, such as the inclusion of energy consumption competition scoring weights, which could provide comparison and selection in the procurement process and verify specifically after the procurement. We chose FSC certified paper products paper for some of our advertising materials to promote sustainable development of forest resources.

Clean Procurement

We have stipulated that only after signing the *Integrity Statement on Fair Competition and Clean Procurement* with a supplier can we have business transactions with it. The Integrity Statement must be signed at least once a year and it must be signed prior to the signing of procurement contracts for new suppliers. We require suppliers to promise to follow our integrity policies, and refrain from offering bribery and illegitimate benefits to our procurement staff, in a bid to prevent unfair competition. During the reporting period, the signing rate of the *Integrity Statement on Fair Competition and Clean Procurement* was 100%.

We have identified potential integrity risks in procurement/subcontracting and positions, and staff with high integrity risks. Based on that, the *Code of Integrity in Procurement* has been drafted and rolled out to strengthen the code of conduct in procurement/subcontracting to remind risks; manage suppliers and staff engaged in procurement/subcontracting to eliminate risks from source; perform Sunshine Procurement and regulate procurement processes to control risks; implement supervision and review to monitor risks; and handle fraud or corruption to warn of risks. Considering experimental equipment and materials are the major items to be procured, and are substantively related to our services, we have signed the *Integrity Statement on Fair Competition and Clean Procurement* with all suppliers of experimental equipment and materials. Our mailbox and hotline for whistleblowing are available in the Statement, for the ease of mutual supervision with suppliers. We also require

all procurement/subcontracting staff to sign the *Code of Business Conduct* agreement and the *Procurement/Subcontracting Staff's Commitment to Integrity Practice*, and organize them to receive pre-job training on integrity knowledge. The training topics include:

- Integrity measures taken by the Group and departments;

- Integrity risks specific to job posts;

- Clean governance measures specific to job posts.

Supply Chain Stability

We promote fair and open competition and build long-term relationships based on mutual trust. We ensure fair and honest participation of all parties in the procurement process. We recognize that adhering to the principles of competition is key to maintaining the integrity of the procurement process. In order to maintain the stability and continuity of the supply chain, we guarantee a certain amount of reserve qualified supply of equipment with the same function, covering different qualities of low, medium and high. We adopt A/B procurement strategy for the agreed suppliers of consumables to reduce supply risks.

Partnership

As a leading TIC company in China, CTI feels obligated to promote the healthy and sustainable development of the industry. With frequent communications with peers, and extensive collaborations with the government and research institutes, we are committed to propelling the constant upgrade of the industry.

CTI attended the Mutual Recognition of Inspection and Testing Facilitates Trade a Sub-forum

We were invited to attend the 23rd annual meeting *Mutual Recognition of Inspection and Testing Facilitates Trade a Sub-forum* of China Association for Science and Technology. On the meeting, we delivered a speech on the topic of "seizing opportunities, actively acting, and enhancing the international influence of China's TIC industry". And we communicated with representatives, experts and scholars from government, international organizations, universities, domestic and foreign inspection and testing institutions and enterprises on the development direction and hot issues of future inspection and standardization.

CTI attended the 17th JP Morgan Global China Summit

CTI was invited to participate in the online forum of the 17th JP Morgan Global China Summit and participated in a panel discussion on the theme of "Accelerating Transformation – The Role of China's Third-Party Testing Industry (TIC)", with a number of experts and industry leaders from around the world. And more than 100 industry leaders from China's consumer industry, finance, healthcare, technology, Internet and industrial fields gathered online to discuss the current status and future trends of the TIC industry's continuous high-quality development in China.

CTI attended the 5th China Animal Health and Food Safety Conference

CTI was invited to attend the 5th China Animal Health and Food Safety Conference hosted by the National Animal Health and Food Safety Innovation Alliance. With the theme of "Quality Agriculture and Animal Husbandry, Cross-border Retail, Boosting Consumption and Creating the Future Together", the conference focused on the improvement of food safety technology innovation capabilities and resource sharing in the fields of animal husbandry, veterinary medicine, aquatic products, catering, retail and supermarkets. CTI, together with the on-site personnel from various industries, jointly found solutions for the key development problems of the animal source food industry chain, and lead the future with innovation.

Strategic Cooperation between CTI Certification and Tianjin Carbon Emissions Exchange

CTI Certification, a subsidiary of CTI, has reached a strategic cooperation with Tianjin Emissions Exchange Co., Ltd. The two parties gave full play to their respective advantages in green and low-carbon, sustainable development and other fields. We jointly conducted long-term and stable cooperation in the research of ESG development level, the research and preparation of relevant standards in the field of carbon emission reduction and the development of carbon emission reduction projects to promote industrial development and upgrading.

Community Support

As a responsible corporate citizen, CTI always bears in mind its corporate responsibility and the mission of extending corporate value to a diversified social ecology. Since establishment, CTI has been actively involved in public welfare undertakings, and has donated materials for education, science, culture and art, social welfare and humanitarian projects over the years.

We required that the identity of recipients and the plan for the use of donations should be explicit and the reason and purpose of donations should be reasonable and documented, among other applicable situations. The following donations are prohibited in our *Code of Business Conduct*:

- Donation to individuals and for-profit organizations;
- Remittance to private accounts;
- Donation to organizations with goals against our principles;
- Quasi-donation[1] in various forms;
- Other donation that damage CTI's reputation or may cause material public relations crises.

Our Performance in 2021:

321,800 Social donation of 321,800 RMB

20 20 public welfare projects

500 Over 500 hours of voluntary service

[1] A quasi-donation is a donation which, although ostensibly a service or other form of remuneration, is similar to a donation in that it is substantially greater than its value.

Contribute to Rural Revitalization

As a pioneer and leader in TIC services in China, we leveraged our professional advantages and pushed our professional teams into the fields to help rural industries improving quality, building brands and expanding sales. We also contributed to the effective connect between poverty alleviation and rural revitalization. We helped the original poor villages consolidate the achievements of poverty alleviation and subsidize poor schoolchildren in the original severely impoverished areas.

Case: CTI provides professional technical services for Alibaba's "Public Welfare Line"

Since January 2021, we have cooperated with Alibaba Poverty Alleviation Fund and Taobao Xinxuan team to provide professional technical services for the 2021 "Public Welfare Line 2.0" project. We carried out corporate quality management, factory audit, product inspection and other work to ensure the quality of the public welfare line. In response to the weaknesses in the quality management of food production enterprises discovered during this audit, we have successively carried out a series of training, such as interpretation of the implementation regulations of the *Food Safety Law*, interpretation of prepackaged food labeling standards, food traceability, recall management and other related training.

Case: CTI went to Du'an, Guangxi to carry out poverty alleviation assistance

In November 2021, under the guidance of the Bureau of Industry and Information Technology of Bao'an District, Shenzhen, we went to Xia'ao Town, Du'an Yao Autonomous County, Guangxi, to carry out poverty alleviation activities. We cooperated with major caring enterprises to help 106 original poverty-stricken villages in Du'an County. We investigated and inspected the assistance projects and communicated in-depth with township officials and local people. Then we donated 50,000 RMB to help realize the national rural revitalization according to the actual development of the local area and the needs of the people.

Case: CTI donated to support poor children in Tanchang County, Longnan City

In January 2021, we donated 250,000 RMB worth of student aid materials to impoverish children in Jiahe School District and Jinmu School District in Tanchang County, Longnan City, Gansu Province. We have brought economic and material help to Jiahe Township. Since establishment, we have always adhered to the mission of "Build Trust for Better Life" and committed to giving back to the society and helping those in need. When learning that the two school districts in Tanchang County were in short supply of cold-proof materials this year, we immediately took action and delivered the collected cold-proof materials to schools during the New Year's Day in the shortest possible time. We hoped that the children would have a warm winter. We also always pay attention to education and actively carry out various public welfare activities to shoulder the social responsibilities.

Anti COVID-19 Action

Since the outbreak of the COVID-19, we have undertaken the task of sampling and testing wastewater for many hospitals such as Tongji Medical College of Huazhong University of Science and Technology (Optics Valley of China Area), Hubei Provincial Hospital of Traditional Chinese Medicine (OVC Area), Hubei General Hospital(East Area), Wuhan Third Hospital (OVC Area), Hubei Material and Child Health Hospital (OVC Area). At the same time, we took part in the "Hubei Anti COVID-19 Charity Donation" and carried out free quantitative tests on donated materials for agricultural enterprises. Our professional nucleic acid testing service team has been on the front line of epidemic prevention and control, and has contributed to many large-scale personnel nucleic acid screenings.

Case: CTI assisted COVID-19 nucleic acid testing in Henan Province

In August 2021, according to the deployment of the local health committee in Henan, we started the response mechanism for large-scale emergency nucleic acid testing, and urgently deployed a number of elites to start the overnight team to deploy the capsule to support large-scale personnel nucleic acid screening in Henan. The mobile PCR laboratory has been set up in accordance with national regulations and has received a certificate of compliance for PCR laboratory validation. It only needs to be placed in a suitable outdoor area to carry out nucleic acid testing quickly, with the advantages of rapid and accurate experiments, reduced contamination risk, easy and fast deployment and high safety level.

Case: CTI supported Shanghai Customs nucleic acid testing

In October 2021, we dispatched two batches of three employees for a month-long closed work to support Shanghai Customs in the nucleic acid testing of the COVID-19. In November, we provided another 200 free nucleic acid tests, contributing to the control of the epidemic at the Expo.

APPENDIX

GRI Content Index

Number	Item	Index
2-1	Organizational details	Reporting Methodology
2-2	Entities included in the organization's sustainability reporting	Reporting Methodology
2-3	Reporting period, frequency and contact point	Reporting Methodology
2-4	Restatements of information	No information restatement required
2-5	External assurance	We have not sought external assurance on the contents of the report
2-6	Activities, value chain and other business relationships	CTI Is Always By Your Side
2-7	Employees	3.1.1 Fair recruitment
2-8	Workers who are not employees	3.1.1 Fair recruitment
2-9	Governance structure and composition	1.1.1 Governance Structure
2-10	Nomination and selection of the highest governance body	Annual Report
2-11	Chair of the highest governance body	1.1.1 Governance Structure
2-12	Role of the highest governance body in overseeing the management of impacts	1.2.1 Improve ESG Governance
2-13	Delegation of responsibility for managing impacts	1.2.1 Improve ESG Governance
2-14	Role of the highest governance body in sustainability reporting	1.2.1 Improve ESG Governance
2-15	Conflicts of interest	Annual Report
2-16	Communication of critical concerns	1.2.3 Stakeholder Communication
2-17	Collective knowledge of the highest governance body	1.1.2 Board Diversity
2-18	Evaluation of the performance of the highest governance body	Annual Report

Number	Item	Index
2-19	Remuneration policies	Annual Report
2-20	Process to determine remuneration	Annual Report
2-21	Annual total compensation ratio	We have not calculated the annual compensation ratio and will evaluate the disclosure of this measure in the future
2-22	Statement on sustainable development strategy	1.2.2 ESG System in CTI
2-23	Policy commitments	1.3 Business Ethic 3.1.1 Fair recruitment 5.1 Supplier Management
2-24	Embedding policy commitments	1.3 Business Ethic 3.1.1 Fair recruitment 5.1 Supplier Management
2-25	Processes to remediate negative impacts	Material Issue Content
2-26	Mechanisms for seeking advice and raising concerns	1.2.3 Stakeholder Communication
2-27	Compliance with laws and regulations	4.1.2 Environmental Risk Management
2-28	Membership associations	2.1.1 Enhancing Professional Strength
2-29	Approach to stakeholder engagement	1.2.3 Stakeholder Communication
2-30	Collective bargaining agreements	The collective bargaining agreements signing rate of branches/subsidiaries with established labor unions is 100%, but due to the small scale of some subsidiaries, they have not yet established labor unions

Number	Item	Index
201	Economic Performance	Opening : Highlight Performance in 2021
202	Market Presence	Opening : Highlight Performance in 2021
203	Indirect Economic Impacts	Opening : Highlight Performance in 2021
204	Procurement Practices	5.1 Supplier Management
205	Anti-corruption	1.3 Business Ethic
206	Anti-competitive Behavior	1.3.4 Responsible Operation
207	Tax	1.3.4 Responsible Operation
301	Materials	4.3.3 Material Management
302	Energy	4.3.1 Energy Management
303	Water and Effluents	4.3.2 Water Resource Management
		4.4.1 Wastewater Management
304	Biodiversity	This topic is not applicable because our business does not involve significant impacts on biodiversity
305	Emissions	4.2.3 Targets and Goals
		4.4.2 Exhaust Gas Management
306	Waste	4.4.3 Waste Management
308	Supplier Environmental Assessment	5.1.1 Supplier ESG Audit
401	Employment	3.1.1 Fair recruitment

Number	Item	Index
402	Labor/Management Relations	3.1.1 Fair recruitment
403	Occupational Health and Safety	3.3 Occupational Health and Safety
404	Training and Education	3.2 Talent Team Building
405	Diversity and Equal Opportunity	3.1.2 Employee Diversity
406	Non-discrimination	3.1.2 Employee Diversity
407	Freedom of Association and Collective Bargaining	3.1.1 Fair recruitment
408	Child Labor	3.1.1 Fair recruitment
409	Forced or Compulsory Labor	3.1.1 Fair recruitment
410	Security Practices	Our company does not involve a large number of security personnel, this topic is not applicable
411	Rights of Indigenous Peoples	This topic is not applicable as our business does not involve indigenous people
413	Local Communities	5.3 Community Support
414	Supplier Social Assessment	5.1.1 Supplier ESG Audit
415	Public Policy	5.3 Community Support
416	Customer Health and Safety	2.2 Customer Services
417	Marketing and Labeling	1.3.4 Responsible Operation
418	Customer Privacy	2.3 Information Security and Data Protection

Databank

Category	Unit	2021	2020	2019
Environment[1]				
Energy Consumption				
Electricity	million·kWh	107.71	80.89	–
Natural Gas	m³	233,537	–	–
Gasoline	tonnes	209.45	–	–
Diesel Fuel	tonnes	58.96	–	–
Waste				
Hazardous Waste	tonnes	590.25	–	–
General waste[2]	tonnes	3,258.48	–	–
– Recycling waste	tonnes	290.19	–	–
Water Consumption				
Water consumption	tonnes	397,063	280,505	–
Water intensity	tonnes/10,000 revenue	0.95	0.82	–
Packaging Consumption				
Report paper consumption	tonnes	64	70	85
Greenhouse Gas Emissions				
Scope 1 emissions	tCO$_2$e	2,210.5	–	–
Scope 2 emissions	tCO$_2$e	78,993.5	–	–
Total (Scope 1 + Scope 2)	tCO$_2$e	81,204.0	–	–
GHG emission density (Scope 1 + Scope 2)	tCO$_2$e/10,000 revenue	0.19	–	–

Category	Unit	2021	2020	2019
Exhaust Gas[3] Emissions				
NOx	tonnes	1.31	–	–
SOx	tonnes	0.37	–	–
Total non-methane hydrocarbons	tonnes	3.00	–	–
Particulate Matter (PM)	tonnes	0.96	–	–
Society[4]				
Employees Composition				
Number of employees	Total	11,091	10,069	–
Gender	Male	5,515	5,073	–
	Female	5,576	4,996	–
Age	18-24	2,144	–	–
	25-29	3,632	–	–
	30-39	4,382	–	–
	40 and above	933	–	–
Education Background	Junior college's degree or below	4,737	4,180	–
	Bachelor's degree	5,449	5,028	–
	Master's degree	877	834	–
	Doctoral degree (including postdoctoral)	28	27	–
Nationality	China	11,005	9,932	–
	Overseas	86	137	–
Speciality	Production staff	3,351	3,061	–
	Salesman	2,724	2,623	–
	Technical staff	4,256	3,688	–
	Financial personnel	171	165	–
	Administrative staff	589	532	–
Total number of new employees	Total	4,280	–	

[1] Unless otherwise indicated, the scope of the data coverage was the group headquarters and all subordinate institutions and offices in China.
[2] The scope of non-hazardous waste data is CTI's own properties, including CTI Shenzhen, Beijing, Shanghai, Harbin, Suzhou, Kunshan, Chongqing bases, covering 65% of the total number of people in the group.
[3] The data covers 23 subordinate/branches which have industrial emissions.
[4] The scope of the social component statistics is consistent with the annual report.

Category	Unit	2021	2020	2019
Diversity and Equal Opportunity				
Proportion of female employees	%	50.3	49.6	–
Proportion of female employees among and above manager level	%	38.0	–	–
Proportion of women in senior management	%	12.5	12.5	–
Proportion of women on boards	%	14.3	14.3	–
Minority employees	Number	460	463	–
Number of employees with disabilities in employment programs	Number	53	35	–
Ratio of basic pay and remuneration between men and women	Male:Female	1.02	–	–
Employee Turnover				
Total number of employees who voluntarily quit	Total	3,036	2,332	–
Employee voluntary turnover rate	%	27.4	23.2	–
Gender (ratio)	Male	28.3	22.7	–
	Female	26.5	23.5	–
Age (rate)	18-24	33.2	–	–
	25-29	34.6	–	–
	30-39	21.5	–	–
	40 and above	13.4	–	–
Region (Ratio)	China	27.5	23.4	–
	Overseas	12.8	0	–
Occupational Health and Safety				
Work-related injuries	Number	4	–	–
Work-related deaths	Number	0	–	–
Days lost due to work-related injuries	Day	61	–	–
Lost Day Rate (LDR)[1]		4.40	–	–
Total Recordable Incident Rate (TRIR)[2]		0.036	–	–

Category	Unit	2021	2020	2019
Training and Education				
Total training time per year	Hours	237,028.9	97,028	–
– offline training	Hours	86,299	22,457	–
– E–learning training	Hours	150,729.9	74,625	–
– Integrity-related[3]	Hours	3,623.3	–	–
– Occupational health and safety related	Hours	19,103.3	–	–
– Human rights related	Hours	3,127.5	–	–
– Privacy and data security related	Hours	1,082.4	–	–
Average training time	Hours	21.4	–	–
Annual number of trainees	Person-time	25,432	1,986	–
Number of E-learning training courses	Number	1,539	821	–
Number of offline training programs	Number	3,298	–	–
Supplier				
Number of suppliers of laboratory equipment and experimental materials	Number	1,956	1,867	1,870
Professional Service				
Customer complaints	Number	284	–	–
Complaints related to invasion of customer privacy	Number	0	–	–
Complaints related to the environment	Number	0	–	–
Complaints related to occupational hygiene	Number	0	–	–
Customer Satisfaction	Scores	91.04	90.56	93.63
Anti-corruption				
Corruption Litigation Cases	Number	0	0	0

[1]   Lost Day Rate(LDR)= total days lost/total hours worked × 200,000.

[2]   Total Recordable Incident Rate(TRIR)= total number of injuries/total hours worked × 200,000.

[3]   Due to statistical methodology and the difficulty of obtaining data, training hours related to integrity, human rights, privacy and data security only include E-learning online training hours.

Reader's Feedback

We anticipate your opinions and suggestions to continuously improve our ESG efforts, as well as our competence in ESG management.
We hope you could complete the questions in the feedback form below, and send it back to us via the following contacts.
Email: baidongzhu@cti-cert.com
Address: 101, Unit 1, CTI Building, Xingdong Community, Xin'an Sub-district, Bao'an District, Shenzhen

Your Information
Name
Employer
Tel
Email
Opinions & Suggestions

1. What do you think of our ESG report?

   O Excellent   O Good   O Average

2. Do you think this report has presented the significant impact of our ESG issues?

   O Yes   O More or less   O Don't know

3. How do you rate the clarity, accuracy and completeness of the information, data and indicators disclosed in this report?

   O Very high   O High   O Average   O Low   O Very low

4. Which aspect of this report are you most satisfied with?

5. What kind of information do you want to learn more about?

6. Do you have any suggestions for the ESG reports to be released in the future?

CTI

CTI IS ALWAYS BY YOUR SIDE