



CTI GROUP CODE OF BUSINESS CONDUCT

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PREAMBLE

Since its founding in 2003, Centre Testing International Group Co., Ltd (hereinafter referred to as "CTI") has experienced great business prosperity due in large part to the contribution and hard work of its employees. In 2009, CTI became the first listed company in China's testing, inspection and certification (TIC) industry. In addition to this, it ranked amongst the first 28 companies to be listed on China's Growth Enterprise Market. The continual sustainability and successful development of CTI is dependent on the practices and efforts of each and every employee. Each employee must remain fully compliant with applicable laws, regulations, and internal policies. At CTI, we are dedicated to championing and fostering a culture built on ethical practice and compliance, upholding high standards of professional conduct, and advocating these values with our business partners. Adhering to such beliefs, we ensure the sustainable development of CTI and look beyond merely financial drivers in order to create value for society.

This Code is based on CTI's core culture and details the ways in which we should uphold our Values of "Integrity-Collaboration & Team Advancement-Lean-Innovation-Customer Centricity" in our everyday work and business conduct. We must commit to our Mission of "Building Trust for a Better Life Through Globalised One-Stop Solution for Testing, Inspection and Certification Services". We will also remain unwavering in our efforts to realise our Vision that "CTI is Always by Your Side".

This Code specifies how we as a company should meet our legal responsibilities and uphold our business ethics. It also describes the professional ethics and legal framework required for our company to achieve continuous successes in our day-to-day business activities. These are the basic principles and standards of public conduct applicable to both internal employees and external business partners.

This Code aims to inform us of the overarching laws and ethical principles by which we operate, set a standard for our business conduct in all business interactions, establish a professional workforce, and thus ensure the healthy and sustainable development of CTI.

We hereby call on all employees of CTI to fully and thoroughly implement *CTI Group Code of Business Conduct*.



Richard Shentu, Chief Executive Officer

November 2022



PART I GENERAL

This Code provides guidelines for the business and ethical conduct of all CTI employees. Each employee of the CTI Group should be familiar with the content of this Code and abide by its requirements.

This Code applies to all CTI employees, with its core values and code of conduct also applicable to CTI's Associate Companies, as well as business partners including intermediaries, joint venture partners, agents, subcontractors, suppliers, franchisees, consulting or service organisations/individuals, et cetera.

1. Legal Action

Compliance with laws and regulations is our basic principle. All employees must abide by the laws and regulations of the country and region in which they are located, and under no circumstances shall they engage in illegal activities.

CTI conducts business in many countries and regions around the world; however, the laws and regulations of various places may differ from the requirements in this Code. When such differences occur, CTI will strive to formulate and implement specific and tailored policies that comply with the highest standards in addition to complying with local laws and regulations.

Any employee who violates the law will be subject to disciplinary action by CTI for contravention of his or her employee obligations, irrespective of any actual legal penalties that may apply.

2. Respect Each Other

CTI respects everyone's dignity, privacy and rights, and has issued the *CTI Corporate Human Rights Policy*. We treat employees, clients and business partners fairly and justly who may differ in nationalities, races, ages, genders, sexual orientations, marital statuses, cultural backgrounds, religious beliefs, worldviews, and disabilities.

3. Responsibility for CTI's Reputation

CTI's reputation is dependent on the behaviour and performance of each and every employee. Any misconduct by employees may render significant reputational damage to CTI. Each employee has the responsibility and obligation to maintain and enhance the good reputation of CTI.

4. Management, Responsibility and Supervision

The culture of integrity and compliance of any organisation should begin with top management. CTI requires **all** managers to perform their management and supervision duties. **All** managers are responsible for their subordinates, and should strive for the respect of their subordinates through demonstration of positive interpersonal qualities such as their open mindset, personal behaviour, work performance and sociability. This implies that each executive must emphasise the importance of ethical conduct and compliance as a recurring theme on a day-to-day basis, and promote ethical conduct and compliance through leadership and training. Each manager must also set clear, ambitious yet achievable goals and lead by example. Managers should make it clear that **all** employees must maintain compliance with laws, regulations, policies and obligations at **all** times and in **all** circumstances. The Company assures employees that they will not suffer criticism, demotion, fines or any other adverse consequences arising from strict implementation of this Code, even if doing so may result in loss of business. Each manager should enact an "open door policy" and provide employees with ample opportunities for open communication, for example, to consult with or report compliance issues, or to discuss professional and personal issues. The management personnel's assumption of the above responsibilities does not mean that each CTI employee is exempted from the responsibilities that apply to him/herself. Managers should allow subordinates to take on as many responsibilities at work as possible, and set aside time and space as needed for personal development. We must **all** work together to comply with applicable laws and CTI's policies. The specific responsibilities of managers are listed here so that employees can understand the leadership and support they can expect from their supervisors.



PART II REQUIREMENTS OF THE CODE OF BUSINESS CONDUCT

1. Integrity

CTI adheres strongly to the principle of integrity, faithfully performs its duties, and complies with the specific integrity rules applicable to the country and region, industry, or organisation relevant to its operations. We are a trusted partner and we do not make promises we cannot keep. We require all employees to treat people with integrity and to also practice integrity in their own actions.

CTI views integrity as a cornerstone of our Values. We carry out all activities in a professional, independent and impartial manner, and do not tolerate any deviation from Company-approved methods and procedures. We truthfully report data, test results and other important facts without making inappropriate changes. Employees are strictly forbidden from abusing tolerances to alter test results, and must ensure that all issued reports and certificates are consistent with actual findings. Additionally, employees must always provide any judgments or opinions with strict professionalism. We provide guidance and training for employees to deal with different clients in a legal and compliant manner when carrying out business activities.

The above principles apply not only internally within the Company, but also extends externally to all interactions and cooperation with business partners.

2. Fair Business Conduct

CTI is obliged to abide by the principle of fair business conduct, and abide by the responsibilities and obligations specified by the laws and regulations on fair competition within and outside the People's Republic of China. When communicating with, and disseminating information to, clients, partners and other stakeholders, please ensure you:

- Do not use commercial espionage, bribery, theft or wiretapping to obtain competitive intelligence, or disclose Company information to competitors.
- Do not maliciously spread or fabricate false or misleading information about competitors or their products and services, publish offensive comments against competitors, or damage competitors' business reputation.
- Do not conduct activities that violate fair competition, antitrust or tendering rules.
- Do not incite or induce others to breach their contractual obligations (including obligations of confidentiality).
- Information released through all external display and publicity channels such as the company's website, self-media, publications, publicity materials, exhibitions and business negotiations and remarks should accurately present CTI's service capabilities, and should not include false or exaggerated statements.

3. Anti-Corruption

CTI strictly abides by the legal requirements on anti-corruption of the jurisdictions where CTI Group and its affiliated companies operate, and has formulated the *Anti-Corruption Manual* based on the *Business Principles for Countering Bribery* issued by Transparency International and Social Accountability International, employing good business conduct and risk management strategies. CTI systematically organises periodic reviews at each location of business to assess corruption risks and develop appropriate controls.

3.1. Anti-Bribery

CTI relies on the quality of services rather than providing improper benefits to others to win business. Therefore, CTI and all employees or agents:

- Shall not directly or indirectly provide, promise, give or authorise to give money or anything of value to government officials, clients or other relevant parties in order to influence the decisions or behaviours of the government or clients, and gain improper benefits or commercial advantages.
- Shall not make small payments ("facilitation payments") to secure or expedite the performance of routine or necessary actions to which the payer of the facilitation payment has legal or other entitlements.
- Shall not take advantage of work to induce, demand, accept, or obtain improper benefits, or to accept the promise of improper advantages.

This Code does not prevent employees from occasionally sending and accepting gifts with symbolic value (such as souvenirs with the other party's company logo, et cetera) that are in line with local customs and company policies, or catering and entertainment invitations of reasonable value. Employees should promptly report to the Company before or after acceptance of or participation in such activities, and must not intentionally conceal these occurrences. Any other grants, gifts, catering and entertainment invitations that may affect business decisions or results must be returned or declined.

3.2. Political Contributions

CTI and its employees or agents shall not directly or indirectly make donations to political parties, organisations or individuals engaged in political activities in any country or region for the purpose of obtaining advantage in business transactions.

3.3. Charitable Donations

As a responsible member of society, CTI donates money and materials to education, science, culture, arts, social welfare and humanitarian programmes. CTI's sponsorships for advertising purposes are not considered donations, nor are the funds provided to industry organisations or membership fees paid to other organisations for commercial purposes.

CTI strictly prohibits the following donations:

- Donations to individuals and for-profit organisations.
- Remittances to private accounts.
- Donations to organisations whose goals conflict with the Company's principles.
- Disguised bribery in the form of donation or remuneration.
- Other donations that damage the Company's reputation or may cause a major public relations crisis.

All donations must be transparent. Amongst other requirements, the identity of the recipient and the plan for use of the donation must be clear, and the reason and purpose of the donation must be reasonable and documented.

3.4. Sponsorships

Sponsorship refers to any money or other objects provided by CTI to activities organised by third parties that present opportunities for the promotion of the Company's brand, such as the display and use of the Company's logo, inclusion of CTI in opening or closing speeches, guest speaker attendances on panels, or the provision of free tickets for the event.

All sponsorships must be transparent and executed in accordance with written agreements. There must be a legitimate business purpose for the sponsorship which must be commensurate with the promotional opportunities offered by the event organiser.

Employees shall not promise, offer or arrange sponsorships for the purpose of securing an improper competitive advantage for the Company or for other improper purposes, or sponsor events hosted by individuals or organisations whose goals conflict with the Company's principles or damage the Company's reputation.

3.5. Government Procurement

CTI secures orders from government authorities and state-owned enterprises through fair competition. CTI always adheres to the principles of legality, transparency, integrity and accuracy in all transactions and interactions with the government.

3.6. Cooperation with Suppliers

CTI expects its suppliers to share CTI's values and comply with all applicable laws. In addition, CTI expects its suppliers to abide by the *CTI Supplier Code of Conduct*.

3.7. Anti-Money Laundering

Money laundering refers to the process of disguising the nature and origin of money arising out of criminal activities – such as terrorism, drug trafficking or bribery – by incorporating dirty money into business to make it appear legitimate or to make it impossible to identify its true source or owner.

It is our goal to do business with reputable clients, consultants and business partners who are engaged in legitimate business activities and funded from legitimate sources. We do not facilitate money laundering activities. All employees must comply with applicable anti-money laundering laws and Company procedures. To avoid such issues, employees need to report any suspicious behaviours of clients, consultants and business partners at work in a timely manner. Employees must also comply with all accounting, bookkeeping and financial reporting requirements that apply to cash and payments for transactions and contracts.

4. Conflicts of Interest

4.1. Avoidance of Conflicts of Interest

CTI employees are obliged to make business decisions in CTI's best interests instead of their personal interests. Conflicts of interest arise when employees engage in activities at the expense of the Company's interests, or to seek self-serving interests by taking advantage of the Company's interests. All CTI employees should identify and avoid potential conflicts of interest when performing their duties.

When performing their duties, employees must inform their direct manager of any personal benefits that they may obtain and situations which may give rise to a conflict of interest. In relation to private contracts and orders for which employees can derive a benefit from, the employees shall not, for the purpose of private contracts or orders, choose companies with which they have established business dealings as a result of their work at CTI.

CTI provides guidance to employees to avoid the following conflicts of interest:

- Between CTI and clients, suppliers or other parties with financial or commercial interests.
- Between CTI subsidiaries or departments that may provide services to the same client.
- Between CTI subsidiaries or departments that provide services to one another.

All CTI employees shall not engage in the following activities:

- Claim benefits from CTI's clients, suppliers or competitors directly or through relatives, friends or intermediaries (To the extent that the employees will not exert significant influence on the affairs of clients, suppliers or competitors, and that the employees do not excessively rely on the financial condition of clients, suppliers or competitors, employees can purchase stock of clients, suppliers or competitors on a public stock exchange).

- Operate or assist other companies to compete with CTI, or engage in activities that compete with CTI.
- Undertake any work for a competitor, client, or supplier, or engage in any part-time jobs that interfere with their duties at CTI.
- Carry out any company business with their relatives or affiliated parties of their relatives.
- Employ relatives of employees without approval.

4.2. Part-Time Work

Employees shall not engage in any forms of part-time work without prior notice and written permission from the company.

Occasional writing, lectures and other similar casual work are not considered part-time work. If such part-time work is detrimental to the Company's interests, CTI will not grant permission. CTI may also revoke any part-time work permissions previously granted to employees based on the above.

4.3. Holding Interests in Third-Party Companies

For any employee who directly or indirectly holds or acquires equity of a third-party, non-public company: if such an employee holds over 5% of the company's total equity, he or she must proactively disclose the fact to relevant departments of CTI. Once an employee discloses his or her interests in a third-party company, CTI may take appropriate measures to eliminate any conflicts of interest.

Middle and senior managers of the Company, personnel involved in equity incentives, and directors, supervisors and senior managers of subsidiary companies shall report to the Internal Audit Department and Human Resources Department, and other employees shall report to the Human Resources Department. If such facts are not disclosed as required but are later reported to the Company by other employees or otherwise identified by the Company, such information will be added to the employee's file. Confidentiality of information voluntarily disclosed by employees will be guaranteed.

4.4. Avoidance of Kinship

As part of the recruitment process, job applicants are required to provide details of CTI employment status of any relatives, which will be taken into consideration by the recruitment decision-maker. Family members shall not be employed without prior approval of the Company.

CTI does not avoid hiring employees' relatives. Nonetheless, if the lineal relatives, or collateral relatives within three generations, of an employee or the employee's spouse work at CTI, the employee must proactively disclose the relationships to relevant departments. Once an employee discloses information about a relative's employment with CTI, CTI may take appropriate measures to eliminate any potential or perceived conflicts of interest. Middle and senior managers of the Company, personnel involved in equity incentives, and directors, supervisors and senior managers of subsidiary companies shall report to the Internal Audit Department and Human Resources Department, and other employees shall report to the Human Resources Department. If such details are not disclosed as required but are later reported by other employees or otherwise identified by the Company, such information will be added to the employee's file. Confidentiality of information voluntarily disclosed by employees will be guaranteed.

5. Information and Resource Management

5.1. Data Recording and Financial Integrity

Open and effective communication depends on truthful and accurate reporting. The same applies to all interactions with investors, employees, clients, business partners, the public and all government departments.

CTI must maintain effective processes and controls to ensure that transactions are executed in accordance with management's authorisation. CTI must also prevent and detect unauthorised use of the Company's information assets, whether the information is to be publicly disclosed or submitted to the government, other authorities or agencies. CTI employees must ensure that the account books and records they generate or are responsible for are complete, accurate, truthful and compliant.

5.2. Information Confidentiality

CTI requires each and every employee to sign and abide by a confidentiality agreement. Employees must keep confidential the Company's internal intelligence information or proprietary information that has not been disclosed. Further to this, employees are strictly prohibited from disclosing confidential or proprietary information obtained during their employment with CTI to other parties. Confidential or proprietary information includes, but is not limited to:

Technical Information

- **Design related:** Design drawings and drafts, models, templates, design schemes, test records and data, et cetera.
- **Purchase related:** Model, brand, technical parameters and price of customised products, special requirements, et cetera.
- **Production related:** Product formulas, technological processes, technical parameters, electronic data, work instructions, et cetera.
- **Equipment and facilities:** Technical information in classified production equipment, instruments, fixtures, molds, et cetera.
- **Software and programme:** Design plans and schemes, source codes, applications, electronic data, et cetera.
- **Other:** Information the Company deems necessary to engage confidentiality measures to protect, such as unpublished patent filing information, et cetera.

Business Information

- **Management documents:** Documents, rules and regulations, et cetera.
- **Decision-making:** Strategic decision-making, managerial approaches, et cetera.
- **Research and development (R&D):** R&D strategies, R&D budget, et cetera.
- **Purchase and operation:** Purchasing channels, purchasing prices, purchasing plans, purchasing records, et cetera.
- **Marketing:** Marketing planning, marketing plans, marketing policies, marketing manuals, logistics information et cetera.
- **Tendering and bidding:** Bid documents, tenders, pre-tender quotations, et cetera.
- **Financial:** Financial statements, financial analysis, statistical reports, budget and final account reports, various account books, salary information, et cetera.

- **Suppliers and clients:** names, contact persons, contact information, transaction habits, contract content, delivery method, payment settlement, et cetera.
- **Sales:** Sales records, sales agreements, et cetera.
- **Human resources:** Staff roster, position, contact information, et cetera.
- **Other:** Information the Company deems necessary to engage confidentiality measures to protect.

In addition, CTI requires all employees and business partners including clients, intermediaries, joint venture partners, agents, subcontractors, suppliers, franchisees, consulting or service organisations/individuals, et cetera to keep confidential the non-public information from CTI and abide by the information confidentiality provisions in this Code.

Given that disclosure of such confidential information (whenever it has been disclosed) would harm CTI's business or the interests of CTI's clients, the obligation of confidentiality will continue two years following the termination of the relationship or the expiration of the confidentiality period agreed upon in the agreement.

5.3. Data Protection and Data Security

The Internet and in-house IT and related information equipment are critical to the work efficiency of each employee and the success of the Company's overall business. However, electronic communication introduces new threats to privacy protection and data security. Effective anticipation of these risks is a crucial aspect of information technology management and falls under the remit of managers, which should also be reflected in the actions of all employees.

Employees may only collect, process or use personal information for predetermined and clearly lawful purposes. In addition, personal information must be securely stored, and can only be transferred with appropriate precautions in place. High standards should be maintained in terms of information quality and technical protection against unauthorised access. Information must only be accessible to and usable to individuals on a need-to-know basis, whose rights to use, correct, and if applicable, to object to the blocking and deletion of information must also be protected.

In some regions, there are strict laws and regulations regarding the collection and use of personal information, including information about others (such as information about clients or business partners). CTI employees must comply with these laws to the extent applicable and protect the privacy of others.

5.4. Use of Company Resources

CTI offers a variety of equipment and facilities, such as telephones, copiers, computers, software, Internet/intranet, machines and other tools including e-mail, office systems, et cetera. These equipment and facilities may only be used for company business and not for personal use, except in cases where appropriate compensation (if applicable) has been paid in accordance with relevant Company policies to permit authorised use. However, in any event, the Company property shall not be used for the following activities:

- Any illegal activities.
- Activities that give rise to actual or foreseeable conflicts of interest.
- Activities that result in significant increase in costs, interfere with company business, or have an adverse impact on the Company, including impacts on tasks assigned to that employee or to other employees.

Employees shall not use Company equipment or facilities to create records, files, videos, audio recordings or copies of relevant information without the approval of their supervisor if there is no direct connection to their work.

5.5. Insider Trading Rules

Employees may obtain insider information, sometimes inadvertently, because of their positions and responsibilities. Insider information includes, but is not limited to, the following non-public information:

- Financial results.
- Financial plans or budgets.
- Dividend changes.
- Significant merge and acquisition activities.
- Asset divestiture.
- Contracts or strategic plans of particular importance.
- Ongoing litigation details.
- Technology or product development.
- Significant management changes, joint ventures and important commercial agreements.
- Other insider information such as business relationships.

Employees shall not disclose or provide insider information to any third party without authorisation, or use insider information to engage in insider trading in the securities market. In addition, employees must comply with all applicable or special insider trading rules and other relevant laws and regulations.

6. Fair Labour

CTI is aware of its social responsibilities to employees, the public, the community and the environment. We respect the rights and dignity of all people, and conduct business in an orderly manner in strict accordance with applicable laws and regulations of all countries and regions where its business is carried out, and with the Company's relevant policies. We have zero tolerance for any discrimination, harassment or assault. Relevant policies/regulations include but are not limited to:

- Prohibiting any workplace abuse, bullying or harassment.
- Complying with labor laws and regulations and other applicable laws and regulations on wages and working hours.
- Prohibiting of child labour.
- Prohibiting of all forms of forced and compulsory labour, including prison labour, bonded labour, slave labour or any involuntary form of labour.
- Respecting equal opportunities in the workplace and striving to eliminate occupational and employment discrimination.

7. Environment, Safety and Health

7.1. Environmental and Technical Safety

CTI places great importance on environmental protection and the preservation of natural resources. The Company is committed to conducting business operations with the view of incorporating green practices and continuously improving the environment. All employees must contribute to these goals through their own actions.

7.2. Occupational Health and Safety

CTI places great importance on the protection of the health and safety of employees, clients and third parties. We have formulated health and safety policies that comply with all laws, regulations and standards. In addition, we have implemented thorough accident prevention measures to ensure appropriate responsibility for the safety of our employees. Such measures include, but are not limited to:

- Conducting occupational health and safety training for all employees, and assessments on key positions.
- Clarifying the operating procedures and technical specifications of equipment, and ensuring the safety and protection of personnel, facilities, and the environment.
- Publish relevant systems and procedures for safety production management, and propagate and implement the personal code of conduct in the workplace to protect the health and safety of employees, clients and third parties.

The working environment must comply with appropriate design and health standards, and all employees must always pay attention to work safety issues. If any health and safety incidents occur, employees should report them in accordance with the procedures outlined in relevant Company policies and guidelines. The company will record and investigate all reported health and safety incidents and take actions. The incidents will then be followed up and resolved by the responsible department.



PART III IMPLEMENTATION OF THE CODE OF BUSINESS CONDUCT

1. Chief Compliance Officer of CTI Group

CTI has nominated the Group Vice President as the Group Chief Compliance Officer (CCO), and granted him the responsibility and authority to coordinate the implementation of this Code throughout the Company. In addition, senior managers of the Company shall be responsible for and ensure the implementation of this Code in their areas of responsibility.

2. Compliance Committee of CTI Group

CTI has set up the Group Compliance Committee, whose members include at least representatives from the Group Chief Executive Officer, the Group Chief Compliance Officer, the Head of the Group Legal Compliance Department and the Head of the Group Human Resources Department, to periodically review the implementation of this Code and provide policy guidance. This review takes place at least every 12 months.

3. Employee Commitment and Training

Before offering job opportunities to potential employees, the Company will inform them of the requirements of this Code and related compliance requirements.

All employees (including managers) are provided with the full text of this Code and its compliance training course, and are required to be familiar with the contents of this Code. A record of each employee completing the training course must be kept on his or her file, and a declaration that this Code has been received, read and understood will be signed by each employee and kept on his or her file. In addition, the Company will comply with specific training requirements applicable to the country and region, industry or organisation relevant to its operations, and conduct periodic training as needed.

By signing the annual management statement, all senior managers ensure and commit to the effective implementation of this Code within their areas of responsibilities.

4. Helplines

All employees may raise any questions related to this Code to their direct managers or to relevant departments such as the Human Resources Department, Internal Audit Department, Group Compliance Committee, et cetera and request help and guidance. Employees may also truthfully report any violation of this Code or fraudulent, illegal behaviours. The specific ways of reporting are as follows:

- **Complaints and suggestions:** If you have any complaints and suggestions, you can communicate with your line supervisor, or send an email to HRmail@cti-cert.com. The Human Resources Department will deal with your complaints and suggestions promptly.
- **Violation reporting:** If you find any violations of this Code, you can report it to your line supervisor, or send an email to compliance@cti-cert.com. The Group Compliance Committee will deal with your violation report promptly.
- **Fraud reporting:** Any employees or stakeholders of the company who find fraud involving CTI can send an email to cti-audit@cti-cert.com or call the reporting hotline +86-(0)755-3368-1636 (workday 8:30-17:30), +86-(0)137-1356-8086 (24/7), the Internal Audit Department will deal with your fraud report promptly.

We encourage real-name reporting, but all complaints/reports can be submitted confidentially and anonymously. All complaints/reports will be investigated by the Company. When necessary, the Company will take appropriate corrective measures.

The Company guarantees that the personal information of the complainant/reporter, the content of the complaint/report, and all documents related to the complaint/report will be kept confidential to the extent permitted by law. Retaliation against the complainant/reporter will not be tolerated.

5. Information Security Measures

CTI undertakes to implement adequate security measures in its workplaces containing confidential business information to ensure that relevant information can only be accessed by authorised persons, and to store documents/data in designated secure areas and handle them in a secure manner.

6. External Communications

CTI discloses the Code of Business Conduct through its official website, and provides channels for inquiries, complaints or feedback from interested parties.

7. Investigations and Sanctions

All complaints, reports and feedback will be investigated by the responsible department and/or the Group Chief Compliance Officer (or his/her delegates) in accordance with the procedures of laws and regulations, the Company's Articles of Association, this Code and the Company policies. The Company's procedures for investigations and sanctions include the following requirements:

- All reported violations and subsequent actions taken will be recorded and maintained.
- Over the course of investigation, the alleged perpetrator/violator has the right to be heard.
- If a violation has been identified and established, the relevant management department of the Company and/or the Group Compliance Committee will implement appropriate corrective and disciplinary measures in accordance with the Company's policies, including but not limited to a written warning, recorded demerit, demotion, and dismissal.
- The Group Chief Compliance Officer receives investigation progress reports from his/her nominated delegates and/or relevant management, and prepares periodic summary reports for the Group Compliance Committee on the progress of investigations and the implementation of corrective and disciplinary measures.

8. Business Relationships

CTI ensures that all applicable requirements of this Code are informed to an extent that is appropriate to external business partners. Both prospective and continuing external business partners must sign a declaration stating that they understand, accept and are committed to complying with applicable requirements of the Code prior to entering into a partnership or renewing any contract with CTI. The above external business partners include but are not limited to:

- Intermediaries
- Joint venture partners
- Agents
- Subcontractors
- Suppliers
- Franchisees
- Consulting or service organisations/individuals

Before entering into any contracts with external business partners, CTI will conduct appropriate due diligence. CTI will also conduct continuous supervision and periodic reviews of the partners to ensure continual compliance with applicable requirements of this Code. If violations are found, remedial measures will be taken as soon as possible. Under no circumstances will CTI engage with any business partners known to be involved in bribery.

9. Accounting and Bookkeeping

CTI strictly abides by any relevant laws, regulations and financial requirements, and ensures the accuracy, fairness and

timeliness of account books and financial records relating to all financial transactions. Off-the-book accounts are prohibited. The company is required to account for all charitable donations, sponsorships, and expenditures relating to gifts, hospitality, and expenses in separate ledgers and consolidates all such payments for all member companies.

10. Health and Safety

CTI encourages employees to report health and safety incidents. We will carefully record and investigate such incidents, immediately correct them, and take corrective measures where appropriate.



PART IV SUPERVISION AND IMPROVEMENT

CTI managers at all levels should actively promote this Code to ensure its full implementation. Relevant departments should supervise and periodically review its implementation.

Integrity is at the heart of everything we do. This Code identifies the right business conduct in various foreseeable business scenarios, but it cannot cover all situations or answer all questions. Any employee who is unsure of the correct action to take in a given situation can ask for help from a number of sources, including his/her supervisor, or relevant departments such as the Human Resources Department, Internal Audit Department, and the Group Compliance Committee.

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This Code was first released in August 2011, which the Company will periodically review (at least every year) and revise (at least every three years). The revised text will be published on the Company's official website and intranet. All employees should check the Code shortly after its release and ensure compliance with its requirements.

Related definitions:

1. "We", "the Company", "CTI" and "CTI Group" refer to Centre Testing International Group Co., Ltd. and all its subsidiaries and affiliated companies worldwide.
2. "This Code", "this Code of Conduct" and "Code of Business Conduct" all refer to the *CTI Group Code of Business Conduct*.
3. The *CTI Group Code of Business Conduct* applies to all employees of Centre Testing International Group, including full-time, part-time, and temporary employees.



CTI IS ALWAYS BY YOUR SIDE