

Environment

# ENVIRONMENTAL MANAGEMENT

Reducing the effects of our carbon emissions, driving energy efficiency, and responsibly handling waste to limit our environmental impact.

TTI is committed to not only producing responsible products but also managing our use of natural resources across our global operations and value chain. We accomplish this by conserving resources, enhancing efficiency, and driving innovation in everything we do.

## Environmental Management

Integrating a robust environmental strategy into our business operations starts with establishing effective management systems. Our manufacturing facilities utilize comprehensive Quality Management Systems (QMS) and Environmental Management Systems (EMS), adhering to ISO 9001, ISO 14001, and ISO 17025 respectively. To promote continuous improvement throughout all our BUs, we have developed guidelines, procedures, and accountability frameworks.

Our environmental management strategy is guided by our Sustainability Sub-Committee, which operates under the oversight of our Audit Committee reporting to the Board of Directors. The committee meets regularly to assess our short, medium, and long-term sustainability goals. The committee, alongside the Environmental, Health, and Safety (EHS) team and BU leaders, is responsible for identifying and securing the resources necessary for implementing EMS across all operations. They also actively monitor, evaluate, and ensure the advancement of these systems, clearly defining the roles and responsibilities of each department to promote ongoing performance improvement. Furthermore, our ESG Working Committee, global EHS teams, and EMS Committee are dedicated to raising environmental awareness among all associates.

### Scope 3 Targets

#### Purchased Goods and Services (Category 1)

Year-over-year reduction of emissions intensity (tCO<sub>2</sub>e / US\$ million)

#### Upstream Transportation (Category 4)

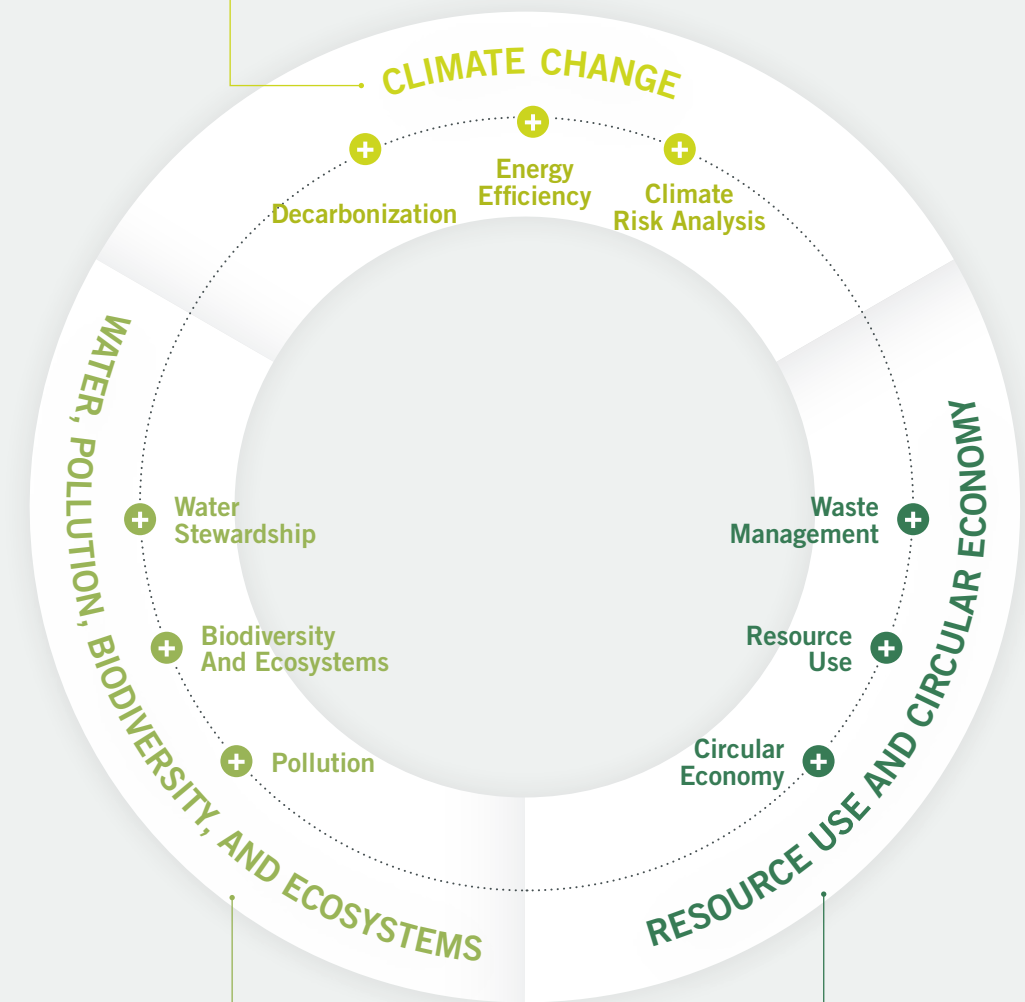
Year-over-year reduction of emissions intensity (tCO<sub>2</sub>e / US\$ million)

#### Waste (Category 5)

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

### Climate Change

Our commitment to addressing our environmental impact is at the core of our strategy. To support this, we are actively pursuing a decarbonization plan that includes initiatives aimed at reducing our carbon footprint through energy efficiency and minimizing our effect on climate change. These initiatives feature green energy procurement, the installation of solar panels, energy audits, operational efficiencies, and the implementation of technology.



### Water, Pollution, Biodiversity, and Ecosystems

We are committed to responsibly utilizing water resources, mitigating pollutants, and reducing our impact on biodiversity through mindful practices.

### Resource Use and Circular Economy

Our comprehensive material management systems prioritize resource efficiency and support circular economy principles, helping us reduce waste, conserve raw materials, and responsibly manage hazardous substances. With a 90% waste-diverted-from-landfill target, we prioritize minimizing our environmental impact through our circular economy efforts.

Environmental Manual

TTI’s Environmental Manual is aligned with the ISO 14001:2015 standards. It outlines our processes for setting and evaluating environmental objectives and targets, as well as our Safety and Responsibility Policy, which encompasses quality system assurance and EHS functions. The manual is regularly reviewed and updated to stay aligned with evolving guidelines in environmental, health, and safety management.



In addition to the Environmental Manual, we follow several Standard Operating Procedures (SOPs) that outline clear protocols for compliance with relevant legal requirements. All associates, including part-time staff, contractors, and suppliers, are trained to meet the quality, health, safety, and environmental standards set forth in both the manual and the SOPs.

Managing Our Impact

All applicable compliance requirements were met across our global operations. A detailed list of legal and regulatory obligations with the potential to significantly influence our operations and performance can be found in the HKEX ESG Reporting Guide Content Index.

We demonstrate our commitment to transparency on environmental impact strategies by annually disclosing through the Carbon Disclosure Project (CDP). As of this report, the latest score we received was a “B” score on our 2024 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 2024 Water Security questionnaire. As we progress toward our environmental targets, we will continue implementing ESG best practices where feasible, as reflected in our ongoing improvements in CDP standards. Additionally, CDP has recognized us as an Enhanced Disclosure Supporter for 2024.

Stakeholders with concerns regarding our environmental practices are strongly encouraged to utilize the reporting methods outlined in the Business Conduct section of this report. Furthermore, our Global Investor Relations team is available to address investor questions or concerns.

Key Environmental Priorities

Significant progress has been made in our efforts toward decarbonization. We have actively participated in a range of green energy agreements, showcasing our dedication to meeting our 2030 targets for Scope 1 and Scope 2 reductions. Additionally, we have continued to analyze our Scope 3 categories and now have results for the relevant areas. Furthermore, we have set a waste-diverted-from landfill target to reinforce our commitment and further enhance our objectives to reduce waste generated from our operations. To enhance waste reduction and improve material efficiency, we are strengthening our circular economy practices by making our products more durable, recyclable, and consistently high in quality. This approach allows us to extend product lifecycles and minimize waste, ensuring that each item meets our performance standards while supporting environmental sustainability.

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



“As the founder of environmental reporting, CDP is dedicated to building a world where **people, planet and profit are truly balanced**. We greatly appreciate the support of Techtronic Industries in our efforts to continue pioneering transparency; powering corporate environmental action.

**Transparency drives action at all levels.** Within two years of an investor request, companies disclosing through CDP **reduce their direct emissions by 7-10%.**

Disclosure is far more than a box to tick. It’s a tool to **see clearly, act decisively and create change**. If we are to **solve the environmental crisis**, disclosure data must be a tool everyone organization - large or small - has in their kit.

Transparent disclosure holds the key, meaning that now this commitment from Techtronic Industries is more important than ever. With the support of Techtronic Industries we can **collect the data needed to surface new information, enabling you to make Earth-positive decisions to protect future generations.**”

**Simon Fischweicher**  
Chief Delivery Officer, CDP

Decarbonization

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

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