

Vice Chairman's Message



Sustainable Products

At TTI, we firmly believe that the future of power equipment is in cordless battery-powered technology. Cordless battery-powered energy is the most energy-efficient option when compared to legacy alternatives. This includes petrol, electric corded, hydraulic, and pneumatic-powered tools, as well as NiCad, NiMH, and lead-acid batteries.

We take immense pride in our commitment to creating powerful, innovative, safe, and sustainable products. Some of this year's new product highlights include:

- Our MILWAUKEE BOLT Safety Helmets, equipped with advanced safety features that meet the ANSI/ISEA standards, have unparalleled safety and greater durability compared to other competitive products on the market.
- In 2023, we launched the industry's first cordless carpet washer, the HOOVER ONEPWR SmartWash Carpet Cleaner. This product offers a highly energy efficient option for everyday users, without the inconvenience and risk of handling cords.
- We also introduced our RYOBI 60-WATT Foldable Solar Panel, providing users with a renewable energy source for charging phones, tablets, power banks and RYOBI batteries.

Environment

Our dedication to the environment is demonstrated through continued investments in research and development that drive energy efficiency and minimize waste, noise, and our carbon footprint. These investments in clean technologies and sustainable practices reflect our determination to contribute to a more environmentally conscious future. This year we made some notable achievements including:

- Establishing a target to achieve a 90% waste-diverted-from-landfill rate by 2030.
- Continually expanding our Green Energy Agreements that supply our operations with 100% renewable energy in Wisconsin, Mississippi, and across Europe.
- Installed solar panels at our Asia Industrial Park (AIP) facility in Dongguan, China and in Australia at our sites in Dandenong South, Victoria and Eastern Creek, New South Wales.

We have made notable progress towards our decarbonization target of reducing our absolute Scope 1 and Scope 2 greenhouse gas (GHG) emissions by 60% by 2030. In 2023, we improved our

I am pleased to present the Techtronic Industries (TTI) Environmental, Social, and Governance (ESG) report for the 2023 reporting year.

TTI is the industry leader in advancing clean battery-powered technology in power equipment, outdoor products, and floorcare and cleaning products.

As we continue to develop our associates, optimize operations, and expand relationships with our partners, TTI's commitment to designing powerful cordless products that prioritize user safety, noise reduction, and energy efficiency remains steadfast.

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emission intensity by 8%, resulting in an absolute total CO₂e emission reduction of 7,886 tonnes. This reduction marks our second consecutive year of decreasing our emission intensity and absolute emissions. Our 2021 Scope 1 and Scope 2 emissions have been verified as our baseline and moving forward, we will verify these emissions each year. Our commitment to the Science-Based Targets initiative is on track and we anticipate sharing these targets in 2025.

Social

Through collaboration, partnership, and community engagement initiatives, we strive to create a positive impact within communities across the world by developing people, developing communities, and preserving the environment.

TTI's relentless pursuit to attract and invest in top-tier talent is a key driver to our growth and success. Our industry leadership is supported by our continuous efforts to maintain an inclusive, diverse, and safe environment for all.

Our investment in the growth of our people shines through initiatives such as our esteemed Leadership Development Program (LDP), which has been a cornerstone of our success for the past 16 years. This program has inspired similar programs for other departments and has played a pivotal role in our evolution, cultivating a culture of leadership development. We are proud to continue recruiting, developing, and promoting exceptionally talented individuals into leadership roles, while also providing them with the necessary tools and resources to grow both professionally and personally.

We believe that our success is intrinsically tied to the success and safety of our people and the communities we serve. Our commitment to safety is evident as we have implemented strategic protocols and technology to further drive down the rate of work-related recordable injuries.

Governance

Sound governance practices are critical to our success at TTI. We hold ourselves to the highest sustainability and governance standards while aligning with evolving corporate, regulatory, and social standards. We ensure that our board composition is fit for our business needs, with the balanced skills, experience and diversity of perspectives and backgrounds that are vital for effective risk management, oversight of internal controls, leadership and in turn the achievement of our short term and long term goals that drive shareholder value.

This year, we continued to strengthen our governance structure by upholding global standards and frameworks, including the Global Reporting Initiative (GRI) standards, Sustainability Accounting Standards Board (SASB), United Nations Sustainable Development Goals (UNSDGs), and Task Force on Climate related Financial Disclosures (TCFD). Our sustainable business model is an indispensable element of our strategy, and we believe it is vital to our long-term success.

I am incredibly proud of the progress we have made this past year. I would like to thank our teams for their unwavering dedication, exceptional talents, and hard work. I am confident that, together, we will forge a future where TTI not only dominates the industry but also catalyzes a profound shift towards an even more sustainable future.

Stephan Horst Pudwill
Vice Chairman
March 6, 2024