

2023 Climate Report

CENTER TESTING INTERNATIONAL



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ABOUT THIS REPORT

Report Description

This is the second report on climate change issued by Centre Testing International Group Co., Ltd. This report mainly focuses on four aspects of climate change: governance, strategy, risk management, metrics and targets. It reviews the progress of our major work in addressing climate-related risks, grasping climate-related opportunities, and contributing to green and low-carbon development.

The Board of Directors and all directors and senior management of the Company warrant that the contents of this report are true, accurate and complete, and that there are no false records, misleading statements or material omissions and bear individual and joint liability.

Reporting Scope

This report covers Centre Testing International Group Co., Ltd. and all its wholly-owned and controlled subsidiaries. For the convenience of expression, Centre Testing International Group Co., Ltd. (CTI) uses the terms "CTI", "the Group", "the Company", and "We" in the report. The timescale of the data in the report is from 1 January 2023 to 31 December 2023 unless otherwise stated. Unless otherwise specified, the currency units mentioned in the report are RMB.

Reporting Standards

This report has been prepared in accordance with IFRS Sustainability Disclosure Standard S2 Climate-related Disclosures, issued by the International Sustainability Standards Board (ISSB) in 2023, the Hong Kong Exchanges and Clearing Limited (HKEX) Guidance on Climate Disclosures, etc.

Publication and Access

You can download an electronic copy of this report in both Chinese and English from the website of CTI (www.cti-cert.com). In case of discrepancies between Chinese and English, please refer to the Chinese version.

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About Us

Centre Testing International Group Co., Ltd. (CTI) is China's leading independent third party testing, inspection & certification company. We offer global customers one-stop solutions covering testing, calibration, inspection, certification, and technical services.

Established in 2003 and listed on the Shenzhen Stock Exchange in 2009 (stock code: 300012), the Company is the first listed TIC organization in China and one of the first batch of GEM listed companies in China. The Company has established approximately 160 laboratories and more than 260 service networks in more than 90 cities across more than ten countries and regions, providing more than 4 million credible testing and certification reports and nearly 1.5 million certificates each year to more than 100,000 customers worldwide.



About **160**
Laboratories



260+
Service
Networks



4 million+
Reports



Nearly
1.5 million
Certificates

Foreword

Currently, climate change has become one of the most pressing environmental issues in the world, and with the acceleration of global industrialization, the global climate system is undergoing significant changes. 2023 was the hottest year since 1850, a year in which the world experienced frequent extreme weather and climate events, including heatwaves, extreme precipitation, droughts and floods, wildfires, sandstorms, etc., and a number of climate change metrics set new records, with serious impacts on the natural ecological environment, economic development, etc.

On 20 March 2023, the United Nations Intergovernmental Panel on Climate Change (IPCC) released the synthesis report of its AR6 Synthesis Report: Climate Change 2023, detailing the devastating consequences of global warming caused by rising global greenhouse gas emissions. Human activities have warmed the globe by an average of 1.1°C, and the Earth is experiencing unprecedented climate change. Climate impacts on humans and ecosystems are far greater than expected, and risks will escalate rapidly as warming intensifies. The report shows that global greenhouse gas emissions need to decline rapidly after peaking by 2025 to ensure that the 1.5°C temperature control target is met. Addressing climate change and achieving sustainable development has become a global consensus and an important task for governments, which are struggling to cope with the impacts of record-breaking weather extremes.

China has consistently adhered to the equal importance of mitigation and adaptation, and has implemented a national strategy to actively address climate change. The report of the *20th Communist Party of China (CPC) National Congress* has made active participation in global governance of climate change an important part of promoting the harmonious coexistence of human beings and nature, and has put forward new requirements for the protection and restoration of ecosystems. In 2022, China formally issued the National Climate Change Adaptation Strategy 2035 which makes a systematic plan of China's work on adaptation to climate change for the period from now to 2035, based on in-depth analyses of climate change impacts and risks, as well as opportunities and challenges of climate change adaptation. In July 2023, China convened the National Conference on Ecological Environmental Protection, which made the active and steady promotion of "carbon peaking and carbon neutrality" a key task in the construction of a beautiful China. In December 2023, the CPC Central Committee and the State Council issued the Opinions on Comprehensively Promoting the Construction of a Beautiful China, which anchors the goal of building a beautiful China and accelerates the improvement of ecological environment quality from quantitative to qualitative change.

On 26 June 2023, the ISSB (International Sustainability Standards Board) issued two formal effective documents - the *IFRS S1 - General Requirements for Disclosure of Sustainability-Related Financial Information*, and the *IFRS S2 - Climate-related Disclosures*. IFRS S2 requires companies to disclose information about climate-related risks and opportunities that could reasonably be expected to affect an entity's cash flows, access to finance or cost of capital in the short, medium or long term, in order for investors to make decisions related to whether to provide resources to the business. On 12 October 2023, the TCFD announced the dissolution of the TCFD in conjunction with the publication of its 2023 status report, transferring the TCFD oversight responsibilities to the ISSB from 2024, signaling that IFRS S2 is ready to replace the TCFD recommendations as the standard for companies to disclose climate-related financial information.

In the process of developing its own business and strategies, CTI continuously pays attention to the global development trend and national policy objectives in the field of climate change, and based on the natural connection between the TIC industry and sustainable development, CTI continues to optimize and expand its business model and segments, so as to contribute to the global mitigation of and adaptation to climate change. At the same time, we also pay attention to our own impact on climate change, and continue to develop and improve our work on climate change.

During the year, we followed the IFRS S2 guidelines for the first time in our climate management work, improved our climate governance structure, conducted a full-scale carbon inventory to comprehensively identify the current status of our carbon emissions, and formulated our carbon reduction targets as well as the paths and measures to achieve them. Through this report, we disclose climate-related information to comprehensively demonstrate our management strategy and performance in terms of climate-related risks and opportunities, with a view to providing investors, government, employees and other stakeholders with information on the progress of CTI's work in addressing



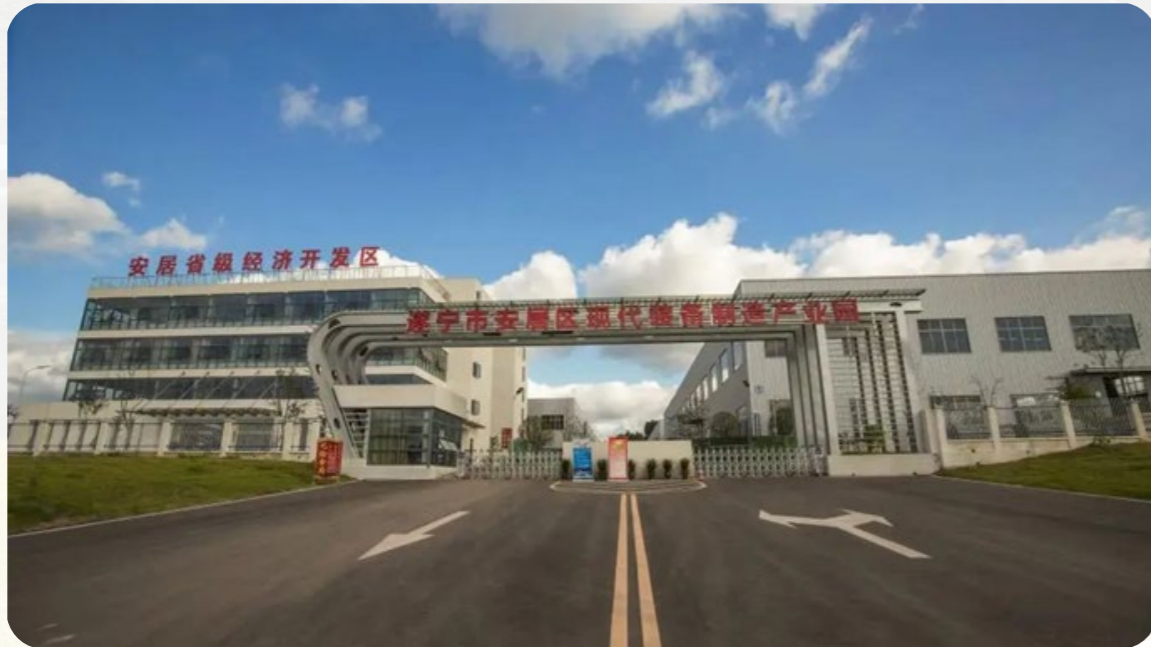
DEEPENING INDUSTRY TO HELP CLIMATE ACTION IN PRACTICE

Under the severe challenge of global climate change, sustainable development has become the common pursuit of all mankind. As more and more enterprises (organizations) begin to transition to a low-carbon economy, climate-related opportunities for CTI have also arisen.

As the first listed TIC organization in China, CTI has become a leader in the comprehensive third-party testing industry after years of development. We give full play to our service advantages in environmental testing and environmental health and safety technology, energy management and energy saving and emission reduction, and carry out professional services such as environmental testing, greenhouse gas validation/certification, and carbon footprint/carbon neutrality verification of products, to help our partners transition to low-carbon, recycling and green.

Case: CTI Certification Helps Anju Economic Development Zone Selected as the First Batch of National Pilot Pilots for Collaborative Innovation in Pollution Reduction and Carbon Emission Reduction.

In 2023, CTI Certification, a wholly-owned subsidiary of CTI, provided professional support to Anju Economic Development Zone in Suining, Sichuan Province, helping it become an innovative pilot project for pollution reduction and carbon reduction through the creation of a unified accounting rule for pollution reduction and carbon synergy, improvement of monitoring in industrial parks, promotion of emission reduction and upgrading of low-carbon industries, construction of a low-carbon and high-efficiency energy system, and upgrading of the level of building greenness and low-carbon. It has been successfully selected as one of the first batch of collaborative innovation pilots of pollution reduction and carbon reduction in industrial parks by the Ministry of Ecology and Environment.



GOVERNANCE



07 / Organisational Structure
and Responsibilities

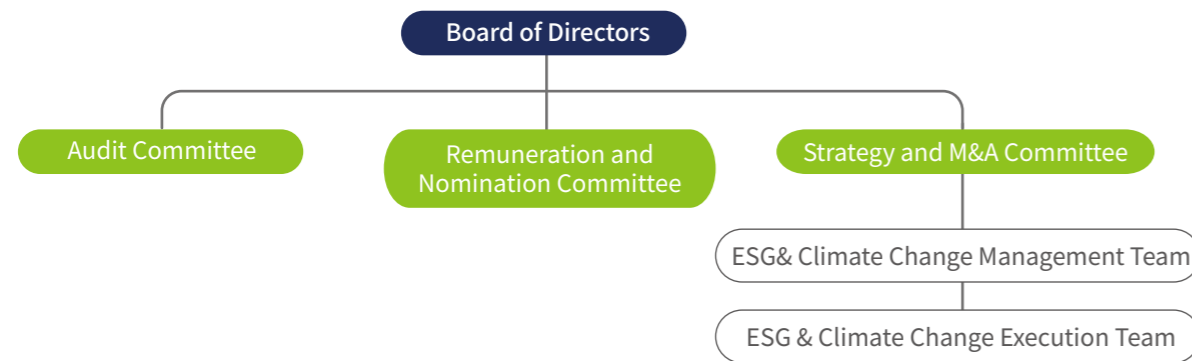
08 / Operating Mechanisms



Organizational Structure and Responsibilities

CTI actively responds to global climate change challenges and deeply integrates climate change governance structure into its ESG governance structure to promote sustainable development and green transformation. The Company has established a four-tier governance structure comprising the Board of Directors, the Strategy and M&A Committee, the ESG& Climate Change Management Team and the ESG & Climate Change Execution Team, which clearly clarify the decision-making responsibilities of the Board of Directors and the Strategy and M&A Committee, the management responsibilities of the ESG & Climate Change Management Team, and the executive responsibilities of the ESG & Climate Change Execution Team, to ensure the Company's efficient operation, clear responsibilities and prompt decision-making. The Company has formulated the ESG and Climate Change Management System to further clarify the organizational structure and specific responsibilities, and is committed to operating and managing its business in a sustainable manner.

CTI's ESG and Climate Change Management Organizational Structure



Decision-making: Board of Directors

- The Company's Board of Directors has the ultimate authority and responsibility for ESG and is responsible for overseeing ESG issues such as climate change and human rights.
- Review ESG and climate change related strategies and plans, carbon reduction target setting and achievement.

Management: ESG & Climate Change Management Team

- The Group President is the first person in charge, the Group Vice President in charge and the President of the Technical Service Division are the main persons in charge.
- ESG&Climate Change Management Team establishes a mechanism for ESG and climate change implementation at the Company's operation and management level, establishes a clear organizational structure and division of responsibilities, and evaluates ESG and climate change management methods;
- Establish mechanisms for measuring and monitoring ESG and climate change metrics;
- Linkage and coordination between the Group's senior management and all relevant departments, to do a good job in organizing, coordinating and supervising the work, and to promote the achievement of ESG and climate change performance targets.

Executive: ESG & Climate Change Execution Team

- The first person in charge of each functional department and business unit is the main member.
- The ESG & Climate Change Execution Team improves the Company's ESG and climate change information disclosure quality and report preparation mechanism, compares the common metric system and international standards, and comprehensively and standardizes the Company's ESG and climate change performance.
- Continuously implement and promote the Company's ESG and Climate Change Enhancement Actions, collect and disclose relevant data and information, and ensure the accuracy, timeliness, balance and consistency of the information;
- Regularly collect, collate and analyses ESG and climate change information, identifies risks and opportunities, and regularly reports to the ESG and Climate Change Steering Group;
- Respond to stakeholder comments and enquiries on the Company's ESG and climate change matters.



Operational Mechanisms

The Board of Directors of CTI Group is responsible for overseeing climate change related risks and opportunities, and has placed climate issues on the Board's agenda, with at least one board meeting per year related to climate, ESG, and sustainability. The Strategy and M&A Committee is responsible for managing climate-related issues and holds meetings to report to the Board on climate-related risks and opportunities at least once a year. The ESG & Climate Change Management Team and the ESG & Climate Change Execution Team under the Strategy and M&A Committee are responsible for managing and providing feedback on the Group's climate-related issues.

During the reporting period, the Board of Directors reviewed the ESG Report and the Climate Report to understand the ESG and climate change related risks faced by the Company, reviewed the ESG strategy and plan covering climate change, and analyzed the progress in achieving key performance indicators, in particular, the specific targets set for greenhouse gas emission reduction and the path to achieve them were fully discussed. The Board of Directors reviewed and approved the *ESG and Climate Change Management System*, clarifying the responsibilities of each level and building a comprehensive, systematic and efficient ESG and climate change management system for the Company. This system will strongly promote the continuous improvement and innovative development of the Company in environmental, social and governance aspects.



STRATEGY

11 / Identifying Short, Medium,
and Long-term

11 / Identification of
Climate-related Risks and
Opportunities

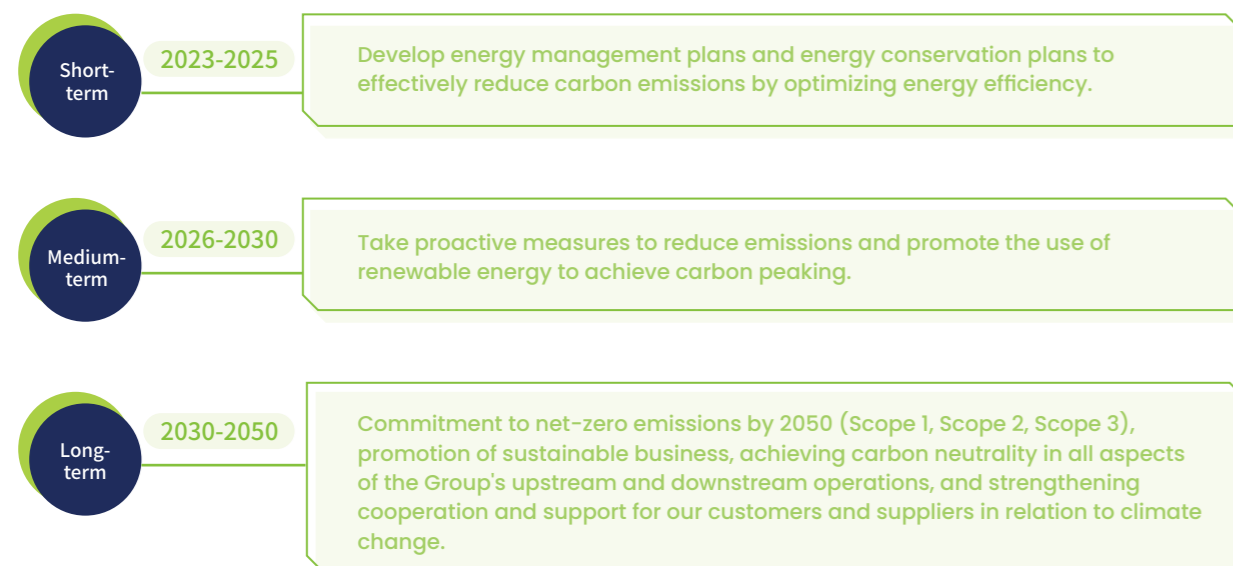
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CTI has gradually enhanced its ability to respond to climate change by identifying climate-related risks and opportunities to thoroughly analyze the potential impact of climate change on business operations, supply chains and markets; and by conducting scenario analyses to assess the adaptability and resilience of different climate scenarios and formulate corresponding risk response measures. At the same time, we also comprehensively identify and proactively seize climate-related opportunities to drive long-term value growth for the Group.

Identifying Short, Medium, and Long-term

In order to better manage the identification and management of the Group's climate-related risks and opportunities, we have defined the following timescales for climate-related risks and opportunities:



Identification of Climate-related Risks and Opportunities

The main business of CTI is to provide testing, inspection and certification of products, services, processes and systems, as well as to provide related consulting and training services to customers. The impacts of climate change on the Company are mainly physical risks such as disruption of operations, untimely or interrupted delivery of products and services due to extreme weather, and transition risks such as increased competition in the industry, higher carbon prices, and shifts in customer preferences. Risks are often accompanied by opportunities, such as increasing customer demand for testing and certification of low-carbon technologies and products, environmental and energy management, product carbon footprint, and sustainable supply chains, which can improve the Company's market competitiveness.

During the reporting period, CTI assessed the impact of climate-related risks and opportunities on the company's business, strategy and financial planning through the identification and scenario analysis.

Physical Risk

Climate-related physical risk refers to the damage directly caused by extreme or abnormal weather events caused by climate change on economic activities. The scope of this physical risk scenario analysis of CTI covers the Group's head office and all its subsidiaries and offices in China, as well as overseas subsidiaries and holding companies, including 46 first-tier subsidiaries in Mainland China and assets in Taiwan, Singapore and Germany.

Scenario Selection

We selected the Shared Socioeconomic Pathway (SSP) from the *AR6 Synthesis Report: Climate Change 2023* of the United Nations Intergovernmental Panel on Climate Change (IPCC) for our scenario analysis. We chose the Low GHG Emissions Scenario (SSP1-2.6) and the High GHG Emissions Scenario (SSP3-7.0) for comparison to assess the potential impacts of the physical risks on the Company's operations in the short term (2025), medium term (2030), and long-term (2050) potential impacts on the Company's operations.

Table: Description of climate scenarios for physical risk analysis

| Applicable Scenarios | Scenario Source | Scenario Selection | Scenario Assumptions | Projected Warming by the End of the Century |
|--|-----------------|--------------------|--|---|
| Low greenhouse gas emission scenarios | IPCC | SSP1-2.6 | CO ₂ is reduced to half its present level in 2050, falling to net zero around 2075 and followed by varying degrees of negative CO ₂ emissions. | 1.5°C -3°C |
| High greenhouse gas emission scenarios | IPCC | SSP3-7.0 | Carbon dioxide emissions will increase to about twice their present level in 2050. | > 3°C |

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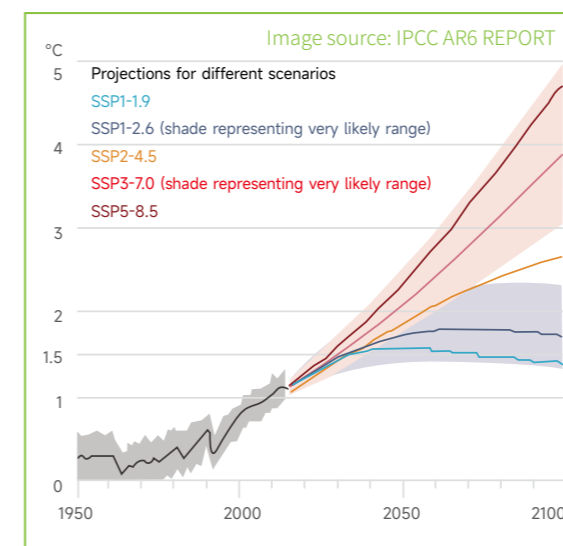


Figure: Increase in Global Surface Temperature Change Relative to the Period 1850-1900

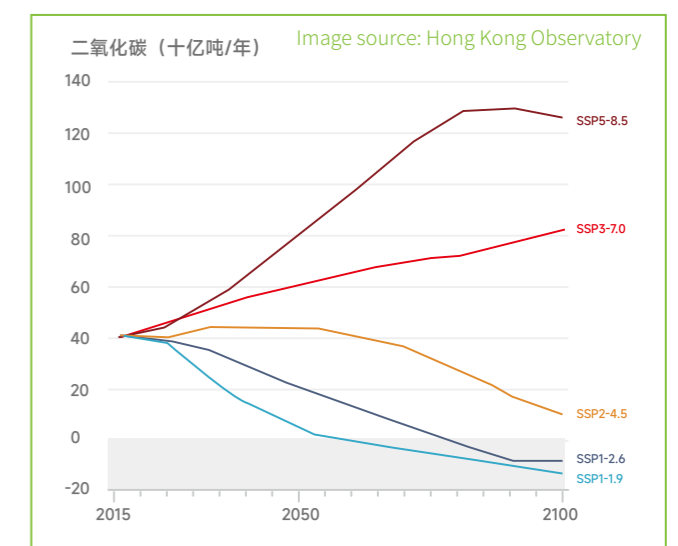


Figure: Annual Anthropogenic Emissions for the Period 2015-2100 under the Five Scenarios

Assessment Results

| Type of Physical Risk | Physical Risk Name | Scope of Impact | Risk Impact Pathways | SSP1-2.6 | | | SSP3-7.0 | | | Potential Financial Impact |
|------------------------|--|--|--|------------|----------|-----------|------------|----------|-----------|--|
| | | | | Short-term | Mid-term | Long-term | Short-term | Mid-term | Long-term | |
| Acute Physical Risk | Cyclones/Hurricanes/Typhoons | CTI's upstream activities CTI's own operations CTI's downstream activities and clients | <ul style="list-style-type: none"> Strong storms can lead to damage to a company's infrastructure, which not only interrupts daily operations but also requires significant capital to repair or rebuild; Increased risk of supply chain disruption, logistics delays and untimely delivery of products and services due to strong storms; Increased occupational health and safety risks for the Group's employees during their daily commute and business travel. | low | low | Medium | low | low | high | <ul style="list-style-type: none"> Impairment losses on assets Increase in operating costs Reduced revenue due to untimely or interrupted delivery of products and services Increase in employee safety related expenses |
| Acute Physical Risk | Floods (Sea, River, Rain, Groundwater) | CTI's upstream activities CTI's own operations CTI's downstream activities and clients | <ul style="list-style-type: none"> Increased frequency of flooding during the rainy season may result in damage to the Company's infrastructure, increasing repair/replacement costs and potentially disrupting day-to-day operations; Increased risk of supply chain disruptions, logistics delays and untimely delivery of products and services due to strong storms; Increased risk of flooding, heavy precipitation or resulting in increased risk to employees' occupational health and safety; | low | low | Medium | low | low | high | <ul style="list-style-type: none"> Impairment losses on assets Increase in operating costs Reduced revenue due to untimely or interrupted delivery of products and services Increase in employee safety related expenses |
| Acute Physical Risk | Earthquake | CTI's own operations CTI's downstream activities and clients | <ul style="list-style-type: none"> Earthquakes cause damage to the Company's infrastructure (e.g., office buildings, laboratory equipment, etc.), increasing repair/reconstruction costs and potentially interrupting day-to-day operations; Major business interruptions or resulting in unstable revenues and, therefore, loss of market share; And increased occupational health and safety risks for employees, resulting in increased operating costs | low | low | low | low | low | Medium | <ul style="list-style-type: none"> Impairment losses on assets Increase in operating costs Reduced revenue due to untimely or interrupted delivery of products and services Increase in employee safety related expenses |
| Chronic Physical Risks | Extreme Heat | CTI's own operations | <ul style="list-style-type: none"> Potential damage to infrastructure, increased operating costs and depreciation of equipment, and a reduction in the estimated residual value and estimated useful life of long-lived assets; Extreme heat increases the need for refrigeration in business operations, which increases operating costs; And extreme heat may lead to a surge in electrical loads, straining electricity in many locations and potentially disrupting daily operations. | low | low | Medium | low | low | high | <ul style="list-style-type: none"> Impairment losses on assets Increase in operating costs |

| Type of Physical Risk | Physical Risk Name | Scope of Impact | Risk Impact Pathways | SSP1-2.6 | | | SSP3-7.0 | | | Potential Financial Impact |
|------------------------|---------------------------------|---|---|------------|----------|-----------|------------|----------|-----------|--|
| | | | | Short-term | Mid-term | Long-term | Short-term | Mid-term | Long-term | |
| Chronic Physical Risks | Extreme Cold | CTI's own operations CTI's downstream activities and clients | <ul style="list-style-type: none"> Extreme cold weather increases the need for heating in business operations and increases operating costs; Disruptions in transport and logistics and reduced employee attendance lead to increased risk of interruption/delay in the delivery of products and services, which in turn affects revenues and customer satisfaction; And there is an increased risk of occupational health and safety risks to the Group's employees in the course of their daily commuting and business | low | low | Medium | low | low | high | <ul style="list-style-type: none"> Impairment losses on assets Increase in operating costs Reduced revenue due to untimely or interrupted delivery of products and services Increase in employee safety related expenses |
| Chronic Physical Risks | Increase in Average Temperature | CTI's own operations | <ul style="list-style-type: none"> An increase in average temperatures will increase energy consumption, in particular the use of air conditioning and cooling systems, and increase operating costs; An increase in average temperatures will affect the health and productivity of employees and the Group may need to invest more in addressing health and safety issues resulting from increased temperatures. | low | low | low | low | low | Medium | <ul style="list-style-type: none"> Increase in operating costs Increase in employee safety related expenses |

Physical Risk Response

Based on the list of climate-related physical risks and the results of the above scenario analyses, we have developed the following countermeasures to prevent, control and mitigate the related risks in a timely manner.

Acute Physical Risk Response

- Develop emergency plans to mitigate the economic and operational risks associated with extreme weather;
- Designate specialized personnel to obtain and keep track of meteorological disaster warning information, to disseminate the information to all departments of the Company in a timely manner, and to make timely emergency responses in accordance with climate change;
- Stockpile essential flood and earthquake prevention materials and emergency supplies, such as sandbags, tarpaulins, emergency power supplies, food and water;
- Strengthen employee safety training and conduct regular emergency drills to reduce OHS risks;
- Backup important documents, files, and electronic data to prevent information damage due to extreme weather;
- Timely assessment of damage after a disaster and resumption of normal operations as soon as possible;

Chronic Physical Risk Response Measures

- Use energy-efficient heating and cooling equipment;
- Enhance the heat retention capacity of buildings, e.g. add insulation materials to cope with extreme cold/high temperature weather;
- Provide special insulation for equipment susceptible to high and low temperatures;
- Rationalizing employee working hours to reduce exposure to extreme cold/high temperatures;
- Optimizing energy use, improving energy efficiency and reducing greenhouse gas emissions;
- Investing in green technologies, such as the use of renewable energy sources like solar and wind;
- Conduct regular climate risk assessments to identify potential impacts and develop appropriate response strategies;
- Purchase appropriate insurance to cover potential climate-related losses.



Transition Risk

Climate-related transition risks mainly refer to the economic or financial risks to business and asset valuations arising from factors such as policies to address climate change, technological innovation, market sentiment and consumer preferences. The scope of this transformation scenario analysis of CTI covers the major businesses of CTI's headquarters and all of its wholly-owned and controlled subsidiaries.

Policy Interpretation

Currently, all regions of the world are paying increasing attention to climate change and have introduced a series of policies to address this global challenge. The European Union (EU) has introduced the *European Green Deal*, the *European Climate Law* and the *2030 Climate and Energy Policy Framework*, which will transform the EU into a resource-efficient and competitive modern economy, achieving net-zero greenhouse gas (GHG) emissions by 2050, and protecting the EU's natural resources, citizens' health and well-being from environmental risks. In 2023, the *EU Corporate Sustainability Reporting Directive (CSRD)* comes into force, requiring mandatory disclosure by companies on all aspects of ESG topics to assess their impact on people and the environment, as well as to help investors assess the financial risks and opportunities from climate change and other ESG topics.

As a financial centre, Singapore is committed to promoting the development and innovation of green finance to contribute to the fight against climate change. 2023, the Monetary Authority of Singapore (MAS) unveiled a series of new initiatives at the COP28, which set new standards for banks and financial institutions on green financing.

In 2022, China officially issued the *National Climate Change Adaptation Strategy 2035*, which is a systematic plan for China's adaptation to climate change from now to 2035 based on in-depth analysis of the risks of climate change impacts and the opportunities and challenges of adapting to climate change, which will vigorously promote China's adaptation to climate change. In 2024, the Shanghai Stock Exchange (SSE), the Shenzhen Stock Exchange (SZSE), and the Beijing Stock Exchange (BSE) officially issued the *Guidelines on Sustainable Development Reporting for Listed Companies*, which is based on China's national conditions and draws on the useful experience of international standards to guide listed companies to incorporate the concept of sustainable development into their development strategies, operation and management activities, and to continuously promote the sustainable development of enterprises and the economy and society.

Scenario Selection

We selected the International Energy Agency (IEA) 's net-zero emissions scenario for 2050 and the Hot house world scenarios from the Central Banks and Supervisors Network for Greening the Financial System (NGFS) for our scenario analysis in order to assess the potential impacts of transition risks on firms' operations in the short term (2025), medium term (2030), and long term (2050).

Table: Description of climate scenarios for transition risk analysis

| Applicable Scenarios | Scenario Source | Scenario Selection | Scenario Assumptions | Projected Warming by the End of the Century |
|-------------------------|-------------------|--|---|---|
| Low Emission Scenarios | IEA | 2050 Net Zero Emissions Scenario (NZE) | Net-zero emissions by 2050, with more than 85 per cent of buildings "zero-carbon ready", more than 90 per cent of heavy industrial production being low-emission, and nearly 70 per cent of global electricity generation coming from solar photovoltaics and wind. | ≤1.5°C |
| High-emission Scenarios | NGFS ¹ | Greenhouse World Pathway | Nationally owned contribution context, current policy context. | > 3°C |

¹ Note: Hot house world, the scenario in the NGFS, assumes that only current policies are implemented and the temperature increase above 3°C will not even meet the current nationally determined contribution target.

Assessment Result

| Type of Transition Risk | Transition Risks | Scope of Impact | Risk Impact Pathways | NGFS Hot House World | | | 2050 NZE | | | Potential Financial Impact |
|----------------------------|---|---|--|----------------------|----------|-----------|------------|----------|-----------|---|
| | | | | Short-term | Mid-term | Long-term | Short-term | Mid-term | Long-term | |
| Policy and Legal Risks | Policy Changes | CTI's own operations | New policies and regulations may be introduced by the government in response to climate change, such as carbon tax and carbon emission limits, which may affect the operating costs and business models of enterprises, and in turn have an impact on the Group's business. | Low | Low | Low | Low | Low | Medium | <ul style="list-style-type: none"> Increased operating costs Lower revenue due to reduced production capacity |
| | Higher Carbon Prices | CTI's own operations | Higher carbon prices will result in higher prices for energy and related products, with a risk of increased operating costs for the Counterparty; With higher carbon prices, regulatory environmental legislation may become more stringent, and the Counterparty Group may need to incur additional compliance costs to ensure that its services and operations are in line with the new regulatory requirements. | Low | Low | Low | Low | Low | Medium | <ul style="list-style-type: none"> Increased Operating Costs |
| | Mandatory Disclosure of Information | CTI's own operations | Mandatory disclosure requires companies to make their carbon emissions data and climate change impacts publicly available, and companies will need to establish or optimize management systems for monitoring, reporting and management of carbon emissions and climate risks, which may incur additional compliance costs. | Low | Low | Low | Low | Low | Low | Low |
| Market and Technology Risk | Technological Breakthrough | CTI's own operations | As innovations and breakthroughs in green technologies lead to the obsolescence of certain technologies and products, TIC organizations need to continually update their testing and certification standards to keep pace with new technologies. | Low | Low | Low | Low | Low | Medium | <ul style="list-style-type: none"> Increased Operating Costs |
| | Costs of Transitioning to Lower Emission Technologies | CTI's own operations | Low-carbon transition retrofits typically require significant upfront investment, including the purchase of new equipment, upgrading existing facilities, or adopting new technologies, which incur additional costs. | Low | Medium | Low | Low | High | Medium | <ul style="list-style-type: none"> Increase in operating costs Increase in capital expenditure |
| | Increased Competition in the Industry | CTI's own operations CTI's downstream activities and clients | With the growing importance of the climate change issue, there will be intense competition for climate change related business, which may lead to a decline in market share and profitability. | Low | Medium | Medium | Low | Medium | Medium | <ul style="list-style-type: none"> Decrease in market share Reduced profitability due to industry competition |
| Reputational Risk | Shifts in Customer Preferences | CTI's own operations CTI's downstream activities and clients | As a professional third-party testing organization, CTI's business is naturally linked to sustainable development. With the increasing importance of climate change and sustainable supply chain management issues, customers are increasingly inclined to choose enterprises with high ESG and climate change management levels and good performance to cooperate, and the Group may face a reduction in market share due to climate change performance not meeting customer preferences. | Low | Low | Medium | Low | Medium | Medium | <ul style="list-style-type: none"> Decrease in market share Reduced profitability due to industry competition |
| | Increased Stakeholder Concern or Negative Feedback | CTI's own operations CTI's downstream activities and clients | A company's failure to effectively manage and reduce GHG emissions, or a lack of transparency and accountability on climate action, may damage its brand image and market reputation. | Low | Low | Medium | Low | Medium | Medium | <ul style="list-style-type: none"> Increased reputational risk Reduced revenue due to lower demand for products and services Reduced access to finance |

Response

| Transition Risk Type | Transition Risk Name | Transition Risk Response Measures |
|----------------------------|---|--|
| Policy and Legal Risks | Change of Policy | Continuously monitoring government policy trends, obtaining and analyzing changes in relevant policies and regulations in a timely manner, and forecasting their possible impact on the Group's operations; Adjusting corporate development strategies based on policy changes to ensure that the long-term objectives of the enterprise are in line with the policy requirements, and avoiding significant risks arising from policy adjustments. |
| | Higher Carbon Prices | To strengthen the Group's internal carbon emission management and reduce carbon emissions by optimizing the energy structure, improving energy efficiency and adopting cleaner energy sources; and to enhance employees' understanding of environmental regulations and carbon pricing mechanisms, as well as to strengthen their environmental awareness and capabilities. |
| | Mandatory Disclosure of Information | To conduct in-depth studies on information disclosure policies and standard requirements, and to continuously improve transparency and reporting quality through seminars and practices to ensure that increasingly stringent information disclosure requirements are met; and to invest in information technology and automation tools to improve the efficiency of data collection, processing and information disclosure. |
| Market and Technology Risk | Technological Breakthrough | Tracking the latest green technology trends and continuous research and development to ensure that testing and certification services keep pace with technological developments; regularly reviewing and updating testing and certification standards to keep pace with new technologies and products. |
| | Costs of Transitioning to Lower Emission Technologies | Conduct detailed cost-benefit analyses to assess return on investment and long-term benefits; break down the transformation programme into multiple phases and implement them incrementally to reduce initial investment pressures; and reduce operating costs and improve return on investment through energy efficiency improvements. |
| | Increased Competition in the Industry | Provide unique products and services to establish differentiated competitive advantages; invest in talent development to build efficient and innovative teams to cope with market competition; and optimize operational processes to reduce costs and improve efficiency in order to maintain competitiveness. |
| Reputational risk | Shifts in Customer Preferences | Strengthen internal management of climate change issues, improve ESG and climate change performance, and ensure that climate change Management and ESG management practices are in line with international standards and client expectations. |
| | Increased Stakeholder Concern or Negative Feedback | |

Climate-related Opportunities

In the face of the daunting challenges of climate change, businesses need to proactively respond to operational pressures, while at the same time capitalizing on opportunities and opportunities for growth. Climate-related opportunities mainly refer to the development opportunities for enterprises in terms of products and services, technology and innovation, and reputation. CTI actively responds to the challenges of climate change, helps customers in green development, promotes low-carbon technological innovation and green product development, enhances market competitiveness, establishes a good corporate image, and gets more attention from investors. The scope of this opportunity analysis of CTI covers the main business of CTI's headquarters and all its wholly-owned and holding subsidiaries.

| Types of Transition Opportunities | Transition Opportunity Name | Scope of Impact | Opportunity Impact Pathway | NGFS | | | 2050 NZE | | | Potential Financial Impact |
|-----------------------------------|---|---|--|------------|----------|-----------|------------|----------|-----------|--|
| | | | | Short-term | Mid-term | Long-term | Short-term | Mid-term | Long-term | |
| Products & Services | Shift in Demand for Services | CTI's own operations CTI's downstream activities and clients | According to the policies and regulations related to climate change, CTI may help more enterprises to respond to the compliance requirements of climate change policies and regulations, and build the corresponding management system for climate change. | Low | Medium | Medium | Low | High | Medium | <ul style="list-style-type: none"> Asset appreciation Increase in products and services business Increase in market share Increase in operating income |
| | Shift in Demand for Services | | More enterprises carry out climate change technology innovation and green product development to promote the transformation and upgrading of enterprises in the direction of low carbon and environmental protection. Through a full range of services and support, CTI helps enterprises to improve the environmental performance of their products, enhance their market competitiveness, and possibly develop a larger market. | Low | Medium | Medium | Low | High | Medium | |
| | Shift in Demand for Services | | Demand for services such as carbon inventories, emissions reduction consultancy, green certification and testing will increase in the market, and if CTI can seize the opportunity, it will bring corresponding revenue growth. | Medium | Medium | High | Medium | High | High | |
| Technology and Innovation | New Technology Development | CTI's own operations | CTI actively participates in the research, development and application of CCER methodology, providing enterprises with scientific quantitative basis for emission reduction. We may help enterprises to vigorously develop green power business, and are committed to supporting the construction and development of green power market, and helping enterprises to achieve the optimization and upgrading of energy structure by promoting the wide application of renewable energy. | Low | Medium | Medium | Low | Medium | High | <ul style="list-style-type: none"> Increased value of assets Increased market competitiveness Reduced operating costs Increased risk management capability |
| | Operating Cost Savings for Energy Efficiency and Carbon Reduction | | CTI may implement a series of innovative strategies to reduce energy consumption and carbon emissions while optimizing operating costs, such as: optimizing staff travel routes and adopting efficient journey planning to reduce unnecessary traffic emissions; actively promoting the use of green buildings and purchasing low-carbon and environmentally friendly equipment and consumables to reduce energy consumption and emissions at source, effectively reducing the relevant operating costs of the enterprise. | Low | Medium | Medium | Low | Medium | High | |

| Types of Transition Opportunities | Transition Opportunity Name | Scope of Impact | Opportunity Impact Pathway | NGFS | | | 2050 NZE | | | Potential Financial Impact |
|-----------------------------------|---|---|---|------------|----------|-----------|------------|----------|-----------|--|
| | | | | Short-term | Mid-term | Long-term | Short-term | Mid-term | Long-term | |
| Reputations | Good Reputation Leads to Increased Demand for Products and Services | CTI's own operations CTI's downstream activities and clients | A good corporate image may build up customers' trust in CTI's products and services, and may also stimulate the interest and demand of more potential customers. More companies and organizations may choose to cooperate with CTI in order to jointly promote green and low-carbon development. | Low | Medium | Medium | Low | Medium | Medium | <ul style="list-style-type: none"> Increased value of assets Increased market competitiveness Increased products and services business Increased ESG ratings |
| | Sustainability/ ESG Index Ratings Improved | | CTI is actively engaged in climate action, not only reducing its carbon footprint through technological innovation and product optimization, but also working to improve the overall sustainability of its operations, potentially improving the Company's ratings on sustainability and ESG indices. The improved rating may win the Company more favour from investors and trust from partners. | Low | Medium | Medium | Low | Medium | High | |

Response:

- In the face of new opportunities brought by climate change, CTI should deepen its policy and regulation research and climate-related consulting services, provide customized compliance consulting services for enterprises, and help them build a perfect climate change management system. At the same time, CTI actively promotes services to assist in green product development, joining hands with customers to transform and upgrade in the direction of low-carbon and environmental protection, and enhance market competitiveness. CTI shall take advantage of its existing technology and service advantages to develop new business and expand the market in areas such as green product certification and sustainable information disclosure to form an all-round sustainable development business system and achieve revenue growth.
- CTI should actively participate in the research and development and application of CCER methodology to provide enterprises with scientific quantitative basis for emission reduction, and help them accurately assess the effectiveness of emission reduction and participate in carbon market trading. CTI shall promote the optimization and upgrading of the energy structure of enterprises through renewable energy certification and testing services. CTI should actively reduce carbon emissions and increase efficiency, optimize travel paths, promote green buildings, purchase low-carbon equipment, reduce energy consumption and carbon emissions from multiple dimensions, and lower operating costs.
- CTI actively responds to climate change, establishes a good corporate image, continuously improves the Company's ESG rating in mainstream institutions, further wins the trust of investors and partners, and lays a solid foundation for the Company's long-term development.

RISK MANAGEMENT

23 / Process for Identifying and
Assessing Climate-related
Risks

24 / Climate Risk Management

03



Process for Identifying and Assessing Climate-related Risks

CTI's climate risk management process covers risk identification, assessment, scenario analysis and response. We identify key climate elements and construct a list by collecting external information. We evaluate the potential impact and probability of risks and construct a matrix. We simulate climate scenarios, quantify losses and rank risks. We develop targeted strategies and measures, and establish a long-term management mechanism to ensure a robust response to climate risks and opportunities.



Climate Risk Management

In order to build a comprehensive defence system against climate risks, we have formulated refined management strategies for internal and external risk control respectively. Internally, we have set up the ESG&Climate Change Management Team and the ESG & Climate Change Execution Team to focus on the integration and promotion of climate actions. For external cooperation ecology, we have formulated green supply chain policy, a supply chain resilience enhancement plan, supplier environmental performance assessment system and digital product management strategies to ensure the Company's steady progress in the complex and changing climate environment.

Internal Climate-related Risk Management

We have a well-developed climate risk management process and integrate risk management into the Group's overall risk management.





External Climate-related Risk Management

For our suppliers and customers, we mitigate possible climate risks through green procurement, supply chain stability, ESG audits survey of our suppliers, and the provision of digital products and services.

Sustainable Procurement

In terms of procurement, we select low-energy-consuming experimental equipment, and set up a number of environmental assessment indicators for evaluation and procurement, such as incorporating energy consumption competition scoring weights for comparison and selection during procurement, as well as conducting specific environmental impact verification work after procurement. In addition, some of our paper promotional materials are made of FSC-certified paper products to promote the sustainable management of forest resources and reduce the impact of climate change.

Supplier Management

We conduct ESG audits of suppliers in accordance with the Supplier Management Measures and other management documents, and incorporate ESG performance into the performance assessment of suppliers. For suppliers with good ESG performance, the Company will increase the procurement share under the same conditions and give priority to providing business cooperation opportunities; For suppliers with poor ESG performance, especially those violating the ESG red line requirements, the Company will remind the suppliers to take corrective measures immediately and rectify them within a time limit, and if we fail to rectify the non-compliant behavior in time, we will reduce the procurement share or limit the opportunities for business cooperation until the cooperation relationship is cancelled.

In terms of stability, our suppliers may face operational disruptions due to climate risk. For this reason, we retain one to five qualified suppliers for equipment and consumables with the same function, and retain suppliers with different qualities of low, medium and high quality. For framework agreement suppliers of equipment or consumables with the same function, we usually maintain one to three suppliers. And we use A/B corner purchasing for agreement suppliers of consumables to minimize supply risks.

Products & Services

We improve internal business processes through digital technology, provide digital external services, establish our own e-commerce platform CTI MALL and big data analysis mechanism, use digital connection, transmission, structured storage and visualization technology, and rely on massive computing power to achieve integration of multi-terminal customer management, standardization of service packages, visualization of information in the whole process, and automation of report validation, etc., which comprehensively cover multiple industries upstream and downstream of the supply chain, which not only improves customer experience, but also reduces carbon emissions through intelligence and digitization.

METRICS AND TARGETS

29 / Principles for the Development of Climate-related Metrics

30 / Carbon Reduction Target Setting

32 / Climate Action

04



Principles for the Development of Climate-related Metrics

In the process of promoting climate governance and green transformation of enterprises, CTI has selected scientific climate-related metrics to achieve international alignment and help realize the goal of low-carbon development. Climate-related metrics reflect the level of impact of specific climate-related risks on business, and CTI Group develops climate-related metrics based on the following principles:

| Principles | Instructions |
|--|---|
| Contributing to Decision Making | Whether the metric can contribute to a company's understanding of the potential impacts (e.g. financial impacts and operational consequences) of climate-related risks over a given period of time. |
| Comprehensible | Whether the metric can be presented in a clear and understandable way, with all limitations and caveats clearly stated. |
| Available for Verification | The ability of the metric to support effective internal controls for data validation and assurance purposes. |
| Impartial | Whether the metric objectively discloses overall performance in an unbiased manner and free from value judgments. |
| Comparable | Whether metrics can be calculated and disclosed consistently from year to year to facilitate trend analyses (how the Company is performing over time) and comparative analyses (how it compares to other companies) to assess progress and performance. |

Carbon Reduction Target Setting

CTI actively responds to the national dual-carbon goal, the "1+N" dual-carbon policy system and international climate action, and is committed to contributing to the global green and low-carbon transition. We have comprehensively checked the emission data of the whole operation scope from 2020 to 2022, and adopted the emission factor method to make scientific forecasts of carbon emissions and emission trends in the coming years. Based on the feasibility of emission reduction pathways and market analyses, we have proposed emission reduction pathways in Scope 1, 2 and 3, as well as a carbon reduction target of "achieving carbon peaking by 2030 and carbon neutrality by 2050". In the near future, the Company will publish the Carbon Neutral White Paper, which will map out the path to carbon peaking and carbon neutrality, and put forward emission reduction initiatives such as energy saving, carbon reduction and efficiency enhancement, in order to move towards the goal of "dual carbon".

| Categories | Base Year (2022) | Present Situation (2023) |
|-----------------------------------|------------------|--------------------------|
| Scope 1 (tCO ₂ e) | 9,557.98 | 10,068.06 |
| Scope 2 (tCO ₂ e) | 79,474.00 | 90,524.59 |
| Scope 3 (tCO ₂ e) | 41,908.35 | 45,413.26 |
| Scope 1+2+3 (tCO ₂ e) | 130,940.33 | 146,005.91 |

Carbon Peaking and Carbon Neutrality Goals



By 2030, the carbon emissions of CTI will reach its peak, and the carbon emission intensity of RMB10,000 revenue will be reduced by 40% compared with the base year.



By 2050, CTI is on schedule to achieve carbon neutrality.





Focusing on the vision and goal of achieving carbon peaking and carbon neutrality, the Company has launched ten key action plans to comprehensively promote the green and low-carbon transition:

- 1
- 2
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- 1 **Energy Saving, Carbon Reduction and Efficiency Improvement Action:** The Company promotes laboratory greening, office energy saving and energy efficiency improvement of new buildings, optimizes air conditioning, lighting and other systems, strengthens energy consumption management, extends equipment life, and applies energy-saving technology to new buildings, explores digital operation and maintenance, and fully implements a green and low-carbon strategy.
- 2 **Green Power Use Plan:** The Company accelerates the construction of distributed photovoltaic, recently focusing on promoting the construction of Shenzhen Hongwei rooftop light storage integrated power generation project, and evaluating the potential of other bases. We commit to increasing the proportion of renewable electricity purchases annually from 2025, achieve the target of 55% renewable electricity use by 2030, and explore medium - and long-term agreements to lock in renewable power projects to support the 100% renewable electricity target by 2050.
- 3 **Green and Low-carbon Travel Plan:** The Company promotes low-carbon transformation, plans to replace fuel vehicles with new energy, replace 100% of scrapped fuel vehicles with new energy vehicles after 2025, and target 70% of owned vehicles with new energy by 2050. At the same time, the Company strengthens the management of its own vehicles and optimizes the route of vehicle operation. The Company will develop financial incentives to encourage subsidiaries to replace new energy vehicles. The Company encourages employees to commute low-carbon and plans to set up green commuting incentives to guide employees to travel green. For business travel, the Company has developed a differentiated carbon reduction strategy to reduce cross-regional travel, strengthen flight management, and reduce carbon reasonably.
- 4 **Resource Recycling Action:** The Company will strengthen waste management, promote classified recycling and resource utilization, and achieve a significant reduction in the carbon emission intensity generated by waste disposal by 2030. The Company promotes the recycling of office supplies, improves the reuse rate of paper, and establishes a waste recycling mechanism. In addition, the Company strengthens water resources management, upgrades water-saving equipment, introduces water-saving technology, and reduces laboratory water waste.
- 5 **Digital Transformation Action:** The Company promotes paperless office and implements electronic testing reports; And accelerates the transformation of digital strategy, through ERP, e-commerce platform and Huawei digital robots to improve operational efficiency and services. At the same time, the Company explores intelligent automation laboratories, integrates automation technology to achieve unmanned water quality testing, and develops software robots to help the innovative development of intelligent laboratories.
- 6 **Low-carbon Culture Construction Action:** The Company builds multiple low-carbon information sharing channels to demonstrate digital transformation and low-carbon practices. The Company strengthens the publicity of internal low-carbon culture, releases initiatives, plans low-carbon themed activities and explores the internal carbon price mechanism. The Company establishes a green office benchmarking evaluation system, sets energy saving goals, promotes excellent cases, and comprehensively promotes green and low-carbon office and sustainable development.
- 7 **Low-carbon Capacity Building Action:** The Company will enhance the capacity of low-carbon management team, and plans to carry out carbon management capacity building for carbon managers; Actively participate in low-carbon exchanges in the industry and share experience to promote green development; Actively establish low-carbon strategic cooperation, explore standards and programs in the field of new energy, promote international mutual recognition, and help improve the international competitiveness of the industry.

- 8 **High-quality Carbon Offset Program:** The Company offsets our "unavoidable" emissions by purchasing high-quality carbon credits. The company will launch a carbon offset program in due course and gradually increase the proportion of carbon offsets. Based on our own senior greenhouse gas project certification and certification team, we will give full play to our professional judgment to select high-quality carbon offsets in the future, and strive to avoid the occurrence of "greenwashing" phenomenon.
- 9 **Sustainable Development Service Capacity Improvement Action:** The Company deeply cultivates inspection and testing services to strengthen carbon peaking and carbon neutrality service capacity. At the same time, the Company is committed to providing customers with more comprehensive and professional certification services, sustainable development services, ESG and green finance assessment services and training services, and exploring one-stop solutions for customers in advance, providing CBAM accounting, battery carbon footprint and other related low-carbon technology services. During the reporting period, the Company struggled to develop a number of new qualifications in the field of green and low-carbon: zero-carbon factory third-party evaluation agency, International Sustainability & Carbon Certification (ISCC) official cooperation of third-party certification bodies, green express packaging product certification, green furniture certification, carbon management system assessment agency qualification. In the future, the Company will also keep up with market demand, and is committed to developing new sustainable development professional qualifications to create and realize new value for customers.
- 10 **Value Chain Emission Reduction Action:** The Company is committed to sourcing products and services in a responsible manner, and is committed to working with suppliers to achieve higher quality, healthier, safer and greener sustainable development. In the near future, we plan to define core supplier evaluation indicators related to green and low carbon. By 2030, the Company will complete the construction of a supplier management evaluation system. At the same time, the Company proposes that transportation partners jointly reduce emissions and promote low-carbon logistics services, with the goal of 70% of leased new energy sampling vehicles by 2050. The Company attaches importance to promoting the disclosure of carbon emissions of enterprises in the value chain, and advocates the active disclosure of carbon emission information through CDP questionnaires or ESG reports, so as to jointly promote the realization of carbon emission reduction and sustainable development goals.

Climate Action

Focusing on a clear low-carbon development goal, CTI has adopted a solid and efficient carbon reduction strategy as its implementation path. By implementing a series of energy-saving and efficiency initiatives, deploying a cutting-edge digital management platform, and actively carrying out climate-friendly publicity for the public, the Company has mitigated its negative impact on the climate in multiple dimensions, from internal optimization to external advocacy, and has strongly contributed to the process of green and sustainable development.



Green Office

Promote paperless processes while setting up double-sided printing status on printers and utilizing the second side of paper (except for confidential documents) as far as possible to reduce the consumption of paper; reuse product boxes as well as other consumables many times; adopt energy classification management methods to strengthen the management of power-consuming equipment; switch off lights, facilities, power and machines that can be switched off during holidays or, when they cannot be switched off, set them to the most energy-efficient mode of operation; switching off the power supply of computers and lighting and other equipment after work, and switching off the power supply of production equipment during intermittent breaks and at the end of the workday on the premise of not affecting production; promoting the reuse of wastewater; banning the use of phased-out energy-consuming products; adopting such methods as registering fuel cards and recording mileage to exercise reasonable control over petrol consumption; and progressively promoting the use of electric sampling trucks in lieu of the traditional petrol and diesel sampling trucks in order to reduce the reliance on fossil fuels. This will reduce dependence on fossil fuels.



Green Travelling

In order to further reduce the Company's carbon emissions and environmental impact, we will prioritize business trips for employees who are closer to the project site based on business needs, so as to reduce the distance travelled for business trips. This initiative not only helps reduce transport emissions but also saves energy. At the same time, we actively promote the use of online meetings to reasonably reduce the frequency of business trips and reduce the need for employees to travel. In addition, we advocate and support employees to give priority to public transport, bicycles, electric vehicles and other green travelling tools. By promoting the Company's green travelling measures, we will continue to reduce the Company's carbon footprint and make a positive contribution to environmental protection.



Green Building

In the construction stage of CTI's own base, a large area of centralized greening is set up in the base, and 20% of the greening rate is maintained to achieve the effect of reducing greenhouse gas emissions, preventing and reducing pollution; Vertical greening is set on the building balcony to shade the sun, reduce the reflection and heat absorption of the building facade, and thus reduce the energy consumption and carbon emissions of the building operation; Class A non-combustible foam glass is used in the building, and new materials such as autoclaved aerated concrete blocks, which can meet the energy-saving design standards with a single material, are used. The water efficiency level of all sanitary appliances in the base is 2, which is highly efficient and saves water. The artificial lighting in the lighting area automatically adjusts with the change of natural luminance to achieve the effect of energy saving and emission reduction.

CTI base and laboratory decoration design stage: design exhaust air frequency automatic control system, solve the ventilation equipment end of the variable air volume requirements and surface air speed constant requirements, energy saving up to 50% - 70%; installation of VAV variable air volume valve, to avoid unnecessary energy waste.



Water Management

Water conservation measures mainly include promoting the reuse of wastewater; implementing water conservation and emission reduction in terms of management and process technology, controlling the water used for equipment cleaning, and rectifying equipment with high water consumption in a timely manner; and shutting down the valves of water for domestic use to eliminate the phenomenon of long running water. In the future, we will strictly monitor the use of water resources, deepen the implementation of water conservation measures, and strive to minimize the impact on the consumption and sustainable use of water resources.



Management

The laboratories implemented a paperless LIMS system; records and certificates were issued in a paperless operation; electronic versions of testing, inspection and certification documents were provided to clients; and the deployment of an electronic labor contract system was promoted to reduce the printing of paper contracts.



Enabling the Value Chain

The core of CTI's business is closely linked to the concept of sustainable development. We not only actively practice environmental friendliness and social responsibility in our own operations, but also carry the concept of sustainable development throughout the value chain. While providing professional testing services and one-stop solutions for sustainable development, we are also committed to sharing and disseminating knowledge about climate change, providing the latest policies and developments in the fields of environmental protection, energy saving and carbon reduction, professional information and solutions to all sectors of the community in a timely manner through open courses, seminars, and articles posted on our public website, so as to empower our partners in the value chain in an all-round way.

Appendix:

IFRS Sustainability Disclosure Standard S2 Climate-related Disclosures Index Table

| | IFRS-S2 Climate-related Disclosures | Location |
|----------------------------|--|---|
| Governance | Governance bodies (including boards, committees or other equivalent governance bodies) or individuals responsible for overseeing climate-related risks and opportunities. | Organizational Structure and Responsibilities |
| | Management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities. | Operating Mechanisms |
| Strategy | Climate-related risks and opportunities | Identification of climate-related Risks and Opportunities |
| | Business models and value chains | Identification of climate-related Risks and Opportunities |
| | Strategy and decision-making | Identifying short-term, Medium-term and Long-term |
| | Financial position, financial performance and cash flows | Identification of climate-related Risks and Opportunities |
| | Climate resilience | Identification of Climate-related Risks and Opportunities |
| Risk management | Procedures and related policies for identifying, assessing, ranking and monitoring climate-related risks. | Climate Risk Management |
| | Processes used by the subject to identify, assess, prioritize and monitor climate-related opportunities, including information on whether and how the subject uses climate-related scenario analyses to help identify climate-related opportunities. | Process for Identifying and Assessing Climate-related Risks |
| | The extent to which and how the subject integrates processes for identifying, assessing, prioritizing and monitoring climate-related risks and opportunities into and influences its overall risk management process. | Climate Risk Management |
| Metrics and targets | Climate-related metrics | Carbon Reduction Target Setting |
| | Industry metrics | Carbon Reduction Target Setting |
| | Climate-related targets | Carbon Reduction Target Setting |