

Material Topic

WATER, POLLUTION, BIODIVERSITY, AND ECOSYSTEMS

Reducing the impact of our operations, such as water and pollution, on surrounding ecosystems that play a crucial role in maintaining air, water, and soil quality, as well as promoting species and habitat diversity.

GOALS AND TARGETS

- Achieve an absolute decline in water consumption year over year
- Implement programs for biodiversity protection and restoration
- Ensure compliance with local water, natural resources, and biodiversity conservation regulations

PROGRESS

- 2,424 m³ total water consumption in 2024
- Facility development plans that consider biodiversity impacts
- Zero violations of local water, natural resources, or biodiversity conservation regulations or laws

RISKS	OPPORTUNITIES	RESPONSES
<ul style="list-style-type: none">• Contributing to climate change by mismanaging water treatment	<ul style="list-style-type: none">• Improving processes to rely less on water for our operations	<ul style="list-style-type: none">• Creating water reduction targets, initiatives, and audits• Maintaining marine sources in our communities and ecosystems
<ul style="list-style-type: none">• Polluting the environment through our business practices	<ul style="list-style-type: none">• Managing our water discharge to ensure proper treatment• Enhance our processes to reduce air pollutants	<ul style="list-style-type: none">• Monitoring our water pollutants• Monitoring our air pollutants• Monitoring our soil pollutants
<ul style="list-style-type: none">• Biodiversity loss & ecosystem degradation from processes in the value chain	<ul style="list-style-type: none">• Contribute to biodiversity restoration through partnerships with NGOs	<ul style="list-style-type: none">• Monitoring our biodiversity impacts• Partnering with environmental NGOs



VALUE CHAIN

- Suppliers
- Operations
- Customers

How We Are Managing It

Our business relies on a range of both renewable and non-renewable resources from natural ecosystems. To uphold our commitment to reducing our impact on these ecosystems, we have embedded sustainable practices across our operations. These practices are led by R&D initiatives that prioritize environmentally conscious innovations.

Our Water SOP governs efficient water usage, emphasizing conservation and recycling efforts to reduce negative impacts. Similarly, our Chemical SOP establishes protocols for the safe handling and disposal of chemicals, reducing hazardous waste and mitigating our impact on both the environment and employee health. Our Waste SOP outlines measures for responsible waste management to reduce pollution and support our sustainability goals.

When selecting locations for new facilities, we carefully assess potential biodiversity impacts, integrating biodiversity considerations into development plans to promote the coexistence of our operations with natural habitats. We complement these efforts with regular monitoring and audits, often partnering with NGOs to ensure we responsibly manage biodiversity impacts and continually improve our practices. In support of these initiatives, we provide comprehensive training programs to build associate awareness and foster a culture of environmental responsibility.

Water

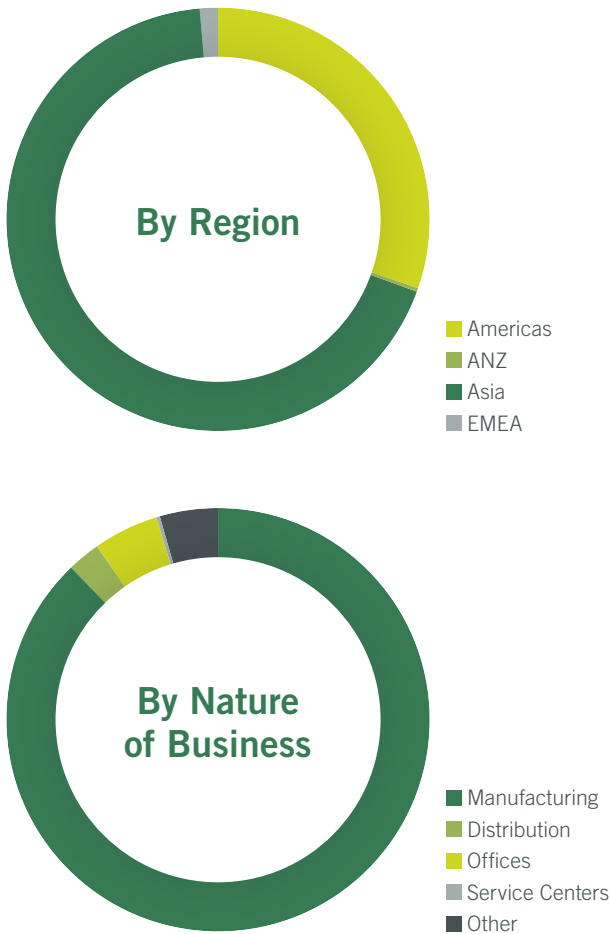
Water is a vital natural resource for our business operations; however, we do not depend on significant amounts of fresh, recycled, brackish, or produced water. After conducting an internal review of our water usage, we found that it primarily stems from our manufacturing processes for cooling and WASH (water, sanitation, and hygiene). This usage does not notably impact our surrounding communities, business model, strategy, or financial planning.

While our manufacturing does not necessitate large volumes of freshwater, we recognize the indirect use of this resource and its effects on our communities and business. We continuously assess our nature-related dependencies, impacts, risks, and opportunities. We do not foresee an increased reliance on quality freshwater in our direct and indirect operations moving forward.

To ensure responsible water management, we source our water exclusively from local municipal supplies. This approach not only ensures compliance with all local regulations concerning water withdrawal and wastewater discharge, but also reinforces our dedication to sustainability. We actively measure and monitor water-related activities across all relevant facilities, collecting and recording data on a monthly basis through on-site meters or usage information from our vendors, which is integrated into our ESG reporting software.

Less than 10% of our water consumption originates from water stress areas. Nonetheless, to further our environmental stewardship, we have developed a Water Pollution Management SOP that clearly outlines our practices for wastewater discharge and treatment. This SOP is vital in helping us meet discharge standards, enhance environmental quality, and comply with state and local environmental regulations.

Water Withdrawal in 2024



On a global scale, we prioritize water conservation by utilizing recycled water for operational functions and conducting regular inspections to detect leaks in underground pipelines. Each BU within TTI tailors its strategies to promote water conservation based on its geographic context. Some initiatives in place include implementing water-efficient technologies, such as sensor-activated systems and automated controls, as well as motion or time sensors at washbasins. We also promote employee engagement to raise conservation awareness, optimize water use in daily operations, and perform regular audits to enhance efficiency.

As we expand our network, we are committed to integrating sustainable water practices wherever feasible. TTI did not incur any fines or sanctions related to discharges into bodies of water.



2,424m³

Total water consumption in 2024

ZERO

Incidents of non-compliance with water management regulations

KEY INITIATIVES AND UPDATES

- In the reporting period, there were no incidents of non-compliance with water management regulations across our operations
- Total water withdrawal amounted to 1,582,730 m³
- Total water discharged produced amounted to 1,580,307 m³



Biodiversity

Alongside our water conservation efforts, we are committed to protecting the ecosystems that play a vital role in preserving air, water, and soil quality, while also supporting species and habitat diversity. This year, we advanced our biodiversity initiatives through various programs and collaborations, including ongoing partnerships and memberships with organizations like the Responsible Minerals Initiative and the Responsible Business Alliance, which promote sustainable mineral and metal sourcing across industries.

Our individual sites are actively engaged in efforts to protect natural ecosystems and offset carbon emissions. For instance, in 2022, our Dubai-based MILWAUKEE team partnered with Tree Nation to plant two trees each month in a certified forest in Madagascar, offsetting a portion of CO₂ emissions from the local office. Additionally, for every product sold from our MILWAUKEE MX FUEL range in surrounding regions, we planted 100 additional trees. In 2024, we continued this partnership with Tree Nation, planting a total of 4,866 trees, offsetting nearly 349 tonnes of CO₂ emissions.

Chemicals

Our goal is to reduce the presence of chemicals and hazardous substances throughout our value chain. To achieve this, we follow strict industry regulations that shape our internal policies. Our Chemical Management SOP defines the roles of each department in safely managing chemicals, from purchasing and transportation to storage and use of both hazardous and non-hazardous substances. It also covers emergency procedures for leaks, contamination, or fires, and provides guidance on data sheets, regulations, and procedures.

We are committed to meeting global chemical safety standards, including the EU’s REACH regulation, which requires companies producing or importing over one tonne of chemicals annually to register them with the European Chemicals Agency. We adhere to the Restriction of Hazardous Substances (RoHS) regulations in Europe and parts of Asia, as well as the Toxic Substances Control Act and the U.S. Environmental Protection Agency’s Clean Air Act. We avoid using REACH-designated substances of high concern wherever possible, and our in-house laboratories conduct verification testing for RoHS compliance. We also monitor and report any REACH substances through the Substances of Concern in Products database.

At the onset of every project, we conduct a comprehensive risk analysis to identify any potentially hazardous components. To ensure the safety and compliance of these components and finished products, we require our suppliers to submit test reports from TTI-approved, third-party certified laboratories. These independent labs verify that all materials meet our strict safety standards. To maintain transparency and traceability, we systematically store all test reports in a centralized database, allowing for easy access and ongoing monitoring throughout the product’s lifecycle. This rigorous process not only upholds product integrity but also reinforces our commitment to the highest safety and quality standards across our entire value chain.

