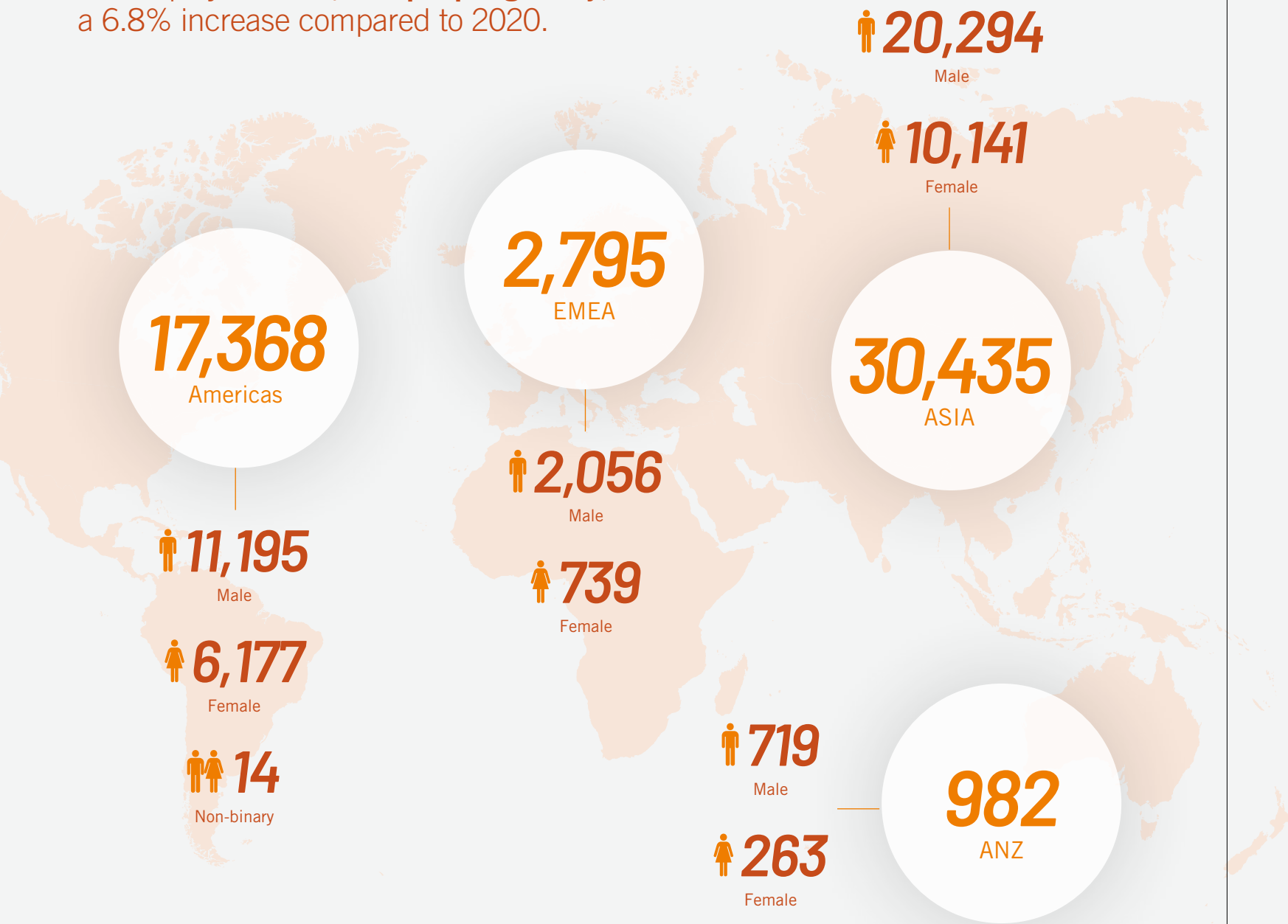


Social and Community

OUR PEOPLE

We employ over **51,598 people** globally, a 6.8% increase compared to 2020.



MATERIAL TOPICS

Empowering People [P.80](#)

Health, Safety and Wellbeing [P.86](#)

Community Investment and Engagement [P.92](#)

TTI has long valued the role of Exceptional People in our business and understands a fair, inclusive and safe environment is important for maintaining engaged and productive people and communities.

A sound social strategy begins with treating everyone with dignity and respect. We consider respect for human rights as being not just an ESG factor, but a global standard of expected conduct. We are committed to a healthy working environment free from forced or child labor and eradicating the illegal movement of people for modern slavery. As a leader in our industry, we ensure that our employees, as well as the suppliers we engage, have zero tolerance for any such practice. This is fundamental to TTI's values.

We comply with all international, national, state and local employment laws and core labor standards, to ensure all our employees are treated fairly. This means oversight of working age, hours and working permits across our markets and supply chain. These measures are introduced to TTI's new hires and existing employees through targeted communication and training. Our Code of Conduct (CoC), Employee Handbook and extensive training materials are updated regularly to keep all employees current on these company guidelines. Our corporate policies are also under continuous review to align with local regulations, emphasizing safe employment procedures and social principles. As a result, we are able to actively minimize the risk of non-compliance with laws and/or regulations in social and economic areas. A complete list of legal and regulatory requirements related to labor and human rights,

as well as health and safety, which have the potential to have a significant impact on TTI's operations and performance, can be found in Appendix A of our HKEX ESG Reporting Guide Content Index on our website .

Beyond regulatory obligations, we understand that our long-term success is dependent on nurturing our people. At all levels of our business, we strive to support the needs of employees and attract diverse talent. This is achieved through a shared set of values and robust strategy, processes and communication in every market. Fostering connections between teams remains vital to our people as many continue to work from home.

In addition to taking care of employees, we are committed to actively pursuing inclusive prosperity for society as a whole. Our comprehensive approach to all social aspects of our business — human and labor rights, diversity and inclusion, talent management and engagement, health, safety and wellbeing, and community investment and engagement — is outlined below. Our ESG Executive Committee and ESG Working Committee assess our policies and initiatives in all these areas and oversee the effectiveness of our management approach, updating it as needed.



SPOTLIGHT

DIVERSITY AND INCLUSION INITIATIVES

D&I Committee Profile and Initiatives

TTI's Global Diversity and Inclusion (D&I) Committee came about organically. While many of the Company's ESG activities are directed from the Board and management level, our Global D&I Committee started in 2019 as an employee-driven initiative to promote diversity within the Company. Initiated by our Milwaukee business unit (BU) in North America, other BUs in the region have quickly been inspired to follow.

The first initiatives involved distributing surveys, backed by local human resources (HR) teams, which revealed that employees ranked diversity as a key corporate value they wanted to support. Prompted by this, the groups launched recruitment initiatives and relationship-building activities. These early efforts had many successes with employees from diverse backgrounds noting their approval

of the Company's human-centric workplace environment. As such, when asked why he joined TTI, Faisal Elmi, an Assistant Product Manager for Milwaukee cited the "people first culture" as a key factor.

In 2021, TTI kicked off quarterly Global D&I Committee calls. One achievement in 2021 was a series of workshops held in North America featuring the speaker, Monique Betty, professionally known as 'Coach Mo'. Betty's sessions taught attendees how to participate in allyship and courageous conversations. Other sessions on subjects such as unconscious bias were taught by Jessica Sharp, an organizational psychologist. Employees at these workshops shared important experiences, such as blind spots and personal stories. From these initiatives, relationships developed into mentorships.

The presentations and workshops were discussed during a Global D&I Committee meeting, and positive feedback saw the adoption of similar initiatives through several North American BUs. On a personal level, employees at the Floorcare head office in Charlotte, North Carolina, gathered together recipes representing all the cultures in the office. A cookbook titled, *A Taste of Diversity* was printed and distributed to staff. On the other side of the world, diversity champions in TTI's Asian Innovation Center based in Dongguan, TTI AIP in China, shared efforts to build facilities that support diverse employee religions. With the Global D&I Committee established and a regular cycle of sharing implemented, as we advance, TTI will organize global programs across BUs to celebrate diversity throughout the Company.





MATERIAL TOPIC

Empowering People

Championing equal opportunities and treatment, as well as fair labor practices, is important in our operations and across our value chain because it is our fundamental responsibility as a company. At TTI, we understand that communities, economies and businesses all thrive when people are supported and empowered.



How We are Managing It

Human and Labor Rights

Ensuring that our people are treated fairly in compliance with the International Labour Organization's core labor standards and related international norms, is inherent to all that we do at TTI. Statutory minimum wage laws are followed or exceeded in each of the countries where we operate. Our remuneration levels and packages are in line with market conditions at a minimum. We ensure that freedom of association and collective bargaining are also respected in accordance with local regulations within our operations and supply chain.

Modern Slavery

Our approach to safeguarding human and labor rights within our operations and across our supply chain is outlined in our Policy Against Modern Slavery and Human Trafficking [🔗](#). Every TTI employee and supplier is responsible for confirming compliance with this policy, as well as our CoC and the TTI Business Partner Code of Conduct (BPoC) that define our prohibition of human trafficking and forced or unlawful child labor. Managers are responsible for

ensuring that colleagues are in compliance and complete any necessary training. Furthermore, suppliers are required to confirm that they comply with applicable laws. This policy also stipulates TTI's commitment to avoiding, detecting and eradicating human trafficking and modern slavery by outlining a list of potential red flags concerning work and living conditions, poor health or abnormal work behavior. These indicators are designed to assist employees and suppliers to recognize potential issues.

We take steps to continuously verify, evaluate and address concerns, by auditing and encouraging the reporting of violations. Workers across the value chain can express concerns through trade unions and TTI's channels as stated in the complaint resolution policy. Detail on our grievance mechanisms can be found in the Ethics and Integrity section of this Report on p.30 [🔗](#). Our efforts to safeguard human rights are further enhanced through partnerships with global industry organizations. More information on this can be found in the Supply Chain Accountability section on p.36 [🔗](#).

Diversity and Inclusion

As part of ensuring fair labor practices, an increasingly important aspect of our employer value proposition involves encouraging an environment that embraces diversity and inclusion (D&I). There is no doubt that diversity in our workforce brings fresh perspectives, creating value for the business. Providing equal opportunities for all our team members means we do not discriminate by race, national origin, gender or gender identity, sexual orientation, pregnancy, age, religion, military service, status as an individual with varying abilities or as a veteran, or any other status protected by applicable laws. Our in-person and online training workshops on this subject include examples of real-life scenarios of discrimination and harassment, enabling employees to identify potential issues and report them immediately. Our CoC clearly outlines our zero-tolerance policy on harassment, discrimination and retaliation. Detail about reporting complaints and remedial measures can be found in the Ethics and Integrity section of this Report [🔗](#).

GOALS

- Safeguard human and labor rights
- Attract and retain the best talent
- Promote respect, diversity and inclusion in the workplace and surrounding communities

TARGETS

- 100% completion of human rights/modern slavery training for employees
- Zero cases of human rights violations
- Increase the percentage of employees going through training and development programs
- Increase employee retention
- 100% of employees trained in D&I
- Increase the number of D&I initiatives
- Increase the percentage of female employees and other diversity categories in management roles

Talent Attraction and Engagement

A strong stance on human rights and inclusion allows us to attract and retain the right talent. We consistently provide equal access to professional and development opportunities, and offer competitive compensation and benefits above what is legally mandated.

Employee Benefits

Each of our business units (BUs) puts special emphasis on providing incentives that are relevant to their local employees. Due to the ongoing COVID-19 pandemic, this has involved implementing Work From Home (WFH) measures and extended flexibility for employees. Other benefits available depending on the market include parental leave beyond mandatory requirements, access to housing finance, medical, dental, vision, accident and life insurance, disability coverage and tax-qualified savings plans for retirement, as well as flexible spending accounts and long-service awards.

Benefit Programs

Some markets offer a variety of additional benefits as outlined below.

LiveHealth Online

LiveHealth Online is a convenient way for employees to interact with a doctor via live, two-way video on a computer or mobile device.

Teledoc Health (formerly Best Doctors)

Teledoc offers employees access to advice from the world's leading physicians for everything from minor surgery to serious issues like cancer and heart disease.

Future Moms

The Future Moms program is designed to provide advice on the three stages of pregnancy. Expectant mothers self-identify and are proactively supported to reduce the risk of premature birth or other serious maternal issues.

Employee Assistance Program (EAP)

All TTI employees and their families are eligible for the 24-hours a day, 7-days a week (24/7) EAP, providing resources for mental health and substance abuse conditions.

24/7 NurseLine

Employees can receive immediate assistance from a registered nurse, toll-free, 24/7 for non-emergency health situations.

MetLife Auto & Home Insurance


The MetLife Auto & Home Insurance program allows employees to secure auto and home insurance and pay for it through convenient payroll deductions.

Professional Development

Providing comprehensive professional development opportunities is an important part of our engagement with permanent and temporary employees as well as contractors.

TRAINING

For employees, training needs and targets are determined during performance reviews conducted by managers. Managers provide feedback on strengths and areas of improvement throughout the year with overall performance reviewed at least annually. Our contractors receive training on TTI's practices and requirements related to the work scope or services provided.

Training covers various topics from compliance, leadership and technical skills to marketing, customer service, wellbeing, health and safety. Several programs use our internal e-learning platform and other e-learning tools. These platforms include content on mandatory courses as well as job-specific training. In addition to e-learning, we provide development opportunities through Lunch-n-Learn sessions conducted by employees or outside speakers. We also provide financial support for employees through our Education Sponsorship Program. This covers learning initiatives ranging from coaching, mentorship, seminars and conferences to continuing education. Part-time workers and contractors have access to training on relevant subjects. For details on training hours, please see p.112  in our Performance Metrics.

DEVELOPMENT PROGRAMS

Leadership Development Program

Our flagship Leadership Development Program (LDP) is a key initiative that has enabled us to recruit graduates from over 100 global colleges for over 15 years. From its origins as an initiative of our American division's regional event and marketing team, the program has expanded to an international recruitment drive — offering high-calibre candidates specialist positions in a variety of disciplines. As part of the program, LDP associates

regularly engage with their coach and have the opportunity to rotate to different functions, departments, business units and countries. This allows them to gain valuable skills and the chance to participate in leadership and management courses, such as those at the Harvard Business School.

Our employees recruited through the program, form the core of TTI's workforce and hold key management positions throughout our organization. A prime example is the

President of our Consumer Power Tools division. The LDP generated 2,031 new hires in 2021 and is projected to hire even more in 2022. With 42% of hires identifying as female last year, these future leaders are key to increasing gender diversity in the Company. Going forward, this program will provide a strong pool of qualified candidates from which the Company can draw diverse senior management executives to lead us in the years ahead.

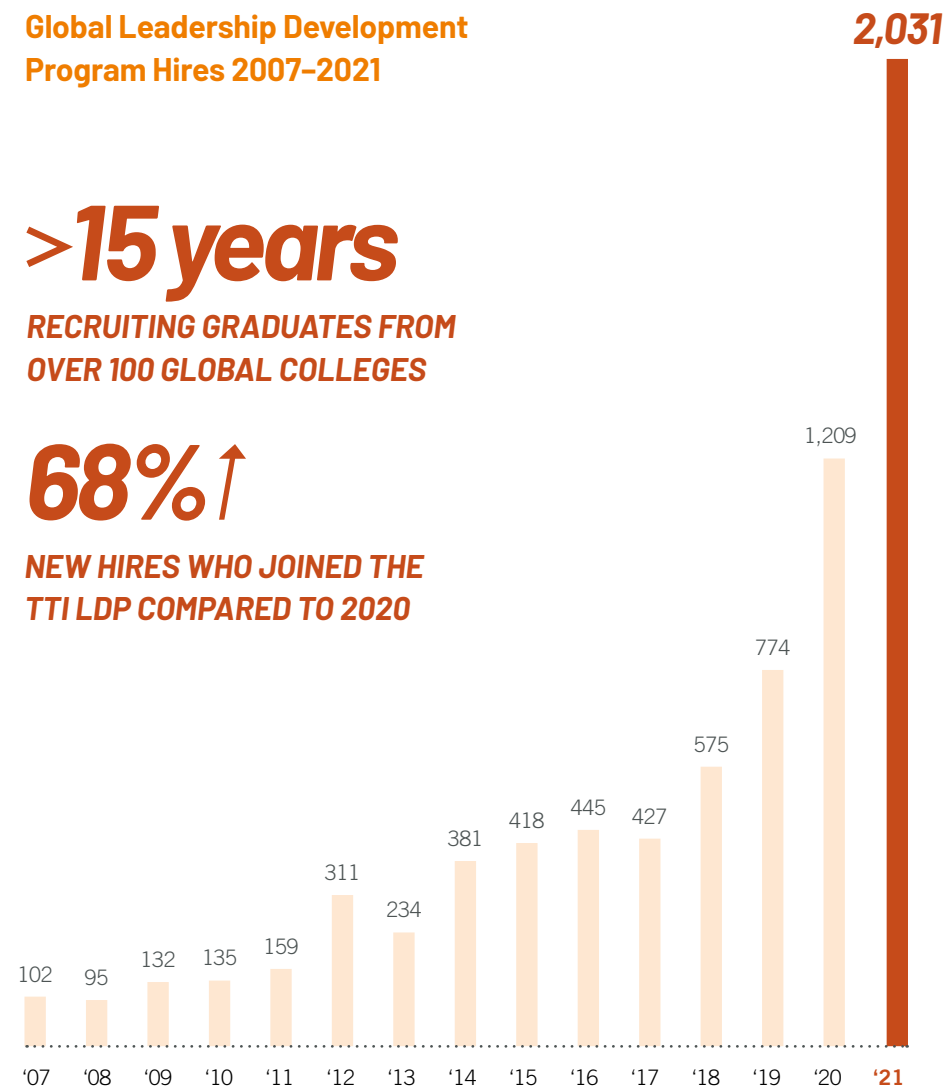
Global Leadership Development Program Hires 2007-2021

>15 years

RECRUITING GRADUATES FROM OVER 100 GLOBAL COLLEGES

68%↑

NEW HIRES WHO JOINED THE TTI LDP COMPARED TO 2020



Leadership Development Program

Sales and Marketing Leadership Program (LDP)

This program provides new graduates with training and experience in sales and marketing. Through these positions, LDP participants are able to develop their technical, management and leadership skills.



Engineering Development Program (EDP)

This training and development program provides new engineering graduates with insights about lessons learned as well as in-depth product, design and technical knowledge; all of which enables them to create high-quality, innovative and customer-focused solutions. EDP participants not only develop their technical abilities, they also develop leadership skills. Responsibility is earned early in an EDP colleague's career as they engage in one or more of our many fast-paced and challenging projects.

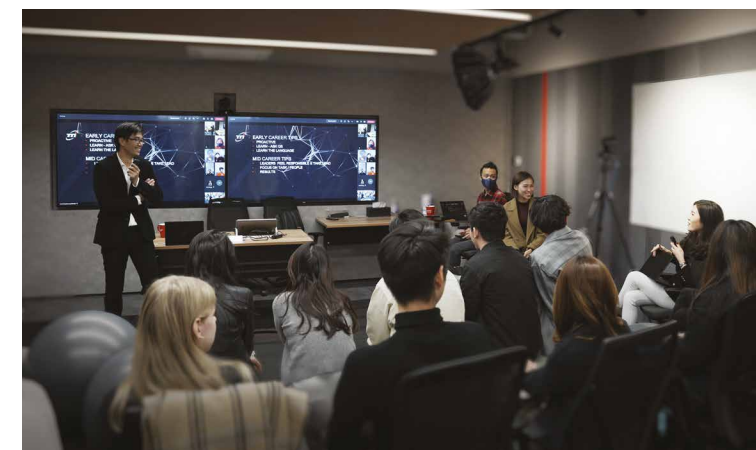


Operation Development Program (ODP)

The objective of this program is to hire top talent from campuses to train and develop into future leaders within operations including manufacturing, supply chain, sourcing, quality and distribution. Graduates rotate through operations positions, developing hands-on work experience under the leadership and training of mentors.

Finance Leadership Development Program (FLDP)

This program hires top talent to train and develop into future leaders within finance functions. These FLDPs rotate to different departments, from treasury, to Internal audit, operations, sustainability and accounts receivable/accounts payable.




Legal Leadership Development Program (LLDP)

The objective of this program is to hire top talent to develop into future leaders in legal, compliance and intellectual property areas.

▶ KEY INITIATIVES AND PROGRESS IN 2021

In the reporting period, TTI made steady progress in terms of human rights, D&I as well as talent management.

Human Rights

TTI continues to enhance our approach to safeguarding human rights across our value chain. This year, all relevant employees in sourcing and purchasing departments were trained on human trafficking and modern slavery, and 83% of our employees were also trained on this issue. Detail on supplier engagement through our Human Trafficking and Anti-Slavery questionnaire and training provided to suppliers on topics such as forced labor can be found in the Supply Chain Accountability section on p.36  of this Report.

In 2021, there were no strikes or lockouts and no reports of human or labor rights violations internally or in our supply chain. We continue to enforce measures that uphold our high standards, including checking identification cards and drivers' licenses to confirm the age of workers, and ensuring young individuals above the legal working age have limited working hours, receive adequate training and are not exposed to harmful or hazardous working conditions.

Enhancing Diversity and Inclusion

To further integrate D&I into our corporate culture, our businesses across the globe participated in quarterly meetings and are working to enhance training and education through webinars, recruitment campaigns, special needs arrangements and awareness initiatives. In the USA, our HR teams partner once a month to discuss ideas for improving employee engagement and celebrating

cultures and diversity. TTI has also collaborated with external experts to further promote inclusion programs across our Company.

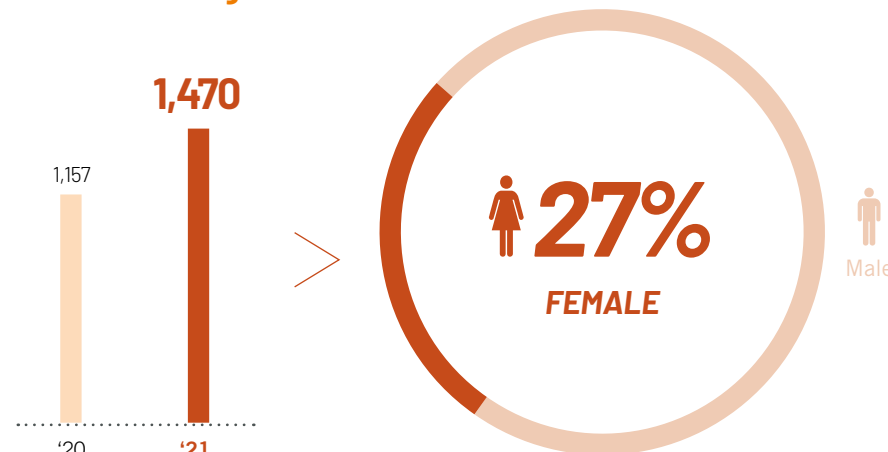
Our Milwaukee BU has also made significant efforts; this past year the Diversity, Inclusion and Equity Committee added "equity" to its name and created a new value statement to represent that all employees have equal access to opportunities and career advancement. Through surveys and focus groups, the Committee strived to facilitate challenging D&I discussions and create a space for real-time feedback. Workshops, training, educational resources and networking events were made available to give the team a common language, orientation and foundation for how people understand the true business case for diversity, equity and inclusion. In 2021, the Advising Program was launched, pairing an employee with less than three years of experience with a seasoned leader to create meaningful mentoring connections. This pilot program included

over 35 participants and ran for three months, allowing the team to gather feedback to prepare for a larger rollout at the beginning of 2022. In 2021, we also celebrated Pride Month with a Milwaukee Pride Event where over 1,000 employees gathered to share their support of LGBTQ+ teammates. We plan to celebrate Black History Month and Women's History Month in the future to share other unique perspectives and lift all voices at the table.

Recruiting for Diversity

On the recruitment side, our Dongguan business continues to cooperate with the Dongguan Disabled Persons' Federation to recruit people with varying abilities. In the Americas, our Milwaukee business prioritizes diversity by engaging in national partnerships with groups such as the National Society of Black Engineers (NSBE), the Society of Women Engineering (SWE) and the Society of Hispanic Engineering (SHPE). Each year, a colleague visits university campuses to

Women in Management




interact with diversity-focused student organizations and to engage candidates. TTI NA also strives to enhance diversity in the workforce by sponsoring visas for candidates to experience working in a different location. We had our second USA transfer to EMEA as part of the global FLDP in 2021. We also partnered with the Women in Business organization on university campuses and hosted presentations to discuss women in leadership positions within our team. In 2022, we will also partner with the NSBE to conduct similar initiatives. In EMEA, our teams have been focused on raising awareness and celebrating women in engineering.

Managing Talent

TTI's human resource practices are generally managed by local offices with collaboration at regional levels. To continue to attract exceptional people and reach across geographical regions, in 2021, we increased the capacity of our recruiting departments

across the Company. Our recruiters understand the business operations and teams they are hiring for, which enables them to attract strong candidates while also being equally committed to building a more diverse workforce.

In 2021, 27% of our employees in the role of assistant manager or above were female. Detail on the breakdown of our workforce can be found in the Performance Metrics . There were no reported incidents of discrimination within our operations in the reporting year.

Benefits and Training


To attract talent and support employees, we continued to provide the following types of benefits in some markets in 2021:

- Medical, life, personal accident and travel insurance, critical illness coverage and income protection plans as appropriate in different markets
- Educational, maternal, paternal,

marriage, compassionate and emergency leave

- Lactation rooms for female staff with all necessary facilities and support
- Internships for employees' children and scholarships for those entering colleges and universities

Our operation in Hong Kong was awarded the Good MPF Employer Award by the Mandatory Provident Fund Schemes Authority to recognize our efforts in enhancing the retirement protection of employees.

We also encouraged professional skill development through different programs such as transitional assistance, assessments to identify skill and competency gaps, job rotation, mentoring and internal hiring. At TTI NA for example, we continued supporting tuition and certifications for employees to expand their knowledge and professional growth and we plan to expand this program next year. Through the year, full-time and part-time employees engaged in 1,769 unique courses, logging a total of 472,157 training hours. More detail on training hours completed can be found in our Performance Metrics on p.102 .



472,157

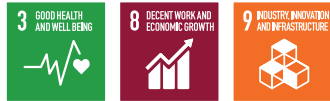
TOTAL TRAINING HOURS IN 2021



MATERIAL TOPIC

Health, Safety and Wellbeing

Promoting health, safety and wellbeing in our workplaces and through our products is imperative for employee and customer retention.



How We are Managing It

Occupational Health and Safety

We are committed to safeguarding people's health at work and in our products through comprehensive occupational health and safety (OHS) management systems. Our comprehensive Environmental Health & Safety (EHS) and Occupational Hazard Management Policies are aligned with all relevant legal requirements. These policies stipulate our commitments and responsibilities, identifying risks and hazards and setting out procedures to minimize any potential harm to workers. Monitoring protocols and procedures for investigating health and safety violations and implementing corrective actions are also covered in these comprehensive policies.

At TTI, Health & Safety (H&S) Committees oversee our safety protocols. Meetings are held regularly where dedicated representatives address concerns and carry out measures to improve conditions for workers. As part of this effort, OHS training is provided to employees in all markets. This is to ensure workers are well versed in safety awareness and procedures, including the handling of hazardous materials along with first aid,

cardio pulmonary resuscitation (CPR) and fire-fighting training where relevant. We are also guided in this area by a number of Standard Operating Procedures (SOPs) such as the Work-related Injury Handling Instruction which standardizes work-related injury management with normative procedures, providing necessary medical assistance for injured employees. Risk assessments and inspections by third-party experts are consistently scheduled so any corrective and prevention measures can be implemented in a timely manner.

Wellbeing

To augment traditional health and safety measures, TTI also focuses on enhancing wellbeing by providing employees with holistic mind and body support. This includes healthy lifestyle initiatives such as access to gym memberships, health and fitness reimbursement, better food choices and quality mental health programs. Experiencing opportunities and celebrating together, both at work and outside, are a key part of our culture. Some activities we engage in together include:

- Onsite yoga and fitness classes
- Team-building events

- Family events throughout the year
- Intermural sports teams — basketball, ultimate frisbee, soccer, softball, hockey
- Milestone celebration parties
- Employee appreciation events

Managing COVID-19

Given the current pandemic situation, we also continue to have robust management measures in place that involve maintaining close contact with local health departments and government agencies to understand requirements and to ensure adequate communication and compliance with pandemic protocols.

Our business units have set up committees and crisis management teams that regularly meet and implement preventive measures such as body temperature checks, social distancing, installing plastic barriers for safety, placing hand sanitizing stations in work areas and maintaining healthy indoor air quality and adequate ventilation. We also provide masks and gloves to manufacturing, distribution, sales and other employees, and have continued cleaning protocols for all offices and manufacturing sites and organized work from home programs when necessary. Key

GOALS

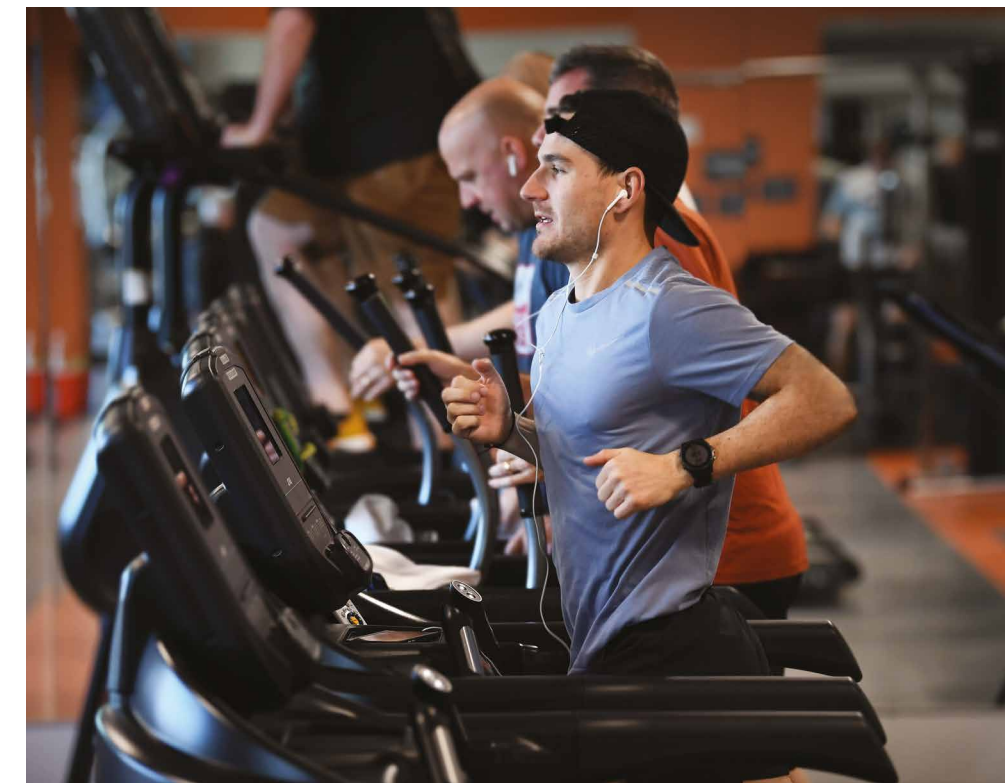
- Maintain healthy and safe workplaces
- Promote a positive and healthy lifestyle among employees
- Design products that enhance user experience with improved quality, safety, environmental and health benefits

TARGETS

- Zero fatal accidents in our workplaces
- Reduce the number of work injuries year on year to achieve zero work injuries
- Increase the number of physical and mental wellness programs for employees
- Zero product recalls
- Increase customer satisfaction ratings

measures to support our colleagues during the pandemic continued with a focus on:

- Online fitness classes, virtual games and social events to promote employee wellness
- Enhanced mental health programs to ensure employees have support within the workplace
- A crisis management response strategy to ensure both business continuity for TTI as well as job security and safety for employees
- Ensuring employees and their family members have access to our various specialized employee assistance programs, such as Lifeworks in Australia and New Zealand that provides free confidential counselling all the time
- Providing annual health check-ups, healthy food choices such as fruit bowls and juices, yoga sessions, massages and access to exercise equipment, as well as social clubs
- Offering workplace and working hour flexibility in response to personal needs





Product Safety

Safety is also a key consideration when it comes to our products. Continual enhancement of safety standards, quality, and compliance are the responsibility of our Product Safety Directors, committees and teams at our individual business units. We work hard to build continual improvement into our processes for all products designed, manufactured, distributed or licensed by TTI to provide customers with the best possible experience. Safety is a driving force for many of our projects which include:

- Replacing gas engine products with MX FUEL line tools so they can be used safely in confined spaces without the risk of harmful carbon monoxide emissions
- Launching a line of tool lanyards to prevent tools from falling on co-workers or others when used at height
- Expanding lithium-ion battery technology in our tools to reduce the usage of cord-connected, petrol-powered products, thereby preventing potential hazards such as tripping and electrocution
- Using our technology to reduce noise pollution and prevent customers from breathing in harmful emissions from products
- Extending our line of safety equipment products such as hard hats, masks, glasses, gloves and helmets

TTI's safety measures are outlined in our Product Safety and Consumer Product Regulatory Compliance Policies, against which our Regional Product Safety Committees and Committee of Product Safety Directors from different business units implement stringent compliance monitoring and audit investigations. These individual committees gather on a monthly basis to identify and assess:

- Customer complaints and online reviews that could lead to potential compliance or safety issues
- Potential compliance or safety-related findings from analyzing returned products
- Warranty data that could be associated with potential safety risks

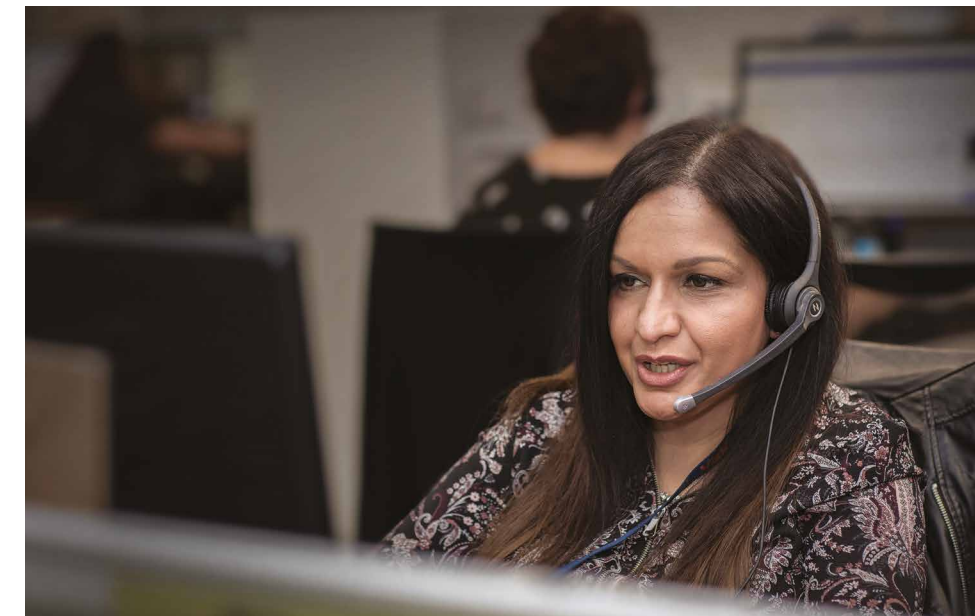
Our quality control mechanisms oversee incoming materials, in-process products and inspection, and reliability testing of our outgoing products. Thorough product safety hazard reviews are conducted before and after products are launched, with product recall policies and procedures in place, should immediate corrective actions be required. To this end, we maintain relationships with government regulators, product safety standard developers, trade associations and consumer groups, and are diligent about managing appropriate product-related documentation in accordance with retention schedules and policies. Any product recalls are managed by our legal teams and our safety and regulatory departments, ensuring all relevant laws are followed until their safe disposal.

Safety reviews are carried out throughout the design and development process, and cover the following:

- Initial safety review based on results of our design failure mode and effect analysis and a review of tool construction before product release
- Formal safety review based on the requirements of ISO 12100:2010 for hazard review and risk assessment. This is a systematic review of all potential hazards during the life cycle of a product, identifying how risk can be minimized
- Final safety review that verifies the necessary implementation of corrective and preventive actions before products are released for mass production

TTI meets or exceeds all applicable and voluntary industry standards and regulatory requirements for all products globally. The regulatory requirements related to health and

safety, advertising, labeling and privacy matters associated with our products that have the potential to significantly impact our operations and performance are listed in Appendix A of our HKEX ESG Reporting Guide Content Index on our website [🔗](#). We actively monitor social media and online sales channels for customer feedback. By recording and analyzing all comments and complaints, we are able to consider and act on all requests, whether they be in regard to implementing design improvements or providing more in-depth technical training to end-users. To ensure customer satisfaction, our product warranty policy further enables a positive post-purchase experience. Our product safety measures increasingly cover pollution management to ensure end-users are not exposed to harmful emissions or noise. For detail on these considerations, please refer to the Sustainable Products section of this Report on p.66 [🔗](#).



SPOTLIGHT

Focusing on Health

Championing Employee Health and Wellness

Our focus on the health and wellness of our employees is key to TTI's development and retention of exceptional people. Keeping employees healthy means they don't miss work as often and require less medical treatment, resulting in lower insurance premiums. More importantly, healthy employees are happy, motivated and loyal. As a showcase of our commitment to employees, our 300-acre campus in Anderson, South Carolina has a number of facilities to promote employee wellbeing. Our central office at 100 Innovation Way features a full-service fitness center with top-of-the-line gym equipment, and room for classes led by both employees and outside trainers. For outdoor activities, the campus has a trail for running and cycling dedicated to Glenn Benzing, an employee who was an avid outdoorsman. These facilities are supported by our dedicated in-house medical staff. Beyond fitness and exercise, the Company commissary employs a chef who provides curated daily menus and healthy dining options. We also have a cafe where employees can gather for morning energy boosts.



KEY INITIATIVES AND PROGRESS IN 2021

During the reporting period, we put into place several workplace, wellbeing and product safety initiatives. Details on our progress in each of these areas is described below.

Workplace Safety

In 2021, there was no violation of health and safety regulations at TTI. Various initiatives implemented to protect workers included:

- Assessing machinery, equipment and new products to ensure safety
- Continuing frequent internal inspections to ensure there were no H&S policy breaches and check that safety equipment such as eye washing stations and defibrillators function properly
- Conducting departmental, line and management H&S audits

103,317 employees were trained on workplace safety during the year.* In 2021, there were 475 work-related injuries and 25 high-consequence injuries recorded. As a result, 5,955 days were lost due to injury across our global operations, compared to 6,518 in 2020, and representing a 8.6% decrease in days lost. Work injuries typically arising among TTI employees included strains caused by manual handling of boxes, cuts, burns, blood and respiratory ailments from soldering or chemical exposure, as well as those related to electrical contact, fire, traffic accidents, lumbar discomfort due to long driving hours or musculoskeletal disorders and eyestrain associated with ergonomics or extended screen time. Detail on specific injuries that occurred can be found in our Performance Metrics on p.114. There was one fatality recorded in 2021, due to a traffic accident. A worker was hit by a truck while commuting back home and passed away 10 days later.

* This figure includes those who left the Company as of Dec 31, 2021.



103,317

EMPLOYEES WERE TRAINED ON WORKPLACE SAFETY THIS YEAR*



ZERO

VIOLETIONS OF HEALTH AND SAFETY REGULATIONS AT TTI IN 2021

Wellbeing Initiatives

In addition to safety programs, our BUs launched a variety of wellness efforts in 2021. The following are some examples from PRC:

- Autumn appreciation gifts to teams
- Adding floating holidays so employees will have more choice to recognize the holidays they value
- Participation in community culture and sporting activities and competitions, ranging from photography to table tennis

Continued Pandemic Management

With the pandemic continuing into 2021, our Australia and New Zealand offices maintained ongoing support to employees by providing access to emotional support within the workplace. By implementing one-to-one

check-ins for employees and managers across our sales teams, this program created a structured approach for managers to engage with onsite employees to see how they feel both professionally and personally. Likewise, our HR department in the PRC continued to offer a counseling service hotline to employees to help with managing mental health concerns. Our ongoing face-to-face counseling service was also maintained in 2021 to meet employee needs.

Product Safety Updates

Managing product safety remained a key focus during this reporting period.

In 2021, we had two incidents when TTI Power Equipment products were recalled by the Consumer Product Safety Commission

(CPSC) due to H&S reasons. These recalls were both voluntary and did not result in any fine, penalty or warning. The first recall involved a generator, which had four reports of the generator overheating or catching fire with no injuries reported. The CPSC notified consumers to immediately stop using the recalled generators and provided instructions on how to obtain free repair of the product. Additionally, all known purchasers were directly contacted to rectify the problem. The second product recalled by the CPSC was a 18-Gauge 2" Brad Nailer, after finding the contact sensor on the nailer can malfunction and involuntarily discharge a nail. While no incidents or injuries were reported, the CPSC notified consumers to stop using the nailer and return the product to the stores for a full refund or schedule a free home pickup of the product.

There was no violation of labeling or advertising regulations reported in 2021. As part of our product safety and quality initiatives in this period, we strived to:

- Ensure phone, web and retail level inquiries from customers were well managed and customer service lines for all tool brands were staffed seven days per week
- Provide technical training at product information centers for customers, including dealers and OEM partners
- Offer customers product safety training conducted by sales and Jobsite Solution teams
- Train Field Service and Customer Service Representatives on building customer relationships
- Provide repair and warranty services to customers at product service centers
- Expand our line of PPE to keep people safe on job sites
- Ensure global alignment and collaboration of our safety teams



MATERIAL TOPIC

Community Investment and Engagement

Investment in community development and the promotion of social equity creates shared prosperity, building trust and securing our long-term success.



How We are Managing It

Our investment in community programs continued to be a priority in 2021. We contributed US\$1.9 million in cash donations to projects in this period. Our ESG Working Committee and HR departments across the globe play an active role in reviewing the progress of our community efforts, ensuring that investment projects are well implemented, aligned with the Company's strategy and meeting our goals. Our focus remains on a number of important causes including good health and wellbeing, human rights, poverty alleviation, improving infrastructure and reducing inequalities. In addition, we continue to contribute to the protection of local environments, disaster relief projects, promoting women's rights and education, and inspiring younger generations to develop careers in technology.

Support for these and other community challenges and opportunities takes the form of collaboration with NGOs, providing financial support, donation of tools and employee volunteering. Community project selection occurs through structured programs, annual commitments and engagement. Employees are encouraged to volunteer using paid working hours for this purpose.

▶ KEY INITIATIVES AND PROGRESS IN 2021

Helping People in Need Pandemic Relief

In 2021, we continued to focus on COVID-related challenges. TTI donated US\$50,000 to Habitat for Humanity India's COVID-19 Emergency Appeal. In partnership with local governments and on-the-ground partners, the NGO set up Habitat Care Centers to equip underused healthcare or government buildings to treat mild and moderate COVID-positive cases. By providing patients with shelter for isolation or quarantine, family members were kept safe, and the existing healthcare infrastructure was kept from becoming overloaded. Once established, the Habitat Care Centers continued under the management of local hospitals.

Addressing Poverty AMERICAS

Our BUs in North America engaged in multiple initiatives to alleviate poverty in their communities. TTI NA donated food to the local shelter, Food Pantry of Broward, to support those in need during the holidays.

"We are grateful for our meaningful partnership with TTI. Long-term, cross-sector collaboration is vital to the sustainability of our programs and will impact the health and wellbeing of families and communities across the region."

Jo Hayes
CEO of Habitat for Humanity Hong Kong

🔄 GOALS

- Support community livelihoods through investment and engagement activities
- Establish strategic partnerships with industry partners and NGOs
- Enhance talent and customer attraction through community engagement

✅ TARGETS

- Increase our donation in cash and in kind to charities year over year
- Increase the number of employees and hours spent volunteering
- Increase the number of community partnerships

We also donated toys to support local children and families as part of a Toys for Tots Drive. TTI PE donated large food packages to the NGO, Harvest Hope, throughout a month-long food drive. Employees also pitched in, donating gifts to children through the Salvation Army, bread and food items to make sandwiches for the local Anderson Soup Kitchen, and canned food to the drive. TTI FC continued to support Classroom Central by donating cash for learning supplies through their virtual drive. We also supported the Pinky Swear Virtual Pantry Drive to stock onsite hospital food pantries and contributed to a lunch delivery for The Relative Foundation.

The Milwaukee team supported various hunger relief initiatives by stocking food boxes for local pantries, donating to canned food drives, as well delivering food and holiday boxes for families in need. We also harvested 36,839 kg of cabbage to feed Milwaukee's at-risk populations and participated in a 5K run hosted by the Mid-South Food Bank on Thanksgiving Day, to help generate awareness and funds to feed thousands of children, families and seniors. TTI Canada donated to the Daily Bread Food Bank and employees delivered

Christmas presents to underprivileged children as part of the Toronto Star Newspaper's Santa Claus Fund.

EMEA

TTI supported Little Home e.V. by building houses for homeless people in Germany.

ASIA

In Asia, TTI HK donated US\$50,000 to support the work of the Christina Noble Children's Foundation that cares for vulnerable children in Mongolia and Vietnam. We also supported the Commission on Poverty and the Hong Kong Council of Social Service's Scholarship for Future Stars by donating to help less privileged youth achieve upward social mobility through education. We made a donation to the Wednesday Afternoon Golf Society to help underprivileged children and those at-risk of commercial or sexual exploitation. We also contributed to The Hong Kong Society for Rehabilitation to support their "Paint A New Life" charity sale and exhibition in support of their mission to reintegrate the less privileged into society. We once again participated in the Skip Lunch Day program that included purchasing "Mooncakes for Charity Coupons" with

donations made for every box of mooncakes sold to benefit street sleepers and residents of cage homes and cubicles. These donations were allocated to the 165 social welfare member agencies supported by the Hong Kong Community Chest.

Eradicating Modern Slavery

Our responsible sourcing partnerships are critical not only for the sustainability of our business and supply chain, but to further social justice in vulnerable communities. We contributed US\$50,000 in 2020 to fund the Better Mining Cobalt Due Diligence and Impact Program run by the RCS Global Group to monitor cobalt and copper mines in the Democratic Republic of Congo (DRC). By identifying ways for the mines to adopt sustainability practices, the monitoring program helps improve the socio-economic and environmental conditions of the wider community. In 2021, we continued to be active in discussions with all stakeholders of the organization. TTI also developed a relationship with The Mekong Club, an NGO whose mission is to end modern slavery, and became an Association Member in 2021 to collaborate and gain support on our journey to eradicate forced labor.



Home-building projects

Home-building projects remain a very important part of our community engagement efforts.

AMERICAS

We continued with our Habitat for Humanity projects across BUs. These included projects such as:

- Women Build — a group of five from TTI PE coming together to help build a house structure
- Home-building — 26 volunteers from TTI Canada
- Shed Buildings — involving our Milwaukee teams

Milwaukee also partnered with the Milwaukee Homeless Veterans Initiative, to provide homeless and at-risk veterans with 300 kitchen kits as they transitioned into homes. The team also volunteered at two of Project Home's events to renovate and clean local apartment complexes and install windows

at a local veteran's home. In addition, volunteers helped Rebuild Upstate repair existing homes to make them safe and comfortable. Another team partnered with the Fuller Center to clean, paint and put the finishing touches on a new home for a low-income family. Also, 45 volunteers helped lead and direct a special project called "Block Build MKE". This is Revitalize Milwaukee's signature annual event that is held over a weekend, to transform multiple neighborhood blocks through everything from yard clean-ups and painting to skilled plumbing, window, electrical and flooring repairs. Yet another team came together to paint and landscape around the Don Miller Homes, an adult foster care facility for adults with varying abilities. We also continue to make donations of large products to the local American Legion Post 375 in Mukwonago to help maintain facilities that are used by multiple non-profits.

ASIA

Our Habitat for Humanity projects continued in Hong Kong, where 30 volunteers helped elderly and physically challenged residents to perform household repair and maintenance through the Project Home Works program. At TTI Vietnam, we also continued with our Safer and Cleaner Communities for a Healthier Life program, to which we donated US\$80,000. Through this program:

- five vulnerable households gained access to new, quality, affordable and safe homes that are resilient to disasters, and have appropriate water and sanitation facilities
- 12 households gained improved housing through renovations
- 20 households benefited from deep cleaning service
- 28 families gained access to clean water through a water pipeline installed at the Tan Trung commune, 31 families received water tanks, allowing them to store clean water for daily use and improve their health

conditions in the Tan Trung, Binh Xuan, Binh Dong and Long Chanh communes

- 104 vulnerable, low-income families and local partners learned about disaster-resilient construction, water, sanitation and hygiene (WASH), home maintenance and COVID-19 prevention
- 500 students benefited from improved hand-washing facilities and waste management system at Tan Trung Primary School, receiving hygiene kits as well as leaflets on COVID-19 disease prevention

Environmental and Disaster Relief Initiatives

Disaster Relief

AMERICAS

TTI NA engaged with the International Hurricane Research Center at Florida International University and the Museum of Discovery and Science to provide a hurricane preparedness workshop for families who live in vulnerable areas. The event was attended by 2,800 museum visitors and demonstrated actions using TTI's RYOBI tools that could be taken to prepare for storms. Tools were also donated to the museum as part of this activity. In another initiative, 600 MILWAUKEE tools and safety products were donated to assist with operations for Surfside Condo Collapse & Recovery efforts. In partnership with local associates, TTI assisted in recovery efforts alongside Broward Rescue Crews. In addition, TTI FC employees donated supplies such as water, non-perishable food items, flashlights and batteries, clothing and grooming kits to those impacted by Hurricane Ida.

EMEA

In Germany, our office organized a fundraising campaign to donate to "Aktion Deutschland hilft" and supported other organizations such as Evangeliums Christen Gemeinde and Supplier Rhodus to help the victims of

catastrophic flooding in the western part of Germany. TTI supported Wolfcraft GmbH by providing products to rebuild the Ahrtal region after massive flooding.

Environmental Projects

ASIA

TTI HK donated to several initiatives to raise awareness of environmental issues. This included a Green Carnival event and a clean up of Hong Kong's coastlines, organized by the Green Council. TTI HK also donated to "Green-related Projects" supported by the Community Chest, including the Green Low Carbon Day.

Nurturing the Next Generation

We continue to support the development of young people through educational initiatives and internships.



AMERICAS

Our Milwaukee team partnered with the Milwaukee Academy of Science (MAS) to create a state-of-the-art STEM lab for 250 students. The team raised funds for the MAS building expansion campaign. We also organized tours at three local National Electrical Contractors Association (NECA) training centers for four MAS students who are interested in a career in the trade.

We are working with the Western Washington Sheet Metal and Air Conditioning Contractors' National Association (SMACNA) chapter to donate tools, time and talent to the Heavy Metal Summer Camp that teaches around 60 high school students about the trades. 40 Milwaukee employees and 10 experts donated their time to the Milwaukee Tool Innovation challenge for LAUNCH with 50 teams and 160 students participating. In





In addition, we raised money for the Greenwood Scholarship fund to offer higher education scholarships to children of our employees. In 2021, we announced our corporate membership with the Milky Way Tech Hub, which is focused on fueling STEAM initiatives within Wisconsin's Southeastern workforce. We also supported STEM Forward to find volunteer judges and mentors for the Future City Competition, where middle schoolers imagine, research, design and build cities of the future. We are continuing to teach middle school students computer science skills focused on hardware and embedded systems.

EMEA

In Benelux, TTI supported Vraag en aanbold Internationaal, by providing used tools to be distributed to vocational schools in Africa.

Other Community Programs

Other community initiatives are shared below.

AMERICAS

TTI PE supported a variety of causes in 2021. The Ride to Remember initiative benefited the Alzheimer's Association and the Dragon Boat Upstate Festival supported cancer research and survivorship programs through the Prisma Health Cancer Institute. Volunteers also helped out at the Tri My Best event, the first annual adaptive triathlon for children with a range of abilities organized by the Shriners Hospital for Children. In addition, employees participated in the Tour De Tugaloo bike ride to raise money and awareness for preserving the historic community for the Stephens County Foundation.

TTI FC partnered with Signature Health Care to help local Alzheimer patients and supported the Susan G. Komen Race for a Cure in support of breast cancer patients.

At TTI Canada 125 employees sent in videos and pictures of pets for National Cupcake Day, generating donations for the Society for the Prevention of Cruelty to Animals (SPCA). The team also donated to the World Wide Fund for Nature (WWF) to support narwhals. As part of their commitment to the community, 30 employees cleaned litter in their surrounding areas and 25 employees brought in 80 kg of their old textiles to be donated to the Canadian National Institute for the Blind.

Supporting Women and Girls

TTI partners with the Asian University for Women (AUW), based in Bangladesh, to promote women's equality and education. TTI provides two students a year with internship positions at our head office in Hong Kong as part of the ongoing internship and mentorship programs. Interns are supported with travel and accommodation expenses and given a competitive salary for their work. In addition, and since 2020, Company executives have served as mentors, providing professional and career development advice to the students. TTI aims to continue to develop this mentorship program for young women through which they can connect, network and learn from professionals. The program also includes monthly sessions for upper-level students and the alumni of AUW, providing assistance with employment, business and career planning. Going forward, TTI will expand our commitment by engaging more of our employees to volunteer their time and share their talent by serving as mentors. These programs support AUW students who come from 18 countries in Asia and the Middle East, including those from marginalized groups such as the Rohingya refugees, vulnerable workers in the Bangladeshi textile factories or at tea plantations in India and Sri Lanka, as well as those from communities in the high-conflict zones of Afghanistan, Syria and Yemen.



"After graduating from Asian University for Women, I was unsure of my career trajectory as to whether to continue working or to pursue a master's education. That is when I got introduced to TTI. Under the Company's guidance, I was able to secure a place in a prestigious masters' program along with an Erasmus Mundus scholarship, and an internship at TTI as an ESG intern."

Athulya Purushothaman
AUW Student and TTI Intern



Our Milwaukee team further supported veterans by participating in the ribbon-cutting launch of the Center for Veterans Issues Woodshop. The Center helps to provide meaningful work and has a therapeutic effect on homeless veterans in the area. The team also sponsored the Helmets to Hardhats #WorkSiteWednesday heroes with a weekly tool donation. We donated bikes, helmets, locks and lights to promote the health and mobility of Milwaukee County veterans, as well as tents to the Sun Prairie Veterans of Foreign Wars, while helping serve at their food stand. Operation Back 2 School

was another initiative we contributed to, which supports veterans and their families by lessening the burden of back-to-school costs. We also donated jackets and socks to multiple veterans' organizations and volunteered at Stand Down Madison, an event geared towards providing resources to veterans experiencing homelessness. In addition, we supported fundraisers and events that allowed us to contribute to initiatives that provided 100 veteran families with Thanksgiving meals. We were honored to receive the Center for Veterans Issues

Community Impact Award for making a positive impact on veterans, their families and the community in 2021. At the annual Center for Veterans Issues Gala, we donated US\$30,000 to the development of a Mental Wellness Center for veterans. Our team also helped raise more than US\$300,000 and donated tools to the All Star Night for Stars and Stripes event, where our Milwaukee Tool Shed Band made an appearance.

For Mother's Day, the team assembled special gifts for the residents at the Golden Age Nursing

Home. We also supported Make-A-Wish Foundation by planning events for young people who have a keen interest in our industry. We gave Brock, an 18-year old, tools on his plumbing wish list and an exclusive tour of our Global Headquarters, and Noah, a 15-year-old boy battling lymphoma, a plant tour, the opportunity to build a corn hole set and a set of MILWAUKEE Tool products. Other teams came together to raise awareness about breast cancer by donating over 80 braids to create wigs for patients and organizing a raffle of 250 breast ultrasound procedures

for employees, to emphasize the importance of prevention measures. We continued to support the American Heart Association and Hard Hats with Hearts and in recognition of the construction industry's elevated health risk, our annual event for this cause helped raise US\$55,000 in just one night.

ASIA

At TTI HK, we joined a blood donation day organized by Hong Kong Red Cross, to give a helping hand in saving lives.

EMEA

In the United Kingdom, we partnered with The People's Dispensary for Sick Animals (PDSA) to support the NGO's National Pet Month with weekly competitions to win VAX floorcare products.

In Germany, TTI supported Utopiastadt gemeinnützige GmbH to restore a historical train station through a forum for continuous exchange of sustainable society concepts and ideas.



SPOTLIGHT

African Parks



TTI joins hands with African Parks to support Local Communities

TTI donated 2,075 power tools valued at US\$68,500 to 15 protected areas managed by African Parks, a non-profit conservation organization. The donation supports infrastructure development and park maintenance as well as employment for local communities in surrounding areas. TTI's tool donation helps African Parks more effectively address its core mission of protecting biodiversity and supporting local communities by building a constituency for conservation. This results in a range of social and economic benefits for the community and reinforces long-term support for the parks. African Parks builds schools, supports teachers and students and provides healthcare and jobs for the local community. These conservation efforts also have a ripple effect by creating ecologically functioning ecosystems that act as large carbon sinks to absorb GHG emissions in the atmosphere. Through our partnership with African Parks, we hope to play a part in supporting vulnerable communities and sustaining the long-term protection of the environment and its critical biodiversity.

