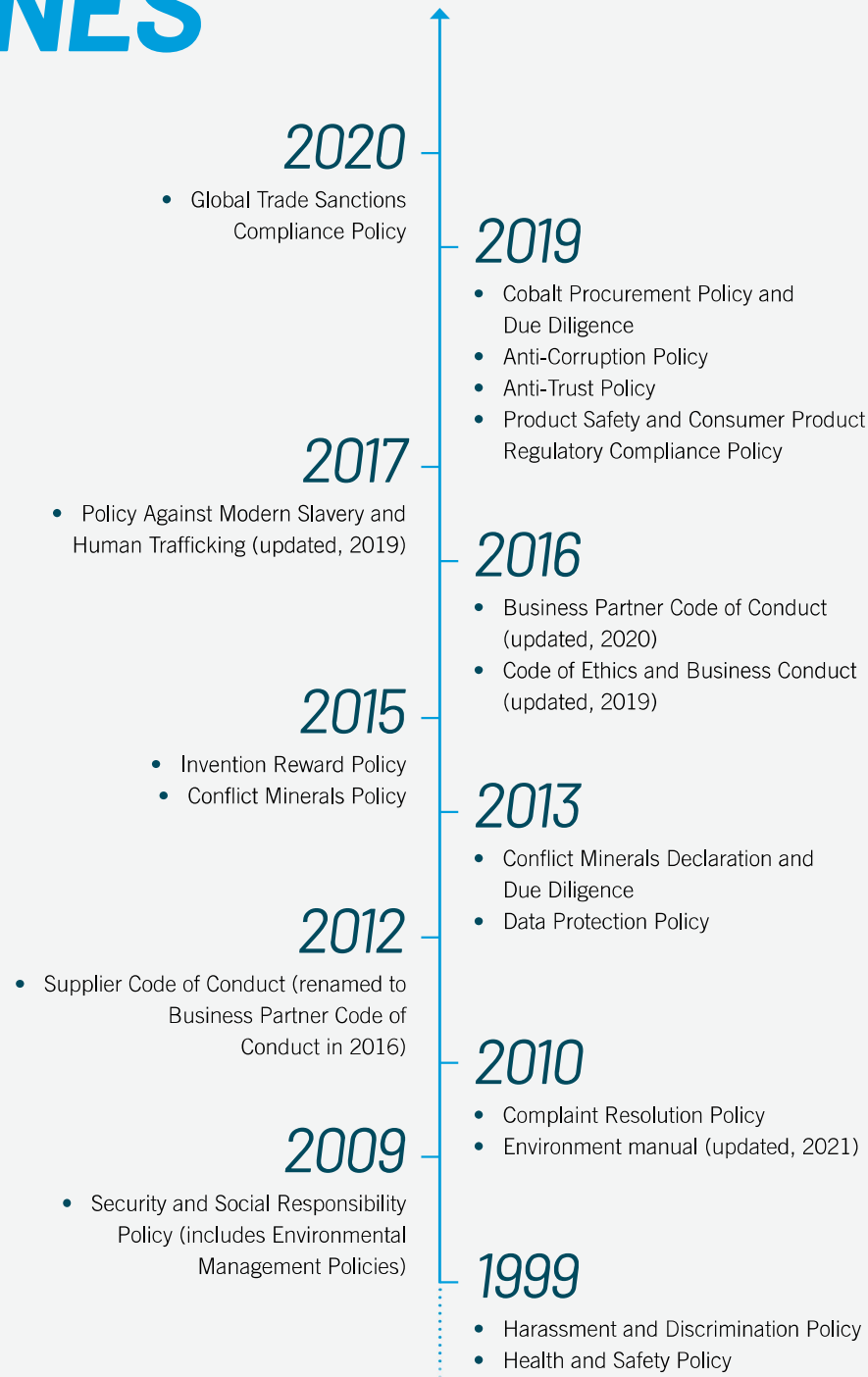


Governance

ESG POLICY MILESTONES

Our governance practices have grown more robust as we have adopted codes and policies that reinforce accountability within our operations and across our supply chain.



Other corporate governance policies are available on our website [link](#).

MATERIAL TOPICS

Ethics and Integrity [P.30](#)

Supply Chain Accountability [P.36](#)

TTI's governance practices align with global sustainability goals and standards, including the UNSDGs, GRI Standards and other key multi-stakeholder forums, to ensure we follow best practice.

Corporate Governance

The Company is committed to a high standard of corporate governance to enhance shareholders' interests and promote sustainable development. A quality board of directors (the "Board") with balanced skills, experience and diversity of perspectives is vital to the Company for effective risk management, internal controls and leadership, as well as transparency and accountability to all shareholders. The Board reviewed codes of conduct, policies and practices and our corporate governance framework from time to time, to improve the Company's corporate governance practices in respect of the latest developments on all applicable laws, rules and regulations.

Compliance with the Corporate Governance Code

The Board has reviewed the Company's corporate governance practices and is satisfied that the Company has complied with all the code provisions of the Corporate Governance Code set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules") (the "Corporate Governance Code") throughout the year ended December 31, 2021, save that none of the Directors are appointed for a specific term since they are subject

to retirement by rotation and re-election in accordance with the Articles of Association of the Company. Under Article 107(A) of the Articles of Association of the Company, one-third of the Board must retire by rotation at each annual general meeting of the Company, and if eligible, offer themselves for re-election. The Company has also voluntarily complied with a number of the recommended best practices set out in the Corporate Governance Code, aimed at further enhancement of the Company's corporate governance standard as well as promotion of the best interests of the Company and shareholders as a whole.

Corporate Governance Policy

Corporate governance plays an important role in maintaining sustainability. The Board continuously monitors, reviews and develops the policies and practices of corporate governance to ensure the compliance of the laws, rules and regulatory requirements governing the Group as well as the Company's Articles of Association.

Governance Structure

The Board of Directors

At the date of this Report, the Board comprises five Group Executive Directors, two Non-executive Directors and five Independent Non-executive Directors. Details about the background and professional experience of Board members is as follows:

Group Executive Directors

- Mr Horst Julius Pudwill (Chairman)
- Mr Stephan Horst Pudwill (Vice Chairman)
- Mr Joseph Galli Jr (Chief Executive Officer)
- Mr Kin Wah Chan (Operations Director)
- Mr Chi Chung Chan (Group Chief Financial Officer)

Non-executive Directors

- Prof Roy Chi Ping Chung GBS BBS JP
- Mr Camille Jojo

Independent Non-executive Directors

- Mr Peter David Sullivan
- Mr Johannes-Gerhard Hesse
- Mr Robert Hinman Getz
- Ms Virginia Davis Wilmerding
- Ms Caroline Christina Kracht (appointed on March 7, 2022)

The principal duties of the Board include but are not limited to:

- Reviewing and monitoring risks and changes in local and international business communities
- Reviewing and developing overall mid- and long-term strategies, objectives and directions of the Company
- Developing and monitoring the corporate governance policies and practices of the Company
- Overseeing the Company's performance and operations
- Overseeing the ESG strategy and performance of the Company
- Considering matters covering the appointment of Directors, senior management and external auditors, major acquisitions and disposals, as well as other significant operational matters

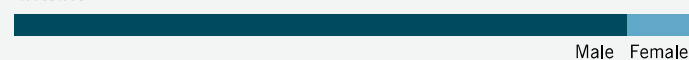
The Board delegates responsibilities to three committees described below. This ensures the independence of views and opinions expressed by the Directors at the respective committee meetings. The committees report back to the Board on their activities and recommendations.

Audit Committee

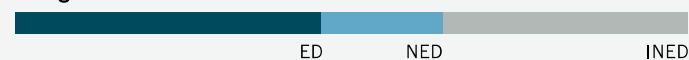
The Audit Committee aims to ensure compliance with the Group's obligations under the Listing Rules, and other applicable laws and regulations, as well as monitor the effectiveness of the risk management and internal control systems.

Our Board of Directors (as of December 31, 2021)

Gender



Designation



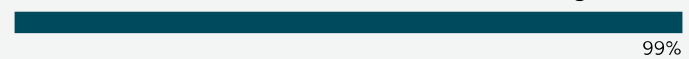
Ethnicity



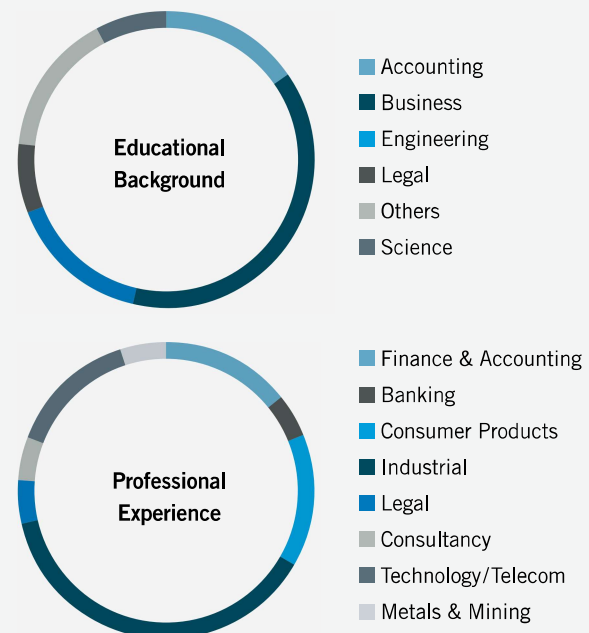
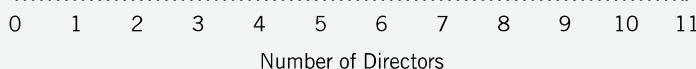
Age Group



Attendance Rate at Board and Board Committee Meetings



Length of Service (Years)



Remuneration Committee

The Remuneration Committee develops and administers a fair and transparent procedure for setting policy on the overall human resources strategy of the Group, alongside the remuneration of Directors and senior management of the Group.

Nomination Committee

The Nomination Committee ensures a fair and transparent process of Board appointments. It assists the Board in identifying suitably qualified candidates by making recommendations for the Board and shareholders to consider. Key criteria when evaluating candidates include their ability to further the optimal performance of the Board and enhance diversity.

Oversight of Sustainability

The Board is collectively responsible for overseeing the purpose, values and sustainability strategy of the Group to achieve long-term success for the Company. It is helped in this area by the ESG Executive Committee and the ESG Working Committee.

The ESG Executive Committee

Comprised of Board members and executives from various functional and geographic areas of the business, the ESG Executive Committee is led by the CEO and the Vice Chairman. The Committee helps drive

the sustainability agenda of the Group and reports to the Board every quarter. In 2021, the ESG Executive Committee finalized the Group's GHG emission Scope 1 and 2 reduction target which was then approved by the Board.

The ESG Working Committee and Business Units

The ESG Working Committee is tasked with implementing the strategy set by the Board and Executive Committee. This Committee includes executives from different functions — finance and operations, human resources, environment, health and safety, product safety, corporate communications, legal, compliance and sustainability. The Committee is responsible for refining policies, tracking performance, providing communication, collecting and reporting data and setting targets to meet objectives. The ESG Working Committee met virtually, twice in 2021. In this reporting period, the ESG Working Committee and business units (BUs) developed our decarbonization plan and measures to be implemented by 2030.

2021 was a pivotal year as the Company established sustainability functions at the corporate, regional and BU levels. To maintain accountability, leaders of the Company and regional BU leaders also reported their ESG performance and challenges to the CEO on a quarterly basis.

Key Sustainability Policies

Our governance strategy is predicated on codes and policies that reinforce openness and accountability within our operations and across our supply chain. A list of key policies that outline our commitments, responsibilities, resources, evaluation procedures and grievance mechanisms by focus area are included below.

2021 Initiatives

In 2021 the company made some important strides to further the integration of sustainability best practices.

- The first female was appointed to the Board as an Independent Non-executive Director.
- The Group finalized its Scope 1 and 2 GHG emission reduction targets with a clear implementation plan towards 2030.
- TTI started the assessment of climate risk, to more effectively determine and implement mitigation and adaptation measures.
- Employees were engaged in sustainability through various activities such as surveys, committees, workshops and training programs.

TTI's Key Policies and Codes

● GOVERNANCE ● ENVIRONMENT ● SOCIAL AND COMMUNITY

| | | |
|---|---|---|
| ● | | Code of Ethics and Business Conduct ☑ : states the actions and ethical behavior expected of our employees |
| ● | | Complaint Resolution Policy and Procedure ☑ : encourages any person to report any action, situation or circumstance that appears to be in violation of the Code of Conduct or any laws, regulations or our other internal policies (including internal policies and codes of conduct of TTI's subsidiary companies) |
| ● | | Business Partner Code of Conduct ☑ : outlines TTI's requirements and expectations for all suppliers and partners |
| ● | | Anti-Corruption Policy ☑ |
| ● | | Anti-Trust Policy ☑ |
| ● | | Trade Compliance ☑ |
| ● | | Data Privacy, Data Security and Incident Reporting Policies |
| | ● | ● Conflict Minerals Policy ☑ : outlines expectations and guidelines in the sourcing of tin, tungsten, tantalum and gold ("3TG") |
| | ● | ● Cobalt Procurement Policy ☑ : provides guidelines in cobalt sourcing |
| | ● | ● Social & Environmental Responsibility (SER) Compliance Program: comprehensive scorecard to track compliance with ESG policies in the supply chain |
| | ● | ● Environmental Management Policies |
| | ● | ● Environmental, Health & Safety (EHS) and Occupational Hazard Management Policies |
| | ● | ● Product Safety and Consumer Product Regulatory Compliance Policy |
| | | ● Policy Against Modern Slavery and Human Trafficking ☑ : states TTI's expectations in relation to human rights and the eradication of modern slavery and consequences of non-compliance |

Risk Management

A key objective of our governance practice is to effectively manage the risks present in our operations and across our value chain, and act on potential opportunities. While local BUs are predominantly responsible for risk management, our independent internal audit team, which reports to the Audit Committee, coordinates global efforts across functions and follows a comprehensive risk assessment process for all BUs and levels of the Company. Our global internal audit function is responsible for performing audits that consider the following risks among others: strategic, operational, financial and fraud-related (including, but not limited to anti-corruption and ethical standards). The scope and frequency of audits vary, depending on our assessment of risk, management considerations and overall strategy. Internal audit also performs audits on ESG data collection, calculation and reporting processes.

At TTI, we understand the significance of climate change in influencing business decisions and operations. To better position ourselves in cordless leadership and manage associated risks and opportunities, we have engaged our internal and external stakeholders in formulating climate change policies. Accordingly, our overarching risk mitigation process has been refined this year to include the management of climate risk across our operations. In addition, we have employed external consultants to begin analysis on the financial consequences of climate change. This includes physical risk assessment of key assets in our global portfolio, and a transition risk and opportunities analysis, in line with TCFD methodology guidance for our sector. Once completed in 2022, the results of this assessment will allow us to develop a comprehensive strategy for climate change mitigation, adaptation and resilience.

A summary of our approach to specific sustainability risks — including climate risks, opportunities and related mitigation as well as adaptation measures across all focus areas, can be found on p.14. [☑](#)

Group Risk Mitigation Process

Providing independent assurance of the existence and effectiveness of risk management activities and controls in our operations worldwide.

Conducting various activities, including process, financial and compliance audits and investigations.

Maintaining a regular dialogue internally and with TTI's external auditor.

