

# TTI'S ESG APPROACH AND STRATEGIC FRAMEWORK

Sustainability is inherently woven into every facet of our business, shaping our decisions and overall strategy while fostering significant value creation for all stakeholders through our four strategic drivers.

TTI's ESG approach and strategy are rooted in our cordless products, engineered to reduce emissions while safeguarding user health and safety. We recognize that achieving these objectives requires continuous engagement with stakeholders to meet their evolving needs and ensure alignment with developing legal, industry, environmental, and health & safety standards. Sustainability is deeply embedded in both our design and manufacturing processes, leading to sustainable product solutions for our end users and customers.

TTI's **Powerful Brands** embody a legacy of innovation, durability, reliability, safety, and sustainability, addressing the ever-changing demands of consumers. At the forefront of our approach is the responsible allocation of resources towards the development of our **Innovative Products**. We have transitioned users from traditional petrol, electric corded, manual, hydraulic, and pneumatic-powered solutions to cordless, battery-powered alternatives. This shift reduces the environmental, health, and safety impacts associated with outdated technologies.

Our success is continuously fueled by our **Exceptional People**. We are committed to hiring, developing, and retaining talent through programs like the Leadership Development Program, which is central to our strategy and culture. We cultivate a safe, diverse, and inclusive workplace where all associates thrive, contributing to the future success of our business.

Our commitment to people extends beyond our internal team. We actively invest in our stakeholders, including our suppliers, customers, shareholders, global partners, and local communities across the globe.

We maintain a high standard of **Operational Excellence** at our manufacturing, distribution, service centers, and office sites across TTI. Implementing responsible practices in decarbonizing our operations, managing waste disposal, conserving natural resources, driving circular economy solutions and upholding ethical sourcing are all integral to our sustainable approach.

To gain a deeper insight into our risks and opportunities concerning ESG, we expanded our physical climate risk analysis to include all manufacturing and distribution facilities. This thorough examination enables us to better identify our risks and opportunities, allowing us to seize advantages while also reducing potential risks.

We continue to annually verify our Scope 1 & 2 emissions as part of our governance over emissions. We have further expanded the verification to now include Scope 3 metrics such as water consumption and waste-diverted-from-landfill. We are also disclosing our preliminary results of mapping our Scope 3 inventory for the 2023 reporting period.

We align with numerous global frameworks and standards related to sustainability including the Hong Kong Exchanges and Clearing Limited (HKEX) Appendix C2, GRI, SASB, TCFD, and the International Financial Reporting Standards (IFRS). While aligning to the UNSDGs, we have continued our memberships with organizations like Call2Recycle, The Mekong Club, and the Responsible Business Alliance. We have officially joined the United Nations Global Compact as a signatory to further enhance our commitment to a sustainable future.

In each of our four key focus areas – Products, Environment, Social, and Governance – we detail the associated risks and opportunities. We also describe our strategies for addressing these challenges, how we manage the critical sustainability issues relevant to our business, and the targets and initiatives that guide us towards reaching our objectives.

