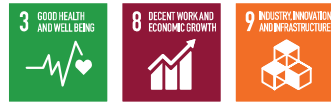


MATERIAL TOPIC

# 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

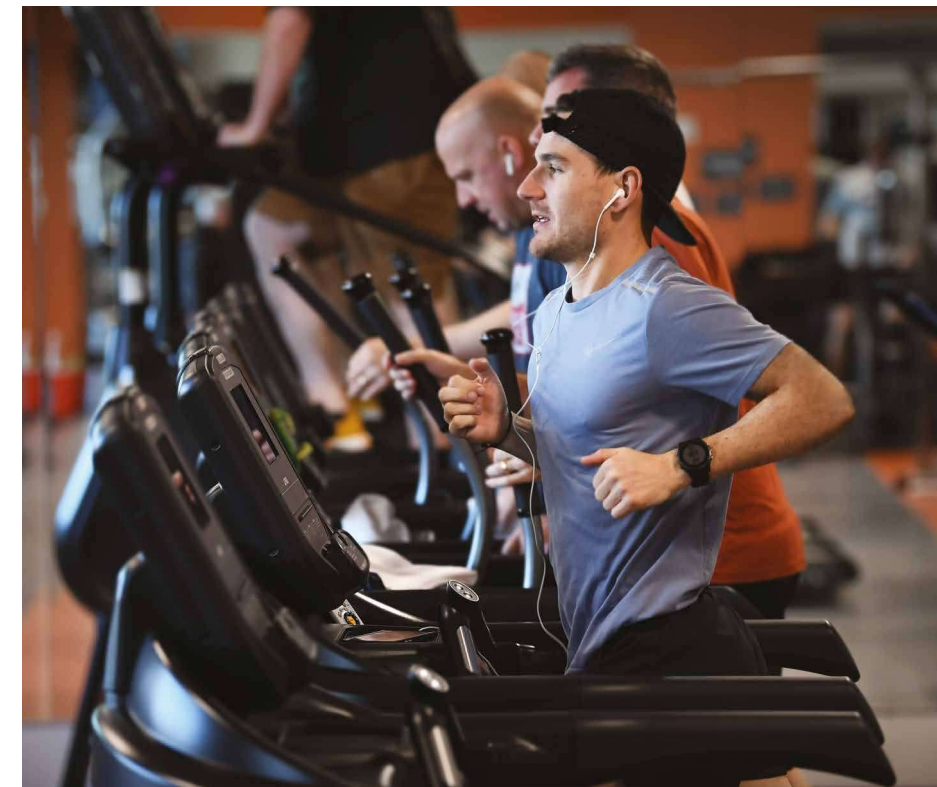
- Maintain healthy and safe workplaces
- Promote a positive and healthy lifestyle among employees
- Design products that enhance user experience with improved quality, safety, environmental and health benefits

## 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

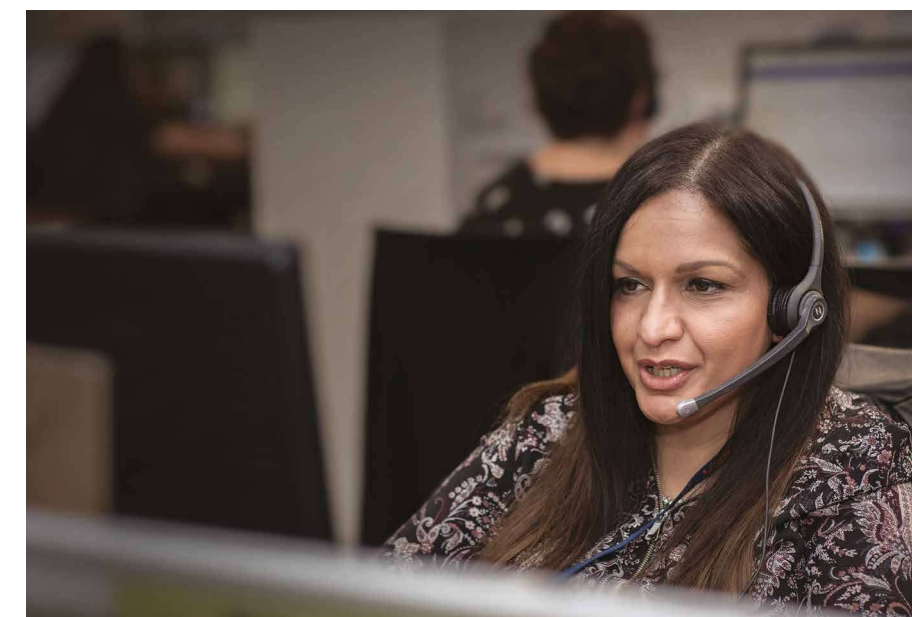
Our quality control mechanisms oversee incoming materials, in-process products and inspection, and reliability testing of our outgoing products. Thorough product safety hazard reviews are conducted before and after products are launched, with product recall policies and procedures in place, should immediate 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