



Connecting Wonderful Life with Optic-Electric Network



Connecting Wonderful Life with Optic-Electric Network——

2020 Sustainable Development Report

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Jiangsu Zhongtian Technology Co., Ltd

www.chinaztt.com

Jiangsu Zhongtian Technology Co., Ltd

▶ Introduction to Report Preparation



About the Report

This Report illustrates the opportunities and challenges faced by Jiangsu Zhongtian Technology Co., Ltd (hereinafter referred to as "ZTT") and stakeholders in the process of creating value together as well as the efforts made to achieve sustainable development.

ZTT annually releases the information related to corporate social responsibility (CSR) in the form of sustainable development report.

Report Basis

Referred standards for this Report: GRI Core Program for Uniform Norm of Sustainable Development Reports (2016) issued by Global Sustainability Standard Board, GB/T36001-2015 Guidance on Social Responsibility Reporting, Guidelines on Environmental Information Disclosure of Listed Companies issued by Shanghai Stock Exchange, 2030 Agenda for Sustainable Development issued by the United Nations, etc.

Notes to Report

Time Span: Lasted from January 1, 2020 to December 31, 2020. Partial of the information content will be appropriately extended with respect to the time of disclosure in consideration of the continuity and comparability of information disclosed.

Scope of Reporting: The organizational scope of this Report matches that of the Company's annual report (see Appendix 3). Except for special notes, this Report describes the information of economic, environmental and social responsibilities of ZTT and appropriate subsidiaries during the reporting period. Typical cases are sourced from the Company or Such branches.

Notes to Name: For purpose of convenience of expression, "Zhongtian Technology", "Zhongtian", "Company", "this Company" or "Enterprise" used in the report refers to Jiangsu Zhongtian Technology Co., Ltd.

Data Description: The business data of this Report is sourced from the 2020 Annual Report of Jiangsu Zhongtian Technology Co., Ltd., some historical data are supported to be retrospectively restated based on the change in the accounting standard, and the data acquisition and calculation method are not significantly changed when compared to such indexes in annual reports drafted previously, and the data in the financial report shall prevail in case the data in this Report is found to mismatch financial report. All amounts are denoted in RMB unless otherwise specified in the report.

Undertakings of Reporting

This Report is organized and prepared under the leadership of Culture and Brand Department, ZTT, reviewed by competent senior executives of the Company, and approved by the Board of Directors of the Company. ZTT guarantees no false or misleading statement will be found in the report.

Report Access: This Report is available for your reading in the form of printed version or electronic version. You are also allowed to visit <http://www.chinaztt.com> to acquire electronic reports.

CONTENTS

Notes to Preparation of the Report

01 Chairman's Speech

02 Overview of Sustainable Development in 2020

04 Recognitions and Awards

05 Improvement of Governance Structure and Advancement of Sustainable Development

- About ZTT
- Sustainable Development Management
- Communication between Stakeholders
- Determination on Substantive Issues for Sustainable Development

18 Prevention from Operation Risk and Persistence of Compliance Operation

- Building of Scientific Compliance System
- Firm Crackdown on Commercial Bribery
- Anti-unfair Competition
- Protection on Intellectual Properties

23 Connecting the World with Optic-Electric Network, Leading Development with Innovation

- 5G Enabling, Interconnecting and Sharing
- Reliable Products, High-quality Services
- Information Security, Privacy Protection

30 Persistence in Green Development, Promotion of Circular Economy

- Our Performances in 2020
- Advocacy of Design with Green Products
- Advancement of Green Production and Operation
- Practiced Development of Circular Economy

36 Respect and Care for Employees, Build Spiritual Home

- Our Performances in 2020
- Realistic Protection on Rights and Interests of Employees
- Strengthening of Competency Building of Employees
- Creation of Healthy and Safe Environment
- Improvement of Building of Spiritual Home

44 Joined Hands with Partners to Build The Community of Shared Future

- Our Performances in 2020
- Improvement of Supplier Management System
- Industry Cooperation, Win-win and Joint Development

51 Undertook Enterprise Responsibility and strove to serve as Excellent Citizens

- Our Performances in 2020
- Served National Major Projects
- Charitable Contributor with Constancy and Boundless and Universal Love
- Feedback to Community Construction with Love

55 Appendix I: GRI Index Category

65 Appendix II: Benchmarking of Sustainable Development Goals of the United Nations

69 Appendix III: List of Affiliates and Branches of Jiangsu Zhongtian Technology Co., Ltd.

72 Appendix IV: Organizational Structure of Jiangsu Zhongtian Technology Co., Ltd.

Chairman's Speech

Follow the trending of dual circulation, and win with high quality
In 2020, centennial epidemic in the 21st century is intertwined with centennially varied situation.

ZTT, under the leaderships and supports of municipal and county CPC committees and governments, delivered gratifying and pleasing answers with double-digit growth in main business sales and profits respectively; The enterprise culture is further rooted deeply and the organization operation is more vigorous; Zhang Aiqin, Zhou Rongxin and Bao Lei won the titles of "The Most Respectful Front-line Worker" and "Gold Medal Worker" awarded by the government; President Xue Chi won the honor of "National Model Worker"; 25 innovative products of ZTT had been approved in the appraisals organized by ministerial and provincial authorities; "special wire" won the fifth single champion of Ministry of Industry and Information Technology of the People's Republic of China (MIIT); and it was encouragingly awarded with "China Grand Awards for Industry", being the best praise for ZTT to stick to the manufacturing industry for 28 years.

We should be aware that the subsidiaries of the Group still suffer from losses while celebrating, influencing the return on net assets.

2021, as the first year of the Five-year Plan of new march and emerging starting point of the second centennial goal, is a new year for us to expect.

What kind of prospect will ZTT Group show you in the future? How to proceed?

Firstly, we should further clarify the strategic positioning of ZTT during the period of the 14th Five Year Plan, solidly implement the strategic measures, and unwaveringly strive for strategic goals. Our main layout coincides with the new infrastructure, but new developments and changes are accompanied with both opportunities and challenges. Hence, we should accurately identify changes, scientifically respond to changes and take the initiative to seek innovations.

Secondly, we should clear the business policy for the incoming year: "Follow the trending of dual circulation, and win with high quality". We should practice the ability of dual circulation in domestic economic cycle and realize that the contraction of increment and the differentiation of stock in the future will be inevitable trends.

High-quality development relies on talents, and the structure of talents must be optimized; we should firstly complement the shortcomings about talents to make up for the insufficiency of industry chain; and must close the gap for talents-related weakness prior to remedying technical weakness.

High-quality development requires systematic thinking. The innovation is to discover real requirements of customers essentially. Organizational change must be prioritized. The Group Technical Committee will be set up in the coming year to guide the innovation of industrial group. The problems related to the operation and management should be analyzed dialectically and traced back drastically and thoroughly instead of being treated separately.

The goal orientation for high-quality development should be followed, stage goals should be constantly broken through, and slight victories should be accumulated to seek great victories and move towards the ultimate goal; The rate of return on equity also remains to be an non-ignorable indicators for performance appraisal.

In conclusion, the social responsibility acts as the concept of externality, while social value remains to be the concept of internalization for the enterprise itself. "We should internalize the social value in our hearts and externalize it in our practices for "Creating Value for Customers, Employees and the Society". Internal circulation not just relies on the consumption, and the source of consumption also lies in the distribution. The distribution of enterprises is also an important link, it is the responsibility of ZTT to secure sustained and stable growth of employees' income, and ZTT should make a public commitment to the society.

The incoming year is about to befall. On the occasion of bidding farewell to the past and welcoming the future, I would like to extend my cordial greetings to all employees and your families of ZTT, and express my heartfelt thanks to new and regular customers, industry experts and all walks of life at home and abroad who care, support and help the development of ZTT.



Xue Jiping

The chairman of Zhongtian Technology Co., Ltd



Overview of Sustainable Development in 2020

Total assets amounting	Year-on-year growth	Operating revenue	Year-on-year growth
47.145 billion Yuan	16.94%	44.066 billion Yuan	13.55%

Net profit attributable to the shareholders of listed company	Basic earnings per share
2.275 billion Yuan	0.754 Yuan

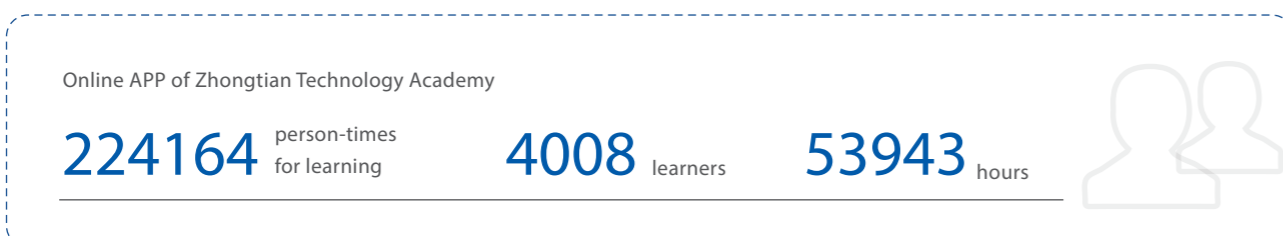
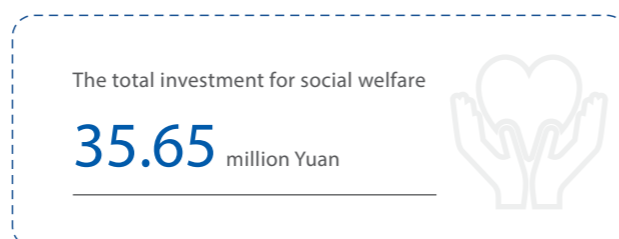
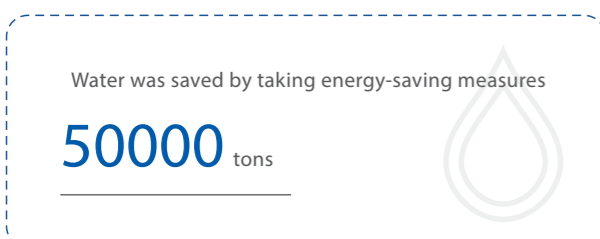
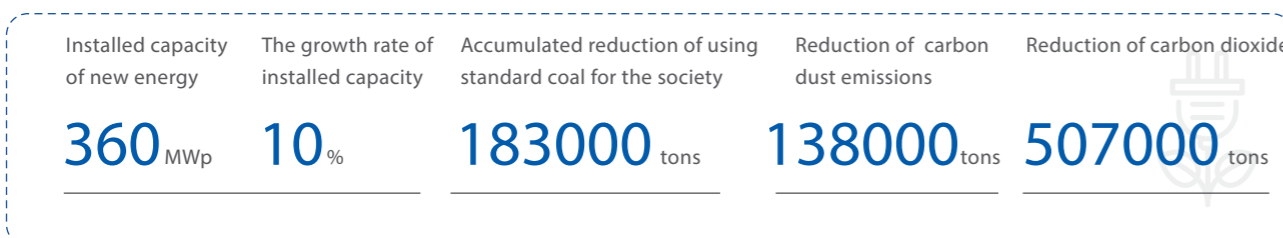
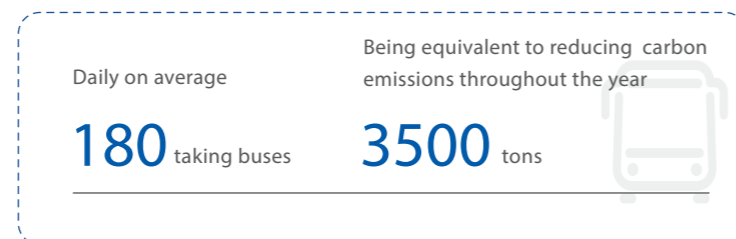
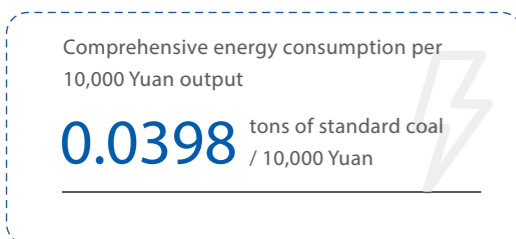
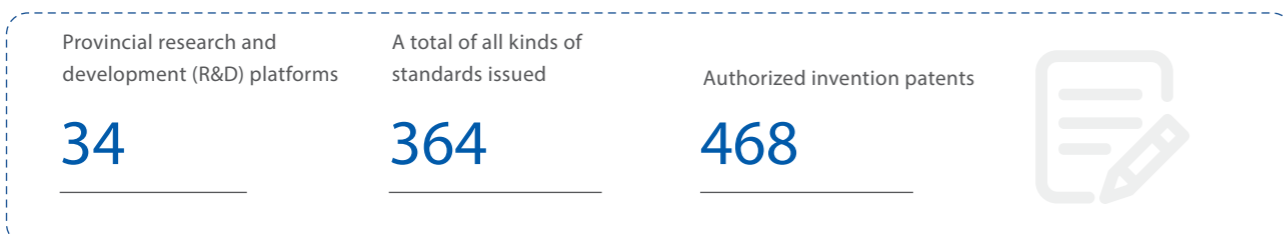


Employees	Employees granted with doctoral degree and above	Employees granted with master degree
12495	35	295
Employees granted with bachelor degree	Employees granted from junior colleges	Overseas employees Accounting for
2767	2260	1231 9.8%



Subsidiaries	Overseas production bases	Overseas agencies
74	6	54





▶ Recognitions and Awards

Description of Honor/Award	Issuing Authority
China Grand Awards for Industry	China Federation of Industrial Economics
Power Technology Innovation Award	China Electricity Council
One of Globally Top 10 Best Valuable and Powerful Telecom Infrastructure Brands, ranking the eighth place	Brand Finance (British brand finance consulting company)
One of 2020 Top 100 Chinese Strategic Emerging Industries, ranking the 36 th place	China Enterprise Directors Association
One of Top 100 Chinese Electronic Information Competitiveness Businesses, ranking the 19 th place	China Information Technology Industry Federation, Ministry of Industry and Information Technology
Rated as Grade A centralized purchasing supplier by China Mobile in 2020	China Mobile Communications Group Co., Ltd.
Four newly added technologies and products were approved in the assessment of State Grid	State Grid Corporation of China
China top 500 in Fortune, ranking the 255 th place	Fortune (Chinese version)
One of Chinese Top 500 Private Enterprises in 2020, ranking the 122 nd place	All China Federation of Industry and Commerce
One of Top 500 Global New Energy Enterprises, ranking the 142 nd place	China Energy News
One of 100 Top Chinese Electronic Components enterprises, ranking the first five places	China Electronic Components Association
One of Chinese Top 500 Communication Enterprises in 2020, ranking the 9 th place	5G Communication Network
T Ü V Rhine's Globally First Transparent Fluoride Film Certification	TÜV Rhine
Jiangsu Internet of Industry Development Demonstration Enterprise	Industry and Information Technology Department of Jiangsu
Jiangsu High-quality Development Benchmarking Enterprises	Xinhua Media Group, Jiangsu Economy Press
Chinese Enterprise ESG "Golden Awards" 2019-Best Responsibility Aggression Award	Sina Finance

Improvement of Governance Structure and Advancement of Sustainable Development



▶ About ZTT

ZTT started with optical fiber communications in 1992 and was listed with the stock code numbered 600522 on Shanghai Stock Exchange in 2002. It is known as "the first share of special optical fiber and cable". ZTT, after nearly 30 years of development, has become a national innovation demonstration enterprise involved in optical fiber communications, smart grid, marine equipment, renewable energy, new materials and other industries, and dominating "ZTT brand" communication and power transmission products have produced nearly 100 series and thousands of varieties covering the latest products and technologies of Chinese optoelectronic cables, and the products of ZTT are widely used in major telecommunications and power operators and broadcasting, transportation, energy and other fields. Meanwhile, ZTT have established a perfect supply chain management system and after-sales service support system, fully meeting customer requirements roundly and comprehensively.

Brand Icon of ZTT:



Core Ideas

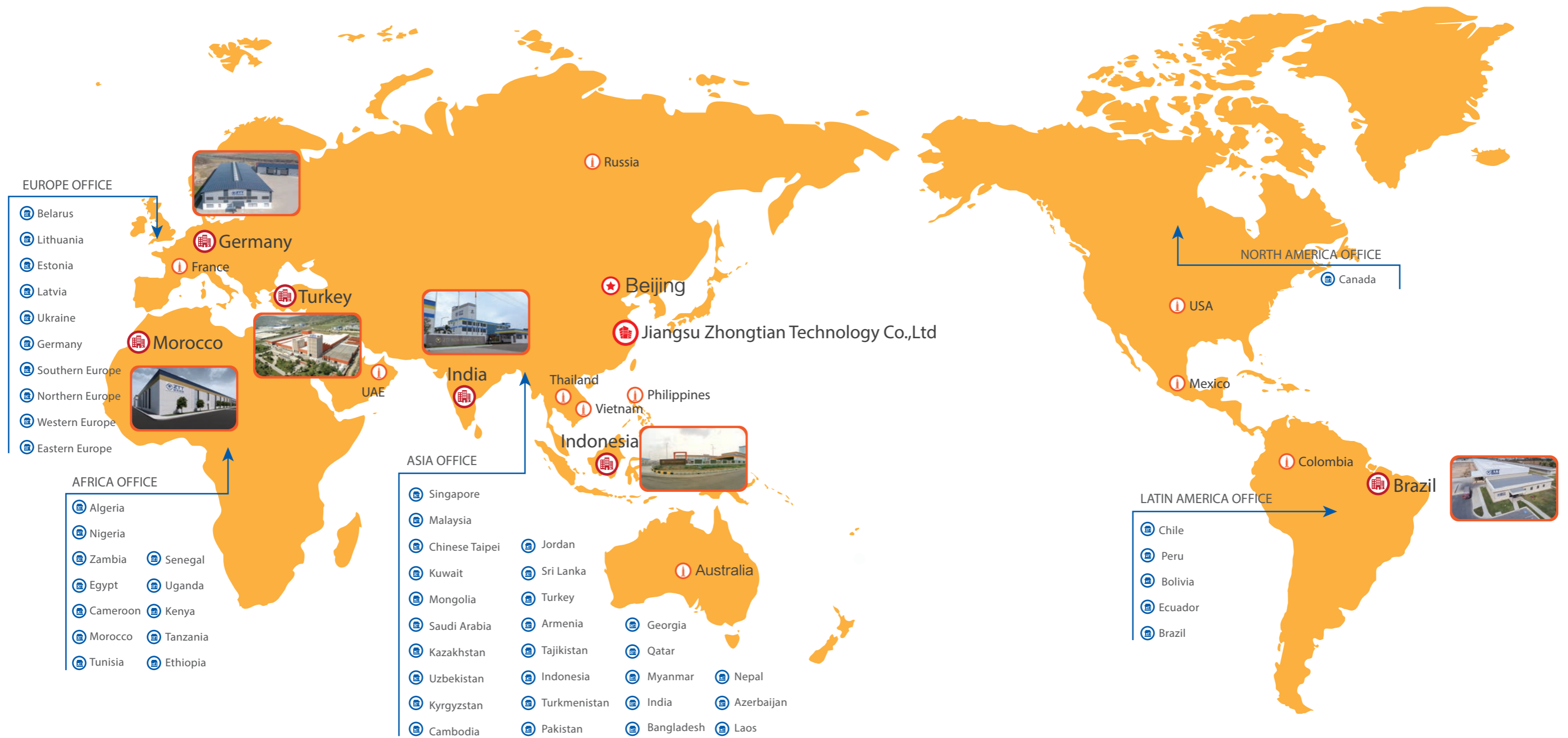
Mission: Connecting Wonderful Life with Optic-Electric Network

Vision: Creating Value for Customers, Employees and the Society

Values: Honorary Quality, Customer Oriented and Strivers Founded



Industrial Layout



 Registered Subsidiaries
  Overseas Plants
  Branch Offices

Corporate Governance

Pursuant to the requirements of Company Law of the People's Republic of China, Securities Law of the People's Republic of China, Code of Corporate Governance for Listed Companies in China by China Securities Regulatory Commission, Rules Governing Listing of Stocks on Shanghai Stock Exchange as well as laws, regulations and related provisions, ZTT has established relatively scientific corporate governance structure and continuously improved rules. The organ of authority, decision-making body, supervisory body and management of the Company clarified the rights and responsibilities, fulfilled respective jobs and obligations and operated in a standardized manner in accordance with the Articles of Association of Jiangsu Zhongtian Technology Co., Ltd. The board of directors of the company believed that actual situation of the corporate governance structure basically met the requirements of the Code of Corporate Governance for Listed Companies in China issued by China Securities Regulatory Commission.

The organizational governance system of the Company shows diversified development trend, the directors, supervisors and senior management professionals cover the finance, economy, law, etc., including senior experts engaging in the communication, electric power, marine and other industries. By actively implementing the business philosophy and strengthening the industrial management and control, the Company is not only provided with strong organization and management capacities, leading technology and production capacities, complete and strict risk management and control systems, independent and transparent daily operations and high operation efficiency, ensuring the safety, stability, health and sustainable development of the Company, and delivering high level of corporate governance.

The Company timely revised and improved the Articles of Association of Jiangsu Zhongtian Technology Co., Ltd. during the reporting period in accordance with the provisions of Guidelines for Articles of Association of Chinese Listed Companies issued by China Securities Regulatory Commission.

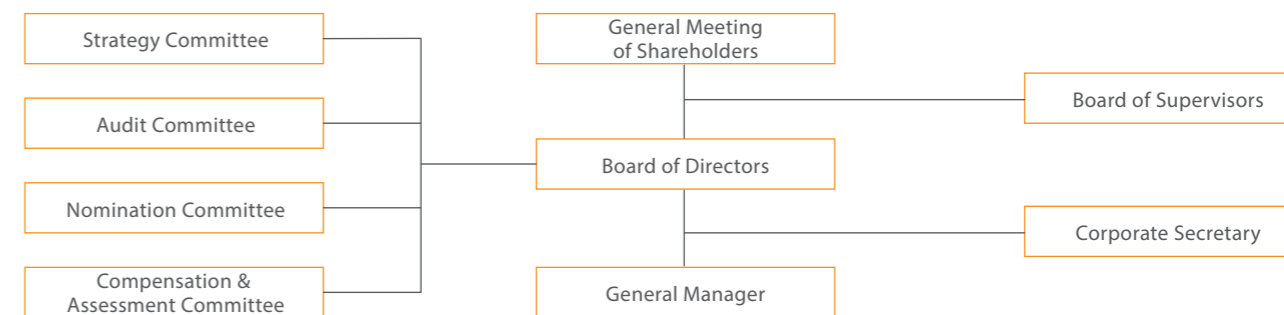
General Meeting of Shareholders, Board of Directors and Board of Supervisors

The general meeting of shareholders is considered to be the supreme authority of the Company, the board of directors acts as the decision-making body of the company, the management acts as the executive body of the company; and the board of supervisors is the supervisory body of the company. ZTT selected and employed the directors, supervisors and senior executives in strict accordance with the conditions and procedures specified in the Articles of Association of Jiangsu Zhongtian Technology Co., Ltd., made the decisions on strategic development and major business management in the manner of general meeting of shareholders, the board of directors and the board of supervisors, and organized the implementation.

The Company ensured that all shareholders enjoyed equal status and fully exercised their rights. The Company convened and held the general meeting of shareholders during the reporting period in strict accordance with procedural requirements of the Rules of Procedure for General Meeting of Shareholders of Jiangsu Zhongtian Technology Co., Ltd., and lawyers attended and witnessed the meeting; the voting method integrated on-site voting in combination with online voting was adopted to provide convenience for shareholders to attend the meeting. The affiliated shareholders avoided voting on connected transaction-related matters, and major matters influencing the interests of minority investors were counted separately by minority investors, the cumulative voting system was implemented for general election of the Board of Directors and the Board of Supervisors to effectively safeguard legitimate rights and interests of shareholders of the Company.

The Seventh Board of Directors of the Company was composed of 9 directors including 3 independent directors during the reporting period. The number and personnel composition of the Board of Directors met the requirements of relevant laws and regulations. The directors of the Company followed relevant laws and the articles of association, perform their duties honestly and diligently, and safeguard the interests of the company. When the Board of Directors discussed related-party transactions, the independent directors expressed their independent opinions, and related directors avoided voting.

The Board of Directors is affiliated with the Investment Strategy Committee, Audit Committee, Nomination Committee and Compensation & Assessment Committee, all special committees are attended by independent directors, and one of independent directors in the Audit Committee is an accounting professional and serves as the chairman. The special committees assist the Board of Directors in performing the decision-making function in the investment strategy, audit, human resources and salary, etc., operate well and fully utilize their professional advantages, securing the legitimacy, rationality and correctness of decisions of Board's of the Company and reducing the operational risk of the company.



Special Committees of Board of Directors	Major Responsibilities
Strategy Committee	Study long-term development strategies and major investment decisions of the Company and raise suggestions.
Audit Committee	Propose to employ or replace an external audit institution; supervise internal audit system and corresponding implementation of the Company; manage for the communication between internal audit and external audit; audit the financial information and appropriate disclosure of the Company; and review internal control rules of the company.
Nomination Committee	Study the criteria and procedures for selection of directors and senior executives and raise suggestions; extensively search eligible candidates of directors and managers; review candidates of directors and managers and make suggestions.
Compensation & Assessment Committee	Study the criterion of assessments on directors and senior executives, conduct assessment and raise suggestions; and study and review the remuneration policies and plans for directors and senior executives.

The Company elected supervisors in strict accordance with the Company Law of the People's Republic of China, Articles of Association of Jiangsu Zhongtian Technology Co., Ltd. as well as related regulations of China Securities Regulatory Commission and Shanghai Stock Exchange during the reporting period. The 7th Board of Supervisors of the Company was composed of three supervisors, one of whom was an employee representative supervisor, meeting the requirements of laws and regulations. The supervisors of the Company were capable of conscientiously performing their duties, supervising the legality and compliance of finance, director, general manager and other senior management personnel of the Company in the spirit of being responsible to shareholders while performing their duties, and safeguarding legitimate rights and interests of the Company and shareholders.

In 2020, ZTT organized and held 2 shareholders' meetings, 10 board meetings and board of supervisors meetings, set up executives of a new round of Board of Directors and Board of Supervisors, implemented new business philosophy, straightened out enterprise organization, strengthened industrial group management and control, and formed younger and more tension decision-making level. Actual situation of corporate governance meet the requirements of normative documents on corporate governance of listed companies issued by China Securities Regulatory Commission and Shanghai Stock Exchange.

Mechanism for Performance Appraisal, Incentive and Restraint

The Company established and implemented the system for determining the position and salary according to the position and responsibility system for management objective assessment, and evaluated and rewarded the achievements and performances of employees and senior managers of the Company. The Company formulated and implemented the Management Measures for Incentive and Compensation for Executives to motivate core technicians and business backbones according to annual status of operation. The appointment of operation and management executives is open and transparent, meeting requirements and provisions of relevant laws and regulations and Articles of Association of Jiangsu Zhongtian Technology Co., Ltd.

Internal Control

In order to strengthen the setup of internal control system, improve the operation and management level of the Company, and guarantee the observation of requirements of Fundamental Norms for Enterprise Internal Control and Guidelines for Application of Enterprise Internal Control, ZTT set up comprehensive coverage and multi-level internal control construction system with the Board of Directors, Audit Committee, internal control audit and internal control teams of all business units as main frameworks, identified major risks influencing the Company's "achieving strategic objectives, improving operational efficiency and effectiveness, ensuring the authenticity and reliability of financial reports and related information, securing the safety of assets and legal compliance of operation and management" by focusing on the development strategies of the Company, took key control activities to tackle such risks to control and prevent major risks, and set up and formulate internal control manual and internal control evaluation to adapt to the Company, and secure continuous improvement and effective operation of internal control, and no major defect was found with internal control of financial reporting as of the base date of internal control evaluation report.

Information Disclosure

The Company designated the Secretary of the Board of Directors and the Representative of securities affairs in strict accordance with the Rules Governing Listing of Stocks on Shanghai Stock Exchange and Administrative Measures of Jiangsu Zhongtian Technology Co., Ltd. on Information Disclosure to take charge of daily information disclosure, and designated China Securities Journal, Shanghai Securities News, Securities Times and the website of Shanghai Stock Exchange as media for public information disclosure of Jiangsu Zhongtian Technology Co., Ltd. The Company was capable of truly, accurately, completely and timely disclosing periodic reports and temporary announcements, appropriately keeping confidential prior to disclosure, practically fulfilling the information disclosure obligations of listed company, guaranteeing the openness, fairness and justness of information disclosure, and actively protecting legitimate rights and interests of investors, especially minority investors.

ZTT conducted the information disclosure service in strict accordance with the Company Law of The People's Republic of China, Securities Law of the People's Republic of China, Administrative Measures for Information Disclosure of Listed Companies and other laws and regulations, and issued 73 temporary announcements and 4 regular reports in total to enable investors to timely and accurately understand the operating conditions of the Company through information disclosure.

Investor Relations Management

ZTT attached importance to the investor relations management, set up the consulting telephone for investors, and guaranteed effective communication with investors via E-interaction of Shanghai Stock Exchange as well as the investor exchange platform, e-mail, fax and other manners of the Company.

The Company received the visits from industry researches and funds and other professional investment companies of securities companies during the reporting period, the secretary of the Board of Directors and other senior managers actively participated in the investor exchange activities organized by securities companies and other organizations, and disclosed the minutes of exchange contents.

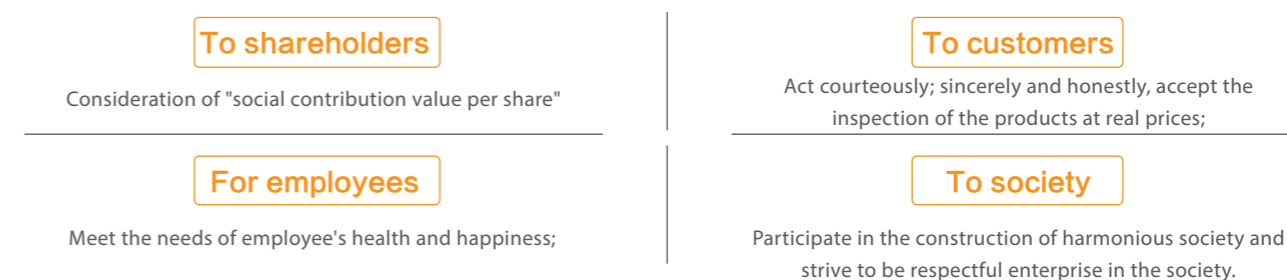
Organizational Risk Management

ZTT extremely emphasized the risk management, formulated ZTT Risk Control Measures, organized product companies, divisions and functional departments to identify risks involved in the control of strategic risks, financial risks, market risks, legal risk and security risks, prepared control measures, regularly conducted risk self-examination & self-correction campaigns, and set up the crisis public relations team to specially tackle emergencies, negative reports, major accidents and other issues; Risk control indicators were included in indicators for annual performance assessment, and professional teams were invited to inspect all business links to ensure safe, stable and sustainable development of the organization.

▶ Sustainable Development Management

ZTT is committed to emerging as an enterprise focusing on CSR and sustainable development, the Company always adheres to the mission of "Connecting Wonderful Life with Optic-Electric Network", adheres to fine manufacturing and technological innovation, strives to create greater value for customers, employees and society, and shares enterprise development achievements with society.

Dimension of Sustainable Development



ZTT is dedicated to targeting green manufacturing and social harmonious development as the value orientation of the enterprise's contribution to society and to thereby achieve resource conservation and environmental friendliness.

Sustainable Development Strategy

As a world-class service provider of electro-optical transmission system, ZTT is committed to bringing every member, family and organization into a better world of electro-optical network connection. In this regard, we will "bridge the digital divide", "lighten lights of myriad families", "boost green environmental protection", "create harmonious ecology" as the sustainable development strategies of enterprises.

Bridge the Digital Divide

ZTT, a member in ICT field, seeks in the pursuit of cooperation with the industry to build an intelligent world with everything connected. By virtue of constant innovation and development of up-to-date generation of information technology products, we are committed to enabling everyone to enjoy the communication, enabling the populations in different regions to easily use communication technology, and improving the economic level and quality of life.

Lighten Lights of Myriad Families

ZTT got involved in worldwide Internet of energy, optimized the construction of electricity infrastructures in regions along the Belt and Road Initiative, and lightening lamps of myriad families.

Boost Green Environmental Protection

Integrate the concept of greenness and environment protection into the planning, design, research & development, manufacture, delivery, operation and maintenance of products, improve the resource utilization efficiency of products and solutions by means of constantly technological innovation, promote energy conservation, emission reduction and circular development of the industry, and drive the upstream and downstream industry chains to co-build a low-carbon society.

Create Harmonious Ecology

Persist the integrity and compliance management, constantly tighten sustainable risk control, throw concerns on the employee development and value realization, actively contribute to local community where the Company is located, and work together with the upstream and downstream industry chains to build harmonious and healthy industrial & ecological environment.

We believe that excellent enterprise can not only take the initiative to accept social challenges, but also grasp social demands, explore larger market, and realize positive interaction between the economic value and social value of enterprises, finally creating shared value and promoting the sustainable development of enterprises and society.

Constantly Improved Management Systems

ZTT constantly and deeply promoted the management reform, improved the mechanism, and spared no efforts to solve key problems in the production and operation. ZTT introduced the excellent performance management mode, founded the excellent performance management committee and engaged senior expert team since 2008 to enter the enterprise site to systematically diagnose, scientifically guide and form the management mechanism for constant improvement.

The Company would conduct systematic improvement campaigns annually, like Quality Shame Day Event on March 3, monthly quality analysis meeting, basic management rectification campaign in the second quarter annually, system mutual-review campaign in the third quarter annually, quality hundred day campaign in the fourth quarter annually, and management review campaign at the end of each year; benchmarking management held annually, QC group events, Six Sigma project management, lean production improvement, mobile customer service feedback improvement, customer visit and other campaigns.

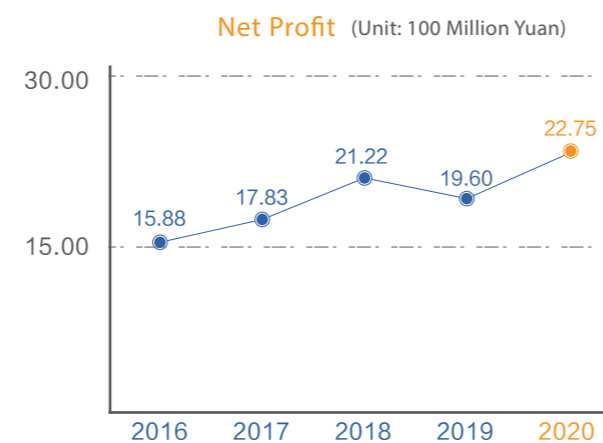
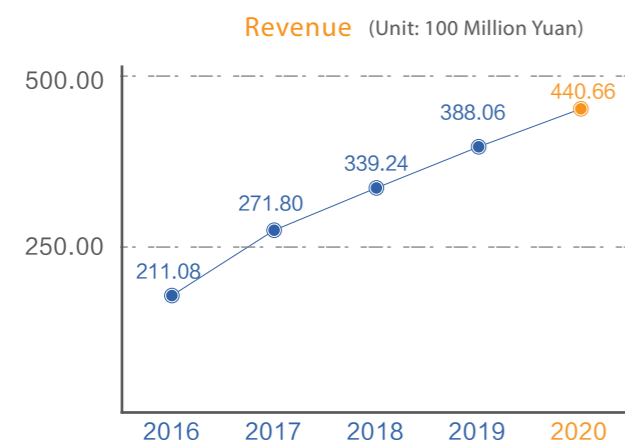
By virtue of constant improvement of management systems, ZTT could timely, sensitively and accurately locate their customers as well as the products and services customers want, quickly respond to and meet customer requirements, and thereby achieved sustainable development in the changing environment.

In order to support the achievement of sustainable development strategic objectives, ZTT, based on SA8000 and other international standards and guidelines, comprehensively considered internal and external environment of the Company, focused on the demands of stakeholders, and constantly improves the management of sustainable development, thereby improving the closed-loop management of sustainable development objectives and satisfaction of stakeholders.

Sustainable Economy

Annual Revenue, Net Profit and Net Cash Flow from Operating Activities during Recent Five Years (Unit: 100 Million Yuan)

Category/Year	2020	2019	2018	2017	2016
Category/Year	440.66	388.06	339.24	271.80	211.08
Net profit attributable to shareholders of listed companies	22.75	19.60	21.22	17.83	15.88
Net cash flow from operating activities	25.88	29.09	23.81	10.48	12.38



Communication between Stakeholders

Main stakeholders of ZTT include shareholders and investors, governments, customers, employees, suppliers, non-governmental organizations, line organizations, professional institutions, media and communities. The stakeholder is an integral part for sustainable development management of ZTT. By communicating and exchanging with stakeholders on topics of common concern via e-mail, telephone, questionnaire, forum, special visit and other means, we better identify the risks and opportunities for sustainable development and formulate scientific and reasonable objectives.

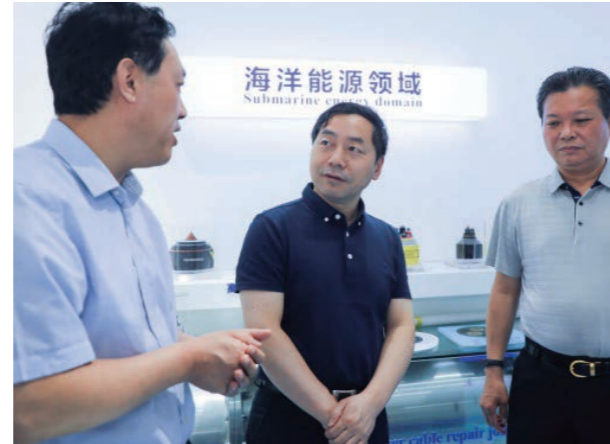
Stakeholders' concerns and mode of communication and participation

Stakeholder	Concerns	Modes of Communication and Participation
Shareholders and Investors	Stock price, dividend, financial situation, business prospect, future development plan, business management, internal business control, risk preference, management selection and employment, etc	<ul style="list-style-type: none"> Information disclosure General meeting of shareholders Investor meeting and roadshow Investor hotline /mailbox
Government	Compliance with local laws and regulations, payment of taxes in accordance with laws, promotion of local economic growth, local employment and formation of positive social benefits	<ul style="list-style-type: none"> Regular visit Policy communication
Customer	Product function, performance, product security, customer information safety, product stability, environmentally-friendly characteristics of products, competitiveness of products and high quality and reliable customer service, etc	<ul style="list-style-type: none"> Customer satisfaction survey Customer service platform Customer meeting Project cooperation Interaction via company website and social media
Employee	Remuneration & benefit package, working environment, ability improvement, development margin, employee welfare, promotion policy, training system, corporate reputation, work intensity, internal business communication channel, etc	<ul style="list-style-type: none"> Employee interview Employee questionnaire Meeting for Democratic Life Email / hotline for employees General manager's open day
Supplier	Purchasing policy, supplier management rules, fair trade, timely payment, maintenance of great partnership, etc	<ul style="list-style-type: none"> Supplier review Regular visit Supplier Meeting Supplier training
Non-governmental organization (NGO) /industry organization/ professional institution	Information transparency, contributions to economy, society and environment, and contribution to industry development	<ul style="list-style-type: none"> Participation in external related meetings Industry Forum Standard seminar Participation in academic/research activities
Media	Details of services and products, financial performance, future development orientation, corporate social responsibility, etc	<ul style="list-style-type: none"> Press conference Interview invitation Media's visit to ZTT Interaction via company website and social media
Community	Details of services and products, financial performance, future development orientation, corporate social responsibility, etc	<ul style="list-style-type: none"> Face-to-face communication Community public welfare activities Complaint hotline Participation in community project

Activities Involving Stakeholders



Yu Xiaohui, assistant dean of Academy of China Information and Communications Technology, investigates the application of ZTT Internet of industry logo in the enterprise.



Xu Jijin, the secretary of Party Leadership Group of Jiangsu Communication Administration, makes a survey on ZTT, and highly praises the innovation and development as well as the achievements in 5G + Internet of industry.



Sign the strategic cooperation agreement with Jiangsu Inspur Information Technology Co., Ltd. to integrate high-quality technologies and resources and jointly build an intelligent manufacturing ecosystem.



Internet of Industry Innovation Center (Shanghai) Co., Ltd. signs a strategic cooperation agreement and conduct the win-win co-operation to embark on a new march in the field of Internet of Industry.



Organize staff to conduct the training on production skills.



Respect and care for female employees, every woman has the opportunity to make a remarkable life and have the dream come true.

Activities Involving Stakeholders



Hold the "2020 Experts Consultation Meeting for the Chairman of the Board of Directors" to make suggestions for the "14th Five-year Plan" and a new round of development of ZTT Group.



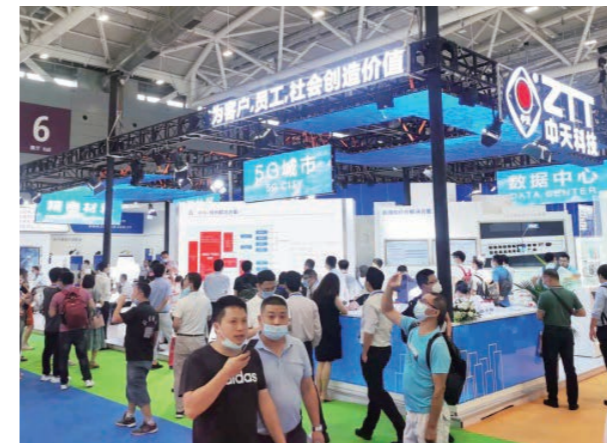
Hold 2020 new year tea party for talent representatives to fully stimulate the development of enterprise innovation, vitality and talents gathering.



Participate in 2020 China New Energy Summit Forum, exchange advanced ideas, display the latest achievements, and promote practical cooperation.



Hold the 2020 meeting for media's entry of ZTT.



Take China International Optoelectronic Exposition, constantly build a "5G +" hardcore capability system from 5G end-to-end industry as the core to help open a new world of interconnection of all things.



Cooperate with Jiangsu Gaochun Economic Development Zone to build and operate Nanjing Disaster Recovery Node Operation Center to promote the breakthrough development of secondary nodes of Internet of Industry Identification Analysis.



Protect from Operation Risk and Firmly Follow Compliance Operation

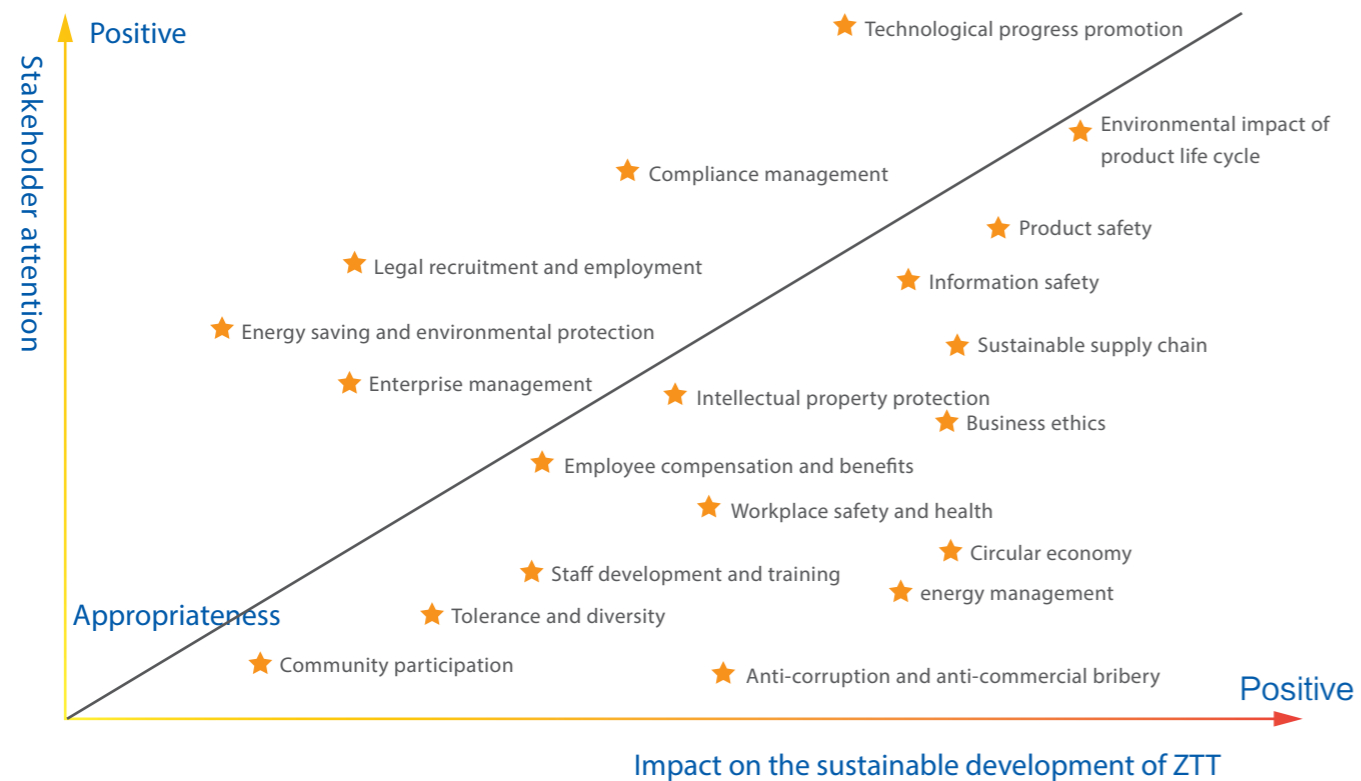
"Compliance Management" is one of important strategies of ZTT, and the company always attaches importance to integrity and compliance management, adheres to correct values and business ethics standards, strengthens compliance with laws and regulations of China where the business is located, and establishes a sound compliance management system through the improvement of the team of compliance officers, the deepening implementation of the compliance system, compliance risk assessment and review, compliance training and management, and explore the establishment of intellectual property rights, network security and other comprehensive compliance system to create a solid foundation for the sustainable development of enterprises.



Determination on Substantive Issues for Sustainable Development

The management of substantive issues helps us identify the fields requiring attention or improvement, and improve the management level of sustainable development. By means of extensive communication with stakeholders, we defined the scope of substantive issues, namely the issues influencing business operations and issues cared by stakeholders.

With respect to the determination on the importance of substantive issues, we determined the vertical and horizontal priorities of substantive issues by comprehensively ranking the survey results of multiple stakeholders, combining the risk analysis of internal experts in relevant fields, strategic benchmarking and maturity evaluation results.



▶ Building of Scientific Compliance Rules

Structure and Responsibilities of Compliance Organization

The structure of compliance organization is believed to be the basis of compliance service and guarantee of compliance performance. By considering our own business, ZTT constantly improved our own structure of compliance organization built our own compliance management culture.

ZTT established the Compliance Management Committee in March 2019, Xue Jiping, the chairman of ZTT, served as the chairman of the committee, the chief compliance officer was set up, and the Compliance and Standardization Department was established. The Compliance Management Committee was the supreme decision-making body for compliance businesses of ZTT.

Under the leadership of the Compliance Management Committee, the compliance services of ZTT focused on the compliance management for employee's conduct, third-party compliance management, bidding compliance management, contract compliance management, procurement compliance management, cash payment compliance management, gifts and hospitality compliance management, donation as well as donations and sponsorships compliance management, etc.

The compliance organization structure and responsibilities of ZTT are shown as follows:

Management Architecture	Responsibilities
Compliance Management Committee	Take charge of overall construction and implementation of the Company's compliance rules, including determining the guiding ideology, management policy and objective of compliance management service; approving the compliance management measures, work plan and inspection report of the Company; convening the working meeting, and studying and deciding major matters of compliance management, etc.
Chief Compliance Officer	Take charge of specific decision-making, implementation and supervision of compliance management, including improving the construction of the organization team, properly handling personnel selection and training, and supervising competent departments of compliance at all levels to earnestly and effectively complete the work tasks; conducting the assessment and evaluation on the compliance officer; and regularly reporting to the Compliance Management Committee.
Compliance and Standardization Department	Daily working bodies of Compliance Management Committee: Take charge of preparing (revising) compliance documents, setting up the compliance system and external certification; organizing and implementing the determination, design, implementation and improvement of compliance requirements; organizing and implementing the compliance inspection and assessment; organizing the summary, experience sharing and training, etc of the compliance management.
Relevant business departments	Take charge of coordinating and implementing the compliance management of business departments, including identifying, collecting and implementing relevant laws and regulations and other requirements; responsible for conducting the due diligence on the third party; implementing the compliance system and process of the compliance management; identifying, reporting and preventing the compliance risks in operation and management activities.
Subsidiary Compliance Management Leading Group	Responsible for overall guidance and supervision of compliance management of subsidiaries, including comprehensively leading the implementation of compliance management of subsidiaries; appointing the compliance officer, taking charge of the implementation summary and document reporting of compliance management, actively communicating with the Compliance and Standardization Department; supervising the prevention of compliance risk of subsidiaries, and raising relevant opinions on improving the compliance risk management.
Compliance Officer	Responsible for specific compliance management of subsidiaries, involving formulating the work plan of compliance management, drafting and implementing the compliance management rules and process, and evaluating and revising; guiding and supervising the implementation of compliance system and process; overall planning, arranging and coordinating the compliance management; accepting internal and external compliance consultation and feedback suggestions; and responsible for daily liaison and reporting of external compliance inspection, inquiry and investigation.

ZTT has set up 63 compliance officers up to the present, and has realized the PDCA cycle of compliance management through the improvement of above organizational structures.

Development of Compliance Culture

The development of compliance culture is a critically important link for the whole compliance service. ZTT has invested over 10 million Yuan to implement the compliance work yearly, certified with compliance management system, established compliance management rules, and established the cultural base for all the employees of the Company to know about, recognize and understand the compliance and to implement the compliance behavior through serious undertaking and in-depth trainings.

Compliance Committee

The employee of ZTT signed on the compliance statement annually and voluntarily committed to observe the compliance requirements.

Compliance Trainings

ZTT comprehensively integrated the training resources of the Company and established a compliance training system for all the employees, covering the whole process of compliance training planning, compliance course development, training organization implementation, training effect verification and training information submission.

Establishment of diversified training methods: ZTT, by combining online and offline training through APP of Zhongtian Academy, remote video teaching and on-site teaching, established diversified training methods to realize full coverage of all the employees, and the coverage rate of trainings on all the employees hit 100% in 2020.

Enrichment of training courses: ZTT focused on domestic and international compliance cases, and enriched compliance training courses through case analysis, interpretation and transformation. Additionally, ZTT has fully considered needs and requirements of foreign employees, and developed multilingual training materials in English, French, Turkish, Indonesian and other languages to promote overseas compliance training in better manner.

Compliance Publicity and Implementation

ZTT further broadened the channels of compliance publicity and implementation. The compliance policies and documents have been issued in all official accounts, WeChat public accounts, the "One-stop Pass" procurement platform, "SRM" supply chain management system, and the compliance hotline has been released, achieving full coverage of both internal and external scopes.

Reporting Channels

ZTT presented a variety of reporting channels. If reasonable reason to suspect the violation occurs or is about to occur, all employees and partners of the Company are allowed to report through channels, including:

Public Email: zttcs@chinaztt.com Chief compliance officer's Email: xuyaqin@chinaztt.com
 Hotline for reporting: 0513-84881185 Chief compliance officer's telephone no: 13773643437

The above channels are also used to accept reasonable suggestions on the compliance to widely solicit opinions for improving the compliance management system of the Company.

The protection and encouragement of informers are the basis for effective implementation of the entire reporting channel. When the report for the individual or unit is verified, corresponding rewards will be given according to the administrative measures. Meanwhile, ZTT will strict confidentiality measures for the informant's information, it is strictly forbidden to retaliate against the informant, and the violator will be punished seriously.

▶ Firm Crackdown on Commercial Bribery

ZTT took "zero tolerance" attitude to any form of corruption or bribery. ZTT firmly observed applicable anti-corruption and anti bribery laws and regulations in all business activities across the world, and eradicated any unfair competition behavior or activity. ZTT also required all employees, business representatives and any partners forming business relations with ZTT to be aware of and strictly comply with applicable laws and regulations and anti bribery compliance policies of the Company.

Clarification on Compliance Limits

ZTT clarified the compliance limits of anti-commercial bribery as the guidelines for overall anti commercial bribery work

- ◆ It is banned to offer, promise, authorize or give any valuable goods or other benefits (e. g gift, hospitality, foreign travel, sponsorship, donation, job opportunity, business contract, etc.) directly or indirectly to any person from the public sector or private enterprise with the aim of obtaining or maintaining the business or seeking unfair competitive advantage.
- ◆ It is banned to provide false information or materials, conceal the true source or purpose of te relevant funds, and cause the account item to mismatch the reality.
- ◆ It is banned to circumvent the compliance management by fabricating /concealing facts, forging materials or other fraudulent acts, causing the compliance management system to become null and void.
- ◆ It is banned to implement the services with prohibitive compliance risk signals or engage in services with compliance risk signals without implementing effective compliance control solutions.

Improvement of Management Systems

ZTT required the Company's employees or the third party engaged in business activities on behalf of the Company to observe the laws and regulations of the host country and requirements of customers on anti-corruption and anti-commercial bribery, and take the acquisition of Code of Conduct for Employee' Integrity on Post, Regulations on Employees' Integrity and Self-discipline and signature on the Letter of Commitment on Anti-corruption and Anti-commercial Bribery as the "First Lesson" for key post employees, and conveyed anti-commercial bribery requirements to the partners, and sign the integrity agreement with them. The Company provided open reporting channels, encouraged the reporting of disciplinary violations, and the supervision and report channels are shown as abovementioned.

Improvement of Rules

ZTT, on the basis of compliance management, constantly updated and released the anti bribery compliance management rules in specific areas, involving the business partners, procurement transactions, gifts & hospitality, foreign travel, commercial sponsorship, public welfare donation, etc., and firmly implemented effective rules through process management.

Training Communication

ZTT persistently tightened ideological education on leading cadres and employees, took the website, WeChat public platform and spiritual home newspaper as major promotion fronts or bases of moral rectification and anti-corruption services, and closely focused on central tasks of operation and management to strengthen the integrity education and risk warning. The Company insists on properly utilizing "Zhongtian Forum" and "Classroom for Talents and Elites" to conduct positive energy promotion activities so as to deepen the learning and understandings of leading cadres on the knowledge relating to laws and regulations.

Assessment and Supervision

ZTT entered into the Letter of Commitment on Anti-corruption and Anti Commercial Bribery with leading groups at all levels to clarify the scope and objectives of responsibilities, constantly improved the supervision and assessment mechanism and accountability system, incorporated the inspection of anti-corruption construction into the comprehensive evaluation of leading groups and leaders at all levels, and seriously invests the responsibility for ineffective implementation and adverse effects.



▶ Anti -Unfair Competition

In order to secure healthy development of the socialist market economy, encourage and protect fair competition, crab unfair competition, and protect the legitimate rights and interests of operators and consumers, ZTT developed the Unfair Competition Control Procedure, expressly banned the participation in unfair competitions, and encouraged, supported and protected all organizations and individuals to conduct social supervision over unfair competition, building a good environment and conditions for fair competitions.

The number of cases prosecuted for unfair competition and monopoly was zero in 2020.

▶ Protection on Intellectual Properties

ZTT is dedicated to technological innovation and protection on intellectual properties, and established complete management procedures and system architecture for intellectual properties. The intellectual property management office of the Company took charge of the creation, application, management and protection of intellectual properties across the world.

Year 2020 was the establishment year of intellectual property 3.0 management infrastructure. ZTT developed the Management Measures for Intellectual Property Performance Appraisal and Reward, Management Measures for Patent Application Review, Management Measures for Patent Rating, Management Measures for Patent Assets and Management Measures for Patent Agency Outsourcing Service to further strengthen high-quality creation, rights protection and risk prevention and control of intellectual properties.

As of December 31, 2020

The Company had submitted Chinese patent applications	PCT patent applications	Valid invention patents	
2916	113	468	
In 2020, ZTT submitted Chinese patent applications	PCT patent applications	Applications for trademarks of domestic international product	Invention patents
334	26	45	50

Connecting the World with Optic-Electric Network, Leading Development with Innovation

ZTT adhered to the vision that "Creating Value for Customers, Employees and the Society" and fulfills the mission of "Connecting the World with Optic-Electric Network", persevere in the innovation driving, constantly consolidated and developed main businesses involving the optical communication, power grid, ocean, new energy and new materials, adhered to the integration of industry chain and characterization of product line, and persistently created value for customers.

▶ 5G Enabling, Interconnecting and Sharing

The development and application of 5G technology is a subversive revolution in the information society. 5G gives birth to unprecedented innovation opportunities, set up the communication bridge intelligently connecting everything, and builds a world with everything interconnected.

5G End-to-End Infrastructure and Service Integration Solution

5G communication network is defined as the core infrastructure to drive the digital transformation of social economy, and it is a systematic project in the communication industry. It is not only required to build millions of new base stations but also needs to build 5G core network, bearer network, wireless network, infrastructure and supporting network resources, and business terminals for ubiquitous Internet of things (IOT) as well as abundant supporting products are required to be supplied and upgraded. ZTT made substantial layout of products by concentrating on the requirements on 5G network construction and application, and formed four product groups during past years.

Bearer Network Products Group

- ◇ New high-capacity, bending-resistant and high-density rod fiber cable products: ZTT developed new products involving small-size optical fiber, bending-resistant series optical fiber and high-density micro tube & micro cable, being capable of meeting requirements of ultra-low loss of trunk lines and shortage of local optical fiber network tube hole resources on unit optical fiber density index.
- ◇ 5G integrated power supply solution without supporting equipment: ZTT realized long-distance high-voltage DC power supply and carried optical signal transmission in one cable, meeting optic/ electr requirements of AAU and small-sized stations in scenarios.
- ◇ New optical module products in 5G scenarios: ZTT successfully developed controllable industrial/commercial 25/50 G /100G optical module products and commercial/ 200 G / 400 G optical module products, and developed a full range of 10GPON optical module products for network access.
- ◇ Fixed-mobile convergence PON product system solution: By targeting at requirements of different customers on varied capacities, ZTT raised integrated solutions for optical cable network, PON and 4/5G small-sized base stations and leaky cable indoor division, realizing the indoor division network integration and making the coverage of 5G network more convenient. G/EPON and 10g PON devices released by ZTT can be fully compatible with types of OLT, providing domestic and international users with complete PON network solutions.

Wireless Network Products Group

- ◇ 4/5G small-sized base station series products: Including small-sized base station gateway, network management system and small-sized base station series products; Aall frequency bands of TDD-LTE and FDD-LTE are supported.
- ◇ Sub6 5G antenna solution: 5 G antenna solutions of ZTT are featured with advantages including high performance, high quality, low profile, low weight and inexpensive cost, and the products are more advantageous especially when the frequency rises to 4.5 GHz or 4.9 GHz or above.
- ◇ 5G leaky cable room coverage solution: The product is provided with more uniform coverage effect, less blindness, more aesthetic installation, multiple systems combined broadband coverage, and can be extended to 5G band.

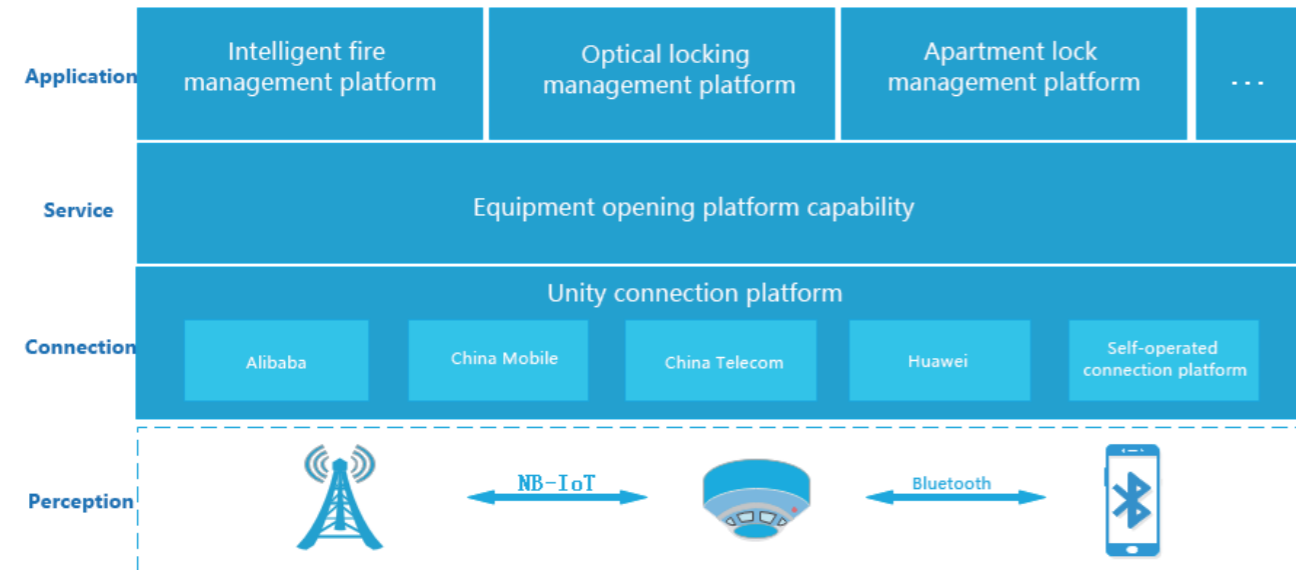
Infrastructure Products Group

Data center and edge computing products: ZTT provided customers with integrated services, including intelligent modular data center, energy saving and power and supporting products, optical module, optical fiber connection and similar products, realizing the energy-saving, intelligent, fast, standardized and modular construction, and effectively reducing PUE value and customers' operating costs.

Power and supporting products: Types of high and low voltage distribution systems, weak current and optical fiber wiring products, and types of server racks, photovoltaic and energy storage products and control systems were provided.

IOT Products Group

ZTT developed IOT management platform, meeting requirements for ubiquitous IOT terminal access. Presently, intelligent lock, intelligent smoke sensor, intelligent gas sensor, camera and WiFi 6 series products have been successfully deployed and applied in three major operators and users in other industries.



Internet of Industry

By implementing full interconnection of the people, machines and things, and new industrial production and service system with full elements, full industrial chain, full value chain and full connection is set up by means of Internet of industry platform carrier, and the Internet of industry has become key support for promoting the transformation and upgrading of traditional industries and achieving high-quality development.

Internet of Industry Platform

Relying on accumulated industrial manufacturing and enterprise management experience in the cable manufacturing field, ZTT has successfully launched ASUN Internet of industry platform, which, based on national Internet of industry identification analysis system, built an independently developed IOT platform and industrial data platform in the cable manufacturing field, realizing full-process platform services from R & D and design, production and manufacturing, quality control, logistics and transportation, marketing to collaborative manufacturing.

ASUN Internet of industry platform is capable of providing three types of services: Providing lightweight and low-cost information cloud services for small and medium-sized manufacturing enterprises; Providing industrial cloud platform services for large-scale manufacturing enterprises, deeply optimizing the platform, and realizing product remote monitoring, fault detection and analysis, big data analysis, artificial intelligence decision-making and other services; and providing innovative services involving the industrial e-commerce, supply chain finance and industrial chain collaboration based on the mode-oriented innovation.

As the first Internet of industry platform in the cable industry, ASUN Internet of industry platform won the award titled Jiangsu Key Internet of Industry Platform, and was recognized as Nationwide Internet of Industry Demonstration Pilot Project in Cable Industry by the Ministry of Industry and Information Technology of the People's Republic of China.



Smart ocean



Smart photovoltaics



Production control of smart factory



Operation command center

Internet of Industry Identification

Internet of industry identification is the basic guarantee to realize the interconnection between enterprises and nerve hub of Internet of industry. The Internet of industry identity node issues a unique "identity card" to enterprises, products and equipment, realizing the fusion of physical world and digital world of manufacturing industry in the Internet of industry system.

The construction of secondary nodes of Internet of industry identification resolution system was early commenced in Nankai. ZTT, as a contractor, under the guidance of China Academy of Information and Communication Technology, successfully launched secondary node for national Internet of industry identity resolution (Nantong) in April 2019, marking the completion of construction of first secondary node successfully connected to national top node. ZTT's secondary node identification resolution system directly served

all ieties of enterprises and provided system solutions, and ZTT has made breakthroughs in the QR code scanning resolution, full-life cycle of equipment, product reliability traceability, and industrial chain cooperative control, etc, and can realize five scenarios including "one code corresponding to one object, QR code scanning resolution; one-scan QR code cloud upgrading, device prioritization; source; one- scan QR code overview; source tackling; one- scan QR code thorough check, collaborative manufacturing; one QR code & multiple recognition, decentralized control", and operation index of ZTT led across China.



▶ Reliable Products, High-quality Services

The "Customer-oriented" serves as one of ZTT's core values. ZTT attaches great importance to the quality of products, carefully listens to the opinions and voices of customers, and devotes to providing customers with reliable products and technical services.

Quality Accountability System for Managers

Quality is considered to be the foundation for survival of the enterprise. ZTT has established the quality management system organization with the general manager as the first person responsible, appointed the management representative and established a quality assurance department in charge of implementing the quality policy of "Customer Driven, Win-win Cooperation, Persistent and Constant improvement" under the leadership of the general manager, promoting deep penetration and implementation of quality management system of the Company.

ZTT established the quality accountability system for managers, persisted in the principles including "being practical and realistic", "the people in charge of should be responsible for" as well as "the immunity isn't released until the accident (problem) is identified, the responsible person not punished will be exempted, and no waiver is till rectification measures are implemented, and the person concerned should not be tolerated until being criticized and educated", and comprehensively established and implemented the quality accountability system for managers. If the quality performance was found to be unsatisfactory, the team and the team leader would be held accountable. ZTT thoroughly aroused the quality awareness of the team from top to bottom by means of the quality accountability, truly thorough permeating the quality in all the service, and building the quality culture.

Digital Quality Management Ecological Chain

For the supply side, the Company positioned to be the "value procurement" and constantly promoted and improved the supplier management process from institutional aspect, including the supplier certification, selection, performance evaluation, improvement and coordinated development; From perspective of management team building, ZTT optimized and improved the performance level of supplier quality management through the cultivation of a team of industry market experts; and ZTT actively build a highly competitive supplier resource pool from the perspective of supplier resources.

In the aspect of internal control, ZTT promoted the implementation of automatic collection, online monitoring, analysis, early warning, guidance of quality information in key links of the production process as well as the establishment and application of internal big data ecosystem, strengthened the monitoring on production process capacity, boosted the post analysis to pre-control, and built the flexible and digital production and manufacturing system.

In terms of service, the Company established the "iron triangle" operation system, developed a "Five-in-One" campaign team, created the innovation atmosphere, cultivated innovative ability, established the innovation mechanism, and built the manufacturing industry service-oriented development, provided customers with system solutions and high-quality service experience by virtue of constantly product technology broken trough and more thoughtful service spirit, and strived to develop into a full range of customer consultant for customers.

Service-oriented Supports with Quality Management

The Company prepared the Management Measures of ZTT Group on Tracking Customer Complaints to improve the efficiency on the handling of customer complaints, constantly improved the complaint handling mechanism and platform, and secured that the complaint handling formed a closed cycle and the customer trust was enhanced.

Relying on global marketing network, initial treatment plan for the customer was realized within 2 hours. If on-site assistance of factory technicians was in needed, the on-site arrival was available within 12 hours for provincial complaint, 24 hours for inter-provincial complaint, 48 hours for the complaint in remote region and 72 hours for the complaint in overseas market.

ZTT treated the customer complaints as improvement opportunities, collected and accumulated the problems occurring in the process of construction and application of products, strengthen the exploration and research on the system function testing capacities of products, especially integrated products in the simulating the application scenarios, and better served the market.

Reserve Management Talent Pool to Boost High-quality Development

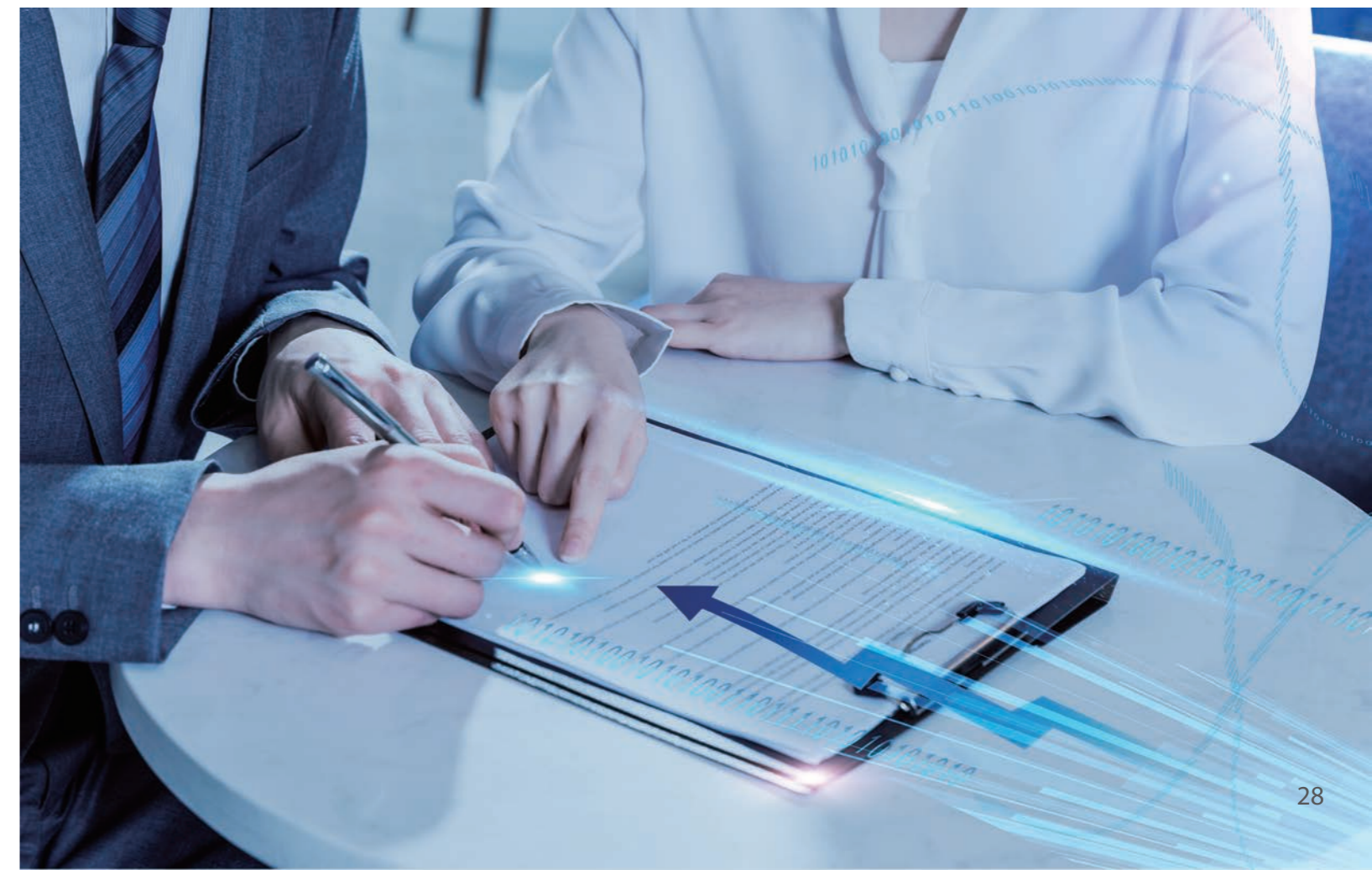
The Company set up the Six Sigma club, by means of Lean Six Sigma Club Campaign Platform of the Group, made the Six Sigma promotion program become routine by preparing internal training materials, organizing the trainings for common quality tool, regularly communicating on the Six Sigma projects. Through regular communication, guidance, supervision and evaluation on the lean production and Six Sigma projects, a number of high-level management research talents with application management tools and statistical analysis abilities were cultivated. In 2020, 23 Six Sigma activities have been opened internally, and the conclusion and acceptance of such projects had been completed.

Efficient Response to Customer Requirements

ZTT attached importance to the collection and feedback of customers' opinions. It is our responsibility to timely handle and to solve customer requirements and also an important way for us to constantly improve and upgrade our products and services.

ZTT established the information management system for customer requirements and expectations, determined customer requirements and expectations by means of regular visits, technical exchange meetings, high-level reciprocal visits, industry exhibitions, third-party customer satisfaction surveys, etc, and thereby persistently improved the product development, service and other aspects, constantly meeting customer requirements and exceeding customer expectations.

ZTT also highly valued the handling of customer complaints, developed the Management Measures for Customer Complaints, established the handling mechanism and platform for complaint, made sure that the handling of complaints formed a closed cycle, and improved the customer trust. Meanwhile, ZTT was capable of responding to customer complaints with initial handling solution within 2 hours by relying on robust global marketing network. If on-site assistance from factory technician was required, the on-site arrival was available within 12 hours for provincial complaint, 24 hours for inter-provincial complaint, 48 hours for the complaint in remote region and 72 hours for the complaint in overseas market.



▶ Information Security, Privacy Protection

ZTT focused on customers, deeply grasped the concerns of customers and other stakeholders on information security and privacy protection, and paid close attention to General Secretary Xi Jinping's exposition on Internet power, and made efforts on the information security and privacy protection.

Information Security

ZTT strengthened the study and research on renewed standard GB/T 22239-2019 Information Security Technology — Baseline for Classified Protection of Cyber Security (Level III), and engaged the qualified third-party organizations for important management information systems to conduct classified protection evaluation annually, and seriously implemented the corrections one by one according to the evaluation report.

ZTT guided the information security-related service based on the requirements of renewed standard abovementioned. In 2020, ZTT continued to focus on the prevention of "blackmail virus". In terms of information security, ZTT continued to check basic prevention and protection services including if the computer had been installed with the up-to-date operating system version or cutting-edge system patch was updated or the default high-risk port of the system was disabled or USB interface of the computer was closed according to the provisions of information security management rules.

In 2020, ZTT organized the trial and procurement of a well-known threat intelligence analysis platform (provided with a five-year warranty, including virus database updating, software updating, hardware warranty and manual service) in China to analyze intranet and extranet traffic and cooperated with anti-virus software. When threat intelligence analysis platform was officially released online, the Company designated a special person to be on duty in real time and send timely problematical computer IP and specific threat situation reported by the platform to the Group, and then had the engineer in charge remove and resolve the problem at a fixed point, and the manufacturer would be sought to cooperate to solve difficult problem.

ZTT installed digital certificate for application of website and WEB, joined in the "Cloud Protection", and deployed the web application firewall (WAF) in the front end of the server.

The management of database and server was considered to be the top priority of information security, the Company nominated specially designated person to manage the information security of the server, arranged specially designated person to manage the database, and properly handled the backup and restore test of types of databases.

ZTT installed the encryption system for office computer, deployed the encryption system separately for some internal divisions with higher confidentiality requirements, and set a separate key to prevent that the encrypted files of the division from being open in any computer beyond such division.

Customer Privacy Protection

Regarding the control on key information related to customers, the Company adopts hierarchical management to strictly control the transmission scope and channel of the information concerned. Presently, main contents controlled are customer contract information, network structure information, personal information, etc. Currently, it is strictly prohibited to use and release the above information without the authorization of customers. The customers' opinions are solicited in advance if it really became necessary due to the promotion and other requirements, it should be used in a limited range without infringing the customers' privacy, and blurred processing is required.

For the control on the customer data, the company adopts the management mode of special person with specific responsibility clarifies the management responsibility and handover process of relevant data, to ensure that any data is searchable, controllable and manageable.

The employees of ZTT entered into the Non-Disclosure and Non-Competition Agreement with the Company, which contained provisions to protect the customer privacy.

In 2020, infringement on customers' privacy or loss of customer data occurred in ZTT.

Persistence in Green Development, Promotion of Circular Economy

It is the long-term belief of ZTT to act as a responsible "Green Enterprise". ZTT designed and produced green products, provided low-energy service solutions for customers, strictly managed the environmental impact of self-operation, made efforts to spread the concept of green environmental protection, and jointly protected our lucid waters and lush mountains with all walks of life.



▶ Our Performances in 2020

- ZTT was invited to participate in 2020 China New Energy Summit Forum, themed with "Green Transformation, Future Enabling", for purpose of exchanging advanced ideas, showing cutting-edge achievements and promoting practical cooperation.
- The proportion of productive operation sites with environmental risk assessment hit 100%.
- The proportion of productive operation sites covered by the environmental management system hit 100%.
- The proportion of employees who have participated in environmental training hit 100%.

▶ Advocacy of Green Production and Operation

ZTT extremely emphasized the environmental responsibility in the life cycle of products. By introducing advanced management processes and quality standards and combining the internal norms of the enterprise, ZTT fully considered environmental factors in the design and operation stage of product, constantly improved the energy efficiency of self-owned products, reduced carbon emissions, and provided customers with green products and overall solutions for energy conservation and environmental protection, minimizing the impact on the environment.

Ecological Design for Products

ZTT integrated the concept of green environmental protection into the whole life cycle management of design, R & D, manufacturing and construction of product, and identified the environmental protection laws and regulations, industry standards and customer requirements of production and sales sites in advance, including but not limited to the environmental protection requirements of hazardous substances (e. g, RoHS directives), product recovery, energy efficiency and packaging; and then selected environmental-friendly materials and designed corresponding environmental protection process, production, testing and verification according to the analysis results.

Take optical cable product as an example

Firstly, ZTT designed and promoted full-dry optical cables by reducing or avoiding using halogen-containing materials as product components to further reduce the application of ointment materials and achieve the purpose of reducing pollutant emissions.

Secondly, ZTT replaced traditional reinforcing materials by prioritizing the use of new high modulus materials as reinforcing parts, and improved the optical fiber density and other practices by means of structural innovation as well as the promotion and application of small-diameter optical fiber, reducing the consumption of raw materials without impairing the performance of products.

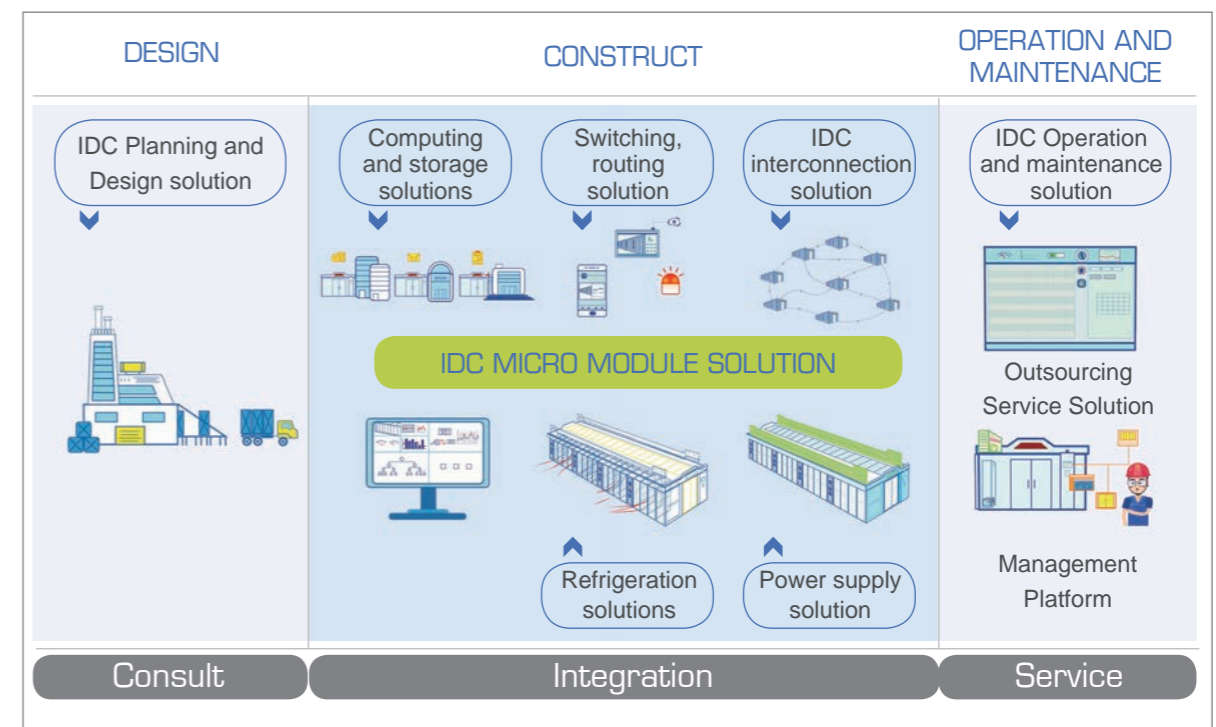
Thirdly, ZTT recommended to use the prefabricated end optical cable through the optical fiber products to the home, and recommended air blown optical cable products to be used for the access network to improve the construction and laying efficiency, and achieved the purpose of reducing the manufacturing energy consumption through standardized design of products in some regions.



Development of Energy-saving Products

Development of Products from Green Data Center

The operation and use of data center is normally accompanied by high energy consumption, Zhongtian Communication Technology Co., Ltd. made overall design of building, power distribution, heating ventilation air conditioning (HVAC) and IT layout in the design stage of data center to decrease the energy consumption and waste. The evaporation refrigeration mode (indirect or direct evaporation) was used to replace traditional refrigeration mode applied in the computer room, saving abundant energy consumption for users. In the meantime, we are committed to developing modular data center, integrating the rack, air conditioning, fire protection, wiring, power distribution, monitoring, lighting and other systems of the traditional computer room, implementing seamless integration of power supply, refrigeration and management components, and making the compute room to be intelligently and efficiently operated, realizing rapid deployment, shortening the project cycle and cost, effectively saving the energy and reducing the emissions.



Full-life cycle solution for ZTT Data Center

Development of New Generation Energy-saving Conductor

ZTT, the top leading overhead conductor production base in China, focuses on the requirements for "safety, low carbon, greenness and environmental protection" for power grid construction, and is committed to the R & D and application of high-performance aluminum alloy materials. ZTT developed a series of energy-saving aluminum alloy conductors and applied to new construction, capacity expansion and transformation, and new energy output lines. For the changes in materials and structures, ZTT reduced the loss of transmission line, and decreased the investment in lines, achieving the effect of energy conservation and emission reduction, and the Company promoted the construction of "new infrastructure", "carbon neutrality" and "robust smart power grid". In 2020, the Company developed steel-cored, high-conductivity, heat-resistant aluminum alloy stranded wire and corrosion-resistant aluminum clad steel-cored & heat-resistant aluminum alloy stranded wire by focusing on the the pain point of power grid, and comprehensive performance of such products hit international leading level, reducing the loss of transmission lines and prolonging the service life of overhead conductors in corrosive regions. In 2020, the "high-performance aluminum (alloy) conductor series" of the Company was awarded with "Single Champion Product of China Manufacturing Industry" issued by the Ministry of Industry and Information Technology.

Environmental Control on Raw Materials

ZTT actively implemented the requirements of environmental protection management and control on materials,, formulated strict use and control system on supplies in accordance with QC080000 Process Management System for Hazardous Substances to control the environmental compliance of raw materials, observed all the laws, regulations and customer requirements related to the prohibition or restriction on the use of specific substances to ensure the management, reduction and/or elimination process of hazardous substances met strictest standards (including RoHS, WEEE, REACH, etc.)

Meanwhile, we conveyed the environmental protection concept of "green manufacturing, ecological home" to the suppliers of ZTT and co-built green supply chain. On the one hand, we entered into materials environmental protection agreements with suppliers, requirement that all products and ancillary products provided by suppliers to be free of or contain no more than 10 substances restricted by RoHS Directive (EU) 2015/863, and required suppliers to extend this requirement to upstream suppliers; On the other hand, ZTT guided suppliers to incorporate the energy conservation and environmental protection into their products and production processes, encouraged suppliers to implement systematic product environmental protection management in the full life cycle, implemented green design and production, controlled the use of restricted substances from sources, built green supply chain, and worked together to complete green and environmental-friendly products.

In 2020, ZTT used 56,900 tons of materials for production and packaging, including 47,400 tons of renewable materials, and had recycled 83% materials and 100% of recycled packaging materials.

▶ Advancement of Green Production and Operation

ZTT actively implemented green production management. According to ISO14001 Environmental Management System and ISO50001 Energy Management System, ZTT formulated strict energy management, environmental emission and resource use rules, energy conservation and emission reduction, as well as resource intensification and recycling the operation process, and was committed to reducing the environmental load brought by self-owned production activities.

Advancement of Energy Conservation and Emission Reduction

ZTT, as a benchmarking enterprise for social responsibility in the communication industry, firmly fulfilled public responsibility and formulated the Collection of Environmental Protection Management System to strengthen energy management and slight energy saving. We practically implemented the energy management by optimizing the power consumption structure, periodically switching on/off the air conditioning and promoting the energy saving planning in the infrastructure stage of the project in combination with the construction of energy information system. Meanwhile, ZTT held special energy-saving publicity activities and advocated all employees to participate in energy-saving to raise the energy-saving awareness of the employees.

Internal energy consumption details of ZTT in 2020 are shown as follows:

Electric power: 709,236,200.00 Kwh; gasoline: 19.21 tons; diesel: 438.20 tons; natural gas: 15,945,500.00 cubic meters; steam: 125,835.38 tons; charcoal: 625.39 tons

Energy Conservation and Consumption Reduction

ZTT changed the plastic extruding and heating mode of the equipment through the technical transformation of the project; eliminated intermediate frequency furnace used previously by changing the equipment from power-to- gas transformation, and used clean energy.

Heat Recovery and Reuse

The heat generated by ANEST IWATA air compressor of ZTT Fibre Optics Co., Ltd. serving 24 hours caused great damage to the air intake end of the unit, ZTT discharged the heat to the non-heat source area of the workshop including the deuterium room, making it was possible to reuse the energy while securing the temperature of the deuterium room in winter.

Compliance Discharge Disposal

ZTT strictly observed the Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution, Law of the People's Republic of China on the Prevention and Control of Water Pollution, Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Waste, Standard for Pollution Control on Hazardous Waste Storage and other relevant national and local laws and regulations, took the control over the waste gas, waste water and wastes as the focuses of environmental protection management, realized confirming emission of waste gas, waste water and wastes by relying on regular detection and on-line monitoring, and stored and transferred hazardous wastes in strict accordance with the requirements of hazardous waste management and control. Meanwhile, to further control the production of hazardous wastes, ZTT specified the allocation of responsibilities and corresponding performance, handed over the disposal of hazardous waste to production units and incorporated in the production cost for accounting, connected to the performance of the person in charge of the unit, and the intensity of control on the use of chemicals and hazardous wastes by production unit was constantly increased.

The compliance emission disposal details of ZTT are shown as follows:

Total water consumption: 2,835,300.00 tons; Domestic sewage discharge: 7500 tons; Production water: 42,000 tons;

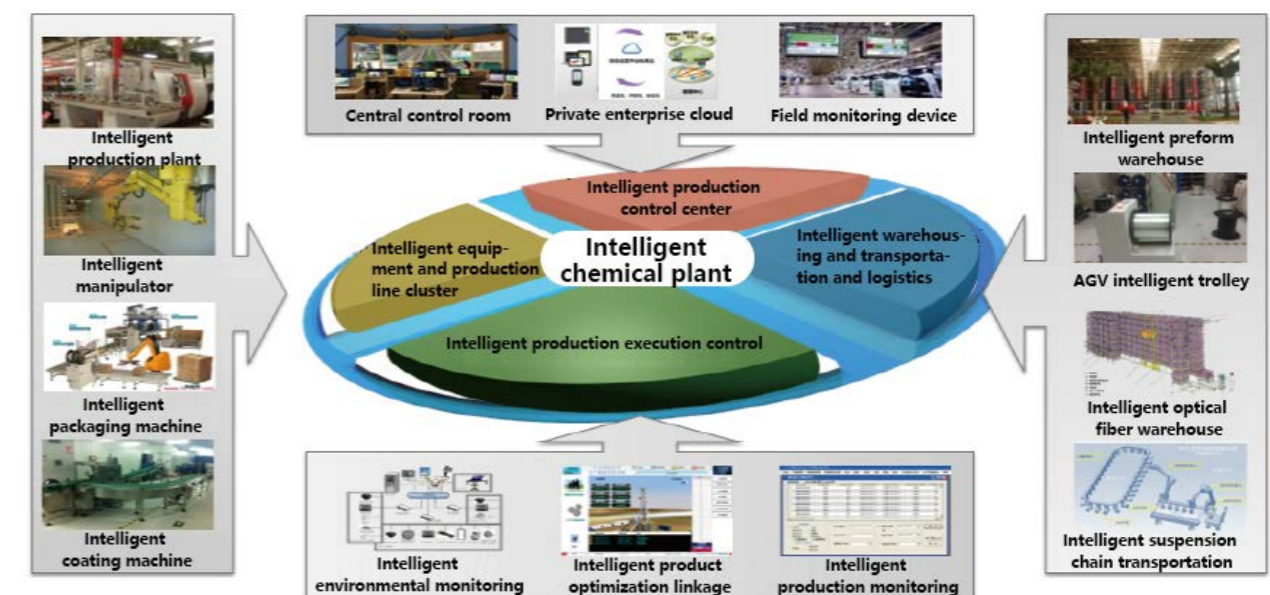
The hazardous waste and solid wastes disposed hits 210 tons and 30,000.00 tons respectively.

Green Factory Building

By virtue of long-term efforts, ZTT introduced the concept of green factory building in 2017, treated GB/T36132-2018 as the criterion, and built the green factory through the implementation of "intensive land use", "cleanness-oriented production", "harmless-oriented raw materials", "recycling of wastes" and "low carbon energy", being recognized by the Ministry of Industry and Information Technology of the People's Republic of China.



Digital management of the whole process, and building of digital factory



ZTT raised the action plan of "Elimination of Non-intelligent Workshop or Plant", and cooperated with well-known international to build a manufacturing execution system with Chinese characteristics. Presently, ZTT has owned 14 provincial intelligent workshops, and improved the intelligent monitoring system for resource energy consumption as well as digital automatic collection and analysis system for integration of information resources, fully realizing the management with data-oriented, information-oriented and intelligence-oriented features, reducing the production loss by 5%, increasing the production efficiency by 30%, and saving the storage space by 20%.

Green Certification



Certificate of Management System for Energy

Certificate of Environmental Management System

Statement of Greenhouse Gas Verification

Verification Statement on Carbon Footprint of Product

▶ Practiced Development of Circular Economy

The fundamental objectives of circular economy are to reduce resource input as far as possible in economic process, and to avoid and reduce waste systematically. The waste recycling is only intended to reduce the final waste treatment. ZTT carried out the following services in accordance with the circular economic development:

Re-melting of Scrapped Aluminum Wire

ZTT Wire Workshop worked out high-strength aluminum clad steel core high guide aluminum strand, pulled the end waste, and recycled the aluminum wire part in a centralized way, and re-melted after extrusion for production, having the recovery rate of raw materials in 100%.



Plastics Recycling

ZTT Injection Molding Workshop produced plastic products, and recycled other plastic products within ZTT as raw materials, greatly reducing the harm of plastic products to the environment.



Cooling Water Circulation System

ZTT Fiber Optic Cable workshop takes the water as cooling medium, and the temperature rises when cold water flows through produced products required to be cooled. If the water is discharged immediately, the cold water is only used once. When the circulating system makes the warming cold water flow through the cooling equipment, the water temperature will drop back, and the water is pumped back to the production plant for reuse, greatly reducing the volume of cold water and saving over 95%. Cooling water accounts for approximate 70% of industrial water consumption, it is concluded the cooling water circulation system plays an important role in saving abundant industrial water.



Respect and Care for Employees, Build Spiritual Home

Talents are core competitiveness in the society nowadays, and the employee is considered as one of the most valuable wealth of the Company. ZTT actively practices the talent concept of "advocacy of great virtue, full capacity demonstration of talents", recruits and abstracts enthusiastic professional talents, and constantly optimizes the human resource management system, and realizing steady growth of employees while achieving sustainable development of the Company. Besides, we pay attention to physical and psychological health and growth of employees, attach importance to the safety of the working environment of employees, and strive to create a healthy and harmonious working atmosphere. Meanwhile, we constantly improve global human resources policy to ensure uniform management of talents.



Our Performances in 2020

- Recruited talents: ZTT recruited 2865 employees in 2020, including 5 doctors, 16 foreign experts, 36 professional talents and 264 mature talents.
- Induction training: ZTT organized 10 training sessions for management and transferred employees in 36 batches; and offered the pre-job trainings to 485 newly recruited college students in 2 batches lasting 18 days.
- On-the-job training: ZTT held 10 training courses with 64 training sessions in total, and online app learning duration of Zhongtian Academy hit 53943 hours and 26 minutes.
- Technician reserve: Entered into the school-enterprise cooperation agreements with Jiangsu College for Engineering and Technology, Nantong Vocational University, Nantong Technical Secondary School, Nantong Industry & Trade Technician College, Rudong Technical Secondary School, Shuyang Technical Secondary School.
- Launched "Sailing Program", intensively selected excellent employees for talents reserve training and entry of corresponding training classes for young and middle-aged cadres, and constantly enriched the talent pool of the enterprise.

Realistic Protection on Rights and Interests of Employees

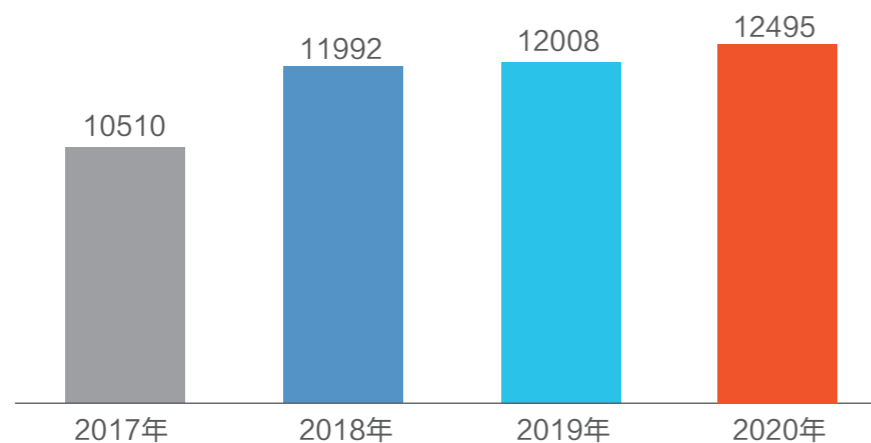
Equal and Open Employment Implementation

ZTT was committed to developing excellent talents, strictly followed the Labor Law of the People's Republic of China, Labor Contract Law of the People's Republic of China and other national laws and regulations as well as applicable local laws and regulations overseas, and persisted in just, fair and open recruitment and compliant employment.

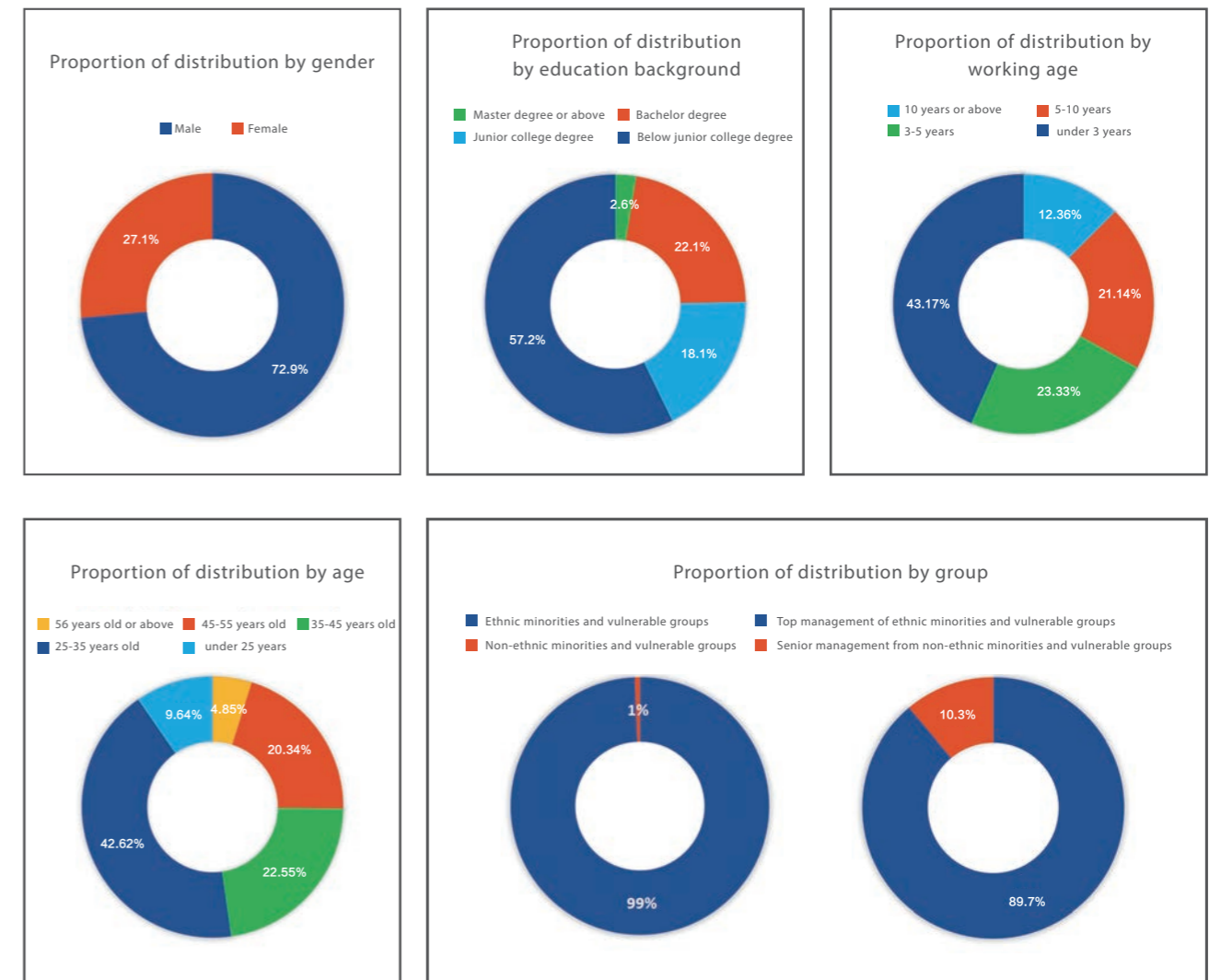
ZTT established a set of complete, standardized and effective talent selection and entry management systems, equally treated workers from different races, ethnic groups, nationalities, skin colors, genders and religious beliefs without discrimination, and fully protected the equal employment rights enjoyed by workers in accordance with laws; strictly banned the employment of child labor, checked effective identity certificate of the candidate in all aspects of employee recruitment, enrollment approval and enrollment check-in, the recruitment would be terminated immediately once being found and verified; and forced labor was strictly prohibited to make sure that any worker was allowed to have rest day in accordance with laws, regulations and international practices.

Based on self-owned strategic development, ZTT formulated "Training Plan for Backup Cadres" dedicated to training prospective leaders. To meet more intense business environment and internal business requirements of the company, ZTT continued to focus on main businesses, and introduced large-scale outstanding graduates and leading talents from the walk of life, mature talents and professional talents to support and drive the implementation of the company's strategies. The total number of global employees of ZTT hit 12495 as of December 31, 2020, ZTT initiated vocational training for new employees (220 people), and held the seminar on career development for newly promoted managers (33 people) to build a mechanism to expedite the development of career development planning.

Trends in the number of employees from 2017 to 2020



According to the nature of gender, education background, working years and age, the proportions of all employees of the Company are shown as follows:



For new employees, ZTT implemented the "master-driving apprentice apprenticeship" training mode. When the employee joined in the company, ZTT helped new employee to understand the corporate culture and values, and strengthened the sense of identity and belonging to the company; appointed the tutor for new employee, communicated and exchanged regularly, and provided necessary guidance and aids timely; had the network learning training course accessible to help new employee to accelerate the process of post adaptation; strengthened personnel service and care, and improved the entry experience of new employee.



Tip: The "master-driving apprentice apprenticeship" is an important method and means for the inheritance of ZTT culture and improvement of new employees' ability. The "master-driving apprentice apprenticeship" mode, based on the cultivation of new employee, helps new employees adapt to the role transition and enter the work and life quickly from three aspects involving the cultural heritage, work guidance and life care, and become qualified employee of ZTT.

Welfare and Benefit Package

It is not only an important measure to increase the sense of belonging and happiness of employees but also the target of ZTT has been aiming at to provide good working atmosphere and welfare treatment for employees. ZTT constantly improved the employee wage and welfare security system, and threw full concerns in terms of the health insurance, subsidy welfare, work-life balance, learning and growth, life care, vacation welfare, etc to employees, with the aim of improving the employee satisfaction. In order to make sure that the employees receive satisfactory working conditions, the representatives of employees and trade unions elected by all the employees concluded the collective contract with the Company via negotiations, securing that all the employees of the Company are supported to receive better salary and welfare benefits.

Health insurance:

Insurance and housing fund, one free physical examination, and occupational physical examination for some posts;

1

Subsidy welfare:

Overseas subsidy, food subsidy, call charge subsidy, traffic subsidy, travel subsidy, high temperature subsidy, lucky money for birthday, lucky money for holiday, etc;

2

Work-life balance:

Talent apartment, employee apartment, regular bus, staff canteen, room for recreational and sports activities, department-based dine together, spiritual home events;

3

Learning and growth:

On-the-job training, master-driving apprentice apprenticeship, Zhongtian Forum, Zhongtian Technology Academy APP online learning;

4

Life care:

Love fund assistance, greetings for holiday, greetings for birthday, visit care for sick and other;

5

Holiday welfare:

Legal holiday, marriage leave, maternity leave, funeral leave, work-related injury leave and annual leave;

6

ZTT cared for female employees, and paid festival gifts on Women's Day dated on March 8th. The employees are in-service status during maternity leave and their original positions were retained. In 2020, the total number of entitled employees on the maternity leave and care leave was 177, including 78 female employees and 99 male employees; 177 employees returned their posts after the end of the maternity with the return-to-work rate of 100% and retention rate rate of 100%. For Chinese employees stationed abroad, the Company provides overseas stationing subsidy to them and reimbursed domestic and international round-trip air tickets. To improve the housing environment of the Company's employees and attract and retain talents, some living areas of staff dormitory were upgraded and reconstructed, supporting talent apartments were built, and complete living facilities were provided in 2020.

Multicultural Integration

The employees of ZTT came from all countries and regions around the world, while we fully respected the cultural diversity of countries, encouraged mutual exchange among employees from different cultural backgrounds, and took a series of measures to improve the cross-cultural cooperation abilities among employees. For example, cross-cultural theme activities including birthday party, important festival and religious care event were held in overseas offices; and we provide cross-cultural overseas assignment training and language training for overseas employees in terms of terms of cultural learning.

Strengthening of Competency Building of Employees

Systematic and Orderly Trainings

To achieve the win-win of employee value and enterprise value, ZTT established self-owned ZTT Academy, self-owned corporate university of ZTT, constantly improved the training system, enriched the learning platform, and provided supports for improvement of employees' abilities and quality.

For induction trainings of ZTT in 2020, ZTT conducted 10 training sessions for first-line employees, involving 36 batches of employees with 264 employees in total; and provided 260 new graduates with trainings lasting 18 days. For on-the-job training: ZTT held 10 training classes, conducted a total of 64 training sessions with 3183 participants; The online app learning duration of Zhongtian Technology Academy hit 53943 hours and 26 minutes, and average learning duration lasted 13 hours and 28 minutes.

Training Hour Index for Employees in 2018-202

Index	2018	2019	2020
Total training hours	1, 002, 531.2	1, 012, 274.4	1, 113, 297.6
Average training hours for employees	83.6	84.3	85.2

ZTT Forum

ZTT Forum is a "grand classroom" specially set up by ZTT to improve the quality of managers, the experts from all walks of life were invited to give lectures in the grand classroom, and middle-level managers and above, technical backbones and excellent employees attended the listening and learning of lectures. The philosophy of lifelong learning was built by persistent learning, the knowledge structure was constantly optimized, the self-enrichment and improvement were further made, and the abilities of overall situation planning, striving for excellence and management was developed and improved.

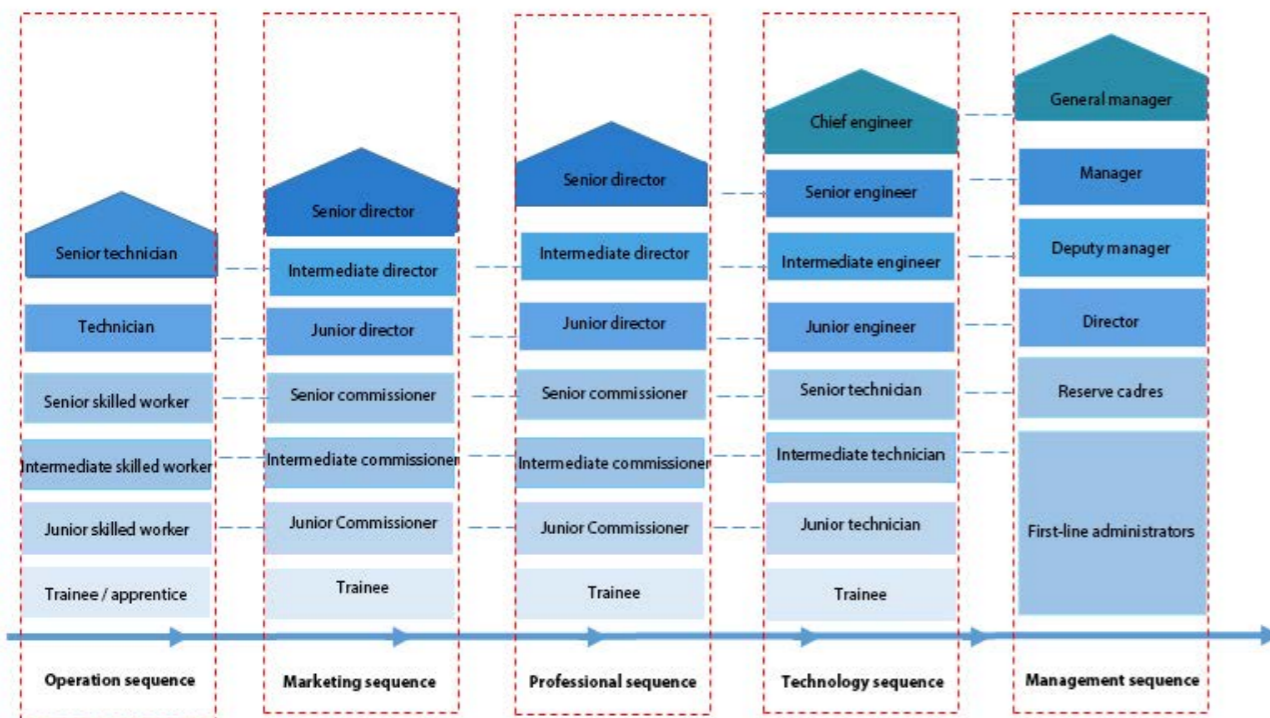
In 2020, ZTT organized to hold five ZTT forums with subjects themed with Digital Manufacturing Digitization and Internet of Industry Planning, Knowledge Management, New Changes, Emerging Opportunities and Novel Transformation, and Learning from Midea, effectively inspiring the management innovation.



Employee Incentive and Promotion

In 2020, ZTT continued to focus on the core values of "Strivers Founded". In order to stimulate the enthusiasm of employees and affirm their hard work, ZTT commended the employees making outstanding contributions, and issued the "High-quality Development Award", "Export Performance Award", "Excellent Service Award", "Labor Model Award" and "Market Development Award" TO advanced collectives and 847 advanced individuals at the spring training conference held in early 2021.

In order to guarantee fair promotion of employees, ZTT formulated internal rules including the Performance Assessment Criterion for Posts of Key Technical Talents" and Management Practice for Selection and Appointment of Management Cadres" to clarify the evaluation Criterion for different promotion approaches.



Career Development Channels of ZTT

Performance Management Smoothing

To boost the career development of employees and stimulate their work enthusiasms, ZTT set up comprehensive performance management mechanism. ZTT required that all units should first organize the preparation of employee performance plans, all employees and department managers should fully communicate, and clarified the performance objectives and evaluation rules in the evaluation cycle. When the performance plan was finished, the employee was required to advance the work monthly, quarterly or annual, and fully communicate with the department manager to determine the monthly, quarterly and annual performance evaluation results, and the department manager and employee are required jointly formulate the performance plan for the next assessment week on that basis to ensure that the employee know his/her career development orientation.

In 2020, the number of employees receiving performance evaluation accounts for 100% of total workforce.

Creation of Healthy and Safe Environment

Safety and Health Oriented

ZTT always adheres to the "people-oriented" business philosophy, targets at the safety and health zero accident, constantly improves the safety and health management organization structure, process, management norms, etc., strengthens the accident warning, assessment and accountability, creates a safety and health culture atmosphere, reduces the safety risk to the maximum extent, and safeguards the health and safety of employees.

System Building Improvement

ZTT strictly implemented the Law of the People's Republic of China on the Prevention and Control of Occupational Diseases, comprehensively improved the Company's occupational health management level by concentrating on the prevention and control of noise, dust and other hazardous factors, and had been successively certified with OHSAS: 18001 Occupational Health and Safety Management System and Workplace Conditions Assessment (WCA).

Production Safety Practices

Safety Management: ZTT drafted the Rules on Safety Production Responsibilities and Management Rules for Safety Production Objectives, scientifically prepared annual safety management work plan, sign on the letter of safety responsibility at all levels, implemented safety subject accountability, and implemented the grid management on safety officers.

Safety Inspection: ZTT formulated the Management Rules for Safety Inspection and Hidden Hazards Treatment, scientifically planned annual troubleshooting of hidden hazards and management implementation plan, combined with daily, weekly, monthly, quarterly, expert-led and cross inspections, conducted the analysis on classification of hidden hazards, and reduced the recurrence rate. In 2020, the Company conducted a total of 4266 times of hidden troubleshooting, troubleshot 20,641 hidden hidden hazards, and completed 197,347 rectifications with a completion rate of comprehensive rectification of 95.61%. Meanwhile, ZTT engaged a third-party testing agency to detect the occupational hazards annually, and identified the hazards and publicized them in the prominent sites.

Environment Improvement: ZTT persisted in improving the working environment, seriously implemented the trainings on occupational disease prevention and control, regular occupational health examinations as well as personal protective facilities and dust prevention measures, achieving remarkable results in occupational disease prevention and control and creating safe and healthy working environment for employees.

Emergency Response: ZTT attached great importance to the emergency prevention, prepared the Emergency Plan for Production Safety Accidents, formulated the Management Rules for Emergency Plans, established an emergency rescue organization with Chairman Xue Jiping as the commander-in-chief, and mainly formulated emergency plans and drill plans for fire, explosion, electric shock, traffic and other situations to avoid risks and reduce injuries to the maximum extent.

Information Management: ZTT established occupational health monitoring records and incorporated them into ZTT's occupational health records system, effectively reducing the occurrence of occupational health and safety incidents through the establishment and improvement of occupational health and safety management.

Enhancement of All Staff Awareness

ZTT focused on strengthening the health and safety publicity and training of all staff, disseminated health and safety culture, and promoted the overall improvement of health and safety awareness of all staff, and creating a good atmosphere for safe production. In 2020, ZTT constantly held the safety production month event and invite experts from the third-party organization to give safety lectures by visiting the enterprise; ZTT invited the fire authority to guide the emergency drill; organize employees to view the safety warning education film; and implemented experiential safety education by virtue of the most popular virtual technology, achieving multiple effects.



▶ Improvement of Building of Spiritual Home

ZTT threw concerns on the happiness and satisfaction of employees' life while creating the business value. The Company held cohesion activities with diverse forms and contents, advocated healthy life and enriched the spiritual world, enabling employees to better enjoy work and life, and improving employees' sense of happiness in multidirectional manner.

Rich fruits from spiritual home

- The construction of spiritual home was released in the journal titled Ideological and Political Work Research once again.
- The characteristic cases of home construction facilitated the construction of industrial workers team to become the "Model of Industrial Reform in Jiangsu".
- The spiritual home was developed into the instruction manual and promoted to more than 40 units after the implementation, induction and refinement.

Rich spiritual home activities

In 2020, the spiritual home team actively conducted the anti epidemic as well as work and consumption activities, distribute anti-epidemic bags, masks and other materials in the face of unexpected epidemic, practically implementing the welfare of employees. Through the exploration on scientific management and application, ZTT actively promote employee interviews, democratic life, and promoted the normalization and long-term effect of home work. Spiritual home engineers actively organized types of theme activities including the sports competition, essay soliciting & presentation, variety show, typical home case exhibition, positive energy preach, etc., to enrich employees' spiritual life and make them work more pleasantly, comfortably and attentively.



Tip Working System of Spiritual Home Engineer: ZTT pioneered the engineer working system for spiritual home in China. Xue Jiping, the chairman of ZTT, personally served as the chief engineer of enterprise spiritual home. Presently, the team of spiritual home engineers has formed three levels, the heads of divisions served as chief engineer of respective divisions, and a full-time executive deputy chief engineer of spiritual home was assigned to take charge of daily work of spiritual home construction; all workshops and working teams or groups were equipped with enough spiritual home grid engineers to achieve full coverage with horizontal edge extension and vertical bottom extension free of blind spot, avoiding ignoring any employee. Spiritual home engineers understood employees' ideological trends, listened to their inner appeals, consulted their opinions and suggestions, and properly conducting psychological counseling mainly via face-to-face communication with employees, solving actual difficulties of employees, satisfying their spiritual needs, and realizing practical and great jobs for employees.

Joined Hands with Partners to Build the Community of Shared Future

ZTT, as responsible enterprise, regarded suppliers and other partners as the "Community of Shared Future", adhered to the compliance idea of mutual benefits and win-win, ZTT promoted value procurement and sunshine procurement to serve overall operation of the Company, encouraged long-term cooperation on win-win basis, opposed short-term behavior, and paid attention to supply guarantee and supply risk, kept a watchful eye on the compliance and sustainability of the supply chain, constantly enhanced the integration of sustainable development into the procurement management business, improved the weight of sustainable development in the aspects including supplier certification, supplier performance evaluation and procurement decision-making, promoted the sustainable development of suppliers through procurement business management, reduced the risk of supply chain, developed strategic partnership, established efficient and leading supply chain management system to meet strategic requirements of the Company.

Our Performances in 2020

- In 2020, ZTT conducted compliance reviews on 2827 suppliers, of which 16 suppliers were included in the Blacklist of Non-cooperative Suppliers, increasing by 7 suppliers in 2019.
- In 2020, 98.65% of suppliers had signed the Code of Conduct for Suppliers.
- In 2020, the percentage of new suppliers screened by environmental and social standards was 100%.
- In 2020, 88.79% of suppliers passed on-the-spot audit for CSR.
- In 2020, 3067 suppliers were subject to social impact assessments, accounting for 56.22%. Wherein, 21 suppliers were identified to have actually or potentially and significantly negative social impacts; 76% of suppliers were identified to have actually or potentially and significantly negative social impacts and agreed to improve after assessment; and 24% of suppliers were identified to have actually or potentially and significantly negative social impacts and were determined to terminate relations after assessments.
- In 2020, 2585 suppliers underwent environmental impact assessments, accounting for 47%. Wherein, 15 suppliers were identified to have actually or potentially and significantly negative environmental impacts; 86% of the suppliers were identified to have actually or potentially and significantly environmental impacts and agreed to improve after assessment; and 14% of suppliers were identified to have actually or potentially and significantly negative social impacts and were determined to terminate relations after assessments.
- In 2020, 100% of suppliers have entered into the contracts with clauses for the environment, labor and human rights, and business ethics.
- In 2020, ZTT spent 59% of purchase costs to local suppliers, and regional distribution of suppliers is as follows:

Region		Number of suppliers	
Chinese Mainland	Jiangsu	Local Nantong	1194
		Non-local Nantong	1333
	Other provinces	2672	
Hong Kong, Macau, Taiwan		16	

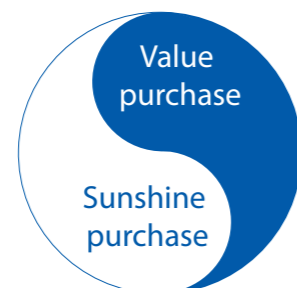
- In 2020, the proportion of purchasing staff who have received sustainable purchase training hit 100%.

Improvement of Supplier Management System

Purchase Management Reform

(1) According to overall requirements of development strategy of ZTT with "Quality First, Efficient Compliance, Overall Cost Leadership and Value Co-creation", ZTT launched the purchase reform on June 15, 2020, changing the process and organization, and implementing the value-based procurement and sunshine procurement system.

- Strictly abide by the behavior commitment of purchasing post
- Realize the fairness and justice of purchasing business through group decision-making
- Prospectively gather with mainstream suppliers suitable for ZTT, and exclude low-qualification suppliers
- Rule prioritized, operation followed, collective decision for exception

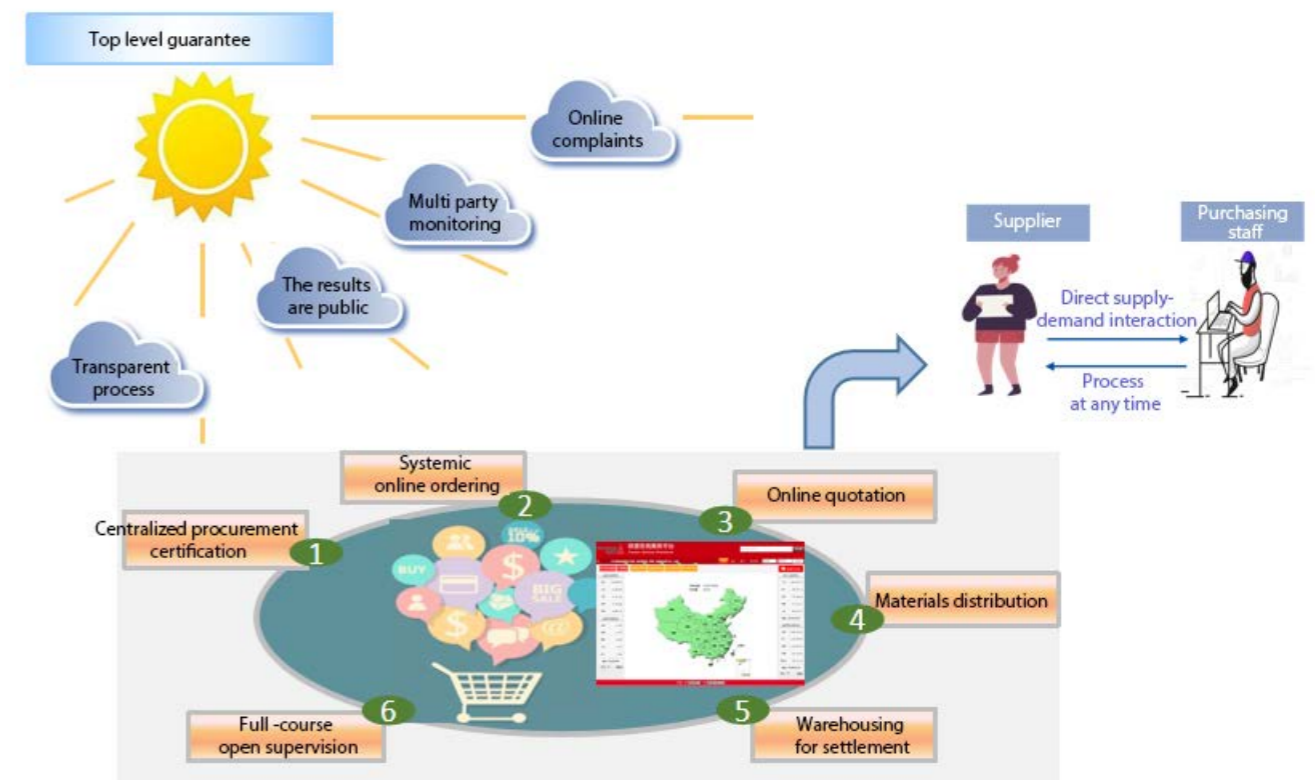


- Focus on the customer requirements
- Focus on business models and delivery strategies of competitors
- Have the purchasing strategy matching business strategy to realize comprehensive purchasing competitive advantage
- Timely delivery and optimal end-to-end cost
- Conduct the management on the procurement cost, and optimize the technology, quality, delivery and business and results
- Establish the supplier resource management system by category, level and region

(2) Construction goal of brand-new procurement system: To build a professional operation system of procurement leading major competitors, to train an industry market expert team, and to set up a competitive supplier resource pool, and thereby to improve the customer satisfaction and core competitiveness of the Company.

E-purchase Platform

To eliminate the people-made interference by information technology means to break the limits related to the information, market, space and time, timely realize online interaction and quotation, set up low-cost, high efficiency and transparent material guarantee mechanism and facilitate the fairness.



Certification Management on Newly Recruited Supplier

ZTT followed the principle of mutual benefits, win-win and merit-based enrollment in terms of the development of new suppliers. The Procurement and Certification Department took the lead in organizing cross-department teams for technology, production, quality and procurement to participate in the preliminary review, qualification review, factory visit/site audit, new materials tests/trial, and then conducted qualification assessments to determine if it is included in the list of qualified suppliers.

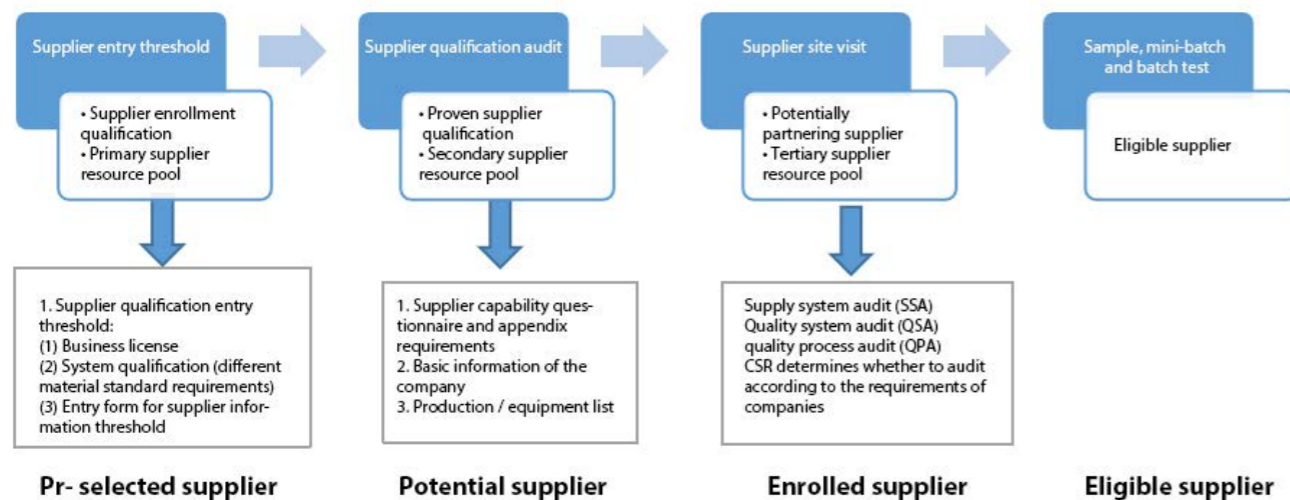
Qualification preliminary review stage: The supplier completed the form in accordance with requirements of Notice to Investigation on Supplier Capacity and submitted corresponding qualification documents, and the procurement certification engineer conducted the preliminary qualification review.

Qualification review stage: When the qualification preliminary review is passed, the supplier completed the registration and qualification uploading of electronic purchase information platform, and signed on the Integrity Agreement, Business Ethics Agreement, Social Responsibility Commitment and Environmental Protection Agreement with ZTT, and clarified the requirements for the safety, environmental protection, integrity, social responsibility and quality control, and the Certification Department organized the qualification review on suppliers, and update to the Potential Cooperative Suppliers upon the competition of the review.

Factory visit investigation/ site audit stage: For the site audit of key material suppliers, general quality system audit(QSA), basic qualification and supply system audit (SSA), quality process audit (QPA), corporate social responsibility audit (CSR) of the supplier were required to be reviewed, including reviews on the quality system, infrastructure, process control, 5S site, safety and environmental protection and social responsibility, audit reports were issued, and the supplier was required to rectify and conduct closed-loop verification; the safety and environmental protection, working environment, infrastructure, production process control, process and finished product factory inspection and capacity were required to be inspected by means of factory visit for important materials or general materials suppliers, and the inspection report was required to be submitted, and such supplier was allowed to be updated to the List of Enrolled Suppliers.

New materials test/trial/mini-batch stage: ZTT started materials certification for suppliers, new materials test/trial/mini-batch OA process, and the quality, technology and production departments organized the test and trial to ensure that the purchase technology and production process requirements of our company of ZTT were satisfied.

Qualification access evaluation stage: ZTT initiated qualified supplier access assessment, quality for suppliers proven in the above procedures, the quality, production and technology were involved in reviews, and review results were submitted to the Company for approval, and then were included in the list of qualified suppliers after being proven.



Excellent Suppliers management

In order to implement the sustainable management of suppliers, ZTT regularly evaluated and evaluated the supplier performance from the aspects involving quality, delivery, technology and service. The supplier performance was divided into four levels: Level A, Level B, Level C and Level D, ZTT formulated different development plans for different suppliers through reasonable positioning of suppliers, adopted different management strategies to optimize the supplier portfolio, effectively managed strategic the suppliers, constantly improved the level of suppliers, minimize conditional use of suppliers, developed new suppliers and other measures, for purpose of promoting the transformation of non- preferred supplier to preferred supplier and strategic supplier, and gradually rising the proportion of preferred suppliers and strategic suppliers.

Meanwhile, ZTT connect the linkage between performance evaluation results of the supplier with the business, and used such linkage in supplier selection, elimination and bidding, ZTT raised the purchase share under the same conditions, offered preferential payment terms and give priority to business cooperation opportunities for suppliers with great performance,; ZTT would reduce purchasing share, rectified within specified time limit, and even interrupted the business cooperation for suppliers who showed poor performance and especially those violated social responsibility.

ZTT purposed to establish a long-term, stable and reliable supplier team, construct healthy and reasonable supplier base, and provide high-quality and competitive products and services for the Company through the policies including the supplier portfolio development, strategic cooperation and order preference, etc.

Compliance Supply Chain Management

Sunshine Purchasing Implementation

Since the operation of the compliance management system on September 23, 2019, ZTT required all staff to obey the Code of Conduct for Employees' Compliance, instilled the compliance culture and conducted compliance investigation all suppliers involved in the cooperation of ZTT and appropriate subsidiaries, such suppliers were asked to sign on the standard terms and conditions for compliance protection. Meanwhile, disclosed the hotline and Email of ZTT for compliance consulting, complaint and report to the suppliers, and jointly built the compliance environment with suppliers to make ZTT move forward steadily on the way to international orientation.

Based on the establishment of compliance management system, ZTT raised "Four Bans and Three Observations" in terms of suppliers' honesty and integrity, namely, bribery ban, ban on gift presentation, connection ban, fraud ban, commitment observation, observation of environmental protection requirements, strict compliance with quality and safety requirements, compliance reviews on 2827 suppliers were completed by 2020, and 16 suppliers were listed in the Blacklist of Non-cooperative Suppliers.

Meanwhile, we raised the overall requirements of "Quality First, Efficient Compliance, Overall Cost Leadership and Value Co-creation" on the supply chain according to the development strategy of ZTT, launched the purchase reform project on June 15th, 2020, and implemented the reforms for procurement process and organization.

ZTT sorted out 32 process documents out in the whole process from the procurement to the application for procurement on the basis of the sourcing value chain. To realize the checks and balance of "procurement-certification-performance" and setup of professional platform for separation of four responsibilities involving "application for procurement-procurement-acceptance-payment", and support of multi-regional operation, ZTT optimized the procurement organization, established the procurement decision-making, organization and operation mechanism; set up self inspection post for full-time & internal-control procurement, and prepared Management Regulations on Internal Control Criterion of ZTT Cuisine Procurement, ZTT Accountability Mechanism and ZTT Internal Control and Inspection Mechanism were formulated to improve the cycle standard and inspection mechanism for internal control of procurement.

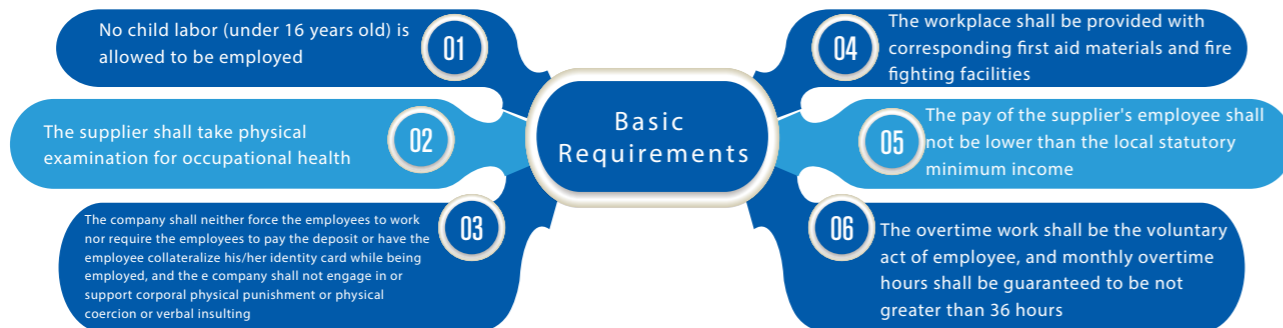
Tightened Restraints on Suppliers

ZTT didn't purchase and support the use of conflict minerals, required all suppliers not to purchase conflict minerals, and ordered suppliers to extend such requirement to sub-suppliers to ensure that the raw materials of supplies do not contain rare metals including the tin, black tungsten, coltan, gold and respective derivatives, especially the gold (au), tantalum (ta), stannum (sn) , tungsten (w) and similar raw metals.

For purpose of conveying the environmental protection concept of "Green Manufacturing and Ecological Home" of ZTT to suppliers, ZTT guided suppliers to understand the laws, regulations, instructions, standards and customer requirements related to environmental protection for products through factory survey, experts' trainings, technology exchanges and experience sharing, guaranteed that the products or components didn't involve or contain the materials over-standard restricted chemicals, encourage suppliers to implement systematic environmental protection management on full life cycle of products, achieve green design and green production, controlling the use of various restricted substances from the origin and building a green supply chain.

Supplier Social Responsibility

In order to clarify the requirements of ZTT on the aspects of suppliers involving intellectual properties, quality assurance, social responsibility, integrity and integrity, the Company entered into the agreements including the Supplier CSR Agreement, Commitment Letter of Partner on Integrity and Supplier Environmental Protection Agreement prior the cooperation with suppliers, and take this as the precondition for cooperation ZTT. ZTT also encouraged suppliers to adopt internationally recognized industry standards and constantly improve the level of social responsibility management. The suppliers were required to pass the third-party certifications including SA8000 and other systems or have certification plan, and the supplier failing to pass the social responsibility system certification temporarily was required to meet the following basic labor ethics and social responsibility requirements at least:



Industry Cooperation, Win-win and Joint Development

In 2020, ZTT actively exchanged and cooperated with the industry and all walks of life, seized strategic opportunities, explored 5G, ubiquitous power Internet of things, power grid side energy storage and other industry trending, sought the breakthroughs in industry barriers, created more value for the industry, and made contributions to the sustainable development of the industry in many aspects.

In 2020, ZTT deeply joined in the formulation of relevant international, internationally advanced, national, industrial and collective standards, participated in the discussion and compilation of relevant standards, contributed the understandings and practice of the Company to the industry, and jointly promoted the sustainable, efficient and compliant development of the industry with their colleagues.

ZTT has participated in 364 items of international/domestic and international standards as of December 31, 2020, including 187 issued items and 177 items in the progress of preparation and revision; 44 items led by ZTT and 320 items ZTT got involved in.

ZTT participated in International Telecommunication Union Telecommunication Standardization Sector (ITU) and vigorously promoted international standardization

In May 2020, ZTT received confirmation letter from ITU-T Secretariat, and ZTT was approved to become an associate member of ITU-T SG15. ZTT carried out standardization services related to the transmission, access and household network, technology and infrastructure under the leadership of ITU-T and the Ministry of Industry and Information Technology of the People's Republic of China, and jointly promoted the proposal approval of ITU-T standard for electrical and optical composite cable with domestic organizations.

Actively participated in IEC standardization activities, promoted the proposal approval and release of standards

In 2020, ZTT participated in standardization organization activities for TC7, TC46 and TC86, participated in the online meeting of 84th IEC conferences, led and participated in 7 proposal approval applications for IEC standard, and IEC 61196-6-5:2020 standard participated by ZTT was approved to be released on June 2020.



Industry-University-Research Exchanges and Cooperation

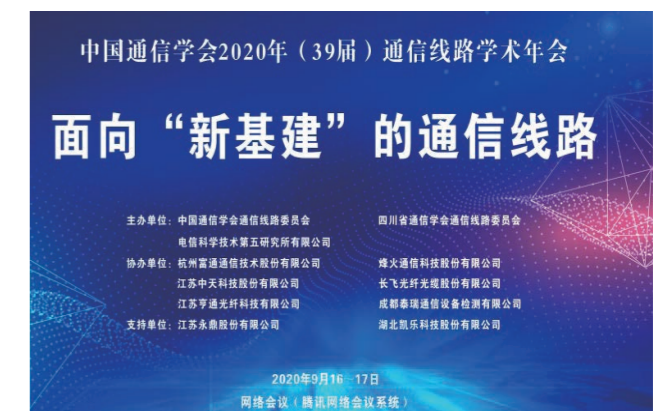
In 2020, ZTT constantly conducted technical exchange and cooperation with university research institutes: The technological projects partnered with Tsinghua University, Shanghai Institute of Laser Technology and Nanjing University of Science & Technology achieved expected results and completed the acceptance; ZTT held annual working meeting for joint laboratory with University of Electronic Science and Technology of China, summarized the results of early cooperation, and planned work scheduling for next year; ZTT conducted the cooperation and exchanges on terahertz communication technology with bodies and authorities including University of Electronic Science and Technology of China, Tongji University, Ecree Power Technology Co., Ltd. and First Research Institute of the Ministry of Public Security of P. R. C; and conduct further and in-depth exchanges with global energy Internet research institutes in materials and cables to explore the possibility of cooperation.

Industrial & Technical Communication and Exchanges

In 2020, many domestic and international exhibitions and conferences were cancelled due to the impact of COVID-2019 epidemic. ZTT remained to actively participate in domestic and international industry exchanges in the form of online participation, actively got involved in industry exchanges with innovative, responsible and active corporate image, constantly throw concerns on the industry trend, and actively grasped strategic cooperation opportunities, realizing coordinated development with the industry.



ZTT is presented in cable industry conference



ZTT is present in the online meeting of the 39th Annual Conference on Communication Line of China Institute of Communications



ZTT is present in 2020 IWCS Online Conference Exchange



ZTT is present in Nantong New Generation of Information Technology Expo 2020

Undertook Enterprise Responsibility and Stroved to Serve as Excellent Citizens

ZTT was aware of the meaning of "Being Grateful For favors ". As always, ZTT had been devoted to public welfare, shared warmth with the communities and jointly enjoyed development achievements with the society, and tiny action reflected the love and humaneness of ZTT people to the society.

Our Performances in 2020

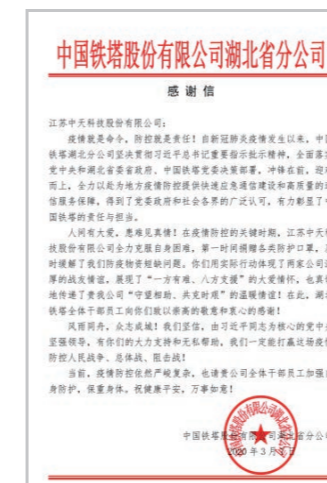
- In 2020, ZTT won the best responsibility enterprising award, China ESG Golden Awards 2020 awarded by Sina Finance and economics
- In 2020, the public benefit expenditure of ZTT hit 35, 647, 500.00 Yuan yearly in total.

Served National Major Projects

Safeguarded the Construction of Emergency Communications in Epidemic Area

In January 2020, novel coronavirus pneumonia broke out in Wuhan. ZTT, as a long-term good partner of China Tower, learned that China Tower Hubei Branch was temporarily and urgently nominated to undertake the construction of Hubei Provincial Center Hospital for Disease Control and Prevention and Dongcheng Hospital, ZTT remove all the difficulties the first time, rushed and provided the materials required for the project, and spared every effort and the guidance of values of "Honorary Quality, Customer Oriented and Strivers Founded" to protect the construction of emergency communication in the epidemic area.

ZTT received a Letter of Gratitude from China Tower Hubei Branch when the project was completed.



5G Network Full Coverage Serving Shanghai-Suzhou-Nantong Yangtze River Bridge

On July 1, 2020, Shanghai-Suzhou-Nantong Yangtze River Bridge (abbreviated as Shanghai-Suzhou-Nantong Bridge), the first high-speed railway bridge covering signal with 5G leaky cable was officially opened to traffic. Numerous new materials and technologies were used during the construction of Shanghai-Suzhou-Nantong Bridge. The 2000 MPa parallel steel wire cable-stayed cable, the cable with maximum strength, used in China for the first time, was the most critical heat treatment steel wire in the manufacture of high-strength bridge cable is also provided by ZTT.

To respond to special requirements of operation, the R & D teams of ZTT implemented a number of technical breakthroughs, the suspended fire-proof fixture develop developed by ZTT combined with China Tower vigorously secure 5G signal coverage project of the bridge, only making the train signal be more reliable but also enabling the tourists to enjoy more fun on the Internet during the driving process.

Charitable Contributor with Constancy and Boundless and Universal Love

ZTT Issued "Education Award Fund" to Boost Local Education Development

The teenager is considered to be the future of China and hope of China. ZTT Education Fund was set up to promote the education cause and cultivate more talents with both moral and competent properties. Education is considered to be the foundation of long-run plan. The hope of national rejuvenation lies in education and the hope of education depends on the school. The actions of teenagers are inseparable from their endeavors and social supports. ZTT Education Fund provides selfless assistance for teenagers to acquire knowledge.

ZTT is always committed to educational undertaking while developing the business constantly. ZTT will be away in the progress of supporting educational undertaking from selfless support to poor students to the donation and purchase of diverse teaching facilities or from generous contributions at the school anniversary till the springing up of ZTT Library or from the award of ZTT Education Award Fund nowadays till the implementation of aid commitments in the future.



On the occasion of Decade Plan Scheduled, ZTT Awarded Scholarship to Excellent Students of Lanzhou Jiaotong University

Since 2010, Zhongtian science and technology has established "Zhongtian science and Technology Scholarship" in Lanzhou Jiaotong University for ten years. Ten years of mutual defense, as agreed. In December 2020, ZTT awarded the award to 44 excellent students of Lanzhou Jiaotong University who won the "Zhongtian science and Technology Scholarship", and sent them to study hard to become the backbone of China.



"ZTT Scholarship" was founded to encourage and support students with excellent quality and study, and to promote students' development and talent training. ZTT adhered to the industry, benefit the homeland, ZTT has been under the progress of public welfare and charity from environmental protection to emergency and disaster relief or from the set up of "Love Fund", provision of support and help to families of difficult employees and till the building hope primary school and support poor students. ZTT followed the mission of "Connecting Wonderful Life with Optic-Electric Network" and the vision of "Creating Value for Customers, Employees and the Society", and repaid the society with gratitude, actively took social responsibility while providing high-quality products and services to the society, always working on ongoing public benefit undertaking.

In recent years, ZT Scholarship had been rooted in universities and has lit up the prospective prospect of the motherland. ZTT has set up ZTT Scholarship in 11 key domestic universities including Xiamen University, Lanzhou Jiaotong University, Shanghai University of Electric Power and other 11 domestic key universities set up. In the meanwhile, ZTT also showed concerns on the education in the homeland, and set up an "Education Award Fund" for schools in hometown to boost the development of local education.

Feedback to Community Construction with Love

ZTT had set up the corporate culture tradition of fulfilling corporate social responsibility and striving to repay to the community since the corporation of business. ZTT launched the localization construction according to development and cultural conditions of different operating countries, and were committed to becoming a member of communities, receiving recognitions from aborigines.



The employees from PT ZTT Cable Indonesia donated materials to disaster victims.



The employees from PT ZTT Cable Indonesia participated in local traditional festival.



ZTT India Private Limited donated special epidemic prevention fund to AP State Government Epidemic Prevention Foundation.



ZTT donated power materials for construction of the mobile cabin hospital in Wuhan.



Zhongtian Broadband Technology Co., Ltd. organized employees to donate blood for free.



Zhongtian Communication Technology Co., Ltd. organized the employee to donate blood for free.

Appendix I: GRI Index Category

This Report is prepared in accordance with "core" solutions of GRI standards

Disclosed Item	Description	Page
GRI 101: Foundation 2016		
GRI 102: General Disclosure 2016		
Organization Overview		
102-1	Organization name	Notes to report preparation
102-2	Activities, brands, products and services	P5
102-3	Headquarters location	P6
102-4	Premises	P6
102-5	Ownership and legal form	P5
102-6	Served market	P5
102-7	Organization size	P2
102-8	Information for employees and other workers	P2, P3
102-9	Supply chain	P6, P48
102-10	Significant changes in organization and corresponding supply chain	/
102-11	Early warning principle or policy	P11
102-12	External initiatives	/
102-13	Association membership	P49
Strategies		
102-14	Statement of senior decision makers	P1
102-15	Key impacts, risks and opportunities	P1,P9
Morality & Integrity		
102-16	Values, principle, standard and code of conduct	P6
102-17	Mechanisms for moral advice and concerns	/
Governance		
102-18	Governance architecture	P7, Appendix IV
102-19	Authorization	P6-8
102-20	Executive responsibilities for economic, environmental and social issues	/
102-21	Negotiations with stakeholders on economic, environmental and social issues	P11

102-22	Composition of supreme governing body and corresponding committees	P9-10
102-23	Chairman of supreme governing body	P1
102-24	Nomination and selection of supreme governing body	P9-10
102-25	Conflict of interest	P11
102-26	Role of supreme governing body in setting purposes, values and strategies	P12
102-27	Collective understanding of supreme governing body	p12
102-28	Performance evaluation of supreme governing body	P10
102-29	Identification and management on economic, environmental and social	P17
102-30	Effects of risk management process	P11
102-31	Review on economic, environmental and social issues	P17
102-32	Role of supreme governing body in sustainable development report	Notes to report preparation
102-33	Communication on important concerns	P14
102-34	Nature and total number of major concerns	/
102-35	Remuneration policy	P10
102-36	Process of determining reward	P41
102-37	Stakeholders' participation in reward decision process	P14
102-38	Ratio of annually total remuneration	P2
102-39	Growth rate of annually total remuneration	/
Stakeholder's Participation		
102-40	List of stakeholder groups	P14
102-41	Collective bargaining agreement	/
102-42	Identification and selection of stakeholders	P14
102-43	Engagement policy for stakeholders	P14
102-44	Main topics and concerns raised	P14
Reporting Practice		
102-45	Entities covered in consolidated financial statement	Appendix III
102-46	Defined report contents and issue boundaries	Notes to report preparation
102-47	List of substantive issues	P17
102-48	Information restatement	Notes to report preparation
102-49	Report change	Notes to report preparation
102-50	Reporting period	Notes to report preparation
102-51	Latest report date	Notes to report preparation
102-52	Reporting cycle	Notes to report preparation

102-53	Contacts about issues in this Report	Notes to report preparation
102-54	Statement of reporting in accordance with GRI standards	Notes to report preparation
102-55	GRI Content index	Appendix I
102-56	External assurance	/
GRI201: Economic Performance 2016		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	P17
103-2	Management method and corresponding components	P13
103-3	Evaluation of management methods	P13
201-1	Economic value directly generated and distributed	P2,P13
201-2	Financial impact and other risks and opportunities resulting from climate change	/
201-3	Compulsory defined benefit plans and other retirement plans	/
201-4	Fiscal subsidies offered by the government	P2
GRI202: Market performance 2016		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	/
103-2	Management method and corresponding components	/
103-3	Evaluation on management method	/
202-1	Ratio of standard starting wage to local minimum wage by gender	P38
202-2	Proportion of executives hired from local communities	P38
GRI203: Indirect Economic Impact 2016		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	P17
103-2	Management method and corresponding components	P13
103-3	Evaluation on management method	P13
203-1	Infrastructure investment and supporting services	P52
203-2	Significant and indirect economic impact	P45
GRI204: Procurement Practice 2016		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	P17
103-2	Management method and corresponding components	P45
103-3	Evaluation on management method	P45
204-1	Proportion of expenditures to local supplier	P45

GRI205: Anti-corruption 2016		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	P17
103-2	Management method and corresponding components	P21
103-3	Evaluation on management method	P21
205-1	Premises receiving corruption risk assessment	P22
205-2	Communication and training for anti-corruption policies and procedures	P22
205-3	Confirmed corruption incidents and actions taken	None
GRI206: Unfair Competition Action 2016		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	P22
103-2	Management method and corresponding components	P22
103-3	Evaluation on management method	None
206-1	Legal actions against unfair competition, antitrust and antitrust practices	None
GRI301: Materials 2016		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	P17
103-2	Management method and corresponding components	P31
103-3	Evaluation on management method	P31
301-1	Weight or volume of material used	P33
301-2	Recycled feedstock used	P35
301-3	Recycled products and packaging materials	P35
GRI302: Energy 2016		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	P17
103-2	Management method and corresponding components	P33
103-3	Evaluation on management method	P33
302-1	Intra-organization energy consumption	P33
302-2	Inter-organization energy consumption	P34
302-3	energy intensity	P34
302-4	Reduced energy consumption	P34
302-5	Reduced energy demand for products and services	P34

GRI303: Water Resource 2016		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	/
103-2	Management method and corresponding components	/
103-3	Evaluation on management method	/
303-1	Water intake divided by source	/
303-2	Water sources seriously affected by water intake	/
303-3	Water circulation and reuse	P35
GRI304: Biodiversity 2016		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	/
103-2	Management method and corresponding components	/
103-3	Evaluation on management method	/
304-1	The organization owns, leases, and manages corresponding premises in or near the protected area and biodiversity rich area outside protected area	/
304-2	Significant impacts of activities, products and services on the biodiversity	/
304-3	Protected or restored habitats	/
304-4	The habitat in the affected area has been listed in the species of red list of IUCN and national protection list	/
GRI305: Discharge 2016		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	P17
103-2	Management method and corresponding components	P34
103-3	Evaluation on management method	P34
305-1	Direct (Category 1) greenhouse gas emissions	/
305-2	Indirect energy (Category 2) greenhouse gas emissions	/
305-3	Other indirect (Category 3) greenhouse gas emissions	/
305-4	Emission intensity of greenhouse gas	/
305-5	Emission reduction of greenhouse gas	/
305-6	Emissions of ozone depleting substances (ODS)	/
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx) and other major gases	/

GRI306: Sewage and Wastes 2016		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	P17
103-2	Management method and corresponding components	P34
103-3	Evaluation on management method	P34
306-1	Total discharge by water quality and discharge destination	P34
306-2	Total amount of waste classified by category and treatment method	P34
306-3	Major leakage	/
306-4	Hazardous wastes transportation	/
306-5	Water bodies affected by drainage and / or runoff	/
GRI307 Environmental Compliance 2016		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	P17
103-2	Management method and corresponding components	P34
103-3	Evaluation on management method	P34
307-1	Laws and regulations for environmental violation	/
GRI308: Environment Assessment on Suppliers 2016		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	P17
103-2	Management method and corresponding components	P45
103-3	Evaluation on management method	P45
308-1	New suppliers screened for environmental standards used	P46
308-2	Negative impact of supply chain on environment and actions taken	/
GRI401: Employment 2016		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	P17
103-2	Management method and corresponding components	P37
103-3	Evaluation on management method	P37
401-1	New employed employees and turnover	P39
401-2	Benefits provided to full-time employees (excluding temporary or part-time employees)	P39
401-3	Parental leave	P39



GRI402: Labor-capital Relationship 2016		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	P17
103-2	Management method and corresponding components	P37
103-3	Evaluation on management method	P37
402-1	Minimum notice period for operational change	None
Gri403: Occupational Health and Safety 2016		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	P17
103-2	Management method and corresponding components	P42
103-3	Evaluation on management method	P42
403-1	Worker representatives in labor-capital joint health and safety committee	P42
403-2	Category of work-related injury, ratio of work-related injury, occupational disease, lost working days, absence from duty, etc	P42
403-3	Workers engaged in occupations with high incidence of occupational diseases or high risk of occupational diseases	/
403-4	Health and safety issues in formal trade union agreements	/
Gri404: Trainings and Education 2016		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	P17
103-2	Management method and corresponding components	P40
103-3	Evaluation on management method	P40
404-1	Average hours of trainings per employee annually	P40
404-2	Employee skills improvement program and transition assistance program	P41
404-3	Percentage of employees regularly receiving assessments for performance and career development	P41
GRI405: Diversity and Equal Opportunities 2016		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	P17
103-2	Management method and corresponding components	P37
103-3	Evaluation on management method	P37
405-1	Governance organization and employee diversity	P37
405-2	Ratio of basic wages and remuneration between men and women	P38
GRI406: Anti-discrimination GRI406 2016		

GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	P17
103-2	Management method and corresponding components	P37
103-3	Evaluation on management method	P37
406-1	Discrimination incidents and corrective actions taken	/
GRI407: Freedom of Association and Collective Bargaining 2016		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	P17
103-2	Management method and corresponding components	P37
103-3	Evaluation on management method	P37
407-1	Premises and suppliers where freedom of association and collective bargaining rights may face risks	/
GRI408: Child Laborer 2016		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	P17
103-2	Management method and corresponding components	P37
103-3	Evaluation on management method	P37
408-1	Premises and suppliers with significant risk of child labor incidents	/
RI409: Forced or Compulsory Labor 2016		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	P17
103-2	Management method and corresponding components	P37
103-3	Evaluation on management method	P37
409-1	Premises and suppliers with significant risk of forced or forced labor event	/
GRI410: Security Practice 2016		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	P17
103-2	Management method and corresponding components	P42
103-3	Evaluation on management method	P42
410-1	Security guards trained with human rights policies or procedures	/
GRI411: Rights of Aborigines 2016		






GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	/
103-2	Management method and corresponding components	/
103-3	Evaluation on management method	/
411-1	Incidents involving violations of rights of aborigines	/
GRI412: Assessment on Human Rights 2016		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	P17
103-2	Management method and corresponding components	P37
103-3	Evaluation on management method	P37
412-1	Premises subject to human rights review or impact assessment	P37
412-2	Staff training for human rights policies or procedures	P37
412-3	Important investment agreements and contracts involving terms and conditions of human rights or subject to human rights review	/
GRI413: Local Communities 2016		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	P17
103-2	Management method and corresponding components	P52
103-3	Evaluation on management method	P52
413-1	Premises with local community involvement, impact assessment and development plan	P54
413-2	Premises with actually or potentially significant negative impacts on local communities	/
GRI414: Social Assessment on Suppliers 2016		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	P17
103-2	Management method and corresponding components	P45
103-3	Evaluation on management method	P45
414-1	New suppliers screened with social criteria	P45
414-2	Negative impacts of supply chain on society and actions taken	/
GRI415: Public Policy 2016		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	/
103-2	Management method and corresponding components	/

103-3	Evaluation on management method	/
415-1	Political donation	/
GRI416: Customer Health and Safety		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	P17
103-2	Management method and corresponding components	P27
103-3	Evaluation on management method	P27
416-1	Assessment on health and safety impacts of product and service categories	P27
416-2	Violations involving health and safety impacts of products and services	/
GRI417: Marketing and Identification 2016		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	P17
103-2	Management method and corresponding components	P28
103-3	Evaluation on management method	P28
417-1	Requirements on product & service information and identification	P28
417-2	Violations involving product and service information and identification	/
417-3	Violations involving marketing	/
GRI418: Customer Privacy 2016		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	P17
103-2	Management method and corresponding components	P29
103-3	Evaluation on management method	P29
418-1	Proven complaints related to infringement of customer privacy and lost customer information	/
GRI419: Social and Economic Compliance		
GRI103: Management Method 2016		
103-1	Notes to substantive issues and corresponding boundaries	P17
103-2	Management method and corresponding components	P19
103-3	Evaluation on management method	P19
419-1	Violation of laws and regulations in social and economic fields	/

Appendix II: Benchmarking of UN Sustainable Development Goals

Goal	Specific Action	Actions and Performance of ZTT
 <p>1 无贫穷</p>	To eliminate the poverty in any form across the world	<ol style="list-style-type: none"> 1. ZTT owns 6 overseas marketing centers and 10 marketing centers, achieving the coverage of the "Belt and Road Initiative", solving the problem of territorial employment and improving economic and living standard of indigenes. 2. ZTT set up the "ZTT Love Fund" to help the employees spending difficult life and surrounding neighbors. 3. ZTT worked together with Muyuan Group to build the photovoltaic power station in Laohekou, Hubei Province, and had the income from the roof rent transferred to the Poverty Alleviation Office, benefiting over 2450 poor people.
 <p>2 零饥饿</p>	To eradicate the starvation, achieve food security, improve nutrition and promote sustainable agriculture	<ol style="list-style-type: none"> 1. Overseas epidemic had severe situation, the Company commanded overseas production bases to donate food, drinks and other necessities to surrounding poor people to realize that the Company remembered repaying to the surrounding masses while developing. 2. ZTT actively conducted the operation empty "plate" action and food conservation publicity.
 <p>3 良好健康与福祉</p>	To secure healthy lifestyle and promote the well-being of groups at all ages	<ol style="list-style-type: none"> 1. The Company attached great importance to the epidemic of overseas production bases and offices and safety of employees since the outbreak of the epidemic. International industry group provided targeted guidance for the first time, prepared epidemic prevention materials in diverse ways, and increased the supply of masks, protective clothing and medical supplies. 2. ZTT provided perfect medical and social security for employees, organized employees to have physical examination yearly and paid attention to the prevention and treatment of occupational diseases.
 <p>4 优质教育</p>	To guarantee inclusive and fair quality education so that all people enjoy lifelong learning opportunities	<ol style="list-style-type: none"> 1. ZTT set up the APP for ZTT Academy to provide employees with better digital learning experience. 2. ZTT aided in the construction of Yezhuping Hope Primary School in Baojing County, Xiangxi Prefecture, Hunan Province, solving the education problem of 380 left-behind children in the local area, and paid persistent visit yearly to conduct the donation activities of grants and teaching assistants. 3. ZTT organized the "Wild China· I'm A Mover" campaign, providing public welfare education resources for schools for free in normal manner.

Goal	Specific Action	Actions and Performance of ZTT
 <p>5 性别平等</p>	To achieve the gender equality and strengthen the powers and functions of all women and girls	<ol style="list-style-type: none"> 1. ZTT always adhered to the concept of "valuing knowledge, talents and innovation". ZTT employees enjoyed same promotion opportunities. 2. ZTT conducted interviews and persuasion to the ideally backward families in the love promotion campaign, with the aim of striving for the opportunity to receive education for every child. 3. The Company always insisted that women's empowerment promotes productivity and economic growth, provided peer-to-peer professional knowledge and skills training for front-line female workers imposing requirements for self-improvement, and set up promotion channels to pave the way for full realization of individual value.
 <p>6 清洁饮水和卫生设施</p>	To provide the water and sanitation for all the people and offer sustainable management	<ol style="list-style-type: none"> 1. The underwater observation network water quality monitoring system of ZTT was capable of managing the underwater observation network, remote power supply, underwater observation data transmission and reception, distribution and storage, and realized information interaction with users' computers and mobile phones to enable every government department or ordinary people needing to know the water quality to see the water quality in real time, and protect the water safety of people's livelihood. 2. The Company's water resources were fully taken from the urban water supply system, and ZTT attached importance to efficient use of water resources, and achieving the purpose of saving water by constantly publicizing the concept of water saving and optimizing the way of water use.
 <p>7 经济适用的清洁能源</p>	To make sure everyone gets access to affordable, reliable and sustainable modern energy for all	<ol style="list-style-type: none"> 1. ZTT proposed distributed photovoltaic power generation system solution, micro grid power generation system solution, wind-solar diesel complementary power supply system solution, intelligent optical storage and charging integrated system solutions. 2. All production bases and offices of ZTT were equipped with photovoltaic power stations to make full use of renewable energy and reduce energy consumption and carbon dioxide emissions.
 <p>8 体面工作和经济增长</p>	To promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all the people	<ol style="list-style-type: none"> 1. The families of quite a few front-line employees of ZTT spent less rich life, and the manufacturing industry experienced the depression with the arrival of the epidemic. Xue Jiping, chairman of ZTT, has always insisted that "the customers and employees are the most valuable assets of the enterprise", the distribution of the enterprise was optimized from principle of enterprise distribution was the increase in salary with the income rise, salary drop with income decline to the increase in salary with the income rise and non-declined salary with the decrease in income, providing stable and reliable sources of economic life for employees. 2. In 2020, ZTT provided over 12000 employees with jobs, comfortable working environment and growing atmosphere, and presented competitive remunerations and benefits in the industry.

Goal	Specific Action	Actions and Performance of ZTT
 <p>9 产业、创新和基础设施</p>	To build the infrastructure with disaster resistance, promote inclusive and sustainable industrialization, and boost the innovation	<ol style="list-style-type: none"> 1. Aiming at 5G, ZTT launched high-density optical cable, new optical composite cable, leaky cable, smart antenna and other product solutions, becoming the only enterprise in the optical communication cable industry to implement 5G innovative cooperation with China Mobile, China Telecom and China Tower. 2. ZTT contracted and built Nanjing Disaster Recovery Node Operation Center to help the breakthrough development of secondary nodes of industrial Internet identification resolution, becoming the first operation enterprise participating in disaster recovery node in China. 3. ZTT adhered to innovation driving, continuously consolidated and developed their main businesses involving optical communication, power grid, ocean, new energy and new materials, and persevered in the industrial chain integration and product line specialization, constantly Creating Value for Customers.
 <p>10 减少不平等</p>	To reduce the intra-country and inter-country inequalities	<ol style="list-style-type: none"> 1. ZTT set up a complete, standardized and effective selection and entry management system for talents, equally treated workers from different races, nationalities, citizenships, complexions, genders and religious beliefs, and fully safeguarded equal employment rights of workers in accordance with laws. 2. ZTT will continue to fully exert the advantages of origin country, extend the production capacity to international scope, expand the selection on international talents., strengthen the assistance to the poorest and developing countries to ensure that they can share the benefits of sustainable development.
 <p>11 可持续城市和社区</p>	To build inclusive, safe, disaster resilient and sustainable cities and human settlements	<ol style="list-style-type: none"> 1. ZTT developed the Internet of things (IOT) management platform to meet the requirements for ubiquitous IOT terminal access. Presently, intelligent lock, intelligent smoke detector, intelligent gas detector and similar products of ZTT have been successfully deployed and applied in three major operators. 2. ZTT cooperated with local governments and telecom operators, major application projects have been implemented in important provinces and cities in China, and ZTT will give full play to the due strength of enterprises in rapid implementation and practices of 5G application in China.
 <p>12 负责任消费和生产</p>	To adopt to sustainable consumption and production models	<ol style="list-style-type: none"> 1. ZTT had 180 people take the regular bus daily on average, being equivalent to the decrease in 3500 tons of carbon emissions annually. 2. The installed capacity of ZTT's new energy hit 360 MWp, and the installed capacity increased by 10%, reducing 183000 tons of standard coal, 13.8 tons of carbon dust emissions and 507000 tons of carbon dioxide emissions. 3. ZTT designed and produced green products, provides low-energy service solutions for customers, strictly controlled self-operated environmental impact, strove to spread the concept of green environmental protection, and worked with all sectors of the society to protect our lucid waters and lush mountains.
 <p>13 气候行动</p>	To the emergency action to address climate change and its impacts	<ol style="list-style-type: none"> 1. ZTT was determined to choose the approach of green, low-carbon and sustainable development and integrate the concept of green environmental protection into the whole life cycle management of product design, research & development, manufacturing and construction. 2. ZTT discharged the waste water, waste gas and wastes in strict accordance with national standards, followed the "land use centralization, "clean production", "harmless disposal of raw materials" and "waste resources recycling" to minimize the impacts on the environment and climate.

Goal	Specific Action	Actions and Performance of ZTT
 <p>14 水下生物</p>	To protect and sustainably use ocean and marine resources for sustainable development	<ol style="list-style-type: none"> 1. ZTT independent developed marine monitoring system to monitor the state of underwater biological activities and protect the biodiversity. 2. ZTT Marine comprehensively sensed and intelligently applied the information ecological chain system platform and promoted the sustainable development of the ocean. ZTT took the control on the waste gas, waste water and wastes as the focuses of environmental protection management, monitored the land inflow of marine pollution, marine red tide pollution, marine development and construction pollution by relying on regular detection and online monitoring to achieve compliant emission, and protected marine ecology, marine resources, and marine animals.
 <p>15 陆地生物</p>	To protect, restore and promote the sustainable utilization of terrestrial ecosystems, manage forests sustainably, prevent from desertification, curb and reverse the land degradation, and restrain the loss of biodiversity.	<ol style="list-style-type: none"> 1. ZTT significantly added financial resources through various channels and took measures at all levels to reduce the degradation of natural habitats around the factory and restraint the loss of biodiversity. 2. ZTT organized the staff on the Arbor Day to plant trees, prevent water and soil loss and reduce land degradation. 3. ZTT donated to the environmental protection project in Hekou Town, Rudong County, Jiangsu.
 <p>16 和平、正义与强大机构</p>	To build peaceful and inclusive societies for sustainable development, to enable everybody to get access to justice, and to set up effective, responsible and inclusive institutions at all levels	<ol style="list-style-type: none"> 1. ZTT devoted to promoting the sustainable development of peace and inclusive society, providing the opportunities of access to justice for all employees in service, and established effective and responsible institutions at all levels of factories to reduce all forms of injustice and violence. 2. ZTT actively sought to work with the governments and local communities to find lasting solutions for conflicts and insecurity, firmly banned the service of child labor, and curbed any form of trafficking, violence or torture against children. 3. ZTT responded to national call, posted "underworld forces must be eliminated and completely eradicate", "remove underworld forces, purify the living conditions, promote stability and ensure safety" and similar slogans at eye-striking sites of factories, and firmly adopted the principle of never shielding any illegal act or violent crime.
 <p>17 促进目标实现的伙伴关系</p>	Strengthened the implementing measures and revitalized global partnership for sustainable development	<ol style="list-style-type: none"> 1. ZTT was committed to becoming a part of its community by localizing its construction according to the development and cultural situation of different operating countries. For example: ZTT provided electric power communication materials supports for the mobile cabin hospital in Hubei during the breakout of COVID-19 in 2020 and served Shanghai-Suzhou-Nantong Yangtze River Bridge with full coverage with 5 G network. 2. For the selection on suppliers, ZTT followed the principle of mutual benefit and win-win, the principle of merit-based enrollment, took the compliance supply chain management, implemented the sunshine purchase; tightened the constraints on suppliers, guided suppliers to know well the laws, regulations, instructions, standards and customer requirements in terms of product environmental protection through factory surveys, experts' trainings, technical exchanges and experience sharing.

Appendix III: List of Affiliates and Branches of Jiangsu Zhongtian Technology Co., Ltd.

Subsidiary name	Primary premises	Place of registry	Business nature	Shareholding ratio (%)		Acquisition mode
				Direct	Indirect	
Zhongtian Technology Fiber Optics Co., Ltd.	Nantong	Nantong	Optical fiber manufacturing	100		Incorporation
Zhongtian Financial Investment Co., Ltd.	Nantong	Nantong	Investment management	90	10	Incorporation
Zhongtian Technology Advanced Materials Co., Ltd.	Nantong	Nantong	Preform manufacturing	100		Merger
Jiangdong Xiangjun Materials Co., Ltd.	Nantong	Nantong	New materials		65	Incorporation
Zhongtian Alloy Technology Co., Ltd.	Nantong	Nantong	Copper product processing	100		Merger
ZTT International Limited	Nantong	Nantong	Trade	100		Incorporation
ZTT COLOMBIA SAS	Columbia	Columbia	Trade		100	Incorporation
ZTT (THAILAND) CO., LTD	Thailand	Thailand	Trade		100	Incorporation
ZTT RUS LLC	Russia	Russia	Trade		100	Incorporation
ZTT MIDDLE EAST DMCC	United Arab Emirates	United Arab Emirates	Trade		100	Incorporation
ZTT EUROPE GmbH	Germany	Germany	Trade	100		Incorporation
ZTT France SASU	France	France	Trade		100	Incorporation
ZTT AUSTRALIA PTY LTD	Australia	Australia	Trade		100	Incorporation
ZTT VIET NAM COMPANY LIMITED	Vietnam	Vietnam	Trade		100	Incorporation
ZTT PHILIPPINES CORP	Philippines	Philippines	Trade		100	Incorporation
Chinamex ZTT SA de CV	Mexico	Mexico	Trade		100	Incorporation
Zhongtian Photovoltaic Technology Co., Ltd.	Nantong	Nantong	Photovoltaic power generation	100		Incorporation
Zhongtian (Rudong) Photovoltaic Power Development Co., Ltd.	Rudong	Rudong	Photovoltaic power generation		100	Incorporation
Zhongtian (Haian) Photovoltaic Power Development Co., Ltd.	Haian	Haian	Photovoltaic power generation		100	Incorporation
Zhongtian (Feixi) Photovoltaic Power Development Co., Ltd.	Feixi	Feixi	Photovoltaic power generation		100	Incorporation
Zhongtian Electric Co., Ltd.	Rudong	Rudong	Photovoltaic power generation		100	Incorporation
Yancheng Zhongtian Bright New Energy Technology Co., Ltd.	Yancheng	Yancheng	Photovoltaic power generation		80	Incorporation
Nantong Zhongtian Xintong Photovoltaic Power Development Co., Ltd.	Nantong	Nantong	Photovoltaic power generation		100	Incorporation
Zhongtian Laohekou New Energy Technology Co., Ltd.	Laohekou	Laohekou	Photovoltaic power generation		100	Incorporation
Qinghai Zhongtian New Energy Co., Ltd.	Qinghai	Delingha	Photovoltaic power generation		100	Incorporation

Subsidiary name	Primary premises	Place of registry	Business nature	Shareholding ratio (%)		Acquisition mode
				Direct	Indirect	
Nantong Zhongtian Power Development Co., Ltd.	Nantong	Nantong	Photovoltaic power generation		100	Incorporation
Suining Zhongtian Photovoltaic Power Development Co., Ltd.	Xuzhou	Xuzhou	Photovoltaic power generation		100	Incorporation
Zhongtian Photovoltaic (Jining) Co., Ltd.	Jining	Jining	Photovoltaic power generation		100	Incorporation
Nantong Zhongtian Kaisha Photovoltaic Technology Co., Ltd.	Nantong	Nantong	Photovoltaic power generation		100	Incorporation
Zhongtian Technology Industrial Wire & Cable System Co., Ltd.	Nantong	Nantong	Manufacturing equipment fabrication	100		Incorporation
Zhongtian Technology Submarine Cable Co., Ltd.	Nantong	Nantong	Submarine cable manufacturing	85.67	3.38	Incorporation
Zhongtian Technology Cable Accessories Co., Ltd.	Nantong	Nantong	Cable accessories manufacturing		60	Merger
Shanghai Zhongtian Aluminium Wire Co., Ltd.	Shanghai	Shanghai	Wire manufacturing	96.875	3.125	Merger
Jiangdong Fittings Equipment Co., Ltd.	Rudong	Rudong	Fittings manufacturing	100		Merger
Zhongtian Technology Software Co., Ltd.	Nantong	Nantong	Software development service	100		Incorporation
Zhongtian International Trading Co., Ltd.	Shanghai	Shanghai	Trade	100		Merger
ZTT HONGKONG LIMITED	Hong Kong	Hong Kong	Trade	100		Incorporation
Guangdong Zhongtian Technology Optic Fiber Cable Co., Ltd.	Fosshan	Fosshan	Optical cable manufacturing	70		Incorporation
Zhongtian Photovoltaic Materials Co., Ltd.	Nantong	Nantong	Photovoltaic materials manufacturing	90		Incorporation
Zhongtian Energy Storage Technology Co., Ltd.	Nantong	Nantong	Energy storage battery energy storage battery	100		Incorporation
Zhongtian Power Optical Cable Co., Ltd.	Rudong	Rudong	Optical cable manufacturing	100		Incorporation
Zhongtian Radio Frequency Cable Co., Ltd.	Nantong	Nantong	Radio frequency cable manufacturing	100		Incorporation
Zhongtian Broadband Technology Co., Ltd.	Rudong	Rudong	Broadband products manufacturing	100		Merger
Nantong Zhongtian Communication Device Co., Ltd.	Rudong	Rudong	Communication components manufacturing		100	Merger
Zhongtian Communication Technology Co., Ltd.	Nantong	Nantong	Antenna manufacturing		100	Incorporation
Wuhan Neowave Optics Co.,Ltd.	Wuhan	Wuhan	Antenna manufacturing		70	Merger
Shenzhen WaveTone Technology Co., Ltd.	Shenzhen	Shenzhen	Antenna manufacturing		52.08	Merger
Jiangdong Technology Co., Ltd.	Rudong	Rudong	Optical fiber manufacture	100		Incorporation
Nantong Jiangdong Electronic Technology Communication Co., Ltd.	Rudong	Rudong	Communication device		100	Incorporation
North of Jiangsu Cable Co., Ltd.	Yancheng	Yancheng	Optical cable manufacturing	100		Incorporation
Jiangsu Zhongtian Bright Transformer Co., Ltd.	Yancheng	Yancheng	Transformer manufacturing	70		Merger

Subsidiary name	Primary premises	Place of registry	Business nature	Shareholding ratio (%)		Acquisition mode
				Direct	Indirect	
Zhongtian Technology Marine Systems Co., Ltd.	Nantong	Rudong	Marine equipment manufacturing	70		Incorporation
Nantong Jiangdong Materials Co.,Ltd.	Rudong	Rudong	Auxiliary materials manufacturing	51		Incorporation
Zhongtian Marine Project Co., Ltd.	Rudong	Nantong	ocean engineering construction	100		Incorporation
Zhongtian Light Alloy Co., Ltd.	Rudong	Rudong	Aluminum alloy processing	100		Incorporation
Jiangdong Alloy Technology Co., Ltd.	Rudong	Rudong	Copper products processing manufacturing	100		Incorporation
Zhongtian Electronic Materials Co., Ltd.	Nantong	Nantong	Electronic materials	88		Incorporation
Shanghai Zhongtian Superconducting Technology Co., Ltd.	Shanghai	Shanghai	Superconducting materials manufacturing	70		Incorporation
Chengdu Xinliantong Cryogenic Equipment Co., Ltd.	Chengdu	Chengdu	Temperature control device manufacturing		51	Merger
Baotou Zhongtian Electronic Materials Co., Ltd.	Baotou	Baotou	Electronic materials electronic material	100		Incorporation
Jiangdong Electronic Materials Co., Ltd.	Rudong	Rudong	Electronic materials manufacturing	100		Merger
Jiangsu Zhongtian Internet Technology Co., Ltd.	Nantong	Nantong	Technological development	60		Incorporation
Zhongtian Supercapacitor Technology Co., Ltd.	Nantong	Nantong	Capacitor manufacturing	100		Incorporation
Zhongtian Yupin Technology Co., Ltd.	Nantong	Nantong	Capacitor manufacturing		100	Merger
Nanhai Submarine Cable Co., Ltd.	Lufeng	Lufeng	Submarine cable manufacturing		100	Incorporation
Zhongtian Dafeng Submarine Cable Co.,Ltd.	Yancheng	Yancheng	Submarine cable manufacturing		100	Incorporation
Zhongtian (Shanghai) Intelligent Technology Co., Ltd.	Shanghai	Shanghai	Manufacturing industry	100		Incorporation
Jiangsu Zhongtian Carbon Material Co.,Ltd.	Nantong	Nantong	Manufacturing industry	75		Incorporation
PT ZTT CABLE INDONESIA	Indonesia	Indonesia	Optical cable manufacturing	100		Incorporation
PT. ZTT TRADING INDONESIA	Indonesia	Indonesia	Trade		100	Incorporation
ZTT DO BRASIL LTDA	Brazil	Brazil	Optical cable manufacturing	87.5		Incorporation
ZTT INDIA PRIVATE LIMITED	India	India	Optical cable manufacturing	100		Incorporation
ZTT MAROC SARL AU	Morocco	Morocco	Optical cable manufacturing	100		Incorporation
DEMİRER KABLO TESİSLERİ SANAYİ VE TİCARET ANONİM ŞİRKETİ	Turkey	Turkey	Cable manufacturing	100		Merger

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