

CONNECTING WONDERFUL LIFE WITH
OPTIC-ELECTRIC NETWORK

2024 Environmental Social and Governance (ESG) Report

Zhongtian Technology Submarine Cable Co.,Ltd.



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Chairman's Speech

Dear Valued Partners, Investors, Employees, and Friends from All Walks of Life,

The year 2024 stands as a pivotal chapter in the global energy transition and sustainable development, as well as a defining year for Zhongtian Technology Submarine Cable Co., Ltd. (hereinafter “ZTTSC”) in advancing our “dual-carbon” goals and deepening ESG commitments. Confronting multifaceted challenges such as climate change, energy security, and industrial transformation, we have remained anchored in our mission to “Connecting wonderful life with Optic-Electric Network”, guided by our vision to “create value for customers, employees, and society.” By upholding the principles of “focus on quality, customer satisfaction, continuous improvement” we have seamlessly integrated high-quality corporate growth with global sustainability.

I. Advancing the Blue Economy with Green Innovation

The ocean, Earth’s vital lifeline, lies at the heart of ZTTSC’s strategic focus. Over the past year, we achieved groundbreaking milestones through proprietary innovations, including the development of the 1,000-meter depth 500 kV XLPE-insulated optical-fiber composite submarine cable system, the 220 kV three-core domestically developed XLPE-insulated submarine cable system, and the ±550 kV XLPE-insulated (90° C) optical-fiber composite DC submarine cable. These advancements have been instrumental in delivering clean energy solutions for landmark projects such as the Guoxin Dafeng Offshore Wind Farm (Jiangsu), the Guohua Rudong Integrated Wind-Solar-Hydrogen Storage Project, and Huaneng Zhejiang’s Ruian No.1 Offshore Wind Farm. Concurrently, we optimized production processes to reduce energy consumption per unit of output by 28% year-on-year, reaffirming our pledge to “empower marine prosperity through sustainable innovation.”

II. Forging Shared Value Through Social Stewardship

A company’s legacy is measured by its contributions to society. In 2024, we deepened collaborative innovation across industry, academia, and research by co-establishing the Jiangsu Provincial Key Laboratory of Marine Energy and Information Transmission with leading global institutions, accelerating industry-wide technical standardization. We prioritized employee well-being, achieving 100% training coverage across all staff and securing international certification for our occupational health and safety management systems. Our Employee Care Program expanded its reach, disbursing RMB 156,900 in annual financial assistance to employees in need, alongside enhanced holiday welfare initiatives during Spring Festival and Mid-Autumn Festival. Furthermore, we strengthened community ties through environmental stewardship efforts such as tree-planting campaigns.

III. Building Trust Through Transparent Governance

Integrity and transparency are the cornerstones of our ESG framework. We refined our corporate governance

structure by empowering the ESG Steering Committee to oversee sustainability strategies and risk management. We advanced supply chain due diligence, proactively disclosing environmental and social risks while engaging third-party institutions for ESG evaluations. These steps underscore our commitment to accountability and stakeholder trust.

Looking ahead, the confluence of global energy revolution and digital transformation presents unprecedented opportunities. As a global pioneer in marine energy transmission, ZTTSC will accelerate innovation in deep-sea wind power, marine hydrogen energy, and submarine cable recycling technologies to build a green, circular industrial ecosystem. We will collaborate with global partners to address climate challenges, delivering scalable “ZTT Solutions” for a sustainable future.

On behalf of ZTTSC’s leadership, I extend profound gratitude to our customers, shareholders, employees, and partners worldwide. As we forge ahead, ESG principles will remain our compass, guiding us to not only achieve economic excellence but also safeguard a shared future where humanity and the ocean thrive in harmony.



Zhongtian Technology Submarine
Cable Co.,Ltd

Chairman: **Xue Jianlin**

01

2024 OVERVIEW OF ESG





Operating data for 2024



Undertook **6** national and provin-
cial-level major projects



5 new products/technologies passed
technical appraisal



Filed **70** patent applications in China



Submitted **9** PCT patent applications
(international filings)



Obtained **23** invention patent grants

报告期内



Green Energy Consumption:

43.52 million MWh

Social Welfare Contributions:

4.367 million RMB

Water Consumption:

270,000 metric tons

Water Saved via Energy-Saving Measures

235,300 metric tons

Steam-Related Carbon Emissions:

9,100 metric tons CO₂e

Average Training Hours per Employee:

96.6

Environmental Protection Expenditure:

1.5853 million RMB



Honors and Awards 2024

Award/Certification

Issuing Authority

National Science and Technology Progress Award First Prize	State Council of the People' s Republic of China
National Manufacturing Champion Demonstration Enterprise	Ministry of Industry and Information Technology (MIIT)
National Intellectual Property Demonstration Enterprise	China National Intellectual Property Administration (CNIPA)
Jiangsu Provincial Green Factory	Jiangsu Provincial Department of Industry and Information Technology
Jiangsu Provincial AAA Quality Credit Enterprise	Jiangsu Provincial Administration for Market Regulation, Jiangsu Development and Reform Commission
Jiangsu Provincial Intelligent Manufacturing Demonstration Factory	Jiangsu Provincial Department of Industry and Information Technology
Jiangsu Provincial Model Smart Workshop	Jiangsu Provincial Economic and Information Commission, Jiangsu Provincial Department of Finance
Science and Technology Progress Award (Machinery Industry)	China Machinery Industry Association
Science and Technology Progress Award of Chinese Society for Electrical Engineering (CSEE)	Chinese Society for Electrical Engineering (CSEE)
China Electric Power Science and Technology Award	Chinese Society for Electrical Engineering
Top 50 China Wind Power Enterprises 2024	Jiangsu Renewable Energy Association
Science and Technology Progress Award of China Association of Plant Engineering	China Association of Plant Engineering
9th Optical Engineering Society Science and Technology Award	Chinese Optical Engineering Society
Jiangsu Provincial Patent Gold Award	Jiangsu Provincial People' s Government
National High-Tech Enterprise	Jiangsu Provincial Department of Science and Technology, Jiangsu Provincial Department of Finance

Award/Certification

Issuing Authority

National Enterprise Technology Center Sub-Center	China Machinery Industry Federation
National Postdoctoral Research Workstation	Jiangsu Provincial Department of Science and Technology
Submarine Optical & Power Cable Engineering Research Center (Machinery Industry)	NQA Shanghai Co., Ltd.
Jiangsu Provincial Submarine Cable Engineering Technology Research Center	SGS-CSTC Standards Technical Services Co., Ltd. Nanjing Branch
ISO 9001:2015 Quality Management System Certification	SGS-CSTC Standards Technical Services Co., Ltd. Nanjing Branch
ISO 14001:2015 Environmental Management System Certification	SGS-CSTC Standards Technical Services Co., Ltd. Nanjing Branch
ISO 45001:2017 Occupational Health and Safety Management System Certification	SGS-CSTC Standards Technical Services Co., Ltd. Nanjing Branch
ISO 50001:2018 Energy Management System Certification	Zhongzhi (Beijing) Certification Co., Ltd.
ISO 27001:2013 Information Security Management System Certification	Guanghui United (Beijing) Certification Service Co., Ltd.
GB/T 29490 Intellectual Property Management System Certification	Electric Power (Beijing) Certification Center Co., Ltd.
GB/T 27922-2011 & CTS GHSCR003-2024 After-Sales Service Management System Certification	TAF Certification Center Co., Ltd.
PCCC Product Certification	
TAF Product Certification	

ZTTSC prioritizes robust Environmental, Social, and Governance (ESG) management. Under the leadership of the General Manager, The Company has established a comprehensive ESG governance framework to continuously enhance management standards and operational performance. ZTTSC remains accountable for driving progress in business growth, employee rights, workplace safety, and environmental stewardship, ensuring systematic execution of initiatives that advance sustainable development. For ZTTSC, advancing ESG integration is a strategic imperative. Guided by its mission to "Connecting Wonderful

Life with Optic-Electric Network " The Company is dedicated to fostering a sustainable future where individuals, families, and organizations thrive within intelligent energy and communication ecosystems.



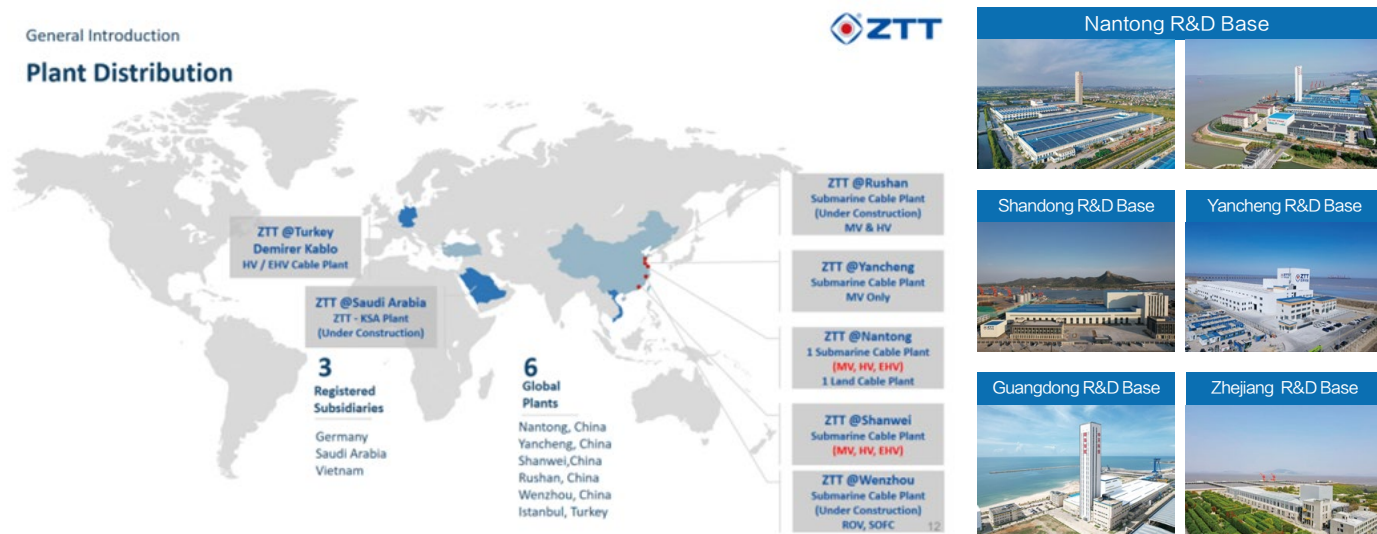
1.1 About ZTTSC

ZTTSC, a wholly-owned subsidiary of Jiangsu Zhongtian Technology Co., Ltd., was founded in 2004 with a registered capital of RMB 1.88 billion. As one of China's earliest enterprises dedicated to submarine cable R&D and manufacturing, ZTTSC has earned distinguished accolades including: National Torch Program Key High-Tech Enterprise; National Manufacturing Champion Demonstration Enterprise (certified by MIIT); Top 10 Globally Competitive Submarine Cable Enterprises; National Enterprise Technology Center and National Intellectual Property Demonstration Enterprise. The Company operates the Jiangsu Provincial Key Laboratory of Marine Energy and Information Transmission and hosts a Postdoctoral Research Workstation, underscoring its leadership in technological innovation and industrial advancement.

Core Ideology

Core ideology

Mission: Connecting Wonderful Life with Optic-Electric Network
Vision: Create value for customers, employees and society
Values: Focus on quality, customer satisfaction, continuous improvement



1.2 ESG Management System

The Company fully integrates economic, social and environmental issues into its development strategy and business activities and has explored the establishment of the management mechanism of the Committee for Social Responsibility (CSR), which transforms The Company's concept of sustainable development and commitment to stakeholders into concrete actions. By establishing an ESG organization system, The Company clarifies the work content and responsibilities of each level of decision-making, organization and implementation to ensure the decomposition and implementation of each task.

Decision-making level:

The general manager and members of the management of The Company are involved in the deliberation and decision-making on major matters of sustainable development, including the formulation of relevant strategies and guidelines.

Organizational level:

The CSR Committee is responsible for coordinating matters related to sustainable development, including coordinating the collection of relevant performance information.

Implementation layer:

The Company's functional departments and business units are responsible for the focal point management of various sustainable development issues, carrying out specific social responsibility work and activities, and assisting in the statistics of social responsibility work and key performance indicators

Sustainable economy

Operating revenue, profit from main business, R&D expenses, net profit, net cash flow in the last 3 years (Unit: USD thousand)

Category/year	2024	2023	2022
Philanthropic Donations	\$60.05	\$7.13	\$4.12
Environmental Protection Investment	\$30.86	\$29.64	\$43.94
R&D Expenditure	\$4,813.27	\$4,752.33	\$4,506.25

1.3 Stakeholder Engagement

Stakeholder Communication

Stakeholder identification and engagement are critical to ESG management at ZTTSC. By communicating and collaborating with our stakeholders, we can keep abreast of their concerns and demands, providing important inputs for organizational decision-making and helping us to continuously improve our sustainability performance. The major stakeholders of ZTTSC include shareholders, customers, employees, suppliers, government, industry organizations, media and communities. By communicating and exchanging information with related parties on topics of common concern, using mail, telephone, questionnaires and symposiums, we can better identify risks and opportunities and set scientific and reasonable objectives.

Stakeholder Concerns and Engagement Methods

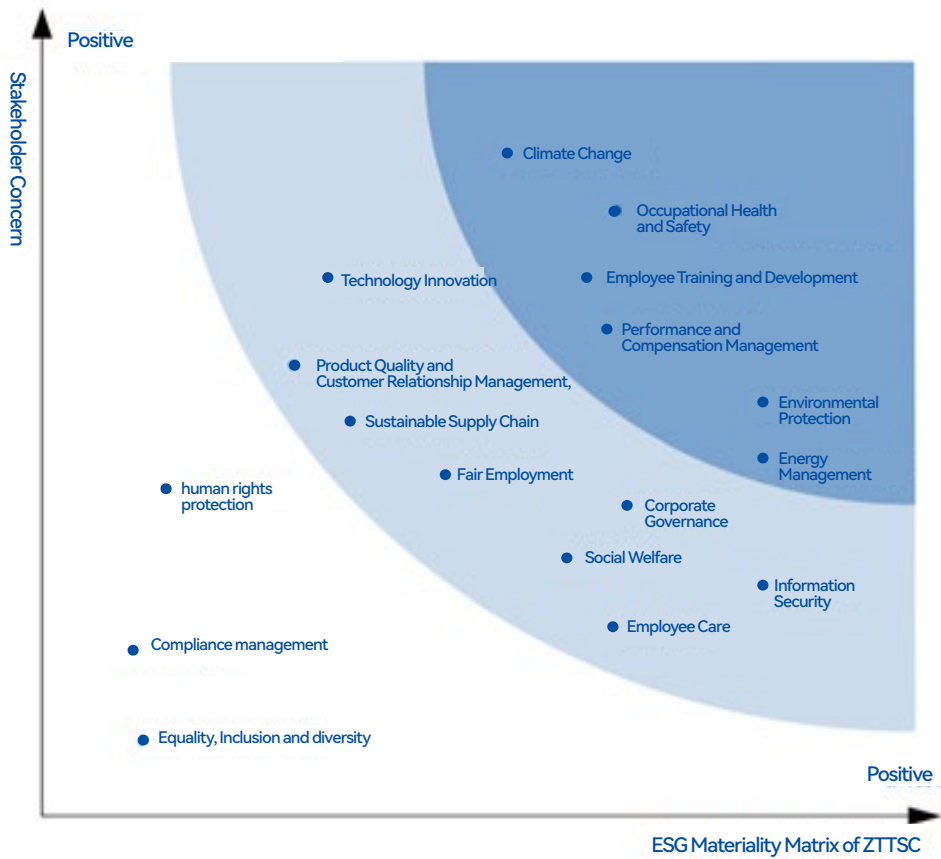
Stakeholder Group	Key Concerns	Engagement Methods
Shareholders	Corporate governance, Compliance management	Information
Customers	Product quality, Information security, Customer relationship management	disclosure
		Shareholders' meetings
Employees	Human rights protection, Equality & inclusion & diversity, Fair employment, Training & development, Performance & compensation management, Occupational health & safety	Customer
		satisfaction surveys
		Customer visits
Suppliers	Sustainable supply chain, Procurement policies, Supplier management system, Fair trade, Partnership relations	Employee interviews
		Employee surveys
		Staff activities Employee care programs
Government	Climate change response, Environmental protection, Legal compliance, Economic development & employment	Supplier certification
		Supplier conferences, Supplier training
Industry Associations	Technological innovation, Energy management, Contributions to industry development	Industry forums
		Standard workshops
		Academic/research activities
Media	Business & product updates, Economic & environmental contributions, Corporate social responsibility	Press conferences
		Interviews
		Corporate website
Communities	Community environmental protection, Local employment, Public welfare support	Community charity events
		Service hotline

Materiality Management

The Company has long been committed to working with stakeholders to build a sustainable industrial ecosystem with the purpose of enhancing social value. In order to proactively strengthen ESG information disclosure and management, The Company focuses on the three major areas of environment, society and governance, takes into account the corporate development strategy, industry benchmarking analysis and regulatory requirements, and combines domestic and international standards to initially identify potentially important issues, and conducts stakeholder surveys to gain an in-depth understanding of the aspirations and suggestions of all parties and prioritize them to identify materiality.

High Materiality	Climate Change, Energy Management, Environmental Protection, Performance and Compensation Management, Employee Training and Development, Occupational Health and Safety
Medium Materiality	Technology Innovation, Product Quality and Customer Relationship Management, Sustainable Supply Chain, Social Welfare, Fair Employment, Employee Care, Corporate Governance, Information Security
Low Materiality	Compliance management, human rights protection, equality, inclusion and diversity

ESG Materiality Matrix of ZTTSC



In terms of judging the importance of materiality, we conducted a materiality analysis with reference to the results of Jiangsu Zhongtian Technology Co., Ltd., and determined the vertical and horizontal priority of Materiality by comprehensively ranking the results of surveys conducted by a number of stakeholders, as well as comprehensively evaluating them in conjunction with the results of risk analyses by internal experts in the relevant fields, strategic benchmarking, and maturity assessments, etc., and plan to carry out a substantive issue analysis with ZTTSC as the main focus in 2025.

02

Environmental and Climate Management

In order to actively respond to the major strategic decision of carbon peak and carbon neutral put forward by the Party Central Committee and the State Council, ZTTSC must vigorously implement the "Green & Low Carbon Manufacture" (GLCM) action, referred to as GLCM. Green & Low Carbon Manufacture (GLCM) is a modernized manufacturing model that comprehensively considers the environmental impact and resource efficiency, which can minimize the impact on the environment and maximize the resource utilization rate of the entire life cycle of the products and services provided by the enterprise, from design, manufacturing, packaging, transportation, use to end-of-life treatment, and optimize the coordination of the enterprise's economic benefits and social benefits, and promote the high-quality development of the enterprise and the country.



2.1 Net-Zero Future

Implementing the national "Carbon Peak and Carbon Neutral" strategy.

We will solidly promote the Opinions of the CPC Central Committee and the State Council on the Complete and Accurate Implementation of the New Development Idea and Doing a Good Job in Carbon Peak and Carbon Neutral Work and the Carbon Peak Action Program by 2030, so as to contribute to the reduction of global greenhouse gas emissions and the mitigation of global warming by contributing to the due efforts of enterprises and individuals.

Actively participate in the construction of new power system mainly based on new energy.

Vigorously develop and consume green energy such as photovoltaic and wind power, accelerate the construction of a clean, low-carbon, safe and efficient energy system, vigorously adjust the structure of energy consumption, effectively respond to the "lack of coal, power restrictions and production stoppages", strictly control the "intensity and total volume" of energy consumption, and realize the transformation of "double control" to "double control" of carbon emissions as early as possible. The "double control" of energy consumption will be realized as soon as possible, and a shift from "double control" of energy consumption to "double control" of carbon emissions will be achieved.

Vigorously building a green low-carbon manufacturing system.

Adhere to the green, carbon reduction, energy saving and consumption reduction of the whole life cycle of products, accelerate the promotion of low-carbon process innovation in the manufacturing industry, actively promote the use of advanced and applicable energy-saving and low-carbon technologies, and strongly promote the digitization of the manufacturing industry, the servicization of the manufacturing industry, and the green and low-carbonization of the manufacturing industry.

Layout and optimize the industrial structure according to the situation.

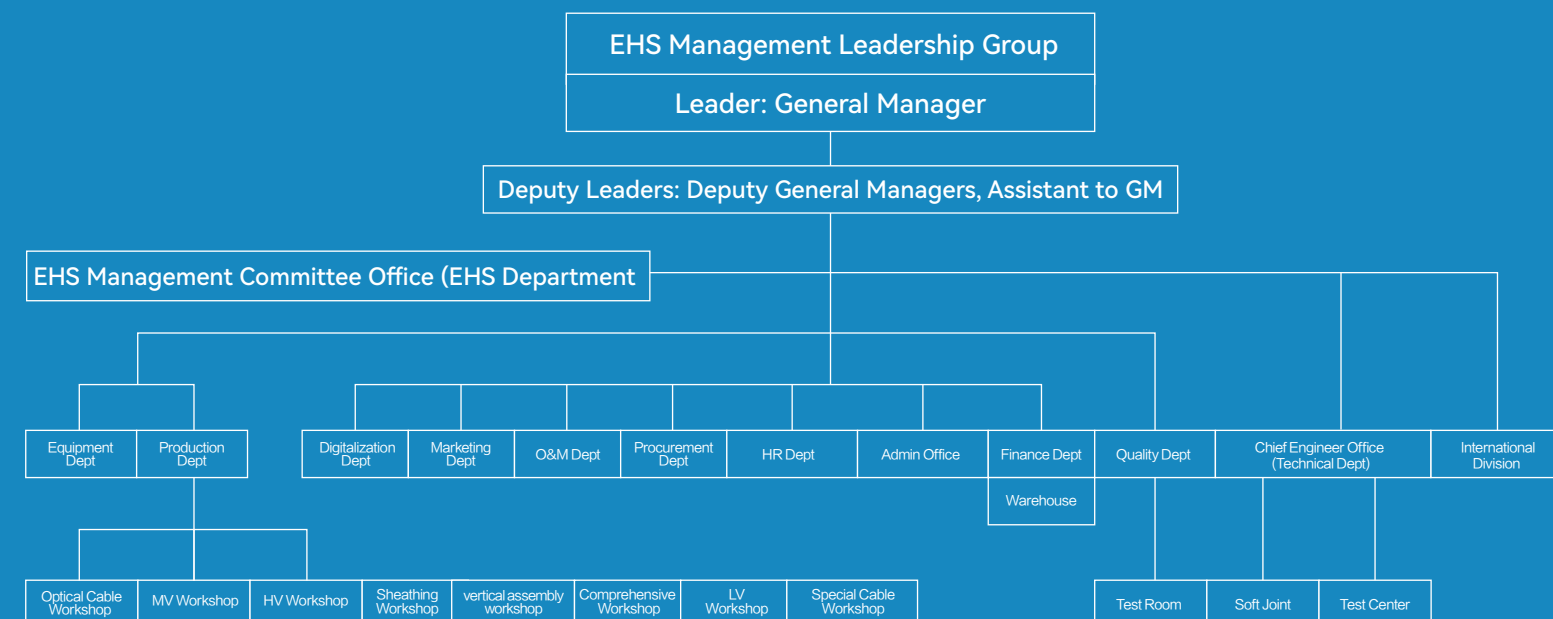
It will actively build an industrial layout with new energy as a breakthrough, ocean economy as a leader, smart grid as a support, 5G communication as a foundation, and new materials as a growth point, and firmly develop green energy, hydrogen energy, marine high-end equipment, ultra-high voltage, 5G communication, industrial Internet and other green and low-carbon industries.

ZTT Submarine Cable Co., Ltd. Environmental, Health and Safety (EHS) Policy:

"Protect the Environment, Comply with Regulations, Value Lives, Integrate Prevention with Control, Engage All Employees, and Pursue Continuous Improvement."

Company EHS management organizational structure

ZTTSC EHS Organizational Structure



2.2 Green Intelligent Manufacturing

2024 Key Environmental Performance Targets & Achievements

Environmental emergencies (fires, explosions, chemical spills) target "0"; actual performance "0".	Hazardous Waste Compliance Disposal Rate Target 100%; actual performance 100%.	Three wastes (wastewater, exhaust gas, noise) emission testing pass rate target value 100%; actual performance is 100%.
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Completin of other environmental KPIs

KPI	Annual Target	Annual performance	Note
Wastewater discharge in compliance with standards	Conforms to GB8978–1996 Level 3	Compliant	
Exhaust emissions meet standards	Conforms to GB16297–1996	Compliant	
No internal environmental pollution and no external reported complaints	0	0	
Hazardous waste compliance rate	100%	100%	
Pass rate for all systems and customer audits	100%	100%	100%
Environmental monitoring: regular outsourced testing of wastewater, exhaust gas (organized and unorganized) and plant noise.	2 times/year	2 times	The test results are normal.
Emissions licensing	Quarterly and annual performance declarations	5 times	Implement quarterly and annual application as required.

Environmental impact of the products

The most important environmental impacts of the production phase of marine cable products include three aspects: Atmospheric environment, water environment and solid waste.

01 Atmospheric environment:

Air pollutants such as soot, non-methane hydrocarbons, asphalt fumes, benzo[a]pyrene and other air pollutants generated by heating of metal sheathing materials, insulating materials and asphalt during production operations are captured and absorbed by the gas collection hood and treated by secondary activated carbon treatment device and then discharged through 15-meter-high exhaust pipe.

02 Water environment:

The production process does not involve the generation of wastewater, the main wastewater for the plant personnel generated by the living wastewater, after precipitation through the septic tank discharged into the sewage network into the urban wastewater treatment plant treatment.

03 Solid waste:

The solid waste generated by The Company includes domestic garbage, general industrial solid waste and hazardous waste. Domestic garbage (bagged and classified collection) to the sanitation department; general industrial solid waste is mainly for the suppliers of incoming packaging used in cartons, wood products, bags, scrap iron, scrap copper, etc., all recycling; hazardous wastes are disposed of by qualified hazardous waste treatment suppliers, including waste activated carbon, waste oil, waste empty drums and waste asphalt packaging, waste emulsions and so on. Special-ized storage places for general industrial solid waste and hazardous waste are classified in the plant.

The Company entrusts a third party organization to carry out environmental monitoring of water, gas, noise and other factors every six months according to the requirements of the emission license, and the results of the monitoring are in line with the requirements.

MA

检测报告

报告编号: YSH (水) 20241743

检测类别: 委托检测

委托单位: 中天科技海缆股份有限公司

样品类别: 废水

江苏南松环境检测研究中心有限公司

YUSONG Environmental Rehabilitation (JIANG SU) Co., Ltd.

二零二四年十二月二十日

YSH (水) 20241743

表 1

废水检测数据结果表

采样日期	2024.12.09			
监测点位	全程序空白			
样品编号	202412402FSK01			
样品状态 (颜色、嗅和味)	无			
检测项目	单位	检出限	限值	检测结果
PH 值	无量纲	/	6-9	7.3
化学需氧量	mg/L	4	500	ND
氨氮	mg/L	0.025	45	ND
总磷	mg/L	0.01	5	ND
总氮	mg/L	0.05	70	ND
五日生化需氧量	mg/L	0.5	300	0.8
悬浮物	mg/L	1	400	/
动植物油	mg/L	0.06	100	/
石油类	mg/L	0.06	20	/
备注	"ND" 表示未检出。			

MA

检测报告

报告编号: YSH (气) 2024711

检测类别: 委托检测

委托单位: 中天科技海缆股份有限公司

样品类别: 废气

江苏南松环境检测研究中心有限公司

YUSONG Environmental Rehabilitation (JIANG SU) Co., Ltd.

二零二四年十二月二十日

YSH (气) 2024711

续表

有组织废气检测数据结果表

采样日期	2024.04.23				
监测点位	1#排气筒出口				
检测项目	单位	检出限	第一次	第二次	第三次
烟气排放浓度	mg/m³	2.7	ND	ND	ND
烟气排放速率	kg/h	/	--	--	--
排气筒参数					
排气筒高度	m	/	15		
排气筒内径	m²	/	0.1590		
含氧量	%	/	3.2	3.1	
烟气温度	°C	/	29	30	30
烟气流速	m/s	/	12.0	11.7	11.6
烟气流量	m³/h	/	6871	6699	6642
标干流量	Nm³/h	/	6003	5842	5780
备注	1. "ND" 表示未检出; 2. 排气筒高度和烟道截面积由客户提供。				

In summary, the waste gas, waste water and solid waste generated in the production process can be effectively disposed of, will not cause pollution, and will have minor impact on the surrounding environment.

Environmental Emergency Measures

The Company has prepared an emergency response plan for possible environmental emergencies, specifying the corresponding emergency response process and measures. The Company's emergency plan will be revised every three years to take into account the actual changes in environmental risk assessment, investigation of emergency resources and adjustment and revision of the corresponding emergency response content. At the same time, in order to effectively guarantee the effective implementation of emergency measures, The Company also regularly carries out relevant emergency response drills, focusing on environmental protection facilities abnormalities, chemical leakage and other environmental events, to ensure that the relevant employees have the corresponding emergency response capabilities.



Addressing Climate Change

Continuously promoting green and low-carbon manufacturing is a necessary path for ZTT Group to realize sustainable development. ZTTSC adhere to the "four ten thousand indicators" as the leader, with "7 Green" measures as the starting point, every year comparing to the Group tightened target, deepen the implementation of The Company's green and low-carbon development strategy, and help The Company and the country to reach the "double carbon" goal.

Governance:

The Company's general manager is responsible for analyzing climate-related risks and opportunities as well as market trends and clarifying The Company's market positioning and development plans. The Company develops a long-term climate transformation and medium- and short-term climate development plan, reviews and improves the integrated management system, manages The Company's quality, environmental, and occupational health and safety management systems, ensures the integration of QMS and EHS management, and incorporates system requirements into the organization's business processes.

The Company establishes an energy management system and a green manufacturing management team to carry out energy saving and emission reduction work, and low carbon management work is carried out throughout all work processes of The Company. Organize energy-saving and low-carbon training and publicity to improve employees' energy-saving and low-carbon awareness. Organize green manufacturing low carbon analysis meeting analysis every two months, and verify and propose energy saving and low carbon actions for target completion.

Risk management:

The Company has established a Risk and Opportunity Management Procedure and reviews the Risk and Opportunity Evaluation and Response Planning Form annually. Long-term, short-term, and medium-term risks are identified based on laws and regulations, market, reputation, and climate, and their financial impacts are evaluated. The severity of the risk is also determined on the basis of a matrix of severity, frequency and risk coefficients, while appropriate measures are developed.

Strategy:

The Company conducts an annual spot check on the completion of the Green Low Carbon Manufacturing GLCM Action Plan.

The Company aims to achieve carbon peak by 2030, with a target of around **20%** non-fossil energy use by 2030, and a target reduction in carbon emissions intensity of **60% – 65%** by 2030.

Targets and Indicators:

At the Climate Ambition Summit at the end of 2020, the country updated its nationally owned contribution. Among the new targets, the share of non-fossil energy in primary energy consumption reaches about **25%** in 2030. Our autonomous goal: base year 2020.

Reduce energy consumption per unit of GDP by about **19.7%**
and CO₂ emissions per unit of GDP by about **13%** by 2021;

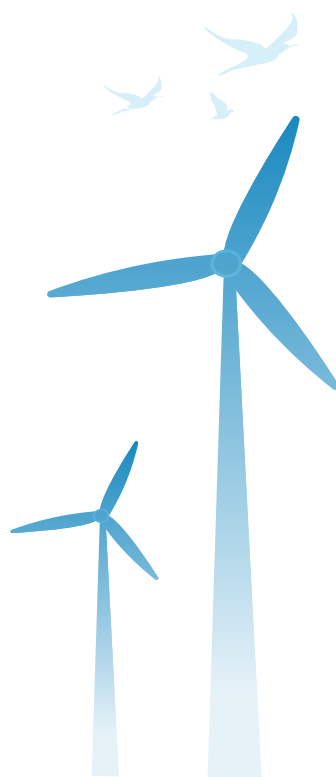
Reduce energy consumption per unit of GDP by about **14%**
and CO₂ emissions per unit of GDP by about **18%** in 2022;

Reduce energy consumption per unit of GDP by about **16%**
and CO₂ emissions per unit of GDP by about **22%** in 2023;

Reduce energy consumption per unit of GDP by about **18%**
and CO₂ emissions per unit of GDP by about **24%** in 2024;

"Reduce energy consumption per unit of GDP by **20%**
and carbon emissions per unit of GDP by **25%** during
the 14th Five-Year Plan period.

Peak carbon by 2030 and carbon neutral by 2050.



Four ten thousand indicators

In 2024, ZTTSC comprehensively carries out carbon verification, utilizes new technologies, benchmarks new equipment, optimizes new processes, digs deep into loss points, finely controls emissions, and lays out information technology, striving to build a green and low-carbon manufacturing system. Guided by the Science-Based Targets initiative (SBTi), the company implements the "Four 10,000-Yuan Output Value Ratio" metrics while enhancing competitiveness through its "dual circulation" development strategy. Comparing to the green low-carbon manufacturing base year 2020, in 2024, ZTTSC reduced the "10,000 yuan output value of comprehensive energy consumption ratio" by 28%, "10,000 yuan output value of carbon emissions ratio" by 55%, "green energy consumption ratio" by 94%. The "green energy consumption ratio" has increased by 507%, and the manufacturing cost ratio of 10,000 yuan output value has decreased by 19%.

Particular Year	Ratio of energy consumption per 10,000 yuan output value	Carbon Emission Ratio per 10,000 yuan Production Value	Green energy consumption ratio	Manufacturing cost ratio per 10,000 yuan output value
2020 (Base)	0.0195	0.0886	11.85	575.737
2022	0.0135	0.0584	15.956	462.124
2023	0.0132	0.0453	37.773	436.988
2024	0.0141	0.0397	93.597	468.157
Year-over-Year Comparison: 2024 vs. 2020	-28%	-55%	690%	19%

Four Ten Thousand Indicators to be filled in monthly

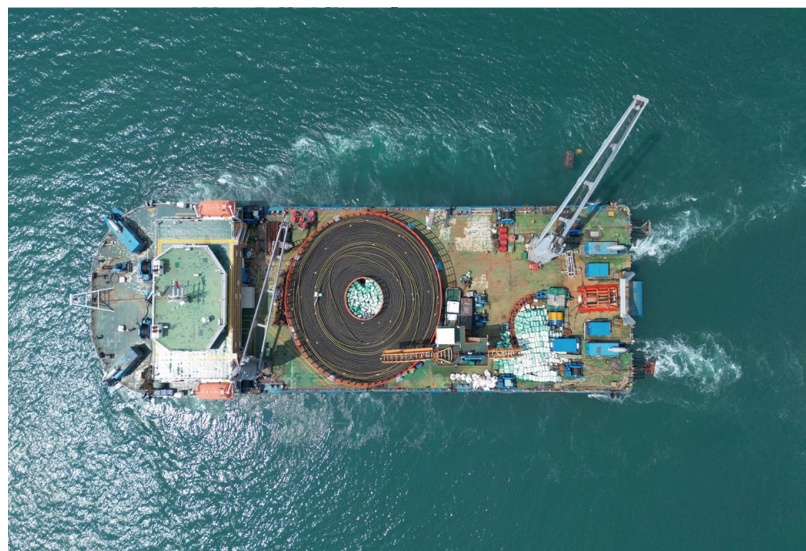
We have established a monthly green information statistics and uploaded it to the "Operation Indicator Management" system, where the Group's Operation Supervision Department analyzes and publishes the data on a monthly basis, including the ratio of comprehensive energy consumption per 10,000 yuan output value, the ratio of carbon emission per 10,000 yuan output value, the ratio of green energy consumption per 10,000 yuan output value, and the ratio of manufacturing cost per 10,000 yuan output value.

Particular Year	Ratio of energy consumption per 10,000 yuan output value	Carbon Emission Ratio per 10,000 yuan Production Value	Green energy consumption ratio	Manufacturing cost ratio per 10,000 yuan output value
2022	0.0135	0.0584	0.160	462.124
2023	0.0132	0.0453	0.378	436.988
2024	0.0141	0.0397	0.936	468.157

Monitor the 40,000 indicators, of which the carbon emission ratio of 10,000 yuan of output value has accomplished the reduction target year by year, and the ratio of green energy consumption has also gradually increased to 94%.

2.3 Green Design Products

Adhering to the "3R1D" green design concept (Reduce, Reuse, Recycle, Degradable), ZTTSC takes into account all aspects of the product life cycle during the product design stage, and focuses on the environmental attributes of the product (detachability, recyclability, reusability, etc.) as the design goal, to meet the requirements of the environmental goals, while ensuring that the product function, service life, quality and other requirements, to help green low-carbon manufacturing control from the source.



New Product: 500 kV XLPE-insulated optical-fiber composite submarine cable system

Green design is a source means of green development and a key means of achieving peak carbon and carbon neutral goals.

In the design stage, according to customer needs and environmental regulations, under the requirements of ensuring the function, quality and life of the product, it should also consider the environmental attributes of the product (e.g., renewability, recyclability, detachability, maintainability, etc.), incorporate green design concepts, manufacture green and low-carbon products, build a resource-saving and environmentally friendly society, and assume the social responsibility of green, low-carbon, environmental protection, and circular economy.

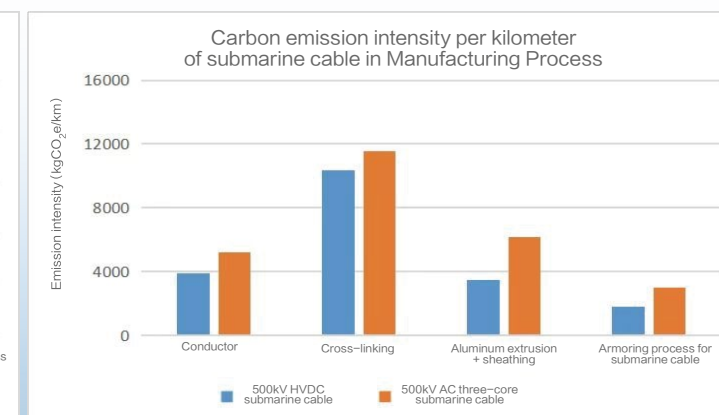
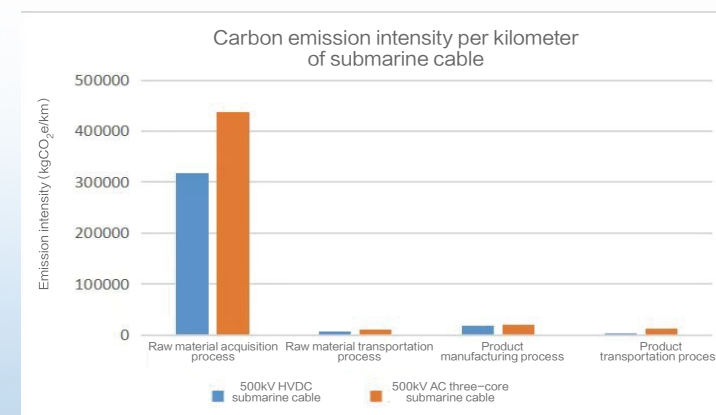
Green design consists of the following two aspects:

This project is the first 220kV 3000mm² conductor cross-section submarine cable successfully developed in China, which fills the product blank of domestic high-voltage large cross-section submarine cables, obtains new product identification, obtains the type test report of the third-party authoritative institution, and realizes the project engineering application. Through calculation, the transmission capacity of single 3000mm² submarine cable can be increased by 20%~40%, which has obvious advantages and greatly improves the competitiveness of the product.

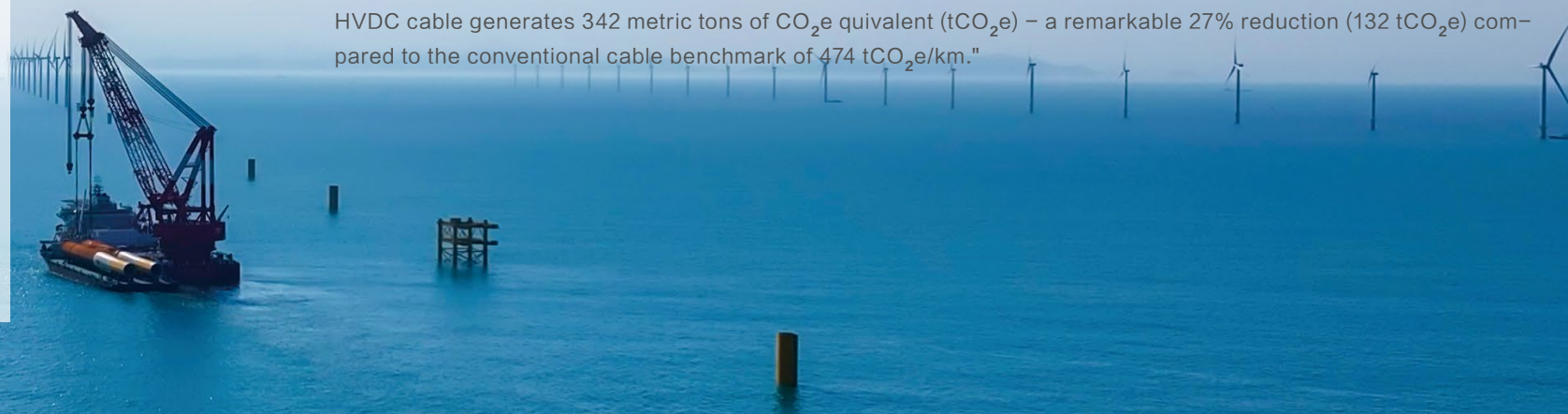
From the Company level, the fast degassing type submarine cable optimize the outer diameter from 121.3mm to 117.3mm through the optimized design of the conductor structure of large cross-section water-blocking wire, which reduces the overall outer diameter of the submarine cable and the cost of manufacturing, and builds up the production materials and energy consumption, and effectively enhances the economy.

From the customer level, adopting a $\pm 500\text{kV}$ $1 \times 2500\text{mm}^2$ high-voltage direct current (HVDC) submarine cables significant advantages over traditional 500kV $3 \times 800\text{mm}^2$ AC three-core cables: The HVDC system enhances transmission capacity from 500MW to 2000MW, representing a fourfold increase in power delivery capability. For equivalent 2000MW transmission requirements, the HVDC solution requires only two cables configured in a single circuit, whereas the AC alternative necessitates four cables arranged across four separate circuits. This technological advancement substantially reduces both manufacturing costs, through optimized material utilization and production efficiency, and installation expenditures, by minimizing seabed deployment operations and associated logistical complexities.

Based on the research of this project, our company successfully won the bidding of the Yangjiang Sanshan Island Offshore Wind Power Flexible HVDC Transmission Project from China Southern Power Grid, delivering 116.5km of cables with a 2,000MW capacity – establishing China's highest-voltage and largest-capacity HVDC submarine cable system for offshore wind, while significantly boosting our global competitiveness in premium power transmission markets.



When considering the complete lifecycle including raw material acquisition, material transportation, manufacturing processes, and product transportation, the production of $\pm 500\text{kV}$ HVDC submarine cables demonstrates significant environmental advantages compared to conventional cables. The production of each kilometer of $\pm 500\text{kV}$ HVDC cable generates 342 metric tons of CO₂e equivalent (tCO₂e) – a remarkable 27% reduction (132 tCO₂e) compared to the conventional cable benchmark of 474 tCO₂e/km."



Digital simulation design

Digital simulation design method is adopted to evaluate the product performance in advance, rationalize the design and reduce the number of trial samples. At present, The Company's simulation and analysis laboratory is equipped with more than 10 professional digital simulation software, which can be used for system design, structural calibration, mechanical performance, electrical performance simulation and analysis, covering the main products for rapid theoretical analysis of functional requirements, such as the use of OrcaFlex software for product hydrodynamic system simulation design and line force analysis in the water, the use of Stablelines software for submarine stability analysis, the use of CYMCAP, COMSOL software for the simulation design of the cable load capacity. The development of The Company's high-end cable involves mechanical strength, electromagnetic field distribution, thermodynamic distribution, hydrodynamic load, often need to use numerical simulation methods for mechanism development, and assist the test verification, and then quickly optimize the product structure. The current-carrying capacity of submarine cables has been significantly improved through digital simulation optimization design.

Under the optimized design scheme, the maximum current-carrying capacity of the cable can be increased by about 10–15%, which means that a smaller cross-section conductor can be selected under the same power transmission requirements, thus reducing the amount of copper or aluminum used and improving resource utilization. At the same time, the optimized cable has a lower temperature rise under the same current-carrying conditions, which slows down the thermal aging of the insulation, thus extending the service life of the cable and reducing maintenance costs and replacement frequency.

In terms of resource consumption, the optimization of conductor and sheath materials reduces the use of copper or aluminium by about 5–10% per kilometer of submarine cable, and the use of insulation materials by about 8%, which not only reduces the cost of material purchasing and manufacturing but also reduces the carbon emissions generated in the process of raw material mining and processing. In addition, due to the optimized structural design of the submarine cables, the heat dissipation efficiency and current carrying capacity have been improved, and the operational energy consumption of the cables has been reduced accordingly, resulting in lower power loss in the transmission process, which in turn reduces the carbon emissions in the whole life cycle. It is estimated that the optimized design of the cable can reduce carbon emissions by about 10–20% during its life cycle, which is of great significance for energy saving and emission reduction in offshore wind power and other clean energy application scenarios.

We have conducted publicity and exchanges in design institutes and owners, and actively promoted the localization and application of environmentally friendly submarine cables. Lead the development of environmentally friendly submarine cable industry standards, leading the industry to promote green design of submarine cables, the same cross-section of environmentally friendly submarine cables than the traditional lead sheathed submarine cables to reduce emissions of 3.5tCO₂ per kilometer (66kV 1600 cross-section, for example), the product unit weight reduced by 30%, the single kilometer of submarine cable transportation reduces carbon emissions. Relying on new insulation materials, we successfully developed low-carbon rated voltage 220kV 1×3000mm² fiber composite submarine cables (including factory joints), verified that the trial products can effectively reduce carbon emissions, and the R&D products passed the third-party authoritative institution type test certification, and obtained the international advanced appraisal from China Electricity Council and Jiangsu Provincial Department of Industry and Information Technology; published 1 relevant paper and applied for 2 invention patents; published 1 relevant paper and applied for 2 invention patents; and applied for 2 invention patents. In 2022, The Company completed the trial production of 35kVPP insulated flexible joints.

In 2024, the Company and the China Electric Power Research Institute, the State Grid in-depth communication and exchange of information, relying on the domestic industry, successfully developed the rated voltage of 10kV ultra-low loss polypropylene insulated lightweight fiber optic composite submarine cables, submarine cables using green thermoplastic materials, polypropylene, coated conductor to reduce the skin effect, reduce line losses, and reduce the loss of the cable, the cable adopts green thermoplastic material polypropylene, the coated

conductor to reduce the skin effect. The cable is made of polypropylene, a green thermoplastic material, and the coated conductor reduces the conductor collector effect and line loss. The cable is armored with highly conductive, lightweight and non-magnetic aluminum alloy wires, which reduces the loss of the armored wires and at the same time greatly reduces the single weight of the cable. The product was successfully applied in the project of optimizing the network structure of the Yandunshan Station in Yantai.

Select green and biodegradable materials before product design, fully consider the characteristics of product use in the design to manufacture products with lower energy consumption and fully consider the manufacturing process of design transfer at the later stage of design to reduce material consumption, while improving the reusability of product design to help the industry chain develop in a green and low-carbon manner. As a long-term server in the power industry, ZTTSC is firmly determined to green low-carbon development, unswervingly assume the responsibility of carbon emission reduction of key technologies and innovation, focusing on the core technology of key research and development. Positive response to "carbon dioxide emissions strive to peak by 2030, and strive to achieve carbon neutrality by 2055" goal, in order to play a good role in leading the demonstration, to become a leader in the implementation of carbon peak carbon neutrality. The Company puts forward the following "green design In order to play a good role as a model and a leader in the implementation of carbon peak and carbon neutrality. The Company proposes the following "green design" program, which is shown in Table 1 "Green Design Project List".

Table 1 Green Design Project List

Year	Number	Category	Project name	Project Description	Environmental effect
2023	1	Green Products	R&D and localization of environmentally friendly submarine cables	in the design institutes, owners range of publicity and communication, and actively promote the application of environmentally friendly localization of marine cables.	Environmentally friendly submarine cable reduces carbon emissions by 4tCO ₂ e per kilometer
				Lead the development of environmentally friendly submarine cable industry standards, leading the industry to promote the green design of submarine cable	
				the same cross-section of environmentally friendly submarine cable than the traditional lead sheathed submarine cable to reduce 4t CO ₂ emissions per kilometer (66kV 1600 cross-section, for example), the single weight of the product is reduced by 30%, a single kilometer of submarine cable transportation to reduce carbon emissions.	
2023	2	Green Design	Submarine Cable Carrying Capacity "Measurement" Design	There are load capacity bottleneck segments of submarine cable routing, such as cable landings, resulting in over-design of submarine segments of submarine cables.	16% reduction in raw material costs
				to carry out research and development of unequal cross-section 275kV AC submarine cables,66kV submarine cables with copper-aluminum flexible joints, and can carry out the design of "body measurement" of the load capacity.	
2024	3	Green products (green materials)	Rated voltage 10kV ultra-low loss polypropylene insulated lightweight fiber optic composite submarine cable	the insulation layer of the sea cable is made of green thermoplastic material polypropylene, the material can be recycled,no need for degassing, which can effectively reduce carbon emissions in the production process;	Reduction in steam use by 2952kg; Reduce Carbon Emission by 1tCO ₂ e
				conductor monofilament plating insulation film to reduce the conductor skin effect, reduce losses.	
				the use of highly conductive, light weight, non-magnetic aluminum alloy wire armor, reduce armor loss at the same time, greatly reducing the single weight of the cable, reduce transportation and construction costs;	
				Obtaining external test reports and participating in the bidding of domestic State Grid demonstration projects	
2024	4	Green Product	1000m water depth 500kV cross-linked polyethylene insulated fiber optic composite submarine cable system	large cross-section type line monofilament conductor design: equal cross-section type full-type line design method to optimize the conductor structure, the design of the conductor filling coefficient from the original 0.95 to 0.97. The conductor outer diameter from 63.9mm to 62.4mm optimization, the subsequent process of raw material material consumption reduced by 1.52%;	Reduction in Material Use by 11,630 kg; Reduce Carbon Emission by 44 tCO ₂ e
				Under the premise of meeting the electrical performance and mechanical properties, it adopts the lightweight design of insulation layer, lead sheath and PE sheath thickness, which effectively reduces the amount of raw materials by 14%;	
				the use of fiber optic direct composite copper wire armor layer process technology, reducing the fiber optic unit composite filler layer, breaking through the equipment capacity limitations;	

Photovoltaic Power Generation

The total installed capacity of PV green power of ZTTSC was **16.579**MW in 2023, and increase to **21.187**MW in 2024, with an annual power generation of **18.7** million kWh, accounting for **21.8%** of the annual electricity consumption, which is equivalent to **13,154** tons of carbon dioxide emission reduction.



Green Production

Case | Energy-saving Of Cable Asphalt Tank Heating System

The existing asphalt tank system for cable production exhibited excessive energy consumption and insufficient heating capacity, failing to meet the required asphalt melting speed after production line acceleration. By implementing new materials and new technologies, electric heating technological transformations will be made, replacing conventional heating rods with new low-pressure electric heating molds that have fast heat transfer and high thermal efficiency, while ensuring tight insulation to make the best use of the heat generated by electricity. This will improve thermal efficiency, saving 320,000 kWh annually, reducing carbon emissions by 225 tons of CO₂ equivalent per year, and generating an annual profit of 256,000 yuan.



Case | Electronic Control Energy Saving Technology

Recently, we have carried out a comprehensive upgrade for the peripheral circulating water pump system of the plant and realized significant energy saving and carbon reduction by introducing permanent magnetic pumps and adding constant pressure control system, which set a new benchmark for the sustainable development of the submarine cable industry. In this renovation, we decisively replaced all the peripheral circulating water pumps in the whole plant with energy-efficient permanent magnetic water pumps (PMWPs). With its excellent energy efficiency and stable performance, the permanent magnet water pump lays a solid foundation for the energy-saving transformation of the water pump system. At the same time, we have skillfully added a constant pressure control system in combination with the actual situation of the site to ensure that the pumps can automatically adjust the water pressure according to the actual demand while running efficiently, avoiding unnecessary waste of energy consumption. For some specific scenarios, such as the cooling tower, we also added a

thermostatic control system to further enhance the energy-saving effect of the entire system. Through this series of innovative measures, the comprehensive energy-saving effect of constant pressure water supply has reached the expected 20%, with remarkable energy-saving results. In terms of specific data, the comparison of electricity consumption before and after the transformation of constant pressure water supply under the same working condition shows that the energy saving rate is as high as 46.5%.



2.4 Green Procurement

Green procurement is the act of giving full consideration to environmental protection, resource conservation, safety and health, recycling and low carbon and recycling promotion, promoting the concept of green and low carbon, and giving priority to the procurement and use of energy-saving, water-saving, material-saving and other raw materials, products and services that are conducive to environmental protection. The Procurement Management Center of ZTT Group has set up a special team for the implementation of green procurement to convey the requirements of green and low-carbon manufacturing to suppliers, promote the implementation of green procurement and support the achievement of the Group's carbon emission reduction targets. ZTTSC is implemented according to the Group's unified deployment, with green procurement guidelines set and the following targets set:

Green Procurement Work Objectives

Type	Supplier Category	Green Procurement Objectives
Short-term goal for 2025	Top 10 suppliers in terms of purchase amount	10% reduction in carbon emissions per million RMB of goods and services procured
Long-term goal for 2030	Top 10 suppliers in terms of purchase amount	25% reduction in carbon emissions per million RMB of goods and services procured

ZTTSC invited suppliers attend ZTT Group EU CBAM count-down ceremony.



Main Measures for Green Procurement

1

Establish a sustainable green supply chain management strategy. Suppliers are required to incorporate the concept of green supply chain management into the development strategic planning, clarify the green supply chain management objectives, set up management departments, and participate in the green supply chain management work of Zhongtian Technology;

2

Implementing green supplier management. Suppliers are required to establish the concept of green procurement, continuously improve and perfect procurement standards and systems, and carry out green procurement throughout the entire process of purchasing raw materials, products and services;

3

Strengthening green production. Establish the concept of green design based on the full life cycle of products, integrate environmental data resources, set up basic process and product databases, construct evaluation models, and carry out full life cycle evaluation at the R&D and design stages;

4

Building a green recycling system. Establish an extended producer responsibility system and take the initiative to assume responsibility for the recovery and resource utilization of products after they are discarded;

5

Establishing a platform for green information collection, monitoring and disclosure. It has established an online monitoring system for energy consumption and a database for emission reduction monitoring, and regularly releases corporate social responsibility reports to disclose the fulfillment of energy-saving and emission reduction targets of enterprises.

Main Requirements for Green Suppliers

(1) Suppliers are required to obtain certificates for environmental and energy management systems and carbon emission verification systems, formulate and implement carbon emission reduction targets and action plans, and increase energy conservation and emission reduction;

(2) Incorporate carbon emission reduction requirements into supplier performance evaluation, system audit and new supplier certification requirements, and tilt supplier selection toward energy saving and consumption reduction;

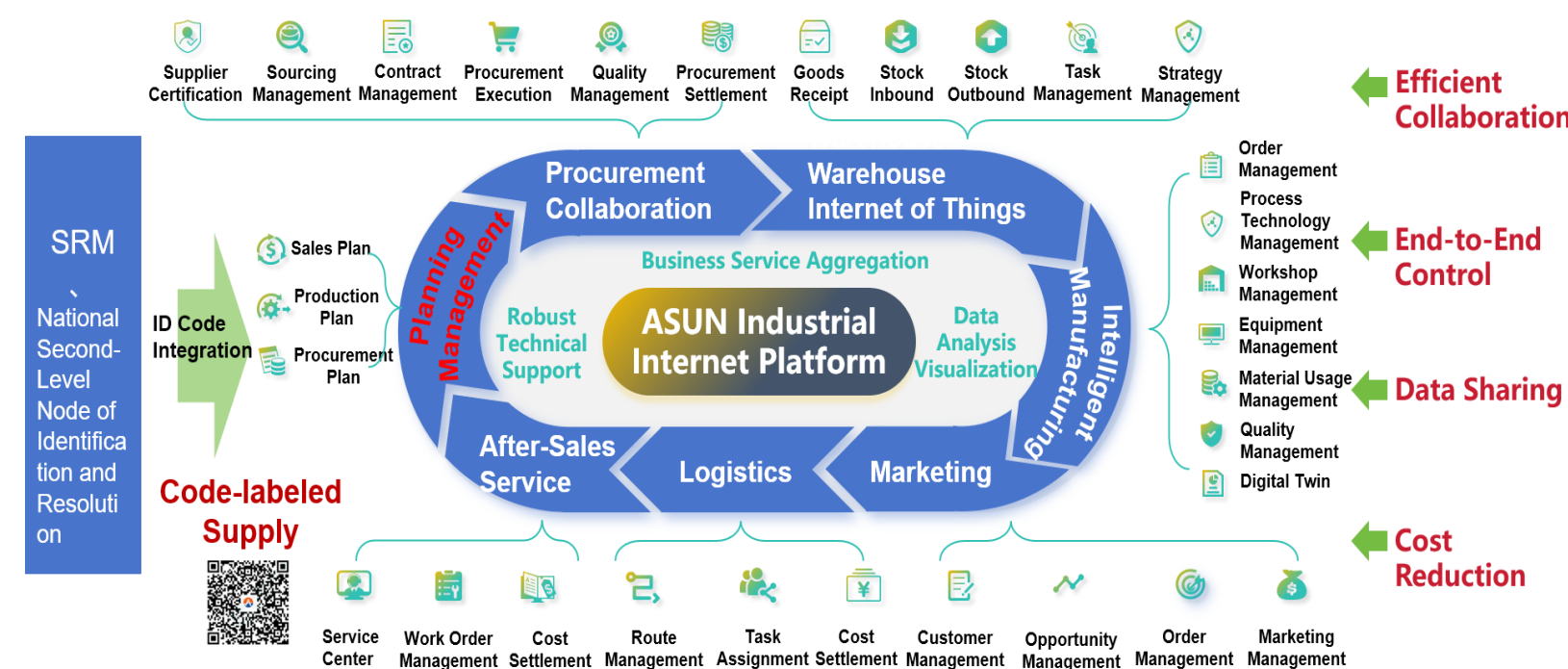
(3) Require suppliers to prohibit/restrict the use of hazardous substances and implement carbon emission reduction management (some materials are required to provide ROHS reports), and advocate suppliers to increase the use of clean energy to support the achievement of ZTTSC's long-term goal of green and low-carbon;

(4) The development of logistics and transportation to new energy and hydrogen energy, reducing the process of resource consumption and reducing the harm of logistics to the environment, and realizing the greening of the logistics environment and the fullest use of logistics resources.

Digital innovation to enhance supply chain transparency and efficiency

ZTTSC has developed a strategic plan for digital transformation through the procurement of a digital value-added supply chain to realize the development from Procurement 3.0 to Procurement 4.0.

Based on SRM Supplier Relationship Collaboration Management System, The Company integrates ERP Enterprise Resource Planning Management System and other key business systems to realize the deep integration of process and data, comprehensively integrates and passes through the whole business process of supply chain, and creates fusion and innovation with the help of OCR Optical Character Recognition Technology, RPA Digital Robot, BI Data Visualization and Analysis and other new technologies to realize the optimization of business operation mode and efficient synergy between business units. optimization of business operation mode and efficient synergy between business units.



2.5 Daily Carbon Reduction

Green Living

1. Green Electricity-Powered Commuting

Conventional transportation methods generate significant exhaust emissions, adversely impacting air quality and the environment. To address this, we actively encourage employees to adopt green electric mobility solutions. Our facilities now feature photovoltaic carports equipped with charging stations, enabling convenient access to clean transportation options. This initiative effectively reduces CO₂ emissions while contributing to measurable air quality improvements.



2. Public Transportation

To encourage employees to use public transportation, we have partnered with Metro Line 1 to issue co-branded city metro cards, while simultaneously promoting non-motorized commuting and shared green mobility solutions – effectively raising awareness of sustainable public transit options



3. Water Conservation and Consumption Control

Water Conservation and Consumption Control						
Brand	Location	Water efficiency index	Actual data	Standardized requirements	Criteria	Water conservation rate
TOTO	Workshop, cafeteria, office area	Water consumption	5.5L	8L	GB30717-2019 Squatting Toilet Water Efficiency Limit Value and Water Efficiency Grade	31%
TOTO	Workshop, cafeteria, office area	Water consumption	3L	4L	GB28377-2019 "Urinal Water Efficiency Limit Values and Water Efficiency Grade	25%
TOTO	Workshop, cafeteria, office area	flux	0.12L/S	0.15L/S	GB25501-2019 Water Efficiency Limit Values and Water Efficiency Levels for Water Nozzles	20%

Green Office

1. In office areas, the adoption of water-cooled air conditioning systems has not only enhanced cooling efficiency but also reduced reliance on traditional electricity resources, thereby lowering carbon emissions and fulfilling the company's commitment to its SBTi targets.
2. To implement the concept of sustainable development, the company has comprehensively adopted a reusable cup policy to replace disposable paper cups, effectively controlling unnecessary resource waste.
3. The facility perimeter is equipped with motion-activated solar lights that fully utilize clean solar energy. These lights reduce energy consumption while providing employees with safe and eco-friendly illumination during nighttime or low-light conditions, further advancing the company's low-carbon and environmental sustainability goals.
4. In terms of energy utilization efficiency, the company has implemented an innovative waste heat recovery system utilizing high-efficiency heat exchanger technology, which captures and repurposes residual thermal energy from air compressor operations. This recovered heat is converted into usable energy for both production processes and office facilities, significantly enhancing overall energy utilization efficiency while reducing reliance on conventional energy sources. As part of our active ESG commitment, these integrated measures, including water-cooled AC systems, reusable cup policies, solar-powered lighting, and waste heat recovery—have effectively reduced energy consumption and carbon emissions; enhanced resource utilization efficiency and concreted progress toward the company's dual carbon goals.

Joined the Science Based Targets initiative (SBTi) in 2024

In 2024, our company formally joined the Science Based Targets initiative (SBTi) and established ambitious carbon reduction targets aligned with the Paris Agreement's **1.5° C** pathway. Specifically, we commit to achieving an absolute **42%** reduction in Scope 1+2 greenhouse gas emissions by 2030 compared to our 2022 baseline year. For Scope 3 emissions, we will implement an economic intensity approach targeting a **51.6%** decrease in carbon intensity per unit of output value by 2030 against the same 2022 baseline. Our long-term goals include reaching a **90%** absolute reduction in Scope 1+2 emissions and a **97%** reduction in Scope 3 carbon intensity by 2050. To ensure these targets are met, we are implementing targeted measures for Scope 1, 2, and 3 emission reductions; collaborating with suppliers to drive industry-wide decarbonization and leading by example in achieving carbon neutrality and limiting global warming to **1.5° C**.

ZTSC 2022 Scope 1+2 Carbon Emissions Data:

48136.19t

ZTSC 2022 Scope 3 Carbon Emissions Data:

40426.70t

ZTSC 2023 Scope 1+2 Carbon Emissions Data:

46925.58t

ZTSC 2023 Scope 3 Carbon Emissions Data:

1893722.16t

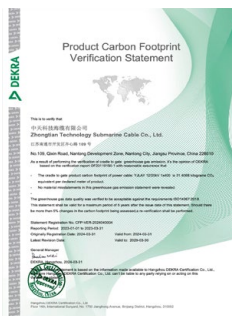
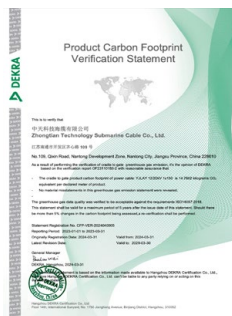
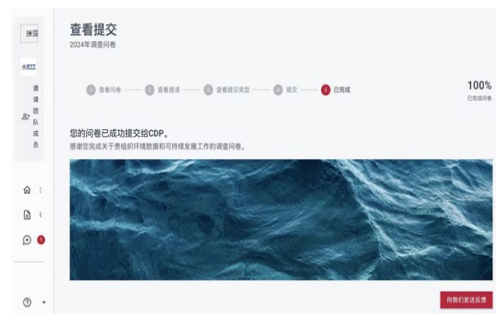
ZTSC's 24-year carbon emissions data is currently in the inventory stage and will be updated when the data inventory & verification is completed;

Remarks: Scope 3 emissions data for 2023 were increased by the addition of data for categories 5 and 6, which resulted in a more comprehensive inventory and led to an increase in scope 3 data; (the increase was mainly in carbon emissions during the use phase of the product).

Carbon Footprint Certificate



CDP Questionnaire Completion



green electricity trading

Green power trading is organized and implemented by the existing power trading centers, and Jiangsu Power Trading Center will be responsible for issuing power trading power, price and other trading results and consumption certificates, and users can apply for consumption certificates based on the amount of power consumed.

Enterprises carry out green power trading through the Power Trading Center, realizing the full-cycle control of green power from production to consumption, fully reflecting the value of green power, making green energy investment more active, and helping enterprises to realize the social responsibility of "carbon peak, carbon neutral".

In 2023, ZTSC purchased a total of **15.64** million kWh of green power, with a **70%** share of green power for product electricity use;



In 2024, ZTSC purchased a total of **26,637,000** KWH of green power and **33,500,000** KWH of domestic green certificates, realizing a **94%** share of green power;





03

Staff Support and Caring

Employees are the most valuable assets of an enterprise and the main force to realize sustainable development. ZTTSC always respects and protects the legitimate rights and interests of all employees, continuously improves the compensation and welfare system, emphasizes the development and training of talents, and enhances the happiness of employees.

3.1 Protection of Employees' Rights and Interests

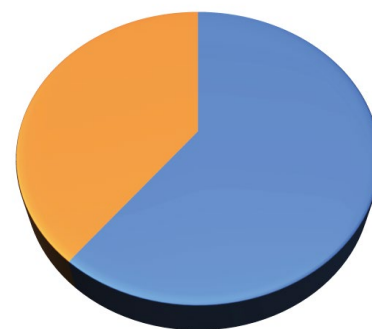
Equality, inclusion and diversity

ZTTSC has been working hard to improve the office and living conditions of the staff, comprehensively caring for the staff's working life, and according to its own development to give more rights and interests to the staff, so that the staff and the enterprise to share the fruits of development.

Respecting Diversity of Talents:

ZTTSC fully respects the diversity of talents, accommodates and accepts talents of different genders, nationalities, races, ages, cultural backgrounds and educational backgrounds, establishes and improves a multi-dimensional employee care mechanism, and focuses on cultivating talents in key positions and high-skilled talents, so as to turn the individuality of talents into the strengths of the organization, and to realize the common growth of the individual and the organization.

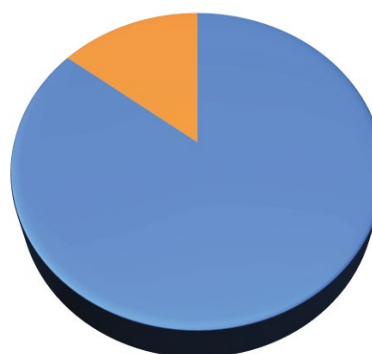
● Local employees
● Non-local employees



Commitment to Female Employee Rights and Protection:

The Company attaches importance to the power of women and provides equal development opportunities for female employees. The Company has set up a prayer room for foreign Muslim clients, which is equipped with clean kneeling mats, independent and quiet space, and is cleaned and sterilized regularly every day to ensure that it meets the needs of religious ceremonies. The prayer room is open all year round and clients can make an appointment to use it at any time, and we have also arranged for someone to guide them to ensure that the process of using the room is convenient and smooth. This not only provides attentive service to international clients, but also reflects The Company's tolerance and respect for cultural differences in the context of globalization. The Mother and Baby Room is located in a quiet corner of the office area, and is a private space specially designed for breastfeeding female employees. The room is equipped with comfortable breastfeeding sofas, sterilizers and sinks. At the same time, the room is booked by appointment only, and daily hygiene is maintained by dedicated staff to ensure privacy and safety. Through this exclusive space, we hope to support female employees in balancing their work and childcare needs, and to convey The Company's meticulous care for its employees.

● Female
● Male



Embracing Cultural Diversity:

The Company has set up a prayer room for foreign Muslim clients, which is equipped with clean kneeling mats, independent and quiet space, and is cleaned and sterilized regularly every day to ensure that it meets the needs of religious ceremonies. The prayer room is open all year round and clients can make an appointment to use it at any time, and we have also arranged for someone to guide them to ensure that the process of using the room is convenient and smooth. This not only provides attentive service to international clients, but also reflects The Company's tolerance and respect for cultural differences in the context of globalization.

Welfare and Care

Enhancing the Employee Well-being System

ZTT Group regards the well-being of its employees as an important concern and is committed to establishing a diversified and comprehensive employee welfare system. In The Company's Employee Welfare Management System, statutory and other paid holidays are included, including sick leave, paid annual leave, marriage leave, maternity leave, etc. For the protection of the rights and interests of female employees, the Company strictly enforces maternity leave, paternity leave for male employees, breast-feeding leave for female workers, and other specific holidays. In terms of welfare benefits, the Company provides quarterly employee benefits, holiday gifts, employee birthday benefits, and annual round-trip transportation reimbursement for employees in foreign provinces, which enhances employees' sense of belonging and happiness.

Employee Care

The Company set up a spiritual home engineers, through the "know – believe – do" mode so that employees from knowledge to recognition, consciously practicing corporate culture, to ensure that the culture on the ground. During the reporting period, ZTTSC achieved results in solving difficulties, warming people's hearts and stabilizing the team through a series of spiritual home work. The "May Fourth" cultural and sports activities and the autumn and winter sports meets were held to add fun to the traditional physical competitions; traditional festivals such as "Dragon Boat Festival" and "Mid-Autumn Festival" were celebrated, and employees' participation was expanded and extended to their families, creating a healthy, harmonious and united atmosphere of a big family.

Concerned about the physical and mental health of employees, in order to enhance the physical quality of employees, improve immunity and reduce the occurrence of diseases, ZTTSC has set up a gym within The Company, calling on employees to exercise regularly in the busy work breaks to improve the physical quality of employees. At the same time, The Company has set up a psychological counseling room, which regularly carries out psychological lectures and one-on-one psychological counseling activities to improve the mental health of employees.

In order to respond positively to the warmth of activities, The Company's spiritual home, deputy chief engineer led a team to visit the form of condolences to the front-line special hardship and hospitalized workers, to understand the actual needs of their production and life, to send condolences and warmth of the gift package, encourage them to build confidence, overcome difficulties, and effectively strengthen the care and support, and proactively help them to solve practical problems.

During the reporting period, ZTTSC implemented a series of initiatives under its "Spiritual Home" program, effectively resolving employees' practical challenges through targeted support, fostering emotional connection and belonging via care activities, and strengthening team cohesion while reducing turnover.



3.2 Human Capital Development

Talent is the core competitiveness of today's society. Adhering to the concept of "respecting goodness and virtue, making the best use of talents", ZTTSC adheres to the innovation management system centered on talent leadership, and strengthens the construction of strategic talent team.

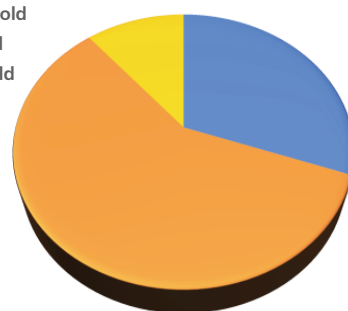
Fair Employment

ZTTSC attaches importance to the introduction of talents and empowers the development of The Company with talents, establishes a perfect recruitment management system and expands various recruitment channels. In 2024 The Company revised and updated the Recruitment Management Measures and other institutional documents to introduce outstanding talents at home and abroad in a planned and purposeful manner, strengthen the construction of the talent team, enhance the competitiveness of The Company in the global market, and match The Company's long-term development and strategic planning.

During the reporting period, the total number of employees of The Company was 1,878. The Company was able to comply with the relevant national laws and regulations, and there was no phenomenon of using child labor and forced labor, and the Staff Congress was held regularly, and the democratic consultation on important matters was held in order to promote the communication and exchange among the employees and enhance the mutual trust and interaction between the enterprise and the employees, and the rate of signing of the labor contract was 100%.

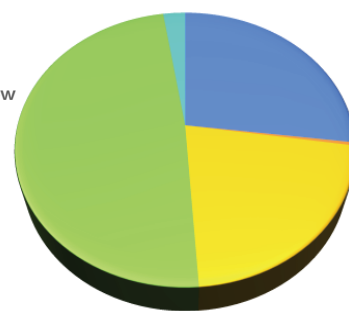
Employee Age Distribution

- Under 30 years old
- 31-50 years old
- Over 50 years old



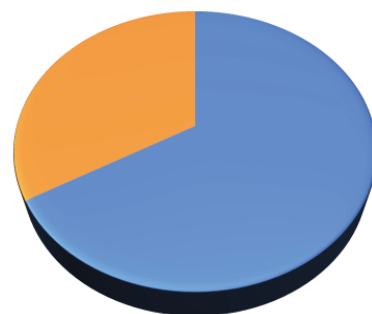
Employee Education Level Distribution

- Bachelor's degree
- Doctoral degree
- Associate degree
- High school or below
- Master's degree



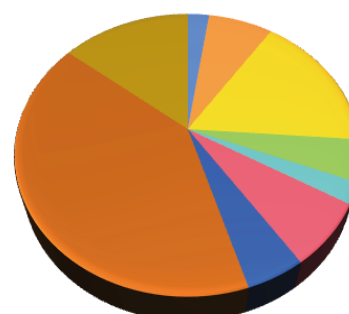
Foreign Employees by Nationality

- Morocco
- Pakistan



Ethnic Minority Distribution

- Mongolian
- Buyi
- Miao
- Dai
- Hani
- Hui
- Manchu
- Tujia
- Yi



Staff training and development

According to the development strategy of ZTTSC, we continue to implement the talent cultivation project, targeting the values and comprehensive quality of the workforce, training and upgrading, and creating a high-quality team of industrial workers and managers.

The training content is customized according to the level of personnel and different departments. According to different courses, training methods including lectures, case studies, development training, team training, etc. are adopted to set targeted training methods. Several training courses are conducted each year, such as taking digital transformation as an opportunity to fully explore digital talents, enhance the digital thinking and awareness of managers, and cultivate a digital culture. According to the requirements of the general manager of The Company, we actively carry out training to improve the values and comprehensive quality of the middle and grassroots management team and improve the training system.

In addition to carrying out training courses, focusing on the basic skills of employees, launching the blue-collar vocational skills, professional titles of technicians, backbone academic qualifications to enhance, grabbing the potential of staff skills development. The organization declared wire and cable manufacturing worker (senior worker); the organization participated in the 2024 Nantong Veterans Vocational Skills Competition; with the purpose of providing technical personnel team building level, standardized and strengthened the intermediate engineers title assessment work, and clarified the standards and declaration requirements.

In terms of promoting the career development of talents, ZTTSC promotes and guarantees the overall plan for the career development of talents in multiple dimensions and aspects, builds "H" type development channel, based on the qualification management, provides the internal talent market and dual-channel promotion mechanism, and broadens the career space. In 2024, the average training hours per employee was 24 hours, and the external training cost was 783,615 RMB.

3.3 Performance and Remuneration Management

The Company strengthens the talent echelon construction, provides equal career advancement opportunities for all employees, and conducts annual assessment for all employees in a fair and scientific manner. And according to the assessment results to promote staff rank, promote staff career development. During the reporting period, the starting salary ratio between male and female employees was 1:1.

Performance management

The realization of The Company's strategic objectives can not be separated from the support of the staff, especially the support of the Zhongtian strugglers, in order to enhance the enthusiasm of the work, motivate all employees to work for The Company's strategic objectives, to ensure that the performance of the staff behavior and the direction of the Company's strategy is consistent with the realization of The Company's strategic objectives.

The Company has set up a performance management team to follow the principles of problem-oriented, goal-oriented and result-oriented to establish a reasonable and fair employee performance management system that is benefit-sharing and applicable to all business segments. The performance results are fully related to employees' salary allocation, merit assessment, personal improvement, job transfer, performance index optimization, and training and development.

Remuneration management

Based on national laws and regulations, ZTTSC has thoroughly implemented the "Striver-oriented" culture and formulated the "Job Grade and Salary Management Measures" and "Performance Management System" as well as the "Guidelines on Certain Incentive Programs".

In terms of remuneration, The Company follows the principle of "determining the grade by the post, determining the salary by the grade, and changing the salary by the grade" to ensure that the determination of remuneration and changes in remuneration are based on evidence, justifiable, fair and equitable. In terms of incentives, The Company has formulated the criteria for assessing the strugglers, carried out the work of assessing the strugglers, and extended the equity incentives to all levels and sequences based on the industry's focus on middle- and high-level employees.

The Company adheres to the principle of combining material and non-material, all-employee and striver incentives, and on the basis of the actual operation of The Company, it "really" pays social security provident fund and guarantees the annual growth of employees' income, so as to let employees have a sense of gain and happiness. In 2024, Liu Xiao, an operation and maintenance engineer of the Operation and Maintenance Technology Department of ZTTSC, was awarded the "Zhongtian Warm and Moving Person" in 2024 for his tenacity in building team spirit and interpreting responsibility with his actions.

Performance Evaluation

ZTT Submarine Cable has established a comprehensive performance evaluation mechanism to ensure alignment between employee performance behaviors and corporate strategic objectives. The company implements annual assessments that comply with both corporate governance standards and sustainable development requirements. During the reporting period, employee participation in the performance appraisal system reached **100%**.

3.4 Occupational Health and Safety

Safety management system and organizational structure

In order to effectively promote The Company's safe development and protect the health and safety of employees, The Company has always insisted on putting safety in the first place, continuously improving the occupational health and safety management system, promoting and implementing the production safety responsibility system in accordance with the statutory requirements, strengthening the implementation of the safety risk identification and control, continuously improving the safety knowledge and skills of the staff and the ability to deal with emergencies through continuous safety training and emergency exercises, and creating a strong atmosphere of concern for safety and building a safe environment by creating a safety culture to effectively enhance The Company's competitive advantage and development advantage. Through the creation of safety culture, The Company has formed a strong atmosphere of paying attention to safety and building safety together, which effectively enhances The Company's competitive advantage and development advantage.

ZTTSC has established and continuously improved its occupational health and safety management system, and has passed the ISO45001:2018 occupational health and safety management system certification, and passed the latest renewal audit at the beginning of 2024. Meanwhile, in accordance with the Work Safety Law and the requirements of the Emergency Management Department, The Company has passed the creation of Level 3 safety standardization.

The safety management organization of the Company consists of the Leading Group of Safety Production, the Department of Safety and Environment and other departments of The Company. The Company's safety production leading group is headed by the general manager, the assistant general manager is the deputy leader, members are composed of heads of the functional departments. Group office is set up in the Department of safety and environmental protection, is responsible for organizing and coordinating the solution of safety, environmental protection, occupational health, fire prevention and other major issues, and in accordance with national and local laws and regulations as well as the standardized management system of safety guidance for safety management throughout The Company to give the safety management of human, financial and material support. It also provides human, financial and material support for safety management. The Department of Safety and Environmental Protection is responsible for promoting daily safety management, implementing special management for each key device and vital parts; carrying out special safety supervision and management for fire, electricity, work at height, restricted space and other dangerous operations during daily overhauling, maintenance and repair; and promoting safety education, safety inspection, safety assessment, rectification and correction of hidden dangers, risk identification, risk analysis, risk abatement and promotion of new safety technologies in the organization. It is also responsible for promoting safety education, safety inspection, safety assessment, hidden rectification, risk identification, risk analysis, risk abatement and new safety technology.

Occupational Health Management

The Company implements the occupational health management policy of "prevention first, prevention and treatment combined", formulates the occupational health management system, clarifies the occupational health management responsibilities of each departmental position, standardizes the process of occupational health monitoring, establishes the occupational health management files according to the requirements, fulfills the obligation of notification of occupational health hazards, and carries out the occupational health publicity and training on a sustained basis, and improves the labor protection measures and continuously improves the working conditions. Improve labor protection measures and continuously improve working conditions. When employees join The Company, they sign a letter of notification of occupational hazards, specifying the occupational hazards involved in their respective positions and their protective measures, and the content of the induction training covers occupational hazards and the prevention of related occupational diseases.

The Company identifies the occupational hazards of each position, focusing on noise, dust, high temperature and other occupational hazards, according to the corresponding occupational hazards of protection requirements. The Company uniformly distributes earplugs, dust masks and other labor protection supplies to employees every month and makes a good record of receipt, and at the same time, sets up a box for storing earplugs in the workshop, so that the employees can take them by themselves. The Company commissions qualified third-party testing organizations to conduct workplace occupational hazards testing every year, and carries out a status quo evaluation of on-site occupational hazards every three years (covering the current year's testing), and the results of the annual occupational hazards testing are announced to the employees through bulletin boards. 2024 Occupational Hazards Testing Report shows that except for one noise exceeding the standard, the rest of the occupational hazards testing are all qualified. The report of 2024 occupational hazards test shows that all the occupational hazards tests are qualified except one noise exceeding the standard.

In order to reduce the site occupational hazards, The Company gives priority to the use of alternative (non-toxic instead of toxic, low-toxic instead of high-toxic, automation instead of manpower, etc., such as lead extruder automatic feeding), isolation (such as extrusion of lead, asphalt regional compartments) and other technological measures. For the noise of the frame stranding machine operations detected in 2024, the investigation and analysis shows the reason that the frame stranding machine release the tension of a single side of the single cylinder to promote the tension disc, to achieve a certain release tension Need to add atmospheric pressure to meet the requirements, so the noise between friction block and the tension disk was comparatively larger. By the tension cylinder using double-side clamping tension disk structure, so that the use of relatively small air pressure can meet the same tension of the release line. After the transformation, site volume does not exceed 85 decibels.

According to the conclusion of occupational hazards detection and evaluation, the Company arranges the employees who are engaged in the operation of occupational hazards to undergo pre-employment, in-employment and after-employment occupational health checkups. Those who do not meet the requirements of pre-employment physical examination will not be employed in the corresponding positions, and those who have abnormalities in the on-the-job physical examination will be reviewed or diagnosed according to the requirements, and those who have occupational contraindications will be transferred to other positions according to the requirements, and those who are leaving the workplace must undergo the physical examination for confirmation before going through the relevant formalities.

Daily safety management

The Company has formulated the management method of full production safety responsibility system, clarified the duties and requirements of production safety for each position, and at the beginning of each year. All the personnel of The Company signed a production safety responsibility letter with their superiors and subordinates, and regularly assessed the implementation of production safety responsibilities, so as to effectively promote the implementation of full production safety responsibility system.

The Company has formulated a management system for safety risk identification, control and hidden danger investigation and management, clarified the purpose, scope and guidelines of risk evaluation, and fully participated in the risk evaluation work. Based on the risk evaluation guidelines, the risk evaluation cycle is clearly defined, and the LEC quantitative evaluation method is adopted to evaluate the risk of all operation activities, equipment and facilities, materials and substances, operation personnel, operation process, operation environment and operation conditions, etc., to formulate and promote the implementation of risk control measures, which cover larger or higher risks, prevention of repetitive strain injury and other aspects.

The planning of risk control measures is carried out in the order of "elimination, substitution, engineering control, administrative control and PPE protection" to ensure the effective control of safety risks. The Company organizes monthly safety inspections, led by the general manager and plant manager, with the participation of department heads and relevant key personnel to carry out all-around inspections, and for the potential accident hazards identified, the responsible departments, responsible persons, measures, funds and progress are implemented in accordance with the requirements of the "five Ding", and the management procedures are strictly implemented, and safety meetings are organized regularly. The Company organizes regular safety meetings to study and deal with specific problems in response to the hidden accidents found. Safety management personnel go

into the field every day, strengthen daily inspections, check personnel violations, follow up and supervise the investigation and management of risks and hidden dangers, ensure that the hidden danger management project is completed on schedule, and reduce the risk of on-site operations.

For the management of accidents and incidents, The Company has formulated the "Reward System for Reporting Hidden Dangers of Safety Accidents", "Safety Incident Management System", "Safety Performance Management System", which clearly stipulates the process of reporting safety risks, accidents, problems and hidden dangers and the corresponding positive incentives to encourage and guide the employees to actively participate in the management of hidden dangers of accidents and to give full play to the initiative of the employees to promote full participation rate of the safety work. Participation rate.

In terms of safety management of related parties, before the related parties enter the plant for construction, we will arrange to check the qualifications of the related party's operating personnel, personnel insurance, and the equipment and facilities involved, and after confirming that they meet the requirements, we will provide them with training, and at the same time sign a corresponding safety management agreement, and then finally arrange to conduct an examination, and they will be allowed to enter the plant to carry out the corresponding construction work only after passing the test, so as to ensure that the related party's operational control and management can be effectively carried out.

At the beginning of the year, according to the unified requirements of the Group, The Company formulated the safety targets and indicators and carried out internal decomposition, focusing on the rate of work-related accidents and the number of occupational diseases, etc. In 2024, there were no serious accidents involving personnel injuries throughout the year, there were no new occupational diseases, and the rate of work-related accidents did not exceed the target at the beginning of the year, effectively reaching the key target indicators formulated at the beginning of the year. In order to improve the safety quality of employees, strengthen their safety awareness, and enhance their conscientiousness in complying with rules and regulations and labor discipline, The Company has formulated an occupational health and safety education system, clearly defined the objectives and requirements of safety training and education, and regularly identified the needs for safety training and education in each department to ensure the basic investment in personnel, funds and facilities. At the beginning of each year, we formulate the annual safety training and education plan in conjunction with the actual situation of the factory, and guide and supervise each department to formulate the internal safety training plan and promote its implementation. Each year, the frontline personnel's safety training is not less than 20 hours, and the main person in charge of The Company, the person in charge of each department, and the full-time and part-time safety management personnel are arranged to participate in the external safety training and education and assessment each year, and to obtain the certificate of safety qualification.



2024 Annual Safety, Environmental Protection, and Occupational Health Training Plan										
No.	TRAININGTOPICS	TRAINING MAIN CONTENT	TRAINEES	PERIOD	TRAINING PLAN DATE	SPEAKER	TRAININGFORU	TRAININGEFFECT EVALUATION	IMPLEMENTATION SITUATION	NOTE
1	Previous Year' s Safety Accident Case Study	Case Studies on 2023 Safety Incidents	Frontline Employees	1	January	Department heads	Lecture	Others	Completed	
2	Post-Holiday Safety Training	Safety Requirements For post-holiday Resumption	All Employees	2	February	Safety and Environmental Protection Department	Lecture	Others	Completed	
3	"All-staff Safety Responsibility Training"	Roles and Responsibilities under the All-staff Safety Responsibility System	All Employees	1	February	Department heads	Lecture	Others	Completed	
4	Risk Identification and Control	Risk Assessment Methods and Departmental Risk Control Requirements	All Employees	1	March	Department heads	Lecture	Written test	Completed	
5	Electrical Safety Training	Electrical Safety & Electrical Safety Operating Procedures	All Employees	1	April	Department heads	Others	Written test	Completed	
6	Occupational Health Training	Occupational Disease Prevention and Control Law Campaign	All Employees	2	April	Department heads	Lecture	Others	Completed	
7	Safety Laws & Company Safety Regulations Training	Work Safety laws and Company Safety Regulations	All Employees	1	May	Department heads	Lecture	Written test	Completed	
8	Emergency Management Training	Emergency Response Plans and Emergency Handling Training	All Employees	1	June	Department heads	Lecture	Written test	Completed	
9	Typhoon/Flood Preparedness	Summer Typhoon & Flood Response Requirements Training	Dock Personnel	1	July	Safety and Environmental Protection Department	Lecture	Others	Completed	

New employees are provided with safety training and education at factory level, workshop level and team level, and are arranged to work after passing the examination. The safety training and education time for new employees is not less than 24 hours. Special operators and special equipment operators are regularly reviewed, and all the documents held are within the validity period. Safety training and education are conducted by the Safety and Environmental Protection Department for all foreign personnel, and all personnel of contractors are given safety training and education on entering the factory, and they can only enter the factory to carry out operations after passing the examination.



In order to improve the safety awareness of the staff, The Company organizes various safety and occupational health activities. Every last week of April every year is regulated as the Occupational Disease Prevention and Control Law Awareness Week. The Company organizes the Occupational Disease Prevention and Control Law Awareness Act. June is regarded as safety month of ZTTSC, The Company organizes the staff to watch the warning video, carry out emergency drills, and participate in the Safety Month Knowledge Contest, etc., The participants and scores of the knowledge competition in 2024 ranked the top ten among all units in the district where The Company is located. Every year in November, The Company organizes fire evacuation and fire extinguishing drills during the fire fighting month to enhance the actual emergency response capability of the employees.

In the creation of safety culture, the Company has formulated the safety concept of "Strengthening the foundation with safety", and introduced the SCL (Safety Culture Ladder Certification) safety culture ladder certification program of NEN (Netherlands Association for Standardization) by taking the opportunity of executing the relevant projects of foreign suppliers. We became the first enterprise in China to pass the SCL Level 3 certification.

SCL is divided into five levels and reflects the development stage of the Company's safety awareness. Through the promotion and implementation of the certification, the Company promotes the active participation of employees in the construction of safety culture and daily safety management, improves the safety awareness of employees, effectively integrates safety into normal work processes, forms a strong atmosphere of concern for safety and safety building in the Company, strives to realize the continuous improvement of the Company's safety work, ensures the balanced development of safety production, and makes the safety production become The Company's competitive advantage, survival advantage and development advantage, and makes the safety production become our competitive advantage, survival advantage and development advantage, and makes the safety production become the competitive advantage, survival advantage and development advantage of the Company, and make production safety become our core values.

Emergency Management

In order to improve the Company's emergency management level and enhance the staff's emergency response capability, the Company has formulated the emergency response plan for production safety accidents and regularly revised and updated it. According to the content of the emergency plan, the Company has set up a part-time emergency response team and regularly conducts emergency response training, and has formulated and promoted the implementation of the emergency drill plan of the Company and each department, so as to ensure that all the staffs are equipped with the corresponding emergency response ability. The Company has organized 8 first aid training and examination by Red Cross teachers, and more than 500 people have obtained the rescue certificate.

The Company is equipped with corresponding emergency materials according to the risk of each position, each workshop is set up with an emergency medicine box, and 3 sets of AED defibrillators are equipped in the factory at the same time. Through the construction of emergency plan measures, emergency team, emergency materials, emergency drills, emergency training and other aspects, The Company has effectively guaranteed the ability to effectively carry out emergency disposal in case of emergency.



04

Practicing Business for Good

ZTTSC engraves the practice of social responsibility into its corporate spirit, combines its own industrial advantages, and strives to make the fruits of technological innovation benefit every person, family and organization, and explores the practice of business to the good.

4.1 Product Quality and Customer Relationship Management

Consolidation of total quality management

"Dignity through quality" is one of the core values of ZTT Group. ZTTSC attaches great importance to the quality of products, listens carefully to the opinions and voices of customers, and devotes itself to providing customers with reliable products and technical services.

The Company adheres to the quality concept of "striving for excellence and continuous improvement", and ensures that the product quality and service quality meet the requirements by establishing multiple systems and product certifications.

ISO9001–2015 quality management system

ISO14001–2015 environmental management system

ISO45001–2017 occupational health and safety management system

ISO50001–2018 energy management system

ISO27001–2013 information security management system

GB/T29490 intellectual property rights system management system

GB/T 27922–2011 & CTS GHSCR003–2024 after-sales service management system audit

PCCC product certification

TLC product certification

Case | Annual "Quality Shame Day" activities

On March 3, 2024, ZTTSC organized a series of activities for the "Quality Shame Day" in 2024 with the theme of "Storing up hundreds of billions of new opportunities and creating a new chapter in precision manufacturing".



Reinventing the awareness that quality is the life of an enterprise, signing quality responsibility letters with employees; regularly carrying out quality improvement activities such as Lean, QC, Six Sigma projects, etc., to cultivate the ability of employees to improve quality; continuing to promote the quality of the "zero-defect" key projects, and gradually realizing the "Quality Zero Defect" key projects are continuously promoted to gradually realize the goal of "Quality Zero Defect". Regularly carry out internal audits and process diagnosis of the total quality management system, identify the weaknesses of quality management and potential quality risks throughout the product life cycle, formulate and implement effective corrective measures, and consolidate the product quality embankment by using total quality management.

Quality objectives are set for each sector at the beginning of each year and are counted according to the frequency of monitoring. Such as:

quality targets and indicators				
Department	Key target projects	Formula	KPI	Monitoring frequency
Research Institute for Sea Cable	R&D Success Rate	R&D Success Rate = (No. of R&D Successful Projects / Total R&D Projects) * 100%	≥95%	semi-annually
Marketing Department	Contract evaluation rate	Contract evaluation rate = (number of contracts evaluated/total number of contracts)*100%	100%	quarterly
Quality Department	One-time failure rate of raw materials	Number of anomalies/test batches	≤1.22%	every month
	Semi-finished products, finished products, factory inspection, shipment test employee error and omission number of inspections	Based on actual number of occurrences	0th	every month
Procurement Department	Timeliness of procurement supply	Timely procurement supply rate = (number of timely arrival lots/total number of arrival lots)*100%	≥98%	every month
Production Department	Product delivery timeliness	Timely delivery rate = (number of products delivered on time/number of products that should be delivered)*100%	≥90%	every month
Equipment Department	Equipment failure rate	Equipment failure rate = equipment failure downtime/measurement cycle x 100%	≤0.05%	every month

Focus on customer needs, drive quality improvement

ZTTSC has established an information management system of customer needs and expectations, set up the "Iron Triangle" operation system, cultivated a "five-in-one" combat team, created an innovative atmosphere, cultivated innovation ability, established an innovative mechanism, and built a manufacturing service-oriented industry, to Continuous breakthroughs in product technology and more intimate service spirit, to bring customers high-quality service-oriented experience.

The Company has established a complaint handling process in accordance with the "Customer Complaint Management Measures", and set up complaint handling mechanisms and platforms, such as: telephone, e-mail, QQ, WeChat, cell phone customer service platform, etc. From the acceptance of complaints, analysis of responsibility, information transfer, complaint handling, results feedback and effect tracking, The Company promises to: give a reply within one hour, arrive at the scene within 24 hours, and arrive at the scene within 48 hours in remote areas. Closing the loop on customer complaints within one week and focusing on monitoring the quality and efficiency of handling. For complaints about major customer issues, senior leaders will hold a special meeting to propose improvement programs; for general complaints, each department and factory will formulate corrective measures for the causes of complaints and implement continuous improvement.

The statistical frequency of The Company's customer satisfaction survey is twice a year (generally in June and December every year), divided into submarine fiber optic cable customers and submarine power cable customers according to the type of products, and the survey targets are the State Grid customers, the sea oil customers, the new energy customers, the overseas customers, and other general customers. The organizing department adopts sampling survey in the form of "Customer Satisfaction Questionnaire" to investigate the degree of customer satisfaction with The Company's products, services, etc., and collect relevant opinions and suggestions; the recovery rate of the questionnaire should strive to reach more than 80% for statistical analysis.

There were no major customer complaints during the reporting period, and letters of appreciation were received from customers every year.



Relying on the platform of Marine Industry Group, ZTTSC coordinates offshore wind power engineering maintenance projects with design units, supporting cable accessory units and engineering construction units, with a complete industrial chain and comprehensive services; it has set up four industrial bases, namely Shandong Lushan, Jiangsu Dafeng, Jiangsu Nantong and Guangdong Shanwei, to ensure timely response of products and services. Since the "14th Five-Year Plan". The Company has completed dozens of various types of submarine cable maintenance projects, covering all types of submarine cables, submarine fiber optic cables, special dynamic submarine cables and related accessories.

Customer after-sales service cases: In 2021–2025, implementing the "Longyuan Power Group Corporation Submarine Power Cable Maintenance Long-term Agreement", following the core value of "customer-oriented", responding technically within 20 minutes after the failure, arriving at the scene in 6 hours, and issuing the preliminary repair plan within 24 hours, and efficiently completing the submarine cable maintenance of projects such as Rudong Huangang and Sheyang H2, winning the praise of the owner.

4.2 Sustainable Supply Chains

ZTTSC regards its suppliers and partners as a "community of destiny", adheres to the concept of mutual development and win-win cooperation, and promotes the overall operation of green procurement, sunshine procurement, and value procurement service companies. By continuously promoting the improvement and enhancement of suppliers, we have formed a stable supply chain ecosystem with mutual reliance and support.

Supplier risk assessment

ZTTSC complies with the Group's "Zhongtian Technology's Supplier Management Measures" and has also formulated the "Supplier Management System", which unifies and standardizes the professional language and system of procurement, releases the supplier management system for procurement sourcing, certification, commerce, execution, performance management, etc., and adequately ensures the procurement process to operate in a stable and efficient manner through the integration of requirements, standardization of products, management of procurement strategies, and hierarchical management of suppliers.

In terms of supplier risk assessment, ZTTSC sets risk assessment items based on procurement amount, material attributes and CSR risk management, and comprehensively evaluates supplier risks in conjunction with historical audit records and performance ratings, and plans audit programs. Meanwhile, based on material classification standards, different assessment models are established to implement differentiated audits and certifications for new suppliers to assess their ability to comply with laws and regulations, product requirements and CSR agreements. In 2024, ZTTSC continuously requires suppliers to comply with the Supplier CSR Agreement and ZTT Supplier Code of Conduct, which specifies the red line requirements for labor standards, health and safety, environmental protection, and so on, and set standards for penalties for non-compliance. To meet the demand for sustainable development in the international market, CSR risk management system requirements such as green procurement and green supply chain have been added.

Reporting period:

Total number of cooperative suppliers in category A: **167**

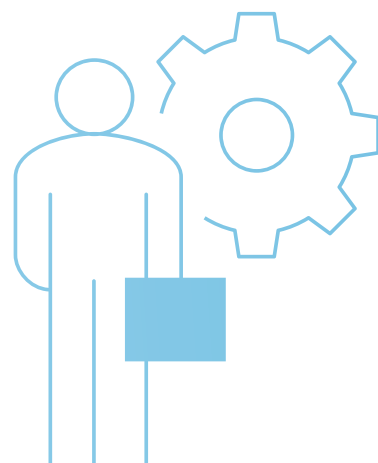
Number of new suppliers: **23**

100% Supplier Signing :

ZTT Supplier Code of Conduct

CSR agreement

A commitment not to use conflict minerals



Supplier performance management

Every year, ZTTSC conducts supplier performance evaluation on our suppliers, and the evaluation results are categorized into four grades: A (excellent), B (good), C (qualified) and D (unqualified). As of the end of 2024, we have evaluated the performance of more than 200 suppliers of marine cables in the SRM system.

Based on "Zhongtian Technology Supplier Management Measures", ZTTSC continuously optimizes its supplier structure and improves the gradient cultivation system of the enterprise. At the same time, we also closely link the sustainable development performance of suppliers with business cooperation, which is reflected in the stages of supplier selection, bidding and supplier management. For suppliers with excellent performance, we will prioritize them to increase the share of cooperation or provide more business cooperation opportunities under the same conditions. As for poorly performing suppliers, we will require them to rectify the situation within a limited period of time, reduce the procurement share, restrict business cooperation or even cancel the cooperation relationship.

Supplier capacity-building and development

In order to guide our suppliers to make continuous progress in sustainable development, ZTTSC organizes important events such as partner conferences and brand days every year, ZTTSC actively invites relevant suppliers to participate in order to strengthen communication and interaction with them. In addition, we provide regular training and guidance to suppliers on sustainable development, aiming to promote the comprehensive strength of the entire upstream industrial chain and eliminate the shortcomings that exist.

At the same time, ZTT Group also plays a leading role in influencing and driving upstream and downstream enterprises, strengthening synergistic cooperation with strategic suppliers, aiming to cultivate a group of enterprises with unique technology, industrial control and ecological dominance, so as to build up an industrial ecosystem that integrates upstream and downstream development, and to solve some of the chokepoint problems.



Cases |

Protecting High Quality Development, Organized a Seminar on Compliance, Quality and Performance Policies

In September 2024, ZTTSC held a seminar on compliance, quality and fulfillment for its supplier partners. The theme of the event was "Strong Compliance, Quality, Fulfillment and New Journey", which was attended by supplier representatives from all over the country, and ZTTSC actively invited relevant suppliers to participate in the seminar.

At the meeting, The Company publicized the policy reports of "Quality Management", "Performance Management" and "Compliance Management" to the supplier partners, and notified the typical cases of supplier's malpractices in recent years, which demonstrated the determination and practical measures of ZTT Group to "establish dignity by quality" and to fight against corruption. It also informed the typical cases of poor behavior of suppliers in recent years, which demonstrated the determination and practical measures of ZTTSC to "establish dignity by quality" and anti-corruption. The development and growth of ZTTSC cannot be separated from the support of our suppliers and partners. In the future, ZTTSC will continue to strengthen the management of suppliers, open up the channels of interaction and communication, and build a friendly and clear partnership with suppliers of "quality and governance, integrity and win-win cooperation", so as to promote the sustainable development of the supply chain, and to better realize the long-term and in-depth cooperation.

Building a green supply chain

ZTTSC actively promotes the green and sustainable development of the supply chain, pays attention to the green and low-carbon capabilities of the upstream and downstream participants, and takes the lead in the industry to launch the supply chain green and low-carbon initiatives, clarifies the green procurement organization and path, and promotes the low-carbon transformation of the industrial chain through a series of measures in collaboration with the upstream and downstream participants.

ZTTSC has updated and improved the Green Procurement Guidelines and Green Supplier Evaluation Criteria, and ZTTSC has actively implemented and responded to them by incorporating the concept of green supply chain management into the strategic planning of supplier development and clarifying the objectives of green supply chain management. According to the evaluation standard, we conduct green star rating for suppliers, focusing on the four aspects of "reduction, cleanliness, greenness and recycling" to attract and incentivize partners to improve their green and low-carbon capabilities, and link the contents of suppliers' green manufacturing, management system, carbon emission reduction of enterprises and carbon emission reduction of products with business, and give corresponding incentives to the partners who meet the requirements. We will link suppliers' green manufacturing, management system, enterprise carbon emission reduction and product carbon emission reduction with business and provide corresponding incentives to partners meeting the requirements.

Cordial and clean partnerships

ZTTSC attaches importance to and continuously creates a clean, open and transparent sunshine procurement environment. The compliance management system documents established include the "Implementation Rules for Procurement Compliance", and in order to clarify the internal control standards of all procurement business processes and the integrity and business ethics guidelines to be followed, and to ensure that the procurement compliance policy is put into practice, The Company also formulated the systems, processes and standards related to the internal control of procurement, such as the "Procurement Internal Control Standard Management Provisions", the "Code of Conduct for Procurement Business", and other documents. Business Code of Conduct" and other documents.

In order to continue to implement the business guidelines of compliance and progress, on the one hand, ZTT Group optimized the internal control mechanism of procurement and enhanced the level of information technology of technical prevention and control; on the other hand, it communicated the requirements of integrity and honesty through agreements, on-site communication and training, as well as emails, websites and other forms. Thus, the rigid constraints of compliance and integrity have been strengthened, and a solid foundation has been laid for the pro-clean cooperation between the supply and demand sides.

ZTTSC expects to focus on cost, quality and service with all supplier partners, and at the same time, work together to build up the vital link of compliance, and jointly create a clean and upright sunshine procurement environment.

Procurement compliance and integrity training was 19 hours per capita internally; more than 300 person-time for external vendors



4.3 Social Charity

ZTTSC has always implanted the practice of social responsibility in enterprise management, take the initiative to participate in charitable causes, choose environmental protection, education support, industry development, disaster relief, etc. as the focus of social responsibility concerns, and actively return to society. While strengthening and prioritizing manufacturing industry, create greater value for customers, employees, and society, so that the community to share the fruits of corporate development.

2024 Corporate Philanthropy Support Area:

Public Welfare	Significance	Public interest support initiatives
Environmental Protection	Building a better community environment and assuming regional responsibility	Lucid waters and lush mountains are invaluable assets.. The Company organizes tree-planting activities and plants saplings of hope.
Social Security	Helping the needy and promoting common prosperity	Carrying out charitable donations, condolences to widows and orphans, etc.
Provide relief during times of emergency and disaster	Helping to rehabilitate infrastructure and build a good social image	During the period of "Capricorn" typhoon, The Company was immediately put into repair work, which guaranteed the local residents' electricity consumption and helped the reconstruction of the disaster area.
Community Support and Education Initiatives	Engaging in various charitable initiatives, including supporting for the elderly and children, educational assistance, and medical aid, to promote the development of philanthropic causes in Nantong Economic and Technological Development Zone.	ZTTSC has established university-industry partnership funds and created the ZTT Technology Charity Fund in collaboration with the Nantong Development Zone Charity Association to advance philanthropic initiatives.

Protect the environment, start from me

Lucid waters and lush mountains are invaluable assets. Responding to the call of the state, we organized a tree-planting activity in FY2024, in which our employees planted a number of saplings around the development zone. In addition, we also carried out the "Love the environment, start from the side ----- Woodpecker Action", which aimed to enhance the staff's better knowledge of safety and security and their ability to work together. More than 40 colleagues worked together to clean the environment around the Company, starting from the side.



Actively organize social chaitable activities



ZTTSC actively carries out social charitable activities, organizes internal charitable donations every year, and extends a helping hand to the needy people in difficulty.

During the reporting period, under The Company's initiative, more than 1,800 internal employees participated in charitable donation activities, with an aggregate donation amount of 725,200 yuan, representing an increase of 55% as compared with that of FY2023, and the Love Fund activities created an atmosphere of harmony and goodwill within the enterprise.

Warmth to employees in difficulty, funding employees (family members) major illnesses and emergencies, provide condolences to employees in difficulty during Spring Festival, Mid-Autumn Festival. In 2024, further expanding the scope of the Fund of Love funding, raising the standard of funding, the annual total amount has reached 156,900 yuan funding and helping dozens of Zhongtian families.

Caring for the Elderly and Sending Warmth in Winter



During the Spring Festival in 2024, ZTTSC carried out the donation activity of "Sending Warmth to the New Year" – going into the community of the Development Zone to send New Year's goods to the elderly people, which demonstrated ZTTSC's spirit of great love.

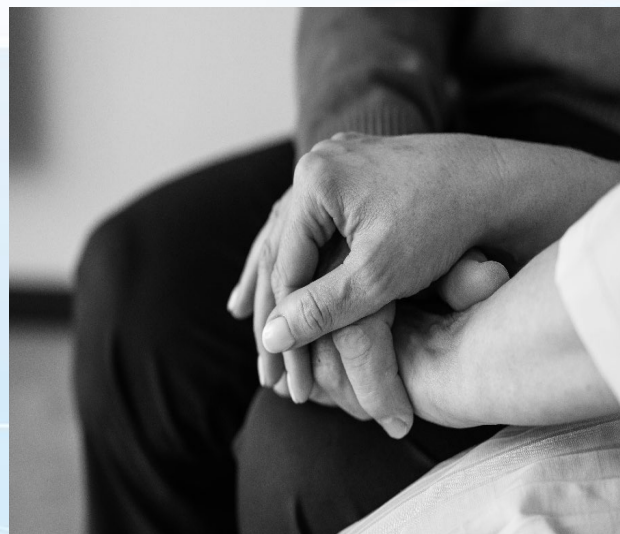
Emergency Rescue and Disaster Relief

During Typhoon Yagi in 2024, our emergency teams immediately mobilized to conduct critical repairs, ensuring uninterrupted power supply for local residents and supporting post-disaster reconstruction efforts.



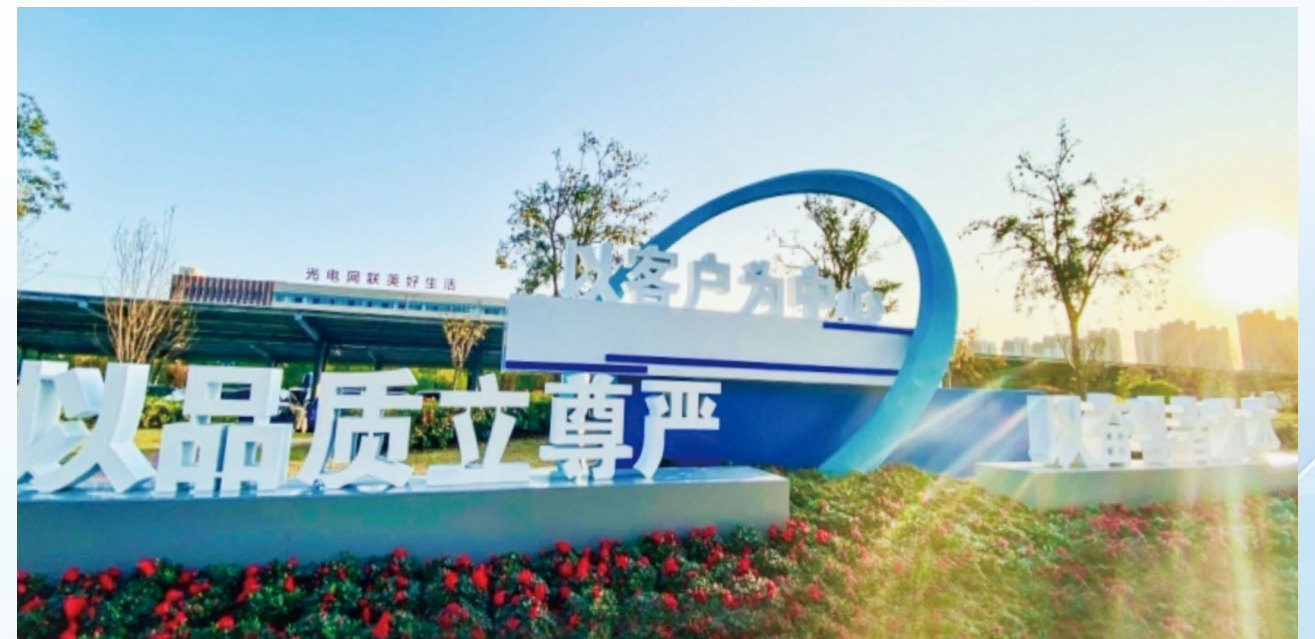
Community Support and Education

The company actively participates in community development and education support through strategic partnerships with academic institutions, having established dedicated university-industry collaboration funds that are incorporated into its annual financial budget. As part of its sustained philanthropic commitment, the organization donates 300,000 yuan annually to the Nantong Economic and Technological Development Zone Charity Association. These funds support comprehensive charitable programs encompassing elder care, youth support, educational and medical assistance, aid for disabled and impoverished communities, disaster relief, cultural philanthropy, and environmental protection initiatives. Through these multifaceted efforts, the company has become a driving force in advancing charitable causes within the Nantong Development Zone.



4.4 Cultural Enrichment

Long-term mission, vision and values are the foundation of a strong enterprise. ZTTSC takes on the values of the Group, "Focus on quality, customer satisfaction and continuous improvement". Culture through the heart, with the creation of the environment and atmosphere, all the attention, expectations, action force all united to the values of ZTTSC, convergence into the realization of the "Connecting Wonderful Life with Optic-Electric Network". The Company has done everything to serve this noble cause.



05

Responsibility for Sound Governance

A good governance system requires decision-making mechanisms that are compliant, professional and effective, thus safeguarding the long-term interests of all concerned.

ZTTSC complies with the Code of Business Ethics and related regulations, is subject to supervision under an effective and transparent corporate governance framework, and is committed to continuously improving its privacy protection and data security capabilities.

5.1 Corporate governance

In strict accordance with the requirements of The Company Law of the People's Republic of China and other laws and regulations and relevant provisions, ZTTSC, taking into account the actual operation and development of The Company, has formulated rules of procedure and working systems, clarified the responsibilities and powers of each department and working procedures, and established a sound modern enterprise system and a sound and standardized corporate governance structure.

The Company actively implements the business philosophy and strengthens the industrial control, not only has strong organization and management capability, leading technology and production capacity, but also has a complete and tight risk control system, independent and standardized and transparent daily operation, which ensures The Company's safe, stable, healthy and sustainable development.

5.2 Compliance Management

It has always been the management philosophy of ZTTSC to insist on integrity, business ethics and compliance with all applicable laws and regulations. Through continuous investment of resources, we have established a compliance management system in line with industry practices and insisted on end-to-end implementation of compliance management into business activities and processes; we emphasize and continue to create a culture of integrity and require every employee to comply with the code of business conduct.

Compliance organization structure and responsibilities

In accordance with the World Bank Integrity and Compliance Guidelines and other international compliance guidelines, the General Principles of Compliance Management of ZTTSC and other compliance guidelines and requirements, ZTTSC continuously improves the organizational structure of compliance management, plays the role of senior leadership, and forms a compliance management and reporting mechanism with the General Manager's Office as the head of the Compliance Leadership Group, a compliance specialist, and part-time compliance specialists in each department based on business specialists, to expand compliance management and reporting. Compliance Management and Reporting Mechanism.

Clearly define the responsibility for compliance management, improve the compliance management mechanism, identify, prevent, monitor, and respond to compliance risks in key aspects of the operation and management process such as third parties, bidding, contracts, procurement, cash payments, gifts and hospitality, donations and sponsorships, etc., and prevent, curb, and strictly prohibit non-compliance behaviors such as corruption, fraud, collusion, and coercion.

Holding fast to the construction of a clean culture

ZTTSC complies with all applicable anti-corruption and anti-bribery laws and regulations, eliminates any unfair competition or activities in all business activities worldwide, and adheres to the red line of compliance. Diversified reporting channels are provided so that all employees and partners of The Company can report any irregularities they find or suspect.

Enhancement of compliance awareness

- 1 Employees of ZTTSC must be responsible for society and safeguard the interests of The Company, consciously abide by national laws and regulations, and strictly implement The Company's compliance system. The Company has formulated the Internal Control Audit Mechanism and Internal Control Accountability Mechanism to supervise the compliance performance of employees in real time.

Adhere to honesty and compliance

- 2 Do not steal The Company's property or abuse the authority granted to you by The Company. Do not engage in any unethical behavior that could lead The Company into suspicion of illegal or prohibited conduct.

Maintain fair competition.

- 3 Comply with the compliance requirements of laws and regulations and shall not collude with competitors or jointly participate in behaviors with improper purposes or influences. Do not utilize insider information to harm the interests of the Company and its subsidiaries for profit.

Prevent bribery and corruption

- 4 Do not offer, promise, authorize, give, accept any form of bribe, commercial or property advantage, cash payment or gift of value for the purpose of influencing business conduct or decision-making, obtaining an improper advantage or interfering with independent judgment, or obtaining or maintaining a business opportunity.

Avoidance of conflicts of interest.

- 5 Without approval, The Company shall not release to the public, discuss in public, disclose to unauthorized persons or institutions, or use The Company's or relevant third party's trade secret information without proper authorization, and shall not make use of The Company's trade secret information or other information resources for the benefit of itself or others.

Protection of trade secrets.

- 6 It is prohibited to arrange for relatives to work in business affiliates with conflicts of interest, to work part-time in a company's business affiliates or business competitors, or to invest in a company's customers or competitors.

Compliance with ethical standards.

- 7 Adhere to the highest ethical standards and strictly prohibit engaging in any form of non-compliance, directly or indirectly, at any time in all projects.

In 2024, the Company achieved 0 incidents of corruption; received and properly handled 2 reports of potentially unethical behavior, which were later found to be inaccurate but demonstrated our zero-tolerance attitude towards non-compliance; and organized two departmental-level compliance trainings throughout the year, with a 100% participation rate of employees, to ensure that each and every employee had an in-depth understanding of and adherence to The Company's Code of Business Ethics.

Strengthening of monitoring and control mechanisms

ZTTSC requires all employees to study the "Code of Conduct for Employee Post Integrity" and "Regulations on Employee Integrity and Self-discipline", sign the "Anti-corruption and Anti-commercial Bribery Commitment" and "Employee Compliance Affirmation", and at the same time, requires each department to clearly define the scope of responsibility and objectives, and continuously improve the supervision and assessment mechanism and accountability system, and incorporate the inspection of anti-corruption construction work into the comprehensive assessment and evaluation of each department. In the future, it will continue to improve the compliance management process and system, consolidate the management foundation and continuously improve the management system through warning education and publicizing of typical cases.

ZTTSC has formulated the "Code of Conduct for Procurement Business", "Management Measures on Regulating Supplier Inspection and Exchange Activities" and "Purchasing Personnel Integrity Commitment" to regulate the behavior of the purchasing business and personnel related to the purchasing business, and has signed the "Agreement on Sunshine Interviews" and the "Partners' Integrity Commitment" with the suppliers in order to establish a sunshine purchasing environment.

Compliance reporting channels

ZTTSC provides diversified reporting and suggestion channels. If there are reasonable grounds to suspect that a violation has occurred or is about to occur, all employees and partners of The Company can report and make suggestions through both online and offline channels, including online:

- ☎ Compliance Leading Group Contact Tel: 0513-83599700
- ✉ Compliance Leadership Team Contact Email: zttscjc@ztt.cn
- ✉ Compliance Officer Contact Email: chenyn@ztt.cn

At the same time, anonymous reporting box is located in the main office building and VCV tower, and conduct strict protection of whistleblower information, set the location in the monitoring of the blind spot, the key is kept by the office, open once a month.

5.3 Information Security

Protecting privacy and data is a basic prerequisite for winning the trust of users, customers and other stakeholders. ZTTSC attaches great importance to privacy and data protection and takes effective measures to ensure the security and privacy of users' data.

In 2024, in terms of information security capacity building for all staff, we routinely organized information security training for personnel every month, focusing on strengthening the two-way enhancement of risk prevention awareness and technical application capacity, with information security training coverage reaching 100%. At the same time, we will continue to improve the construction of information security management system, and through the combination of quarterly special inspection and regular supervision, we will effectively guarantee the effective implementation of the network security management system, ensure the safe, stable and efficient operation of The Company's application system, complete the ISO27001 system re-certification work on schedule, and reach the annual core security index: zero occurrence of major information security incidents for the whole year.

Maintaining system security

ZTTSC lists information security management as an important means for the sound development of the enterprise. Effective information security measures can prevent and avoid risks. ZTTSC continues to strengthen information security management, from hardware to software, from network to individuals, to carry out strict management and monitoring, to ensure the stability and security of the system, to prevent the occurrence of data leakage and system crash and other risks.

During the reporting period, we focused on the following tasks in maintaining system security:

1: Implementation of access control

Strict implementation of access control mechanisms to ensure that only authorized users can access system resources. Enhance security with strong passwords, multi-factor authentication, access rights management and user account management.

2: Equip with firewalls and intrusion detection systems

Equip with firewalls to monitor and control network traffic, filtering malicious traffic and unauthorized access requests.

Deploy network security software and hardware facilities such as intrusion detection systems, cloud protection and situational awareness systems to detect and respond to potential security threats in a timely manner.

3: Timely updating of systems and software

Regularly update patches for operating systems and applications to fix known vulnerabilities and security issues.

Ensure that systems and software are always kept up-to-date to prevent attackers from exploiting vulnerabilities in older versions.

4: Enhanced security settings

Enable anti-virus software and anti-malware features to protect the system from malware.

Limit remote access and prohibit unnecessary services to reduce the attack surface of your system.

5: Backup data regularly

Back up important data regularly to prevent data loss or corruption.

Regular recovery drills are conducted so that normal operations can be quickly resumed in the event of a system failure or data loss.

6: Training and Inspection

Educate employees to improve safety awareness and comply with safe operating procedures.

Regular information security training is organized to enhance employees' information security skills and preventive awareness.

Respect and protect user privacy

Respecting and protecting users' privacy is an important part of information security. ZTTSC protects users' privacy and security in an all-round way by enhancing the awareness of privacy protection, adopting technical protection measures, complying with laws and regulations, and establishing a sound privacy protection system and management mechanism. When collecting, using and processing user information, we strictly follow the principles of lawfulness, legitimacy and necessity, and actively guide our employees to be aware of privacy protection, strengthen self-protection and respect the privacy of others.

1: Enhancement of privacy protection awareness

Regularly train employees on data protection and privacy to enhance their awareness of the importance of protecting users' privacy, to make them more vigilant in avoiding disclosure of sensitive information on unnecessary occasions, and to ensure that they are aware of The Company's privacy policy and relevant laws and regulations.

2: Password security

The system is associated with Asun Industrial Internet Platform, which reinforces the password security and mandatorily changes the password every three months. Asun Industrial Internet Platform implements two-factor authentication.

3: Device Security

Use antivirus software, firewalls and other measures to enhance the security of computers and mobile devices to prevent malware invasion and information leakage. Under the public network environment, the mailbox is enabled with a number of security reinforcement measures, such as two-factor authentication login, client authorization code login, and off-site login detection, which further enhances the security of internal mailboxes and protects the privacy of users at the same time.

4: File encryption

The encryption system is used within The Company to encrypt the files in the computer, which ensures the confidentiality of the data, and sensitive information such as personal privacy and business secrets can be effectively protected, greatly enhancing the security of the information.

5: Data minimization

Collect only user data necessary to achieve business purposes. Avoid excessive collection of irrelevant personal information and reduce the risk of data leakage.

6: Response to data breaches

Develop and implement a data breach response plan to ensure that prompt action can be taken to mitigate damages in the event of a data breach, and that affected users and regulators are notified in a timely manner.

6 Appendix

Appendix I: Independent Assurance Statement

Independent Verification Statement



Verification Statement: EIV2 131864 0001 Rev. 00

To the management and stakeholders of ZTT Submarine Cable,

TÜV SÜD Certification and Testing (China) Co., Ltd. (hereinafter referred to as "TÜV SÜD") has been engaged by Zhongtian Technology Submarine Cable Co., Ltd. (hereinafter referred to as "ZTT Submarine Cable" or "the Company") to perform an independent third-party verification on ZTT Submarine Cable 2024 Environmental, Social and Governance (ESG) Report (hereinafter referred to as "the Report"). During this verification, TÜV SÜD's verification team strictly abided by the contract signed with ZTT Submarine Cable and provided verification regarding the Report in accordance with the provisions agreed by both parties and within the authorized scope stipulated in the contract.

This Independent Verification Statement is based on the data and information collected by ZTT Submarine Cable and provided to TÜV SÜD. The scope of verification is limited to the given information. ZTT Submarine Cable shall be held accountable for authenticity and completeness of the provided data and information (contains assumptions, projections, and/or historical facts).

Scope of Verification

Time frame of this verification:

- ❖ The Report contains the data disclosed by ZTT Submarine Cable during the reporting period from January 1st, 2024 to December 31st, 2024, including governance, environmental and social information and data, methods for management of material issues, actions/measures and the Company's sustainability performance during the reporting period.

Physical boundary of this verification:

- ❖ The on-site verification sampling took place at below listed location:
No. 1 Xinkai South Road, Nantong Economic and Technical Development Area, Nantong City, Jiangsu Province

Scope of data and information for the verification:

- ❖ The scope of verification is limited to the data and information of ZTT Submarine Cable and all companies under its operational control covered by the Report.

The following information and data are beyond the scope of this verification:

- ❖ Any information and contents beyond the reporting period of this Report; and
- ❖ The data and information of ZTT Submarine Cable's suppliers, partners and other third parties; and
- ❖ The financial data and information disclosed in this Report that have been audited by an independent third party are not verified again herein.

Limitations

- ❖ The verification process is conducted in the above scope and places. Sampling and verification are adopted for the data and information in the Report by TÜV SÜD, and only the stakeholders within the Company are interviewed; and
- ❖ The Company's standpoint, opinions, forward-looking statements and predictive information as well as the historical data and information before January 1st, 2024 are beyond the scope of this verification.
- ❖ TÜV SÜD's verification conclusions are based on the analysis of the data and information collected by TÜV SÜD and may not identify all problems and conditions, nor constitute a guarantee of the credibility or status of the subject of verification.

Basis for the Verification

TÜV SÜD Certification and Testing
(China) Co., Ltd.
No.151 Heng Tong Road,
Shanghai 200070

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Tel: +86 21-61410123
Fax: +86 21-61408600
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ID: CCB_EIV_F_10.03E Version: 2 Effective Date: 08 Feb 2025 Page 1 of 3

Independent Verification Statement



Verification Statement: EIV2 131864 0001 Rev. 00

This verification process was conducted by TÜV SÜD's expert team with extensive experience in the economic, environmental, social and other relevant areas and drew the conclusions thereof. The verification conforms to the following standards:

- ❖ *International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements Other than Audits or Reviews of Historical Financial Information, Limited Assurance*
- ❖ *Sustainability report verification programme operation rule (CCB_EIV_GR_002E Rev02)*

In order to perform adequate verification in accordance with the contract and provide reasonable verification for the conclusions, the verification team conducted the following activities:

- ❖ Preliminary investigation of the relevant information before the verification;
- ❖ Confirmation of the presence of the topics with high level of materiality and performance in the Report;
- ❖ On-site review of all supporting documents, data and other information provided by ZTT Submarine Cable; tracing and verification of key performance information;
- ❖ Special interview with the representative of ZTT Submarine Cable's management; interviews with the employees related to collection, compilation and reporting of the disclosed information; and
- ❖ Other procedures deemed necessary by the verification team.

Verification Conclusions

According to the verification, we believe that the data and information presented in ZTT Submarine Cable's report are objective, factual and reliable, without systematic problems, and can be used by stakeholders.

The verification team has drawn the following conclusions on this Report:

Inclusivity	ZTT Submarine Cable has identified the internal and external stakeholders such as clients, employees, suppliers, the government and industry organizations, etc., and established a stakeholder communication mechanism to collect the demands of stakeholders on a regular basis.
Materiality	ZTT Submarine Cable has established the prioritization process of material topics determination, identified and assessed the priority of the sustainability topics which are highly related to the industry, the Company disclosed the governance structure, management actions and performance data of the Company's sustainable development management process, therefore the Report's adherence to materiality principle is guaranteed.
Responsiveness	ZTT Submarine Cable has disclosed the management approach and performance of high material topics that stakeholders concern, such as action to climate change, occupational health and safety, employee training and development, performance and compensation management, environmental protection, energy management and full life cycle management, etc., and has established a communication mechanism, to fully respond to the demands and expectations of stakeholders.
Impact	ZTT Submarine Cable has established an ESG governance system to enhance the Company's efforts in the areas of environmental, social responsibility and corporate governance. Through the process of identifying and evaluating material topics, the Company has disclosed their impacts on sustainability.

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Recommendations on Continuous Improvement

- It is recommended that the Company continues to improve its sustainable development management system.

Statement on Independence and Verification Capability

TÜV SÜD is a trusted partner of choice for safety, security and sustainability solutions. It specializes in testing, certification, auditing and advisory services. Since 1866, the company has remained committed to its purpose of enabling progress by protecting people, the environment and assets from technology-related risks. Today, TÜV SÜD is present in over 1,000 locations worldwide with its headquarters in Munich, Germany. Through expert teams represented by more than 26,000 employees, it adds value to customers and partners by enabling market access and managing risks. By anticipating technological developments and facilitating change, TÜV SÜD inspires trust in a physical and digital world to create a safer and more sustainable future.

TÜV SÜD Certification and Testing (China) Co., Ltd. is one of TÜV SÜD's global branches and has an expert team whose members have professional background and rich industrial experiences.

TÜV SÜD and ZTT Submarine Cable are two entities independent of each other and both TÜV SÜD and ZTT Submarine Cable and their branches or stakeholders have no conflict of interest. No member of the verification team has business relationship with the Company. The verification is completely neutral. All the data and information in the Report are provided by ZTT Submarine Cable. TÜV SÜD has not been involved in preparation and drafting of the Report, except for the verification itself and issuance of the verification statement.

Signature:

On Behalf of TÜV SÜD Certification and Testing (China) Co., Ltd.

Zhu Wenjun

TÜV SÜD Sustainability Authorized Signatory Officer

April 21st, 2025

Shanghai, China

Note: In case of any inconsistency or discrepancy, the simplified Chinese version "Independent Verification Statement CN" of this verification statement shall prevail, while the English translation is used for reference only.

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Appendix II: Report Preparation Notes

About the report

This report is prepared by Zhongtian Technology Submarine Cable Co.,Ltd. (hereinafter referred to as "ZTTSC") to disclose to stakeholders the opportunities, challenges, and efforts undertaken by The Company in creating shared value and advancing sustainable development. ZTTSC releases its Environmental, Social, and Governance (ESG) Report to communicate corporate social responsibility-related information. This marks The Company's first ESG report.



Basis of reporting

This report with reference to: The Global Reporting Initiative (GRI) Sustainability Reporting Standards; The Ministry of Ecology and Environment's Measures for the Legal Disclosure of Corporate Environmental Information; and other relevant guidelines.

Description of the report

- Timeframe:** January 1, 2024 to December 31, 2024. To ensure continuity and comparability of disclosed information, certain content may extend beyond this period.
- Scope:** The organizational scope of this report aligns with The Company's annual financial report. No restatements of prior data are included, and the reporting boundaries remain consistent with previous reports. Unless otherwise specified, this report covers ZTTSC's economic, environmental, social responsibility, and governance performance during the reporting period, with case studies drawn from The Company's operations.
- Terminology:** For brevity, "ZTTSC," "The Company," or "we," refers to Zhongtian Technology Submarine Cable Co.,Ltd. while "ZTT Group" denotes its parent company, Jiangsu Zhongtian Technology Co.,Ltd (ZTT Group).
- Frequency:** This is an annual report, synchronized with the financial reporting cycle. Current version: April 2025; next version expected: April 2026.
- Data Sources:** Operational data are derived from ZTTSC's 2024 Annual Report. Historical financial data have been audited by certified accounting firms, with retrospective restatements applied for accounting standard changes. Data collection and calculation methods remain consistent with prior reports. In case of discrepancies, financial report data shall prevail. All monetary values are in RMB unless stated otherwise. Data coverage excludes subsidiaries but will include all subsidiaries in the next version.

Reporting commitments

This report was compiled by ZTTSC's Submarine Cable Research Institute, reviewed by senior management, and approved by the General Manager. ZTTSC attests that the content contains no false or misleading statements.

Report Access: Available in digital format www.zttgroup.com

Appendix III: GRI Sustainability Reporting Standards (GRI Standards 2021) Content Index

CTS reported the information cited in this GRI Content Index during the reporting period by reference to the GRI Standards.

Disclosure Item		Disclosure Issues	Corresponding Section
GRI 2: General Disclosure 2021			
Organizations and their reporting practices			
2-1	Organizational details		About the present report
2-2	Entities included in organizational sustainability reports		About the present report
2-3	Reporting period, frequency of reporting and contact person		About the present report
Activities and workers			
2-6	Activities, value chains and other business relationships		About Zhongtian Technology
2-7	workers		2024 Operating Data
Governance			
2-9	Governance structure and composition		Corporate Governance
2-10	Nomination and selection by the highest governing body		Corporate governance
2-12	Oversight role of the highest governance body in terms of managerial influence		Corporate Governance
2-13	Delegation of responsibility for managing impacts		Corporate Governance
2-14	The role of the highest governance body in sustainability reporting		Corporate Governance
2-16	Communication of critical issues of concern		Corporate Governance
2-17	Common knowledge of the highest governance bodies		Corporate Governance
2-19	Remuneration policy		Corporate Governance
Strategies, policies and practices			
2-22	Strategic statement on sustainable development		ESG Management
2-23	Policy commitments		ESG Management
2-24	Integration policy commitments		ESG Management
2-26	Mechanisms for seeking advice and raising concerns		ESG Management

Organizations and their reporting practices		
2-29	Methods of stakeholder engagement	ESG Management
GRI 201: Economic Performance 2016		
201-1	Directly generated and distributed economic value	ESG Management
201-3	Obligatory defined benefit plans and other retirement plans	ESG Management
GRI 203: Indirect Economic Impacts 2016		
203-1	Infrastructure investment and support services	ESG Management
203-2	Significant indirect economic impacts	ESG Management
GRI 205: Energy 2016		
302-1	Energy consumption within the organization	Energy Management
302-3	energy intensity	Energy Management
302-4	Reduction of energy consumption	Energy Management
302-5	Reduced energy demand for products and services	Energy Management
GRI 303: Water Resources and Wastewater 2018		
303-2	Managing drainage-related impacts	Environmental Protection
GRI 306: Waste 2020		
306-1	Waste generation and significant waste-related impacts	Environmental Protection
306-2	Management of significant impacts related to waste	Environmental Protection
306-3	waste generation	Environmental Protection
306-5	Waste entering disposal	Environmental Protection
GRI 308 Supplier Environmental Assessment 2016		
308-1	New suppliers screened using environmental criteria	Sustainable Supply chains
GRI 401: Employment 2016		

401-1	New hires and employee turnover	Human capital development
401-2	Benefits offered to full-time employees	Employee Rights & Benefits
GRI 403: Occupational Health and Safety 2018		
403-1	Occupational Health and Safety Management System	Occupational Health and Safety
403-3	Occupational health services	Occupational Health and Safety
403-5	Occupational health and safety training for workers	Occupational Health and Safety
403-6	Promoting the health of workers	Occupational Health and Safety
403-7	Prevention and mitigation of OHS impacts directly related to business relationships	Occupational Health and Safety
GRI 405: Diversity and Equal Opportunity 2016		
405-1	Diversity in the governing body and workforce	Employee Rights & Benefits
GRI 413: Local Communities 2016		
413-1	Operational sites with local community engagement, impact assessment and development plans	Social Welfare
GRI 414: Supplier Social Assessment 2016		
414-1	New suppliers screened using social criteria	Sustainable Supply chains
GRI 418: Customer Privacy 2016		
418-1	Substantiated complaints relating to invasion of customer privacy and loss of customer data	Information Security

Appendix IV:
United Nations Sustainable Development Goal Benchmarking

ZTTSC aligns with its parent company Jiangsu Zhongtian Technology Co., Ltd.'s commitment to the United Nations Sustainable Development Goals (SDGs). The company implements and fulfills all actions and performance targets outlined in Zhongtian Technology's 2024 Environmental, Social, and Governance (ESG) Report.

Goal	Concrete Action	Goal	Concrete Action
	People-Centric Approach: Social Responsibility and Inclusive Growth		People-Centric Approach: Social Responsibility and Inclusive Growth
	People-Centric Approach: Social Responsibility and Inclusive Growth		Green Transformation: Environmental and Climate Action; People-Centric Approach: Social Responsibility and Inclusive Growth
	People-Centric Approach: Social Responsibility and Inclusive Growth		Green Transformation: Environmental and Climate Action ; Long-Term Trust: Integrity Governance and Business Ethics
	Long-Term Trust: Integrity Governance and Business Ethics		Green Transformation: Environmental and Climate Action
	People-Centric Approach: Social Responsibility and Inclusive Growth		Green Transformation: Environmental and Climate Action
	Green Transformation: Environmental and Climate Action		Green Transformation: Environmental and Climate Action
	2024 Technology Navigation for a Sustainable Future ; Green Transformation: Environmental and Climate Action		Long-Term Trust: Integrity Governance and Business Ethics
	Green Transformation: Environmental and Climate Action		Long-Term Trust: Integrity Governance and Business Ethics
	2024 Technology Navigation for a Sustainable Future ; Green Transformation: Environmental and Climate Action; People-Centric Approach: Social Responsibility and Inclusive Growth		

Appendix V: Reader Feedback

Dear Valued Readers,

Thank you for reviewing ZTTSC's 2024 Environmental, Social, and Governance (ESG) Report. We sincerely invite your valuable comments and suggestions to help us continuously improve our ESG disclosure practices and enhance our ESG management standards.

To facilitate this process, we have prepared a feedback form and kindly request your time to complete and return it. Your support and commitment are vital to our ongoing efforts to refine and perfect our ESG initiatives. We extend our deepest gratitude for your contribution!

Multiple Choice Questions (Please check ✓ the appropriate box)

Evaluation Criteria	Excellent	Good	Fair	Poor
Comprehensive reflection of economic, social, and environmental impacts				
Clear, complete, and accurate disclosure of information/metrics				
Readability in language, content organization, and graphic design				

Open-Ended Questions:

- What is your overall assessment of this report?
- Which sections of the report did you find most valuable?
- What additional ESG information should we disclose in future reports?
- How can we enhance our ESG management and reporting practices?

If convenient, we welcome you to provide your contact details:

Name:	Contact Number:
Organization/ Company:	Email:

For More Corporate Information, Visit our official website: www.ztt.cn
Feedback Email: zttscjc@ztt.cn

