

Material Topic

BUSINESS CONDUCT

Ensuring stakeholder trust through accountability, transparency, and risk mitigation by managing operational processes and engaging in global stakeholder partnerships.

GOALS AND TARGETS

- Zero legal cases of non-compliance with international and local laws on corruption and anti-trust
- Zero cybersecurity breaches or incidents
- Increase the number of effective engagements with NGOs in major countries of operation and where there is a greater risk of human rights violations and irresponsible sourcing within the supply chain

PROGRESS

- Zero legal cases of non-compliance with international and local laws on corruption and anti-trust
- Zero cases of leaks, theft, or loss of customer and personal data
- Increased diversification of manufacturing, warehousing, and the supply chain across the globe

RISKS	OPPORTUNITIES	RESPONSES
<ul style="list-style-type: none">• Geopolitical tensions and drastic change in trade regulations	<ul style="list-style-type: none">• Diversify operations and supply chains to build resilience and promote environmentally responsible practices across the value chain	<ul style="list-style-type: none">• Ongoing efforts to source and produce goods closer to markets• Reducing our dependency on single suppliers within essential categories
<ul style="list-style-type: none">• Non-compliance with international and local laws throughout our operations and our supply chain	<ul style="list-style-type: none">• Promote ethical business conduct across the value chain to enhance accountability and transparency in human rights and environmental protection	<ul style="list-style-type: none">• Establishing robust policies, training, and compliance programs on ethics, anti-corruption, human rights, and environmental protection for our associates and suppliers• Managing internal investigations and our complaint hotline
<ul style="list-style-type: none">• Breaches of data privacy and intellectual property, data loss, or cyberthreats	<ul style="list-style-type: none">• Protect business and customer information, improve business systems, enhance operational integrity, and maintain stakeholder trust	<ul style="list-style-type: none">• Enforcing data privacy and cybersecurity policies• Carrying out robust training to all relevant associates• Implementing IP protection and enforcement process
<ul style="list-style-type: none">• Irresponsible sourcing of raw materials	<ul style="list-style-type: none">• Establish partnerships to drive positive change across the industry and supply chain	<ul style="list-style-type: none">• Maintaining membership to global social responsibility organizations• Implementing conflict minerals and cobalt procurement training and initiatives
<ul style="list-style-type: none">• Disruptions in the supply chain due to climate-related events	<ul style="list-style-type: none">• Implement responsible production and consumption measures in the supply chain to reduce GHG emissions and build resilience	<ul style="list-style-type: none">• Collaborating with industry and NGO partners• Working with suppliers to measure and reduce GHG emissions



VALUE CHAIN

- Suppliers
- Operations
- Customers
- Community

How We Are Managing It

Our commitment to sound governance is guided by ethical principles outlined in the TTI CoC, which is accessible to all associates and serves as a framework for conducting business with integrity. The CoC emphasizes our compliance with global legal standards and human rights protection, as well as guidance on managing conflicts of interest.

In addition to the CoC, we have numerous policies that govern our operations, including, but not limited to, our Anti-Corruption Policy, Trade Compliance Policy, and Anti-Trust Policy. These policies uphold compliance with international and local laws across our operations and supply chain. All policies, procedures, and training materials are made available to all associates through our eLearning platform, and in our employee handbook. These platforms are designed for engaging and educating employees on company-related information.

Employees engage with our CoC and other policies through resources such as our e-learning platform and in-person training. All policies are regularly reviewed to ensure their provisions align with laws and regulations and are available in 22 languages, ensuring understanding across all subsidiaries. A full list of policies and standards can be found on our corporate website.

We have cybersecurity measures in place to protect our customers, employees, products, suppliers, and systems. These efforts include monitoring industry breaches, integrating cybersecurity into planning and testing, conducting regular employee training, ensuring compliance with legal requirements, and enhancing cybersecurity efficiencies throughout our supply chain.

Our operations are equipped with emergency response plans and policies to ensure business continuity with minimal disruptions in the event of an emergency.

To mitigate risks and ensure responsible business operations, we take measures to enhance accountability, transparency, and sustainability within our supply chain. This involves a thorough assessment of risks from ethical, environmental, and social perspectives and selecting suppliers who align with our standards and values. Quality and reliability are priorities in supplier selection, supported by a collaborative review process involving sustainability, finance, legal, and procurement teams. This ensures that potential suppliers meet essential criteria, including:

- Financial viability
- Respect for working hours and freedom of association
- Prevention of unethical labor practices, harassment, abuse, and discrimination
- Health and safety standards
- Fair wages and benefits
- Environmental stewardship

Aligned with our values, codes, and policies, we fully endorse the United Nations Guiding Principles on Business and Human Rights. All suppliers are expected to comply with applicable laws, such as minimum wage regulations, and adhere to our standards and policies. These requirements are explicitly outlined in our contracts and purchase orders. We uphold a strict stance against corruption, bribery, and forced labor within the supply chain, employing compliance monitoring and investigative mechanisms to assess compliance with our requirements for ethics and human rights.

At a minimum, suppliers are required to have policies consistent with ISO principles. Our oversight of suppliers extends to anti-corruption, pollution management, waste management, resource conservation,

and human rights. Suppliers must have environmental, health, and safety management systems in place, along with relevant certifications. We participate in associations, including the RBA, and in initiatives with groups like the RMI, RLI, Better Mining Initiative, and The Mekong Club. Within our supply chain, we support initiatives that advocate for renewable energy, recycling, and responsible management of conflict minerals and cobalt.

We enforce a zero-tolerance policy on child and forced labor, maintaining rigorous standards to prevent modern slavery and human trafficking.

We also have ongoing efforts to source and produce goods closer to markets and reducing our dependence on single suppliers in critical areas.

Compliance and Risk Management

The compliance and risk management functions at TTI work together to establish policies, training protocols, and regulatory interpretations. Our management and internal audit teams help enforce these policies.

Our Group Senior Vice President and Chief Counsel of Global Compliance leads our global compliance efforts and reports directly to the Head of Group Legal, Compliance and Corporate Governance. Regular updates are also given to the Board on risk management concerns and initiatives. At the regional level, the legal, finance, and compliance departments offer continuous support.

The Global Trade Compliance Function is essential for supporting various operational aspects by evaluating and screening potential business partners to confirm they are not denied, debarred, or otherwise restricted by relevant governments. A Global Trade Compliance Policy has been implemented, offering guidance on export/import control laws, regulations, and economic sanctions applicable to both the company and its suppliers.

Recognition From Our Suppliers

The Home Depot awarded RYOBI and RIDGID Power Tools Partner of the Year

Sydney Tools in Australia awarded MILWAUKEE Vendor of the Year

The Home Depot in Mexico awarded MILWAUKEE Vendor of the Year

ZERO

confirmed legal cases of corruption or monopoly practices were brought against TTI

ZERO

confirmed legal cases of money laundering or insider trading

74%

of employees were trained in anti-corruption and anti-trust

TTI has not changed its policy and continues to not make any contributions to political campaigns, political organizations, lobbyists or lobbying organizations/activities, trade associations, and other tax-exempt groups

We ensure our compliance and legal departments are informed of the latest standards by offering continuous training on key topics of business conduct. Additionally, as part of our Social and Environmental Responsibility (SER) compliance program, we request our suppliers to sign compliance declarations annually. The SER compliance declaration confirms that the supplier understands and commits to complying with the company's SER policies and standards.

Anti-Corruption

TTI is committed to maintaining high standards of integrity as outlined in its Anti-Corruption Policy, which focuses on preventing bribery both within our operations and our value chain. This policy details procedures for assessing corruption risks within business operations and outlines consequences for non-compliance.

Accompanied by a 30-minute online training module, the policy provides guidelines on essential business practices, including the acceptance of gifts, meals and entertainment, company-sponsored travel, as well as political and charitable contributions. It also emphasizes engaging business partners to minimize risk. Relevant associates undergo training at least every two years on policies and procedures, if no changes to the policy or procedure have occurred.

Internal controls are embedded within accounting processes, audits, and record-keeping systems to mitigate fraud and corruption effectively. Audits evaluate the efficacy of anti-corruption and anti-bribery measures, with findings reported to senior management and the Audit Committee. Compliance risk assessments are conducted every three to five years, or as needed, to inform the audit plan.

Since 2019, TTI collaborates with the China Enterprise Anti-Fraud Alliance (CEAFA) as part of its commitment to combating corruption. This partnership facilitates educational sessions and events on topics such as project risk assessment, anti-fraud examination, and corporate governance. Membership in CEAFA provides several benefits, including:

- Connections with groups and companies specializing in anti-fraud and anti-corruption practices
- Reinforcement of TTI's stance on anti-fraud and anti-corruption
- Access to a blacklist of companies that have violated relevant rules

Efforts to verify compliance with anti-corruption practices extend throughout the supply chain through our SER Compliance Program.

A comprehensive list of legal and regulatory requirements related to anti-corruption practices is available in Appendix A of our HKEX ESG Reporting Guide Content Index on our website.

Anti-Trust

TTI’s Anti-Trust Policy provides a comprehensive framework for understanding legal obligations and the Company’s guidelines on competition and fair business practices. It establishes clear principles for complying with laws, regulations, internal policies, and codes of conduct related to anti-competitive behavior. The policy applies to all employees, officers, directors, consultants, agents, temporary workers, and contractors. It defines penalties for non-compliance, outlines restrictions and violations, and addresses agreements involving competitors. Additionally, the policy includes example scenarios and responses to ensure that all readers grasp the requirements effectively.

ZERO

complaints concerning breaches of customer privacy or data loss

+41%

YOY increase in total data protection and cybersecurity trainings offered

ZERO

complaints reported by our suppliers

Data Protection and Cybersecurity

To protect our customers, employees, products, suppliers, networks, and business data, we have implemented comprehensive measures to prevent data breaches and enhance our cybersecurity network and digital systems. This includes monitoring security incidents within the industry while maintaining a comprehensive understanding of their global implications. Furthermore, our Cybersecurity Management team regularly reports updates to the Audit Committee.

To strengthen our cybersecurity controls, we include data protection scenarios in our business continuity plans, and rigorously test our ability to respond to threats. Our security measures are consistently updated, and our programs are created to continually assess and adapt to the ever-evolving landscape of cybersecurity conditions. This helps form our incident management response procedures for cybersecurity incidents. We use a program to monitor nearly 45,000 company devices, which includes continuous monitoring for cyberattacks and Indicators Of Compromise both internally and externally. Additionally, we have remained compliant with all relevant legal requirements, such as Europe’s General Data Protection Regulation (GDPR) since 2018 and the California Consumer Privacy Act since 2020.

Our cybersecurity is further enhanced through framework assessments. In recent years, all North American business units conducted Cybersecurity Gap Assessments in alignment with the National Institute of Standards and Technology, while similar assessments were carried out by our business units in Asia and Europe. These assessments facilitate the ongoing revision and adjustment of our Global Cybersecurity program.

An integral part of our security measures involves actively managing Intellectual Property Rights (IPR), which include patents, trademarks, logos, copyrights, software, and trade secrets. Our patent invention awards encourage ongoing creativity within the Company. Continuous training for employees emphasizes the importance of respecting ownership documentation and the IPR of others. We highly value innovative concepts and discoveries, which is why we have established procedures to ensure proper usage and protect against infringement of IPR by and of others.

Complaint Resolution

TTI encourages everyone, including associates, suppliers, customers, and concerned parties to report any possible complaints or concerns. We have a robust whistleblower policy to foster ethical conduct and empower individuals to promptly report any actual or perceived misconduct. Reports can be made directly to the General Counsel or, if preferred, confidentially and anonymously (to the fullest extent permitted by law) to our trusted third-party service provider.



The Company provides comprehensive training to associates to properly handle complaint cases and maintains clear communication channels through our service provider to facilitate the reporting process. The General Counsel receives and reviews all reports, working in conjunction with relevant departments to ensure a thorough and impartial investigation.

When complaints are received, we take appropriate measures to protect the whistleblower from retaliation by keeping their identity anonymous throughout the reporting process. To ensure a fair and thorough investigation, we conduct an initial evaluation to determine the seriousness of the matter and the appropriate scope of inquiry. Reports involving the General Counsel are referred to the Group CFO for initial evaluation. During the investigation, we involve the appropriate departments, such as Legal, Human Resources, or Internal Audit, as needed to take the necessary measures to resolve the issue. Each complaint is meticulously documented to maintain a comprehensive record and facilitate an effective resolution.

We are committed to compliance, integrity, and the protection of individuals who report concerns in good faith. Detailed information about complaints and corrective measures is reported to management teams and the Audit Committee. Our Complaint Resolution Policy outlines our formal complaint resolution system, including reporting mechanisms, confidentiality management, and investigation procedures. This policy protects associates from retaliation for making complaints or cooperating in investigations.

Reporting Violations

TTI provides a third-party-operated complaint hotline for suppliers and business partners to report any violations of policies, ethical concerns, or other sustainability-related issues. Reports are thoroughly investigated, and appropriate remedial actions are taken as necessary.

Supply Chain Governance

To ensure suppliers meet all state and local regulations related to environmental and social standards, we enforce high expectations through structured measures. This includes requiring acknowledgment and adherence to our BPCoC, conducting surveys, performing audits, and issuing Corrective Action Plans (CAPs) in cases of non-compliance.

Suppliers must acknowledge the Policy Against Modern Slavery and Human Trafficking and complete an annual survey to evaluate modern slavery risks. Each supplier undergoes a thorough review, with in-person audits conducted by SER compliance, quality, and sourcing teams, or external auditors as necessary.

Our supplier due diligence includes the assessment of potential, new, and existing suppliers. Potential new suppliers undergo a pre-assessment conducted by the Asia procurement team, which gathers information such as ISO/TS16949 certifications and outgoing inspection strategies. Observers document and score their findings. Selected new suppliers proceed to a formal factory audit conducted by the divisional outsource Quality Audit team, where categories such as process control, environmental management, factory security, and quality control are evaluated. Audits are further broken into sections, including quality plans, production process controls, and advanced process controls, to determine an overall score.

Existing suppliers undergo similar annual audits, with additional criteria such as HR systems, personnel safety, and product realization. If a finding is discovered during an audit, a follow-up review is conducted, and a CAP is issued to address root causes, corrective actions, and preventative measures. The ongoing status is monitored until the CAP is completed. Supplier scorecards are based on implementation effectiveness. For example, a supplier would be categorized as having “No System” if they lack SOPs aligning with ISO/TS16949 or other regulatory standards.

Global Supply Chain ESG Compliance Monitoring Platform

TTI has adopted a global supply chain ESG compliance monitoring platform to enhance sustainability and compliance within our supply chain. This platform automates the collection and verification of supplier data, reducing the administrative burden and allowing for more efficient management of ESG data and due diligence processes. The platform enables us to align with regulatory requirements and customer expectations related to ESG standards. Key features include:

- **Supplier Assessments:** Identifying potential high-risk suppliers and areas within the supply chain that require more detailed scrutiny.
- **ESG Risk Monitoring:** Tracking potential ESG risks such as human rights issues and GHG emissions, and evaluating direct suppliers to ensure they meet our ESG criteria.
- **Reporting Tools:** Automating the reporting process through various visualized dashboards, providing comparable data that makes it easier for us to formulate strategic ESG tasks for our supply chain.

Additionally, the platform helps TTI drive sustainability impact by collaborating with suppliers to improve their ESG performance, leading to a more sustainable and resilient supply chain.

Social and Environmental Compliance and Auditing

The SER Compliance Program uses audits to ensure ESG practices of potential partners align with established policies and global standards. Acting as a reference for compliance with the National Environmental Policy Act and related U.S. federal laws, the program includes regular audits of internal controls to manage corruption risks. These audits, performed by internal or third-party teams, reinforce the organization's commitment to process compliance.

Before engaging with suppliers, an initial audit determines if they meet the required standards for collaboration. Follow-up audits are scheduled every 12 to 18 months to confirm ongoing compliance. SER assessments cover key areas such as occupational health and safety, ethics, integrity, environmental protection, and human rights. Recent additions to the scope include:

- Supply Chain Responsibility
- Conflict of Interest
- Management & Ownership
- Quality Management
- Energy Management
- Cyber Security
- Data Protection in alignment with GDPR
- Conflict Minerals
- Business Continuity
- Carbon Footprint
- Cobalt & Mica

In cases of non-compliance, a CAP is implemented to address and rectify the issue. Suppliers with active CAPs collaborate with us to implement corrective actions and are subject to more frequent audits and additional training. Persistent or unresolved major compliance issues may lead to termination of the supplier relationship to uphold our standards.

In the 2024 reporting year, 540 supplier audits were conducted and as a result, 363 suppliers were put on CAPs to hold suppliers to a higher standard and push them towards maintaining social and environmental systems.

The SER Compliance Program engages with suppliers across diverse markets, deploying audits by either third-party auditors or our own SER compliance, quality, and sourcing teams. Certified auditors from organizations such as the RBA and Supplier Ethical Data Exchange support efforts to enhance working conditions in global supply chains. The results of these audits can be shared with other members of these organizations to enhance collective knowledge in the field.

Our SER online compliance platform supplements audits by facilitating supplier acknowledgment of key requirements and policies, enabling comprehensive monitoring of performance and associated risks. Supplier risk assessments are conducted annually, guided by tools such as the GRI Index, Corruption Index, and Human Development

Index, accessible through memberships and partnerships with entities like the Mekong Club, RBA, and Better Mining.

To manage supply chain compliance efficiently and effectively, we employ a risk-based approach to ensure our suppliers comply with applicable laws, regulations and industry standards across every stage of supply chain from sourcing materials to delivering finished products or services to our customers. This process includes, among other things, utilizing supply chain risk intelligence tools to map our supplier relationships through multiple tiers of suppliers and sub-suppliers. By actively identifying and monitoring suppliers to the lowest tier, we increase our visibility and knowledge so that we can assess existing compliance, implement corrective actions where needed and examine the horizon for emerging issues. We also meet regularly with our customers to share best practices for supply chain compliance. All stakeholders benefit from this collaboration and knowledge sharing, and our customers have increased confidence in the integrity of our value chain.

Social & Environmental Responsibility Audits

The following table provides detail on some of the key criteria assessed through the SER audits.

- **Governance** – ethics and anti-corruption
- **Social standards** – human rights, labor laws related to hiring, working hours, wages and benefits, health and safety standards based on the fundamental principles of the International Labour Organization
- **Environmental standards** – waste and chemical management, pollution monitoring, hazardous substance management, including the prohibition and/or declaration of substances in products, compliance with ISO 14001 or other EMS requirements
- **Factory security** – regulations on health and safety, including fire safety, first aid, hygiene management, factory personnel protection, as well as, accident/injury and hazard control mechanisms

Focus on Human Rights: Along with SER audits, suppliers must respond to surveys about their compliance with our BPCoC and our Policy Against Modern Slavery and Human Trafficking.



Responsible Mineral Procurement

Our products, including electronic components and batteries, may contain rare minerals that necessitate rigorous and responsible procurement practices. To mitigate associated risks, we conduct supplier assessments, promote best practices, integrate risk analysis into our procurement process, and engage actively in industry partnerships. Conflict Minerals Policy and Cobalt and Mica Procurement policies require that all tantalum, tin, tungsten, gold, and cobalt originate from reputable sources or certified conflict-free entities. Suppliers must acknowledge and comply with these policies, submitting annual conflict minerals and cobalt reporting templates that detail their sourcing. Using our online SER compliance platform, this data is reviewed and provided to sourcing leaders.

Our dedication to responsible sourcing and human rights protection has expanded significantly through memberships in global social responsibility organizations like RBA and The Mekong Club. Within RBA, we actively participate in various programs, such as the RLI, which fosters collaborative, cross-industry efforts to address the underlying causes of forced labor. The RLI also provides specialized services and tools to establish company-level due diligence programs.

Our memberships provide us access to essential resources like Reasonable Country of Origin data. This is verified through the Responsible Minerals Assurance Process (RMAP), which uses an independent third-party assessment of smelter/refiner management systems and sourcing practices to validate conformance with RMAP standards. Our industry memberships in groups like the RBA have also led to engagement in community impact programs such as the Better Mining Initiative. The Better Mining Initiative is a mineral agnostic assurance and capacity-building program that improves conditions on and around artisanal and small-scale mining (ASM) sites in the Democratic Republic of Congo and Rwanda.

Contributed

US\$60,000

to Better Mining

Better Mining

TTI maintained its commitment to the Better Mining initiative. This collaboration has notably enhanced the socio-economic landscape in mining communities while also advancing initiatives for responsible mining practices.

This year, we contributed US\$60,000 to Better Mining, supporting its ongoing efforts to enhance safety and sustainability across five cobalt-copper ASM sites in the Haut-Katanga and Lualaba provinces of the Democratic Republic of Congo. To date, detailed risk assessments conducted across these five sites have uncovered over 8,000 incidents, resulting in more than 1,600 corrective action recommendations, 77% of which have been implemented or are currently underway. Our funding also supported the daily deployment of on-site agents to continue monitoring risks, collecting critical data, and driving targeted interventions to address these challenges effectively.

In 2024, significant progress was achieved in addressing child labor at one particular mine site, where proximity to the local community heightened this risk. Awareness sessions on the dangers and prohibition of child presence on the mine site were carried out with artisanal miners, security agents, depot workers, in restaurants, as well as in the neighborhood schools and churches with the help of local community leaders. The initiative also facilitated the creation and adoption of a child labor policy, risk management plan, and sanction system for violations. The strong engagement of local leaders in implementing corrective actions has positively changed the mentality and practices at the particular mine site mentioned above. Better Mining data shows an 80% decrease in the number of children found on the site between mid-2023 and 2024.

Landslides and pit collapses consistently represent major safety hazards for artisanal miners operating at ASM sites. The incidents are significantly associated with injuries and fatalities among workers, especially during the rainy season. The Better Mining team, cooperatives, ASM cooperatives, local governmental representatives, and Mine Police implemented several collaborative initiatives to prepare for the rainy season. These included conducting regular technical inspections of pits, mandating the covering of pits with tarps or roofs, prohibiting work in certain pits during rainy days, and enforcing regulations against working outside legal hours. Reports and observations were carefully conducted, and photo evidence was collected to demonstrate proper implementation monitoring. A comparative analysis was also conducted on the landslides and pit-collapsing incidents between 2023 and 2024. The data showed a significant reduction of 83% in incidents related to landslides, worker injuries and fatalities at another mine site near Kolwezi.

Better Mining identified improvements in additional risk areas, such as reduced air pollution and improved community relations. A notable decline in altercations among workers was also observed as a result of the implementation of corrective measures focused on peaceful conflict resolution, equitable distribution of production, and enhanced security protocols at mine sites.

TTI is proud to find new ways to support upstream improvements and has delivered PPE to Lubumbashi, where it will be donated to the Entreprise Générale du Cobalt (EGC) in 2025 with the help of Better Mining. The Democratic Republic of Congo has mandated EGC to exercise a monopoly in the country on the sourcing of cobalt from artisanal mining operations. EGC is currently developing a pilot site in the Kolwezi area incorporating responsible cobalt and copper production.

We remain dedicated to fostering impactful partnerships and initiatives that advance responsible sourcing and improve lives within mining communities.

▶ KEY INITIATIVES AND UPDATES

- In total, we worked with 1,825 direct suppliers
- During the reporting period, 540 supplier audits were conducted and as a result, 363 suppliers were put on CAPs

