

ENVIRONMENT

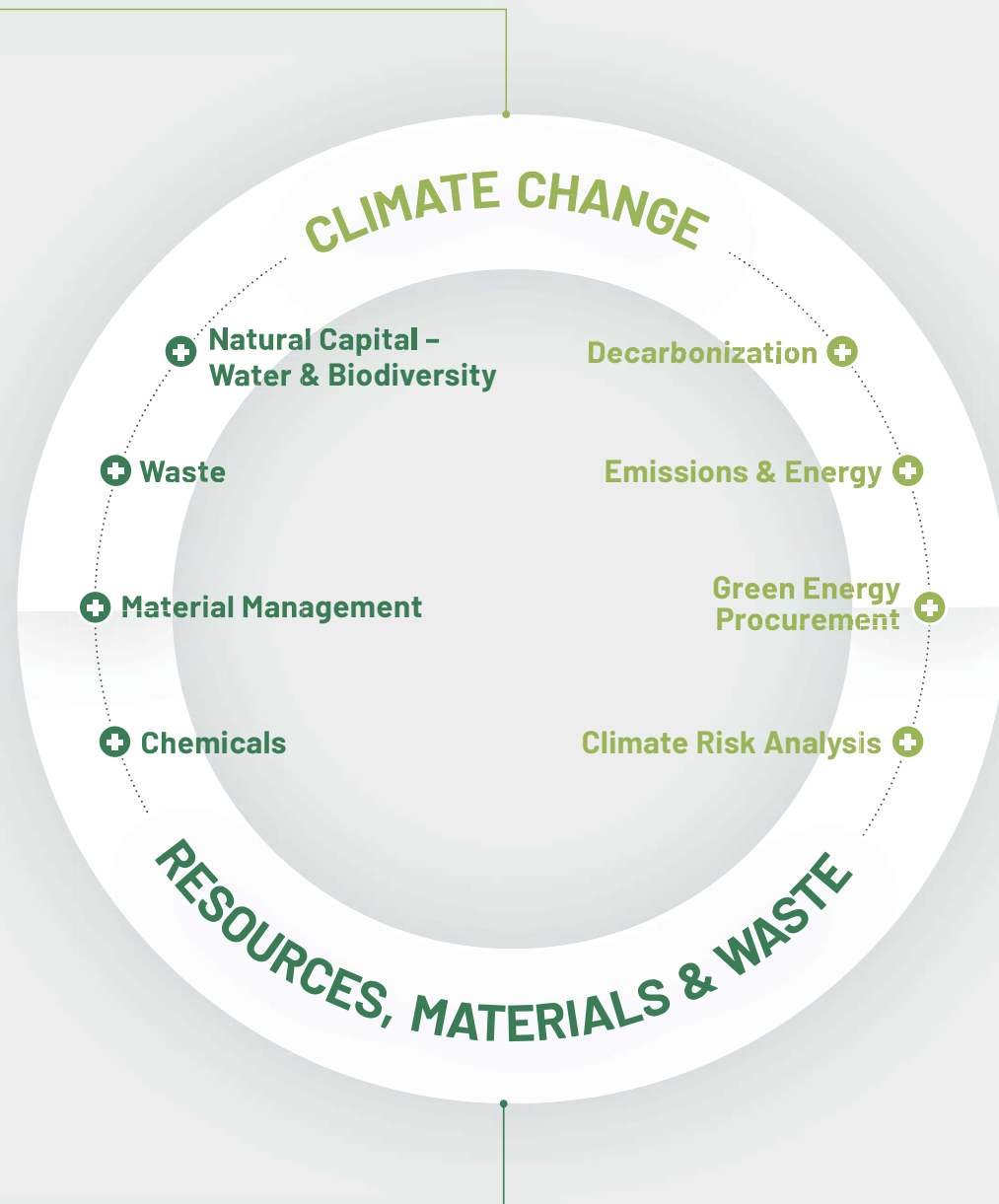
Environmental Management

Our approach centers on reducing carbon emissions, enhancing energy efficiency, and responsibly handling waste to limit our environmental impact.

Our strategy is intricately linked to our commitment to address our impact on the environment. Driven by our active decarbonization plan, we have implemented initiatives to reduce our carbon footprint, including green energy procurement projects and the implementation of solar panels.

To proactively address climate-related challenges our company faces, we have conducted a Climate Risk Analysis. This analysis helps ensure financial stability and provides insights into risk management, enabling us to create a strategic planning process.

We carefully monitor the use of natural capital. Our comprehensive waste and material management systems help us to reduce our usage and include our responsible handling of chemicals and toxic waste.



Preserving our planet is essential for safeguarding our communities and our enterprise.

TTI is dedicated not only to manufacturing responsible products, but also to overseeing our utilization of natural resources throughout our global operations and value chain. This is achieved by preserving resources, optimizing efficiency, and prioritizing innovation in all our activities.

Environmental Management

Incorporating a sound environmental strategy into our business operations begins with having effective management systems in place. Our manufacturing facilities implement comprehensive quality management systems (QMS) and environmental management systems (EMS) that adhere to ISO 9001 and ISO 14001, respectively. To ensure a synchronized approach to continual improvement across all our BUs, we have established guidelines, procedures, and accountability structures. An example is the environmental policy we've instituted at our site in the People's Republic of China (PRC), which serves as a blueprint for strengthening environmental management practices, reinforcing EMS protocols, and ensuring compliance with pertinent environmental protection laws and regulations.

Our environmental management strategy is driven by our ESG Executive Committee with oversight by our audit committee reporting to our Board of Directors (the "Board"). The committee regularly meets to review our short, medium, and long-term sustainability strategies. The Committee, the Environmental, Health, and Safety (EHS) team, and the BU leaders are all tasked with identifying and providing the resources needed for implementing EMS across all of our operations. They also actively oversee, evaluate, and ensure the progression of these systems, while outlining the roles and responsibilities of each department to drive continual performance enhancement. In addition, our ESG Working Committee, global EHS teams, and EMS committee are tasked with fostering environmental awareness among all associates. More information on our environmental committee can be found in the Governance section of this Report on p.100.

- **ESG Benchmarking Award (Silver)** – TTI received the ESG Benchmarking Award (Silver) from the Institute of ESG and Benchmark, for remarkable sustainable achievements
- **ESG Achievement Award** – TTI has been awarded the ESG Achievement Award by Master Insight Media for outstanding sustainability efforts over the past year
- **Honored by AmCham** – TTI Vietnam was honored by the American Chamber of Commerce in Vietnam (AmCham) for integrated ESG as part of long-term business strategy

Waste Target

Achieve a 90% waste-diverted-from-landfill rate by 2030

TVA Green Energy Deal

Increased total renewable energy procurement to nearly 60,000,000 kWh/yr

Solar Panels installation

Finished phase one of our solar panels installation project at our Asia Industrial Park facility

Environmental Manual

TTI's Environmental Manual is fully compliant with the ISO 14001:2015 standards, ensuring that all requirements, including legal obligations, are met. The manual includes our process for establishing and assessing environmental objectives, targets, and our Safety and Responsibility Policy. This policy includes quality system assurance (QSA) and EHS functions. It is periodically reviewed and updated to reflect evolving environmental, health and safety management guidelines. In addition to the Environmental Manual, we are also guided by several Standard Operating Procedures (SOPs). These SOPs are formulated to provide clear protocols for adhering to relevant legal mandates. All associates, including part-time staff, contractors, and suppliers, receive training on how to meet the quality, health, safety and environmental requirements outlined in the manual and the SOPs.

Managing Our Impact

During this reporting year, all relevant compliance requirements were met across our global operations. For a comprehensive list of legal and regulatory obligations that have the potential to significantly affect our operations and performance, please refer to Appendix A of the HKEX ESG Reporting Guide Content Index. Strengthening the measurement and assessment of our environmental impact remains a top priority. Detailed data on our progress can be found in the Performance Metrics on p.114 of this Report.

Our commitment to transparency regarding our environmental impacts and strategies for action is demonstrated by annually disclosing through the CDP. In 2023, we improved our score to a "B" on our 2023 Climate Change CDP Questionnaire, placing us in the Management band for "taking coordinated action on climate issues." This score surpasses regional, sector, and global average scores. Additionally, we received a "B-" on our 2023 Water Security questionnaire. As we continue on our path towards our environmental targets, we will strive to implement best practices in our business within ESG where feasible, as evidenced by our continuous improvement in CDP standards. Furthermore, CDP recognizes us as an Enhanced Disclosure Supporter for 2023.

Standard Operating Procedures

- **Chemical Management** – outlines requirements to ensure the effective transport, storage and use to prevent the accidental release of chemicals, fire or explosions
- **Waste Collection & Disposal** – identifies the process for recycling materials, and disposing unrecyclable and hazardous waste (including medical waste)
- **Water Pollution Management** – outlines the management of wastewater discharge, treatment and recycling to meet discharge standards
- **EHS Program, Work-Related Injuries** – comprises documented EHS objectives, targets and programs to achieve our commitment to pollution prevention and continual improvement
- **Emergency Preparedness & Response** – ensures proper coordination and control in emergency situations to minimize loss and impact, and prevent or reduce adverse environmental impacts that may occur

These procedures are complemented by Management/Operating Instructions on chemical handling. For more information, please see the section on Chemicals on p.68.



Any stakeholders with concerns regarding our environmental practices are strongly encouraged to utilize the reporting mechanisms outlined in the Ethics and Integrity section of this Report. Furthermore, our Global Investor Relations team is available to address any investor inquiries.



Key Environmental Priorities

Throughout 2023, our primary focus was on launching the next phase of our journey towards decarbonization. Over the course of the year, we actively engaged in a series of green energy agreements, demonstrating our commitment to achieving our 2030 Scope 1 and Scope 2 reduction targets, as well as continuing to map our Scope 3 categories. We also established a waste target to demonstrate our commitment and further advance our goals to reduce waste generated from our operations.

Decarbonization

Our decarbonization pathway will reduce Scope 1 and 2 GHG emissions by 60% by 2030 as compared to 2021.

Waste

Our global target is to achieve a 90% waste-diverted-from-landfill rate by 2030.

Water

We strive to have a progressive decline in our absolute water withdrawal year after year. To achieve this, we monitor and develop ways to conserve water throughout our different operations, especially in areas where water is scarce.