

# 2025

TCL

TCL Electronics Holdings Limited

## Environmental, Social and Governance Report



(Incorporated in the Cayman Islands with limited liability)

(Stock code: 01070)



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# About this Report

## Overview

The 2025 Environmental, Social and Governance Report ("this Report") of TCL Electronics Holdings Limited aims to reflect the performance of the Group in environmental, social and governance ("ESG") in 2025 in an objective, fair, standardized, and comprehensive manner.

## Scope and Boundary

The policies, initiatives and data in this Report cover TCL Electronics and its major subsidiaries, including businesses operating in China and other overseas countries and regions. The scope of this Report covers the three major business segments of the Group, namely Display Business (including large-sized display, small-and-medium-sized display and smart commercial display businesses), Innovative Business (including all-category marketing, photovoltaic, smart connection and smart home businesses) and Internet Business, aiming to provide a balanced reflection of the Group's ESG performance and focus on issues of material impact on business sustainability and high concern to stakeholders. The reporting period is consistent with the annual report, covering the fiscal year from 1 January 2025 to 31 December 2025 ("the Year"). For enhanced comparability and the forward-looking nature, certain content may appropriately extend beyond this period..

## Glossary

"TCL Electronics", "Group", the "Company", and "We"	TCL Electronics Holdings Limited and/or its subsidiaries (as appropriate)
"TCL Industries Holdings"	TCL Industries Holdings Co., Ltd., which is the ultimate controlling shareholder of TCL Electronics
"TCL King (Huizhou)"	TCL King Electrical Appliances (Huizhou) Company Limited, a subsidiary of TCL Electronics, mainly engaged in the televisions ("TVs") business
"TCL Communication"	TCL Communication Technology Holdings Limited and/or its subsidiaries (as appropriate), a subsidiary of TCL Electronics, mainly engaged in mobile phones, tablets, smart connection and other businesses
"TCL Photovoltaic Technology"	Huizhou TCL Photovoltaic Technology Co., Ltd., a subsidiary of TCL Electronics, mainly engaged in sales of photovoltaic power generation equipment and systems, provision of construction, operation and maintenance services, and other new energy technology businesses
"Huizhou TCL Mobile Communication"	Huizhou TCL Mobile Communication Co., Ltd., a subsidiary of TCL Communication
"BU(s)"	Business Unit(s) under TCL Electronics
"BG(s)"	Business Group(s) under TCL Electronics
"All units"	All product BUs/business divisions, BGs, capability centres and functional platforms under TCL Electronics

## Data Reliability

The information in this Report is mainly derived from the Group's statistical reports, public disclosures and internal documents. The Board of Directors of the Company (the "Board") confirms that this Report does not contain any false records or misleading statements and is responsible for the authenticity, accuracy and completeness of its content.

## Reporting Basis and Principles

This Report has been prepared mainly by reference to *Appendix C2 Environmental, Social and Governance Reporting Code to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited* (the "Listing Rules") and *United Nations Sustainable Development Goals (SDGs)*, following the principles of materiality, quantification, balance and consistency.

Materiality	Quantification	Balance	Consistency
<p>The Group regularly communicates with stakeholders and conducts materiality analysis to identify ESG issues that have a material impact on its business operations. These issues are addressed in this Report based on the analysis results. The details of the materiality assessment and major stakeholder participation channels are available in the "ESG Governance" section of the Report.</p> 	<p>The Report provides quantitative disclosures on the Group's performance on material ESG issues. A summary of quantified key performance indicators (KPIs) is specified in the "ESG Performance Overview" section. Data on the standards, methodologies, assumptions and/or calculation tools used in presenting these KPIs, along with the sources of major conversion factors, are disclosed as appropriate within the Report.</p> 	<p>This Report fairly and objectively presents positive and negative impacts on ESG issues, along with corresponding mitigation measures, to offer a comprehensive view of the Group's sustainability efforts.</p> 	<p>To ensure the comparability of all reports, the Group applies consistent reporting standards, principles, and data calculation methods. Any deviations (if any) from the previous ESG Report are clearly explained.</p> 

## Obtaining and Responding to This Report

The Report is published in both Chinese and English. In the event of any ambiguity, the Chinese version shall prevail. The electronic version can be accessed on the Company's official website and the website of the Hong Kong Stock Exchange.

We value the opinions of our stakeholders and welcome readers to contact us through the following channels.

Email: [esgcommittee@tcl.com](mailto:esgcommittee@tcl.com)

# Letter from the Chairperson



In 2025, the global political and economic landscape remained volatile, technological changes accelerated, the AI wave swept across the world, and green and low-carbon development became a shared foundation of global progress. Facing a development landscape with both opportunities and challenges, TCL Electronics has always adhered to the mission of "Building a Sustainable & Connected Future with Advanced Technology", deeply integrated sustainable development into corporate strategy, governance system and daily operations, and explored a path of harmonious coexistence between technological progress, nature and society.

**DU Juan**  
Chairperson

## Leading Technology, Coexisting with Nature

Technology protects nature and embeds a green DNA into the Company. TCL Electronics empowers high-quality development with green productivity. We continued to increase investment in research and development at the technical level, with annual R&D expense rising by 8.5% year-on-year to HK\$2.53 billion, laying a solid foundation for the implementation of green technology and achieving significant breakthroughs in areas such as TV, communications and AI technology. We integrated the green concept into the full product lifecycle, responded to the goals of "carbon peaking and carbon neutrality", and promoted low-carbon transformation of production, operations and value chain. During 2025, TCL Electronics had achieved positive results in energy conservation and emission reduction. With continuous investment in ESG, TCL Electronics was successively awarded honours such as "ESG Environmentally Friendly Excellent Enterprise", "Most Valuable Large Consumer Company", and "Best ESG Company", guarding the ecological home with the power of technology.

## Connecting Value, Co-creating with Society

Technology promotes a better life through intelligence. TCL Electronics connects user value with quality products and improves people's quality of life through technology. We focused on talent development, built a sound employee growth system, cared about employees' career development, physical and mental health, and fostered a safe, healthy, diverse, inclusive and dynamic working environment. Simultaneously, we give back to society with a sense of responsibility. By engaging in charitable donations and caring for vulnerable groups, we implemented 13 public welfare projects and invested around HK\$20 million in public welfare initiatives in 2025. We attract global talent to build an open employment environment and fulfil our corporate social value. In February 2025, we officially became a Worldwide Olympic Partner, enabling technological value and brand strength to shine continuously on the international stage.

## Strengthening Governance, Progressing with Responsibility

Technology builds trust and promotes win-win cooperation. Sound corporate governance is the fundamental guarantee for fulfilling the mission, vision and social responsibilities. TCL Electronics adhered to compliant operation and integrity, integrated the concept of responsibility into all governance links, and consolidated the foundation for sustainable development. We continued to strengthen the compliance management system, enhanced anti-monopoly and anti-corruption efforts, fully integrated ESG factors into supply chain management, standardised cooperation practices, and adhered to the bottom line of business ethics. With a sound governance system and solid responsibility practices, the Company has maintained an A rating in the Hang Seng ESG Rating for consecutive years, achieving simultaneous improvement in governance efficiency and responsibility.

The journey ahead is long, but the steady progress will bring us to its destination. In 2026, TCL Electronics will remain steadfast in its mission, further strengthen its technological leadership, deepen green practices, fulfil social responsibilities, refine corporate governance, strive to realise the vision of "Becoming a globally operated leading smart device enterprise", promote harmonious coexistence of the enterprise, nature and society, and move toward a more sustainable future.

# About TCL Electronics

## Corporate Profile

TCL – "The Creative Life".

TCL Electronics Holdings Limited (incorporated in the Cayman Islands, stock code: 01070.HK) was listed on the Main Board of the Stock Exchange of Hong Kong Limited (the "HKEX") in November 1999. Its business covers Display, Innovative and Internet Businesses.

TCL Electronics takes "Lead with Brand Value, Deepen Global Operation, Drive with Technology, and Thrive on Global Vitality" as its overall strategic direction, actively promotes reform and innovation, focuses on breaking through the global mid-to-high-end market, strives to consolidate the full-category layout of "AIoT Ecosystem", and is committed to providing users with full-scenario smart and healthy lives and building a leading global smart device enterprise.

In 2025, with outstanding product strength and global channel advantages, the Company's TV business achieved growth exceeding the industry average. TCL TV ranked second globally with a 14.7% global shipment share and top three globally with a 13.1% global sales share. The Company ranked among the top three in TV market share in more than 20 countries worldwide, with continuously improving regional competitiveness and brand influence. Meanwhile, product structure optimisation achieved remarkable results. The global average size of TCL TVs increased by 1.6 inches to 54.2 inches. Global shipments of TCL Mini LED TVs surged 118.0% year-on-year, ranking first worldwide, fully demonstrating the Company's technological leadership and strong market competitiveness in high-end display.

### Organisations and Initiatives Supported by TCL Electronics



United Nations Global Compact (UNGC)



Responsible Minerals Initiative (RMI)



DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

Science Based Targets Initiative (SBTi)



Responsible Business Alliance

Advancing Sustainability Globally

Responsible Business Alliance (RBA)

## Honours & Recognitions

Category	Award-winning Product/Brand/Company	Award Title	Award-granting Organisation
ESG	TCL Electronics	ESG Environmentally Friendly Excellent Enterprise	Gelonghui
	TCL Electronics	Best ESG Company	Zhitongcaijing
	TCL Electronics	Social Responsibility Golden Bull Award	China Securities Journal
	TCL King (Huizhou) and Huizhou TCL Mobile Communication	Zero-Waste Factory	Huizhou Zhongkai High-tech Industrial Development Zone
Technological innovation	TCL Photovoltaic Technology	Typical Case of "Dual Carbon" Technology Innovation	China Energy News
	TCL Photovoltaic Technology	Best Zero Carbon Park Design Gold Award	China Southern Power Grid
	TCL King (Huizhou)	Typical Case of Digital Transformation of National Manufacturing Industry by the Ministry of Industry and Information Technology in 2025	Ministry of Industry and Information Technology of the People's Republic of China
Capital market	The Smart Mobile Display BU	IEEE 1680.1 - 2018 & IEEE Std 1680.1a 2020 Silver	UL-CCIC Company Limited
		Annual Investment Value Award	Gelonghui
		Annual Outstanding IR Team	Gelonghui
		Top 10 IR Company Award	Judongmi
	TCL Electronics	New Fortune Best IR Hong Kong Listed Company Award	New Fortune
		Tianma Award for the Best Investor Relations Management for Hong Kong-Listed Companies	Securities Times
		The Most Valuable Consumer Company	Zhitongcaijing

Category	Award-winning Product/Brand/Company	Award Title	Award-granting Organisation
Design	TCL PlayCube Projector	iF Design Award	iF International Forum Design
		Red Dot Award	Design Zentrum Nordrhein Westfalen
		G-Mark Award	Japan Industrial Design Promotion Organisation
		IDEA Award	Industrial Designers Society of America
	TCL 50 PRO NXTPAPER 5G	iF Design Award	iF International Forum Design
		Red Dot Award	Design Zentrum Nordrhein Westfalen
		G-Mark Award	Japan Industrial Design Promotion Organisation
	TCL A300 Series TV	iF Design Award	iF International Forum Design
		G-Mark Award	Japan Industrial Design Promotion Organisation
		IDEA Award	Industrial Designers Society of America
	TCL Fibre Gateway Family Design	Red Dot Award	Design Zentrum Nordrhein Westfalen
		IDEA Award	Industrial Designers Society of America
	TCL Party Speaker Series (TP300K, TP200K, TPX00K)		
	TCL 5G ODU Outdoor Fixed Wireless Access (FWA) Device	Red Dot Award	Design Zentrum Nordrhein Westfalen
	TCL 2025 QD-Mini LED Monitor		
	TCL MOVETIME MT48 Kids Smartwatch		
TCL Free Sound Speaker Z100 Series	G-Mark Award	Japan Industrial Design Promotion Organisation	
TCL 2025 Remote Control Kit			
TCL 2025 High-end QD-Mini LED TV Series			
TCL 2025 Mainstream QD-Mini LED TV Series			
TCL BrowseHere Browser	iF Design Award	iF International Forum Design	
TCL Chatbird			
TCL Gravitational Design			
TCL A300 Series 3rd-Gen Art TV UX Design			

## 2025 Key Performance Highlight

Hang Seng Index ESG Rating	Consecutive Years of Receiving Hang Seng Index ESG Ratings (A)	CDP Climate Change	
<b>A</b>	<b>8</b>	<b>B</b>	
EcoVadis Rating (TCL Communication)	Wind ESG Rating	Investment in Philanthropic Endeavours	
<b>Gold Medal</b>	<b>AA</b> (Industry Ranking 5/121)	HK\$ <b>19.666</b> million	
R&D Expense	Cumulative Authorised Patents Granted	Proportion of Female Employees Over	Total Supplier Base
HK\$ <b>2.53</b> billion	<b>13,376</b>	<b>40.4%</b>	<b>2,213</b>
Cumulative Carbon Reduction Contribution to Society Driven by Photovoltaic Business	Cumulative Green Electricity from Photovoltaic Business	Year-on-Year Growth of Global Shipments of TCL TV Sets	Cumulative Number of Products with Energy-saving and Green Product Certifications
<b>10</b> million tonnes	<b>14</b> billion kWh	<b>14.7%</b>	<b>8,316</b>

## Board Statement

The Board of TCL Electronics attaches great importance to ESG management and has established an ESG Committee to fully undertake oversight responsibilities for ESG matters. With the support of the ESG Committee, the Board closely supervises the Group's ESG development direction and strategy, regularly receives reports from the ESG Committee Office, discusses and reviews the Group's ESG impacts, risks and opportunities, performance and progress, approves the ESG report annually, and reviews the progress of achieving ESG-related targets.

In 2025, TCL Electronics followed the double materiality assessment approach based on business development needs, policy and standard guidelines, market trends and stakeholder expectations, and conducted materiality assessment and prioritisation of key ESG issues. Details are set out in the "ESG Governance" section of this Report.

The Board reviewed the established 2025 ESG targets and progress. Based on the review, discussion and confirmation of the above assessment results and target progress, the Board continued to perform oversight duties, regularly reviewed material ESG-related risks, made recommendations, and promoted the deep integration of ESG governance with the Company's overall strategy.

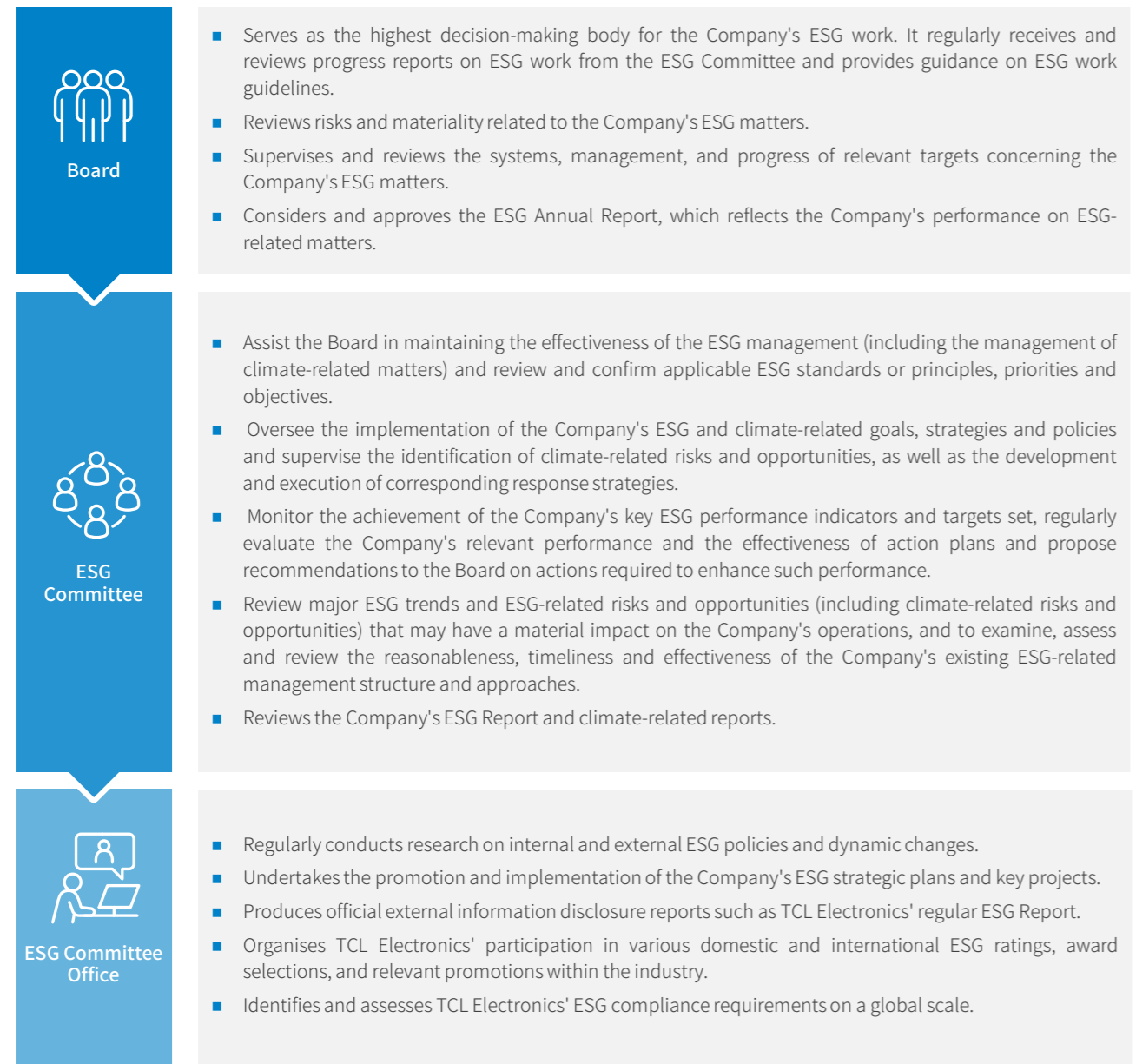
This Report discloses the above ESG-related matters and was reviewed and approved by the Board on 27 March 2026.

# ESG Governance

TCL Electronics highly values the role of ESG governance in operation and management and integrates it into the Company's development strategy. We have established a top-down ESG governance structure, continuously improved management initiatives, deepened stakeholder engagement, and enhanced ESG governance capabilities.

## ESG Governance Structure

TCL Electronics has established a three-tier ESG governance structure comprising the Board, the ESG Committee, and the ESG Committee Office, forming a collaborative mechanism for strategic guidance, overall coordination and promotion, and on-the-ground implementation. The Company established BU-level ESG committees to strengthen the ESG execution and integration capabilities at the BU level.



# Share Incentives and Clawback Policy

The Company has, from time to time, adopted share option schemes and share award schemes, pursuant to which share options and awarded shares may be granted to directors (including executive directors, non-executive directors and independent non-executive directors) and employees of the Group. Such grants are subject to specified incentive conditions and vesting periods, with the objective of aligning the long-term interests of directors with those of the Company and its shareholders. In accordance with the Corporate Governance Code of the Hong Kong Listing Rules, issuers generally should not grant equity-based remuneration (e.g. share options or grants) with performance-related elements to independent non-executive directors as this may lead to bias in their decision-making and compromise their objectivity and independence.

The Company has implemented a clawback policy that applies to both long-term incentives (including share-based incentive arrangements) and short-term incentives (including annual bonus plans).

**Clawback Policy for Share-based Incentives**

If the Board determines that the vesting of any share options or awarded shares is unfair, such as in cases involving material misstatements or omissions in the Group's financial reports, or fraud or serious misconduct by relevant grantees, including employees, senior management, or directors of the Group, the Company may exercise its clawback rights. This policy is administered and enforced by the remuneration committee under the Board.

**Clawback Policy for Annual Bonus Plans**

With respect to annual bonus plans and other short-term performance-based compensation, where relevant personnel engage in major violations that breach the Company's operational and management "red lines", including fraud or serious misconduct, the Company reserves the right to cancel any unpaid variable annual salary or bonuses, or to require the repayment of all or part of any variable annual salary or bonuses that have already been paid.

## Linking Sustainability Performance to Compensation

The Company has linked ESG-related performance to senior management's incentive-based compensation. Quantitative and qualitative performance targets relating to environmental, social and governance (ESG) matters have been incorporated into remuneration assessments. The assessment areas include but are not limited to compliance and governance, risk management, organisation and talent development, occupational health and safety management, environmental protection, and business ethics management.

## Board Diversity

We have adopted a Board Diversity Policy, which sets out our commitment to achieving and maintaining a diverse board in order to enhance board effectiveness. The Company recognises the benefits of a diverse Board and endeavours to ensure that the Board maintains an appropriate balance of skills, experience and perspectives to support the execution of its business strategy. In seeking to achieve Board diversity, the Company considers a range of factors, including but not limited to gender, age, cultural and educational background, ethnicity, professional experience, skills, knowledge and tenure.

The Board currently comprises members with diverse genders, professional backgrounds, including industry-related expertise, corporate management, marketing, human resources management, accounting, financial management and technology, as well as from different age groups.

# Stakeholder Engagement

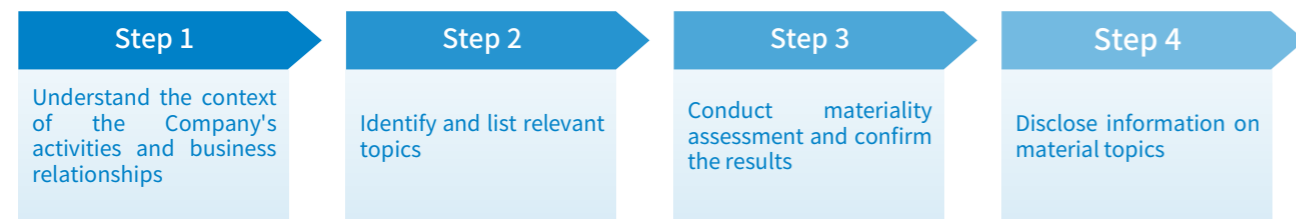
We consistently prioritise communication with stakeholders, including employees, customers, suppliers and partners. We actively listen to their expectations and demands through diversified and regular two-way communication mechanisms. Stakeholder feedback is an important basis for us to continuously improve ESG performance. We are committed to systematically integrating their expectations into corporate strategic planning and daily operations to continuously optimise ESG management.

Stakeholders	Engagement Channels	Key Issues of Concern	TCL Electronics' Response
 <b>Employees</b>	<ul style="list-style-type: none"> <li>Email</li> <li>Meetings</li> <li>Activities</li> <li>Satisfaction surveys</li> </ul>	<ul style="list-style-type: none"> <li>Compliant employment and protection of employee rights and interests</li> <li>Employee development and training</li> <li>Health and safety</li> </ul>	<ul style="list-style-type: none"> <li>Provide competitive remuneration, benefits, learning and career promotion opportunities</li> <li>Organise employee activities</li> <li>Provide a safe and sound working environment</li> <li>Establish transparent employee management mechanisms</li> </ul>
 <b>Customers and Potential Customers</b>	<ul style="list-style-type: none"> <li>Customer service centre</li> <li>Service hotline</li> <li>Complaint and suggestion email</li> <li>Surveys</li> <li>User interviews</li> <li>Official WeChat/Accounts</li> <li>Information disclosure</li> </ul>	<ul style="list-style-type: none"> <li>Product and service safety and quality</li> <li>Data security and customer privacy protection</li> <li>Green products</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen comprehensive quality and safety control</li> <li>Strengthen customer privacy protection</li> <li>Manufacture products using eco-friendly processes</li> <li>Customer satisfaction surveys</li> <li>Enhance training on the after-sales support system</li> </ul>
 <b>Suppliers</b>	<ul style="list-style-type: none"> <li>Regular supplier conferences</li> <li>Working meetings</li> <li>Daily communication</li> <li>Regular evaluations</li> </ul>	<ul style="list-style-type: none"> <li>Sustainable supply chain</li> <li>Green products</li> </ul>	<ul style="list-style-type: none"> <li>Focus on sustainable and responsible supply chain management</li> <li>Develop green products throughout the entire lifecycle</li> <li>Strengthen the transparency system in procurement processes</li> </ul>
 <b>Investors and Shareholders</b>	<ul style="list-style-type: none"> <li>Information disclosure</li> <li>General meetings</li> <li>Earning Calls</li> <li>Non-deal roadshows</li> <li>Investor meetings</li> </ul>	<ul style="list-style-type: none"> <li>Compliance operation and risk management</li> <li>Anti-commercial bribery and anti-corruption</li> <li>Business ethics</li> </ul>	<ul style="list-style-type: none"> <li>Improve compliance risk system</li> <li>Enhance anti-corruption mechanisms</li> <li>Strengthen business ethics training</li> <li>Regularly disclose business and financial information</li> <li>Improve corporate governance and investor relations management</li> <li>Maintain business and profitability growth</li> </ul>

Stakeholders	Engagement Channels	Key Issues of Concern	TCL Electronics' Response
 <b>Governments and Regulators</b>	<ul style="list-style-type: none"> <li>Regular visits</li> <li>Policy briefings</li> <li>Meetings and exchange activities</li> <li>Information submission</li> <li>Routine inspections</li> <li>Government-enterprise cooperation projects</li> </ul>	<ul style="list-style-type: none"> <li>Address climate change</li> <li>Pollutant and hazardous substance management</li> <li>Compliance operation and risk management</li> </ul>	<ul style="list-style-type: none"> <li>Develop climate action strategies</li> <li>Strengthen pollutant and waste control</li> <li>Implement regulatory policies</li> <li>Improve tax-related management</li> <li>Take the initiative to fulfil social responsibilities</li> <li>Conduct business in line with industrial and regional economic development needs</li> </ul>
 <b>Industry Associations and Chambers of Commerce</b>	<ul style="list-style-type: none"> <li>Industry seminars</li> <li>Symposiums</li> <li>Joint research</li> </ul>	<ul style="list-style-type: none"> <li>Innovation-driven development</li> <li>Social contribution</li> </ul>	<ul style="list-style-type: none"> <li>Strengthen multi-party business cooperation</li> <li>Explore innovative business models</li> <li>Promote industrial technological innovation and transformation</li> </ul>
 <b>Universities and Research Institutes</b>	<ul style="list-style-type: none"> <li>Joint research projects</li> <li>Industry-university-research cooperation</li> <li>Academic exchanges and technical lectures</li> </ul>	<ul style="list-style-type: none"> <li>Innovation-driven development</li> <li>Employee development and training</li> </ul>	<ul style="list-style-type: none"> <li>Co-establish R&amp;D platforms to accelerate the industrialization of technologies</li> <li>Promote the conversion of academic achievements into market applications</li> </ul>
 <b>Media</b>	<ul style="list-style-type: none"> <li>Press conferences</li> <li>Media visits</li> <li>Regular forums</li> </ul>	<ul style="list-style-type: none"> <li>Product and service safety and quality</li> <li>Responsible marketing</li> </ul>	<ul style="list-style-type: none"> <li>Enhance new product promotion</li> <li>Establish a responsible brand image</li> </ul>
 <b>Philanthropic and Community Organisations</b>	<ul style="list-style-type: none"> <li>Public welfare activity cooperation</li> <li>Volunteer services</li> <li>Community and property manager communication</li> </ul>	<ul style="list-style-type: none"> <li>Social contribution</li> </ul>	<ul style="list-style-type: none"> <li>Organise public welfare activities to enhance social well-being</li> </ul>

## Double Materiality Assessment

TCL Electronics attaches importance to the materiality assessment of ESG issues and conducts it annually. The results serve as the basis for ESG report preparation and ESG management. Each year, based on the latest laws, regulations, industry standards and regulatory requirements, as well as internal management practices and business operations, we identify "material issues" from the two dimensions of financial materiality and impact materiality, and identify and evaluate the methodology and results for assessing each ESG issue.



### ▶ Step 1: Understand the context of the Company's activities and business relationships

TCL Electronics analyses the following operational and sustainable development context factors to compile the "TCL Electronics ESG Issues Long List", comprising topics that affect the Company and its stakeholders.

Key Analysis Factors	
ESG regulatory requirements, standard systems and international initiatives	HKEX <i>Environmental, Social and Governance Reporting Guide</i>
	EU <i>Corporate Sustainability Reporting Directive (CSRD) and its supporting European Sustainability Reporting Standards (ESRS)</i>
	Global Reporting Initiative (GRI) <i>Standards</i>
	Sustainability Accounting Standards Board (SASB) <i>Sustainable Industry Classification System (SICS)</i>
ESG ratings	UN Sustainable Development Goals (SDGs), etc.
	CDP (Carbon Disclosure Project) Rating
	EcoVadis Sustainable Supply Chain Rating
Macro trends	Hang Seng Corporate Sustainability Benchmark Index
	Policy trends
	Industry trends
Internal development status and planning	Consumer market trends
	Core business activity characteristics
	Development needs
	Strategic planning
	Previous material issues

### ▶ Step 2: Identify and list relevant issues

Starting from the "TCL Electronics Long ESG Issue List", we verified the relevance of each issue, clarified naming and definitions, and analysed relevant impacts, risks and opportunities through discussions and judgments by internal and external experts and management, finally forming the "TCL Electronics Short ESG Issue List". In 2025, we systematically updated and optimised ESG issues based on industry trends and the latest sustainable development trends.

Category	Issues
Environment	Addressing Climate Change
	Pollutant and Hazardous Substance Management
	Water Resources Utilisation
	E-waste and Resource Recycling
	Green Products
	Environmental Compliance Management
	Ecosystem and Biodiversity Conservation
Social	Social Contribution
	Innovation-driven
	Technology Ethics
	Chemical Management
	Sustainable Supply Chain
	Product and Service Safety and Quality
	Data Security and Customer Privacy Protection
	Compliant Employment and Protection of Employee Rights and Interests
	Employee Development and Training
	Health and Safety
Responsible Marketing	
Governance	Business Ethics
	Anti-commercial Bribery and Anti-corruption
	Compliant Operation and Risk Management



### Step 3: Conduct materiality assessment and confirm the results

Based on the impacts, risks and opportunities of each issue, we designed questionnaires on financial materiality and impact materiality and conducted extensive stakeholder surveys to ensure scientific, comprehensive and instructive issue assessment.

#### Impact Materiality Assessment:

Define assessment factors	Stakeholder survey	Impact materiality threshold	Impact materiality conclusion
Comprehensively judge the impact degree of ESG issues from four dimensions: scale, scope, likelihood and irreparability of negative impacts.	Conduct questionnaire surveys among a wide range of stakeholders including governments and regulators, shareholders and investors, directors, executives, employees, customers, suppliers/contractors, partners, ESG experts, industry associations, communities and the public.	Set thresholds based on assessment results, analyse the materiality of actual and potential impacts, and prioritise issues accordingly.	Compare issues' scores with thresholds and draw impact materiality conclusions taking into account the survey and expert scoring results.

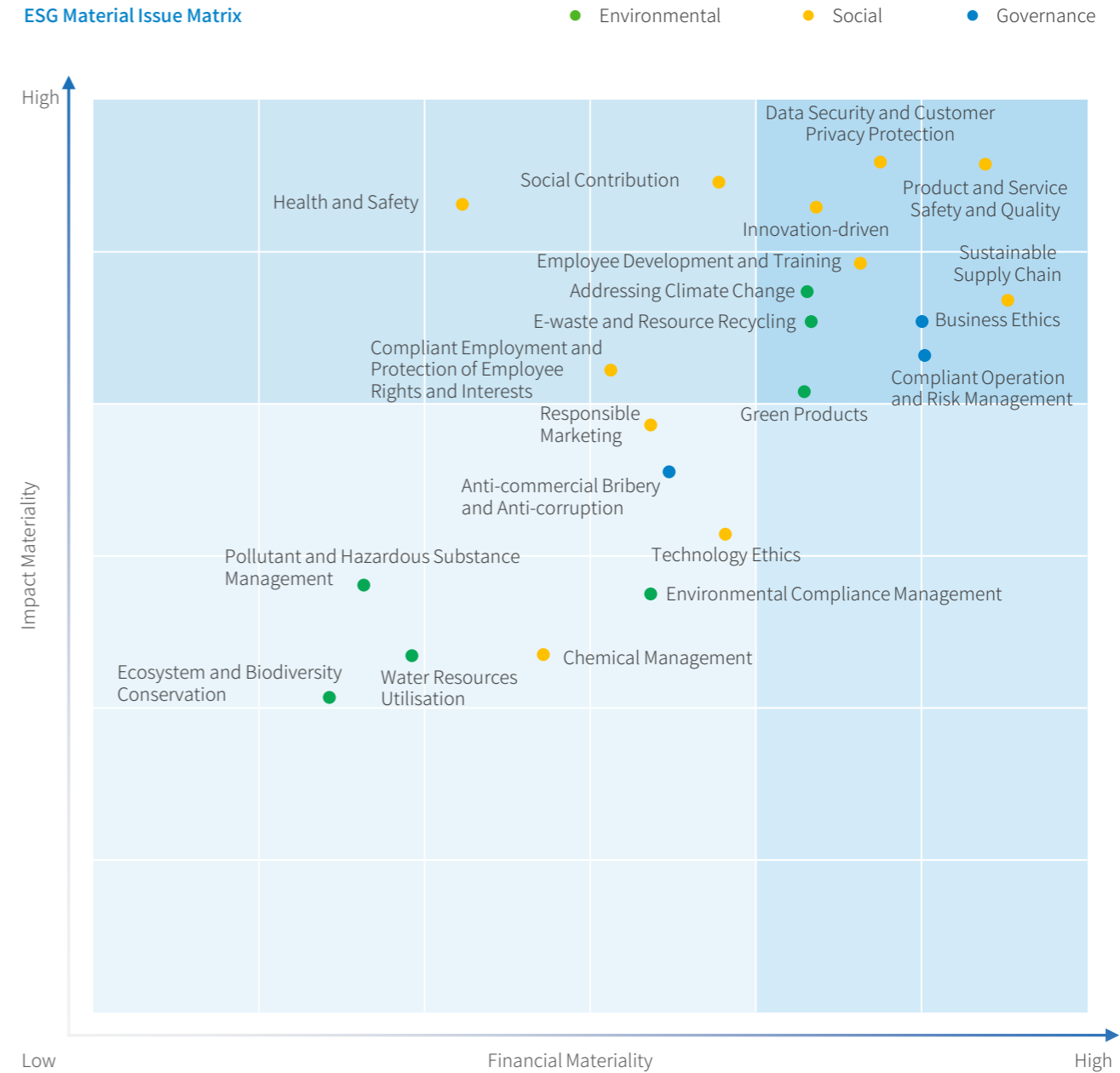
#### Financial Materiality Assessment:

Define assessment factors	Stakeholder survey	Financial materiality threshold	Financial materiality conclusion
Judge the likelihood and magnitude of financial impacts, identify risks and opportunities affecting or potentially affecting the Company's business operations, financial position, operating results, cash flows, etc.	Conduct questionnaire surveys among those with financial professional backgrounds including shareholders, investors, creditors, directors, executives, financial personnel and ESG representatives.	Set thresholds based on assessment results, analyse the materiality of actual and potential impacts, and prioritise issues accordingly.	Compare issues' scores with thresholds and draw financial materiality conclusions taking into account the survey and expert scoring results.

### Step 4: Disclose information on material topics

Through the above assessment, TCL Electronics analysed the results of impact and financial materiality assessments and identified 21 key issues, including 10 issues with extremely high financial and impact materiality. The materiality matrix is listed below.

ESG Material Issue Matrix



TCL Electronics 2025 Double Materiality Issues List

Issues	Definition	Impact Period <sup>1</sup>	Risks	Opportunities
Addressing Climate Change	Initiatives to reduce climate risks and enhance climate resilience.	Short-term Medium-term Long-term	<p><b>Policy risks:</b> Stricter climate policies (e.g., carbon border tax, stringent disclosure) increase compliance costs and transformation pressure; carbon pricing mechanisms bring cost uncertainty.</p> <p><b>Market risks:</b> Green transformation of power structure and rising electricity prices increase production and operation costs.</p> <p><b>Technology risks:</b> Rapid iteration of energy efficiency technologies may lead to investment errors and premature equipment obsolescence, failing to achieve expected energy efficiency improvements and economic benefits.</p> <p><b>Reputational risks:</b> Consumers and investors increasingly value corporate climate performance; inadequate response will damage brand reputation and market confidence.</p>	<p><b>Market opportunities:</b> Developing full-lifecycle green products and investing in low-carbon technologies such as photovoltaics can open up new markets and achieve long-term revenue growth.</p> <p><b>Technology opportunities:</b> Applying low-carbon technologies can improve product energy efficiency, optimise production processes and reduce energy costs.</p> <p><b>Reputational opportunities:</b> Integrating ESG concepts into brand building and marketing helps shape a sustainable image; offering inclusive technology products and services can enhance brand reputation and competitiveness.</p>
E-waste and Resource Recycling	Initiatives aimed at reducing raw material waste, enhancing resource utilization, minimizing waste generation, and improving waste recycling and reuse.	Short-term Medium-term Long-term	<p><b>Compliance Risks:</b> Stricter global regulations lead to increased recycling costs and compliance burdens.</p> <p><b>Technological Risks:</b> Technologies for dismantling complex products and recovering high-purity materials remain underdeveloped, affecting the economic benefits of resource circulation.</p>	<p><b>Cost Advantages:</b> By implementing a circular economy, waste can be transformed into valuable resources, reducing raw material procurement costs and waste disposal expenses.</p> <p><b>Policy Support and Incentives:</b> Governments are actively promoting a circular economy. Through the implementation of relevant measures, green subsidies, tax incentives, and other policy supports can be obtained.</p>
Green Products	Initiatives to develop full-lifecycle green products.	Short-term Medium-term Long-term	<p><b>Short-term financial risks:</b> Green materials, R&amp;D and process transformation lead to increased initial costs.</p> <p><b>Supply chain collaboration risks:</b> Developing full-lifecycle green products requires close collaboration with upstream supply chain partners. Ineffective communication of green standards to upstream suppliers may cause material shortages and uncontrollable costs.</p>	<p><b>Long-term financial opportunities:</b> Full-lifecycle costs can be reduced through material reduction, energy efficiency improvement and recyclable design.</p> <p><b>Market opportunities:</b> Alignment with sustainable consumption trends contributes to establishing differentiated advantages and enhancing brand loyalty and premium capacity.</p>
Innovation-driven	Initiatives in product and technology innovation, risk management, technology ethics and intellectual property management.	Short-term Medium-term Long-term	<p><b>Financial and technological risks:</b> High R&amp;D investment may fail or may not prove commercially viable, resulting in resource waste.</p> <p><b>Compliance and reputational risks:</b> Application of new technologies (e.g., AI, biotechnology) may trigger ethical disputes and data abuse, damaging reputation.</p> <p><b>Intellectual property risks:</b> Leakage or infringement of core technologies weakens competitive advantages.</p>	<p><b>Market opportunities:</b> Relying on cutting-edge technological innovation advantages helps maintain technological and market leadership, expand new market areas and enhance overall corporate competitive advantages.</p> <p><b>Resource efficiency improvement:</b> Driven by innovation, new technologies and processes can greatly improve resource utilisation efficiency and reduce operating costs.</p>

1. Time Period Definition: Short-term: 2025 to 2030. Medium-term: 2030 to 2050. Long-term: Post-2050.

Issues	Definition	Impact Period <sup>1</sup>	Risks	Opportunities
Sustainable Supply Chain	Initiatives to strengthen supply chain risk management, avoid conflict minerals and promote sustainable supply chain development.	Medium-term Long-term	<p><b>Compliance and reputational risks:</b> If supply chain partners fail to comply with laws, regulations or ESG standards, the Company may face compliance issues and reputational risks.</p> <p><b>Stability risks:</b> Supply chain disruptions may cause material shortages and cost increases, affecting production progress and operational stability.</p> <p><b>Short-term financial risks:</b> Sustainable supply chain management requires continuous resource input, which may increase short-term operating costs and affect financial performance.</p> <p><b>Quality risks:</b> Supply chain complexity increases the difficulty of product quality control. Quality problems may affect customer satisfaction and corporate reputation, and bring potential legal disputes.</p>	<p><b>Supply chain optimisation/long-term financial opportunities:</b> Building an efficient and resilient supply chain improves the ability to respond to external uncertainties, ensuring the quality and stability of material supply while reducing long-term supply chain management costs.</p> <p><b>Cooperation and win-win:</b> Establishing strategic partnerships with suppliers and jointly exploring solutions around product quality, green products and other issues help promote sustainable development of the value chain.</p> <p><b>Transparency and compliance:</b> Building transparent and traceable supply chain management enhances customer and investor trust and meets increasingly stringent sustainable development requirements.</p>
Product and Service Safety and Quality	Initiatives to comprehensively ensure the safety and quality of products and services.	Short-term Medium-term	<p><b>Compliance and reputational risks:</b> Substandard quality may reduce customer and consumer satisfaction, even trigger legal disputes and damage corporate reputation.</p> <p><b>Safety risks:</b> Potential safety hazards may endanger consumer health, leading to serious legal consequences and financial losses.</p>	<p><b>Brand trust:</b> Excellent quality and safety records are the core of establishing long-term customer trust and achieving word-of-mouth communication.</p> <p><b>Operational optimisation:</b> High-quality management reduces rework, waste and after-sales costs and improves operational efficiency.</p>
Data Security and Customer Privacy Protection	Initiatives to safeguard data security and protect customer privacy.	Short-term Medium-term	<p><b>Data breach risks:</b> Inadequate data security measures may lead to sensitive information leakage, causing customer losses and legal liabilities.</p> <p><b>Compliance risks:</b> Failure to comply with data protection regulations may result in regulatory penalties and affect normal business operations.</p>	<p><b>Market opportunities:</b> In the data-driven era, strong security and privacy protection capabilities become a core differentiated advantage to attract high-value customers.</p> <p><b>Long-term development:</b> Establishing a sound data governance system can lay a foundation for steady growth and drive business innovation.</p>
Employee Development and Training	Initiatives aimed at enhancing employee skills, career growth, and well-being.	Long-term	<p><b>Talent Risks:</b> Shortage of critical skills and high employee turnover may lead to weakened innovation, operational instability, and high recruitment and replacement costs.</p> <p><b>Organizational Vitality Risks:</b> Low employee engagement and insufficient training may result in declining productivity, fluctuating service quality, and stalled innovation.</p>	<p><b>Corporate Innovation:</b> A diverse and multifaceted talent team enhances corporate productivity and creativity, contributing to business growth. Through training, employees master new technologies and ideas, driving corporate innovation and adapting to market changes.</p> <p><b>Talent Pipeline:</b> Continuous employee development programs help cultivate internal talent to meet future business needs, reducing reliance on external recruitment.</p>
Business Ethics	Initiatives to uphold principles such as integrity, fairness, and transparency in business operations.	Long-term	<p><b>Legal Risks:</b> Unethical business practices may lead to lawsuits, fines, and even disrupt normal business operations.</p> <p><b>Reputation Risks:</b> Once exposed, unethical behavior can severely damage corporate credibility, leading to customer loss, partner withdrawal, and investor divestment.</p>	<p><b>Brand Trust:</b> Strong business ethics are fundamental to long-term success, enabling companies to gain more partnership opportunities.</p> <p><b>Employee Cohesion:</b> Strengthening employees' sense of belonging enhances team unity, improving overall operational efficiency and innovation capacity.</p>
Compliant Operation and Risk Management	Initiatives to ensure compliant operation and sound risk management.	Long-term	<p><b>Compliance risks:</b> Failure to comply with laws, regulations and standards may lead to serious legal consequences including fines, sanctions and even potential legal disputes.</p> <p><b>Reputational risks:</b> Public disclosure of non-compliance may damage brand reputation, affect relationships with customers, investors and partners, and lead to market share decline.</p>	<p><b>Market opportunities:</b> Through compliant operation, the Company can win the trust of more customers and partners, enhance brand reputation, and gain an edge in the competitive market.</p> <p><b>Long-term development:</b> A sound risk management system helps the Company avoid potential crises, ensure stable business operations, lay a solid foundation for sustainable growth, and support innovation and expansion into new markets.</p>

# 01

## Sustainable Governance and Robust Operation

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TCL Electronics is committed to building a robust global compliance management system that spans critical areas, including ESG compliance, export controls, privacy and data protection, anti-commercial bribery, commercial secrets, anti-monopoly and competition compliance, tax and finance compliance, and product and cybersecurity compliance. By operating in accordance with laws and regulations, upholding business ethics, and fostering a transparent and integrity-driven corporate culture, the Company provides a solid foundation for sustainable governance and robust operation.



# Compliance Operation

TCL Electronics has developed a comprehensive compliance management system in line with its *Code of Business Conduct and Measures for Compliance Management*. The system encompasses elements such as compliance organisation, policies and processes, risk governance, compliance culture, and inspection and supervision. We adopt a risk-oriented approach to build a solid foundation for sound business operations.

## Compliance Management Structure

Guided by the Compliance Management Committee, the Company has strengthened its compliance management structure, and clarified the three lines of defence model for compliance management, which is composed of BUs and subsidiaries, administrative departments, and the audit department. In addition, the Company has appointed compliance officers deeply integrated into BUs, ensuring the prevention, monitoring, and addressing of compliance risks in business operations through the business compliance officer mechanism and the implemented compliance management system.

### Responsibilities of the Three Lines of Defence in Compliance Management



## Compliance Policies and Processes

TCL Electronics upholds its *Code of Business Conduct and Measures for Compliance Management* as the fundamental guiding principles and framework governing corporate and employee conduct, as well as overall compliance management. Based on that, the Company clearly defines compliance boundaries and accountability in the *Compliance Prohibited Conduct Regulations*. Meanwhile, through the *Compliance Risk Management Regulations*, a closed-loop management mechanism for identification, early warning, assessment and decision-making of compliance obligations and risks has been established. The Company translates key compliance requirements into critical control points within its business processes. This includes proactively embedding controls into core business scenarios such as R&D, procurement, and sales. By leveraging digital systems for export compliance screening and privacy compliance management, the Company ensures these controls are interlocked with business process systems. This enables real-time monitoring and assessment of compliance risks while continuously improving the efficiency of compliance management.



# Compliance Risk Prevention and Control

TCL Electronics continuously improves its compliance risk management mechanism. The Company achieves closed-loop management across the entire process covering identification, early warning, assessment, decision-making, review and rectification, and intensifies targeted governance of key compliance risks, aiming to prevent compliance risks to the greatest extent possible.



## Compliance Culture Development

Through systematic policy promotion and tiered training, TCL Electronics drives the deep integration of compliance awareness into business processes and decision-making cycles from multiple dimensions.

**▶ Enhancing Compliance Policy Promotion**

TCL Electronics conducts compliance training and promotion campaigns for all employees and high-risk business scenarios on a regular basis. In addition, we actively participated in the first Compliance Culture Month event. Through the distribution of compliance handbooks, the issuance of thematic awareness materials, and the organisation of innovative activities such as online and offline quizzes and engaging events, the Company continuously disseminates compliance principles and reinforces a group-wide awareness of compliant operations.

**▶ Targeted Tiered Training**

TCL Electronics delivers systematic compliance programmes for all employees and implements an annual tiered training plan tailored to specific job roles and risk exposures. Moreover, through various initiatives such as organising the signing of compliance commitments, we continuously conduct promotion and education campaigns to foster a compliance culture within the company. All staff actively participate in training and promotional activities, consistently strengthening their awareness of lawful conduct, integrity, and compliant business practices.

**TCL Electronics participated in the first Compliance Culture Month event**

In September 2025, centred on the theme "Building on Compliance for a Shared Future", the first Compliance Culture Month event addressed key areas across ESG, export compliance, privacy protection, anti-bribery, trade secrets, antitrust and competition compliance, product and cybersecurity compliance, information and data security compliance, customs compliance, and anti-money laundering. The event saw the launch of the *Compliance Q&A Handbook* and the publication of 12 thematic articles on key compliance areas. Furthermore, a series of engaging activities—including online and offline quizzes, prize-winning games, case studies, and interactive Q&A sessions—were conducted to consistently promote compliance awareness and reinforce the awareness of compliant operations across the entire workforce.



The First All-Staff Compliance Culture Month Activity

## Compliance Inspection and Audit

TCL Electronics regularly conducts compliance audits of key products, key countries and key sectors to identify and address compliance risks and issues within its operations. Building on the range of domestic and international industry standard certifications already held by TCL Industries Holdings—such as ISO 27001 Information Security Management System certification, ISO 27701 Privacy Management System certification, and the ISO 37001 Anti-Bribery Management System certification obtained for the first time this year—the Company continues to enhance the effectiveness of its compliance management system.

## Tax Compliance

TCL Electronics has established a three-pillar tax management model based on a Tax Shared Services Platform that integrates a Tax Competency Centre and Tax Business Partners. We systematically advance our efforts across five key areas: clarifying management responsibilities, refining policies and procedures, strengthening risk controls, pursuing digital transformation, and enhancing internal and external collaboration. This enables the systematic integration of our tax strategy into operational and business practices, leading to a continuous reinforcement of our tax management capabilities.

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**For clarifying management responsibilities**

We ensure the effective implementation of our tax policy by incorporating tax management performance into the evaluation of the finance head of TCL Electronics. In addition, we implement segregation of duties and cross-verification for tax responsibilities, alongside a rigorous review of tax returns, to reinforce accountability.
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**For refining policies and procedures**

We continue to improve policies and processes in areas such as planning, compliance and risk management, standardising daily tax operations. We regularly monitor global tax policy updates and conduct internal training sessions to ensure all BUs stay fully informed of new regulations and compliance requirements.
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**For strengthening risk control**

We establish a closed-loop management system of tax risk. By proactively analysing compliance indicators in advance, building early warning models, encouraging BUs to conduct regular self-assessments, we enhance tax risk response mechanisms and effectively mitigate tax risks.
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**For pursuing digital transformation**

We actively leverage digital tools to upgrade our tax systems, thereby enhancing the automation and intelligence of tax data processing and continuously increasing the efficiency and accuracy of tax management.
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**For enhancing internal and external collaboration**

We have established smooth channels for external communication with tax authorities, actively participate in tax-industry and broader industry exchanges, and build compliance-focused, transparent and cooperative relationships. Internally, we rely on the three-pillar tax management model, strengthening the coordination among the Tax Competency Centre, the Tax Business Partners, and the Shared Services Platform.

# Anti-Corruption and Business Ethics

TCL Electronics strictly adheres to all applicable laws and regulations relating to anti-corruption and business ethics, as well as internal policies like the *Code of Business Conduct*. These standards provide comprehensive guidance for daily business operations and reflect the Company's commitment to the core values of integrity, honesty, and impartiality.

## Anti-Corruption and Business Ethics Management System

TCL Electronics continues to strengthen localised and standardised management across key domestic and overseas subsidiaries in the areas of anti-corruption, antitrust, anti-unfair competition, and trade secret protection.

### ▶ Anti-corruption

TCL Electronics strictly implements its *Anti-corruption Policy* and other internal regulations and has established an integrated anti-bribery and anti-fraud system that encompasses key elements such as risk assessment, compliance monitoring and supervision, compliance audit, whistleblowing and investigation, and training and communication. For internal employee management, we implement an *Undertaking of Personal Integrity* signing mechanism and clarify standards of conduct in the employee handbook, particularly in corruption-sensitive areas such as abuse of authority, bribery, gift-giving in the employee handbook, fostering a culture of integrity from the outset. In terms of external partner management, this Year, to align with international standard ISO 37001 Anti-bribery Management System, TCL Electronics further refines management policies, updates the *Anti-Commercial Bribery Compliance Policy*, the *Anti-Commercial Bribery Compliance Guidelines for Specific Business Scenarios*, and conducts internal inspections within the system and risk evaluation, covering areas such as sales, procurement, R&D, finance, and human resources. We improve the measures targeted at risk scenarios to comprehensively restrict and guide business conducts. Anti-corruption and anti-bribery compliance training and compliance awareness promotion are implemented for all employees, with a focus on key positions. At the same time, through regular anti-corruption risk assessments, continuous oversight by audit and compliance departments, and comprehensive audits across all business sectors, we systematically identify and address corruption-related risks. These efforts support ongoing improvements in our governance framework.

In 2025, we improved the anti-bribery management system related to the R&D, procurement, sales, financing of products including LCD TVs, mobile communication terminal products and their accessories, wearable smart products, and routers, and received the ISO 37001: 2016 Anti-bribery Management System certification. In 2025, TCL Electronics had no concluded corruption-related lawsuits.

### ▶ Antitrust

For domestic subsidiaries, TCL Electronics continues to implement the *Compliance Guidelines on Preventing Vertical Monopoly Agreements* and strictly prevents vertical monopoly such as limiting prices in daily operation through refining policies on contract management and distributor services. For overseas subsidiaries, TCL Electronics implements the *Antitrust Compliance Guidelines for Overseas Business* based on local laws and business characteristics. The Company also improves the overseas contract management system, and inspects clauses related to resale pricing, non-competition, and exclusive distribution. Meanwhile, the Company arranges antitrust training for overseas staff and enhances the antitrust compliance awareness and risk prevention and control capabilities for overseas businesses by referring to major enforcement cases for interpretation and risk warning.

### ▶ Anti-unfair competition

For domestic subsidiaries, TCL Electronics has formulated regulations including the *Regulations on Operational Quality Management of E-Commerce Business Centre* and the *Rules for Large-scale Promotion Activities of E-Commerce Business Centre* and systematically prevents risk of unfair competition through measures like daily compliance awareness campaigns, training, sampling and inspections during large-scale promotion activities. For overseas subsidiaries, through region-level advertising compliance workshops, we continually enhance our marketing staff's understanding of relevant regulations and compliance awareness, thereby mitigating legal risks across all advertising campaigns. In 2025, the Company was not involved in any penalty case for unfair competition.

### ▶ Trade Secret Protection

The Company has formulated the *Regulations on the Protection of Others' Trade Secrets* and other regulations to clarify redlines and management requirements for trade secret compliance. Proper measures are in place for high-risk scenarios such as talent recruitment, R&D cooperation, and sales activities to prevent unauthorised disclosure or use of others' confidential business information, ensuring lawful and compliant operations. Likewise, TCL Electronics places an emphasis on protecting its own trade secrets. We have launched a pilot programme in TV business, conducting benchmarking assessments on trade secret assets and corresponding protection measures. Based on the findings, we will draft trade secret protection and management policies and formulate an optimal implementation strategy for the compliance framework. The initiative also focuses on empowering all BUs to establish risk identification mechanisms, while coordinating publicity on trade secret protection. This approach will progressively build a comprehensive trade secret compliance management system that covers all operational stages.

## Anti-Corruption and Business Ethics Audit

TCL Electronics has established a mechanism of regular audit for policies related to anti-corruption and business ethics to ensure their validity. We conduct business ethics audit for all businesses, operating locations and all subsidiaries every three years, particularly focusing on anti-corruption, anti-bribery, integrity, ethical behaviour etc., systematically evaluating the performance of every business process in the implementation of policies including the *Anti-Corruption Policies* and the *Code of Business Conduct*, as well as potential risks.

During auditing, we formulate and dynamically update the audit plan and scope in accordance with policy requirements and applicable laws and regulations, clarify the objectives, methods, timeline and divisions of responsibilities, and identify and record the findings through material inspection, interview and investigation, risk control test etc. Based on what we find, we generate audit report and rectification suggestions, establish corresponding solutions, clarify the responsibilities and deadlines, and track and evaluate the rectification outcomes to advance the continuous improvement of anti-corruption and business ethics management.



## Whistleblower Protection

In its commitment to fostering a transparent, fair, and impartial culture of integrity, TCL Electronics operates its corporate and supply chain complaint channels in accordance with the *Code of Business Conduct*. These channels are designed to receive reports from internal and external individuals, as well as suppliers, concerning potential breaches of business ethics. Any employee or supply chain partner who identifies a potential violation of the Code may submit a report, either anonymously or by providing their identity, through [tmtjubao@tcl.com](mailto:tmtjubao@tcl.com). All reports will be received, logged, and investigated by an independent department according to a formal procedure, ensuring that each case is handled promptly and impartially.

We promise to keep all information of whistle-blowers strictly confidential, and any form of retaliatory action against whistleblowers is strictly prohibited. This measure aims to eliminate the worries of whistleblowers and encourage internal and external supervision to genuinely foster a speak-up culture where integrity is paramount, and where every report of misconduct is promptly and properly addressed.



Whistle blowing channel: [tmtjubao@tcl.com](mailto:tmtjubao@tcl.com)

## Anti-Corruption and Business Ethics Training

TCL Electronics conducts regular anti-corruption and business ethics training for all employees (including part-time staff) and contractors. We adopt a variety of formats, including online learning, on-site briefings, case analysis, and seminars, to deliver training covering the core requirements of anti-bribery and anti-corruption policies, code of business ethics conduct, and relevant laws and regulations. This training is aimed at enhancing participants' awareness and comprehension of company policies and compliance obligations, thereby strengthening their ability to identify and prevent corruption risks in daily operations.

This year, we carried out integrity and anti-bribery compliance training and awareness campaigns in locations of operation worldwide including training for new employees on integrity, targeted at key posts and areas such as anti-bribery and trade secret compliance risks, fostering a positive and honest corporate culture.

2025

TCL Electronics delivered a total of **10** anti-corruption training courses

Anti-corruption training attendance by directors of TCL Electronics or its subsidiaries **121** attendances

Anti-corruption training covered over **10,000** employee attendances



## Responsible Marketing

TCL Electronics strictly adheres to all applicable advertising laws, regulations, and supervisory requirements across its global operations. This includes, but is not limited to, provisions such as *Advertising Law of the People's Republic of China*, the *Regulations on the Administration of Advertisements*, the U.S. *Federal Trade Commission Act*, the *Truth-in-Advertising Guidelines*, the *Consumer Product Safety Act*, and the EU *Unfair Commercial Practices Directive*, as well as internal policies such as *New Media Management Standards*, the *News Release Management Measures*, the *Official Spokesperson Policy*, and the *Global IP Management Standards*, and the *Responsible Marketing Code of Conduct*. In accordance with the *Responsible Marketing Code of Conduct*, we integrate ESG principles throughout the entire marketing process. All marketing communications are required to be lawful, decent, honest, and truthful. Moreover, the preparation of such communications must demonstrate due social and professional responsibility, adhering to the generally accepted principles of fair competition in business.

Guided by our core commitments to legal and ethical compliance, consumer rights protection, environmental responsibility, and social inclusion and equity, we have established a comprehensive risk control and supervision mechanism covering pre-review, in-process monitoring, and post-event oversight. All major marketing initiatives must pass the *Responsible Marketing Checklist*. Furthermore, we conduct periodic social media analysis aligned with campaign cycles to monitor compliance risks, including misleading advertising and data privacy infringement. These efforts collectively serve to continuously enhance our brand credibility and sustainable competitiveness.

### Core Principles of Responsible Marketing



## Compliance marketing

TCL Electronics integrates the regulatory requirements and cultural specificities of different regional markets to guide its local operations in implementing and refining marketing content compliance. This approach enables the Company to progressively establish a standardised process for compliance management that covers the entire procedure of marketing content—from production and review to publication. For publicity materials such as videos, pictures and text, a cross-functional review panel comprising representatives from product, retail, R&D, and legal departments has been established. This mechanism ensures stringent compliance controls across key dimensions such as intellectual property usage, technical claims, promotional language, and legal disclaimers. Additionally, the Company mandates that all contents align with the cultural practices of the target operational regions. These measures collectively work to mitigate advertising compliance risks, safeguard consumer rights, and uphold a fair, transparent, and orderly market competition environment.

## Sustainable marketing

TCL Electronics adheres to the brand communication concept of compliance and sustainability. Strictly committed to the laws and regulations, we systematically integrate sustainability topics into our brand identity. We strictly prohibit false advertising and actively promote the sustainable use of our products as well as eco-friendly lifestyles.

**TCL Photovoltaic Technology "Blazing Start" Campaign Wraps Up Successfully, Setting the Stage for Sustainable Marketing Innovation**

In March 2025, centred on inclusive and shared success, TCL Photovoltaic Technology held the "Blazing Start" Campaign and launched a triple recommendation mechanism including user-side, business-side and public recommendations. The campaign reached across 23 provinces and municipalities nationwide. It effectively promoted the green transition of rural energy structure, achieving a participation count in the tens of millions. Through innovative marketing that transcends traditional industry boundaries, TCL Photovoltaic Technology has elevated the adoption of green energy from a corporate initiative to a broad societal movement. This provides an exemplary benchmark for synergistically advancing rural revitalisation and China's dual-carbon goals.



"Blazing Start" Campaign



# Data Security and Privacy Protection

TCL Electronics places the highest priority on client data security and privacy protection, and strictly adheres to data security laws and regulations across all global operating jurisdictions, including but not limited to the *Cybersecurity Law of the People's Republic of China*, the *Data Security Law of the People's Republic of China*, the *Personal Information Protection Law of the People's Republic of China*, the *California Consumer Privacy Act*, *Brazil's General Data Protection Law* and the *General Data Protection Regulation of the European Union*. Besides, the Company has formulated and implemented policies such as the *Data Security Management Requirements*, the *Privacy Management Policy*, the *Policy for Retention of Personal Data*, the *Data Subject Rights Response Process* and the *Privacy Impact Assessment Management Process*, aiming to develop a reliable information security and privacy protection system.

## Data security

To effectively manage and continuously elevate the data security protection level, we have built a comprehensive blueprint of data security protection, covering the data security strategy, management system, technology system, operation system, and supervision and evaluation system. To efficiently promote data security management, we pushed forward data grading and classification in accordance with regulations including the *Guidelines for Data Grading and Classification Operation*, clarifying protection requirements for the collection, transfer, storage, processing, sharing and destruction of data throughout the entire lifecycle. Based on business needs, each BU updates and improves information security management systems, and continuously refines protection systems and data processes, thereby enhancing its overall capabilities in security protection and response to threats.

**Enhance special audit**

TCL Electronics carries out information security audit every year and undertakes internal and external audit of ISO 27001. In the meantime, based on the business features of every BU, we carry forward special audit of information security, for example information security audit of the Pan-Smart Screen, and information security screening of key businesses.

**Enhance company-wide awareness**

Through ongoing publicity and specialised training programmes, we continuously strengthen all employees' data security awareness and protective skills. As a core initiative, we deploy monthly themed information security awareness emails, supported by a structured e-learning curriculum and a mandatory annual information security assessment for all staff. To date, these training and assessment activities have accumulatively reached a total of over 70 thousand participations, effectively solidifying the security awareness of our employees.

## Privacy Protection

TCL Electronics highly values consumer privacy protection. We adhere to and continually uphold institutional regulations and standards such as the *Privacy Management Policy*, the *Data Subject Rights Response Process*, the *Privacy Impact Assessment (PIA) Management Process*, and the *Policy for Retention of Personal Data*. These define clear management requirements for every stage of personal information handling, including collection, processing, usage, sharing, response to individual rights, and storage. Furthermore, privacy control points are systematically embedded into key business processes. Each department carries out business privacy compliance evaluation through mechanisms such as PIA, third-party privacy control process, and cross-border data transmission, ensuring that areas of key businesses and emerging businesses are included. In parallel, we advance the privacy compliance risk analysis for key overseas subsidiaries in a phased manner. We refine and implement a global, multi-jurisdictional privacy compliance strategy, conducting targeted privacy risk governance in key countries and performing compliance audits on priority products. Furthermore, we renewed our ISO 27701 Privacy Management System certification, continuously enhancing our global privacy protection system.

We are committed to integrating personal information protection into all processes of products such as design, R&D, sales, and marketing. Taking product design and R&D as an example, guided by the Privacy by Design principle, TCL Electronics systematically integrates privacy and security considerations into the entire product lifecycle, including planning, design, development and subsequent maintenance. By interlocking the PIA processes with the product development process, we ensure continuous adherence to privacy-by-design requirements at every stage throughout the product lifecycle. In case of security incidents such as personal data leakage, we implement internal investigations, emergency response, and corrective and/or remedial measures and notify relevant external stakeholders in accordance with laws, regulations and internal process requirements. Meanwhile, we systematically enhance the privacy protection awareness and practical abilities of employees through regular privacy compliance training and awareness campaigns on official compliance accounts.

# 02

## Quality Foundation and Innovation Leadership

Pursuing Excellence in Quality

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Focusing on User Experience

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Innovation Driving New Growth

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TCL Electronics believes excellent quality is the solid foundation of corporate development, and continuous innovation is the core engine driving us toward a sustainable future. Taking quality as foundation, we integrate safety, reliability and excellence into every detail. At the same time, led by innovation, we create reliable, smart, green products and services for users through solid quality management and groundbreaking technological innovation, leading the Company to a future of higher quality and sustainability.



# Pursuing Excellence in Quality

TCL Electronics always regards product quality and user safety as the top priority, and is committed to constructing a quality management system covering the full lifecycle of products. We steadfastly uphold systematised management, standardised technology, platform-based capabilities, and data-intelligent business. Through stringent policies, systematic process controls, advanced technological tools, and a deeply ingrained quality culture, we are committed to delivering secure, reliable, and exceptional product and service experiences to users worldwide.

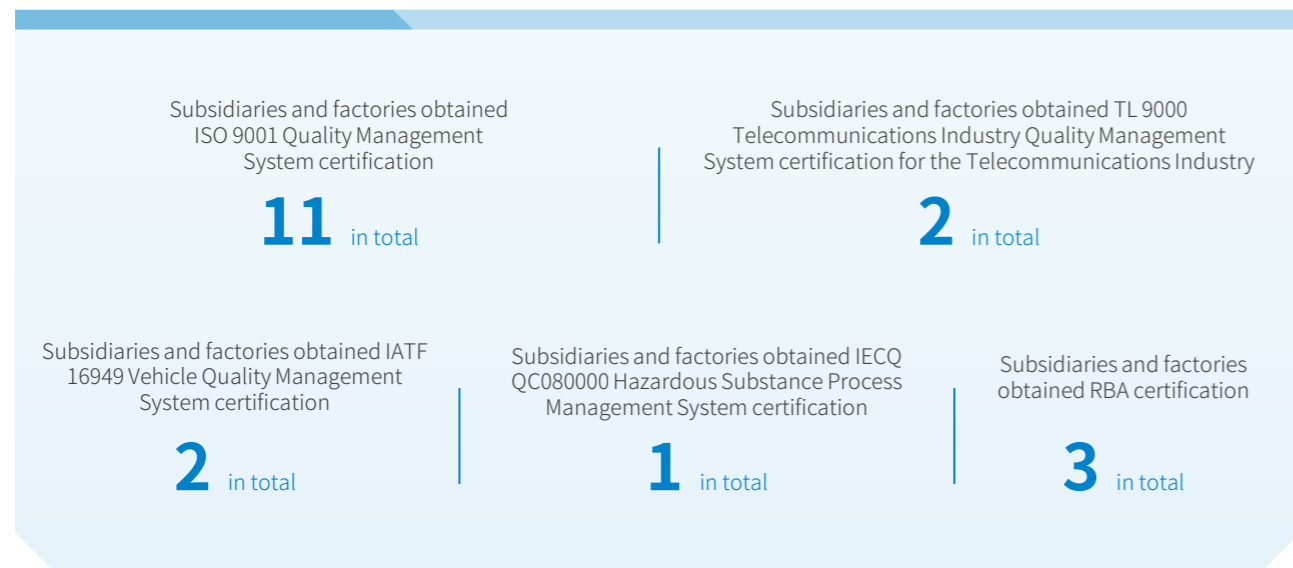
## Quality Management System

TCL Electronics strictly upholds laws and standards related to quality, such as the *Law of the People's Republic of China on the Protection of Consumer Rights and Interests*, and strictly controls product quality in accordance with international standards including *RoHS*<sup>2</sup>, *REACH*<sup>3</sup>, *CA65*<sup>4</sup>. Besides, TCL Electronics has established a robust certification framework. The Company has obtained ISO 9001 quality management system certification for all BUs and acquired IATF 16949 Vehicle Quality Management System, TL 9000 Telecommunications Industry Quality Management System and other professional certifications based on business requirements. In 2025, TCL Electronics had no product recall cases due to safety and health reasons.

To further standardise product quality management, we have established a three-level quality management organisational structure and clarified the quality responsibilities at each level. By developing a series of procedural documents such as the *Quality Manual*, the *Components Inspection Standard*, and the *Product Recall and Return Management Measures*, we ensure that there are clearly defined quality standards and processes for each stage from product design, raw materials procurement, manufacturing to after-sales service.

By linking integrated product development (IPD) with smart manufacturing and intelligent service systems, TCL Electronics has established a digital quality management system to promote its digital and smart quality management. Tools such as Design for Excellence (DFx) and Failure Mode and Effect Analysis (FMEA) are actively implemented for risk prevention and management, improving the ability to "Do it Right the First Time".

### Quality Management System Certification:



2. RoHS: The Directive on Restriction of Hazardous Substances in Electrical and Electronic Equipment, a mandatory standard formulated by EU legislation.  
 3. REACH: The Registration, Evaluation, Authorisation and Restriction of Chemicals, a regulation of the European Union for the precautionary management of all chemicals entering its market.  
 4. CA65: The California Proposition 65, a law that requires companies to disclose to consumers known carcinogenic or reproductively toxic chemicals in products.

# Full Lifecycle Quality Management

We have built a closed-loop quality management mechanism that permeates the entire product chain of "concept-R&D-production-delivery-service", ensuring risk prevention and improvement in quality.

	<p><b>Prevention in design and control from start</b></p>	<p>During the initial stage of product planning and development, we introduce the Design for Serviceability (DFS) and Design for Excellence (DFX) concepts, and provide feedback to R&amp;D front, preventing quality risk from the start, optimising the reliability and maintainability of product.</p>
	<p><b>Coordinated quality management of supply chain</b></p>	<p>We released the <i>Supplier Certification Management Process</i> and the <i>Incoming Material Quality Assurance Procedure</i> to conduct admission audits and dynamic performance evaluation to suppliers. We closely cooperate with core suppliers, encourage their upgrading in quality system and production capability. For example, on key components such as batteries, we encourage suppliers to build automated production lines and make special management requirements to the entire chain (design, incoming materials, production, storage and transport).</p>
	<p><b>Refined control of manufacturing process</b></p>	<p>Each production unit strictly carries out a triple-inspection mechanism of "incoming materials – process – finished products", and adheres to a range of internal policies, including the <i>Manufacturing Process Quality Assurance Specifications</i>, the <i>Product Quality Inspection Control Procedures</i> and the <i>Control Procedures for Product Identification and Traceability</i>, to conduct standardised operations and supervision of the entire production process. Through methods such as first-piece confirmation, on-site inspection, and real-time data entry, we ensure process stability, traceability of problems, and effective isolation and handling of non-conforming products.</p>
	<p><b>Management and recall of non-conforming products</b></p>	<p>We have established a systematic non-conforming product management mechanism, ensuring effective control and disposal of non-conforming products. Each BU has drawn up files including the <i>Non-conforming Product Control Procedures</i> and the <i>Pan-smart Screen Non-conforming Problems &amp; Product Management Process</i> to identify, isolate, review and dispose of non-conforming products in a standardised manner. Disposal methods are clearly categorised into rework, repair, and scrapping. Following assessment, the responsible department shall implement the appropriate action. We have simultaneously established a product identification and traceability system to ensure that any non-conforming items and their batches can be swiftly located and managed. For delivered products, the <i>Product Recall and Return Management Measures</i> is in place to clarify the closed-loop management process of problem tracking, recall, rework and correction, re-inspection and release, ensuring that non-conforming products are efficiently disposed of to prevent their entry into the market or the continuation of any adverse effects on customers.</p>
	<p><b>Continuous improvement driven by customer feedback system</b></p>	<p>We have established a global RMA process to quickly respond to customer feedback. In addition, we introduce customer feedback to the Voice of Customer (VoC) platform to conduct systematic analysis, and provide feedback to R&amp;D, procurement and manufacturing front. Based on that, we jointly discuss and formulate solutions, forming a continuously improving closed-loop of "market feedback- analysis of root cause- procedure improvement- recurrence prevention".</p>

## Quality Culture Initiatives

TCL Electronics firmly believes that excellent quality is rooted in the promise and action of every employee. Through various approaches, we are consistently embedding and advancing all eight dimensions of the TCL Electronics Maturity Model: leadership, quality strategy, user-centricity, process quality, measurement & improvement, quality foundation, quality culture and quality performance level. This year, we have implemented the following measures to cultivate quality culture:



### "Quality Month" themed event

We have implemented tailored initiatives such as distributing quality culture notebooks, establishing cultural display boards, and organising "plain-spoken" case studies to embed quality awareness throughout the organisation. Concurrently, we have established a systematic learning framework to deliver specialised training programmes centred on quality tools, standards interpretation, and product reliability, thereby enhancing employees' professional capabilities.



### Incentives for employees' proactive improvement

We have established a sustained incentive programme to encourage employees to proactively identify and report quality issues. Besides, we organise the QCC Competition every six months to foster a culture of organisation-wide quality improvement.



### Sustained quality training

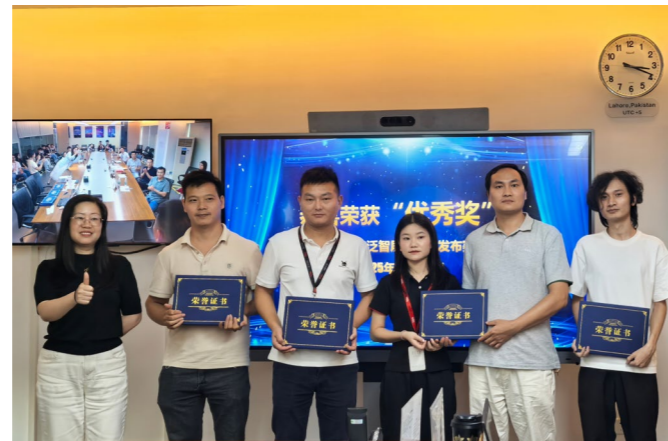
We have set up special courses on product reliability, environmental management, and quality tools to enhance employees' skills. We conduct regular internal audits, management reviews, monthly quality meetings, and quality objective monitoring, thereby continuously analysing improvement opportunities to drive the continual enhancement of the quality management system and product quality.



### The Pan-Smart Screen BU Launched a Series of Quality Culture Activities

In 2025, the Pan-Smart Screen BU launched a series of quality culture activities. These activities achieved full coverage across all departments, helping to embed a strong culture of quality.

- Cultural Promotion and Embedding: We conducted the "Plain-Spoken" quality failure case sharing campaign, upgraded the *Code of Quality Conduct*, and distributed 2,000 customised cultural notebooks (covering 1,557 employees). Culture boards and screens were set up in 11 areas for ongoing promotion.
- System Development & Incentives: An incentive scheme has been implemented to reward employees for proactively reporting quality issues. To date, 135 improvement proposals have been received, of which 64 were recognised with awards.
- Organisation-wide Improvement Practices: The QCC Results Release Competition is held semi-annually to drive improvement projects. In the first half of the year, 112 QCC projects were successfully concluded, generating economic benefits of RMB 86.01 million.
- Communication & Culture Building: A total of 8 quality-themed articles have been published, achieving over 4,500 reads.



Commendations for the Series of Quality Culture Activities

## Hazardous Substance Management

TCL Electronics has established and implemented a hazardous substances management system covering the entire product lifecycle and supply chain. Through regulatory frameworks, process controls, and substitution programmes, the Company mitigates the potential risks of chemicals to the environment and human health, thereby promoting green products and safe production practices.

### Management System and Standard

We continuously focus on the laws and regulations at locations where we operate our products, and we have established internal systems, such as the *Regulations on the Management of Hazardous Chemicals*, the *Restricted Substance Management Standard*, and the *Restricted Substance Control Procedure*, which not only cover but are also more stringent than the relevant regulations and standards (e.g., RoHS, halogen, REACH, CA65, POPs) across all our global operational locations. We enforce a comprehensive ban on substances listed in the *List of Strictly Restricted Toxic Chemicals in China*, pesticides explicitly banned by national regulations, state-controlled ozone-depleting substances, and chemicals prohibited under client requirements. This ensures that they are neither manufactured, used, nor sold in our operations or products.

### Management Process and Control

We regard the thorough reduction of hazardous substances (Hazardous Substances Free, HSF) in products as our long-term goal, established a chemicals management system covering the full product life cycle, including design, procurement, production and recycling stages, with the aim of continuously reducing risks associated with hazardous and regulated substances, and enhancing product safety and environmental performance.



#### Product design

- Conduct legal impact assessments and pre-assessments of chemical substances to monitor environmental regulations and ensure compliance with mandatory requirements.
- Continuously seek and utilise less toxic chemical alternatives.
- Perform safety assessments on proposed new chemical substances, evaluating factors such as toxicity, environmental impact, and usage risks.



#### Procurement of supplied materials

- Conduct a closed-loop management system from supplier admission to delivery.
- New suppliers must sign the *Environmental Compliance Declaration* and upload valid environmental testing reports via the Company's hazardous substances management system to ensure compliance at the source of materials.
- Conduct hazardous substance testing on raw materials and annual re-evaluation to monitor substance compliance and content risks.



#### Material storage

- Maintain inbound and outbound chemical ledgers, clearly label issuance logs, designate dedicated storage areas, and implement emergency response procedures.



#### Production control

- Promote automation in high-risk processes (e.g., introducing robotic arms for spraying operations).
- Conduct 2 full-staff chemical spill emergency training sessions every year, with monthly specialised drills for the emergency response team.



#### Product information

- Provide SDS for all products and disclose chemical substance properties, hazard information and emergency response suggestions on official website.
- Disclose the names and contents of hazardous substances present in all product components in the product user manual.
- Establish channels such as hotlines and websites to address consumer enquiries regarding the chemical composition and safe usage of the product, thereby safeguarding consumers' right to information concerning the chemical substances within the product.

**Elimination and Substitution of Hazardous Substances**

TCL Electronics has established a mechanism for the identification and substitution of hazardous substances, systematically reviewing regulated and potentially hazardous substances involved across the entire product design and production processes, and continuously advancing substitution and reduction initiatives based on risk assessments. Our hazardous substances management covers key stages including raw material admission, incoming inspection of components, use of auxiliary materials in production processes, and packaging material management, forming an end-to-end management system across the supply chain and production operations. In compliance with relevant regulations, including the RoHS, REACH, Halogen-Free requirements (HF), the Packaging and Packaging Waste Directive (PPWD), California Proposition 65 (Prop 65), and the Ecodesign Directive (ErP/ESPR), the Company has further implemented forward-looking management measures that go beyond existing regulatory requirements, continuously expanding its internal restricted and prohibited substances list from 86 categories in 2024 to 91 categories in 2025, enabling early identification and control of potentially high-risk substances.

In our chemical use and management, we have phased out all chemicals of concern ahead of regulatory requirements and no longer handle any "substances subject to phase-out". We are implementing systematic measures to reduce the use of chemicals of concern and actively pursuing research and development aimed at replacing or phasing out these substances.

List of Eliminated Substances (Example)

Name of substance	Application / Usage	Progress (Phasing Out/Eliminated)
DBDPE (84852-53-9)	Flame retardants	Phase-out
PBDEs (1163-19-5)	Flame retardants	Phase-out

We continue to promote the substitution of key materials through technological research and development, with a focus on reducing and replacing hazardous substances in product manufacturing and material application. For example, in the application of back cover materials for television products, the Company has carried out substitution research targeting traditional halogen-containing materials and has achieved full adoption of halogen-free materials for TV back covers, thereby reducing the risks associated with halogenated substances at source. In packaging and printing processes, environmentally friendly soy-based inks have been fully adopted to replace conventional petrochemical inks, effectively reducing volatile organic compound (VOC) emissions and heavy metal residues, and lowering environmental and health risks across the product life cycle.

## Focusing on User Experience

TCL Electronics consistently places the principle of "Customer First" at the heart of its corporate development, striving to build a transparent, efficient and intelligent customer response and value co-creation system through exceptional service and experience management.

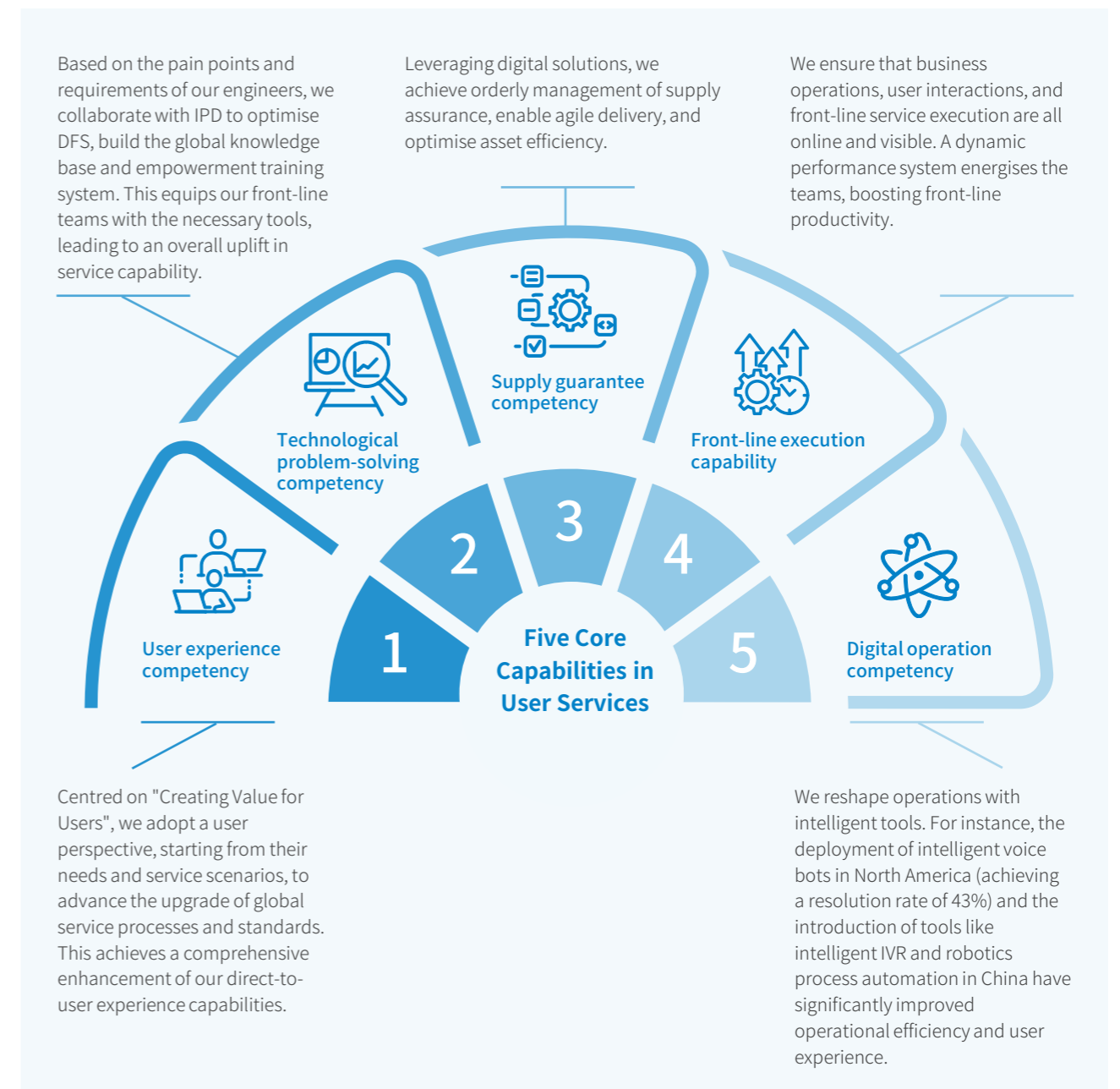


## Upgrading Service Capability

TCL Electronics Global Consumer Service Centre is responsible for coordinating NPS improvement across the Company. We continuously enhance our regional unified service indicator system and empowerment training mechanism whilst strategically planning the overall global call centre layout. This provides robust organisational backing and capability assurance for all BUs and BGs, ensuring that users worldwide benefit from highly efficient and reliable service.

To further standardise and elevate service quality, we have established internal systems such as the *Service Quality Management Measures*, the *Quality Manual*, and the *Product Recall and Return Management Measures*. These integrate key metrics, including user satisfaction and complaint resolution times, into the assessment system for service teams and partners, thereby driving the ongoing upgrade of service standards.

Centred around the 5 core competencies of user service, we strive to build a comprehensive service front:



## Listening to Voices of Customers

To build reliable and sustainable customer relationships, TCL Electronics has established a multi-dimensional customer communication and response system based on multi-channel outreach, proactive insights, and closed-loop management. This framework is designed to ensure that every user's voice is heard and that each piece of feedback receives professional, timely, and conclusive handling, thereby systematically transforming user insights into drivers for product and service improvement.

Furthermore, core internal policies such as the *NPS Closed-loop Management Process Specification*, the *User Satisfaction Management Standards*, and the *Document on VoC Closed-loop Management Process of Global Consumer Service Centre* have been implemented. These policies integrate key performance indicators such as user satisfaction and complaint handling efficiency into the performance evaluation framework, driving accountability for service outcomes across the entire chain.






### Integrated Communication and Listening Matrix

We maintain continuous and effective dialogue with users through a multi-tiered approach that combines proactive and responsive engagement:

 <p><b>24/7-hours core service response channels</b></p> <p>Users can receive uninterrupted services through channels including official hotlines, intelligent customer service embedded in TCL Electronics/TCL HOME APP, WeChat Mini Programmes, and official websites. We promise to provide real-time response and professional technological support to ensure that the problem submission process is straightforward and unobstructed.</p>	 <p><b>Proactive listening and relationship management</b></p> <p>We proactively respond to users when needed, invite users to conduct NPS assessments at key stages (e.g., after purchasing, following service completion) even more proactively. Qualitative feedback from customers is a key driver of internal improvement.</p>	 <p><b>Social listening and market insight</b></p> <p>To comprehensively gain an understanding of market sentiment, we systematically monitor user feedback and public sentiment on mainstream e-commerce platforms, social media and public media, identify potential problems and trends to drive improvements across the entire value chain, from products to services.</p>	 <p><b>Closed-loop management and continuous optimisation</b></p> <p>All feedback received through the above channels is consolidated into a unified VoC management platform and automatically routed to the relevant departments via standardised processes, enabling end-to-end tracking and closure of the entire workflow, from entry and processing to verification.</p>
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### Global Complaint Management Mechanism and Efficiency

We have established a globally unified and standardised complaint management process and continuously promote its digitalisation and efficiency:

 <p><b>Omni-channel access and intelligent dispatch</b></p> <p>In addition to our own platforms, we achieved systematic integration with complaint channels from major third-party sales platforms across all regions in 2025. All complaints are now automatically routed to the designated responsible personnel.</p>	 <p><b>Standardised service commitment</b></p> <p>The service team commits to proactively contacting users within 1 hour and aims to resolve issues within 24 hours. The entire process is visible, and an automatic escalation mechanism is triggered for overdue tasks to ensure no issue is neglected.</p>	 <p><b>Digital empowerment for visibility of the entire process</b></p> <p>Through our digital system, the entire complaint process—from receipt and handling to verification—is conducted online and is fully visible, providing data support for management optimisation.</p>
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<p>2025</p> <p>Received a total of <b>4,785</b> complaints regarding products and services</p>	<p>Both the complaint closure rate and resolution satisfaction rate reached <b>100%</b></p>	<p><b>No major customer complaint</b> incidents occurring throughout the year</p>
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# Innovation Driving New Growth

TCL Electronics regards technological innovation as the core engine to drive sustainable development and is committed to driving technological development in a responsible manner. We have built a systematic innovation management system, anchored by cutting-edge R&D bounded by ethical governance, and accelerated by digital transformation. This allows us to continuously create value for users and strive to ensure the benefits of technological progress are shared equitably by everyone. Furthermore, by deepening industry-university-research collaboration, participating in industry standard development, and fostering an open innovation ecosystem, we actively collaborate with partners from all sectors to jointly advance the industry.

**This year, TCL Mini LED Television was awarded the title of "Single Champion Product in Manufacturing Industry" by the Ministry of Industry and Information Technology.**

The "Key Technology and Engineering Applications of Lithium-ion Power Battery Short-cycle Value-added Recycling" programme was awarded **Second Prize of the Jiangxi Provincial Award for Scientific and Technological Progress.**

**Key R&D personnel were recognised as national "Advanced Basic Process Talent"**

This year, the total R&D expense of TCL Electronics was **HK\$ 2.53 billion**

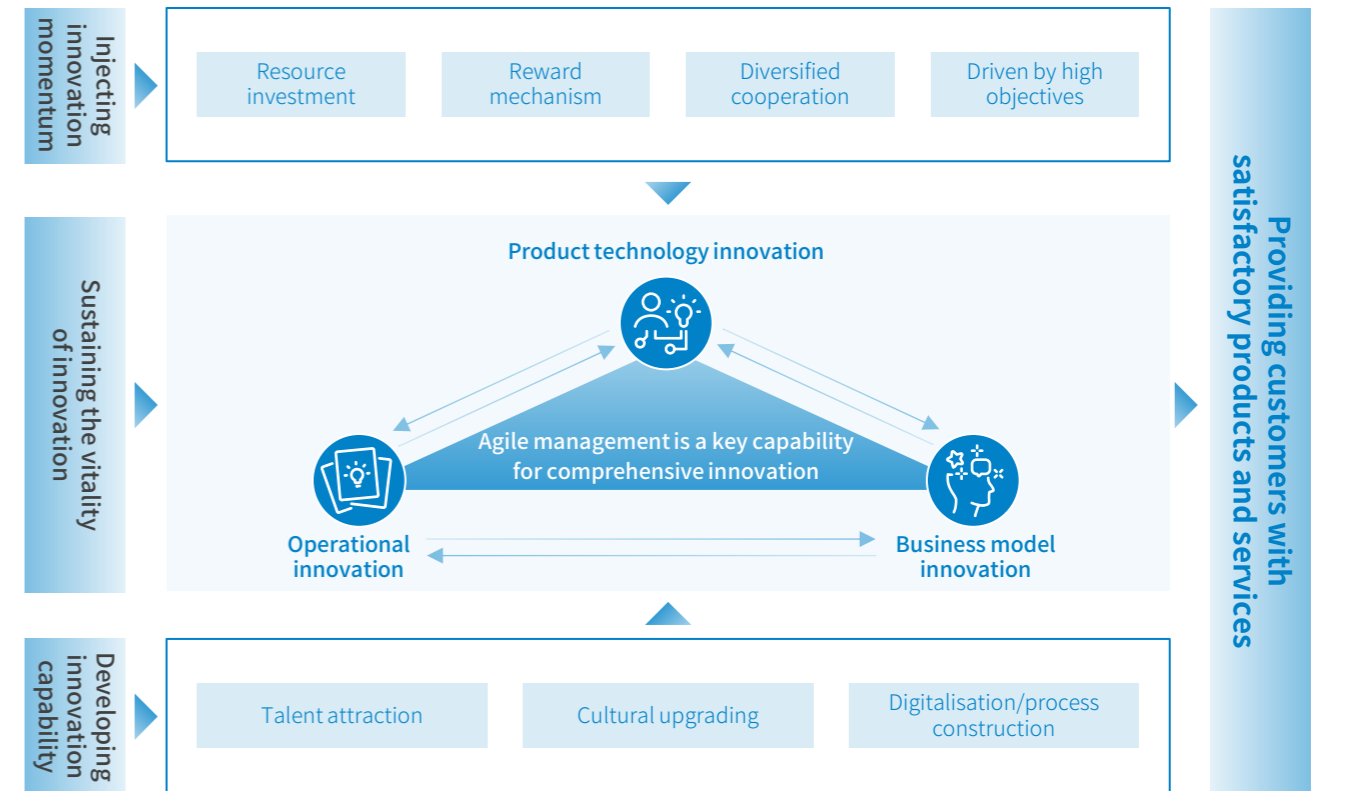
The Vietnam factory under the Pan-Smart Screen BU actively participated in China's first batch of "Capability Maturity Model for Intelligent Manufacturing" (CMMM) review and certification projects targeting overseas factories. It successfully completed all formal certification procedures in 2025, achieving the CMMM Level 3 (Integrated Level) standard.



# Innovation Management System

TCL Electronics, with the mission of "providing satisfactory products and services to customers", has established an innovation management system that engages all employees and promotes cross-departmental collaboration. We nurture innovation capabilities, fuel innovation momentum, and sustain innovation vitality, thereby steering the innovative growth of the display business.

## Innovation Management System Model



- 
**Injecting Innovation Momentum**
  - Implement multi-channel resource investments, which include annual fixed investments and securing funds for strategic projects.
  - Facilitate the commercialisation of innovative outcomes by co-creating and sharing with external enterprises, universities, and key laboratories.
  - Develop a reward system that encompasses all employees, providing substantial special rewards for significant innovative accomplishments.
- 
**Sustaining Innovation Vitality**
  - Regard product technology innovation, operational innovation, and model innovation as a cohesive chain, which should coordinate and support each other while continually optimising, iterating, and innovating to consistently invigorate innovation efforts.
- 
**Developing Innovation Capability**
  - Weave innovation responsibilities into various business and functional units to foster a company-wide spirit of collaborative innovation.
  - Foster a culture of inclusiveness that encourages innovation and allows for trial and error.

### ▶ Multi-level Decision-Making System

We have formed a three-tiered technology management structure covering the Company and BUs. The Integrated Technology Management Team (ITMT) oversees the Company's innovation project management, while each BU's Technology Management Team (TMT) and Technical Management Group (TMG) manage their own innovation projects. Decisions are made in monthly meetings or special event sessions, based on collective democratic decision-making and the majority rule, ensuring that decision-making is efficient and well-founded.

### ▶ Institutional Assurance and Incentive

We have formulated and implemented policies such as the *Declaration and Development Management Mechanism of Front-line Innovation Projects*, accompanied by the *TCL Technology Reward Measures*, and the *Special Incentive Scheme of Technological Areas*, and the *Patent Reward Measures*. The policies cover everything from project initiation to incentives for achievements, ensuring that innovative contributions are recognised and rewarded.

### ▶ Building Scientific Research Platforms




We continuously promote independent innovation of core technologies and industry-university-research collaboration. In 2025, we established "Pangu Laboratory", focusing on independent research of Mini LED technologies and equipment. The "Display Technology Joint Laboratory", established in collaboration with TÜV Rheinland, aims to advance new standards and technological innovations in eye health. We also established platforms including "Dolby Laboratory" and the "Chip Joint Laboratory" to strengthen the foundation of technological innovation.

### ▶ Building Scientific Research Platforms

Headquartered in Shenzhen, we constructed a global R&D network covering Huizhou, the United States, France, Japan etc. Our R&D team has over 400 employees, 25% of whom have a Master's degree or higher. The team has a number of high-calibre professionals and has set up a "Doctoral Workstation" to continuously attract and cultivate cutting-edge research talents. Leveraging qualification platforms including "National Intellectual Property Advantage Enterprise", "Provincial Enterprise Technology Centre", we are committed to independent innovation and actively promote joint development and industry-university-research collaboration.

### ▶ Innovative Risk Management






TCL Electronics has developed a closed-loop innovation support mechanism that encompasses "assessment, management, and review" to safeguard its innovative growth.

 <p>Assessing innovation opportunities</p>	<p>All business and functional lines lead the formation of a cross-departmental evaluation team to thoroughly assess whether the enterprise's internal and external environments are aligned with opportunities. In case of any internal issues or external challenges, ITMT and TMT will lead the relevant departments to collaboratively evaluate innovative technologies and make decisions during ITMT and TMT meetings.</p>
 <p>Managing the innovation process</p>	<p>During technological development, the IPD process system is introduced, alongside the establishment of the <i>Platform and Technology Charter<sup>5</sup> Development Process</i> and the <i>Platform and Technology Development Process</i>. For each stage, step, task, and activity in new project development, the responsibility holders, deliverables, and deadlines are clearly defined. Strict decision-making is conducted at critical project milestones according to standardised review criteria.</p>
 <p>Reviewing the innovation journey</p>	<p>Upon the completion of an innovation project, the project team conducts a review and summary, aiming to formalise valuable experiences and practices into processes wherever possible. For shortcomings and lessons learned, countermeasures are proposed to guide future projects.</p>

5. The project mandate or business plan serves as the starting point and core decision-making basis for the product development process.

## Innovation Focus

Under the guidance of the Company's overall innovation strategy, each BU under TCL Electronics closely aligns with its own business characteristics and market demands and systematically deploys differentiated technological innovation paths. This coordinated effort collectively builds a multi-dimensional technological competitive advantage spanning hardware, software, platforms, and services.

 <p>TV business</p>	<ul style="list-style-type: none"> <li>■ AIoT platform foundation: Build advantages in core intelligent display technologies to drive breakthroughs in display and interaction fields.</li> <li>■ Control points for display quality: Reinforce technical advantages in Mini LED, image quality, display screens, and health display while continuously improving user perception of image quality and health benefits.</li> <li>■ LingOS and other software platforms: Boost internal efficiency through the TROM platform and enhance users' feature perception through technological integration, performance upgrades, and enhanced security.</li> <li>■ Building a foundation for smart spaces: Create an integrated, scenario-based smart connectivity experience, through AI voice, IoT connectivity, audio/video communication, and data platform development.</li> </ul>
 <p>Mobile phone business</p>	<ul style="list-style-type: none"> <li>■ Industrial design: Establish a key hardware R&amp;D system covering antenna, structural design, reliability (drop resistance and basic waterproofing), and fast charging to enhance product performance. Improve R&amp;D efficiency, accelerate product iteration, and optimise cost structure through platform-based hardware architecture, component standardisation, and underlying software integration.</li> <li>■ Health display and paper-like experience: Develop an active eye-care reading system and establish Vision Health Management Platform 1.0. At the hardware level, optimise spectral health and brightness uniformity, and iterate paper-like display technology (3A 1.0) while mass-producing OLED NXTPAPER, providing users with a visual experience closer to natural paper.</li> <li>■ Imaging technology: Launch MuseFilm 1.0 motion aesthetics style, continuously improve imaging hardware, shutter response, artistic filters, and intelligent algorithms, to strengthen the full-chain capabilities from hardware to software, and enhance creative experience for users.</li> <li>■ AI applications: Offer AI-empowered experience for core scenarios including imaging, calls and information flow, and leverage Camera Lab to build a smarter, more proactive AI Camera. Realise user intent recognition in certain scenarios to improve interaction fluency and personalization.</li> </ul>
 <p>Smart home business</p>	<ul style="list-style-type: none"> <li>■ Cloud platform: Enhance operational and maintenance capabilities as well as user behaviour analysis, progressively develop large model capabilities for cameras and personalised customisation abilities, and drive upgrades in scenario analysis and cross-product interactive experiences.</li> <li>■ Hardware platform: Improve the performance of cameras, smart door locks, and other devices, enhance self-development proficiency, and achieve modular integration.</li> <li>■ Firmware: Build platform-based self-development capabilities, advance standardisation, master AI algorithms for on-device CV (computer vision), and provide technical support for service innovation across multiple scenarios.</li> </ul>
 <p>Photovoltaic business</p>	<ul style="list-style-type: none"> <li>■ Self-developed optimisers: Independently develop one-to-two power optimisers that achieve industry-leading performance.</li> <li>■ Innovative balcony photovoltaic products: Launch photovoltaic products featuring easy installation, plug-and-play functionality, all-black components, and smart app control support to facilitate clean energy applications across multiple scenarios.</li> <li>■ Dust prevention components: Address the issue of heavy dust on components to enhance power generation efficiency and long-term returns of photovoltaic systems.</li> </ul>
 <p>Smart connected device business</p>	<ul style="list-style-type: none"> <li>■ AI Empowerment: Apply AI to mobile broadband devices to enable intelligent antenna scheduling, dynamic bandwidth control, and intelligent power management, optimising user experience and reducing energy consumption. Integrate AI functions into smart wearable devices to enhance user engagement.</li> <li>■ Router OS: Develop and optimise operating systems for mobile broadband devices to boost product competitiveness.</li> <li>■ Security: Foster independent R&amp;D capabilities and collaborate with leading security vendors to integrate user-perceivable advanced security features into mobile broadband devices, enhancing product appeal and reliability.</li> </ul>

## Driving Digitalisation

TCL Electronics upholds the "6+1" digitalisation strategy. With the strategic goals of "achieving an online business rate of over 90% and an intelligent decision-making rate of over 70%", we are building an innovative business model by establishing an AI platform, advancing digital operations and smart manufacturing, and driving digital transformation that covers all employees, all business segments, and full lifecycle.

Key Tasks at Each Stage of the "6+1" Digitalisation Strategy:

2026 - 2027	User-Driven Experience Improvement	Big Data Intelligence	Model-driven Decision Support for Business Operations
2028 - 2029	Digital Ecosystem Development: Establishing data connectivity among ecosystem partners to support collaboration throughout the value chain		
2025	The self-developed system has achieved a <b>92%</b> coverage rate, supporting the growth of existing businesses and the expansion into new businesses.		
	5 core AI infrastructure platforms have been built from scratch, and now successfully cover <b>120</b> enterprise AI agents to empower business operations.	<b>19</b> digital operations initiatives have been rolled out.	

### Huizhou TCL Mobile Communication's Digitalisation Project Selected as a National-Level Transformation Model

In September 2025, Huizhou TCL Mobile Communication's project titled "Leveraging Digitalisation in Driving Intelligent Manufacturing of Smart Terminals to Achieve End-to-End Efficient Collaboration and Performance Improvement" was included in the *2025 Collection of Typical Cases of Digital Transformation in Manufacturing* by the Ministry of Industry and Information Technology. This case is the sole selected case from the mobile phone industry, and the Company is one of only three enterprises from Guangdong Province to receive this recognition.

The case establishes a fully digitalised intelligent factory for mobile intelligent terminals, built upon a unified information architecture that deeply integrates automation and information technology. It implements dual modes of B2M efficient production and C2M customisation, driving deep integration of three key transformations<sup>6</sup>, and has progressively established an intelligent decision-making management system. With over 72% of equipment developed in-house, and active innovation in AI applications, the case has demonstrated significantly improved decision-making accuracy and response speed.

In July 2025, Huizhou TCL Mobile Communication successfully obtained the China Manufacturing Maturity Model (CMMM) Level 3 (Integration Level) certification, marking a major breakthrough in building an intelligent manufacturing system and setting a new benchmark for digital transformation in the industry.



2025 World Manufacturing Convention - Manufacturing Digital Transformation Achievements Matchmaking Event



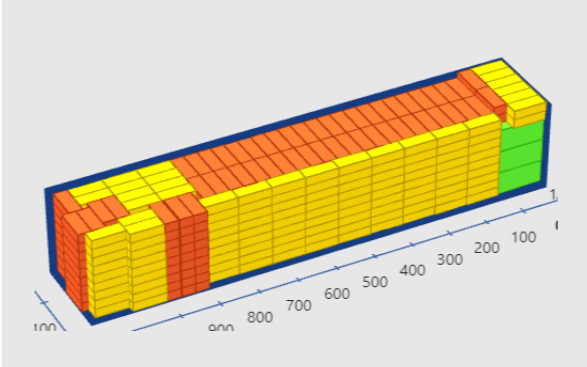
Huizhou TCL Mobile Communication has passed the CMMM Level 3 certification

6. Namely "Informatization, Automation, and Digitalization".

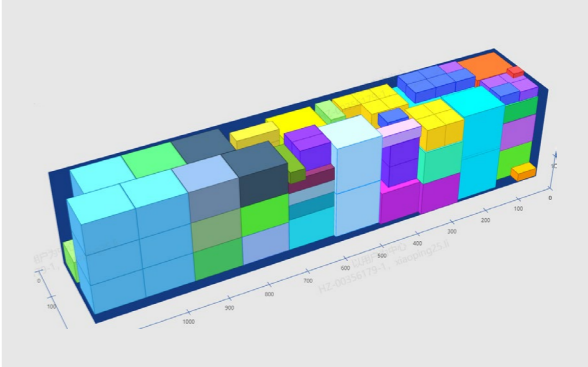
### Smart Container Load Optimisation, Emission Reduction by Algorithm-Driven Logistics

TCL Electronics independently developed the industry's first digital smart container calculation solution. Through AI planning and decision-making algorithms, it enables three core scenarios of pre-order estimation, post-booking scheduling, and post-production container arrangement. This achieves accurate prediction of container demand, intelligent optimisation of load plans, and cross-process coordination, improving operational certainty and resource planning efficiency.

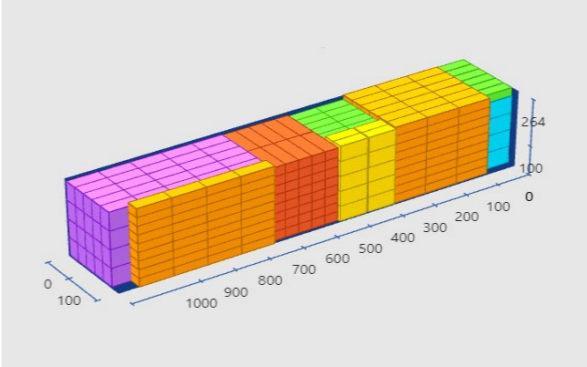
The AI-based smart container load solution has obtained a national invention patent, increasing single container calculation efficiency by 85% and raising the average loading rate to 88%. By maximizing space utilisation, and reducing unnecessary container use and transportation frequency, it lowers logistics operating costs and carbon emissions in the supply chain. This solution has been successfully applied to major BUs within TCL Electronics and has been implemented at scale in 63 countries and regions worldwide, effectively promoting the green and digital transformation of logistics.



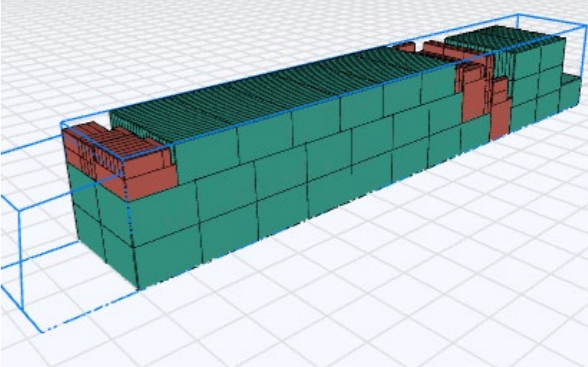
Group Identical Items



No Cross-Group Mixing



Follow Load Sequence



Co-load Kits

### AI-Empowered High-Quality Development of Sales Teams

TCL Electronics values organisational empowerment through the "AI + Capability Revolution" and has successfully built an intelligent empowerment ecosystem in the field of sales covering the full chain of "learn-practice-ask-application-inspect." The Company has established an intelligent training academy and quality inspection platform to provide sales personnel with highly scenario-based and personalised training content, comprehensively improving the skills of the sales team. In the second half of 2025, the average productivity per person in smart display stores was significantly improved, successfully creating a development ecosystem that is quantifiable, trackable, and target-oriented.

# Upholding Technology for Inclusion

Upholding technology for inclusion, TCL Electronics strictly complies with relevant regulations and standards in all global operating locations, such as the *European Accessibility Act*. Through innovation, we enhance the accessibility, reliability, and inclusiveness of products to empower special groups, bridge the digital divide, and deeply integrate technology with humanistic care.

## Safeguarding Kids and Adolescents: Building a Product Ecosystem for Safe and Healthy Growth

We have built a comprehensive product ecosystem addressing kids' and adolescents' learning, safety, and health needs.

**AI-Powered Smart Screen Companionship and Learning:** Leveraging AI and large-screen interactive technology, Smart Screen AI provides kids with age-appropriate learning content and interactive experiences, integrated with family education guidance functions. This enables parents to accompany their children in an informed manner, elevating the quality of family education and fostering mutual growth between parents and children.



Smart Screen AI Usage

**Tbot:** Integrating alerts for posture correction, sleep monitoring, AI-powered safety protection, and learning partner functions, Tbot extends the kids' watch experience as a desktop companion, delivering all-day, multi-dimensional health and safety guardianship.



Tbot Product Image

**TCL MOVETIME MT48 Kids Smartwatch:** Integrating industry-leading L1+L5 dual-band GPS positioning technology, the smartwatch achieves second-level location refresh and high anti-interference positioning. Combined with custom safe zones and a one-touch SOS emergency button, it provides children with all-day, high-precision safety protection. The product complies with global privacy standards including GDPR, and has obtained certifications such as ISO 27701 and ISO 27001, ensuring data security.



TCL MOVETIME MT48 Kids Smartwatch

**TCL NXTPAPER 5G Junior Smartphone:** Equipped with colour ink eye-care display technology, the smartphone reduces eye strain through blue-light filtering, anti-glare and other technologies, combined with smart posture reminders. Parents can remotely configure screen time, application permissions, and real-time location, helping teenagers to develop healthy digital life habits.



TCL NXTPAPER 5G Junior Smartphone

## Advancing Elderly-Friendly and Accessible Design to Lower Digital Barriers

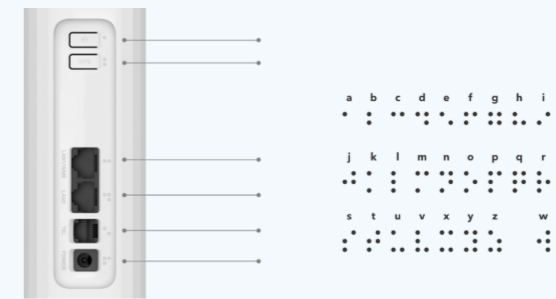
We address the needs of elderly and visually impaired users, enhancing product usability and inclusivity through integrated hardware and software design.

**"Elderly Mode" of TV:** Through a minimalist interface design, large-font display, and voice assistant supporting dialect recognition, this mode significantly lowers the digital barrier for elderly users. Powered by a new-generation AI large language model voice assistant, it can accurately understand natural semantic commands such as "I'd like to read a book" or "I'm going to sleep" and intelligently connects with smart home systems to enable scenario-based operations such as mode switching and turning off all home devices.



TV "Elderly Mode"

**Hardware Accessibility Design:** Our company has added braille markings and tactile feedback buttons to hardware such as routers to facilitate easier use for visually impaired individuals.



Braille Marks on Routers

## Providing Emotional Companionship and Humanistic Care Powered by Technology

We provide warm companionship and support for diverse groups through emotionally intelligent technology.

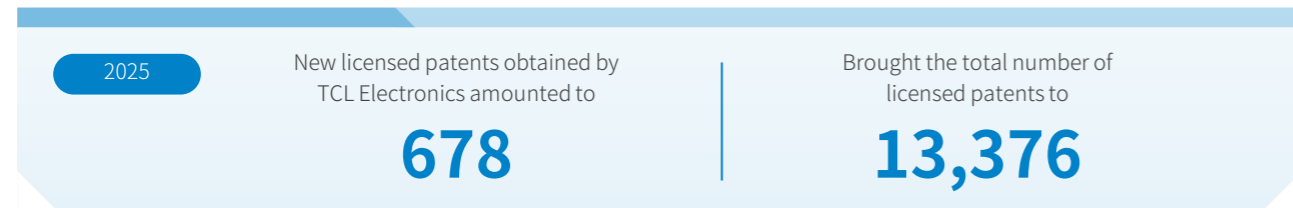
**TCL AiMe Detachable AI Companion Robot:** As the world's first detachable AI companion robot, TCL AiMe flexibly adapts to various spaces and scenarios, featuring indoor cruising and close-range companionship functions, such as natural conversation, interactive games, and storytelling, which provides users with both practical functionality and emotional companionship.



TCL AiMe Product Image

# Intellectual Property Rights Protection

TCL Electronics strictly abides by laws and regulations such as the *Patent Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, the *Copyright Law of the People's Republic of China*, and the *Regulations on the Protection of Computer Software* across all its global operating locations. Additionally, TCL Electronics has established internal policies such as the *Intellectual Property Management Manual*, the *Patent Application Management Measures*, the *Patent Reward Measures*, the *Rules on Standard Technical Patent Rewards and Review*, and the *Rules on Agency Resources Management*. These regulations and internal policies collectively ensure the stringent standardisation of processes and tasks involving the evaluation, application, maintenance, and use of product patents. We have launched an intellectual property management system to achieve full-lifecycle IT-based management. We are actively building a portfolio of high-value patents and, through establishing mechanisms of patent litigation response and supply chain collaboration, have achieved a strategic shift from passive response to proactive risk prevention and control, thereby managing patent risks.



We have established a rigorous internal patent evaluation and decision-making mechanism to ensure efficient allocation of innovation resources:

Internal value evaluation	Submission to online system	Multi-dimensional expert review	Tiered decision-making
The patent proposal department conducts a preliminary value assessment of the technical proposal.	The proposer formally submits the documents via patent management system.	A review team of direct leaders and IPR technical experts conduct online and offline reviews and perform scoring and weighting in multiple dimensions.	Based on review results, patents proposals are classified at S/A/B levels (corresponding to different priorities for application and protection strategies) or determined to be protected as technical secrets or by other means.



## Protecting Self-developed IPRs

We have carried out scientific, planned and procedural routine maintenance on the IPRs that have already been obtained and actively build a robust proactive defence network to ensure comprehensive protection of the Company's intellectual property.






### Measures for Protecting Self-developed IPRs

- Standardised information management**: Establish the IPR information management records, and keep clear records of the types, the status and protection period of rights to protect IPRs in a timely manner.
- Proactive infringement risk monitoring**: Proactively track down potential IPR infringement leads on a global scale independently or in cooperation with external law firms to guard against potential risks.
- Firm actions to defend rights**: Issue infringement warning letters, file lawsuits or take other actions for severe violations identified according to the *Regulations of the Patent Litigation and Patent Licensing Case Management*.
- Engaging in the international patent pools**: Incorporate certain patents into standard essential patent (SEP) pools through international patent licensing platforms such as Avanci<sup>7</sup> and Sisvel<sup>8</sup>. This allows us to obtain reasonable licensing revenues to effectively reduce R&D costs while promoting technology sharing and industrial development.
- Regular specialised training**: Conduct IPR protection and risk prevention training for front-line product personnel and sales teams and carry out related policy communication and Q&A sessions according to the needs of departments.
- Establishment of feedback mechanisms**: Encourage employees to promptly report external suspicious infringing clues which will be followed up and evaluated by the legal and compliance department, thereby forming a protection network with participation from all employees.

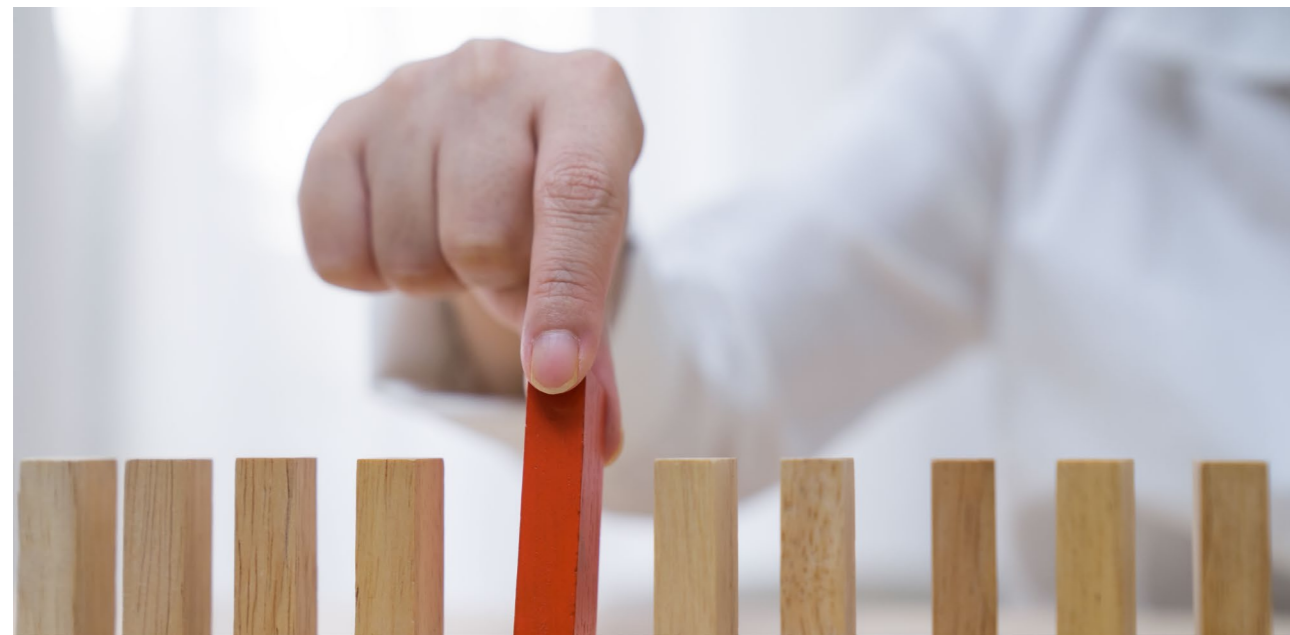
7. Avanci is an independent provider of patent licensing solutions that works at the intersection of different industries to provide patent licensing of efficiency, convenience, and predictability.  
 8. Sisvel is a company that provides licensing solutions and patent pools for the delivery of cutting-edge technologies.

## ▶ Infringement Risk Management

TCL Electronics has fully integrated intellectual property risk management into the entire product lifecycle and supply chain management system, establishing a comprehensive risk screening and response mechanism covering the full product lifecycle from planning, R&D, production to market launch and operation. By establishing an institutionalised and process-driven closed-loop control system, we identify and prevent potential infringement risks and show respect for third-party IPRs.

Closed-loop IPR risk management throughout the product lifecycle	
	<p><b>Proactive risk assessment during planning and R&amp;D:</b></p> <p>For products planned for release or launch, perform global patent searches based on their technical proposals and evaluate potential infringement risks to inform decisions on design-around strategies or licensing negotiations.</p>
	<p><b>Process review during procurement and production:</b></p> <p>Perform intellectual property guarantee reviews on documents provided by suppliers during the procurement of products; Conduct IPR compliance reviews on goods delivered by third parties to prevent infringing products from entering the supply chain.</p>
	<p><b>Process review during market launch and operations:</b></p> <p>For products launched, oversee compliant use of content as per cooperation agreements, and establish clear copyright complaint guidelines on relevant webpages to ensure open channels for external oversight and feedback.</p>

We extend IPR protection requirements to supply chain partners, building a risk defence system with shared accountability. By clearly specifying IPR protection provisions in procurement agreements signed with suppliers or contractors, we require them to ensure that the products or services provided to us do not infringe upon any third-party IPRs. Upon receiving any complaints regarding a supplier's infringement, we will rigorously initiate investigation and enforce the liability clauses in the contract according to the *Implementation Rules for Supplier's Responsibilities* to ensure suppliers take responsibility for their actions and uphold the legal integrity of IPRs.



## Leading Industry Development

Building on its robust technological capabilities and industrial expertise, TCL Electronics dedicates itself to establishing an open, collaborative, and sustainable technology innovation ecosystem by actively participating in industry standard development, collaborations, and partnerships across industry, universities, and research institutes.

### ▶ Industry Exchanges

Regarding industry exchanges and communication, we are dedicated to sharing pioneering sustainability ideas and the latest technological advances with our industry partners, driving common technological progress and industrial integration. In 2025, TCL Electronics upheld a technological innovation strategy centred on "display quality, intelligence, health and energy efficiency", continuously intensified open innovation and ecosystem collaboration. We prioritise strengthening core competitiveness of products, tackling critical technological challenges, and expanding investment in forward-looking technology reserves. Through deep collaboration with leading universities, research institutes, and industry partners, we speed up and improve the quality of commercialising innovations from laboratory to market.

#### Case: Fusing AI, Art, and Technology, TCL Electronics Presented an Immersive Intelligent Ecosystem at CES 2025

In January 2025, TCL Electronics created an immersive technology experience by fusing futuristic AI styling, digital art, and technological installations. At the exhibition area, TCL Electronics showcased TVs, esports display, air conditioners, refrigerators, washing machines, tablets, mobile phones, RayNeo Smart Glasses, Smart Home Energy Management Solution (HEMS), and smart door locks, among other products.



TCL Electronics at the Consumer Electronics Show (CES)

## Development of Industry Standards

We actively engage in the formulation and revision of multiple key industry standards, contributing our technical expertise and management experience in product quality, safety, environmental protection, and energy efficiency to enhance industry standards and promote industrial standardisation and high-quality development.

The publication status of standards co-developed by TCL Electronics in 2025	Standard No.
<i>Technology Process for Repairing and Regenerating Graphite Anode from Scrapped Lithium-ion Batteries</i>	T/QGCML 1631-2023
<i>Technology for Repairing and Regenerating Lithium Cobalt Oxide Cathode Materials in Used Batteries</i>	T/QGCML 3057-2024
<i>Requirements for Restricted Use of Hazardous Substances in Electrical and Electronic Products</i>	GB 26572-2025
<i>Measurement Methods of RGB-Mini LED Backlight Unit for TV</i>	T/CVIA 171-2025
<i>Technical Specification of Grading for Image Quality of Flat Television under Ambient Light</i>	T/CVIA 162-2025
<i>Ambient Light Test Conditions for UHD TV Subjective Evaluation</i>	T/CVIA 161-2025
<i>Labelling Requirements for Restricted Use of Hazardous Substances in Electrical and Electronic Products</i>	SJT 11364-2024
<i>Green Product Assessment - Audio and Video Equipment</i>	20241664-T-339

## Industry-University-Research Cooperation

We have established in-depth strategic partnerships with several leading universities and research institutes, conducting joint R&D in areas such as display technology, AI, and green materials to accelerate the translation of laboratory achievements into industrial applications. Meanwhile, we cultivate future industry talent by establishing a "TCL university talent training base", joint laboratories, and education funds, continuously fuelling industry innovation and sustainable development with a strong pipeline of skilled professionals.

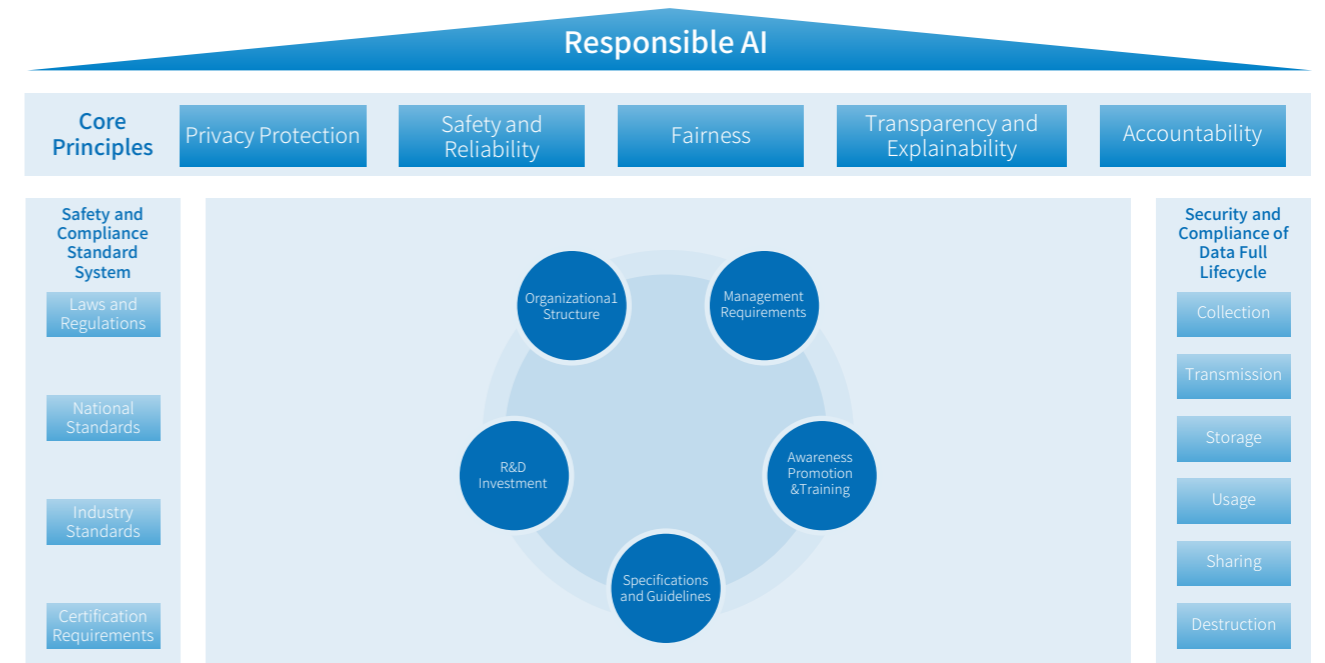


## Technology Ethics Governance

TCL Electronics recognises the ethical, safety, and social responsibility implications accompanying the development of AI technologies. We strictly follow the *Algorithm Ethical Review Standards* stipulated by the Compliance Management Committee of TCL Industries Holdings and adhere to the Eagle Lab's *AI Application Security White Paper: Responsible AI*, embedding the concept of "Responsible AI" into corporate governance and innovation processes. With a systematic framework covering the lifecycle governance of Responsible AI, we ensure that the development and application of AI technologies always remain human-centred, comply with ethical norms, guarantee safety and trustworthiness, and are committed to creating sustainable social value.

In 2025, there were no violations of technology ethics within TCL Electronics.

### Systematic Framework for Responsible AI



We embed responsible AI requirements throughout the full lifecycle of AI products to enable process-based risk control:



Furthermore, guided by capability maturity models, we continuously optimise the closed-loop governance system, and actively apply cutting-edge technologies such as differential privacy to achieve a balance between technological innovation and social value creation, whilst safeguarding user privacy and data security.

# 03

## Harmonious Coexistence and Low-carbon Development

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TCL Electronics embeds environmental protection into its corporate responsibility, practices green principles to drive product innovation and provide consumers with sustainable, low-carbon offerings. Through a robust environmental management system and continuous improvement mechanisms, we respond proactively to climate change, minimise the impact on ecology from our operations, and accelerate green and low-carbon transformation.

6 CLEAN WATER AND SANITATION



7 AFFORDABLE AND CLEAN ENERGY



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



14 LIFE BELOW WATER



15 LIFE ON LAND



# Sustainable Green Products

TCL Electronics is committed to embedding the principles of sustainable development into the entire product lifecycle. From design, procurement, packaging, usage to recycling and regeneration, every stage is guided by environmental protection, low-carbon transition, and efficient resource utilisation. Starting with green design, we prioritise eco-friendly materials, optimise packaging material usage in production, enhance energy efficiency during use, and build a comprehensive recycling system.


## Green Design

TCL Electronics has established green design and environmental health management processes covering the entire product life cycle. During new product development, environmental and health-related standards are systematically incorporated, embedding green design principles throughout the R&D process, and design proposals are assessed for compliance and environmental impacts through standardized R&D review mechanisms. These management requirements not only cover product design and manufacturing, but also extend to the supply chain, promoting the implementation of chemicals risk management requirements by suppliers through strengthened hazardous substances control and responsible minerals sourcing.


Our product design places emphasis on easy disassembly, employing snap-fit structures in place of screw fixings to facilitate efficient dismantling and material recovery at end-of-life, meeting requirements such as the EU WEEE Directive. Meanwhile, we pursue lightweight, modular design and employ environmentally friendly processes such as spray-free finishing to reduce environmental impact at source.

Life Cycle Assessment (LCA): Leveraging the GPM-LCA product life cycle assessment system, systematic evaluations are conducted across all life cycle stages, including raw material extraction, manufacturing, transportation, product use and end-of-life recycling, to identify key environmental impact categories. Based on the assessment results, environmental hotspots are identified and targeted optimization and emission reduction measures are formulated. The life cycle emissions inventory and improvement plans cover major environmental impact categories and are updated on a regular basis.


Green Product Management System (GPM): Capable of generating life cycle assessment reports at the individual product model level, GPM enables end-to-end evaluation of environmental and health impacts across the product life cycle, covering seven environmental impact categories including climate change, acidification, eutrophication and photochemical ozone formation. At the new product design stage, low-carbon design and green material selection requirements are also incorporated, such as mandating the use of soy-based inks in packaging design, and aligning with UL110 Silver certification requirements for certain products to promote the use of green materials, lightweight structural design and design for disassembly and recycling.


**Pan-Smart Screen BU Promotes Green Design and Energy Efficiency Enhancement**


The Pan-Smart Screen BU has fully integrated energy conservation, emission reduction, and green development principles into product design and manufacturing, enhancing resource efficiency through structural optimisation, process upgrading, management coordination and other means. During manufacturing, the Pan-Smart Screen BU actively promotes lightweight and integrated design, adopts BMS all-in-one machines and plastic-for-metal replacement solutions to effectively simplify the overall machine structure and reduce materials and assembly consumption. Green packaging and structural optimisation are promoted, resulting in year-on-year reduction in EPS packaging material usage. In terms of products, the energy efficiency indices generally reach Grade 2 or above, with standby power consumption within 0.5W. Multiple products have obtained Energy-saving Product Certification issued by the China Quality Certification Centre. At the management level, green design databases and professional design tools have been established, relying on complete PLM and GPM (Green Product Management) systems to strengthen resource efficiency control of the product lifecycle, continuously improving green manufacturing performance.




Energy-saving Product Certification (Example)


**Smart Connected Device (SCD) BU Builds a "Design - Production - Recycling" Full-Cycle Green Value Chain**

The SCD BU advances green management across the product lifecycle, integrating eco-friendly concepts into design, transportation and recycling stages. The design of the fibre gateway grille structure enhances heat dissipation and achieves an approximately 15% reduction in energy consumption. During transportation, a stackable packaging design is adopted, improving logistics space utilisation by over 30%, with priority given to sea freight to effectively reduce the carbon footprint of transportation. At the product retirement stage, clear material classification and labelling guides consumers in proper disposal. Combined with backend recycling systems, the overall recycling rate reaches 85%, forming a closed-loop resource path from design to regeneration.


**Application of Glass Fibre Back Covers, Practising Sustainability Through Durable Design**

The Mobile Phone BU has adopted glass fibre as an innovative material for back covers of mobile phones. The lightweight material endows products with excellent structural strength and impact resistance, effectively enhancing product durability and service life. This reduces resource consumption and electronic waste from repairs or premature replacement, contributing to resource conservation.



Sustainability Through Durable Design (Glass Fibre Back Covers)


**Exploring Green Product Design through Smart Mobile Display (SMD), and Obtaining ECOLOGO Silver Certification**

In 2025, the SMD BU piloted the Diana series tablet to strengthen the environmental performance across the full lifecycle of products, creating an industry benchmark product with high performance and low carbon footprint.

The design of Diana 10.1" 5G tablet strictly complies with green design principles, systematically optimising multiple dimensions including material selection, energy efficiency, product durability, and recyclability, thereby significantly reducing the environmental impact of the product during manufacturing, use, and disposal. By integrating green engineering technologies with traceable supply chain management, the product delivers comprehensive excellent environmental performance. Consequently, it has fully complied with the Silver-Level requirements of IEEC 1680.1-2018 and IEEC Std 1680.1a-2020 standards, and has successfully passed the audit by the third-party eco-label certification institution UL Solutions, obtaining the ECOLOGO Silver Certification.



ECOLOGO Silver Certification


## Renewable Raw Materials

TCL Electronics continuously increases the proportion of renewable and highly durable green materials in its procurement and application, promoting efficient resource recycling and reducing resource consumption across the product lifecycle. Through ongoing innovation, the Company applies various environmentally friendly materials, providing material support for the development of green, low-carbon products.

**Integrating Diversified Materials to Make Sustainable Remote Controls**

We have explored and applied diversified green material solutions for different components of remote controls.

The front panel is made from recycled aluminium, which maintains structural strength and metallic texture whilst effectively promoting aluminium recycling to reduce energy consumption and carbon emissions from aluminium ore mining and smelting. Three innovative solutions are adopted for back shells: Bioplastics, sourced from renewable resources, help reduce dependence on petroleum-based raw materials and lower the product carbon footprint; Spray-free plastics, upon injection moulding, directly present the colour and gloss required by design, thus eliminating traditional spraying processes, reducing volatile organic compound emissions at source, and contributing to better production environment and employee health; and post-consumer recycled plastics, applied with special surface treatment processes, present a delicate suede-like texture, achieving high-value regeneration of waste plastics whilst enhancing users' visual and tactile experience.



Diversified Green Materials for Remote Controls

**Application of TCL ECORA Recycled Ceramic Materials in Various Scenarios**

Unlocking aesthetic possibilities, the TCL ECORA project utilises ceramic waste as the raw material, which is screened and ground into fine powder of controllable particle sizes, and reintegrated into a polymer base as a high-performance filler. Without altering existing injection moulding processes, this material successfully substitutes a portion of virgin plastics and mineral fillers, enhancing material utilisation efficiency. Recyclability is considered at the initial design stage of ECORA materials. Upon product retirement, the material can be processed through existing plastic recycling systems for shredding and granulation, then reformed into composite particles and reintroduced into production, achieving a closed-loop cycle of "use—recycle—regenerate—reuse".



**Sorting**

High quality ceramic waste from China Jingdezhen's production stream are selected



**Refining**

Ceramic waste are ground into powder of 40-100 mu



**Blending**

Ceramic powder is blended with a base polymer and compounded into pellets



**Molding**

Pellets are injection molded into product parts

This material is suitable for the injection moulding of large-scale components such as television back panels, and can be extended to 3D printing, small-batch manufacturing, and a variety of surface and flexible material applications. Furthermore, based on the same circular economy principles, the ECORA process has been successfully extended to sectors including textiles, powder coatings and water-based PU materials, thereby significantly advancing the cross-sectoral implementation of circular design principles.




Recycling Process Flow of ECORA Materials

**Application of Recycled Materials in Multiple Products by Smart Mobile Display (SMD)**

The SMD BU actively promotes the application of recycled materials to drive the green transformation of products:

- The back cover of the T-Mobile REVL TAB 2 tablet contains 65% post-consumer recycled (PCR) materials, significantly increasing the proportion of recycled materials used.
- The TCL Note A1 NXTPAPER protective case utilises 100% naturally sourced eco-friendly organic silicone material, achieving material sustainability whilst possessing excellent stain resistance properties.
- The TCL PlayCube projector innovatively employs recyclable yarn-woven fabric for exterior wrapping, further diversifying applications of renewable materials in product design.




Diversified Application of Renewable Materials in Product Design

**Application of Recycled Materials in Router Products by Smart Connected Devices**

To practice green design concepts, the Smart Connected Devices BU promotes extensive use of recycled materials in router products:

- **Hardware design:** All hardware adopts a halogen-free design, with recycled plastics extensively used for shell materials. Recycled materials account for 65% in standard use, which can be further increased to 95%. Meanwhile, recycled aluminium has been verified to be used as a heat dissipation material and implemented in specific projects.
- **Packaging design:** Plastic-free solutions are adopted, with green ink printing, systematically reducing environmental footprint in the packaging segment.



Green Design for Routers

**Spray-Free Metallic Texture Material Replacing Original Plastic Spraying Solution**

After years of R&D in spray-free metallic texture materials, TCL Electronics took the lead in 2025 in applying this material to multiple structural and appearance components such as TV shells and bases, replacing the traditional plastic spraying processes. Whilst maintaining its premium visual appeal, this phases out the spraying process, lowers production costs and carbon emissions, practising green product concepts fundamentally from design.



TCL Spray-Free TV Panels and Bases

## Green Packaging

Green packaging is a key aspect of TCL Electronics' practice of sustainable product lifecycle management. To this end, we promote the use of packaging materials that are plastic-free, reduced in volume, lightweight, and recyclable within the supply chain, partnering with suppliers to jointly create a resource-saving and environmentally friendly product delivery system.

We have implemented a series of measures tailored to different product lines and markets:

### Plastic-free practices

For all mobile phone products shipped to the EU, we have achieved completely plastic-free packaging. All materials are recyclable and degradable, effectively reducing the environmental impact of plastic pollution and non-degradable waste.

### Reduction and lightweighting design

By actively adopting the "no charger solution" for mobile phone products, the volume of packaging boxes is reduced by approximately 40%. For TV products, we implement a packaging "slimming" programme, achieving an average annual reduction of approximately 8% in TV product packaging volume through innovative cushioning structures. This initiative significantly reduces packaging material consumption and carbon footprint from logistics, whilst effectively reducing packaging waste at source. We adopt a minimalist design for packaging boxes, optimising the packaging structure with only the TCL logo, product model, and "Mini LED" technology label clearly printed, without redundant decoration.



Minimalist Packaging Design

### Application of eco-friendly materials

We collect plastic waste that may enter the oceans and utilise it in QLED TV eco-friendly packaging, reducing total packaging weight by 5%. TCL router products prioritise eco-friendly papers certified by the Forest Stewardship Council (FSC), and employ natural, eco-friendly soy-based inks in packaging printing to reduce volatile organic compound (VOC) emissions and enhance the environmental friendliness of packaging. In addition, router products adopt up to 95% PCR plastic.

Plastic free



Halogen free



100% Recyclable



100% Recovery

Application of Eco-friendly Packaging Materials

### Building a Recycling System

We sign *Packaging Material Recycling Agreements* with suppliers to uniformly recover and recycle packaging materials including cartons, blister packing trays, and material trays, reducing procurement costs whilst promoting closed-loop resource flows.

### Technological Innovation and Application

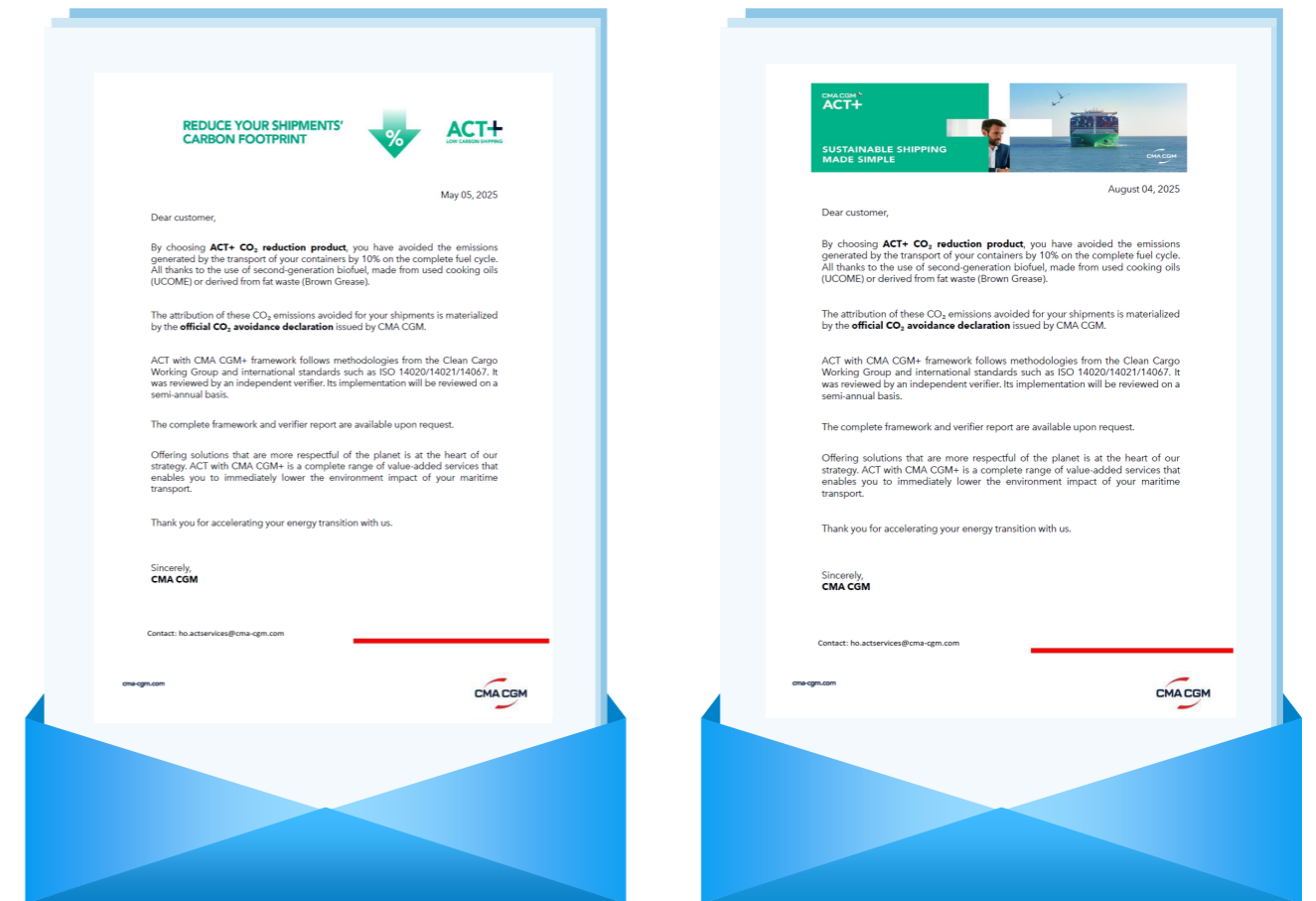
We apply eco-friendly cushioning materials such as air column bags and recycled honeycomb panels in packaging for TV and other products, replacing traditional foam plastics to reduce environmental footprint whilst ensuring transportation safety.

## Green Logistics

TCL Electronics integrates green and low-carbon concepts into logistics transportation and warehousing management, continuously reducing carbon footprint in operations through route optimisation, green warehousing, packaging reduction and technological empowerment.

### Transportation

We actively advance logistics network optimisation and low-carbon transformation. This year, we launched the Direct-to-Consumer Warehouse Network Project, integrating and optimising warehouse layouts and distribution routes of overseas branches. Using professional software to calculate optimal solutions based on order, cost and distance data, we expect to achieve a 20% reduction in transportation distance, resulting in a decrease of 103.39 tonnes of carbon dioxide emissions. Meanwhile, we have introduced sea freight services with carbon offsetting capabilities, exploring carbon offsetting in logistics segments.



Ocean Freight Verified Emission Reduction Certificates

### Ocean Freight Verified Emission Reduction Certificates

We continuously optimise our green warehousing standards. We comply with the *Technical Access Directory for Warehousing Service Providers*, giving priority to warehouses utilising new energy equipment and featuring photovoltaic coverage. Clean energy equipment such as electric forklifts and electric trailers is promoted at various industrial bases to drive the clean transformation of warehouse operations. Concurrently, we ramp up efforts to build intelligent and energy-efficient warehousing systems. We have introduced intelligent equipment such as automatic palletising robots and AGVs in product warehousing, improving operational efficiency and safety, whilst optimising energy use for lighting and air conditioning.

## Use of Products

We prioritise the energy efficiency of electronic products and strive to reduce carbon emissions during the use of products, integrating green performance into the user experience.

- This year, we continued to independently develop and promote our proprietary advanced energy-saving display technology, driven by Mini LED and Local Dimming technologies. Through precise backlight control, we significantly improved energy efficiency, achieving over 68% energy savings on an 86-inch TV product using a high-zone (880-zone) configuration, and over 40% savings with a medium-zone (286-zone) configuration.

- We apply energy-saving panel technology across the whole series of television products sold in overseas markets. With energy-saving features such as supporting users in independently adjusting screen brightness and setting auto-power-off timers, the compliance rate with Grade 1 energy efficiency standards for certain product series has exceeded 95%. Particularly, our 98-inch flagship product achieves an energy efficiency rating of up to 10, surpassing the national standard.



Energy-saving Product Certification Report (Example)

### TCL Electronics Promotes Carbon Management across the Product Lifecycle, Using Scientific Approaches to Quantify Environmental Footprints

TCL Electronics' Pan-Smart Screen BU, Mobile Phone BU, SMD BU, and SCD BU have all established GPM digital systems, continuously improving their capabilities for product carbon footprint management. In 2025, we carried out the quantification and verification of full-lifecycle product carbon footprints for the T951K smartphone and the 55P8K LCD television in accordance with ISO 14067:2018. The results were verified by independent third-party institutions with product carbon footprint verification statements. Verification data indicates that the carbon footprint of a T951K smartphone is 49.463 kg CO<sub>2</sub>e, while that of a 55P8K LCD television is 1,203.53 kg CO<sub>2</sub>e, covering full-lifecycle stages including raw material acquisition, production, product distribution, product use and end-of-life stages. The verification results indicate that the product's carbon emissions are mainly concentrated in the stages of raw material acquisition and product use.



Product Carbon Footprint Verification Statement (One LCD TV Set and One Mobile Phone)

By analysing and tracking carbon footprint data, the GPM system provides data support and a basis for decision-making regarding TCL Electronics' green product design and the collaborative carbon reduction across the supply chain. At the same time, the carbon footprint verification further enhances the credibility and transparency of environmental information disclosure. In the future, TCL Electronics plans to expand carbon footprint management to more product lines and optimise product design and operation based on quantitative analysis results, thereby continuously developing environmentally friendly products.

## Recycling and Reuse

We are committed to integrating circular economy principles throughout the entire lifecycle of products, with an attempt to reduce resource consumption and environmental impact. To this end, we offer consumers more sustainable and durable product options and promote standard recycling and reuse of obsolete products.

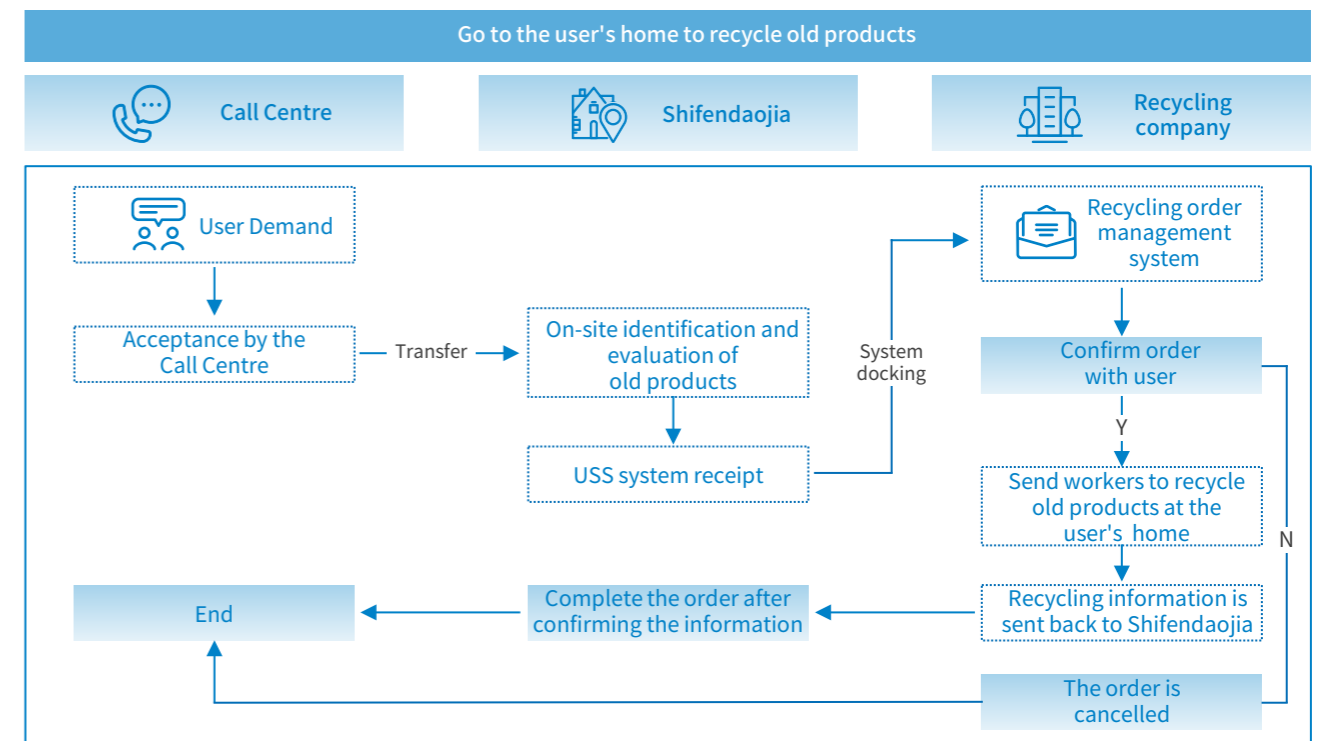
### Management of Electronic Waste

TCL Electronics has deeply embedded circular economy principles into its corporate operations. By systematically implementing the principles of "reduction, recycling, and harmless treatment", we are committed to establishing an electronic waste management system that covers the entire lifecycle of products. We strictly adhere to the *Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal*, as well as all applicable laws and regulations in the jurisdictions where we operate. We actively reference international standards such as the *EU's Waste Electrical and Electronic Equipment Directive (WEEE)* to ensure full compliance in the cross-border movement and disposal of waste. In 2025, approximately 45% of the electronic waste generated by the Group was recycled and reused.

Through the establishment of a global compliant recycling network, we systematically promote the conversion of electronic waste into sustainable resources, thereby minimising environmental impact and maximising the value of resource circulation. At the source, we implement eco-design, reduce the use of raw materials, and convert production waste into resources, thereby creating favourable conditions for end-of-life collection and recycling.

To ensure standardised and efficient disposal of obsolete electronic products, we have established recycling points at retail stores, designated drop-off locations, and provide consumers with convenient postal return and scheduled pick-up services. Furthermore, we actively lower the barriers to public participation. In North America, the packaging of all TCL audio and video products clearly features the How2Recycle® label. Besides, we have provided a convenient recycling network expanding across the United States. Such efforts aim to guide consumers to join hands with us to build a green recycling ecosystem.

### Recycling Process for Waste Electronic Products



Waste products are centrally managed by TCL Environmental Protection Technology Co., Ltd., a subsidiary of TCL Industries Holdings, or are entrusted to certified partners with international accreditations such as R2 and e-Stewards® for compliant disposal. Products that meet the criteria are subject to reuse or refurbishment processes, and the rest are efficiently disassembled, with metals, plastics and other materials recycled for use, thereby continuously improving the resource recycling rate.

## ▶ Reuse of Resources

In our production and operation processes, we actively implement resource conservation and reuse measures, encompassing areas such as water recycling, packaging materials, and raw materials.



**Reuse of water resources**

Through technological upgrades, we have achieved the reuse of water resources. For example, intelligent drinking water control system has been configured at the Mobile Phone BU, utilising reverse osmosis technology to filter and reuse tap water. Besides, recirculating water-cooling systems are widely applied to improve the utilisation efficiency of water resources.



**Reuse of packaging materials**

We promote green and circular packaging across the supply chain by comprehensively promoting plastic pallet reuse projects and replacing disposable wooden pallets. On this basis, a closed-loop management mechanism of "recycling - cleaning - reusing" has been established.



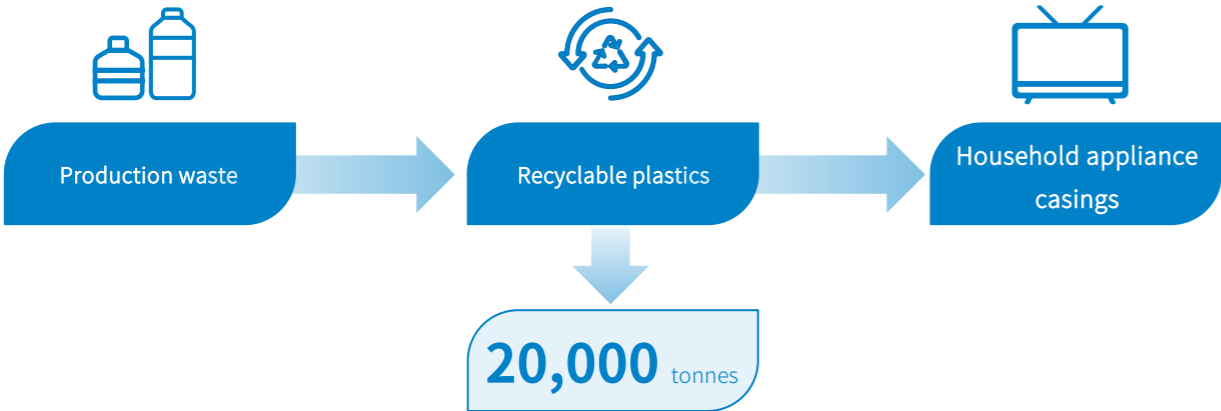
**Reuse of raw materials**

We utilise waste ceramics from the ceramic industry as raw materials to produce ceramic powder, which partially replaces virgin plastics and mineral fillers for components such as television back panels. Upon reaching the end of its service life, this material can be regenerated through plastic recycling systems, forming a complete closed loop of "using - recycling - regenerating - reusing".

Furthermore, we have established an internal reverse logistics closed-loop system to standardise the disassembly of waste products. Reusable components are subject to repair and refurbishment after being strictly tested, responding to a green model of "refurbishment over disposal". Non-usable and hazardous wastes are sent to qualified third parties for harmless treatment.

Reuse of Resources at the Pan-Smart Screen BU

The Pan-Smart Screen BU actively implements circular economy principles, systematically promoting the application of renewable materials and efficient resource circulation from the raw material selection and product structure design to the reuse of production waste. The raw materials selected include renewable and eco-friendly engineering plastics and metals compliant with the EU RoHS Directive. Product designs all meet recovery targets set out in the EU WEEE Directive, with key components utilising snap-fit structures instead of screws to facilitate disassembly and recycling after the product's end of life. During the production phase, production waste is processed to extract recyclable plastics, which are then provided to partner enterprises for the production of modified plastics. With an annual output of approximately 20,000 tonnes, these materials are subsequently used internally for manufacturing household appliance casings, thereby establishing a green closed loop that achieves resource circulation and waste reduction.



## Response to Climate Change

Recognising the urgency of the global climate crisis, TCL Electronics actively seeks to develop a pathway for low-carbon growth. We comprehensively deploy strategies and goals for addressing climate change, relying on a solid governance framework to fully manage climate-related risks and opportunities. We strive to implement various climate-related initiatives, aiding in the creation of a more resilient business development model.

### Climate Governance

TCL Electronics' climate governance follows a three-level structure comprising the Board, the ESG Committee, and the ESG Committee Office. This ensures comprehensive oversight, management, and execution in relation to climate issues.

#### TCL Electronics Climate Governance Framework

Levels	Members	Functions
Board of Directors	Directors	<ul style="list-style-type: none"> <li>The Board of Directors is the highest decision-making body for the Company's ESG work, regularly receives and reviews special reports on climate-related work from the ESG Committee, and provides guidance on climate policies.</li> <li>Review the risks and materiality related to the Company's climate-related issues.</li> <li>Oversee and review the Company's climate-related systems, management, and progress toward targets.</li> </ul>
ESG Committee	Members of the ESG Committee	<ul style="list-style-type: none"> <li>Assist the Board in maintaining effectiveness of issue management including climate-related issues, review and confirm standards or principles applicable, priorities, and objectives.</li> <li>Oversee the implementation of the Company's climate-related goals, strategies, and policies, and supervise the identification of climate-related risks and opportunities as well as the development and execution of corresponding response strategies.</li> <li>Oversee the Company's climate-related performance indicators and the achievement of targets, regularly assess the effectiveness of the Company's related performance and action plans, and provide recommendations to the Board on measures for performance improvement.</li> <li>Review climate-related risks and opportunities that may have a significant impact on the Company, and examine, assess and review the rationality, timeliness, and effectiveness of the Company's existing management framework and methods.</li> <li>Review the Company's climate-related reports.</li> </ul>
ESG Committee Office	ESG Representatives of each BU, BG, capability centres and functional support platforms	<ul style="list-style-type: none"> <li>Conduct daily monitoring of climate risks, perform systematic assessments, drive action plans, and organise for the preparation of climate change-related information for disclosure.</li> <li>Implement of specific climate-related tasks, compile statistics and tracking of indicators, execute risk response measures, and regularly report progress to their superior management.</li> </ul>

The Company conducts climate-related training for the Board and management at least once a year. The training covers the identification, assessment, and management of climate-related risks and opportunities, aiming to enhance participants' professional awareness and ensure that the governance level possesses the necessary competence to oversee the Company's climate strategy. Through annual climate training, management integrates climate risk and opportunity analysis into the review of risk management procedures and policies, oversees climate-related risks and opportunities holistically, and clarifies the Company's expected tolerance for climate-related risks when making decisions for major transactions.

This year, the Company has established climate-related targets for aspects such as greenhouse gas emission intensity at the management level. These targets assist the Board in evaluating the effectiveness of its climate strategies and measures, and the Board conducts annual reviews and assesses the progress toward these targets. Since 2025, key performance indicators related to climate change have been formally integrated into the performance assessment system for senior management and relevant responsible departments. This effectively motivates teams to proactively address climate challenges and drives the implementation of strategic goals.

# Net-zero Strategy

To expedite the low-carbon transformation, we are steadily advancing TCL Industries Holdings' Synergistic Carbon Reduction Path in Inner, Middle, and Outer Circles to connect our operations, green products, and ecosystem, collaborating with all parties to jointly construct a net-zero ecosystem.

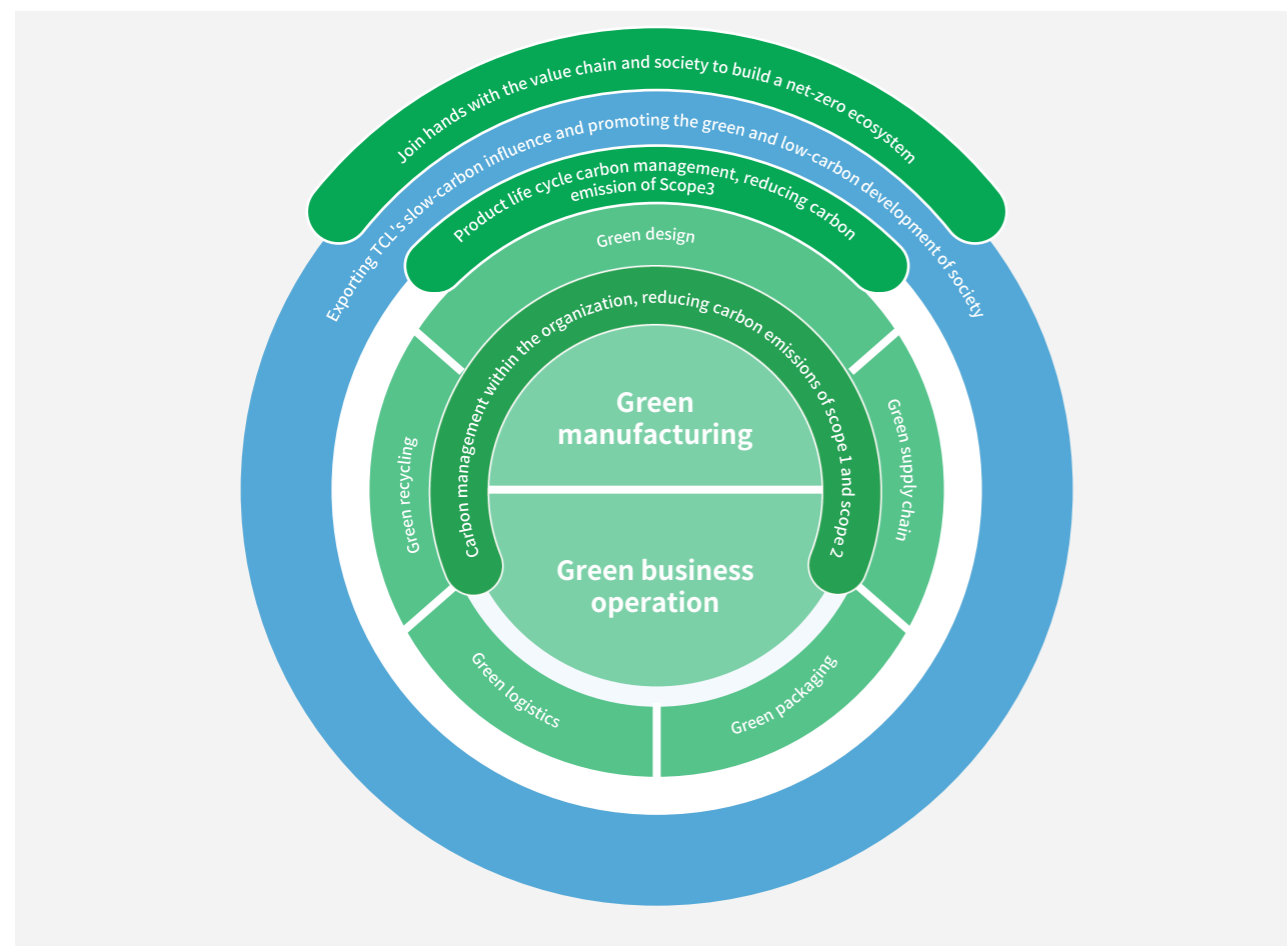
## Synergistic Carbon Reduction Path in Inner, Middle, and Outer Circles

In the inner circle: We give full play to our technological innovation strengths. Through innovative technologies and energy-saving transformation, we rationally utilise resources and promote energy conservation and carbon reduction in our manufacturing bases and operating sites.

In the middle circle: We start from the entire product lifecycle, focus on the long-term strategy of "Lead with Brand Value, Deepen Global Operation, Drive with Technology, and Thrive on Global Vitality", and bring "all-scenario, all-category, and all-connection" green and low-carbon products and services to global users.

In the outer circle: We play the leading role of the industrial chain in accordance with the strategy of responding to climate change, and work with the society to actively promote the construction of a net zero ecosystem. Overall, we regard "building a healthy and sustainable green cooperative ecosystem" as an important goal of our ecological strategy. We will always collaborate with various partners to accelerate climate transition and development, thus bolstering both China and the world in moving towards a zero-carbon future.

### Multi-level Collaborative Carbon Reduction Path



## Topic: Driving a Zero-Carbon Future with Technology, and Empowering Green Transition across the Entire Value Chain

Against the backdrop of continuously deepening global "dual-carbon" goals, the transformation of energy structure and the green and low-carbon development have become focal points of common concern for enterprises and the society. Leveraging its advanced photovoltaic technology and diversified solutions, TCL Photovoltaic Technology not only reduces carbon emissions in its own operations but also empowers various industries, contributing to the construction of a sustainable low-carbon ecosystem. As the end of 2025, TCL Photovoltaic Technology has cumulatively generated 14 billion kWh of green electricity, enabling a reduction of over 10 million tonnes of carbon emissions across society.

### Innovative Business Scenarios

In response to the growing market demand for clean energy, TCL Photovoltaic Technology has built an innovative business system for multi-scenario and multi-level applications, forming a comprehensive solution matrix covering industrial and commercial sectors, residential use, overseas markets, operation and maintenance, and electricity-carbon synergy.



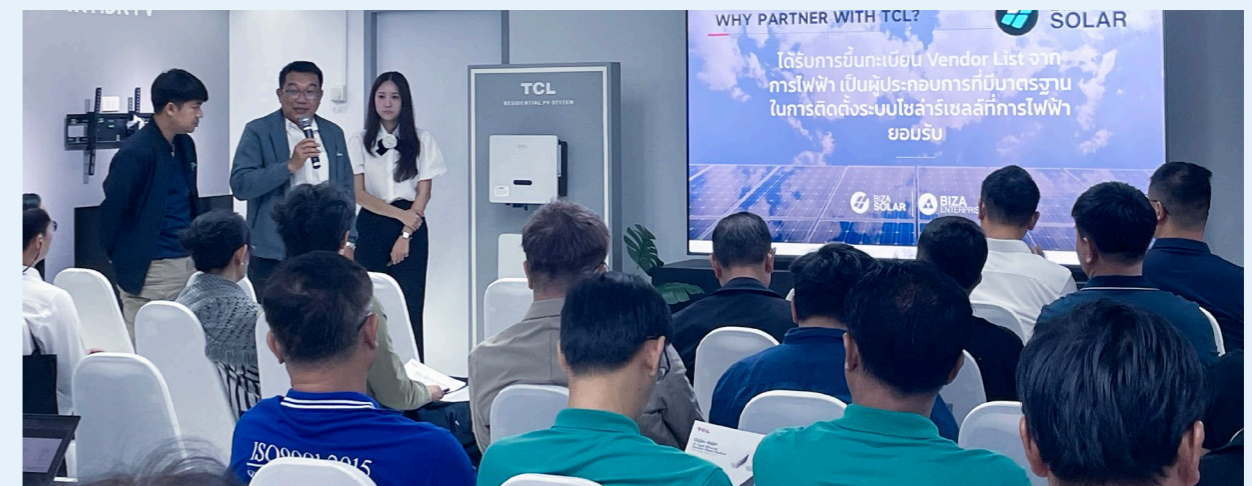
The commercial business has launched the "Much More" series comprising five product solutions, i.e. Much More Power, Much More Profit, Much More Share, Much More Storage and Much More Wealth, catering to the demand of industrial and commercial users for power generation, energy storage, and energy consumption optimisation. TCL Photovoltaic Technology collaborated with Sichuan Chuanguo Boiler Co., Ltd. to construct a 4.03 MW distributed photovoltaic power station. In 2025, this project was included in the "2024 Provincial List of Green Manufacturing Gradient Cultivation for Sichuan Province", establishing it as a model for green intelligent manufacturing within the industrial sector.



Through innovative models such as "Beautiful Zero-Carbon Villa" and "Whole-Village Integration", the residential business introduced green energy into daily life. The initiatives reshape energy consumption patterns for households and rural communities and create a new paradigm for zero-carbon living.



The overseas business focuses on key markets such as Southeast Asia and Europe, offering tailored "photovoltaic-storage integration" solutions to meet local energy demands. In 2025, TCL Photovoltaic Technology successfully hosted an installer seminar in Thailand. The seminar attracted over a hundred solar energy partners, demonstrating the Company's technological influence and ecosystem appeal in the global market.



TCL Photovoltaic Technology: Installer Seminar in Thailand

Empowering the Industry with Technologies

TCL Photovoltaic Technology deeply integrates advanced photovoltaic technology with industry characteristics, implementing a range of exemplary green projects across sectors such as education, industry, and parks. In the field of education, the 3.49 MW distributed photovoltaic power station at Tianjin Modern Vocational Technology College has become a benchmark for green campus transformation. By achieving technological breakthroughs and integrating multiple values, the station reduces energy costs and sets an innovative example of "photovoltaics + education". In terms of zero-carbon park construction, the "FIRE Zero-Carbon Engine" system developed by TCL Photovoltaic Technology provides replicable and scalable overall zero-carbon solutions for parks through modules such as energy planning, intelligent management, and circular utilisation. This project won the "Gold Award for Best Zero-Carbon Park Design" in the Zero-Carbon Park Solutions Competition of "2025 China Southern Power Grid Zero-Carbon Cup".



The 3.49 MW Distributed Photovoltaic Power Station Recognised as Technological Innovation Case for "Dual-Carbon"



Gold Award for Best Zero-Carbon Park Design

Digitalisation and Electricity-Carbon Synergy

Relying on AI technology and digital management platforms, TCL Photovoltaic Technology provides intelligent support for the entire lifecycle of photovoltaic power stations—from construction and operation to maintenance—thereby enhancing power generation efficiency and system reliability. The Company has launched its electricity-carbon business, establishing an "energy-carbon-electricity" synergy system that integrates the entire chain from green electricity production to carbon asset trading. Through this system, we help users achieve emission reduction targets while also enabling them to obtain additional carbon benefits.

Scenario Analysis

Following the index of the Hong Kong Stock Exchange's *ESG Reporting Guide*, TCL Electronics, based on its core business and industry characteristics, selected the high-emission scenario of IPCC SSP5-8.5<sup>9</sup> for physical risk analysis. This selection was guided by the recommended framework of the *Task Force on Climate-related Financial Disclosures (TCFD)*, *International Financial Reporting Standards for Sustainability Disclosure No. 2 – Climate-related Disclosures (IFRS S2)*, and the climate risk analysis practices both domestically and internationally. Furthermore, we conducted a transition risk analysis under the Network of Central Banks and Supervisors for Greening the Financial System (NGFS<sup>10</sup>) scenario of Below 2°C, aiming to assess the impacts of climate factors on the Company's operations and value chain across various scenarios in the pivotal years of 2030 and 2050, compile a list of climate risks and opportunities, and engage in in-depth discussions to propose feasible response strategies.

Risk and Opportunity Type	Selected Scenario	Expected Temperature Increase	Scenario Description
Physical risks	IPCC SSP5-8.5 scenario	>4°C	Under the IPCC SSP5-8.5 scenario, greenhouse gas emissions increase rapidly within this century, reaching double the current levels by 2050; the global average temperature rises by more than 4.0°C by 2100 compared to pre-industrial levels.
Transition risks Climate-related opportunities	NGFS Below 2°C (Orderly Transition)	<2°C	This scenario assumes that climate policies are implemented early and gradually become more stringent. Both physical and transition risks are relatively low. Under the Below 2°C scenario, climate policies gradually increase in stringency, giving a 67% chance of limiting global warming to below 2°C.

9. IPCC SSP5-8.5 is a high-emission climate scenario that combines a pathway of high economic growth and fossil fuel-dependent societal development (SSP5) with a greenhouse gas concentration pathway leading to a radiative forcing of 8.5 W/m<sup>2</sup> by 2100 (RCP8.5).  
 10. NGFS (Network of Central Banks and Supervisors for Greening the Financial System) is a network composed of central banks and regulatory authorities worldwide, aimed at promoting the financial system's response to climate change risks and supporting the transition to a green economy.

Physical Risk Analysis

To effectively assess the impact of climate physical risks on the Company, we have identified four key physical risk factors that are particularly relevant to TCL Electronics based on the locations of factories operated by the Company: annual average temperature, annual number of rainy days, number of extreme rainfall days, and number of frost days. Using an industry-recognised quantitative assessment tool for physical risks of climate change, we have evaluated and analysed the impacts of both chronic and acute risks on TCL Electronics.

For TCL Electronics' nine factories located across seven cities in six countries—China, Brazil, Vietnam, Pakistan, Poland, and Mexico—under the IPCC SSP5-8.5 high-emission scenario, assets in proximity to Shenzhen, Chengdu, Monterrey, Lahore, and Warsaw are projected to face more significant changes in physical risks by 2030 and 2050. Regarding physical risk factors, the magnitude of change in frost days is relatively significant, followed by annual average temperature, extreme rainfall days, and the number of annual rainy days.

Physical Risk Heatmap for 2030 Under the IPCC SSP5-8.5 Scenario

S/N	City	Chronic Risks		Acute Risks	
		Annual Average Temperature (°C)	Annual Number of Rainy Days (Days)	Number of Extreme Rainfall Days (Days)	Number of Frost Days (Days)
1	Shenzhen	●	●	●	●●●
2	Chengdu	●●	●	●	●●
3	Monterrey	●●	●●	●	●●●
4	Ho Chi Minh City	●	●	●●	●
5	Fortaleza	●	●●	●	●
6	Lahore	●	●●	●●●	●●
7	Warsaw	●●	●	●●	●●

Physical Risk Heatmap for 2030 Under the IPCC SSP5-8.5 Scenario

S/N	City	Chronic Risks		Acute Risks	
		Annual Average Temperature (°C)	Annual Number of Rainy Days (Days)	Number of Extreme Rainfall Days (Days)	Number of Frost Days (Days)
1	Shenzhen	●	●	●	●●●
2	Chengdu	●●	●	●	●●
3	Monterrey	●●	●●	●	●●●
4	Ho Chi Minh City	●	●	●●	●
5	Fortaleza	●	●●	●	●
6	Lahore	●	●	●●	●●
7	Warsaw	●●	●	●●	●●

## Analysis of Physical Risks Facing TCL Electronics

To date, no physical risks have materially impacted the Company's financial position. Analysis indicates that under the IPCC SSP5-8.5 scenario, our global assets are exposed to medium-low climate-related physical risks across all four risk categories for both the 2030 and 2050 time dimensions, with climate value-at-risk staying below 1%. This demonstrates our resilient risk management.

Risk Type	Impact Factor	Risk Description	Impact on the Value Chain	Time Dimension <sup>11</sup>	Method of Financial Impact	Financial Impact <sup>12</sup>	Climate Action Strategy
Chronic Risks	Increase in annual average temperature	An increase in annual average temperature could lead to difficulties in the heat dissipation of production equipment, thereby impacting the operational efficiency and stability of the equipment, and reducing its service life. High temperatures might alter the performance of electronic components, leading to an increased defect rate in products	Operations	Long-term	Assets	Low	<b>Equipment assurance:</b> Increase investment in production resources, modify or introduce machinery and technologies suitable for varied temperature conditions, and boost the heat dissipation performance and stability of the equipment. <b>Quality control:</b> Develop and refine the product quality management system to reinforce product quality standards across all stages. For details, please refer to "Commitment to Quality Excellence".
	Increase in the annual number of rainy days	A prolonged humid environment may cause metal components in production machinery to rust and electronic parts to age, thereby raising the frequency and cost of equipment maintenance. Additionally, raw materials and semi-finished products are more likely to be damp during storage, affecting product quality and leading to higher defect rates.	Operations	Long-term	Assets	Low	
Acute Risks	Extreme rainfall	Extreme rainfall may damage production machinery, disrupt employee commuting, compel work stoppages, obstruct logistics and transportation, and cause product delivery delays, preventing timely delivery to customers.	Operations Downstream	Short-term	Assets	Low	
	Frost	Frosty weather may lead to factory equipment malfunctions, disruptions in logistics and transportation, and impacts on the global supply chain. It may also exacerbate shortages of raw materials (such as copper and aluminium), increase transportation costs, and subsequently raise production costs. Increased energy demands during frost may further drive up traditional energy prices.	Upstream Operations	Short-term Medium-term	Assets Costs	Medium	<b>Localised procurement:</b> Establish localised supply chains in key production and operational areas both domestically and internationally to mitigate climate risks. <b>Clean energy transition:</b> Increase the proportion of clean energy by adopting methods such as building distributed photovoltaic systems and purchasing green electricity, thus reducing reliance on traditional fossil fuels. For details, please refer to "Energy Management".

11. Time dimension: Short-term is defined as 2025 to 2030, mid-term as 2030 to 2050, and long-term as after 2050.

12. Financial impact of physical risks: The financial impact of physical risk factors is based on the severity of the financial consequences for an enterprise arising from changes in these risk factors. In 2025, the Company conducted a reassessment of climate risk impacts.

## Transition Risk Analysis

Based on the NGFS Below 2°C scenario, we selected six key factors that have a significant impact on TCL Electronics: climate policies in manufacturing industry, climate information disclosure policies, carbon pricing, electricity prices, energy efficiency investments, and market awareness of sustainable development. Through a questionnaire survey among stakeholders (involving equipment management, R&D, procurement, and logistics), a transition risk heatmap was formed.

Transition Risk Heatmap for 2030 Under the NGFS Below 2°C Scenario

Risk Type	Risk Factor	2030			
		Equipment management	R&D	Procurement	Logistics
Policy	Climate policies in manufacturing industry	●	●	●	●
Policy	Climate information disclosure policies	●	●	●	●
Policy	Carbon pricing	●	●	●	●
Market	Electricity prices	●	●	●	●
Technology	Energy efficiency investments	●	●	●	●
Reputation	Market awareness of sustainable development	●	●	●	●

Transition Risk Heatmap for 2050 Under the NGFS Below 2°C Scenario

Risk Type	Risk Factor	2050			
		Equipment management	R&D	Procurement	Logistics
Policy	Climate policies in manufacturing industry	●	●	●	●
Policy	Climate information disclosure policies	●	●	●	●
Policy	Carbon pricing	●	●	●	●
Market	Electricity prices	●	●	●	●
Technology	Energy efficiency investments	●	●	●	●
Reputation	Market awareness of sustainable development	●	●	●	●

## ► Analysis of Transition Risks Facing TCL Electronics

Policy risks faced by the Company primarily stem from rising compliance costs associated with tightening global climate regulations. Market risks arise from shifts in energy pricing due to the evolving energy mix, which increase operational expenses. Technology risks mainly relate to the investment pressure involved in the green transition, while reputation risks are linked to growing consumer expectations for environmentally friendly products. The Company has established effective risk-buffering mechanisms through a robust ESG governance structure, forward-looking energy structure layout, sustained investment in technological innovation, and the development of green products. To date, no transition risks have materially impacted the Company's financial position. By the 2030 and 2050 time dimensions, the financial impacts of transition risks are projected to remain at medium-low levels, demonstrating the Company's strong resilience and adaptive capacity in managing climate-related transition risks.

Risk Type	Impact Factor	Forecast of Future Trends	Data Type	Risk Description
Policy risks	Climate policies in manufacturing industry	Global climate policies will increasingly focus on accelerating energy transitions and technological innovation. They will stress "climate justice" to urge developed nations to fulfil their responsibilities and take concrete actions. Additionally, they will underscore financial support, technology transfer, and enhanced uniformity and ambition of national initiatives. Domestic policies are setting higher standards for the green development of businesses. Peaking carbon dioxide emissions in the industrial sector and promoting green manufacturing are also key policy directions.	Qualitative	Stricter climate policies will pose various pressures on enterprises. For instance, emission reduction mandates will hike operational costs and the complexity of transformation efforts; trade measures like carbon tariffs will elevate the international distribution costs for multinational companies, reducing their competitiveness; and more rigorous climate disclosure standards will raise compliance expenses and management challenges.
	Climate information disclosure policies	The global standards for climate change information disclosure are becoming increasingly stringent. For instance, the <i>IFRS S2</i> , the <i>EU's Corporate Sustainability Reporting Directive (CSRD)</i> , and Part D of the Hong Kong Stock Exchange's <i>ESG Reporting Guide</i> all adhere to the TCFD recommendations, imposing stricter requirements for climate information disclosure.	Qualitative	
	Carbon pricing	It is expected that by 2030, emitters will have to pay a carbon price for their greenhouse gas emissions, estimated at approximately USD 50-75 per tonne of carbon dioxide <sup>13</sup> . By 2050, the carbon price could rise to about USD 100-200 per tonne of carbon dioxide <sup>14</sup> .	Qualitative	In the carbon emissions trading system, fluctuations in carbon pricing introduce uncertainties for businesses, heightening risks associated with cost budgeting and investment decision-making.
Market risks	Electricity prices	Regarding the power supply structure, the proportion of non-fossil fuel power generation capacity in China is expected to approach 70% by 2030, while the installed renewable energy capacity will continue to grow steadily, positioning new energy as the main source of new power generation. In terms of electricity price trends, it is projected that from the short term until 2030, the market electricity price (non-residential electricity) may increase, with an expected range of RMB 0.68-0.72/kWh <sup>15</sup> .	Qualitative	Electricity is a crucial cost factor during the production and manufacturing of electronic products. Changes in the power supply structure and an increase in electricity prices could potentially elevate the Company's production and operational costs.
Technological risks	Energy efficiency investments	By 2030, it is anticipated that investments from both the market and the government in enhancing energy efficiency will significantly increase, potentially doubling or more compared to current levels. By 2050, these investments are expected to grow even further.	Qualitative	Rapid iterations of energy efficiency technology mean that if an enterprise's energy efficiency investments are not aligned with future technological trends, it may result in the premature obsolescence of the invested technologies and equipment, failing to deliver the anticipated improvements in energy efficiency and economic returns.
Reputational risks	Market awareness of sustainable development	Consumers are increasingly concerned about the environmental attributes of electronic products, with more than 60% acknowledging the value of saving resources and reducing waste during consumption. Future consumer markets are inclined towards products with sustainable attributes.	Qualitative	Investors, consumers, partners, and other stakeholders are increasingly prioritising the climate performance of enterprises in their decision-making processes. Failing to implement effective climate risk countermeasures may negatively impact an enterprise's reputation.

13. Source: *Proposal for an International Carbon Price Floor* by International Monetary Fund (IMF) (2021). The report indicates that to achieve the goals of the Paris Agreement, the global carbon price needs to reach USD 75 per tonne (for high-income countries) and USD 50 per tonne (for lower-middle-income countries) by 2030.  
 14. Source: Stanford University Energy Modelling Forum (EMF), which predicts that under a 2°C scenario, the global average carbon price in 2050 will be around USD 100-200 per tonne.  
 15. Source: Electricity price forecasting model in China Energy & Electricity Outlook by State Grid Energy Research Institute.

Impact on the Value Chain	Time Dimension	Method of Financial Impact	Financial Impact <sup>16</sup>	Climate Action Strategy
Upstream Operations	Medium-term Long-term	Costs	Medium	<b>Comprehensive compliance management:</b> Establish a compliance management system with regular risk identification, early warning, assessment, decision-making, and supervision to ensure compliance in all phases of production operations. <b>Green manufacturing:</b> Integrate the idea of clean and low-carbon development throughout the production and manufacturing process to minimise greenhouse gas emissions.
Upstream Operations	Short-term	Costs	Medium	<b>Greenhouse gas management mechanism:</b> Establish a statistical framework for greenhouse gas indicators, comprehensively examine greenhouse gas emissions, and identify reduction directions. For details, please refer to "Indicators and Goals".
Operations	Short-term	Costs	Medium	<b>Energy management:</b> Establish an energy management system to enhance energy efficiency through technical transformation and other methods. For details, please refer to "Energy Management".
Operations	Short-term	Costs	Medium	<b>Assessment mechanism:</b> Regularly assess energy efficiency investment projects to ensure alignment with sustainable development goals and to guarantee comprehensive benefits covering economy, environment, and innovation.
Operations Downstream	Short-term	Costs	Low	<b>Communication mechanism:</b> Establish diverse communication channels and regularly engage with stakeholders to understand their expectations regarding the Company's operations and sustainability performance.

16. Financial impact of transition risks: The financial impact of transition risks is considered based on the heatmap results and the actual situation of the Company.

## ► Analysis of Climate Opportunities

Amid global efforts to address climate change and promote low-carbon transition, the widespread rise of environmental awareness in consumer markets is fuelling robust demand for green and smart terminal products. To seize this strategic opportunity, TCL Electronics will continue to drive progress through technological innovation, focus on sustainable product R&D and the application of low-carbon technologies, and deeply integrate ESG principles into its brand building and marketing systems. This approach will enable the Company to effectively expand market share, strengthen its industry leadership, and achieve synergistic growth between commercial success and social value.

Opportunity Type	Market opportunities	Technological opportunities	Reputational opportunities
Impact Factor	Products and services	Low-carbon technologies	Technology for inclusion
Opportunity Description	As consumers' awareness of environmental protection increases, their demand for green products continues to rise. Companies that offer green products can attract more environmentally conscious consumers and expand their market share.	Low-carbon technologies help enterprises increase product energy efficiency in areas like smart devices while optimising production processes, increasing energy utilisation efficiency, and reducing energy costs during production.	Utilising advanced technologies like AI and IoT, we have crafted multifunctional, accessible products to cater to varied consumer needs. Leveraging our technological strengths, we empower social groups and bridge the digital divide, which is conducive to enhancing corporate reputation and boosting market competitiveness.
Impact on the Value Chain	Downstream	Operations	Operations
Time Dimension	Long-term	Long-term	Long-term
Method of Financial Impact	Revenue	Revenue	Revenue
Financial Impact	High	High	High
Climate Action Strategy	<p><b>Lifecycle green products:</b> Incorporate the concept of sustainability throughout the product lifecycle, including design, raw material sourcing, manufacturing, usage, and recycling, to meet the market demands for diversified and sustainable products. For details, please refer to "Sustainable Green Products".</p> <p><b>Brand building &amp; green advocacy:</b> Incorporate ESG into brand building to create a sustainable brand image. Convey the concept of sustainability during marketing to broaden the green consumer market. For details, please refer to "Responsible Marketing".</p>	<p><b>Innovation-driven development:</b> Strengthen the innovation management system, deploy innovation strategies and objectives, and prioritise the development of sustainable products and low-carbon sectors like photovoltaic technology. For details, please refer to "Innovation-Driven New Landscape".</p>	<p><b>Products of technology for inclusion:</b> Develop accessible products with health and safety attributes, and enhance product accessibility, reliability, and inclusiveness to ensure that all consumers can equally enjoy the convenience brought by technology. For details, please refer to "Upholding Technology for Inclusion".</p> <p><b>Technology empowering social development:</b> Leverage technological strengths and explore new models that integrate technology with public welfare, creating economic and social benefits.</p>

To actively seize the development opportunities presented by climate change, TCL Electronics has positioned green products as a strategic focus for its business development. In 2025, TCL Electronics continued to increase investment in the research and development of green products, aiming to optimise and upgrade its product structure and achieve comprehensive breakthroughs in energy efficiency, sustainability, and user experience. Moving forward, TCL Electronics will continue to increase investment to continuously enhance its green product offerings. It is anticipated that revenue from green products will sustain a growth trajectory in 2026 and over the medium-to-long term, supporting consumers in transitioning toward a lower-carbon and smarter lifestyle.

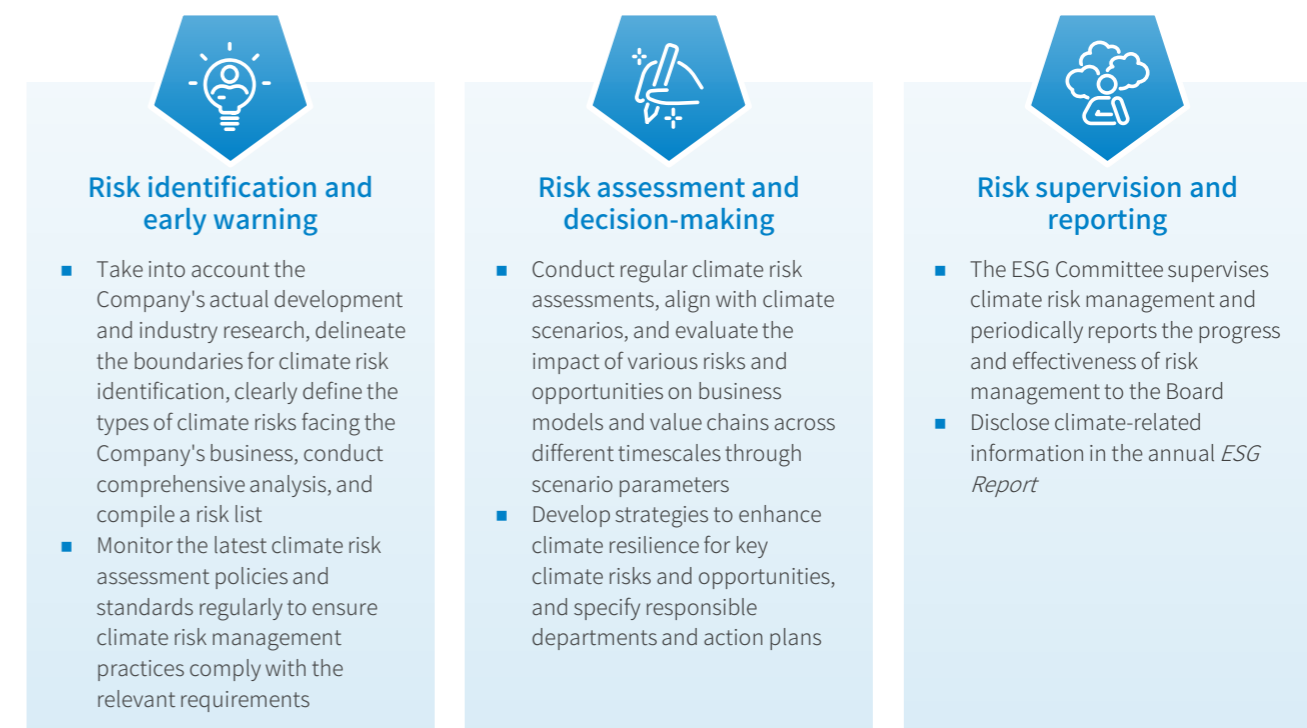
Product	Type	R&D investment (HKD 10,000)	Operating revenue (HKD 10,000)	Operating revenue percentage
Pan-Smart Screen	Primary energy efficiency compliant products	46,870	5,442,614	54%
	Secondary energy efficiency compliant products	4,074	715,853	
TCL Photovoltaic Technology	/	2,361	2,025,082	18%

The relevant financial data is included in the "Research and Development Expenses" and "Revenue" of the consolidated financial statements.

## Risk Management

TCL Electronics recognises climate risk as a significant category that profoundly impacts its operations and value chain. This risk is systematically embedded in our risk management processes to effectively mitigate its potential effects on corporate growth and to foster a resilient model for sustainable development.

### ► TCL Electronics' Climate Risk Management Process



## Indicators and Goals

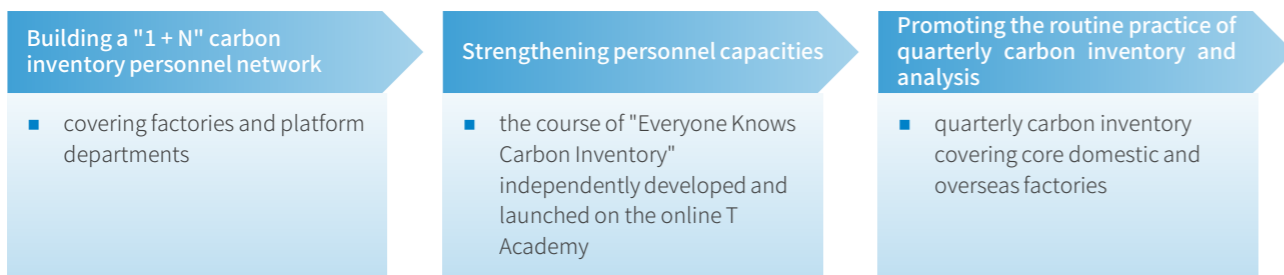
TCL Electronics integrates the climate goals of TCL Industries Holdings into the operational management of each BU. By setting phased goals, regularly reviewing progress, and establishing policies such as the *Greenhouse Gas Inventory Management Procedure* at the BU level, the Company ensures effective implementation of its greenhouse gas management efforts.

### TCL Industries' Climate Goals

Stage	Goals	Key Tasks
Stage 1: 2023 - 2030	Carbon peaking: Build capacity and reduce carbon emissions	<ul style="list-style-type: none"> <li>Formulate and commit to carbon emission reduction targets and visions by benchmarking against the national "carbon peaking and carbon neutrality" plan and other companies' emission reduction targets</li> <li>Formulate carbon emission reduction plans and action plans under the background of carbon peaking, such as improving the efficiency of core products in various industries, reducing emissions in green supply chains, and building energy management centres</li> <li>Implement various emission reduction tasks in accordance with the plans</li> </ul>
Stage 2: 2031 - 2050	Carbon neutrality: Overall capacity building, continual carbon reduction	<ul style="list-style-type: none"> <li>Set continuous carbon emission reduction targets under the background of carbon neutrality</li> <li>Formulate carbon emission reduction plans and action plans under the background of carbon neutrality</li> <li>Implement various emission reduction tasks in accordance with the plans</li> </ul>
Stage 3: Post-2050	Zero-carbon products	<ul style="list-style-type: none"> <li>Achieve continuous operation and maintenance for carbon neutrality of TCL Industries Holdings</li> <li>All products achieve zero carbon emissions throughout the entire lifecycle</li> </ul>

## Carbon Inventory Management

In 2025, TCL Electronics continued to deepen the building of its carbon management system, establishing a scientific carbon inventory mechanism, so as to systematically analyse the achievement of Scope 1, Scope 2, and Scope 3 carbon emission intensity targets, thereby providing a reliable basis for factories to identify emission reduction potential and develop carbon reduction pathways.



In 2025, in accordance with *the ISO 14064-1:2018 Greenhouse Gas Inventory Standard* issued by the International Organisation for Standardization (ISO) and the *Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard* formulated by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD), TCL Electronics conducted an annual carbon inventory for its Scope 1, Scope 2, and Scope 3 carbon emissions using the operational control approach. At the same time, we carried out carbon verification in seven key factories, obtaining carbon verification statements issued by a third-party institution.

17. The environmental targets for 2025 cover the factories under TCL King (Huizhou) and Huizhou TCL Mobile Communication, these targets are set with 2020 as the base year and 2025 as the target year.

18. The targets cover the flagship S-series models.

## Environmental Compliance Management

TCL Electronics strictly adheres to the *Environmental Protection Law of the PRC* and the *Law of the PRC on the Prevention and Control of Atmospheric Pollution*, along with all pertinent environmental laws and regulations in the regions where it operates, and continuously improves the environmental compliance risk management mechanism. We have developed an environmental management system based on the ISO 14001 environmental management system. Each BU builds and refines its internal environmental management system in alignment with its own operational characteristics, covering key areas including pollutant and hazardous substance management, resource utilisation and circular economy, climate change and energy management, green products, and biodiversity conservation.

We formulate environmental management targets based on development needs and cascade them to all departments and BUs, clarifying management responsibilities and authorities. Regular assessments are conducted to track progress toward achieving the set 2025 targets<sup>17</sup>.

Category	2025 Target	Status
Greenhouse gas (Scopes 1 and 2) emissions intensity level (tCO <sub>2</sub> e/RMB 10,000 output value)	Decrease by 18.0%	Achieved in advance in 2024
Purchased electricity use intensity level (MWh/RMB 10,000 output value)	Decrease by 13.5%	Achieved in advance in 2024
Natural gas use intensity level (m <sup>3</sup> /RMB 10,000 output value)	Decrease by 70.0%	Achieved in advance in 2024
TV set EPS packaging materials <sup>18</sup>	<ul style="list-style-type: none"> <li>55-Inch: Decrease by 6.0%</li> <li>65-Inch: Decrease by 10.0%</li> <li>75-Inch: Decrease by 10.0%</li> </ul>	Achieved in advance in 2024
Packaging materials for mobile phone products	<ul style="list-style-type: none"> <li>Small: Decrease by 5.7%</li> <li>Medium: Decrease by 5.3%</li> <li>Large: Decrease by 5.5%</li> </ul>	Achieved in advance in 2024

Category	2025 Target	2025 Progress	Status
Hazardous waste	Implement harmless and non-landfill disposal measures for five types of hazardous waste (waste fluid of organic solvents, oil-contaminated wastewater, paint waste fluid, waste empty buckets and waste lamp tubes)	Strictly verify the properties of hazardous waste upon warehousing; effectively manage collection, storage and transfer processes  Hazardous waste has been disposed of through harmless and non-landfill measures	Achieved
Non-hazardous waste	Implement the following measures to reduce non-hazardous waste: <ul style="list-style-type: none"> <li>Establish a sound waste management system</li> <li>Build sound waste classification and collection devices</li> <li>Keep detailed records of the amount of waste generated during production and operation</li> </ul>	Effective management and reduction of non-hazardous waste through the following measures: <ul style="list-style-type: none"> <li>Continuously improve the waste management system</li> <li>Set up dedicated waste collection areas equipped with segregated collection containers</li> <li>Keep monthly records of waste generated during production and operation</li> </ul>	Achieved
Water use intensity level (m <sup>3</sup> /RMB 10,000 output value)	Decrease by 27.0%	Water use intensity increased by 4.8% compared to the base year due to business line adjustments	Not achieved

In 2025, the Company established its 2026–2030 targets for climate change, green products, pollutant and hazardous substance management, and water resources management, aiming to systematically advance its low-carbon transition and business innovation, thereby laying a solid foundation for long-term stable development and value creation.

In formulating climate change goals, we considered our actual circumstances, closely followed the latest developments of the *Paris Agreement* and other international climate agreements, referenced industry decarbonisation approaches, and assessed the feasibility of introducing third-party independent verification to ensure the rationality of the targets. Moving forward, the Company will continue to explore pathways for low-carbon transition, focus on brand repositioning in a net-zero economy. We will establish a carbon credit utilisation plan at an appropriate time and strictly control the scale of carbon credit usage to support the Company's low-carbon development.

Issues	2026 Targets
Green Products	<ul style="list-style-type: none"> <li>Enable digital carbon footprint capability for all European TV product lines</li> </ul>
	<ul style="list-style-type: none"> <li>Enable digital carbon footprint capability for all MP/SMD/SCD product lines</li> </ul>
	<ul style="list-style-type: none"> <li>Obtain carbon footprint certification for one Pan-Smart Screen product</li> </ul>
	<ul style="list-style-type: none"> <li>Obtain carbon footprint certification for one MP/SMD/SCD product</li> </ul>
	<ul style="list-style-type: none"> <li>MP energy efficiency label rating quantitative target for EU-Bound smartphone exports (100% achieve B, flagship models achieve A)</li> </ul>
Pollutant and Hazardous Substance Management	<ul style="list-style-type: none"> <li>Achieve a waste utilisation rate exceeding 85% for the Pan-Smart Screen BU and Huizhou TCL Mobile Communication</li> </ul>
Water Resources Utilisation	<ul style="list-style-type: none"> <li>Reduce water usage per RMB 10,000 of revenue by 5% compared to 2025, where technically feasible</li> </ul>

We have established an environmental management system to standardise environmental requirements across all production and operational stages. This system continuously identifies and manages environmental impacts, risks, and opportunities to ensure ongoing environmental compliance and performance improvement. Each BU is responsible for regularly assessing environmental risks, identifying significant environmental factors, and implementing specific management measures in line with their operational characteristics.

- The Pan-Smart Screen BU has formulated the *Environmental Analysis and Risk Management Specification*, leveraging internal and external environmental analyses and standardised risk assessment methodologies to continuously identify environmental risks in operations. The Pan-Smart Screen BU places a strong emphasis on strict control over water, electricity, and waste to prevent energy waste and environmental pollution. Related risk identification, assessment, and control measures are documented and managed through standardised procedures.
- In accordance with the national and local environmental emergency response plans, the Mobile Phone BU has developed the *Environmental Emergency Response Plan for Huizhou TCL Mobile Communication*, which defines the emergency organisational structure and response procedures. Additionally, the Mobile Phone BU regularly organises emergency drills to ensure personnel in all positions are familiar with their responsibilities and equipped with skills, thereby continuously enhancing the response and handling capabilities for emergencies.

The number of subsidiaries that have obtained ISO 14001 Environmental Management System certification reached

# 9

The number of subsidiaries that have obtained ISO 50001 Energy Management System certification reached

# 2

TCL King (Huizhou) and Huizhou TCL Mobile Communication were awarded the title of

## "National Green Factory"

**During this year, TCL Electronics did not experience any major environmental pollution incidents and did not adversely affect the surrounding ecological environment or biodiversity**

# Efficient Resource Utilisation

## Energy Management

TCL Electronics adheres to relevant laws and regulations across global operations, including the *Environmental Protection Law of the PRC*, the *Energy Conservation Law of the PRC*, and the *Measures for the Administration of Industrial Energy Conservation*. We have formulated several internal policies such as the *Measures for Supervision and Management of Energy Use*, the *Energy Management Regulations*, the *Energy Management System Manual*, and the *Regulations on Electricity Resource Management*. These policies define energy management objectives and establish a systematic environmental management system. In line with ISO 50001 requirements, the Company systematically conducts energy reviews to reduce its operational carbon footprint and environmental impact.

We regularly carry out energy supervision and inspection activities and routinely organise energy conservation diagnostics. Through professional technical analysis and comprehensive evaluations, we ensure the compliance and efficiency of energy usage. We continuously deepen various energy management initiatives, implementing energy-saving and consumption-reduction measures in production and operations. Our strategies for energy management focus on four key areas: management-led energy saving, technology-based energy saving, optimisation of energy structure, and raising awareness of energy conservation, all contributing to the comprehensive improvement of energy management quality and efficiency.

### Key Measures for Energy Management

#### Management-led energy saving

- Establish and improve the energy management system: Deploy advanced energy resource management systems for real-time tracking and monitoring of resource usage, thereby strengthening our energy management efforts.
- Perform self-assessments of energy metering: Enhance energy measurement management and reinforce conservation efforts by evaluating energy utilisation performance and the allocation of related personnel and equipment.
- Develop an energy utilisation plan: Ensure rational allocation and optimal utilisation efficiency of these resources.
- Enhance energy conservation measures in daily operations: Rigorously enforcing scheduled shutdowns of lighting, air conditioning, computers, and other appliances to prevent energy waste, ensuring efficient utilisation of energy resources.

#### Technology-based energy saving

- Advance equipment iteration and upgrade: Promptly phase out and upgrade outdated equipment to more energy-efficient and environmentally friendly alternatives. This includes replacing variable-frequency air compressors, refrigerated dryers and other production equipment, as well as promoting the adoption of energy-saving technologies and equipment such as variable-frequency motors, air conditioners, and high-gloss injection moulding machines.
- Enhancement for energy-saving transformations: Implement energy-efficient technical upgrades for systems including air compressor systems, LED lighting upgrades, servo-driven injection moulding machines, and central air conditioning systems, thereby reducing energy consumption through technological advancements.

#### Optimisation of energy structure

- Increase renewable energy usage: Vigorously advance the construction of photovoltaic power stations to develop renewable energy resources.
- Intensify efforts to procure green electricity: Proactively purchase clean energy to reduce reliance on traditional fossil fuels and lower the proportion of high-carbon-emitting energy consumption.

#### Raising awareness of energy conservation

- Conduct training to enhance employee awareness of energy conservation: Through specialised training and TLink platform, we seek to strengthen awareness-raising efforts, encouraging employees to participate in energy-saving and emission-reduction activities to foster a positive atmosphere of collective involvement.

**TCL King (Huizhou) Focuses on Enhancing Energy Management Efficiency to Advance Energy Conservation and Emission Reduction**

TCL King (Huizhou) has established a systematic energy management system and formulated several specialised energy target management documents including the *Energy Targets, Indicators and Control Scheme Management Procedure*, *Energy Monitoring and Measurement Control Procedure*, and *Energy Design and Introduction Control Procedure*, which clarify full-process management of energy targets and indicators. The factory has also conducted comprehensive self-inspections of energy metering to enhance metering management and energy conservation control capabilities. The Company has institutionalised a routine mechanism for energy-saving transformations and implemented targeted projects. In 2025, four energy-saving transformation projects were completed, including the transformation of air conditioning cooling towers and the restoration of the MAU fresh air cabinet automatic control system. These projects have reduced annual carbon emissions by 111.87 tCO<sub>2</sub>e and generated annual savings of RMB 518,900.



On-site Image of Energy-saving Technological Transformation Projects

## Water Resources Management

TCL Electronics adheres strictly to relevant laws and regulations across the countries or regions where we operate, including the *Water Law of the PRC*, the *Water Pollution Prevention and Control Law of the PRC*, and the *Energy Conservation Law of the PRC*. In alignment with these laws and regulations, we comply with internal policies such as the *Environmental Protection Management System*, the *Regulation on Water Resource Management*, and the *Regulation on Water Conservation Management*, which clearly outline the requirements for managing production and domestic water. We have further detailed the procedures for essential processes like wastewater treatment and monitoring statistics. We have established water consumption control targets based on the Company's energy conservation plan and have developed tailored water efficiency metrics for different BUs or departments. We have incorporated key indicators, such as per capita water consumption in factories, into performance assessments, linking water conservation with business performance to establish a "standard, monitoring, and assessment" management model. This enhances water reuse rates and enables the recycling of production wastewater. This year, TCL Electronics encountered no issues related to the acquisition of applicable water sources.



We prioritise the efficient utilisation and conservation of water resources, continuously enhancing management of both industrial and domestic water usage. Furthermore, we place a strong emphasis on raising employees' awareness of water conservation. Through regular training sessions and awareness campaigns, we establish a sustainable management framework to foster a positive environment for all employees to engage in water-saving initiatives.



### Industrial water management

- Promoting optimisation and upgrades of production techniques: Wastewater is generated only during the spray exhaust gas treatment stage of the production process. After pre-treatment, it is fully reused in the exhaust gas treatment facilities, achieving zero discharge of wastewater.
- Strengthening water consumption control in production processes: Optimise water valve controls and enhance wastewater recycling from injection moulding part washing to maximise water efficiency.
- Achieving zero discharge of industrial wastewater: Wastewater is reused after standard treatment, and the sediment is treated as hazardous waste by professional third parties in accordance with regulations.



### Domestic water management

- Installing intelligent drinking water control systems: Reverse osmosis technology is employed to filter tap water. The purified water is delivered to the end of the pipelines via the direct drinking system, while the wastewater is channelled into a reservoir for garden irrigation.
- Promoting the recycling of domestic water: Water from canteen automatic vegetable washers and rice-washing water is reused based on practical scenarios, such as for floor cleaning, to enhance the water reuse rate.
- Implementing separate management of domestic sewage and rainwater drainage systems: Sewage undergoes preliminary treatment (e.g., screening and sedimentation) before being sent to wastewater treatment plants. The effluent quality meets relevant standards.



### Raising employees' awareness of water conservation

- Employees are regularly organised to participate in water conservation training, while awareness and education campaigns are conducted through water-saving tips, noticeboards, and slogans to foster a culture of water conservation among all employees.



### Pan-Smart Screen BU Deepens Water Resources Management to Achieve Zero Discharge of Production Wastewater




To strengthen water resources management, improve the water reuse rate, enhance water conservation awareness among all employees, and achieve energy-saving and consumption reduction, core factories, including the TCL King (Huizhou), have formulated the *Water Conservation Management Regulations*. These regulations systematically advance water resources management from the perspectives of institutional development, process control, and employee training. During the production and operation phase, wastewater is generated only in the spray exhaust gas treatment stage at the TCL King (Huizhou). This wastewater is fully recycled into the exhaust gas treatment facilities after pre-treatment, achieving zero discharge and effectively improving water reuse efficiency.

Regarding target management, implementation will be based on the Company's energy conservation plan, taking into account the progress toward the 2024 emission reduction targets and the actual production and operational conditions of each factory. Concurrently, various workshops have organised specialised water conservation training, integrating water-saving concepts into production processes to comprehensively strengthen the water conservation framework.

# Pollution Control and Emissions Management

## Pollutant Management


TCL Electronics adheres to laws and regulations such as the *Environmental Protection Law of the PRC*, the *Law of the PRC on the Prevention and Control of Atmospheric Pollution* and the *Emission Limits of Air Pollutants* across all the countries or regions where it operates, and internal policies such as the *Regulations on the Management of Air Pollution Prevention and Control*. This ensures that emissions of various types of exhaust gases meet legally required limits. We continuously advance the construction of our integrated prevention and control system encompassing "source prevention, process control, and end-of-pipe treatment". This involves installing exhaust gas treatment facilities, promoting clean energy substitution to reduce exhaust gas generation, introducing advanced processes and technologies to lower pollution intensity, and developing an intelligent monitoring platform for real-time emission oversight. Furthermore, we are upgrading high-efficiency exhaust treatment facilities to ensure compliance with emission standards, achieving full-process management from production optimisation to end-of-pipe emission control, thereby continually improving air quality.

 <p>Source prevention</p>	<p>We adopt advanced clean production technologies and processes to reduce waste generation at the source. This includes the gradual replacement of the VOC-emitting spray-painting technique with the high-gloss injection moulding technique and the use of enclosed spaces (including closed hoods) in conjunction with negative pressure for front-end exhaust collection. Additionally, we engage third-party organisations annually to conduct exhaust gas testing and perform regular equipment maintenance and inspections, aiming to reduce pollutant generation from the outset.</p>
 <p>Process control</p>	<p>We have established stringent emission standards and monitoring systems to ensure real-time monitoring of pollutant emissions during the production process. We also make timely adjustments to production parameters to optimise emission performance. Simultaneously, we proactively optimise production processes, such as reducing the use of spray painting and screen-printing techniques to ensure effective control of pollutant emissions throughout the production process. For different types of exhaust gases, differentiated treatment measures are implemented: electrostatic oil removal for canteen exhaust fumes, and activated carbon adsorption alongside catalytic combustion for spray exhaust. These effectively decrease the concentration of exhaust gas, thereby lowering overall emissions.</p>
 <p>End-of-pipe treatment</p>	<p>We implement strict and effective exhaust gas treatment measures, rigorously adhering to environmental monitoring requirements under the pollutant discharge permit. Exhaust emissions are monitored to ensure compliance with standards. We have increased investment in the construction and operation of exhaust gas treatment facilities, employing methods such as "water spray + activated carbon adsorption &amp; concentration + catalytic combustion" for back-end exhaust gas treatment and conducting special initiatives to tackle VOCs to reduce the level of atmospheric pollutant emissions.</p>

**Pan-Smart Screen BU Implements Green Transformation of Production Lines, Achieving Comprehensive Control of Exhaust Emissions**

The Pan-Smart Screen BU has established policies such as the *Targets, Indicators, and Management Scheme Control Specifications* and the *2025 Sustainability Goals for Labor, Health and Safety, Environment, and Ethics*. These regulations define that emissions of all types of exhaust gases must comply with legally required limits. By installing exhaust gas treatment facilities, conducting regular equipment maintenance and inspections, and commissioning third-party exhaust gas testing annually, the BU ensures the normal operation of emission control systems.

In 2025, the Pan-Smart Screen BU implemented a green upgrade and transformation of the workshop primer coating process. By introducing automated primer coating equipment and adopting a fully enclosed operation mode, the Pan-Smart Screen BU achieved centralised collection of exhaust gases from the primer coating process throughout the entire operation. The exhaust gases are treated using a combination of dry filtration and two-stage activated carbon adsorption processes to control VOC emissions and reduce the generation of organic exhaust gases during production.



Automated Primer Coating Equipment

## Waste Management

TCL Electronics strictly abides by laws and regulations such as the *Law of the People's Republic of China on the Prevention and Control of Environmental Pollution by Solid Wastes* and the *Standard for Pollution Control on Hazardous Waste Storage* in all the countries or regions where it operates. We comply with internal policies such as the *Regulations on Solid and Liquid Waste Pollution Control*, the *Regulations on the Prevention and Control of Waste Pollution*, the *Management Plan for Hazardous Waste*, and the *Regulations on the Management of Hazardous Chemicals*, which detail methods for waste sorting, recycling, and reuse. This ensures compliance with national and local standards for waste disposal.

We adhere to the principles of "waste reduction at source, process control and resource recycling", focusing on the classified management, compliant disposal, and recycling of various types of waste, including electronic waste, hazardous waste, and general solid waste. We have established a globally integrated waste resource management system that facilitates both internal and external coordination, transforming discarded products into sustainable resources.

**In 2025, TCL King (Huizhou) and Huizhou TCL Mobile Communication were honoured with the title of "Zero-Waste Factory" in the Zhongkai High-Tech Industrial Development Zone.**

<b>Waste reduction at source</b>	We promote waste reduction at source through improvements in product design and production processes, such as adopting high-gloss injection moulding, utilising recyclable packaging materials, and optimising battery wrapping film design.
<b>Process control</b>	We have established a regular inspection mechanism and engage professional organisations to conduct comprehensive inspections and assessments of workplace environments, solid waste, and hazardous chemical management, ensuring standardisation and effectiveness in waste management operations. A dedicated waste collection area has been established, equipped with segregated collection containers to ensure that all categories of waste are properly collected, recorded, and transferred. Furthermore, in compliance with local environmental governance requirements, all branches of TCL Electronics manage disposal through qualified third-party recyclers or government-designated agencies in their respective locations.
<b>Resource recycling</b>	We have established an electronic waste recycling and recovery programme covering all our operations, promoting the refurbishment and reuse of viable products and the regulated disassembly and material recovery of non-viable products, thereby effectively increasing the resource recovery rate.

Waste management measures	
Type	Management measures
<b>Management of general solid and non-hazardous waste</b>	<ul style="list-style-type: none"> <li>Management of non-hazardous waste: We have established a management ledger for non-hazardous waste to ensure data traceability and process visibility. Disposal is entrusted to qualified third-party organisations to ensure compliance with environmental protection requirements.</li> <li>Management of general solid waste: We have developed specific management requirements and selected qualified suppliers to conduct compliant recycling and treatment.</li> </ul>
<b>Hazardous waste management</b>	<ul style="list-style-type: none"> <li>Establish hazardous waste management procedures: We manage the entire lifecycle of hazardous waste, including generation, warehousing, and transfer, thereby standardising its storage and transportation processes.</li> <li>Construct dedicated hazardous waste storage facilities: Hazardous waste is transferred to third-party organisations with professional certifications for harmless disposal.</li> </ul>
<b>Electronic waste management</b>	<ul style="list-style-type: none"> <li>Recycling principles: A comprehensive electronic waste recycling and recovery programme has been established. The recycling, reuse, refurbishment, disassembly, and material recovery of electronic products are carried out in accordance with laws and regulations to enhance the efficiency of resource circulation.</li> <li>Recycling channels: A diverse recycling network has been established, including off-line retail stores and mailing/door-to-door pick-up services, to support consumers in returning end-of-life electronic products to the Company or its authorised recycling organisations.</li> <li>Collaborative recycling: Through systematic disassembly of whole products and spare parts, along with the recovery and warehousing of usable components, we achieve resource regeneration. We collaborate with professional recycling organisations holding international certifications such as R2 and e-Stewards, strictly adhering to compliant recycling procedures. This ensures environmentally friendly sorting, processing, and final disposal of electronic waste, effectively preventing and controlling pollution while reducing our environmental footprint.</li> </ul>

**TCL King (Huizhou) was Awarded the "Zero Waste Factory" for Systematic Waste Management**

In pursuit of green development, the Pan-Smart Screen BU has systematically established a waste management system. It has developed and implemented a series of internal regulations, including the *Targets, Indicators, and Management Scheme Control Specifications of Pan-Smart Screen BU*, the *Regulations on Solid and Liquid Waste Pollution Control*, and the *Environmental Management System for the Smart Screen Product Manufacturing Centre*. These documents define reduction targets for hazardous waste, general industrial solid waste, and kitchen waste, and incorporate the relevant metrics into daily operational management.

Building on this foundation, TCL King (Huizhou) has further innovated its management mechanism by establishing a closed-loop process of "identification-collaboration-evaluation" and adopting the core principles of "source control, low emissions, low pollution, and zero landfill". This approach has enabled the refined, whole-lifecycle management of waste. By strengthening waste segregation, recovery and recycling, the factory has not only effectively reduced its environmental footprint but also driven synergistic growth in economic and environmental benefits.

The highly effective management has yielded significant performance improvements. In 2025, TCL King (Huizhou) achieved year-on-year reductions of 7.06%, 12.83%, and 44.85% in its hazardous waste, general industrial solid waste, and kitchen waste generated per unit of output value, respectively. These notable achievements have also received authoritative recognition, with the factory successfully earning the "Zero Waste Factory" title in the same year.

**Cutting-edge Research on Resource Utilisation of Electronic Waste by Mobile Phone BU**

To address the challenges of electronic waste recovery efficiency and recycling, the Mobile Phone BU has integrated green principles throughout the entire process of product design and technological R&D. All batteries in its projects uniformly adopt a wrap-around film design, enhancing disassembly and repairability and creating conditions for subsequent recycling and reuse.

Regarding the optimisation of recycling pathways, the Mobile Phone BU published the paper *Optimisation Method for E-Waste Recycling Scheme Considering Ecological Efficiency* in the journal *Environment, Development and Sustainability* in 2025, proposing a decision-making method that incorporates ecological efficiency into the optimisation of e-waste recycling schemes. Meanwhile, the Mobile Phone BU participated in the formulation of group standards such as T/QGCM 1631-2023 and T/QGCM 3057-2024. These standards facilitate the recovery and reuse of key materials like graphite anodes and lithium cobalt oxide cathodes from end-of-life lithium-ion batteries through standardised repair and regeneration processes, thereby promoting the recycling and environmentally friendly disposal of electronic waste.



Journal Paper Publication

**Biodiversity**

TCL Electronics profoundly recognises the fundamental importance of healthy ecosystems to human well-being and sustainable development. We adhere to the principle of respecting nature and pursuing harmonious coexistence, deeply integrating the protection of ecosystem integrity and the maintenance of biodiversity into our corporate operations and strategic decision-making. Specific measures are implemented to mitigate the impact of our operations on ecosystems, including efforts to protect primates and other endangered species, as well as to conserve biodiversity in natural habitats and protected areas.

We do not operate within ecologically sensitive areas such as national parks, nature reserves, World Natural Heritage sites, natural parks, or red lines for ecological conservation. Our operations comply with the requirements for environmental quality baselines and resource utilisation ceilings and are not included in any negative lists for environmental access. We are committed to creating a favourable habitat for wild animals and plants and supporting biodiversity conservation by controlling waste and pollutant emissions through multiple initiatives and developing low-carbon, low-noise products. During project development and operations, we prioritise the avoidance of ecologically sensitive areas and conduct assessments and management of potential impacts on biodiversity. Construction, operation, and maintenance of our facilities and cooperation projects strictly adhere to local environmental requirements. We respect and support ecological conservation actions in the areas where we operate and implement environmental monitoring.

**TCL Electronics and Polar Pod Jointly Protect Marine Ecology**

Since 2022, TCL Electronics has served as an official partner of the "Polar Pod" scientific research expedition. Over the four-year partnership, we have provided product support and collaborated with the project's initiator, Dr. Étienne, to promote marine ecosystem conservation through educational outreach. The project involves a newly developed research vessel circumnavigating Antarctica to conduct a three-year study, delivering critical climate and biodiversity data to the global scientific community.



Official Partner Certification for the Scientific Expedition Project "Polar Pod"

**Biodiversity Protection at the Pan-Smart Screen BU's Brazilian Factory**

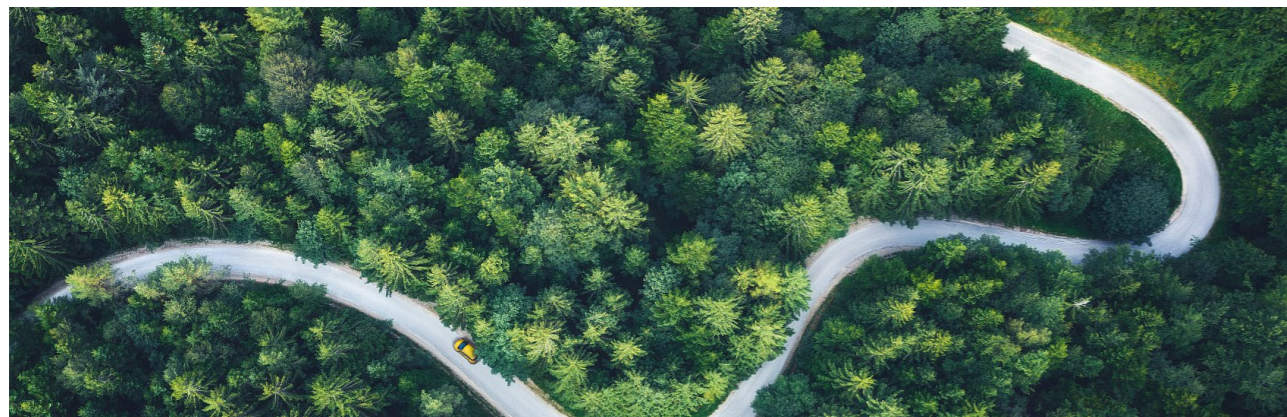
**Brazilwood seed conservation project:** To protect endangered species and preserve regional biodiversity, the Brazilian factory marks, registers, and monitors Brazilwood trees within its factory area and strictly adheres to relevant governmental requirements and permits for their conservation. Meanwhile, the Brazilian factory collaborates with local institutions to collect Brazilwood seeds in the factory area. This initiative includes a large-scale seed donation programme. The seed packaging is made from recyclable and biodegradable materials to minimise environmental impact and support the propagation and recovery of this endangered species. This project contributes to the expansion of Brazilwood population and the improvement of its survival prospects, supporting the gradual removal of Brazilwood from the Red List of Threatened Species by the International Union for Conservation of Nature (IUCN).



Marking, Registration and Monitoring of Brazilwood



Illustration of Eco-friendly Seed Packaging Box



**Biodiversity Protection at the Pan-Smart Screen BU's Brazilian Factory**

**Wild animal rescue:** For wild animals in distress, the Pan-Smart Screen BU's Brazilian factory has established a standardised rescue protocol. All rescued animals are uniformly transferred to local Brazilian wildlife rescue centres for professional medical treatment and care. Once rehabilitated, the animals are released back into suitable and safe natural habitats. Through this protocol, the factory has successfully rescued multiple wild animals in dangerous situations, including fledgling birds that had fallen from their nests and birds that had lost their ability to fly.



Wild Animal Rescue

**Biodiversity introduction and guide:** The Pan-Smart Screen BU's Brazilian factory has installed standardised biodiversity introduction boards themed "Our Neighbours" in its area. These boards systematically display native animal and plant species found in and around the factory area and provide employees with guidance on appropriate responses and conservation actions when encountering different species. Through this visual science communication initiative, the Brazilian factory encourages employees to actively participate in ecological protection, fostering a harmonious coexistence between humans and nature in the factory.



Biodiversity Introduction Boards

# 04

## People-Oriented and Talent Empowerment

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Talent is the core driver of a company's long-term development. Embracing diversity and openness, TCL Electronics widely attracts outstanding talent from around the world to continuously strengthen its workforce. We foster a healthy, diverse, equitable, and friendly working environment by improving employee occupational health and safety measures, offering competitive compensation and benefits, and building a holistic talent development and training system. Through these efforts, we achieve mutual success, advancing both the Company's sustainable progress and the personal growth of our employees.

3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



5 GENDER EQUALITY



8 DECENT WORK AND ECONOMIC GROWTH



# Employee Rights Protection

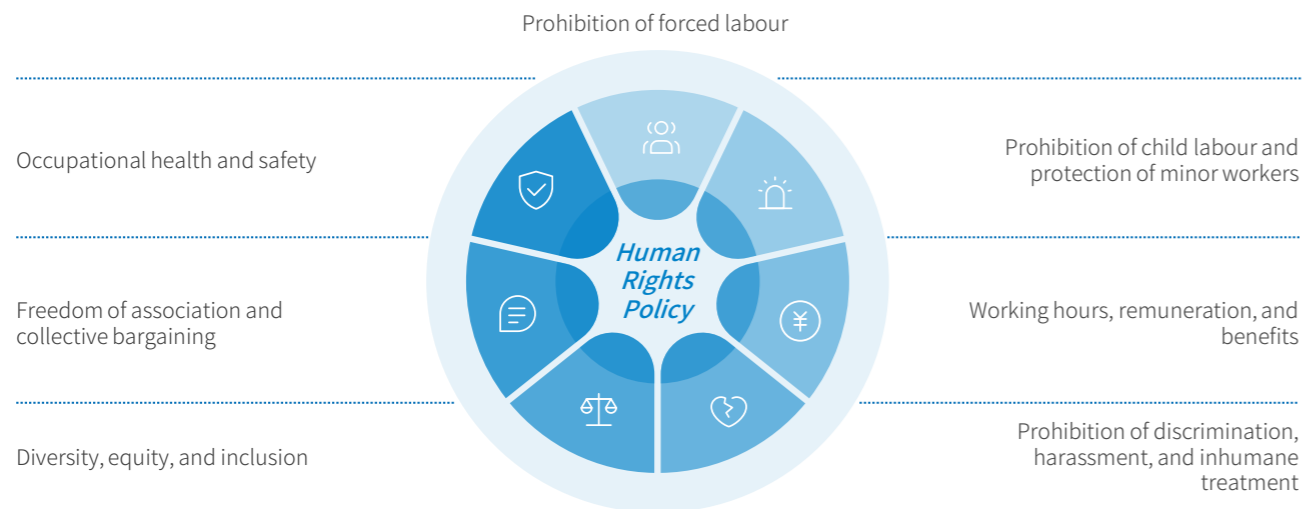
TCL Electronics adheres to the labour principles established by the United Nations Global Compact (UNGC), the International Labour Organisation (ILO), and the Responsible Business Alliance (RBA). We strictly comply with laws, regulations, and standards related to labour management across all the countries or regions where we operate, including the *Law of the People's Republic of China on Protection of Minors*, the *Employment Promotion Law of the People's Republic of China*, the *Provisions on the Prohibition of Using Child Labour*, and the *Mexican Federal Labour Law*. Grounded in international conventions such as the *Universal Declaration of Human Rights*, we comply with the *Employee Handbook*, the *Guidelines for Employment Red Lines*, and the *Management Measures for Accountability* applicable to all employees, explicitly prohibiting unlawful practices such as forced labour, child labour, and inhumane treatment.

We continuously refine our recruitment, employment, and dismissal systems and procedures, reinforcing the fundamental basis for compliant employment. Upholding the talent philosophy of equality and inclusion, we resolutely reject all forms of workplace discrimination. Meanwhile, we have established open and transparent employee communication mechanisms, ensuring smooth communication channels to foster a harmonious and stable relationship between the Company and our employees.

## Compliant Employment

TCL Electronics consistently prioritises the lawful rights and interests of its employees, establishing a multi-faceted labour rights protection mechanism to thoroughly strengthen employment compliance. This year, TCL Electronics formulated its *Human Rights Policy*, encompassing core human rights commitments in areas including the prohibition of forced labour and child labour, the regulation of working hours and remuneration, anti-discrimination, diversity and inclusion, and occupational health and safety.

### Core Human Rights Commitments in the Human Rights Policy



In 2025, TCL Electronics conducted internal audits at its core owned factories (TCL King (Huizhou) and Huizhou TCL Mobile Communication) based on RBA social responsibility standards and others. These audits covered compliant employment modules including anti-discrimination and humane treatment, working hours and rest periods, forced labour, child labour and protection of minor workers, remuneration and benefits, and freedom of association and communication. A total of 11 non-conformities were identified. During the audits, TCL Electronics focused on assessing conformity with the various standards and established a rigorous closed-loop follow-up mechanism for the identified issues. The company formulated corrective action plans, clearly defined responsible departments and deadlines, tracked progress, and verified rectifications. This ensures that all non-conformities are promptly corrected and lead to corresponding prevention measures, driving continuous improvement and the enhancement of long-term mechanisms in labour rights protection.

To consistently enhance employment management capabilities, we conduct a comprehensive social responsibility risk identification at the beginning of each year. This identification covers core elements such as child labour, forced labour, health and safety, freedom of association and collective bargaining rights, discrimination, working hours, and remuneration. By quantifying and evaluating risk indices, we develop targeted prevention and control plans to minimise the probability and impact of non-compliant employment. In addition, we provide regular training on compliant employment policies for all employees and new hires. In 2025, TCL Electronics did not experience any incidents of illegal or non-compliant employment.

**Initiatives by the Pan-Smart Screen BU on Prohibiting Forced Labour**

The Pan-Smart Screen BU has formulated the *Anti-Forced Labour Management Procedure*, which explicitly establishes the principle of voluntary employment, safeguarding employees' autonomy and fairness in labour. The company fully ensures employees' freedom of movement. During working hours, they may freely access restrooms and drinking water, and they are free to leave the factory after their shifts conclude. Furthermore, should employees encounter any improper infringement, they may report the issue to their employee representatives, who will then launch investigation and urge management to address the matter in accordance with established regulations.

**Pan-Smart Screen BU's Initiatives for Child Labour Prohibition and Underage Worker Protection**

The Pan-Smart Screen BU has established the *Regulations on Child Labour Assistance Management*, which requires the ID verification for candidates during the recruitment process to prevent hiring anyone under the age of 16. In addition, we raise awareness of compliance among all employees through presentations and announcements. If any employees report themselves as child workers, related complaints are received, or it is discovered that an employee is suspected of being a child worker, the Human Resources Development Department must verify their identity through home visits and indirect inquiries. Once a child worker is verified, the Company will suspend the employee's work, with a medical check-up arranged, and report the case to the labour bureau. If the individual is ill or injured, the Company commits to covering all medical and living expenses during treatment and rehabilitation to ensure their physical and mental health is properly safeguarded.

At the same time, the Pan-Smart Screen BU has established a protection mechanism for subsequent arrangement and care. The Company will assign a specialist to escort the individual to their guardian and cover all travel costs and expenses incurred during the process. To support the individual's long-term development, the Company provides financial assistance to ensure they complete their compulsory education as required by laws. If the individual wishes to attend vocational school, the Company will fully cover tuition and fees until they reach the age of 16. Moreover, before the individual reaches the age of 16, the Company will continue to provide a basic monthly wage as a living allowance. The Human Resources Department clearly informs the individual that once they reach the age of 16 and meet legal requirements, if they are willing, the Company will provide prioritised employment opportunities for them and welcomes them to return after completing their studies.

On the foundation of strictly implementing compliant employment standards, we have established an efficient end-to-end recruitment system covering both domestic and overseas labour markets. We continuously expand and optimise our global recruitment channels, intensifying our efforts to attract talent and building a core talent reserve to support the Company's long-term development.

**Global PhD Talent Special Recruitment Plan**

TCL Electronics launched its 2026 global campus recruitment "PhD Talent Plan", aiming to recruit top-tier scientific research PhDs worldwide. Through its more than 10 R&D centres, 7 cutting-edge laboratories, and a wealth of patented technologies, the Company connects talent with core R&D platforms, facilitating the translation of academic achievements into industrial transformation drivers. Recruitment is precisely aligned with business needs. The Eagle Lab focuses on hiring PhDs in fields such as AI and IoT to support the intelligent upgrade of all product categories. The Pan-Smart Screen BU recruits PhDs in display technology and related fields to consolidate its technological leadership in the display field. This high-level talent reserve strengthens the foundation for technological innovation and sustainable development.

## Employee Diversity and Inclusion

TCL Electronics upholds the principles of diversity, equity, and inclusion, and strictly prohibits discrimination based on race, nationality, ethnicity, religious belief, skin colour, age, physical disability, marital status, gender, sexual orientation, gender identity, or pregnancy status. We formulate the *Diversity, Equity, and Inclusion Policy*, actively seeking diversity among our employees in terms of background, experience, skills, and mindset and encouraging all units to integrate DE&I considerations into organisational construction and daily operations. This approach aims to fully tap into and leverage the synergistic value of diverse teams, strengthening organisational resilience through an inclusive culture.

Guided by the values of "Seeing, Inspiring, and Supporting Women", we launched the "TCL FOR HER" female employee development programme. This programme aids in unlocking the potential and facilitating the career growth of our female employees through initiatives such as professional skills training, career development planning guidance, and entrepreneurship support. BUs such as the Pan-Smart Screen BU have established nursing rooms, creating a female-friendly working environment and continuously strengthening the protection of female employees' rights. The Commercial BU prohibits discrimination based on gender, pregnancy, and other factors throughout the entire recruitment and employment process. It also ensures that female employees who are pregnant or breastfeeding enjoy equal rights in areas such as occupational health and safety, promotion, rewards, and training opportunities.

### The Mobile Phone BU Partners with Guangdong Women's Polytechnic to Cultivate Female Talent in Intelligent Manufacturing

In June 2025, focusing on the need to cultivate female talent in intelligent manufacturing, the Mobile Phone BU partnered with Guangdong Women's Polytechnic to launch a thematic research and learning activity titled "See Future Factories, Define Future Talent". Centred around a "three-realities" teaching model of "real sites, real scenarios, and real practice", the activity organised female teachers and students to visit the front line of intelligent manufacturing, providing them with a close observation of the entire production operation process. This initiative established a platform for practical understanding and career inspiration for female students, empowering women to enter the field of intelligent manufacturing.



"See Future Factories, Define Future Talent" Thematic Research and Learning Activity

We attach great importance to the care and support of employees with disabilities. Adhering consistently to the principles of diversity, equity, and inclusion, we facilitate the work and life of our disabled employees through measures such as improving accessibility facilities.

### The Sixth Disability Awareness Day Communication Session

On the occasion of the 35th National Disability Awareness Day, Huizhou TCL Mobile Communication held its sixth Disability Awareness Day Communication Session under the theme "Perfect Imperfections in Life with Love". The event brought together 20 current employees with disabilities and managers from various departments for face-to-face communication. Discussions focused on job matching, skill enhancement, and life demands, providing a platform for employees to voice their concerns and for the Company to demonstrate its commitment and care. The labour union presented thoughtful gifts to the employees with disabilities in recognition of their work contributions. This initiative put the concept of "integration of persons with and without disabilities" into practice, thereby strengthening the employees' sense of belonging.



The Sixth Disability Awareness Day Communication Session

Our employees come from diverse regions around the world and hold a variety of religious beliefs. We respect the freedom of religious belief for our diverse global workforce, establishing dedicated prayer rooms and fostering an inclusive working environment.

## Democratic Management and Communication

TCL Electronics is committed to creating an environment where all employees feel safe, respected, heard, valued, and free to express themselves. We foster a culture of open communication, mutual understanding, and active listening, respecting diverse viewpoints and working styles. We have established the labour union and collective bargaining mechanisms to provide a solid institutional framework for safeguarding employees' rights and interests. We have built a multi-channel, multi-format, and comprehensive employee communication and complaint platform, ensuring clear pathways for employees to voice their concerns. We proactively listen to our employees' feedback and encourage them to fully express their opinions. We place high importance on communication and engagement with our employees and have cumulatively held over 200 employee communication sessions, where management listened to feedback on-site and followed up on employees' suggestions.

We respect employees' lawful rights to freedom of association and collective bargaining, supporting their right to voluntarily establish or join labour unions and related organisations in accordance with the law. We also respect the right of employees not to join such organisations, ensuring these rights are exercised based on equality and willingness. We have signed collective agreements covering all employees. These agreements encompass various aspects including remuneration and benefits, working hours, health and safety, working conditions, occupational safety and hygiene, insurance and welfare, protection of special employees, and vocational training and education.

### Commercial BU – Employee Communication and Safeguard Mechanisms

The Commercial BU has established streamlined employee communication channels to safeguard employees' rights to express opinions and protect their legitimate interests. This is achieved by setting up a "General Manager's Mailbox", which provides a direct and efficient pathway for employees to voice their concerns to senior management. Additionally, regular "Frontline Voices" employee forums are held to gather feedback and suggestions on business development. The BU also maintains accessible union support pathways, empowering employees to uphold their rights in accordance with laws and regulations. By establishing a grievance mechanism, the BU has clearly defined employees' rights to appeal against management decisions. Concurrently, it has launched multi-dimensional grievance channels, including email, WeChat, and online links, to accommodate diverse employee feedback needs.



"Frontline Voices" Employee Feedback Channel

# Employee Remuneration and Benefits

We have developed the *Remuneration and Benefits Execution Management Procedure*. The remuneration structure comprises fixed salaries, performance bonuses, and long-term incentives. Additionally, we conduct regular market salary surveys to offer employees industry-competitive remuneration, thereby enhancing their enthusiasm and creativity.

By the end of 2025, TCL Electronics had introduced a series of equity incentive schemes, benefiting a cumulative more than 3,500 individuals, the majority of whom were employees of the Group. These long-term incentives recognise the value of talent and strengthen organisational cohesion. The Company provides comprehensive welfare protections for employees. In addition to statutory benefits such as social insurance and housing provident funds, we also offer non-statutory welfare arrangements including supplementary commercial insurance and company-specific paid leave.

## Core Initiatives for Employee Welfare Protection

Statutory Rights Protection	Employee Health and Well-being Initiatives	Humanistic Care Practices
<p>The Company contributes to employees' social insurance and housing provident fund and additionally provides supplementary commercial insurance. It also safeguards employees' entitlement to statutory holidays, annual leave, maternity leave (at least 14 weeks of paid maternity leave and at least 2 weeks of paid paternity leave), parental leave and other leave benefits.</p>	<p>The Company organises annual health check-ups for all employees, ensuring holistic support for their physical and mental Well-being.</p>	<p>During festive occasions such as the Dragon Boat Festival, Mid-Autumn Festival, and Children's Day, the Company distributes holiday gifts and organises group activities such as garden parties to enhance employee happiness.</p>



2025 Spring Festival Gala: "Harnessing Momentum for the Future, Striving to Lead the Way"



"Win the Double 11 Campaign" Activity



The 8th "Dare to Trek Toward the Mountains: Break Through to the Future" Hiking Activity



The 5th "Inspire Greatness" Cup Football Competition



The 5th "Inspire Greatness" Cup Basketball Competition



Birthday Celebration Event



Christmas Celebration Activity



The 4th "Inspire Greatness" Cup Badminton Competition



The 4th "Inspire Greatness" Cup E-sports Competition



The 9th Food Festival



The Mid-Autumn Festival Garden Party

# Occupational Health and Safety

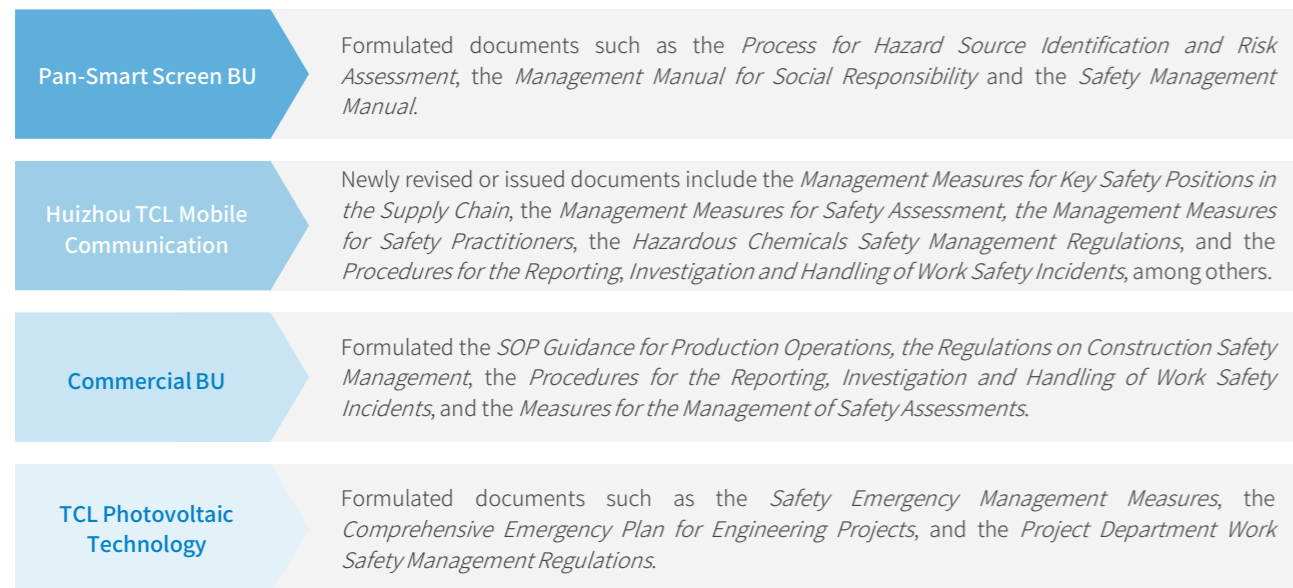
TCL Electronics prioritises the protection of employees' health and safety. By establishing a robust occupational health and safety management system, the Company is committed to fostering a secure and orderly production environment and continuously enhancing the safety and well-being of its employees. In 2025, eight subsidiaries of TCL Electronics obtained ISO 45001 Occupational Health and Safety Management System certification.

## Work Safety

TCL Electronics strictly adheres to all applicable production safety regulations and standards across all the countries or regions where it operates, including the *Work Safety Law of the PRC*, the *Emergency Response Law of the PRC*, and the *Measures for the Administration of Contingency Plans for Work Safety Accidents*. It rigorously implements the work safety policy of "Life First, Safety Foremost, Prevention as the Main Approach, and Comprehensive Governance" throughout its production and operations, continuously enhancing its work safety management standards.

In 2025, TCL Electronics and its subsidiaries, in accordance with their own development needs and regulatory requirements, continued to refine their internal work safety management systems. By establishing comprehensive internal guidelines, they ensured that all production operations across TCL Electronics comply with safety standards.

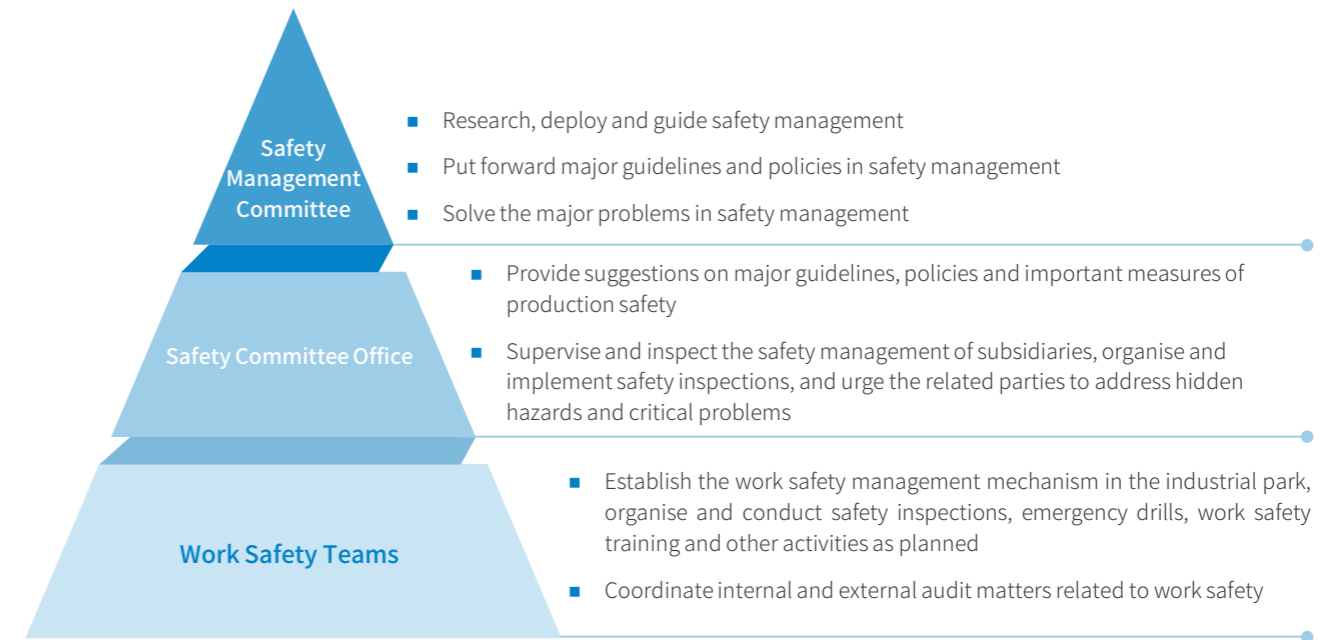
### TCL Electronics' Work Safety Management System



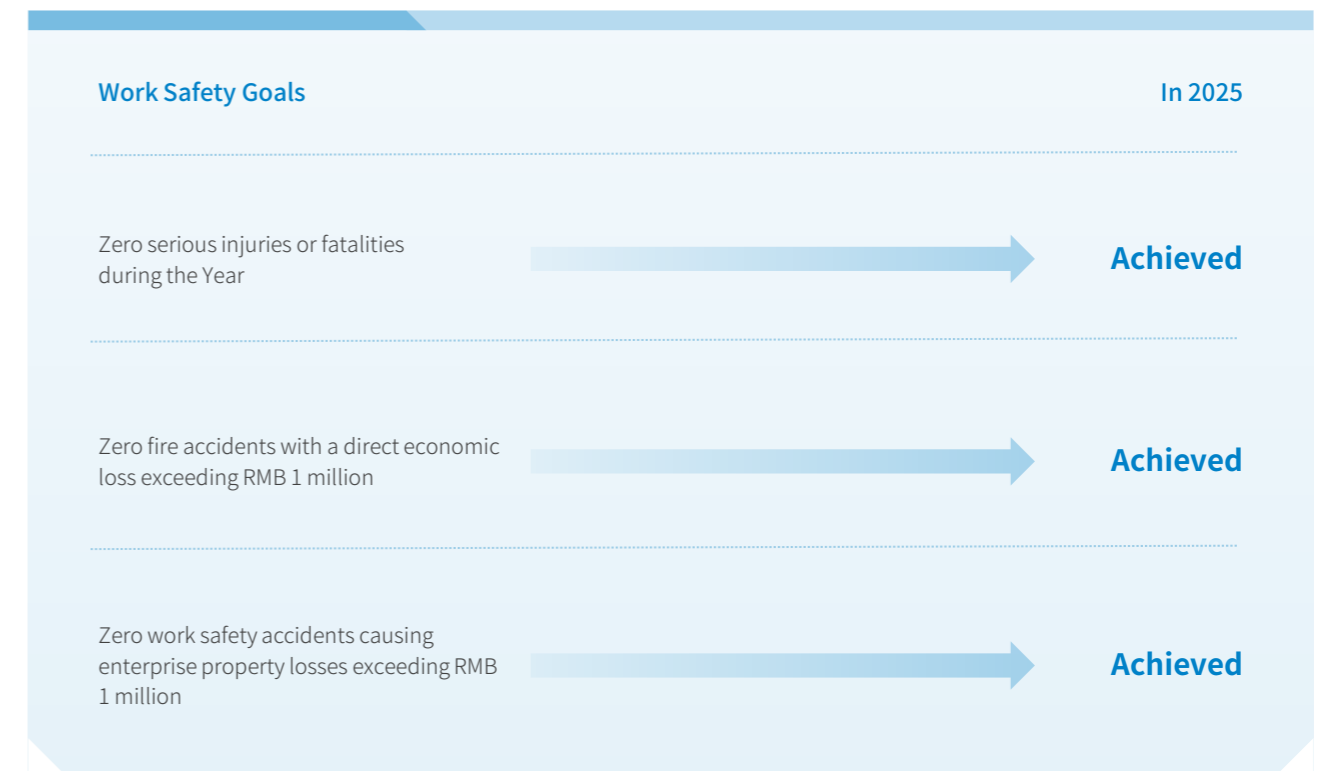
### Establishment of a Safety Management Framework

TCL Electronics has established a safety management framework with clearly defined roles and a well-structured hierarchy, consisting of the Safety Management Committee, the Safety Committee Office, and Work Safety Teams. This framework clearly delineates the safety responsibilities and obligations of personnel at all levels, ensuring the effective implementation of work safety management.

### TCL Electronics' Safety Management Framework



### TCL Electronics' Work Safety Goals in 2025



## TCL Electronics' Work Safety Practices and Measures



### Investigation of potential safety hazards

- **The Pan-Smart Screen BU:** consistently conducts weekly safety hazard inspections and rectification efforts. Upon discovering a safety hazard, employees must promptly and accurately report it to their superiors, while also ensuring on-site protection and maintaining relevant records to guarantee timely tracing and follow-up of the safety issue.
- **Huizhou TCL Mobile Communication:** regularly conducts safety inspections and hidden hazard investigations, promptly detecting and rectifying potential safety risks.
- **TCL Photovoltaic Technology:** rigorously follows established procedures for the effective tracking and rectification of potential safety hazards. In 2025, the BU continued to carry out regular safety inspections and weekly safety meetings.
- **The Commercial BU:** has integrates potential safety hazards into its rectification workflow. In 2025, it carried out regularised safety inspections to promptly identify and address health and safety risks, with no incidents related to such hazards occurring.



### Monitoring of safety indicators

- **The Pan-Smart Screen BU and Huizhou TCL Mobile Communication:** regularly monitored work safety activities and indicators, evaluated the effectiveness of the safety management system, and continually improved it.



### Safety emergency drills

- **The Pan-Smart Screen BU and Huizhou TCL Mobile Communication:** regularly organise fire drill safety training, covering all personnel in production, dormitory, and office areas.



The Pan-Smart Screen BU Fire Drill



### Safety culture development

- **The Pan-Smart Screen BU and Huizhou TCL Mobile Communication:** regularly organise safety-related training sessions to continuously reinforce employees' safety awareness and operational standards.
- **TCL Photovoltaic Technology:** conducts work safety training and activities targeting agents, supporting partners, and internal quality and safety personnel, with a cumulative total of over 9,800 participants.



Work Safety Training Session of TCL Photovoltaic Technology



### Safety performance assessment

- **The Pan-Smart Screen BU and Huizhou TCL Mobile Communication:** have incorporated safety performance into the daily work management and ongoing monitoring and evaluation systems for relevant personnel.
- **The Commercial BU:** has established the *Safety Assessment Management Measures* to enforce the production safety management responsibility system across all levels, developing quantitative evaluation for the implementation process of safety work in various departments and carrying out regular "work safety checks" to ensure work safety.
- **TCL Photovoltaic Technology:** all employee have signed the *Work Safety Target Responsibility Agreement*, under which their safety performance is assessed based on the execution of their respective safety-related duties.

## Occupational Health

TCL Electronics places high importance on employees' occupational health. Across all its global operations, the Company strictly adheres to occupational health regulations and standards, such as the *Law of the PRC on the Prevention and Control of Occupational Diseases and the Regulations on Work-Related Injury Insurance*. It identifies and rigorously controls various potential occupational safety risks and hazards to prevent occupational diseases and work-related accidents, thereby safeguarding the occupational health and safety of its employees.

### Employee Occupational Safety Risk Assessment

TCL Electronics conducts occupational safety risk assessments for all BUs and systematically identifies safety risk information. Based on scientific evaluation, risk levels are determined, and targeted control measures are implemented. In 2025, guided by the *Environmental, Occupational Health and Safety Management Manual*, the Pan-Smart Screen BU refined its specialised management systems, providing standardised and systematic support for occupational health and safety management within its scope of coverage. In accordance with relevant regulations such as the *Emergency Preparedness and Response Control Procedures* and the *Management Manual for Social Responsibility*, employees of the Pan-Smart Screen BU are authorised to immediately evacuate hazardous areas in the event of emergencies such as fire or earthquake, without prior approval, ensuring the protection of employees' lives and fundamental rights. At the daily operational level, each BU implements protective measures tailored to its specific operational characteristics, ensuring that relevant personnel are equipped with and properly utilise personal protective equipment.

### Protection of Employees' Occupational Health Rights

TCL Electronics emphasises the protection of employees' occupational health rights. The Pan-Smart Screen BU has established a multi-tiered system to safeguard employees' occupational health rights. In addition to providing annual health check-ups for all employees, it implements comprehensive occupational disease health examinations—covering pre-employment, in-service, and post-employment stages—for personnel in roles exposed to occupational hazards. Furthermore, in 2025, the Pan-Smart Screen BU established systems such as the *Employee Communication Mechanisms & Doubts and Inquiries Handling Management Regulations* to ensure employee participation and communication regarding occupational health and safety. Relying on third-party institutions to monitor occupational safety positions and conduct occupational disease screenings, the unit also implemented corrective measures including regular maintenance and inspections, as well as improvements to the working environment in aging rooms. The Commercial BU regularly conducts occupational health training and inspections to enhance employees' health awareness and promptly address health-related issues. It also ensures the provision and proper use of personal protective equipment and implements engineering measures such as ventilation and dust removal to mitigate occupational hazards. A risk information feedback mechanism is in place to continuously improve occupational health management practices.

TCL Electronics emphasises a combined approach of proactive prevention and post-incident safeguards. In advance, we strictly adhere to the *Procedures for the Reporting, Investigation and Handling of Work Safety Incidents*, implementing mechanisms for incident reporting, investigation, and accountability. This is aimed at controlling safety incidents and occupational health risks at their source to prevent harm from occurring. After an incident occurs, we follow internal work-related injury identification and management systems to standardize the entire process, including medical treatment, disability assessment, benefit claims, and post-incident handling. In 2025, the Commercial BU conducted regular "6S" inspections to continuously improve the environment, eliminate potential safety hazards, reduce the probability of safety incidents, and strengthen the occupational safety defences for employees.

# Empowering Talent Development

We attach great importance to employees' career development and capability enhancement, and are committed to fostering a continuous learning organization. Through a systematic talent development and training framework, we support employees in enhancing their professional competencies and overall capabilities at different stages of their careers, thereby providing a strong talent pipeline for the Company's long-term development.

The Company provides support for degree programs and certifications to all employees, encouraging continuous enhancement of professional and managerial capabilities. The Company supports employees in participating in degree programmes offered by domestic and overseas universities as well as career development programmes (such as executive leadership programmes), and provides corresponding financial support and access to learning resources.

- Educational Advancement Support for Mid- to Senior-level Employees: The Company supports mid- to senior-level management in pursuing further academic qualifications to enhance their business management capabilities and professional expertise.
- Executive Development Support: The Company supports senior management in participating in the Harvard University Global Executive Leadership Programme. In 2024, enhancing leadership and strategic management capabilities from a global perspective.

In line with organizational development needs and talent pipeline building, the Company has established a six-tier "Eagle Talent" leadership and competency development system, namely "Young Eagle – Starter – Flying Eagle – Elite Eagle – Soaring Eagle – Brave Eagle", covering employees at different levels. The training programmes are available to all employees (including full-time and part-time employees), with tiered and targeted development programmes for management personnel, talent reserves and key positions, continuously enhancing managerial capabilities and job competencies.

## Management Development Programme:

- Training Objectives: To strengthen managerial business acumen and strategic execution capabilities, enhance decision-making and organizational management capabilities in complex business environments, and build a high-quality management team.
- Training Content: Focusing on key themes such as business management, strategy decomposition and execution, organizational collaboration and leadership development, the Company delivers programmes including "Relative Competitiveness Training Camp", "Growth-oriented Manager Programme" and "General Manager Acceleration Programme". These are complemented by case studies, practical exercises and experience sharing to systematically enhance managerial capabilities. In addition, the "High-quality Development Lecture Series" is organized to focus on cutting-edge management concepts and industry trends, broadening management perspectives.
- Training Outcomes: As at 31 December 2025, the "Relative Competitiveness Training Camp" had covered a total of 234 participants, the "Growth-oriented Manager Programme" had covered 227 participants, and the "General Manager Acceleration Programme" had covered 180 participants. A total of four sessions of the High-quality Development Lecture Series were conducted, reaching 4,343 participant attendances, with continuous enhancement in managerial capabilities and strategic awareness.

## Talent Reserve Development Programme:

- Training Objectives: To build a multi-tier talent reserve pipeline, strengthen talent reserves for key positions, and enhance organizational sustainability.
- Training Content: Through programmes such as the "Talent Pool Programme", "Soaring Eagle Programme" and "Elite Eagle Programme", high-potential employees are systematically developed, focusing on foundational leadership, business understanding and cross-functional collaboration capabilities, with competency enhancement through project-based practice and staged assessments.
- Training Outcomes: As at 31 December 2025, the Talent Pool Programme had cumulatively developed 807 participants; the Soaring Eagle Programme had reached its sixth cohort with a total of 6 participants; and the Elite Eagle Programme had reached its eighteenth cohort with a total of 34 participants, with continuous progress in talent pipeline development.

## International Talent Development Programme:

- Training Objectives: To enhance the business management capabilities and cross-cultural collaboration capabilities of international teams, supporting the implementation of the Company's global strategy.
- Training Content: Through programmes such as the "Country Manager Training Camp" and the "War Eagle Programme", training is delivered on global business management, cross-cultural communication, strategic execution and localization, strengthening the capabilities of overseas business leaders and high-potential talent.
- Training Outcomes: As at 31 December 2025, the War Eagle Training Programme had covered 23 participants, while the Country Manager Training Camp continued to be implemented and covered country managers globally, effectively enhancing the capabilities of international talent.

## Young Talent Development Programme:

- Training Objectives: To support young talent in clarifying career development directions and enhancing job adaptability and growth.
- Training Content: Through programmes such as the "Young Eagle Bootcamp", training is delivered on corporate culture awareness, fundamental business capabilities and career planning. In addition, the "Young Eagle Three-year Development Plan" is implemented, supported by a mentorship mechanism and structured development pathways, with continuous tracking of employee growth.
- Training Outcomes: As at 31 December 2025, the Young Eagle Bootcamp had covered 636 participants, and the Young Eagle Three-year Development Plan had covered 1,443 participants, with the young talent development system being progressively strengthened.

2025  
**100%** of TCL Electronics' employees received training

Average training hours for all employees **45** hours



## Pan-Smart Screen BU – Layered and Categorized Talent Development System

For junior employees, the Pan-Smart Screen BU focuses on the demand for global talent reserves in areas such as manufacturing, supply chain, and quality, and has launched a global talent development programme. Through diversified components such as factory practicums, online and offline courses, thematic salons, English language learning, and scenario-based role-playing, the company strengthens employees' professional competencies and global adaptability. This approach supplies core talent for international market operations, achieving a win-win outcome where employee growth and the enhancement of the company's global competitiveness are realised in tandem.

For newly appointed managers, the Company conducts specialised training centred on role transition, performance management, team leadership, and the art of communication and influence building. This training is designed based on managerial competency standards, 360-degree role assessments, and employee needs surveys. For all managers, the company organises thematic activities—including sharing of internal best practices, cross-business dialogues, and case studies—focused on key operational areas such as technological innovation, business-finance integration, and organisational development. These initiatives are tailored to precisely align with business requirements and comprehensively broaden managers' perspectives in both leadership and operations.



## New Employee Training—Rookie Eagle Vitality Camp

In July 2025, the Pan-Smart Screen BU conducted the Rookie Eagle Vitality Camp, a seven-day programme covering 91 participants. Centred around four main themes—strategic culture, product challenges, IPD introduction, and workplace transition—the camp includes offline intensive training, factory practicums, team-building exercises, and production line visits. The offline intensive training involves over 19 instructors delivering specialised courses, career development sessions, and general education lectures. As a critical bridge between campus and the workplace, this vitality camp effectively helps new employees accelerate their understanding of the industry and integrate into the corporate culture. It lays a solid foundation for their career development while also injecting fresh vitality into the Company.



The Rookie Eagle Vitality Camp



## TCL Photovoltaic Technology Supports Employee Career Development through a Comprehensive Training System

TCL Photovoltaic Technology has established a comprehensive employee training and development system, encompassing organisation-wide training, onboarding programmes, career development pathways, and internal mobility mechanisms. The training system includes specialised programmes for high-potential managers, newly appointed managers, and global talent, as well as business-focused open courses and overseas localisation training for all employees. Each department supports in-depth employee development through role-specific internal training and hands-on coaching. For new employees, the company implements systematic onboarding training. Campus recruits are incorporated into a three-year development plan that combines cultural induction, skills training, and mentor guidance to help them rapidly achieve competence. Regarding career development, the company has established dual-track pathways for management and professional sequences, supported by a job qualification certification system, with clear competency standards and promotion requirements defined for each level. Furthermore, through regularised mobility mechanisms such as internal recruitment, open competitions, and cross-departmental rotations, TCL Photovoltaic Technology promotes positive internal talent circulation, enabling synergistic development between employees and the organisation.

**Driving Business Transformation through ESG Empowerment and Systematically Building Sustainable Development Capabilities**

Facing the complex environment of rapidly escalating global ESG regulations and increasingly fragmented international standards, the Company has systematically conducted five specialised "ESG Empowerment Lecture Series" training sessions targeting multiple BUs and R&D teams, including the Screen BU, TCL Photovoltaic Technology, MP BU, SCD BU, SMD BU, and the Eagle Lab. The series includes: *ESG Empowerment for the Photovoltaic Future: Exploring TCL Photovoltaic Technology's Sustainable Development Path*, *Product Carbon Footprint and Green Product Training*, *Conflict Minerals Management Training*, *ESG Empowerment for Future Technology: From Responsible Compliance to Value Innovation*, and *2025 Supplier Energy Conservation and Carbon Reduction Training*. These initiatives are designed to deeply integrate sustainable development principles into the strategy and operations of each BU. The training content closely aligns with international forefront trends, offering in-depth interpretation of regulatory requirements such as the *Eco-design for Sustainable Products Regulation (ESPR)* and the *Carbon Border Adjustment Mechanism (CBAM)*. By integrating industry practices, it systematically explains product carbon footprint management, green design, and low-carbon collaboration across the supply chain. Through the model of "trend interpretation—planning alignment—industry benchmarking—pathway discussion", the training has cumulatively covered over 500 participants from core positions in R&D, manufacturing, supply chain, marketing, and supplier representatives. This approach progressively advances the shift in ESG awareness from "knowing" to "understanding" and ultimately to "practicing."



ESG Empowerment for the Photovoltaic Future: Exploring TCL Photovoltaic Technology's Sustainable Development Path Training Session

**SCD BU Conducts Specialised Training on Business Negotiation and Etiquette**

The SCD BU focuses on enhancing the capabilities of management and core business professionals by organising specialised training in business negotiation and business etiquette, cumulatively covering 50 participants. This training specially invited external senior experts to deliver instruction. Centred on three core modules—business negotiation strategies, cross-cultural communication skills, and etiquette norms in business scenarios—the course structure was designed to help participants grasp the logic of business negotiation and key points of etiquette through interactive teaching formats such as case studies, scenario simulations, and practical exercises, thereby empowering business expansion and team management.



Specialised Training on Business Negotiation and Etiquette

**SCD BU Implements the "Engine Programme"**

The SCD BU has launched the "Engine Programme", focusing on the development of core and reserve management talent. The programme is delivered by internal management personnel serving as course instructors, with monthly thematic sessions covering core managerial competencies such as interviewing, team leadership, and business operations. Through formats such as experience sharing, case studies, and interactive discussions, the course translates frontline management experience into replicable methodologies, assisting managers in enhancing their team leadership and business problem-solving capabilities.

# 05

## Partner Collaboration and Giving Back to Society

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TCL Electronics adheres to the win-win cooperation concept, strictly standardises supplier management requirements, improves the supply chain management process system, collaborates with upstream stakeholders to build a responsible and sustainable supply chain, and empowers the green development of the value chain.



# Supply Chain Management

TCL Electronics complies with internal policy documents including the *Supplier Certification Management Process*, the *Component Inspection Management Process*, and the *Supplier Environmental Agreement*, establishing a full-chain standardised control process covering supplier development, qualification audit, qualification certification, raw material procurement, and quality inspection, forming a closed-loop supplier management system. Standardised operations ensure the stability and quality reliability of raw material supply, and long-term supply chain partnerships are built with high-quality suppliers.

## Supplier Closed-Loop Management Process

 <p>Development &amp; Qualification</p>	<ul style="list-style-type: none"> <li> <b>Supplier Selection Stage:</b> All departments shall fill in the <i>New Supplier Certification Request Form</i> and submit it to the Supplier Certification Team of the Procurement Department. Social responsibility due diligence is conducted simultaneously, focusing on evaluating performance in environmental, labour rights, occupational health and safety, and business ethics dimensions.                 </li> <li> <b>Supplier Onboarding Stage:</b> The development/coordination department must sign the <i>Partner Code of Conduct Agreement and the Business Partner Compliance</i> and Trade Safety Commitment to clarify the Company's supply chain management compliance policy requirements and violation handling clauses to all partners and prevent non-compliance behaviours by strengthening legal constraints.                 </li> </ul>
 <p>Supervision &amp; Audit</p>	<ul style="list-style-type: none"> <li> <b>Supplier Audit:</b> Conduct regular supervision and evaluation, annual special audits, and third-party audits on suppliers.                 </li> <li> <b>Supplier Tiered Management:</b> Implement dynamic evaluation and tiered management for all suppliers. Conduct performance appraisals on a monthly, semi-annual, and annual basis from four key dimensions: business conduct, delivery, quality, and technology. Suppliers are classified into four tiers: Preferred, Qualified, Restricted, and Eliminated based on appraisal results for targeted tiered management.                 </li> </ul>
 <p>Rectification &amp; Exit</p>	<ul style="list-style-type: none"> <li> <b>Supplier Problem Analysis &amp; Rectification:</b> For suppliers with low appraisal scores, assist them in identifying root causes, analysing core issues, and providing rectification suggestions to improve supply performance, effectively implementing supply chain risk management and promoting the steady and sustainable development of the supply chain system.                 </li> </ul>



# Sustainable Supply Chain




TCL Electronics regards responsible supply chain management as an important part of sustainable development. While adhering to business ethics and high-standard compliant operation, we are committed to encouraging supply chain partners to jointly fulfil environmental and social responsibilities.

## Responsible Supply Chain

We have established a responsibility management system throughout the supplier lifecycle, and complied with management requirements such as the *Supplier Code of Conduct* and the *Partner Code of Conduct Agreement*. We have fully integrated corporate social responsibility (CSR) performance into all aspects of supplier qualification, evaluation, cooperation, and exit.

In 2025, we comply with the *Supplier Corporate Social Responsibility Inspection Form* with reference to international common standards such as RBA and BSCI, auditing suppliers' labour employment, environmental protection, safety protection, and occupational health, urging suppliers to actively improve employees' working environment and enhance the sustainability of the entire supply chain.

## Sustainable Procurement Commitment

 <p><b>Reduce Environmental Footprint</b></p> <ul style="list-style-type: none"> <li>Optimise procurement demand, reduce unnecessary material procurement, and advocate material reuse and recycling.</li> <li>Gradually phase out disposable plastic products and packaging materials with high environmental impact.</li> <li>Promote the procurement of green, low-carbon, and recyclable products and services.</li> </ul>	 <p><b>Responsible Sourcing</b></p> <ul style="list-style-type: none"> <li>Comprehensively consider the environmental and social impacts of products and services throughout their lifecycle.</li> <li>Procure products compliant with environmental standards such as RoHS and REACH; support local economy and vulnerable groups and promote procurement diversification.</li> <li>Abide by the conflict minerals policy, improve the traceability mechanism, and eliminate mineral sources that violate human rights.</li> </ul>	 <p><b>Promote Green Supply Chain Construction</b></p> <ul style="list-style-type: none"> <li>Prioritize suppliers that have established environmental management systems (such as ISO 14001, ISO 50001).</li> <li>Encourage suppliers to set environmental management objectives and promote their energy conservation, emission reduction, and resource recycling.</li> <li>Promote suppliers' participation in joint actions to address climate change.</li> </ul>
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## 2026 Target



## Management Objectives

**Ensure the supply chain complies with the Responsible Business Alliance Code of Conduct and prohibits conflict minerals.**

## ▶ Supplier Qualification Mechanism

TCL Electronics has always adhered to high standards in safeguarding labour rights, fulfilling environmental responsibilities, and upholding business ethics. We implement strict qualification audits. New suppliers must pass due diligence including CSR dimensions and sign the *Partner Code of Conduct Agreement*. Under this agreement, TCL Electronics has explicitly incorporated key ESG requirements, including the Responsible Business Alliance Code of Conduct, the Conflict Minerals Policy, and business ethics red lines—into the cooperation framework, and requires suppliers to ensure that all their employees, temporary staff, agents, and subcontractors comply with these standards. Once redline violations occur, we will pursue liability in accordance with the *Partner Code of Conduct Agreement*, impose fines, or terminate cooperation if rectification is refused.

In supplier qualification evaluation, in addition to price, quality, and delivery factors, we focus on:

- Whether they have sustainable development policies or environmental and social responsibility commitments and are willing to sign the *Partner Code of Conduct Agreement*.
- Whether they comply with relevant laws and regulations on environment, labour, and human rights in the countries and regions where they operate.
- Whether they have established and maintained internationally recognised environmental, social, and governance management systems, such as ISO 14001 environmental management system, ISO 50001 Energy Management System, ISO 45001 Occupational Health and Safety Management System, SA8000 Social Accountability Standard, etc.

We integrate sustainable development performance such as environmental management and labour management into supplier qualification evaluation and annual performance appraisal, considering them together with traditional commercial factors such as price, quality, and delivery capacity, and setting clear weight ratios. Under the same commercial conditions, we prioritize suppliers with excellent sustainable development performance.

## ▶ Supplier Performance Evaluation

We regularly conduct supply chain CSR audits. A CSR expert team is dispatched to conduct on-site evaluations of suppliers from five modules: labour rights, health and safety, environmental protection, business ethics, and management system in the form of scorecards based on the *Supplier Social Responsibility Inspection Form*.

We require the CSR audit scope to cover all new suppliers of the Company, while also mandating that existing suppliers extend the same standards to all of their downstream suppliers. The Company implements a tiered supplier management approach based on suppliers' roles in business cooperation and their positions within the supply chain, categorizing suppliers into Tier 1, Tier 2, and Tier 3 suppliers to enhance the granularity of supply chain management.

TCL Electronics continues to advance a multi-tier social responsibility audit mechanism across its supply chain, conducting systematic reviews and risk identification for Tier 1, Tier 2 and Tier 3 suppliers, and classifying, tracking and managing supplier non-compliance. Identified non-compliances are categorized into "red-line issues" and "general issues" based on severity, with further analysis conducted on specific types of non-compliance based on audit results. Red-line issues primarily relate to labor and human rights (such as child labor, forced labor, abuse and harassment), deficiencies in health and safety management, major environmental violations, dishonest or unethical conduct, and incidents that may pose significant reputational risks; general issues mainly relate to deviations in management system implementation, incomplete documentation and records, and minor environmental and safety management issues. The Company compiles and analyses identified non-compliance cases and continuously tracks remediation progress. For red-line issues, suppliers are required to complete rectification within five working days; failure to do so will result in the initiation of corresponding penalty procedures in accordance with the Partner Code of Conduct Agreement.

Based on supply chain audit results, TCL Electronics systematically identifies deficiencies in areas such as labor and human rights, health and safety, and environmental management, and formulates targeted corrective measures.

- In relation to labor and human rights, key issues identified include excessive overtime, inadequate employment compliance management (e.g. management of non-contract workers), and pre-employment charges. To address excessive overtime, the Company optimizes production planning, balances capacity fluctuations through advance material preparation, and strengthens access control during non-working hours to reduce unnecessary overtime; in addition, ESG training is provided to enhance awareness of working hour compliance among management and employees, while recruitment and training mechanisms are improved and multi-skilled and cross-functional workforce capabilities are promoted to enhance workforce flexibility and alleviate overtime pressure at source. To address pre-employment charges, the Company requires suppliers to immediately cease charging employees for items such as medical examinations and training, conduct retrospective reviews of historical charges and ensure full reimbursement, and revise recruitment and third-party agency management requirements to eliminate related risks. In terms of compensation and benefits, the Company focuses on equal pay for equal work and compliance with social insurance requirements, strengthening oversight of wage payments by labor dispatch agencies to safeguard employee rights; it also conducts regular employee surveys to verify social insurance contributions and adjusts contribution bases in accordance with regulatory updates to enhance compliance and employee protection.
- In relation to health and safety, key issues mainly relate to non-compliant installation of fire protection facilities and emergency exit signage during plant modifications. To address these issues, emergency facilities are incorporated into routine inspections to ensure their effectiveness; plant renovation projects are included in engineering acceptance procedures to ensure compliance with fire and safety standards; and new equipment is required to undergo occupational health risk assessments prior to commissioning to mitigate risks at source.
- In relation to environmental management, key issues include construction prior to obtaining approvals, failure to complete "three simultaneous" environmental procedures, and the absence of systematic carbon emissions accounting and energy conservation and emissions reduction management. In response, the Company requires the immediate suspension of relevant project construction or operation, conducts compliance gap assessments, and engages qualified third parties to carry out environmental impact assessments or complete the necessary approval procedures to ensure projects proceed in compliance with applicable regulations.

Since 2018, TCL North America has been a member of the Responsible Business Alliance (RBA), and has conducted both internal supplier audits and third-party social responsibility assessments. Internally, the Company reviews suppliers' compliance with labor standards through supplier onboarding assessments and ongoing monitoring mechanisms; at the same time, with reference to RBA standards, the Company accepts third-party social responsibility audit results provided by original equipment manufacturers (OEMs) and suppliers, and incorporates them into a unified evaluation framework. As at 31 December 2025, 92.4% of suppliers had signed the Partner Code of Conduct Agreement, covering requirements on labor rights, occupational health and safety, environmental impact, business ethics, management systems and trade compliance.

### 2025 Key Performance

Partner Code of Conduct Agreement  
signing rate reached **92.4%**

Conducted CSR audits of **43** new suppliers and carried out environmental and social impact assessments

## ▶ Supplier Living Wage

We attach importance to suppliers' wage levels. A reasonable wage level can reduce labour risks, attract and retain talent, improve employee productivity and customer satisfaction, thereby promoting the long-term development of the Company. We are committed to assisting suppliers in achieving a living wage for their employees.

A formal living wage survey<sup>19</sup> was conducted on Tier 1 suppliers from late 2024 to early 2025. The results showed that 10 out of 12 surveyed suppliers (i.e., 83.3%) paid a living wage that met or exceeded the standard. To fulfil the commitment to closing the wage gap, we have required suppliers currently paying below the living wage standard to submit action improvement plans and achieve the goals within the committed time frame. We will conduct an annual inventory of all suppliers each year to track progress.

## ▶ Supplier Integrity Development

TCL Electronics insists on collaborating with suppliers to build a transparent, fair, honest, and upright business cooperation ecosystem. Signing the *Partner Code of Conduct Agreement* and the *Integrity Agreement* containing anti-commercial bribery clauses is a precondition for cooperation. A zero-tolerance policy is adopted to prohibit any and all forms of bribery, corruption, extortion, and embezzlement. Suppliers shall not provide cash, securities, payment vouchers, communication equipment, vehicles, cultural items of significant value, other valuables, as well as gifts in any form such as travel and high-consumption entertainment. We integrate business ethics performance into the regular supplier appraisal system. Once commercial bribery-related violations are found, cooperation with the involved suppliers will be terminated immediately, and they will be ordered to return the improper benefits obtained through bribery.

## Conflict Minerals Management

TCL Electronics has formulated the *TCL Electronics Conflict Minerals Policy* in compliance with RBA and Global Enabling Sustainability Initiative (GeSI) requirements. We do not support any mineral transactions that may seriously violate human rights, and commit to complying with international conventions and industry initiatives such as the UN Global Compact, the *OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas*, and the *Responsible Minerals Initiative*, striving to ensure that all product raw materials are sourced properly.

TCL Electronics uses the *Conflict Minerals Reporting Template (CMRT)* and *Extended Minerals Reporting Template (EMRT)* provided by the Responsible Minerals Initiative (RMI) to conduct due diligence on suppliers involved in 3TG (tin, tantalum, tungsten, gold), cobalt, and mica.

In 2025, TCL Electronics launched CMRT surveys on 281 suppliers, achieving a 100% response rate, and also initiated EMRT surveys on the same 281 suppliers, with a 100% response rate as well. At the end of 2025, 72% of 3TG raw materials involved in all our products came from smelters or refiners (SORs), or other processing enterprises certified by the Responsible Minerals Assurance Process (RMAP). Conflict minerals management achieved 100% traceability of product raw materials to the country of origin. We continuously conduct Reasonable Country of Origin Inquiry (RCOI), strengthen risk identification and control at the source, and help suppliers establish responsible minerals management procedures compliant with TCL Electronics standards. We investigate 3TG in the supply chain by leveraging the RMAP certification audit results and the RCOI tools provided by RMI. By comparing the summarised SORs information with the RCOI database, we identified the country information of 202 SORs providing 3TG to the Company's suppliers. Based on the results of due diligence and RCOI surveys, we accurately assess and define suppliers' risk levels. For high-risk suppliers, we require them to urge non-compliant SORs to complete RMAP certification or remove these non-compliant SORs from the supply chain within a limited time.

19. Regarding the methodology for estimating the living wage, we primarily adopt the following two steps. Step 1: Survey the (reasonable) living costs of employees and their families in a specific region, which serves as the benchmark living wage. Step 2: Determine whether the wages paid by our suppliers (excluding overtime pay, bonuses, and benefits) are above or below this benchmark, and require suppliers whose average wage falls below the living wage standard to make improvements.

2025

TCL Electronics simultaneously conducted CMRT and EMRT surveys on

# 281

suppliers

Both survey response rates reached

# 100%

, achieving a comprehensive investigation of supply chain mineral information

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TCL Electronics achieved

# 100%

traceability of product raw materials to the country of origin

72% of raw materials involving 3TG came from RMAP-certified smelters

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TCL Electronics completed country information verification of

# 202

3TG smelters by leveraging the RMAP certification audit results and RMI's RCOI tools

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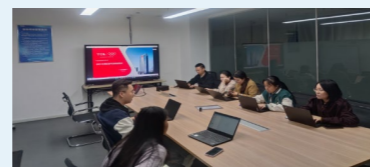
**TCL Electronics launched the special training activity "ESG Lecture Hall – Conflict Minerals Management", training all procurement personnel on background, processes, and tools**

## Supply Chain Capacity Building

Keeping the broader industry landscape in mind, TCL Electronics insists on collaborating with suppliers to promote the co-construction of a sustainable supply chain, building close and stable cooperation ties through diversified measures, and fostering synergy for sustainable development. We regard suppliers as key partners in achieving low-carbon goals, actively guiding and empowering their sustainable development practices. At the same time, we are working to build the capabilities of our auditors by providing customized training and professional support to enhance internal management standards within the supply chain.

### Concept Communication & Consensus Building

We regularly organise special training and awareness campaigns on ESG concepts and sustainable development for suppliers, deepening their understanding of environmental and social responsibilities, and gathering joint forces for green transformation. In 2025, to ensure the effective implementation of supplier social responsibility audit standards and standardised process execution, we organised special training covering personnel from procurement, quality, system and other relevant departments, with a total of 45 participants.



Scene from the "ESG Lecture Series – Energy Conservation and Carbon Reduction Management" Specialised Training Session

## Participation in Social Welfare

TCL Electronics deeply understands that the growth of an enterprise is closely linked to social progress. We actively engage in public welfare, giving back to society in the fields of education support, care for the vulnerable, ecological protection, and volunteer activities, contributing to the construction of a harmonious and warm society.

### Education Public Welfare & Dream Sharing

We continue to deepen public welfare efforts in education support, empowering youth to pursue their dreams and sharing resources through diversified measures. This supports the growth of teenagers and the popularisation of environmental protection concepts.



#### Reading Conveys Love, Lighting Up the Future of Rural Education

In April 2025, TCL Electronics launched the employee "Reading Marathon" and "Children's Book Donation" public welfare activities, encouraging employees to donate children's books. A total of about 500 books were donated and sent to Zhangtang Central Primary School in Taihe County, Ji'an City, Jiangxi Province, helping to supplement reading resources for rural children.



"Reading Marathon" and "Children's Book Donation" Public Welfare Activities

### Green Public Welfare & Ecological Protection

We practice green public welfare and protect the ecology, implementing the green development concept with practical actions and promoting ecological environment protection.



#### Environmental Public Welfare Activities - Three-City Joint Action for Mountain Cleanup

In November 2025, TCL Electronics, jointly with the Hiking Association, simultaneously launched environmental mountain cleanup activities in Shenzhen, Huizhou, and Zhongshan. 135 employee volunteers participated, conducting a total of about 8 hours of mountain cleaning and environmental awareness campaigns, beautifying the environment and spreading a green lifestyle through practical actions.



Mountain Cleanup Environmental Philanthropic Activity

**Building Green Campuses — Philanthropy Empowering the Core Mission of Education**

TCL Photovoltaic Technology actively engages in educational philanthropy and launches the "PV-enabled Low-Carbon Campus" philanthropic donation and construction project. By the end of 2025, the project had completed photovoltaic power station construction for 35 schools in Inner Mongolia, Ningxia, Guangdong, Shaanxi and other places, with a total installed capacity of 2,054.65 kW. Each school is equipped with a dedicated data monitoring platform to display core indicators such as power generation and carbon emission reduction in real time. This initiative allows students to witness the transformation of green energy on campus and foster low-carbon and environmental awareness from an early age. Up to now, the project has reduced carbon dioxide emissions by a cumulative total of 49,877 tonnes.



The "PV-enabled Low-Carbon Campus" Philanthropic Donation Project

## Charity and Public Welfare: Global Initiatives

We engage in diverse charitable and public welfare initiatives worldwide, supporting disaster relief, caring for the elderly, assisting people with disabilities, and promoting cultural and sports activities, thereby demonstrating our corporate social responsibility.

**Visual Impairment Inclusion Experience, Exploring New Paths for Equal Cooperation**

In July 2025, TCL Electronics and Shenzhen Association of Persons with Visual Disabilities co-hosted the "Walk Together, Light Becomes Torch" visual impairment integration experience activity. Nearly 70 visually impaired employees from TCL Electronics participated alongside visually impaired community members. Through activities such as disability assistance training, interactive experiences, and non-visual crafting, the activity takes "equality and cooperation" as its core concept to explore innovative paths for inclusion between able-bodied individuals and those with disabilities.



"Walk Together, Light Becomes Torch" Visual Impairment Inclusion Experience Activity

**Public Welfare Carnival, Raising Funds to Care for Vulnerable Groups through Festival Activities**

TCL Electronics simultaneously held 3 sessions of "Dragon Boat Carries Children's Dreams, Do Good Together" public welfare carnival in Shenzhen and Huizhou. Through small-scale art exhibitions, flea markets, interactive games and other forms, employees were mobilised to care for special groups. The activity raised over RMB 5,500 in cash in addition to in-kind donations, which have been used to exclusively support rehabilitation, art therapy, and employment assistance projects for vulnerable groups through the Shenzhen Project Care Foundation.



"Dragon Boat Carries Children's Dreams, Do Good Together" Public Welfare Carnival

We have built a full-staff volunteer platform, promoting cooperative volunteer projects and fostering synergy to ensure our philanthropic actions remain regular and diversified.

**Joint Elderly Care Activities: Visits and Elderly Gathering**

To carry forward the traditional virtue of respecting and caring for the elderly, TCL Electronics provided dedicated care for widowed and solitary seniors. In collaboration with the Party Committee of TCL Industries, Southern University of Science and Technology Hospital, and Xili Trade Union Employee Welfare Society, elderly care activities were carried out in the Dakan Community, Xili, Shenzhen. Responding to the call, 10 volunteers and community secretaries visited a total of 20 families, and organised a festive lantern-making gathering for 30 seniors. Medical professionals were also invited to provide free health consultations, sending festive blessings and heartfelt care to the elderly through practical actions.



Elderly Care Activities

**TCL Electronics Vietnam Branch Waives Repair Fees for Affected Users**

During the typhoon disaster in Vietnam, TCL Electronics Vietnam Branch quickly activated the emergency service plan. The service team deployed to the frontlines of the affected areas to provide home appliance repair support services and implemented a repair fee waiver policy for affected users.



Repair Fee Waiver Policy for Affected Customers

**TCL Electronics (Thailand) Donated Daily Necessities to Flood-affected People in Southern Thailand in Partnership with the "Do Good" Foundation and the "National Love" Foundation**

In 2025, multiple regions in Thailand suffered extreme weather and severe floods. After the disaster, TCL Electronics (Thailand) Co., Ltd. quickly activated the emergency response mechanism, extended sincere sympathies to the people in the affected areas, and provided support and assistance to the affected people through various practical measures.

The Company launched a special home appliance repair service for 10 affected provinces in the south. This initiative provided comprehensive repair support for all categories of home appliances damaged by floods such as TVs, air conditioners, refrigerators, and washing machines, offering a 50% discount on accessories and waiving labour and travel fees for TCL Electronics' professional teams. Meanwhile, disaster relief materials were donated to effectively reduce the burden on the affected population and support local post-disaster reconstruction and recovery, demonstrating our corporate responsibility and commitment.



Scene of the Daily Necessities Donation to Flood-affected Areas

**TCL Electronics Thailand Branch Donates Home Appliances to the Sports Authority of Thailand**

To help improve the quality of social livelihoods and support the public welfare mission and developmental initiatives of the Sports Authority of Thailand, TCL Electronics Thailand Branch donated home appliances with a total value of over THB 260,000 to the "CLARITY CHALLENGE" project, supporting the development of Thailand's sports public welfare through practical actions.



Donation of Household Appliances to the Sports Authority of Thailand

**TCL Electronics Thailand Branch, together with Panya Air & Service Phuket Co., Ltd. and Phuket Excellent Air Conditioning Technicians Association, Donates and Installs Air Conditioners**

To help improve the learning environment for students with special needs and enhance the quality of life for the elderly in Phuket, TCL Electronics Thailand Branch, together with Panya Air & Service Phuket Co., Ltd. and Phuket Excellent Air Conditioning Technicians Association, donated and installed air conditioners with a total value of over THB 100,000.



Joint Donation and Installation of Air Conditioners

## Future Outlook

In the current era, digital technology and Industry 4.0 are deeply integrated, driving the industry to accelerate transformation towards green and intelligent development with unprecedented power. The artificial intelligence wave is surging, continuously reshaping the global competitive landscape and human life. Facing a new stage with both opportunities and challenges, in the new year, TCL Electronics will continue to focus on the strategic core of "Lead with Brand Value, Deepen Global Operation, Drive with Technology, and Thrive on Global Vitality", organically integrating ESG concepts into the development gene, and steadily moving towards sustainable high-quality development on the road of deepening "globalisation" and "technology-driven". In the future, we will take stronger governance as the foundation, greener operations as the support, and more inclusive growth as the orientation. Together with partners from all parties, we will jointly build a sustainable future ecosystem.

## ESG Performance Overview<sup>20</sup>

### Environmental KPIs

ESG KPIs	Unit	2025	2024	2023
<b>A. Environmental</b>				
<b>A1. Emissions</b>				
<b>A1.1 Air contaminants<sup>21</sup></b>				
SO <sub>2</sub>	kg	0	7	375
NO <sub>x</sub>	kg	1,979	2,841	7,153
PM	kg	689	5,861	5,757
VOC	kg	4,360	2,121	2,723
<b>A1.2 Total GHG emission and intensity<sup>22</sup></b>				
Scope 1	tCO <sub>2e</sub>	12,281	14,816	6,118
Scope 2 (Location-based) <sup>23</sup>	tCO <sub>2e</sub>	103,910	78,319	68,389
Scope 3 <sup>24</sup>	tCO <sub>2e</sub>	35,841,954	31,974,669	/
Total GHG emissions (Scope 1, Scope 2 and Scope 3)	tCO <sub>2e</sub>	35,958,145	32,067,804	74,507
Total GHG emissions intensity by revenue (Scope 1 and Scope 2)	kg CO <sub>2e</sub> /HKD million revenue	1,014	938	943
<b>A1.3 Total hazardous waste produced and intensity</b>				
Waste organic solvents and waste containing organic solvents (HW06)	t	9	8	5
Waste mineral oil and mineral oil containing waste (HW08)	t	6	1	454
Oil/water, hydrocarbon/water mixture or emulsion (HW09)	t	30	17	14
Dye and coating waste (HW12)	t	14	19	25
Organic resin waste (HW13)	t	1	1	115
Surface treatment waste (HW17) <sup>25</sup>	t	0	15	265
Zinc containing waste (HW23)	t	0	0	0.06
Mercury containing waste (HW29)	t	0.10	0.03	3
Aluminium containing waste (HW37)	t	1	3	14
Waste acid (HW34)	t	0	0.01	0
Waste alkali (HW35)	t	0	0.01	0.06
Other waste (HW49)	t	170	143	60
Total hazardous waste	t	231	206	955
Hazardous waste intensity by revenue	kg/HKD million revenue	2.02	2.08	12.09

20. The statistical scope of data for this year has newly incorporated data from the Chengdu and Poland Factory compared to 2024.

21. This year, owing to the adjustments in the monitoring indicators for business-related pollutants, the monitoring of particulate matter data has been discontinued in certain areas, leading to a substantial decline in recorded particulate matter levels. Furthermore, modifications to specific business processes have resulted in an elevation of VOC emissions in comparison to those of previous years.

22. This year, the greenhouse gas accounting is based on standards including ISO 14064-1:2018 Greenhouse Gas Inventory Standard issued by the International Organisation for Standardization (ISO), and GHG Protocol: A Corporate Accounting and Reporting Standard developed by the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD). Based on the Operational Control Approach, the coverage scope includes the Pan-Smart Screen BU, Huizhou TCL Mobile Communication, TCL Photovoltaic Technology, Headquarters Platform, NABG, MEABG, and LABG under TCL Electronics.

23. Scope 2 includes indirect emissions, including greenhouse gas emissions from purchased electricity

24. 15 categories were covered.

25. The statistical volume of Surface Treatment Waste has decreased significantly year-on-year this year, mainly because some production plants have adjusted the disposal frequency of surface treatment waste to once every two years in accordance with their specific operation cycles and equipment maintenance plans. This adjustment is based on a systematic assessment of production processes, emission characteristics and environmental risks, and complies with the Company's Environmental Management Procedures and relevant environmental protection requirements.

ESG KPIs	Unit	2025	2024	2023
<b>A1.4 Total non-hazardous waste produced and intensity</b>				
Carton	t	12,248	6,431	3,140
Plastics	t	5,612	5,085	3,578
EPS	t	1,426	3,371	377
Others	t	7,776	4,520	2,137
Total non-hazardous waste	t	27,062	19,407	9,232
Non-hazardous waste intensity by revenue	t/HKD million revenue	0.24	0.20	0.12
<b>A2. Use of resources</b>				
<b>A2.1 Total direct and/or indirect energy consumption by type and intensity</b>				
Liquefied petroleum gas	kg	6,184	21,128	/
Diesel <sup>26</sup>	L	290,360	10,647	4,097
Gasoline	L	49,740	11,264	24,217
Natural gas	m <sup>3</sup>	2,278,451	1,653,539	1,866,986
Purchased grid electricity consumption <sup>27</sup>	MWh	162,611	117,111	95,369
Purchased green electricity	MWh	6,825	8,006	/
Solar power generation for self-use	MWh	12,589	12,328	10,101
Total energy consumption <sup>28</sup>	MWh	218,866	155,840	125,869
Energy consumption intensity by revenue	MWh /HKD million revenue	1.91	1.57	1.59
<b>A2.2 Total water consumption and intensity</b>				
Total water intake <sup>29</sup>	m <sup>3</sup>	1,202,646	723,199	879,584
Water intake intensity by revenue	m <sup>3</sup> /HKD million revenue	10.50	7.28	11.14
<b>A2.5 Total packaging material consumption for finished goods</b>				
Carton	t	143,638	100,505	84,217
Plastics <sup>30</sup>	t	46,357	418	4,799
EPS	t	23,515	14,103	9,374
Renewable packaging materials	t	199	161	/
Total packaging materials	t	213,709	115,187	98,389
Packaging material intensity by revenue <sup>31</sup>	t/HKD million revenue	1.87	1.16	1.25

26. Data from Poland facility was included in our consolidated statistics for this reporting period. The plant utilizes a central heating boiler system fuelled by diesel, which contributed to the overall increase in total diesel consumption.

27. Due to business adjustments of TCL Electronics, the increase in production processes has led to an increase in electricity consumption.

28. Calculated in accordance with General Rules for Calculation of Comprehensive Energy Consumption (GB/T 2589-2020).

29. This year, the statistical scope for this indicator has been optimized, making data from previous years incomparable.

30. This year, the statistical scope for this indicator has been optimized, making data from previous years incomparable.

31. The increase in packaging materials is due to business adjustments of TCL Electronics.

## Social KPIs

ESG KPIs	Unit	2025	2024	2023
<b>B. Social</b>				
<b>B1. Employment</b>				
<b>B1.1 Number of employees by category</b>				
Total number of employees	Number of persons	37,859	30,510	24,620
<b>Total workforce by gender</b>				
Male	Number of persons	22,563	18,146	14,397
Female	Number of persons	15,296	12,364	10,223
<b>Total workforce by employment type</b>				
Full-time	Number of persons	37,859	30,510	24,620
Part-time	Number of persons	0	0	0
<b>Total workforce by age group</b>				
Below 30	Number of persons	20,242	13,225	9,581
30-50	Number of persons	15,655	15,833	13,770
Above 50	Number of persons	1,962	1,452	1,269
<b>Total workforce by geographical region</b>				
Chinese mainland	Number of persons	27,194	23,905	20,436
Hong Kong, Macau and Taiwan regions	Number of persons	45	29	34
Overseas	Number of persons	10,620	6,576	4,150
<b>Total workforce by rank</b>				
Number of male senior management	Number of persons	19	16	/
Number of female senior management	Number of persons	2	1	/
Number of male middle management	Number of persons	864	782	/
Number of female middle management	Number of persons	328	284	/
Number of male junior employees	Number of persons	21,638	17,350	/
Number of female junior employees	Number of persons	15,008	12,077	/

ESG KPIs	Unit	2025	2024	2023
<b>New workforce by gender</b>				
Male	Number of persons	6,456	13,193	/
Female	Number of persons	3,937	6,727	/
<b>New workforce by geographical region</b>				
Below 30	Number of persons	6,498	14,686	/
30-50	Number of persons	3,800	5,024	/
Above 50	Number of persons	95	210	/
<b>New workforce by geographical region</b>				
Chinese mainland	Number of persons	8,761	13,871	/
Hong Kong, Macau and Taiwan regions	Number of persons	6	2	/
Overseas	Number of persons	1,626	6,047	/
<b>B1.2 Employee turnover rate by gender, age group and geographical region</b>				
Overall employee turnover rate	%	24	38	38
<b>Employee turnover rate by gender</b>				
Male	%	25	41	39
Female	%	22	33	35
<b>Employee turnover rate by age group</b>				
Below 30	%	27	51	49
30-50	%	20	24	27
Above 50	%	19	16	23
<b>Employee turnover rate by geographical region</b>				
Chinese mainland	%	28	35	32
Hong Kong, Macau and Taiwan regions	%	13	17	26
Overseas	%	13	48	56
<b>B2. Health and safety</b>				
<b>B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year</b>				
Number of work-related fatalities	Number of persons	0	0	0
Rate of work-related fatalities	%	0	0	0

ESG KPIs	Unit	2025	2024	2023
<b>B2.2 Lost days due to work injury</b>				
Number of work injuries	Case	3	7	14
Total lost days due to work injury	Day	53	267	435
<b>B2.3 Description of the occupational health and safety measures adopted, and how they are implemented and monitored</b>				
Attendance in work safety and occupational health training	Attendance(s)	534,063	347,340	148,126
Total hours of employee participation in work safety and occupational health training	Hour(s)	478,321	649,344	172,289
<b>B3. Development and training</b>				
<b>B3.1 Percentage of employees trained by gender and employee category</b>				
Percentage of all employees trained	%	100.00	88.64	80.42
Percentage of male employees trained	%	59.59	65.14	64.78
Percentage of female employees trained	%	40.41	34.86	35.22
Percentage of senior management trained	%	0.06	0.14	0.10
Percentage of middle management trained	%	3.14	4.91	7.86
Percentage of junior employees trained	%	96.80	94.95	92.04
<b>B3.2 Average training hours completed per employee by gender and employee category</b>				
Average training hours for all employees	Hour(s)	45	43	28
Average training hours for male employees	Hour(s)	54	52	31
Average training hours for female employees	Hour(s)	25	24	20
Average training hours for senior management	Hour(s)	32	31	35
Average training hours for middle management	Hour(s)	44	42	38
Average training hours for junior employees	Hour(s)	47	45	38
<b>B5. Supply chain management</b>				
<b>B5.1 Number of suppliers by geographical region</b>				
Total number of suppliers	Number of suppliers	2,213	1,010	1,140
Chinese mainland	Number of suppliers	2,095	864	975
Hong Kong, Macau, Taiwan and overseas regions	Number of suppliers	118	146	165

ESG KPIs	Unit	2025	2024	2023
<b>B5.2 Number of suppliers where the practices are being implemented</b>	Number of suppliers	2,213	1,010	1,140
Number of new suppliers that were screened using environmental criteria	Number of suppliers	43	434	/
Number of new suppliers that were screened using social criteria	Number of suppliers	43	434	/
Number of suppliers conducting environmental impact assessments	Number of suppliers	56	434	/
Number of suppliers conducting social impact assessments	Number of suppliers	56	434	/
<b>B6. Product responsibility</b>				
<b>B.6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons</b>	%	0	0	0
<b>B6.2 Number of product and service related complaints received</b>	Case(s)	4,785	3,174	2,657
Number of cases involving the violation of consumer privacy	Case(s)	0	0	/
Substantiated complaints concerning breaches of customer privacy and losses of customer data	Case(s)	0	0	/
Specific amount involved in the data security incident	HKD	0	0	/
<b>B7. Anti-corruption</b>				
<b>B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period</b>	Case(s)	0	0	0
<b>B7.3 Description of anti-corruption training provided to directors and staff</b>				
Anti-corruption training courses	Session(s)	10	4	6
Directors participating in training (including directors of subsidiaries of the Company)	Attendance(s)	121	16	198
Managers participating in training	Attendance(s)	21	45	/
Employees participating in training	Attendance(s)	10,000	808	9,879
<b>B8. Community investment</b>				
<b>B8.2 Resources contributed to the focus area</b>				
Monetary donations	RMB thousand	17,998	11,091	9,602
Value of goods and materials donated	RMB thousand	58	15	35
Volunteer hours	Hour(s)	1,303	1,405	27,805
Number of volunteers	Number of persons	368	425	1,292

## Hong Kong Stock Exchange ESG Reporting Code Index Table

Issue Description	Corresponding Report Chapter
<b>Governance Structure</b>	
A statement from the board containing the following elements: (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	Board Statement
<b>Reporting Principles</b>	
A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report:	
<b>Materiality:</b> The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement.	About this Report ESG Governance
<b>Quantitative:</b> Information on the standards, methodologies, assumptions and/ or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed.	2025 Key Performance Highlights
<b>Consistency:</b> The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.	
<b>Reporting Boundary</b>	
A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	About this Report

Issue Description	Corresponding Report Chapter
<b>Aspect A1: Emissions</b>	
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Response to Climate Change Pollution Control and Emissions Management
KPI A1.1 The types of emissions and respective emissions data.	ESG Performance Overview
KPI A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	ESG Performance Overview
KPI A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	ESG Performance Overview
KPI A1.5 Description of emission target(s) set and steps taken to achieve them.	Environmental Compliance Management Response to Climate Change
KPI A1.6 Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Environmental Compliance Management Pollution Control and Emissions Management Recycling and Reuse
<b>Aspect A2: Use of Resources</b>	
General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	Efficient Resource Utilisation
KPI A2.1 Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	ESG Performance Overview
KPI A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility).	ESG Performance Overview
KPI A2.3 Description of energy use efficiency target(s) set and steps taken to achieve them.	Environmental Compliance Management Energy Management
KPI A2.4 Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Environmental Compliance Management Water Resources Management
KPI A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	ESG Performance Overview
<b>Aspect A3: The Environment and Natural Resources</b>	
General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources.	Environmental Compliance Management
KPI A3.1 Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Environmental Compliance Management Net-zero Strategy
<b>Aspect A4: Climate Change</b>	
General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Response to Climate Change
KPI A4.1 Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Response to Climate Change

Issue Description	Corresponding Report Chapter
<b>B Social</b>	
<b>Employment and Labour Practices</b>	
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer. relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Employee Rights Protection
KPI B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	ESG Performance Overview
KPI B1.2 Employee turnover rate by gender, age group and geographical region.	ESG Performance Overview
<b>Aspect B2: Health and Safety</b>	
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer. relating to providing a safe working environment and protecting employees from occupational hazards.	Occupational Health and Safety
KPI B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	ESG Performance Overview
KPI B2.2 Lost days due to work injury.	ESG Performance Overview
KPI B2.3 Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Occupational Health and Safety
<b>Aspect B3: Development and Training</b>	
General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Empowering Talent Development
KPI B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	ESG Performance Overview
KPI B3.2 The average training hours completed per employee by gender and employee category.	ESG Performance Overview
<b>Aspect B4: Labour Standards</b>	
General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer. relating to preventing child and forced labour.	Employee Rights Protection
KPI B4.1 Description of measures to review employment practices to avoid child and forced labour.	Employee Rights Protection
KPI B4.2 Description of steps taken to eliminate such practices when discovered.	Employee Rights Protection

Issue Description		Corresponding Report Chapter
<b>Operating Practices</b>		
<b>Aspect B5: Supply Chain Management</b>	General Disclosure Policies on managing environmental and social risks of the supply chain.	Supply Chain Management Sustainable Supply Chain
	KPI B5.1 Number of suppliers by geographical region.	ESG Performance Overview
	KPI B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored.	Supply Chain Management Sustainable Supply Chain ESG Performance Overview
	KPI B5.3 Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Sustainable Supply Chain
	KPI B5.4 Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Sustainable Supply Chain
<b>Aspect B6: Product Responsibility</b>	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer. relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Innovation Driving New Growth Pursuing Excellence in Quality
	KPI B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons.	ESG Performance Overview
	KPI B6.2 Number of products and service related complaints received and how they are dealt with.	ESG Performance Overview
	KPI B6.3 Description of practices relating to observing and protecting intellectual property rights.	Innovation Driving New Growth
	KPI B6.4 Description of quality assurance process and recall procedures.	Pursuing Excellence in Quality
	KPI B6.5 Description of consumer data protection and privacy policies, and how they are implemented and monitored.	Focusing on User Experience
<b>Aspect B7: Anticorruption</b>	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer. relating to bribery, extortion, fraud and money laundering.	Compliance Management Anti-Corruption and Business Ethics
	KPI B7.1 Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	ESG Performance Overview
	KPI B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored.	Compliance Management Anti-Corruption and Business Ethics
	KPI B7.3 Description of anti-corruption training provided to directors and staff.	Compliance Management Anti-Corruption and Business Ethics

Issue Description		Corresponding Report Chapter
<b>Community</b>		
<b>Aspect B8: Community Investment</b>	General Disclosure Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Participation in Social Public Welfare
	KPI B8.1 Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Participation in Social Public Welfare
	KPI B8.2 Resources contributed (e.g. money or time) to the focus area.	ESG Performance Overview

Dimension	Issue	Issue Description	Corresponding Report Chapter
<b>Governance</b>	Climate-related disclosures	19. An issuer shall disclose information about: (a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. (b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.	Response to Climate Change – Climate Governance
		20. An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall: (a) describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term; (b) explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk; (c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and (d) explain how the issuer defines "short term", "medium term" and "long term" and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	Response to Climate Change – Net-zero Strategy
<b>Strategy</b>	Climate-related risks and opportunities		

Dimension	Issue	Issue Description	Corresponding Report Chapter	
Strategy	Business model and value chain	<p>21. An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain. Specifically, the issuer shall disclose:</p> <p>(a) description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and</p> <p>(b) description of where in the issuer's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).</p>	Response to Climate Change — Net-zero Strategy	
	Strategy and decision-making	<p>22. An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose:</p> <p>(a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation.</p> <p>(b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).</p>	Response to Climate Change — Net-zero Strategy	
	Financial position, financial performance and cash flows	<p>23. An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).</p> <p>24. An issuer shall disclose qualitative and quantitative information about:</p> <p>a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and</p> <p>b) the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.</p>	Response to Climate Change — Net-zero Strategy	
	Climate resilience	<p>25. The issuer shall provide qualitative and quantitative disclosures about:</p> <p>a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration.</p> <p>b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.</p> <p>26. An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose</p> <p>a) the issuer's assessment of its climate resilience as at the reporting date.</p> <p>b) how and when the climate-related scenario analysis was carried out.</p>	Response to Climate Change — Net-zero Strategy	
			Due to the lack of an appropriate forecasting model, we are temporarily unable to quantify expected financial impacts and can only conduct qualitative analysis thereof.	

Dimension	Issue	Issue Description	Corresponding Report Chapter
Risk Management	Risk Management	<p>27. An issuer shall disclose information about:</p> <p>(a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks.</p> <p>(b) the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and</p> <p>(c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.</p>	Response to Climate Change — Net-zero Strategy, Risk Management
	Greenhouse gas emissions	<p>28. An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO2 equivalent, classified as:</p> <p>(a) Scope 1 greenhouse gas emissions;</p> <p>(b) Scope 2 greenhouse gas emissions; and</p> <p>(c) Scope 3 greenhouse gas emissions.</p>	ESG Performance Overview
Metrics and Targets	Climate-related transition risks	<p>29. An issuer shall:</p> <p>(a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions;</p> <p>(b) disclose the approach it uses to measure its greenhouse gas emissions;</p> <p>(c) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and</p> <p>(d) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).</p>	ESG Performance Overview
	Climate-related physical risks	<p>30. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.</p>	Response to Climate Change — Net-zero Strategy
	Climate-related opportunities	<p>31. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.</p> <p>32. An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.</p>	Response to Climate Change — Net-zero Strategy
Capital deployment	<p>33. An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.</p>	Response to Climate Change — Net-zero Strategy	

Dimension	Issue	Issue Description	Corresponding Report Chapter
Metrics and Targets	Internal carbon prices	34. An issuer shall disclose: a) an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making.	The company has not yet adopted internal carbon pricing.
	Remuneration	35. An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement.	Response to Climate Change — Climate Governance
	Industry-based metrics	36. An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the IFRS S2 Industry-based Guidance on implementing Climate-related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks.	No industry-specific indicators are currently available.
	Climate-related targets	37. An issuer shall disclose the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose: a) the metric used to set the target; b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives); c) the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region); d) the period over which the target applies; e) the base period from which progress is measured; f) milestones or interim targets (if any); g) if the target is quantitative, whether the target is an absolute target or an intensity target; and h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	Response to Climate Change — Net-zero Strategy

Dimension	Issue	Issue Description	Corresponding Report Chapter
Metrics and Targets	Climate-related targets	38. An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including: a) whether the target and the methodology for setting the target has been validated by a third party; b) the issuer's processes for reviewing the target; c) the metrics used to monitor progress towards reaching the target; and d) any revisions to the target and an explanation for those revisions.	Response to Climate Change — Indicators and Goals Environmental Compliance Management
		39. An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.	Response to Climate Change — Net-zero Strategy
		40. For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39, an issuer shall disclose: a) which greenhouse gases are covered by the target; b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target; c) whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target; d) whether the target was derived using a sectoral decarbonisation approach; and e) the issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target.	Response to Climate Change — Net-zero Strategy <small>As of this year, the company's current greenhouse gas emission targets were not formulated using industry-specific decarbonization methodologies. We have no plans to use carbon credits to offset emissions to achieve emission reduction targets.</small>
	Applicability of cross-industry metrics and industry-based metrics	41. In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider (i) the applicability of cross-industry metrics (see paragraphs 28 to 35) and (ii) industry-based metrics (see paragraph 36).	Response to Climate Change — Net-zero Strategy

# ESG Assurance Report



## Independent Assurance Statement

### 1. Introduction

Hong Kong Quality Assurance Agency (“HKQAA”, “we”, “our”, “us”) was engaged by TCL Electronics Holdings Limited (“the Company”) to conduct an independent assurance of the sustainability disclosures presented in its 2025 Environmental, Social and Governance Report (“the Report”) for the reporting period from 1 January 2025 to 31 December 2025 (“Reporting Period”) and issue this Independent Assurance Statement. Our sustainability assurance activities and this Independent Assurance Statement are subject at all times to the assumptions, dependencies, boundaries, limitations, exclusions, and roles, responsibilities as set out under Appendix A.

The objective of this sustainability assurance service is to provide independent opinion, with a limited level of assurance, on whether the sustainability disclosures have been prepared in accordance with the following reporting criteria:

The Environmental, Social and Governance Reporting Code (“ESG Reporting Code”) set out in Appendix C2 of the Main Board Listing Rules of The Stock Exchange of Hong Kong Limited.

### 2. Assurance Methodology

HKQAA’s assurance procedure was conducted with reference to the International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information (“ISAE 3000”), issued by the International Auditing and Assurance Standards Board (“IAASB”).

The evidence gathering processes were designed to obtain a limited level of assurance, as set out in the ISAE 3000, using a risk-based approach. Our assurance procedures included, but were not limited to:

- reviewing relevant policies, procedures, relevant documentation and records provided by the Company, including those related to sustainability-related information such as governance, risk identification, and performance metrics;
- interviewing key management and responsible personnel of the Company for reporting and sustainability-related governance;
- conducting analytical reviews of disclosures for plausibility and consistency with relevant external frameworks and internal supporting data;
- selecting representative samples of disclosures, with a focus on materiality and risk, and assessing the underlying evidence for each sample using judgmental sampling;
- evaluating the transparency of disclosed assumptions, dependencies, and boundaries; and
- assessing the completeness of coverage with respect to the requirements of the reporting criteria, including reviewing methodologies used for estimations, sensitivity analyses, and disclosures of uncertainties.



### 3. Conclusion

Based on the procedures performed, evidence obtained, and subject to the stated assumptions, dependencies, boundaries, limitations, and exclusions, nothing has come to our attention that causes us to believe that the sustainability disclosures in the Company’s 2025 Environmental, Social and Governance Report for the Reporting Period from 1 January 2025 to 31 December 2025 are not presented, in all material respects, in accordance with the requirements of the ESG Reporting Code.

This Independent Assurance Statement is made solely for the use of TCL Electronics Holdings Limited and the users of its 2025 Environmental, Social and Governance Report, and for use in accordance with the reporting criteria set out in the Introduction section of this Independent Assurance Statement. We do not accept or assume responsibility for any other purpose or to any other person to whom this Independent Assurance Statement is shown or in whose hands it may come. We confirm our independence from the Company in conducting this engagement.

The engagement leader on the assurance engagement resulting in this Independent Assurance Statement is KT Ting.

Signed on behalf of Hong Kong Quality Assurance Agency

26 March 2026

Ref: 14996048

# ESG Assurance Report



## Appendix A Assumptions, Dependencies, Boundaries, Limitations, Exclusions, Scope of Roles and Responsibilities and Independence

### 1. Assumptions, Dependencies, and Boundaries

- 1.1. Our results, conclusions and this Independent Assurance Statement are solely based, and are dependent, on the readiness and completeness of the information provided by the Company to us. The assurance procedures rely on information provided by the Company, such as policies, assessment models, inventories, and reports, and any limitations in this information may affect our conclusions. This Independent Assurance Statement assumes that the Company's systems, assessment models, and data are robust and current, with all material risks identified and appropriate methodologies applied, including those used for estimations. If there are any discrepancies or deficiencies in the information or documents provided by the Company, we reserve the right to make corresponding adjustments to the results and conclusions in this Independent Assurance Statement. The scope of our sustainability assurance activities and this Independent Assurance Statement is confined to the defined sustainability disclosures in the Report in accordance with the agreed reporting criteria and/or disclosure frameworks, with boundaries encompassing relevant business units, geographies, periods, and operations, all of which are assessed for reasonableness and completeness.
- 1.2. For the avoidance of doubt, we shall not be liable for the provision of any incorrect or incomplete information and/or documents disclosed to us by the Company due to any cause whatsoever, and shall not be liable for any losses, fees, costs, expenses, damages and liabilities suffered or incurred as a result thereof. The Independent Assurance Statement provided to the Company by us only verifies the information and documents provided by the Company during the Reporting Period relating to the Selected Sustainability Disclosures included in the Report.
- 1.3. The results, conclusions and/or this Independent Assurance Statement provided by us is for general guidance and information purposes only and should not be relied upon or used as the sole basis for making decisions without consulting primary, more accurate, more complete, or more timely sources of information. This Independent Assurance Statement does not protect the Company or any other person or entity against loss as the result of the reliance on this Independent Assurance Statement or the sustainability assurance activities by us.
- 1.4. This Independent Assurance Statement does not constitute, and should not be construed as, any endorsement, recommendations or advice on the financial merits or otherwise of any debt instrument or investment product. No information in this Independent Assurance Statement, nor the sustainability assurance activities performed by us, nor this communication, should be relied upon in making any investment decision.
- 1.5. In relation to the results, conclusions and/or this Independent Assurance Statement provided by us to the Company, we will use all reasonable endeavors to verify the compliance with specified requirements and highlight findings, if any. While we shall use all reasonable skills and care to be

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expected of an appropriately qualified and competent auditor, the results, conclusions and/or this Independent Assurance Statement will inevitably involve subjective opinion based on the judgement and experiences of our personnel on the perceived impact of the non-conformities, if any. Accordingly, the interpretation of the results and conclusions, and the determination of their significance and any follow-up actions, remain matters for the Company's management.

### 2. Limitation and Exclusion

- 2.1. The following inherent limitations and exclusions arise from the engagement scope, the nature of the applicable criteria, and the characteristics of a limited assurance engagement:
- 2.1.1. The results, conclusions and/or this Independent Assurance Statement are limited to examining the transcription and/or transformation of data into reported disclosures (such as claims, performance metrics, and climate-related disclosures). Evaluating the execution or effectiveness of ESG policies and practices is not within the scope.
- 2.1.2. The engagement involves the exercise of professional judgement and may include consideration of management's judgements, assumptions or estimation techniques. However, the engagement does not include a comprehensive assessment of the appropriateness of such judgements, assumptions or estimation techniques.
- 2.1.3. The results, conclusions and/or this Independent Assurance Statement are based on sampling, inquiries, and the Company's representations and materials provided. As a result, some errors or irregularities may exist and remain undetected.
- 2.1.4. Sustainability information (such as Scope 3 emissions and forward-looking disclosures) may involve uncertainties due to data limitations, measurement methods, or incomplete scientific and technical knowledge.
- 2.1.5. Information outside the Reporting Period is excluded.

### 3. Roles, Responsibilities

- 3.1. The Company is responsible for:
- 3.1.1. maintaining and operating their information system;
- 3.1.2. developing and maintaining records and reporting procedures in accordance with such system. This includes the determination and calculation of the sustainability information and performance, including climate-related financial information;
- 3.1.3. preparing and providing the Report as well as required data and information on or before the agreed schedule(s) to facilitate successful conduct of the verification tasks by HKQAA;
- 3.1.4. ensuring that all information and documents provided by the Company are true, correct, complete and not misleading in any material respects and that there is no fact undisclosed which would render any such information or document inaccurate or misleading in any material respects or which, if disclosed, might reasonably affect the decision of HKQAA regarding the independent assurance opinion; and
- 3.1.5. using the results, conclusions and/or this Independent Assurance Statement and verification information provided by HKQAA as part of the Sustainability Assurance Service properly and at all times in compliance with the applicable laws and regulations.

3.2. The assurance team of HKQAA is responsible for:

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- 3.2.1. providing an independent assurance opinion, conducted based on the scope, objectives, and criteria agreed upon between the Company and HKQAA, on the disclosures made by the Company for the Reporting Period.

### 4. Independence

- 4.1. HKQAA was not involved in collecting or calculating data, or in compiling the reporting contents. Our sustainability assurance activities were entirely independent, and there was no relationship between HKQAA and the Company that could affect the impartiality of the assurance.
- 4.2. It is the express intention of HKQAA and the Company that HKQAA perform the sustainability assurance activities as an independent contractor. Nothing in this Independent Assurance Statement or in our sustainability assurance activities will in any way be construed to constitute HKQAA as an agent, employee, or representative of the Company. Without limiting the generality of the foregoing, HKQAA is not authorized to bind the Company to any liability or obligation or to represent that the Company has any authority.

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