

Environment

ENVIRONMENTAL MANAGEMENT STRATEGY

Our strategy focuses on clean technology innovation, decarbonization and circular economy.



MATERIAL TOPICS

Climate Change [P.52](#)

Resources, Materials and Waste [P.60](#)

Sustainable Products [P.66](#)

Protecting our planet is critical for the long-term environmental sustainability of our communities and business.

Our approach to environmental sustainability is closely tied to our quest for innovation. Since our early days, we have aimed to embed disruptive technologies into our products, delivering cordless, battery-powered alternatives and energy-efficient options. TTI is not only committed to managing our impacts across our product range but also our global operations and value chain. We accomplish this by conserving resources, maximizing efficiencies and prioritizing innovation. By setting clear targets that keep us accountable and encouraging everyone — employees, suppliers, customers and communities — to do things differently, we strive to lead and effect positive change.

Environmental Management

Understanding that environmental sustainability is fundamental to the achievement of our long-term success, TTI has long been committed to fully integrating an environmental strategy into our business. All our manufacturing sites have comprehensive Environmental Management Systems (EMS) in place, and are compliant with ISO 14001 EMS and 9001 quality standards. We focus our efforts through our strategic drivers of Innovative Products and Operational Excellence for impact. Our approach to increasing transparency and accountability throughout our value chain is outlined in the sections below on Climate Change, Resources, Materials and Waste and Sustainable Products. To ensure

all our business units (BUs) are unified in implementing continual improvement and sustainability practices, we have established a number of key policies, procedures and accountability mechanisms at the global level.

TTI's ESG Executive Committee is responsible for setting our environmental management strategy based on the material topics identified, with oversight provided by the Board of Directors. The Committee, Environmental, Health Safety (EHS) Functions and BU leaders are tasked with identifying and providing resources needed for implementing our EMS and ensuring that the importance of achieving our EMS targets is understood by all relevant employees. They also monitor and evaluate the progress of systems and define the responsibilities of each department to further improvements in performance.

In addition, our ESG Working Committee, global EHS teams and EMS committees oversee the development and implementation of awareness-raising and training programs for employees. Training on EHS is delivered to all relevant employees through both e-learning and in-person sessions. In 2021, 103,317 employees were trained on EHS.*

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

Environmental Manual

TTI's Environmental Manual meets the ISO 14001:2015 standard requirements, including legal compliance. It outlines the framework for setting and reviewing environmental objectives and targets and describes our leadership's commitment to improving our environmental performance. The Environmental Manual also sets out our Safety and Responsibility Policy covering Quality System Assurance (QSA) and EHS functions, including those pertaining to the prevention of pollution and incidents, along with the conservation of resources. It is consistently updated to reflect evolving environmental management guidelines.

In addition to the Manual, we are also guided by a number of standard operating procedures (SOPs) that cover the topics in the table below, and are established to outline procedures for complying with all applicable legal requirements.

Managing our Impact

All our operations met all applicable compliance requirements in 2021. For a full list of legal and regulatory requirements that have the potential to have a significant impact on our operations and performance, please refer to Appendix A of our HKEX ESG Reporting Guide Content Index on our website [☞](#). Enhancing the measurement of our environmental impact remains a vital aspect of our environmental management effort; detailed data on our progress can be found in the Performance Metrics on p.100 [☞](#) of this Report. Any stakeholders who are concerned with our environmental practices are encouraged to report issues through the grievance mechanisms described in the Ethics and Integrity section of this Report [☞](#).

Standard Operating Procedures

- **Chemical Management** – ensures the transport, storage and use of chemicals effectively prevents the accidental release of chemicals, fire or explosions
- **Waste Collection and Disposal** – identifies the process for recycling materials, and disposing unrecyclable and hazardous waste (including medical waste)
- **Water Pollution Management** – outlines the management of wastewater discharge, treatment and recycling to meet discharge standards
- **EHS Objective, Target and Program Management** – comprises documented EHS objectives, targets and programs to achieve our commitment to pollution prevention and continual improvement
- **Emergency Preparedness and Response** – ensures proper coordination and control in emergency situations to minimize loss and impact, and prevent or reduce adverse environmental impacts that may occur

These procedures are complemented by Management/Operating Instructions on chemical handling. For more information, please see the section on Chemicals on p.60-61 [☞](#).

Key Environmental Priorities

Our priority in 2021 has been to manage our footprint by accelerating our course towards decarbonization. This effort is supported by the implementation of circularity practices across our operations and value chain. We have also embarked on a comprehensive exercise to analyze the risks and opportunities we face due to climate-related impacts.



DECARBONIZATION

Our decarbonization pathway will reduce Scope 1 and 2 GHG emissions by 60% by 2030 as compared to 2021.



CIRCULARITY

We are integrating circularity models in our designs and choice of materials to turn waste into valuable inputs in our product life cycle.



CLIMATE RISK ANALYSIS

We have commenced a detailed analysis to identify the physical and transition risks and opportunities that climate change poses on our business.