2025

TCL Industries Holdings Co., Ltd.

Environmental, Social and Governance Report

CONTENTS

About this Report

Overview

The *2025 Environmental, Social and Governance Report* ("this Report") of TCL Industries Holdings Co., Ltd. aims to objectively, fairly, standardly and comprehensively reflect the performance of the Group in environmental, social and governance ("ESG") in 2025.

Scope and Boundary

The policies, initiatives and data in this Report cover TCL Industries Holdings Co., Ltd. and its major subsidiaries, including the Hong Kong-listed TCL Electronics Holdings Limited (Stock Code: 01070.HK, a company incorporated in the Cayman Islands with limited liability) and the Shenzhen-listed Guangdong TCL Smart Home Appliances Co., Ltd. (Stock Code: 002668.SZ). This scope aims to provide a balanced reflection of the Company'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 foresight, certain content may appropriately extend beyond this period.

TCL Electronics, TCL Smart Home, and Tonly Technology also publish separate environmental, social and governance reports. For further information on the sustainability performance of TCL Industries, please refer to the *2025 Environmental, Social and Governance Report of TCL Electronics Holdings Limited*, the *2025 Environmental, Social and Corporate Governance Report of Guangdong TCL Smart Home Appliances Co., Ltd.*, and the *2025 Environmental, Social and Governance Report of Tonly Technology Co., Ltd.*

Data Reliability

The information in this Report is mainly derived from the Company's statistical reports, public disclosures and internal documents.

Reporting Basis and Availability of the Report

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"), the *Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange – Sustainability Report (For Trial Implementation)*, the *Self-Regulatory Guidance No. 3 for Companies Listed on the ChiNext Market of Shenzhen Stock Exchange – Preparation of Sustainability Report*, the United Nations Sustainable Development Goals (UN SDGs) and the Global Reporting Initiative (GRI) Standards . In this Report, the Company adheres to the reporting principles of GRI Standards, i.e. accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness and verifiability, and has presented its fulfilment of the sustainability responsibilities primarily across economic, environmental, social and governance dimensions.

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.

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

Email: esgcommittee@tcl.com

Glossary

TCL Industries, the Company, we	TCL Industries Holdings Co., Ltd. and its major subsidiaries
TCL Electronics	TCL Electronics Holdings Limited
TCL Communication	TCL Communication Technology Holdings Limited
FALCON Technology	Falcon Technology Holdings Limited
TCL Photovoltaic Technology	Huizhou TCL Photovoltaic Technology Co., Ltd.
TCL Air-Conditioners	TCL Air-Conditioner (Zhongshan) Co., Ltd.
Tonly Technology	Tonly Technology Co., Ltd.
TCL Industrial Park	TCL Technology Industrial Park Co., Ltd.
Getech	Getech Technology Co., Ltd.
TCL Environmental Technology	TCL Environmental Technology Co., Ltd.
TCL Financial Service	TCL Financial Holdings Group (Guangzhou) Co., Ltd.
TCL Smart Home	Guangdong TCL Smart Home Appliances Co., Ltd.
TCL King (Huizhou)	TCL King Electrical Appliances (Huizhou) Co., Ltd.
Huizhou TCL Mobile Communication	Huizhou TCL Mobile Communication Co., Ltd.
White Household Appliance BU	TCL Home Appliances (Hefei) Co., Ltd.
Homa Appliances	Homa Appliances Co., Ltd.
Smart Screen	Smart TV in the large-sized display business
BU(s)	Business Unit(s) under TCL Industries
BG(s)	Business Group(s) under TCL Industries
All entities	All product BUs/business divisions, BGs, capability centres and functional platforms under TCL Industries

Message from CEO

Du Juan

CEO

TCL Industries Holdings Co., Ltd.

As the global economic landscape evolves profoundly and sustainable development becomes a worldwide consensus, we stand at a time of intertwined opportunities and challenges. Guided by our core values of "change, innovation, responsibility, and excellence", we have deeply embedded sustainability into every aspect of our strategy, business development, and daily operations. In April 2026, we launched our global ESG strategy, marking our entry into a new phase of comprehensive ESG ecosystem advancement as part of our Globalisation 3.0 journey. Inspired by our mission of "Building a Sustainable & Connected Future with Advanced Technology", we act through four strategic pillars: Leading Technology, Green Products, Governance Excellence, and Shared Value. These pillars shape our work with customers, our care for the environment, the strength of our own operations, and our partnership across the value chain. We are deeply convinced that true progress grows from creating value for others, and shared prosperity knows no bounds. On this belief, we pledge to work alongside every stakeholder to build a sustainable business future together.

Safeguarding User Trust Through Innovative Technology

Innovation drives our growth. Deeply committed to technological innovation, we forge ahead with determination, with annual R&D expense reaching RMB 4.66 billion. Across our businesses in TV, refrigerators, washing machines, air conditioners and mobile devices, we continued to explore expertise and integrate AI into operations and product innovation. We place "Safety and Quality" above all, ensuring every product upholds our commitment to users. We have built strong safeguards for data security and privacy protection, adhering to ethical standards in technology. By translating our user-centric philosophy into smarter, more reliable, and more trustworthy technological experiences, we enable innovations to genuinely benefit households around the world.

Responding to Ecological Concerns Through Green Practices

Confronted with the pressing challenges of climate change, we integrate green principles across the entire product lifecycle, from design through to recycling. We have set a clear dual-carbon strategy and are implementing decarbonisation pathways that span our operations, products and ecosystem. In product development, we actively advance eco-design, improve energy efficiency, increase the use of renewable materials and optimise packaging and logistics. In 2025, our photovoltaic business generated a cumulative total of 14 billion kWh of green electricity, contributing to over 10 million tonnes of carbon reduction across society. Additionally, we are committed to establishing a resource-circulation system. Our TCL Environmental Technology platform recovers and processes multiple categories of electronic waste, contributing to the sustainable development of our planet.

Building a Solid Foundation Through Robust Governance

Robust and transparent governance serves as the cornerstone of corporate sustainable development. We have established a three-tier ESG governance architecture, linking sustainable performance metrics to senior management compensation. We uphold the highest standards of business ethics. Through our comprehensive compliance and risk management systems, stringent anti-corruption mechanisms, and rigorous audit and supervision frameworks, we ensure the integrity and compliance of our global operations. We firmly believe that only development built upon excellence in governance can be truly robust, trustworthy, and sustainable.

Fostering a Responsible Ecosystem to Create Shared Value

We believe that corporate responsibility should extend across the entire value chain, sharing the fruits of development with the society. We are committed to building a responsible and sustainable supply chain, conducting environmental and social assessments of suppliers, and promoting joint capability building. We regard our employees as our most valuable asset, safeguarding their legitimate rights and interests, providing broad platforms for career development, and ensuring a healthy and safe working environment. Meanwhile, we actively give back to society, focusing on education and ecological stewardship. In 2025, we contributed approximately RMB26 million to public welfare initiatives, translating our corporate citizenship into tangible action.

Looking ahead, we recognise that the path of responsibility remains long and demands sustained commitment. We will join hands with customers, employees, partners, and communities worldwide. Powered by technology, rooted in sustainability, underpinned by robust governance, and aimed at shared value, we will work together to forge a future that is more intelligent, low-carbon, equitable, and sustainable.

About TCL Industries

Corporate Profile

TCL – "The Creative Life".

TCL Industries Holdings Co., Ltd. was established in 2018 and formally adopted its current name following a major asset restructuring in April 2019. The Company is focused on smart devices and services, encompassing all categories of smart consumer electronic products and services, including smart displays, smart home appliances, innovative businesses, and home Internet solutions. In parallel, TCL Industries actively develops other businesses such as ecotechnology, industrial park management, smart manufacturing, and industrial financing. Guided by the mission of "Building a Sustainable & Connected Future with Advanced Technology", the Company centres the efforts on the strategic themes of "AI-powered Future, Ecological Smart Experience, Integration of Global and Local Operations, and a Greener Tomorrow". With the user at the centre and innovation as the driver, the Company delivers high-value smart living experiences across all scenarios, committed to becoming a world leading intelligent technology enterprise.

TCL Industries pursues a globalisation strategy rooted in the integration of global and local operations, making it one of the pioneers of Chinese enterprise globalisation. By integrating brand enhancement, technological innovation, talent training, environmental protection responsibility, and people-oriented values, we drive high-quality growth. We are dedicated to providing users with smart and healthy living experiences across all scenarios and strive to become a leading global smart device enterprise. By the end of 2025, we had established sales branches in more than 80 countries and regions worldwide, with operations spanning more than 160 countries and regions. We have 25 R&D centres and 22 manufacturing bases, which reinforce our long-term commitment to deepening international market penetration.

By the end of 2025

established sales branches in **80+** countries and regions worldwide

operations spanning countries and regions **160+**

We have **25** R&D centres and **22** manufacturing bases

Organisations and Initiatives Supported by TCL Industries

United Nations Global Compact (UNGC)

Responsible Minerals Initiative (RMI)

Science Based Targets Initiative (SBTi)

Responsible Business Alliance (RBA)

Business Overview

TCL Industries is engaged in all categories of smart consumer electronic products and services, including smart displays, smart home appliances, innovative businesses, and home Internet solutions. Addressing diverse application scenarios—including smart home, smart mobile and smart commercial display—we deliver forward-looking technological experiences and smart, healthy living to users worldwide. In addition, we are actively expanding into areas such as ecotechnology, industrial park management, smart manufacturing, and industrial financing, with the ambition of becoming a global leader in intelligent technology.

Introduction to TCL Industries' Business

Device Business Group

- **Large-size Display**
  - Large Size
  - Small & Medium Size
  - Smart Commercial Display
  - Home Internet
  - Smart Connection
  - Smart Security
- **Photovoltaic**
  - Photovoltaic Technology
- **Large Home Appliances**
  - TCL Air Conditioner
  - Homa Appliances
  - TCL Washing Machine & Refrigerator

TCL Electronics 01070.HK

TCL Air-Conditioners

TCL Smart Home 002668.SZ

Others

- Tonly Technology
- TCL Environmental Technology
- TCL Financial Service
- TCL Industrial Park
- Getech

TCL Electronics

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, Excel in 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 Ecology", 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, TCL Electronics' 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. TCL Electronics 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 TCL Electronics' technological leadership and strong market competitiveness in high-end display.

2025

TCL TV ranked second globally with a **14.7%** global shipment share

Top three globally with a **13.1%** global sales share

Global shipments of TCL Mini LED TVs surged **118.0%** year-on-year, ranking first worldwide

TCL Photovoltaic Technology

Founded in 2021, TCL Photovoltaic Technology builds differentiated competitiveness through its "full-chain capability + innovative solutions", and is committed to establishing an end-to-end asset development, construction, and operation platform, aiming to become a user-centred global leader in smart energy services. As the only enterprise in the photovoltaic industry with a fully self-built, integrated layout across "production, manufacturing, logistics, procurement, construction, and O&M", the company focuses on five core businesses: household distributed photovoltaic, industrial and commercial distributed power stations, overseas integrated PV-storage-pump-charge systems, O&M management, and electricity-carbon trading. This enables it to deliver comprehensive service capabilities covering multiple scenarios including households, enterprises, and overseas markets, and the full cycle from energy production and operation to value conversion.

2025

Photovoltaic business generated a cumulative total of **14** billion kWh of green electricity

Contributing to over **10** million tonnes of carbon reduction

TCL Air-Conditioners

TCL Air-Conditioners was established in 1999. It has set up 11 major production bases and 5 R&D centres across locations such as Zhongshan (Guangdong), Wuhan (Hubei), Jiujiang (Jiangxi), Nansha (Guangzhou), Indonesia, and Brazil. As a large-scale, comprehensive, and professional refrigeration enterprise, it integrates the development, manufacturing, and sales of household air conditioners, commercial air conditioners, specialised air conditioners, portable air conditioners, dehumidifiers, and air conditioning compressors. Driven by 11 internationally leading technologies and cantered on the value proposition of smart and healthy living, TCL Air-Conditioners has built a full-chain AI capability covering "perception–cognition–decision–service". By 2025, its annual production capacity has exceeded 38 million units, with products sold in over 160 countries and regions. The division ranks among the top two in export volume within the industry and has entered the top three globally in sales.

Guided by its mission to "make healthy, eco-friendly living brought about by air accessible to more people", TCL Air-Conditioners continues to deepen and expand its mature businesses in household and commercial air conditioning, while actively developing upstream extension businesses and providing green energy solutions. With this dual-growth engine of "core air conditioning business + emerging industries", TCL Air-Conditioners aims to double its scale within five years, effectively building a new TCL Air-Conditioners for the future.

TCL Air-Conditioners has set up **11** major production bases across locations such as Zhongshan (Guangdong), Wuhan (Hubei), Jiujiang (Jiangxi), Nansha (Guangzhou), Indonesia, and Brazil.

Its annual production capacity has exceeded **38** million units

Products sold in **160+** countries and regions. The division ranks among the top two in export volume within the industry and has entered the top three globally in sales.

TCL Smart Home

Established in 2002, TCL Smart Home was listed on the Shenzhen Stock Exchange in April 2012 (Stock Code: 002668. SZ). In May 2021, the company entered a new phase of development as TCL Home Appliance Group Co., Ltd. became its controlling shareholder. TCL Smart Home is committed to becoming a global leader in smart home appliances and is firmly advancing its globalisation strategy. Focusing on AI-powered smart home appliances, the company leverages technological innovation to enable seamless connectivity, coordinated operation, and autonomous learning and optimisation across its product ecosystem. In doing so, it delivers forward-looking technological experiences and smart, healthy living to users, while actively contributing to the further advancement of the industry.

TCL Smart Home's operations are driven by two core production and operation entities: White Household Appliance BU and Homa Appliances. Its key product categories include refrigerators (including freezers) and washing machines. As of 2025, TCL Smart Home had held the top position in China's refrigerator export rankings for 17 consecutive years and had led Chinese refrigerator exports to Europe for 18 consecutive years. Both TCL-branded refrigerators and washing machines had been featured for 9 consecutive years on China Central Television's *Great Nation Brands* programme, establishing the company as a benchmark for high-quality development in China's home appliance sector.

2025

TCL Smart Home had held the top position in China's refrigerator export rankings for **17** consecutive years and had led Chinese refrigerator exports to Europe for **18** consecutive years

Both TCL-branded refrigerators and washing machines had been featured for **9** consecutive years on China Central Television's *Great Nation Brands* programme, establishing the company as a benchmark for high-quality development in China's home appliance sector.

Tonly Technology

Founded in 2000 and headquartered in Huizhou City, Guangdong Province, Tonly Technology is a leading ODM platform enterprise specialising in the design, R&D, production, manufacturing, and sales of acoustic and smart products. Leveraging expertise in acoustics, wireless connection, and intelligent interaction technologies, the company serves many of the world's most prominent consumer electronics and Internet brands. Tonly Technology has built strong competitiveness in independent product development, vertical integration of key upstream components, supply chain management, precision manufacturing, and quality management, and has established a portfolio of core technologies in product simulation, software, algorithms, and radio frequency.

2025

The global market shares for Bluetooth speakers and Soundbars **ranked 1st** in the world for multiple consecutive years

Tonly Technology has established manufacturing bases in locations including Huizhou (Guangdong Province), Beihai (Guangxi), Quang Ninh Province (Vietnam), and Mexico, enabling globalised production and enhancing both capacity and delivery capabilities. The company also operates R&D centres in Huizhou, Shenzhen, Xi'an, and Malaysia, alongside two overseas offices in the United States and South Korea.

TCL Environmental Technology

Established in 2009, TCL Environmental Technology is an enterprise group specialising in the recycling and reuse of waste resources and providing comprehensive environmental services. The company operates six production bases in Huizhou, Tianjin, Shantou, Huanggang, and Sichuan. It holds the necessary licences for the recycling and dismantling of waste electrical and electronic equipment (WEEE) and for the operation of hazardous waste. The company has an annual processing capacity of 10 million WEEE units and 0.38 million tonnes of industrial hazardous waste. In addition, its wastewater treatment capacity is over 60 million cubic metres per year. Guided by its vision and mission of "facilitating technology-enabled resource recycling and fostering a harmonious coexistence between humans and nature", TCL Environmental Technology adheres to an operational philosophy of "customer-oriented and innovation-driven development". It delivers comprehensive hazardous waste treatment and disposal services for enterprises engaged in manufacturing and sales of semiconductor display panels, chips, PCB integrated circuits, new energy batteries, high-end pharmaceuticals, chemicals and automobiles. Through industry-leading processes and technologies, equipment, and integrated environmental solutions, the company enables the effective integration of resource utilisation with harmless treatment and disposal.

TCL Environmental Technology has an annual processing capacity of **10** million WEEE units

0.38 million tonnes of industrial hazardous waste

Wastewater treatment capacity is over **60** million cubic metres per year

TCL Financial Service

Established in September 2015, TCL Financial Service comprises two main business segments. The supply chain fintech business partners with leading financial institutions, including banks, to provide supply-chain financial technology services for ecosystem partners of core enterprises, helping micro, small, and medium-sized enterprises (MSMEs) access convenient, low-cost financing. Its financial business focuses on selected industrial scenarios and small and micro-sized enterprise customers, advancing inclusive finance and promoting industry-finance synergy.

2025

The platform business has fully covered **32** provincial-level administrative regions in China

Provided services for over **150** thousand enterprises in total

TCL Industrial Park

Founded in 2017, TCL Industrial Park is a professional integrated service provider specialising in investment, development, operation, and management of industrial parks. With the vision of "becoming an industry-leading industrial park investor and management service provider", it is committed to providing professional services for customers. Its projects are located in cities including Beijing, Shanghai, Guangzhou, Shenzhen, Tianjin, Wuhan, Hefei and Huizhou, reaching the three major metropolitan clusters of the Guangdong-Hong Kong-Macao Greater Bay Area, the Yangtze River Delta, and the Beijing-Tianjin-Hebei region. The industrial spaces developed by the company encompass technology headquarters, integrated industry city communities, business R&D parks, high standard warehousing and logistics parks, and specialised smart manufacturing parks. Its service portfolio includes the development and management of industrial parks and office buildings, investment attraction and operational management, full cycle asset services, and turnkey construction of large-scale hard tech industrial plants.

2025

Collected information on **2,800+** industrial customers

Construction management segment coordinated **20** projects under construction

Management area **2.93** million squaremeters

Getech

Getech is a leading industrial AI enterprise in China. Built on its proprietary smart factory decision making platform and a full scenario industrial AI portfolio covering production, equipment, quality management, intelligent facility management, and smart logistics, the company provides intelligent-decision infrastructure and end-to-end industrial AI solutions for the pan-semiconductor industry, accelerating the shift toward AI driven autonomous operations in advanced manufacturing. Getech is driven by continuous R&D and technological innovation. It has invested over RMB 1 billion in R&D, with more than 80% of its staff dedicated to research and technical roles. AI is embedded in over 80% of its solutions. The company has successfully implemented more than 300 AI projects, serving over 30,000 enterprises. With a global team of over 1,000 top-tier professionals, Getech has established R&D, operations, and delivery centres across Wuhan, Shenzhen, Shanghai, Beijing, Tianjin, Shenyang, Guangzhou, Yixing, and Huizhou. Its business footprint extends across China, the Middle East, Southeast Asia, and other regions worldwide.

The company has successfully implemented **300+** AI projects

With a global team of **1,000+** top-tier professionals

Honours & Recognitions

Category	Award winning Product / Brand / Company	Award Title	Award granting Organisation
Comprehensive	TCL Industries Holdings Co., Ltd.	2025 Sustainable Brand Model List – Corporate Compliance Award	huxiu.com
	TCL Electronics Holdings Limited	Social Responsibility Golden Bull Award	China Securities Journal
		Best ESG Company	Zhitong Caijing
		Most Valuable Consumer Goods Company	
		ESG Environmental Excellence Award	Gelonghui
		Annual Investment Value Award	
		Annual Outstanding IR Team Award	
		Top 10 Investor Relations Companies	Judongmi
		Best IR (Hong Kong Listed) Company	New Fortune
		Tianma Award for IR Management (Hong Kong Listed Companies)	Securities Times
	TCL King Electrical Appliances (Huizhou) Co., Ltd. and Huizhou TCL Mobile Communication Co., Ltd.	Zero-Waste Factory	Huizhou Zhongkai High-tech Industrial Development Zone
	TCL Air-Conditioner (Wuhan) Co., Ltd.	Excellence-level Smart Factory	Ministry of Industry and Information Technology of the People's Republic of China (MIIT)
		First Prize – National Thematic Competition, 3rd "New Green Cup" ICT Industry Empowerment for Carbon Peaking and Carbon Neutrality Innovation Competition	Organising Committee of the New Green Cup ICT Industry Empowerment for Carbon Peaking and Carbon Neutrality Innovation Competition
		First Prize – National Finals, 3rd "New Green Cup" ICT Industry Empowerment for Carbon Peaking and Carbon Neutrality Innovation Competition	
	TCL Air-Conditioner (Jiujiang) Co., Ltd.	Jiangxi Provincial Advanced Smart Factory	Jiangxi Provincial Department of Industry and Information Technology
	Guangdong TCL Smart Home Appliances Co., Ltd.	The 3rd Guoxin Cup "ESG Rising Star Golden Bull Award"	China Securities Journal
		Judongmi "Top 100 ESG Companies"	Board Secretary Association
		8th China Excellence IR "Best ESG Rising Star Award"	Cross-Border Roadshow Platform for Listed Companies
	TCL Home Appliances (Hefei) Co., Ltd.	2025 China Household Clothes Washing, Drying and Care Industry Summit Forum – Brand Award – Intelligent Health Leadership Brand (TCL)	China Household Clothes Washing, Drying and Care Industry Summit Forum
Design	TCL PlayCube Projector	iF Design Award	iF International Forum Design GmbH
		Red Dot Design Award	Design Zentrum Nordrhein Westfalen
		G-Mark Design Award	Japan Industrial Design Promotion Organisation
		IDEA Design Award	Industrial Designers Society of America
	TCL R290 Tri-Thermal ATW Heat Pump	iF Design Award	iF International Forum Design GmbH
		Red Dot Design Award	Design Zentrum Nordrhein Westfalen
		G-Mark Design Award	Japan Industrial Design Promotion Organisation
		IDEA Design Award – Bronze	Industrial Designers Society of America
	TCL 50 PRO NXTPAPER 5G	iF Design Award	iF International Forum Design GmbH
		Red Dot Design Award	Design Zentrum Nordrhein Westfalen
		G-Mark Design Award	Japan Industrial Design Promotion Organisation
	TCL A300 3rd-Generation Art TV Series	iF Design Award	iF International Forum Design GmbH
		G-Mark Design Award	Japan Industrial Design Promotion Organisation
		IDEA Design Award	Industrial Designers Society of America
	TCL Fiber Gateway Family Design	Red Dot Design Award	Design Zentrum Nordrhein Westfalen
		IDEA Design Award	Industrial Designers Society of America

Category	Award winning Product / Brand / Company	Award Title	Award granting Organisation
Design	TCL Party Speaker Series (TP300K, TP200K, TPX00K)	Red Dot Design Award	Design Zentrum Nordrhein Westfalen
	TCL 5G ODU Outdoor Fixed Wireless Access (FWA) Device		
	TCL 2025 QD-MiniLED Display		
	TCL MOVETIME MT48 Kids' Watch	G-Mark Design Award	Japan Industrial Design Promotion Organisation
	TCL Z100 Series –Smart Connected, Wireless, Professional Sound Speaker		
	TCL 2025 Remote Control Series	iF Design Award	iF International Forum Design GmbH
	TCL 2025 Premium QD-Mini LED TV Series		
	TCL 2025 Mainstream QD-Mini LED/QLED TV Series		
	TCL BrowseHere Browser		
	TCL Chatbird AI Companion App		
	TCL Gravitational Field Design		
	TCL A300 Series 3rd-Generation Art TV User Experience (UX) Design		
R&D and Innovation	TCL Air-Conditioner (Wuhan) Co., Ltd.	Third Prize – 2025 BRICS Industrial Innovation Competition	BRICS Partnership on New Industrial Revolution Innovation Base, Centre for International Economic and Technological Cooperation of MIIT
	AI Energy-Saving 3.0 Technology	Advanced Energy-Saving and Carbon-Reduction Technology Catalogue (Light Industry)	China National Light Industry Council
	TCL Little Blue Wing P7 Ultra Air-Conditioner	IFA Global Product Technology Innovation Awards 2025 – AI Energy-Saving Technology Gold Award	IFA
		AWE Innovation Award	Appliance & Electronics World Expo (AWE)
	Huizhou TCL Photovoltaic Technology Co., Ltd.	"Dual Carbon" Technology Innovation Representative Case	China Energy News
		Best Zero-Carbon Park Design Gold Award	China Southern Power Grid
	TCL King Electrical Appliances (Huizhou) Co., Ltd.	MIIT National Manufacturing Digital Transformation Representative Case 2025	MIIT
	Control Method and System for Rapid Startup of Compressor in Inverter Air-Conditioner Outdoor Unit	25th China Patent Award of Excellence	China National Intellectual Property Administration
	TCL Home Appliances (Hefei) Co., Ltd.	2025 China Household Clothes Washing, Drying and Care Industry Summit Forum – Brand Award – Intelligent Health Leadership Brand (TCL)	China Household Clothes Washing, Drying and Care Industry Summit Forum
	TCL Super Drum Series Front-Load Washing Machine	Global Top Brands 2024-2025 – Clean Technology Innovation Gold Award	Consumer Technology Association (CTA)
	TCL Super Drum Series Washing Machine – G120T7H-HDIS / G120P7-HDI	UET Best Product Award 2025	China Household Electric Appliance Research Institute
	TCL AI Super Drum Washer & Dryer Set: Washer G100T7R-DIS / Dryer H100T7R-BS	2025 China Household Clothes Washing, Drying and Care Industry Summit Forum – Product Award	China Household Clothes Washing, Drying and Care Industry Summit Forum
	Leng Buding Refrigerator R456T9-DQB	Product Award – Thin-Embedded Ice-Making Innovation Pioneer Award, 2025 Refrigerator Industry Development Conference	National Home Appliance Industry Information Centre
	Bing Qilin Deep-Freeze Refrigerator R515T15-UQBS	Original Product Award for Molecular Fresh-Keeping Technology, 2025 Refrigerator Industry Summit	Organising Committee of China Refrigerator Industry Summit Forum

2025 Key Performance

Annual Key Responsibility Performance

Operating revenue reached RMB **170.69** billion

Operational greenhouse gas (GHG) emission intensity recorded **428** tonnes of carbon dioxide equivalent (tCO2e) per RMB 100 million in revenue

Business operations cover **160+** countries and regions

Total global workforce **76,191** employees

R&D expense totalled RMB **4.66** billion marking a **6.6%** year-on-year growth

Female employees accounted for over **40%**

Photovoltaic business promoted a carbon reduction of **10** million tonnes across the society

Public welfare investment amounted to RMB **25.96** million

8 national green factories

Sustainability Rating

ESG Rating	Entity Rated	Rating Results
CITI Rating	TCL Industries	32.53
CATI Rating	TCL Industries	29.00
Hang Seng Index ESG Rating	TCL Electronics	the 8th consecutive year for a Hang Seng ESG rating (A)
CDP Climate Change Rating	TCL Electronics, TCL Communication	B
EcoVadis Rating	TCL Communication	Gold Medal
Wind ESG Rating	TCL Electronics	AA (5th out of 121 peers in industry)
Wind ESG Rating	TCL Smart Home	AA (20th out of 121 peers in industry)

ESG Governance

TCL Industries has integrated ESG principles into its corporate development strategy. We have also established a comprehensive ESG governance framework that operates at both the decision-making and implementation levels. Through ongoing enhancements to our management systems and proactive engagement with internal and external stakeholders, we are building ESG capabilities in a systematic manner. Our efforts are focused on generating long-term value by fostering sustainable development.

ESG Strategy

TCL Industries' global ESG strategy is anchored in four core pillars: "Leading Technology, Green Products, Governance Excellence, Shared Value". Together, they form a systematic and measurable blueprint for our future actions. This strategy represents more than just a plan. It puts into practice our ESG vision of "Becoming a globally operated leading smart device enterprise, powering a sustainable future through high-quality development". It also serves as a solid response to "Building a Sustainable & Connected Future with Advanced Technology".

We are dedicated to managing risks through robust governance, advancing green transformation through technological innovation, and fostering unity through a people-centric approach. By collaborating harmoniously with all stakeholders, we create lasting value and contribute as a responsible Chinese enterprise to global sustainable development.

ESG Strategy Blueprint

Leading Technology Extend Goodness to Everyone

Reshape lifestyles through technological innovation, bringing smart living and clean power to every household.

- Innovation
- Product and Service Quality & Safety
- Data Security & Customer Privacy Protection
- Technology Ethics

Green Product Sustain Endless Growth

Drive the green evolution of products, fostering lasting harmony between human civilisation and natural ecology.

- Response to climate Change
- E-Waste & Resource Recycling
- Water Resource Utilisation
- Ecosystem and Biodiversity Conservation
- Green Products
- Pollutant and Hazardous Substance Management
- Environmental compliance management

TCL

Governance Excellence Transparent & Trustworthy Operations

Uphold governance excellence and business integrity, delivering responsible decision-making in a changing environment.

- Compliance Operation & Risk Management
- Anti-commercial bribery and anti-corruption
- Business Ethics
- Responsible marketing

Shared Value Collaborative Partnerships

Unite partners through a community of shared value, building and sharing a sustainable future.

- Sustainable Supply Chain
- Health and Safety
- Social Contributions
- Chemical management
- Employee Development and Training
- Compliance with Employment Regulations and Protection of Employees' Rights and interests
- Rural revitalisation

ESG Governance Structure

TCL Industries has established an Environmental, Social, and Governance Committee (the "ESG Committee") and an ESG Committee Office. As the highest decision-making body for ESG governance, the ESG Committee oversees and coordinates the Company's overall ESG strategic initiatives. The ESG Committee Office serves as the executive body, tasked with annually breaking down the ESG strategic objectives and plans to the various business units. The office drives the implementation of these plans, as well as tracks and monitors the execution of action plans and progress toward targets across all units.

ESG Governance Structure of TCL Industries

ESG Governance Structure and Management Responsibilities of TCL Industries

Top Decision-Making Level	ESG Committee	◦ Formulate ESG strategy, goals, and action plans, and make decisions on key ESG topics and major projects. ◦ Coordinate resources to promote ESG capacity building across TCL Industries and its subsidiaries. ◦ Review and approve the publication of ESG reports of TCL Industries and its subsidiaries, carbon neutrality action reports, and other relevant public disclosures.
Executive Level	ESG Committee Office	◦ Regularly monitor and analyse internal and external ESG policies and developments. ◦ Promote and implement the Company's ESG strategy and key projects. ◦ Produce official public disclosure documents such as the Company's routine ESG reports and carbon neutrality action reports. ◦ Organise TCL Industries and its subsidiaries for participation in various domestic and international ESG ratings, award programmes, and industry-related communications. ◦ Identify and assess ESG compliance requirements applicable to TCL Industries globally.
	BU/Regional ESG Committees	◦ Align with the strategy, objectives, and key initiatives established by the TCL Industries' ESG Committee and develop their own medium- and long-term ESG strategies, objectives, implementation roadmaps, and annual action plans. This ensures consistency with TCL Industries' overall strategy and maintains ambitious performance targets. ◦ Coordinate resources to manage and enhance ESG capacity building within the units; track, review, and report progress on key ESG performance indicators; drive the effective execution and continuous improvement of ESG-related initiatives.

1. BU scope: TCL-branded business units.

Linking Sustainability Performance to Compensation

To advance the implementation of sustainability initiatives, we have linked ESG-related performance to both executive and organisational compensation. Specifically, we have established quantitative and qualitative performance targets across the three key dimensions of environmental, social, and governance. These targets span areas such as compliance and governance, risk management, organisation and talent development, occupational health and safety management, environmental protection, and business ethics management. This approach systematically integrates ESG targets into strategic planning, operational management, and behavioural guidance. In the future, we will continue to refine this linkage mechanism to ensure that sustainable management practices are embedded throughout organisational governance and talent development processes.

Stakeholder Engagement

We attach great importance to communication with both internal and external stakeholders, including employees, customers, suppliers and partners. We have established diverse and regular two-way communication mechanisms to actively listen to and respond to their expectations and demands. Stakeholder feedback not only serves as an important benchmark for assessing the effectiveness of our ESG efforts but also provides critical input for continuously improving our management and decision-making. We are committed to systematically integrating relevant expectations into the Company's strategic planning and daily operational mechanisms, thereby driving the deep integration of ESG governance and business practices.

Stakeholders	Engagement Channels	Key Issues of Concerns	TCL Industries' Response
Employees	◦ Email ◦ Meetings ◦ Activities ◦ Satisfaction surveys	◦ Compliant employment and protection of employee rights and interests ◦ Employee development and training ◦ Health and safety	◦ Provide competitive remuneration, benefits, learning and career promotion opportunities ◦ Organise employee activities ◦ Provide a safe and sound working environment ◦ Establish transparent employee management mechanisms
Customers and Potential Customers	◦ Customer service centre ◦ Service hotline ◦ Complaint and suggestion email ◦ Surveys ◦ User interviews ◦ Official WeChat/Accounts ◦ Information disclosure	◦ Product and service safety and quality ◦ Data security and customer privacy protection ◦ Green products	◦ Strengthen comprehensive quality and safety control ◦ Strengthen customer privacy protection ◦ Manufacture products using eco-friendly processes ◦ Customer satisfaction surveys ◦ Enhance training on the after-sales support system
Suppliers	◦ Regular supplier conferences ◦ Working meetings ◦ Daily communication ◦ Regular evaluations	◦ Sustainable supply chain ◦ Green products	◦ Focus on sustainable and responsible supply chain management ◦ Develop green products throughout the entire lifecycle ◦ Strengthen the transparency system in procurement processes
Investors and Shareholders	◦ Information disclosure ◦ General meetings ◦ Earning Calls ◦ Non-deal roadshows ◦ Investor meetings	◦ Compliance operation and risk management ◦ Anti-commercial bribery and anti-corruption ◦ Business ethics	◦ Improve compliance risk system ◦ Enhance anti-corruption mechanisms ◦ Strengthen business ethics training ◦ Regularly disclose business and financial information ◦ Improve corporate governance and investor relations management ◦ Maintain business and profitability growth
Governments and Regulators	◦ Regular visits ◦ Policy briefings ◦ Meetings and exchange activities ◦ Information submission ◦ Routine inspections ◦ Government-enterprise cooperation projects	◦ Address climate change ◦ Pollutant and hazardous substance management ◦ Compliance operation and risk management	◦ Develop climate action strategies ◦ Strengthen pollutant and waste control ◦ Implement regulatory policies ◦ Improve tax-related management ◦ Take the initiative to fulfil social responsibilities ◦ Conduct business in line with industrial and regional economic development needs
Industry Associations and Chambers of Commerce	◦ Industry seminars ◦ Symposiums ◦ Joint research	◦ Innovation-driven development ◦ Social contribution	◦ Strengthen multi-party business cooperation ◦ Explore innovative business models ◦ Promote industrial technological innovation and transformation
Universities and Research Institutes	◦ Joint research projects ◦ Industry-university-research cooperation ◦ Academic exchanges and technical lectures	◦ Innovation-driven development ◦ Employee development and training	◦ Co-establish R&D platforms to accelerate the industrialisation of technologies ◦ Promote the conversion of academic achievements into market applications
Media	◦ Press conferences ◦ Media visits ◦ Regular forums	◦ Product and service safety and quality ◦ Responsible marketing	◦ Enhance new product promotion ◦ Establish a responsible brand image
Philanthropic and Community Organisations	◦ Public welfare activity cooperation ◦ Volunteer services ◦ Community and property manager communication	◦ Social contribution ◦ Rural revitalisation	◦ Organise public welfare activities to support rural revitalisation and enhance social well-being

Double Materiality Assessment

TCL Industries 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

Step 2: Identify and list relevant topics

Step3: Conduct materiality assessment and confirm the results

Step4: Disclose information on material topics

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

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

Key Analysis Factors

ESG regulatory requirements, standard systems and international initiatives

- HKEX *Environmental, Social and Governance Reporting Guide*
- SZSE *Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange – Sustainability Report (For Trial Implementation)*
- EU *Corporate Sustainability Reporting Directive* (CSRD) *and its supporting European Sustainability Reporting Standards* (ESRS)
- *Global Reporting Initiative (GRI) Standards*
- Sustainability Accounting Standards Board (SASB) *Sustainable Industry Classification System* (SICS)
- UN Sustainable Development Goals (SDGs), etc.

ESG ratings

- CDP (Carbon Disclosure Project) Rating
- EcoVadis Sustainable Supply Chain Rating
- Hang Seng Corporate Sustainability Benchmark Index

Macro trends

- Policy trends
- Industry trends
- Consumer market trends

Internal development status and planning

- Core business activity characteristics
- Development needs
- Strategic planning
- Previous material issues

Step 2: Identify and list relevant issues

Starting from the *TCL Industries Long ESG issues 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 Industries Short ESG issues List*. In 2025, we systematically updated and optimised ESG issues based on industry trends and the latest sustainable development trends.

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

Step 3: Conduct materiality assessment and validation

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

Comprehensively judge the impact degree of ESG issues from four dimensions: scale, scope, likelihood and irreparability of negative impacts.

Stakeholder survey

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.

Impact materiality threshold

Set thresholds based on assessment results, analyse the materiality of actual and potential impacts, and prioritise issues accordingly.

Impact materiality conclusion

Compare issues' scores with thresholds and draw impact materiality conclusions taking into account the survey and expert scoring results.

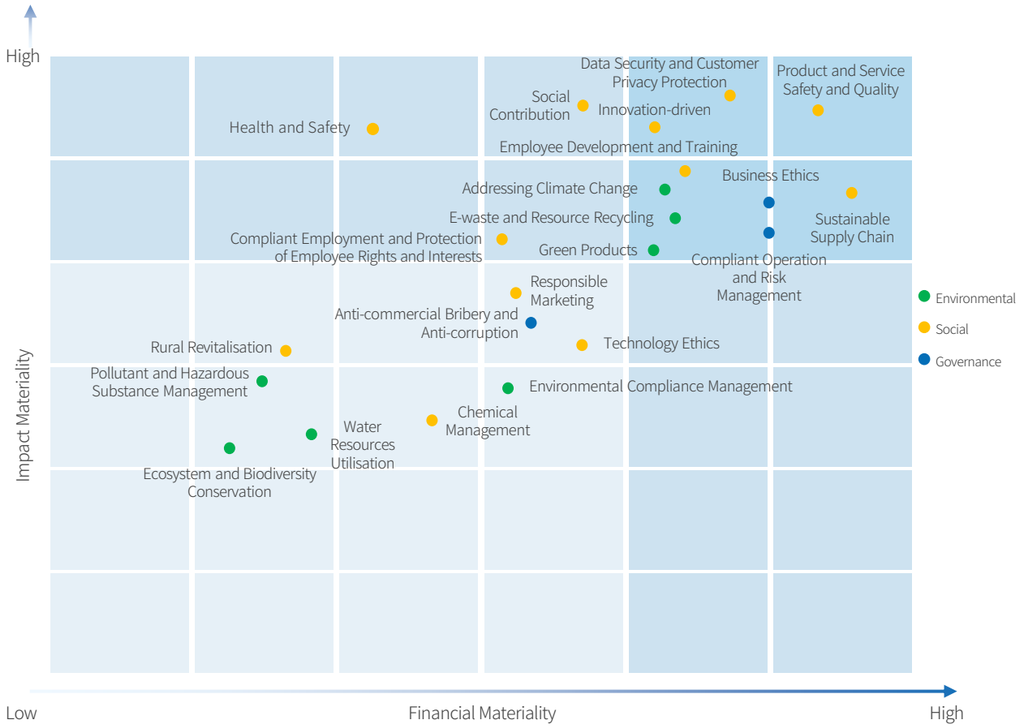
Financial Materiality Assessment

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: Disclosure

Through the above assessment, TCL Industries analysed the results of impact and financial materiality assessments and identified 22 key issues, including 10 issues with extremely high financial and impact materiality. The materiality matrix is listed below.

ESG Material Issue Matrix



TCL Industries 2025 Double Materiality Issues List

Issues	Definition	Impact Period[2]	Risks	Opportunities
Addressing Climate Change	Initiatives to reduce climate risks and enhance climate resilience.	Short-term Medium-term Long-term	◦ **Policy risks:** Stricter climate policies (e.g., carbon border tax, stringent disclosure) increase compliance costs and transformation pressure; carbon pricing mechanisms bring cost uncertainty. ◦ **Market risks:** Green transformation of power structure and rising electricity prices increase production and operation costs. ◦ **Technology risks:** 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. ◦ **Reputational risks:** Consumers and investors increasingly value corporate climate performance; inadequate response will damage brand reputation and market confidence.	◦ **Market opportunities:** Developing full-lifecycle green products and investing in low-carbon technologies such as **photovoltaic**s can open up new markets and achieve long-term revenue growth. ◦ **Technology opportunities:** Applying low-carbon technologies can improve product energy efficiency, optimise production processes and reduce energy costs. ◦ **Reputational opportunities:** 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.
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	◦ **Compliance Risks:** Stricter global regulations lead to increased recycling costs and compliance burdens. ◦ **Technological Risks:** Technologies for dismantling complex products and recovering high-purity materials remain underdeveloped, affecting the economic benefits of resource circulation.	◦ **Cost Advantages:** By implementing a circular economy, waste can be transformed into valuable resources, reducing raw material procurement costs and waste disposal expenses. ◦ **Policy Support and Incentives:** Governments are actively promoting a circular economy. Through the implementation of relevant measures, green subsidies, tax incentives, and other policy supports can be obtained.
Green Products	Initiatives to develop full-lifecycle green products.	Short-term Medium-term Long-term	◦ **Short-term financial risks:** Green materials, R&D and process transformation lead to increased initial costs. ◦ **Supply chain collaboration risks:** 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.	◦ **Long-term financial opportunities:** Full-lifecycle costs can be reduced through material reduction, energy efficiency improvement and recyclable design. ◦ **Market opportunities:** Alignment with sustainable consumption trends contributes to establishing differentiated advantages and enhancing brand loyalty and premium capacity.

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

Issues	Definition	Impact Period[2]	Risks	Opportunities
Innovation-driven	Initiatives in product and technology innovation, risk management, technology ethics and intellectual property management.	Short-term Medium-term Long-term	◦ **Financial and technological risks:** High R&D investment may fail or may not prove commercially viable, resulting in resource waste. ◦ **Compliance and reputational risks:** Application of new technologies (e.g., AI, biotechnology) may trigger ethical disputes and data abuse, damaging reputation. ◦ **Intellectual property risks:** Leakage or infringement of core technologies weakens competitive advantages.	◦ **Market opportunities:** Relying on cutting-edge technological innovation advantages helps maintain technological and market leadership, expand new market areas and enhance overall corporate competitive advantages. ◦ **Resource efficiency improvement:** Driven by innovation, new technologies and processes can greatly improve resource utilisation efficiency and reduce operating costs.
Sustainable Supply Chain	Initiatives to strengthen supply chain risk management, avoid conflict minerals and promote sustainable supply chain development.	Medium-term Long-term	◦ **Compliance and reputational risks:** If supply chain partners fail to comply with laws, regulations or ESG standards, the Company may face compliance issues and reputational risks. ◦ **Stability risks:** Supply chain disruptions may cause material shortages and cost increases, affecting production progress and operational stability. ◦ **Short-term financial risks:** Sustainable supply chain management requires continuous resource input, which may increase short-term operating costs and affect financial performance. ◦ **Quality risks:** Supply chain complexity increases the difficulty of product quality control. Quality problems may affect customer satisfaction and corporate reputation, and bring potential legal disputes.	◦ **Supply chain optimisation/long-term financial opportunities:** 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. ◦ **Cooperation and win-win:** 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. ◦ **Transparency and compliance:** Building transparent and traceable supply chain management enhances customer and investor trust and meets increasingly stringent sustainable development requirements.
Product and Service Safety and Quality	Initiatives to comprehensively ensure the safety and quality of products and services.	Short-term Medium-term	◦ **Compliance and reputational risks:** Substandard quality may reduce customer and consumer satisfaction, even trigger legal disputes and damage corporate reputation. ◦ **Safety risks:** Potential safety hazards may endanger consumer health, leading to serious legal consequences and financial losses.	◦ **Brand trust:** Excellent quality and safety records are the core of establishing long-term customer trust and achieving word-of-mouth communication. ◦ **Operational optimisation:** High-quality management reduces rework, waste and after-sales costs and improves operational efficiency.
Data Security and Customer Privacy Protection	Initiatives to safeguard data security and protect customer privacy.	Short-term Medium-term	◦ **Data breach risks:** Inadequate data security measures may lead to sensitive information leakage, causing customer losses and legal liabilities. ◦ **Compliance risks:** Failure to comply with data protection regulations may result in regulatory penalties and affect normal business operations.	◦ **Market opportunities:** In the data-driven era, strong security and privacy protection capabilities become a core differentiated advantage to attract high-value customers. ◦ **Long-term development:** Establishing a sound data governance system can lay a foundation for steady growth and drive business innovation.
Employee Development and Training	Initiatives aimed at enhancing employee skills, career growth, and well-being.	Long-term	◦ **Talent Risks:** Shortage of critical skills and high employee turnover may lead to weakened innovation, operational instability, and high recruitment and replacement costs. ◦ **Organisational Vitality Risks:** Low employee engagement and insufficient training may result in declining productivity, fluctuating service quality, and stalled innovation.	◦ **Corporate Innovation:** 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. ◦ **Talent Pipeline:** Continuous employee development programmes help cultivate internal talent to meet future business needs, reducing reliance on external recruitment.
Business Ethics	Initiatives to uphold principles such as integrity, fairness, and transparency in business operations.	Long-term	◦ **Legal Risks:** Unethical business practices may lead to lawsuits, fines, and even disrupt normal business operations. ◦ **Reputation Risks:** Once exposed, unethical behaviour can severely damage corporate credibility, leading to customer loss, partner withdrawal, and investor divestment.	◦ **Brand Trust:** Strong business ethics are fundamental to long-term success, enabling companies to gain more partnership opportunities. ◦ **Employee Cohesion:** Strengthening employees' sense of belonging enhances team unity, improving overall operational efficiency and innovation capacity.
Compliant Operation and Risk Management	Initiatives to ensure compliant operation and sound risk management.	Long-term	◦ **Compliance risks:** Failure to comply with laws, regulations and standards may lead to serious legal consequences including fines, sanctions and even potential legal disputes. ◦ **Reputational risks:** Public disclosure of non-compliance may damage brand reputation, affect relationships with customers, investors and partners, and lead to market share decline.	◦ **Market opportunities:** 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. ◦ **Long-term development:** 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.

Leading Technology
Extend Goodness to Everyone

TCL Industries consistently regards exceptional product quality, superior user experience, and continuous technological innovation as the cornerstone driving the company's steady progress. We are committed not only to providing safe and reliable products and services through systematic management across the product lifecycle but also to fostering an open and responsible innovation ecosystem. By doing so, we aim to drive the industry toward greener and smarter development, ensuring that the benefits of technological advancement reach users and society worldwide.

Innovation Driving New Growth

TCL Industries regards technological innovation as the core engine to drive sustainable development and is devoted 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.

- TCL Mini LED Television was awarded the title of "Single Champion Product in Manufacturing Industry" by the Ministry of Industry and Information Technology
- TCL Air-Conditioners was awarded the title of "Excellence-level Smart Factory" by the Ministry of Industry and Information Technology
- Key R&D personnel were recognised as national "Advanced Basic Process Talent"
- TCL Refrigerator's proprietary "Molecular Preservation Technology" was honoured with the Special Prize of the Science and Technology Award from the China General Chamber of Commerce
- TCL Air-Conditioners' patented invention, *A Control Method and System for Rapid Compressor Startup in Inverter Air Conditioner Outdoor Units*, received the "25th China Patent Award of Excellence"
- "Key Technology and Engineering Applications of Lithium-ion Power Battery Short-cycle Value-added Recycling" programme was awarded Second Prize of Jiangxi Provincial Award for Scientific and Technological Progress

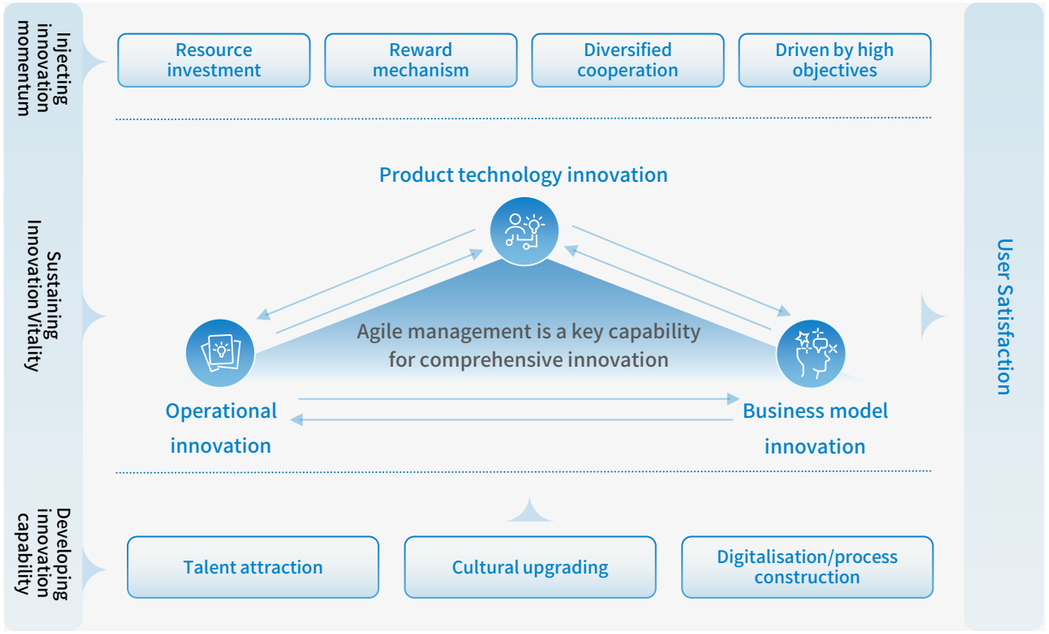
2025

The total R&D expense of TCL Industries was RMB **4.66** billion

Innovation Management System

TCL Industries, with the mission of "providing users with supremely satisfying products and services", 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 our 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*, 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 visual health. We also established platforms including "Dolby Laboratory" and the "Chip Joint Laboratory" to strengthen the foundation of technological innovation.

Building a Scientific Research Talent Team

Headquartered in Shenzhen, we constructed a global R&D network covering Huizhou, the United States, France, Japan etc. Our R&D team has over 4,453 employees, 18% of whom have 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 devoted to independent innovation and actively promote joint development and industry-university-research collaboration.

Innovative Risk Management

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

Assessing innovation opportunities

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.

Managing the innovation process

During technological development, the IPD process system is introduced, alongside the establishment of the *Platform and Technology Charter*[3] *Development Process* and the *Platform and Technology Development Process*. 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.

Reviewing the innovation journey

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.

3. 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 business unit (BU) under TCL Industries 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.

TV Business

- AIoT platform foundation: Build advantages in core intelligent display technologies to drive breakthroughs in display and interaction fields.
- 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.
- 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.
- Building a Smart Space Foundation: Create an integrated, scenario-based smart connectivity experience through AI voice, IoT connectivity, audio/video communication, and data platform capabilities.

Air Conditioning Business

- AI Voice: Utilise key technologies for free-form interaction based on edge-cloud collaboration in air conditioner evaluation, this innovation enables offline recognition of millions of command words, small-sample dialect learning, and low-latency interaction with online voice large models. It provides air conditioner users with a more intelligent and convenient voice control experience. (Recognised as internationally leading technology in 2025.)
- AI Energy Saving: Powered by AI algorithm-driven energy-efficient multi-split system technology, this breakthrough addresses building load forecasting, dynamic diagnosis of refrigerant leakage, and high-power heat dissipation in fully sealed electrical compartments. It achieves over 20% energy savings across all time domains and improves refrigerant leakage diagnosis system prediction accuracy by 5%, driving the industry's green and energy-efficient upgrade. (Recognised as internationally leading technology in 2025.)
- AI Sleep: Equipped with millimeter-wave radar technology, it accurately detects human sleep states, tailors personalised sleep temperature curves, and proactively adjusts temperature and airflow, effectively increasing deep sleep duration by 25%.
- AI Comfort: Feature active human-sensing airflow control technology, it enables real-time adjustments through omnidirectional perception, achieving zoned airflow delivery, constant temperature, and humidity control for a comprehensive enhancement of human comfort.
- AI Fresh Air: Equipped with TVOC active sensing capabilities, it intelligently refreshes indoor air. Combined with a 16-decibel silent design, it ensures clean and quiet indoor air quality.
- Smart Control: Through an integrated platform of centralised cloud management, AI energy saving, and intelligent operation and maintenance, it covers five core capabilities: equipment monitoring, intelligent control, energy consumption management, fault operation and maintenance, and system scalability, realising smart IoT and human-machine collaboration.

Refrigerator Business

- Smart Freshness Preservation: Continuously advance the application of cutting-edge technologies such as magnetic field freezing and micro-freezing preservation in household refrigerators, enhancing product freshness performance and food preservation capabilities.
- AI Noise Reduction: By learning user habits through AI, it automatically controls the activation and deactivation of silent mode, ensuring core functionality while creating a quieter and more comfortable user experience.

Washing Machine Business

- Super Drum Ultra-Clean Technology: By enlarging the drum diameter, optimising the lifter and inner drum structure, and systematically upgrading washing technologies, it delivers superior cleaning performance and fabric care for users.
- Energy Efficiency Enhancement: Consistently drive our products toward higher energy efficiency standards, achieve environmental benefits through energy conservation and emission reduction while reducing long-term usage costs for consumers.

Mobile Phone Business

- Industrial design: Establish a key hardware R&D system covering antenna, structural design, reliability (drop resistance and basic waterproofing), and fast charging to enhance product performance. Improve R&D efficiency, accelerate product iteration, and optimise cost structure through platform-based hardware architecture, component standardisation, and underlying software integration, to provide users with a stable, long-lasting, and premium experience.
- 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
- 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.
- 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.

Smart Home Business

- 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, delivering more precise and seamless cross-device interactions to make users' lives smarter and more effortless.
- Hardware platform: Improve the performance of cameras, smart door locks, and other devices, enhance self-development proficiency, and achieve modular integration. This provides users with more robust, durable, and seamlessly experienced smart home products.
- 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, making devices smarter and more attuned to user needs.

Photovoltaic Business

- Self-developed optimisers: Independently develop one-to-two power optimisers that achieve industry-leading performance.
- 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.
- Dust prevention components: Address the issue of heavy dust on components to enhance power generation efficiency and long-term returns of photovoltaic systems.

Smart Connected Device Business

- 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.
- Router OS: Develop and optimise operating systems for mobile broadband devices to boost product competitiveness.
- Security: Foster independent R&D capabilities and collaborate with leading security vendors to integrate user-perceivable advanced security features into mobile broadband devices, enhancing product appeal and reliability.

Automotive Business

- Smart Cockpit: By focusing on technologies such as centralised cockpit domain control and onboard edge-side AI large models, we empower traditional/low-computing-power cockpits to deliver personalised, emotionally intelligent, and interaction-friendly cockpit experiences for automotive customers.
- Intelligent Display: Leverage the Group's display industry advantages, we continuously advance core technologies such as Mini LED, eye protection, and anti-glare solutions, provide differentiated in-vehicle display experiences for automotive customers.

Audio & Wearable Devices Business

- Cutting-Edge R&D and Algorithm Innovation: Conduct fundamental research and achieve breakthroughs across multiple dimensions, including software algorithms (e.g., AI Bass Boost, voice enhancement), hardware materials (e.g., GaN, SiC), and acoustic technologies (e.g., immersive audio, subjective-objective evaluation methods).
- Intelligent Manufacturing and Process Innovation: Focus on automated testing (e.g., TWS automated sound testing), new process implementation (e.g., two-shot molding with high-temperature materials), and core component development (e.g., AI glasses speakers) to enhance production efficiency and product performance.
- Product Innovation and Expansion into High-End Applications: Involve intelligent wearables (e.g., head-mounted device detection algorithms), premium handcrafted products (e.g., handcrafted suitcase brushed leather), and customised solutions for specific clients, demonstrate a strategic expansion into high-value-added and personalized product domains

Industrial Park Business

- During the project planning and design phase, we holistically design architectural spaces that embody the characteristics of comfort, health, efficiency, and environmental friendliness, thereby reducing the resource and environmental impacts of buildings across their entire lifecycle.

Driving Digitalisation

TCL Industries actively implements the "6+1" Digitalisation Strategy, building innovative business development models through the establishment of AI platforms, digital operations, smart manufacturing, and other initiatives, thereby driving company-wide digital transformation across all employees, operations, and processes.

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

2026-2027	o User-driven experience improvement o Big Data Intelligence o Model-driven Decision Support for Business Operations
2028-2029	o Digital ecosystem development: Establishing data connectivity among ecosystem partners to support collaboration throughout the value chain

5 core AI infrastructure platforms have been built from scratch, and now successfully cover **182** enterprise AI agents to empower business operations

19 digital operations initiatives have been rolled out and completed

TCL Air-Conditioners' Wuhan Base Selected Among China's First Excellence-level Smart Factories

TCL Air-Conditioners' Wuhan Intelligent Manufacturing Base has been selected as one of China's first Excellence-level Smart Factories, recognised for its outstanding intelligent manufacturing capabilities and innovative achievements. By establishing a "lights out factory" that supports fully automated 24 hour production, and by leveraging smart park systems and an industrial internet platform that integrates digital twin technology, the base has achieved end to end digital online management. This has driven the manufacturing system's upgrade toward Industry 4.0, improving operational efficiency and resource efficiency while laying a solid foundation for energy conservation, emission reduction, and high-quality delivery. The base has accumulated nearly 40 significant national, provincial, and municipal honours, including the First Prize in the National Finals of the 3rd New Green Label Information and Communications Technology (ICT) Industry Empowerment for Carbon Peak and Carbon Neutrality Innovation Competition, and the First Prize in the National Thematic Competition. It has also been designated as a provincial level home appliance industry chain leader enterprise and a member of "Hubei Premium Products."

TCL Air-Conditioners Wuhan Awarded First Prize Certificate in the 3rd New Green Label ICT Industry Empowerment for Carbon Peak and Carbon Neutrality Innovation Competition

TCL Air-Conditioners' Wuhan Intelligent Manufacturing Base Factory

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[4], 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

4. Namely "Informatisation, Automation, and Digitalisation".

Pan-Smart Screen BU Vietnam Factory Among the First Batch of Overseas Factories to Complete CMMM Certification

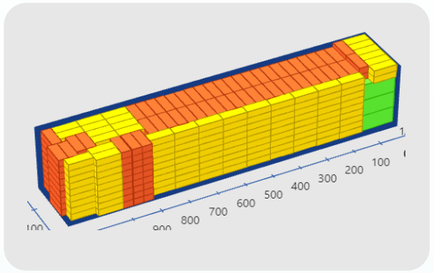
The Vietnam factory under the Pan-Smart Screen BU actively participated in China's first batch of CMMM review and certification projects targeting overseas factories. It successfully completed all formal certification procedures in 2025, achieving CMMM Level 3 (Integrated Level). This achievement demonstrates the successful implementation and application of TCL's intelligent manufacturing standards and management system in an overseas facility.

CMMM Certification Ceremony for the First Batch of Overseas Factories

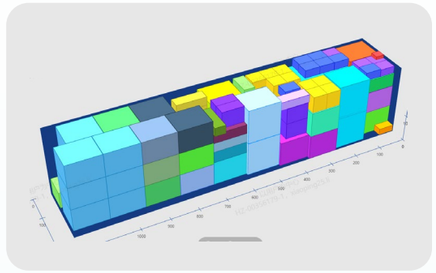
Smart Container Load Optimisation, Emission Reduction by Algorithm-Driven Logistics

TCL Industries 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.

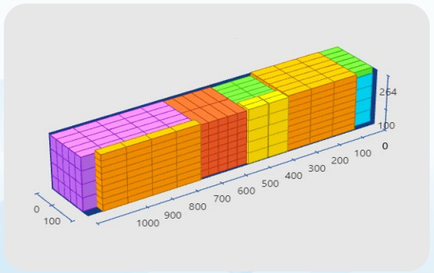
The AI-based smart container load solution has obtained a national invention patent, increasing single container calculation efficiency by 85% and raising the average loading rate to 88%. By maximizing space utilisation, and reducing unnecessary container use and transportation frequency, it lowers logistics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



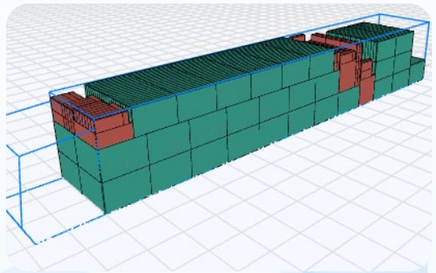
Group Identical Items



No Cross-Group Mixing



Follow Load Sequence



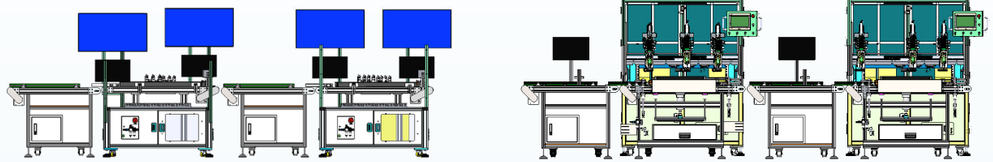
Co-load Kits

Tonly Technology Promotes New Digital Production Models and Drives Smart Manufacturing Transformation

In automated manufacturing scenarios, Tonly Technology integrates multiple processes such as automatic screw fastening, pressure holding, and testing into a seamless online closed loop system through the deployment of integrated equipment. This reduces manual intervention and enhances product quality consistency.

Regarding flexible line transformation, Tonly Technology has completed retrofits to enable multi product series production on shared lines. By implementing strategies such as standardised interfaces and tooling, these lines significantly reduce changeover and setup times, boosting responsiveness to order fluctuations.

The project has delivered significant overall results. Firstly, it effectively reduces line manufacturing investment and operational energy consumption, achieving annual electricity savings of approximately 105,000 kWh. Secondly, the line reusability and production efficiency have been substantially improved. Thirdly, the solution is designed to be replicated across workshops and sites, laying a foundation for large scale rollout. By combining automated equipment with flexible line transformation, Tonly Technology has established a production model characterised by "cost reduction, energy saving, high efficiency, and flexibility," providing a replicable practical example for the digital transformation of the manufacturing sector.



Automated Equipment

AI-Empowered High-Quality Development of Sales Teams

TCL Industries 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 Industries 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

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

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 Little Blue Wing Air Conditioner

Featuring the "Little Blue Wing Smart Health Technology Engine", this model accurately captures and responds to user instructions. With multilingual smart voice interaction, it lowers the usage barrier and allows elderly users and children to operate the air conditioner with ease. The product also incorporates intelligent temperature control technology, which automatically adjusts cooling and heating based on modelled patterns of human body temperature changes.

AI Healthy Air Conditioner

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.

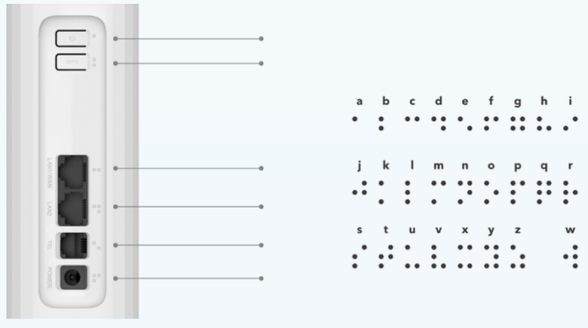
"Elderly Mode" of TV

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

The 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 Industries 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 Industries 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.

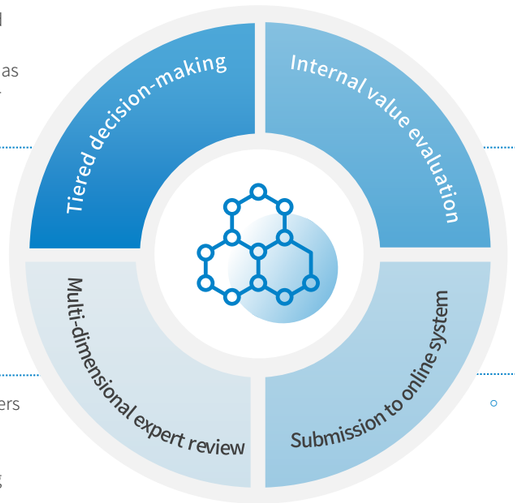
This year

New licensed patents obtained by TCL Industries amounted to **1,705**

The total number of licensed patents reached **13,972**

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

- 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.
- The patent proposal department conducts a preliminary value assessment of the technical proposal.



- A review team of direct leaders and IPR technical experts conduct online and offline reviews and perform scoring and weighting in multiple dimensions.
- The proposer formally submits the documents via the patent management system.

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[5] and Sisvel[6]. 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.

Infringement Risk Management

TCL Industries 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

Proactive risk assessment during planning and R&D	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.
Process review during procurement and production	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.
Process review during market launch and operations	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.

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.

5. 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.
6. Sisvel is a company that provides licensing solutions and patent pools for the delivery of cutting-edge technologies.

Leading Industry Development

Building on its robust technological capabilities and industrial expertise, TCL Industries 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 Industries upheld a technological innovation strategy centred on "display quality, smart technology, 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.

Fusing AI, Art, and Technology, TCL Industries Presented an Immersive Intelligent Ecosystem at CES 2025

In January 2025, TCL Industries created an immersive technology experience by fusing futuristic AI styling, digital art, and technological installations. At the exhibition area, TCL Industries 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 Industries at the Consumer Electronics Show (CES)

TCL Air-Conditioners Drives Value Chain Growth Through Industry Chain Collaboration

In July 2025, as a leading enterprise in Zhongshan's home appliance industry chain, TCL Air-Conditioners actively responded to government initiatives and successfully organised the Zhongshan Manufacturing "Dual-Chains Collaboration, Shared Enterprise Success" Industry Supply Chain Demand Matchmaking Event. The event gathered representatives from nearly 20 key municipal enterprises and public institutions, aiming to establish an efficient local platform for supply demand alignment and to deepen integration and synergy between upstream and downstream players in the industrial chain. At the event, TCL Air-Conditioners actively leveraged its influence in technological innovation and smart manufacturing to extend its high-quality smart products and services to local urban infrastructure and public services. This initiative also helped increase the local market share of "Zhongshan-made" home appliances, ultimately achieving a model of mutual prosperity between the enterprise and the city it operates in.

Dual-Chain Collaboration Exchange Event

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 Industries in 2025	Standard No.
Green Product Assessment - Refrigeration and Air Conditioning Equipment for Commercial and Industrial Use	GB/T 45780- 2025
Greenhouse Gases - Quantification Requirements and Methods of Product Carbon Footprint - Room Air Conditioners	GB/T 46027-2025
Safe Service Life of Household and Similar Electrical Appliances—Particular Requirements for Air-Conditioners	GB/T 46738-2025
Technical Specification of Age-Friendly Technology for Household Electrical Appliances - Part 1: General Requirements	GB/T 46484.1- 2025
Intelligent Household Appliances - Intelligent Technology Requirements and Evaluation - Part 1: General Requirements	GB/T27941-2025
Specification for User Experience Evaluation of Household Air Conditioners	GB/T46502- 2025
Evaluation Specification of User Experience Design for Household and Similar Electrical Appliances	GB/T 46287- 2025
Water Chilling (Heat Pump) Packages Using the Vapor Compression Cycle - Part 2: Water Chilling (Heat Pump) Packages for Household and Similar Applications	GB/T 18430.2- 2025
Technology Process for Repairing and Regenerating Graphite Anode from Scrapped Lithium-ion Batteries	T/QGCML 1631-2023
Technology for Repairing and Regenerating Lithium Cobalt Oxide Cathode Materials in Used Batteries	T/QGCML 3057-2024
Requirements for Restricted Use of Hazardous Substances in Electrical and Electronic Products	GB 26572-2025
Measurement Methods of RGB-Mini LED Backlight Unit for TV	T/CVIA 171-2025
Technical Specification of Grading for Image Quality of Flat Television under Ambient Light	T/CVIA 162-2025
Ambient Light Test Conditions for UHD TV Subjective Evaluation	T/CVIA 161-2025
Labelling Requirements for Restricted Use of Hazardous Substances in Electrical and Electronic Products	SJT 11364-2024
Green Product Assessment - Audio and Video Equipment	20241664-T-339
Health and Hygiene Preservation Evaluation for Refrigerators – Part 1: Technical Requirements for Meat Preservation Evaluation	TCPQS E00079.1-2025
Health and Hygiene Preservation Evaluation for Refrigerators – Part 2: Evaluation of Antibacterial, Bactericidal, and Odor Removal Effects	TCPQS E00079.2-2025
Maximum Allowable Values of Energy Consumption and Energy Efficiency Grades for Household Refrigerators	GB 12021.2-2025

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.

TCL Air-Conditioners Launches New Type Apprenticeship Programme

In 2025, TCL Air-Conditioners initiated its annual New-Type Apprenticeship Programme at the Zhongshan Base. Designed to address the company's evolving skill needs, the programme adopts an innovative dual-mentor, work-study-alternating model that combines enterprise and vocational school instruction. It focuses on six core occupational roles, including Senior Electrician, Senior Industrial Robot Operator, and Senior AI Trainer. Through a dual-mentorship system led by in-house technical experts and vocational instructors, supplemented by on-site enterprise training and a blended online-offline teaching approach, the programme enables apprentices to integrate work, learning, and hands-on practice for continuous skill development.

TCL Air-Conditioners' New-Type Apprenticeship Training Session

Homa Appliances Collaborates with Harbin Institute of Technology (Shenzhen) on Industry Academia Research Partnership

In November 2025, Homa Appliances and Harbin Institute of Technology (Shenzhen) held an industry academia research exchange meeting at the Homa Technology Research Institute. The discussions centred on the theme "Noise Analysis and Reduction Technology for Frost Free Refrigerators". Key topics included the noise generation mechanisms in frost free refrigerators, prototype noise analysis, transmission path identification, and structural optimisation simulations.

During the meeting, both parties presented and exchanged views on the project's research plan, testing methods, and interim results. By combining the company's product application needs with the university's research expertise, they advanced the practical implementation of noise control technology in product development, providing technical support for improving the acoustic performance of frost free refrigerators.

Industry Academia Research Collaboration Exchange Project Presentation

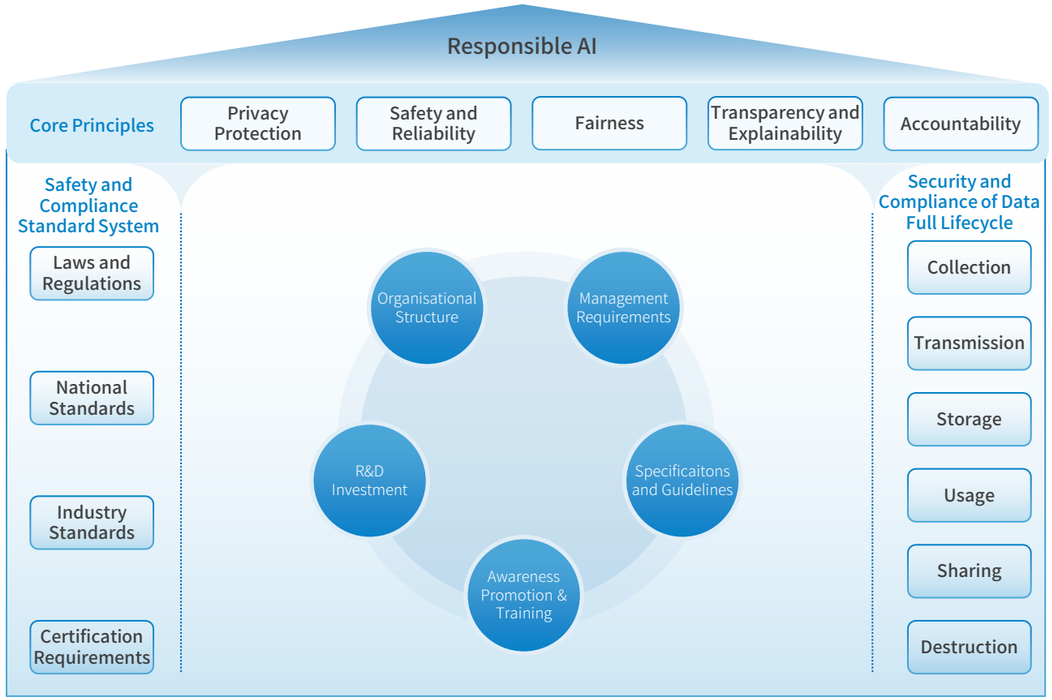
Technology Ethics Governance

TCL Industries 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 reliability, and are committed to creating sustainable social value.

2025

there were **no** violations of technology ethics within TCL Industries

Systematic Framework for Responsible AI



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

Requirements gathering and design phase

Initiate Privacy Impact Assessments (PIA), incorporate privacy and security compliance requirements by design, and introduce third-party reviews.

Development and testing phase

Realise privacy and security functions, conduct specialised verification, security testing, and penetration testing.

Deployment and operations phase

Execute pre-launch security reviews and configuration hardening and continuously conduct vulnerability management and emergency response throughout operations until product retirement.

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.

Pursuing Excellence in Quality

TCL Industries always regards product quality and user safety as the top priority, and is dedicated 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 dedicated to delivering secure, reliable, and exceptional product and service experiences to users worldwide.

Quality Management System

TCL Industries strictly upholds laws and standards related to quality, such as the *Law of the People's Republic of China on Product Quality* and 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*[7], *REACH*[8], *CA65*[9]. Besides, TCL Industries 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 Industries had no product recall cases due to safety and health reasons.

To further standardise product quality management, we have established a comprehensive 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*, the Design and Development Control Procedure 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. We adhere to the principle of being user-centric and putting quality and safety first. In R&D, we strictly follow the *Design and Development Control Procedure*, actively apply multiple leading technologies, and are devoted to providing users with highly reliable, high-performance, and intelligently comfortable product experiences. In production and the supply chain, we achieve full-process control over design compliance, production consistency, and supplier performance through a standardised quality and safety governance architecture and systems such as the *Supplier Management Procedure*.

By linking integrated product development (IPD) with smart manufacturing and intelligent service systems, TCL Industries 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

Subsidiaries and factories obtained ISO 9001 Quality Management System certification: **38** in total

Subsidiaries and factories obtained TL 9000 Telecommunications Industry Quality Management System certification for the Telecommunications Industry: **2** in total

Subsidiaries and factories obtained IATF 16949 Vehicle Quality Management System certification: **8** in total

Subsidiaries and factories obtained IECQ QC080000 Hazardous Substance Process Management System certification: **10** in total

7. RoHS: The *Directive on Restriction of Hazardous Substances in Electrical and Electronic Equipment*, a mandatory standard formulated by EU legislation.
8. 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.
9. 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.

Prevention in design and control from start	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&D front, preventing quality risk from the start, optimising the reliability and maintainability of products.
Coordinated quality management of supply chain	We released the *Supplier Certification Management Process* and the *Incoming Material Quality Assurance Procedure* to conduct admission audits and dynamic performance evaluation on 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).
Refined control of manufacturing process	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 *Manufacturing Process Quality Assurance Specifications*, the *Product Quality Inspection Control Procedures* and the *Control Procedures for Product Identification and Traceability*, 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.
Management and recall of non-conforming products	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 *Non-conforming Product Control Procedures and the Product Quality Inspection Control Procedures* 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, we have formulated the *Product Recall and Return Management Measures* 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.
Continuous improvement driven by customer feedback system	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&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".

TCL Air-Conditioners Drives Quality System Upgrade Through Smart Manufacturing, with Digital Platforms Enabling Full Value Chain Control

TCL Air-Conditioners has defined "digitalization, intelligence, and green transformation" as its development direction, building a "6+1" digital platform to drive the transformation of traditional manufacturing and devoted to creating a world-class smart manufacturing system. The Guangzhou base has successfully launched the R1 version system, covering all scenarios for export finished products, bulk components, and domestic special business, achieving end-to-end digital integration across the entire value chain—from production planning, material requirements, and production execution to warehouse logistics, quality control, and cost accounting. Standardized processes enhance business collaboration efficiency and provide an extensible technology and data foundation for future iterations. TCL Air-Conditioners will continue to deepen its investment in "AI + Manufacturing" technologies and intelligent production line upgrades, collaborate with the industry chain to improve overall smart manufacturing capabilities, and jointly advance toward a new stage of high-quality development characterized by digitalization, intelligence, and green transformation.

Topping-Out Ceremony of TCL Air-Conditioners Guangzhou Smart Manufacturing Industrial Park

White Household Appliance BU Drives Integration of Smart Manufacturing and Digital Operations to Enhance Production Quality and Efficiency

In 2025, White Household Appliance BU actively advanced the intelligent upgrade of production processes and digital quality management. By deploying an AI based visual inspection system and implementing inspection steps that span the entire process, the unit conducts real time monitoring of critical production stage and quality control points. Combined with on site checks and data logging, this approach effectively identifies and corrects anomalies during manufacturing, reinforcing the stability of process quality.

During the reporting period, the BU continued to develop smart manufacturing demonstration lines, introducing industrial robots, Automated Guided Vehicles (AGVs), and vision inspection systems. These enable automation and online monitoring of key processes, raising the automation rate in critical stages to over 65% and boosting accuracy in certain inspection phases to above 99%, while significantly improving inspection efficiency. The BU also established flexible production lines, which allow mixed model assembly of multiple product types, markedly increasing production responsiveness.

In addition, focusing on smart manufacturing and digital operations, the BU formulated an integrated digital strategy covering R&D, production, supply chain, marketing, and management. It has completed the integrated deployment of core platforms such as Enterprise Resource Planning (ERP), Manufacturing Execution System (MES), and Product Lifecycle Management (PLM). Building on its industrial internet platform, the unit plans to progressively connect data from key business segments, establishing unified data analysis and decision support capabilities. These measures collectively enhance production precision, flexibility, and digital maturity in a systematic manner.

On-site Comprehensive Visual Inspection Project for Refrigerator Production Line B

Quality Culture Initiatives

TCL Industries 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 Industries Maturity Model: leadership, quality strategy, customer focus, 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, monthly "Quality Star" improvement initiatives, and monthly inter-factory mutual inspections 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

TCL Air-Conditioners Quality Culture Series Activities

In 2025, TCL Air-Conditioners launched a quality culture activities for all employees. The activities encompassed diverse activities such as after-sales skills competitions, Quality Control Circle (QCC) activities, and the Golden Screwdriver Competition. These efforts fostered a strong atmosphere where "everyone values quality and everyone enjoys quality." Within the year, the company was honored with the Guangdong Provincial Government Quality Nomination Award and secured multiple gold and silver awards in provincial-level QC competitions. This has established a high-quality development ecosystem centered on users, supported by technology, and built on a foundation of talented personnel.

After-Sales Service Skills Competition: Nationwide competitions were held throughout the year, including the 3rd "TCL Air-Conditioner Cup" Commercial Air Conditioner Competition and the "Little Blue Wing Cup" Full-Category Service Competition. These contests integrated three-dimensional assessments—theory, practical operations, and scenario simulations—incorporated AI tools for assistance, and established a "Gold Medal Engineer Database." Outstanding case studies were incorporated into the Maintenance Guidance Manual, systematically enhancing service professionalism and user satisfaction.

The 6th Golden Screwdriver Competition: Under the theme "Customer First, Get It Right the First Time," this competition comprehensively strengthened employees' quality awareness, product knowledge, and teamwork capabilities through various segments. These included "promote learning through testing," hands-on disassembly and reassembly drills, the "Hawkeye Challenge" for product knowledge, and the "Lucky Wheel" test for management skills.

Commercial After-Sales Skills Competition

Little Blue Wing Cup After-Sales Skills Competition

Golden Screwdriver Competition

Tonly Technology Holds Its Second Quality Activity Month

To deepen culture of quality and strengthen quality foundations across the value chain, Tonly Technology conducted its second Quality Activity Month under the theme "Excellence in Detail, Stability Through Execution." Throughout the month, quality departments across its three manufacturing sites coordinated 28 series of activities in four main areas: promotional campaigns, quality-capability training, skills competitions, and quality-focused workshops. These initiatives attracted over 8,000 participations online and offline, produced more than 1,000 posters and videos, and fostered a culture of "all-staff involvement, full-scope coverage" in quality. Using the 8D problem-solving methodology as a central link, the programme included training sessions with customers and the sharing of quality-control experience with key suppliers. This promoted quality synergy across the client–company–supplier chain and helped elevate supply-chain standards to better match the company's requirements.

At the Quality Month Awards Ceremony, guided by the principle "role models drive progress", Tonly Technology presented six major quality awards to individuals and teams outstanding in quality control, practical skills, and theoretical innovation, thereby raising quality awareness across the organisation.

Quality departments across its three manufacturing sites coordinated **28** series of activities in four main areas.

These initiatives attracted over **8,000** participations online and offline

produced more than **1,000** posters and videos

Quality Month Activities

2025 Second Quality Activity Month

Hazardous Substance Management

TCL Industries 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, Prop65, 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, and implement full-process management covering design, manufacturing, procurement, and information disclosure, and continuously improve and optimise our systems through internal audits, management reviews, and regulatory impact assessments.

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 all staff chemical spill emergency training sessions on a regular basis.

Product information

- 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 Industries 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, 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 Industries consistently places the principle of "Customer First" at the heart of 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 Industries Global Consumer Service Centre is responsible for coordinating Net Promoter Score （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 formulated internal policies 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:

User experience competency:

Centred on "Creating Value for Users", we adopt a user perspective, starting from their needs and service scenarios, to advance the upgrade of global service processes and standards. This, along with the improvement of omnichannel return and exchange mechanisms for rapid response to user needs, achieves a comprehensive enhancement of our direct-to-user experience capabilities.

Technological problem-solving competency:

Based on the pain points and requirements of our engineers, we collaborate with IPD to optimise DFS, build the global knowledge base and empowerment training system. This equips our front-line teams with the necessary tools, leading to an overall uplift in service capability.

Supply guarantee competency:

Leveraging digital solutions, we have established after-sales service managers in each province, with headquarters monitoring service progress and conducting follow-ups. By creating user profiles and assigning dedicated personnel for follow-up through the after-sales service system, we achieve orderly management of supply assurance, enable agile delivery, and optimise asset efficiency.

Five Core Capabilities in User Services

Front-line execution capability:

We ensure that business operations, user interactions, and front-line service execution are all online and visible. For instance, a complaint alert entry is set up in the engineer APP for real-time anomaly alerts and swift intervention, ensuring efficient response to customer requests. Coupled with a dynamic performance system that energises the teams, this boosts front-line productivity.

Digital operation competency:

We reshape our operations through intelligent tools by establishing a digital service system that encompasses customer management systems and AI-powered response chatbots. The introduction of tools such as intelligent IVR in China has significantly enhanced operational efficiency. Additionally, by leveraging a Voice of Customer (VOC) management platform to monitor public sentiment and feedback, we strengthen issue analysis and root-cause improvements. This forms a data-driven "monitoring-response-improvement" closed loop, continuously optimising operational quality and user experience.

Listening to Voices of Users

To build reliable and sustainable customer relationships, TCL Industries has established a multi-dimensional user 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, we have formulated 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*. 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:

24/7-hours core service response channels	Users can receive uninterrupted services through channels including official hotlines, official applications, WeChat Mini Programmes, email, 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.
Proactive listening and relationship management	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.
Social listening and market insight	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, proactively identify potential problems and trends to drive improvements across the entire value chain, from products to services.
Closed-loop management and continuous optimisation	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. Regular thematic meetings are convened to track improvement progress, enabling end-to-end tracking and closure of the entire workflow, from entry and processing to verification.

Global Complaint Management Mechanism and Efficiency

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

Omni-channel access and intelligent dispatch

- 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.

Standardised service commitment

- 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.

Digital empowerment for visibility of the entire process

- 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.

2025

no major customer complaint incidents occurring throughout the year

Data Security and Privacy Protection

TCL Industries 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, we have formulated 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*, clarifying the data security and privacy protection management mechanism, and systematically developing a reliable and safe user information protection system.

Data security

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 have also formulated policies such as the *Guidelines for Data Grading and Classification Operation*, pushing forward data grading and classification and 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 Industries 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 and information security screening of key businesses.

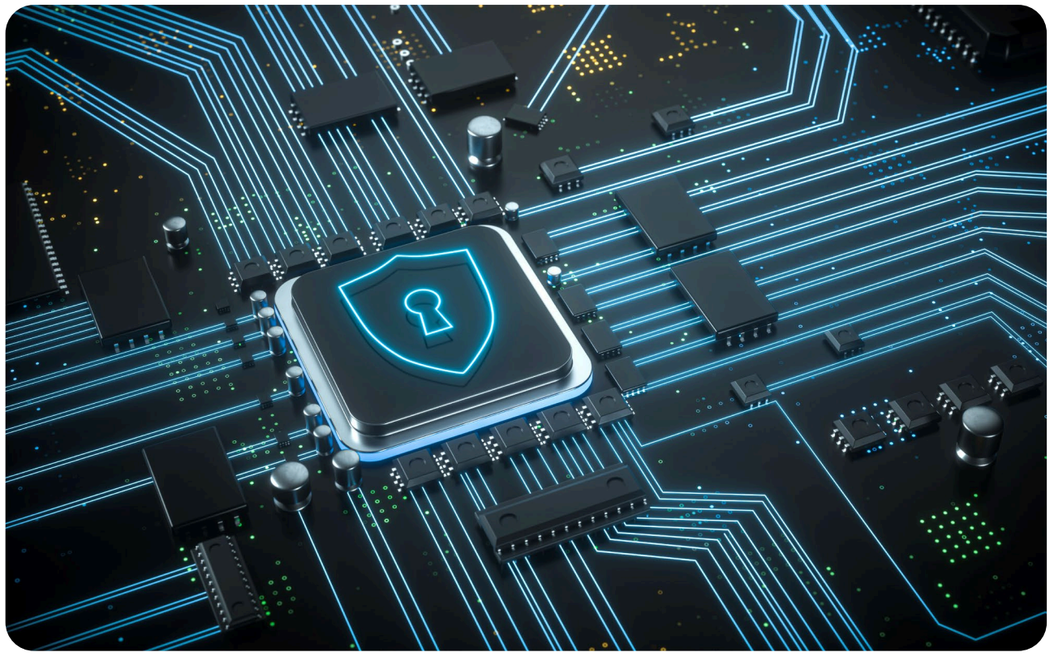
Enhance company-wide awareness

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 Industries 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 Industries 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.



Green Products

Sustain Endless Growth

TCL Industries deeply integrates environmental protection and resource efficiency into its operational practices. We are devoted to leading a new paradigm of low-carbon and circular industrial development through systematic management that spans the entire product lifecycle. Concurrently, we actively respond to climate change, strengthen environmental compliance and resource management, promote pollution reduction and ecological conservation, and take concrete actions to continuously minimise the environmental impact of our operations and accelerate the green and low-carbon transition.

Sustainable Green Products

TCL Industries is devoted 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 Industries 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 standardised 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 optimisation 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 (Product Lifecycle Management) 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)

White Household Appliance BU's Optimised Inner Tub Texture Design of "Super Drum" Achieves Performance and Sustainability Breakthroughs

White Household Appliance BU consistently integrates energy conservation, emission reduction, and the concept of sustainable development into product innovation to drive design optimisation. By refining the inner tub texture and drainage hole layout of the "Super Drum", the BU has effectively enhanced water flow exchange efficiency. This core design innovation not only elevates the product's cleaning performance to an outstanding rate of washing ability[10] of 1.33, ensuring exceptional cleaning efficiency, but also integrates AI-powered intelligent washing technology for precise cycle control. This effectively reduces water and electricity consumption during use, thereby lowering the environmental footprint at the product usage stage from the source.

Inner Tub of the "Super Drum"

TCL Air-Conditioners Advances High Energy Efficiency Through Green Design

To tackle long-standing challenges in self-built rural homes in North China such as high heating energy consumption, large fluctuations in room temperature, poor equipment stability in extreme cold, and complex operation, TCL Air-Conditioners has introduced the Ultra Savings Series AI Inverter Heating System, designed specifically for rural heating scenarios. Built on in-house developed and authoritative certified technologies including AI Inverter and Heat Pump Energy-Saving Technology, the system operates reliably across an ultra-wide temperature range from -35°C to 48°C. It incorporates 12 safety protection mechanisms such as anti-freeze and overload protection, and integrates smart strategies like building insulation analysis, user habit learning, cloud-based weather synchronisation, and time-of-use electricity price optimisation to deliver precise energy savings and reliable all-weather heating. The system also supports both local and remote smart control and employs multi-layer noise reduction technology, improving energy utilisation efficiency while enhancing user experience and living comfort. This product series has passed rigorous testing by the Hefei General Machinery & Electrical Products Inspection Institute and has been awarded the international "Four Tier-1" Energy Efficiency Certification as well as low-temperature and low-noise certification. Through technological innovation, it helps rural households meet their clean, economical, and stable heating needs.

AI Inverter Heating Machine

"Four Tier-1" China Refrigeration and Air-conditioning Accreditation (CRAA)

10. The rate of washing ability is a metric used to evaluate the cleaning effectiveness of a washing machine, reflecting the degree to which laundry is cleansed. It is also referred to as cleaning efficiency or performance index.

TCL Air-Conditioners Drives Household Energy Transition Through Green Design

Integrating sustainability into its design philosophy, TCL Air-Conditioners introduces an all in one smart home solution that combines energy management, efficient storage, and healthy drinking water. The system includes a Home Energy Management System (HEMS), the BlueArk X1 household energy storage unit, and a new generation water dispenser, all designed to enhance household energy efficiency and sustainability through a holistic approach. The BlueArk X1 series reflects green design principles such as extended cycle life, high energy conversion efficiency, and modular construction. These features help increase the proportion of self generated and self used clean energy, reducing dependence on the conventional grid. At the same time, by extending product longevity and optimising resource deployment, the system lowers environmental and resource impacts throughout its life cycle.

TCL All in One Smart Home Solution

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

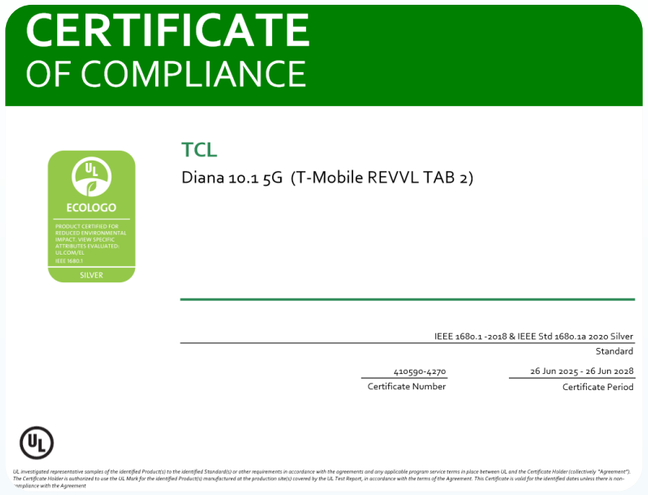
The Mobile Phone BU has adopted glass fibre as an innovative material for back covers of mobile phones. The lightweight material endows products with excellent structural strength and impact resistance, effectively enhancing product durability and service life. This reduces resource consumption and electronic 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 IEEE 1680.1-2018 and IEEE 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.


CERTIFICATE
OF COMPLIANCE

ECOLOGO
PRODUCT CERTIFIED FOR REDUCED ENVIRONMENTAL IMPACT. VIEW SPECIFIC ATTRIBUTES EVALUATED: UL.COM/EL
IEEE 1680.1
SILVER

TCL
Diana 10.1 5G (T-Mobile REVVL TAB 2)

IEEE 1680.1 -2018 & IEEE Std 1680.1a 2020 Silver
Standard

410590-4270
Certificate Number

26 Jun 2025 - 26 Jun 2028
Certificate Period

UL investigated representative samples of the identified Product(s) to the identified Standard(s) or other requirements in accordance with the agreements and any applicable program service terms in place between UL and the Certificate Holder (collectively "Agreement"). The Certificate Holder is authorized to use the UL Mark for the identified Product(s) manufactured at the production site(s) covered by the UL Test Report, in accordance with the terms of the Agreement. This Certificate is valid for the identified dates unless there is non-compliance with the Agreement

ECOLOGO Silver Certification

Renewable Raw Materials

TCL Industries 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. In product design and development, we prioritize the use of environmentally friendly materials and conduct recyclability assessments during the initial stages of new product design, promoting product recyclability and circular potential from the source. Furthermore, we collaborate with key component suppliers (such as injection molding manufacturers) to advocate the use of recycled secondary materials in production.

Integrating Diversified Materials to Make Sustainable Remote Controls

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

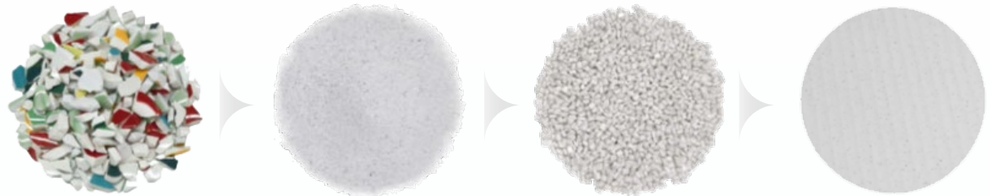
The front panel is made from recycled aluminium, which maintains structural strength and metallic texture whilst effectively promoting aluminium recycling to reduce energy consumption and carbon emissions from aluminium ore mining and smelting. Three innovative solutions are adopted for back shells: 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

Exploring Multi-Scenario Applications of Application of TCL ECORA Recycled Ceramic Materials

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".

Recycling Process Flow of ECORA Materials



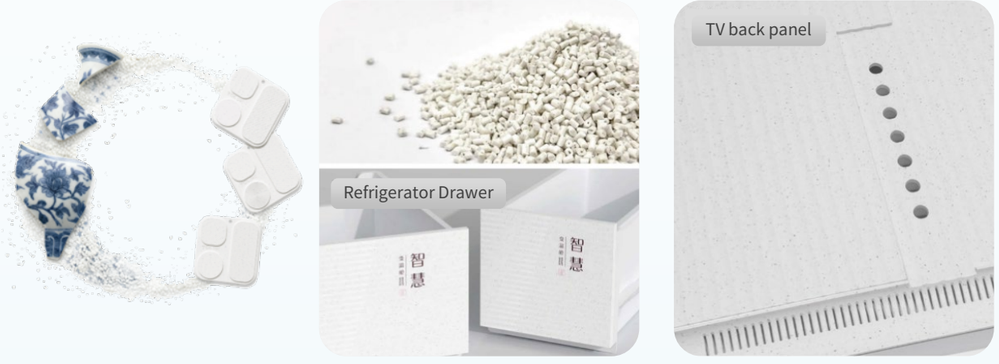
Sorting
High quality ceramic waste from China Jingdezhen's production stream are selected

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.



Cross-Sector Practice of ECORA Material Circular Design

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 REVVL 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

TCL Air-Conditioners Promotes Low-Carbon Refrigerant Applications to Reduce Products' Lifecycle Carbon Footprint

TCL Air-Conditioners is committed to advancing the transition toward low-carbon refrigerants, actively adopting alternatives with lower Global Warming Potential (GWP). The company is systematically replacing the conventional refrigerant R410a with the more environmentally preferable R32, which has a GWP value approximately one-third that of R410a. R32 offers additional benefits, including lower refrigerant charge requirements and higher energy efficiency ratios. Building on this progress, TCL Air-Conditioners continues to monitor and assess next-generation solutions, including the ultra-low GWP technology pathway represented by the fourth-generation refrigerant R290. The company is advancing pilot applications with rigorous safety safeguards, aiming to systematically reduce the carbon emissions associated with air conditioning products throughout their entire lifecycle. By 2025, the application ratio of new, low-carbon refrigerants in Air-Conditioners' products exceeded 60%.

AC Production Lines Utilising Low-Carbon, Environmentally Friendly Refrigerants

White Household Appliance BU Reduces Production Carbon Emissions and Enhances Product Energy Efficiency Through Foaming Agent Substitution

White Household Appliance BU has fully phased out high-GWP foaming agent systems, transitioning to the environmentally friendly foaming agent R600a (isobutane). With a GWP value close to zero and no ozone-depleting potential, R600a is currently one of the most sustainable foaming solutions for refrigerator insulation layers. Combined with cyclopentane co-foaming technology, the solution reduces material usage and carbon emissions while maintaining insulation performance. By 2025, all TCL refrigerators had achieved a 100% transition to R600a foaming agents, resulting in an approximately 70% reduction in carbon emissions during the foaming stage per unit compared to traditional solutions. This initiative also contributes to improved energy efficiency ratings for TCL refrigerators, supporting end-user energy savings and lower carbon footprints.

Application of Low-Carbon Foaming Agents

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 Industries 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

TCL Recycled Plastic Obtains PCR Certification, Pioneering New Paths for a Circular Economy

In the field of electronic waste resource recovery, TCL Environmental Technology's Tianjin Production Base processes and modifies waste plastics generated from disassembled home appliances, developing recycled plastic pellets that meet specific performance requirements. These pellets have been successfully applied in products such as TCL television back covers and internal air conditioning components. The recycled plastic project at this base has obtained Post-Consumer Recycled (PCR) certification from an internationally recognised authority. Leveraging this certification, TCL has successfully introduced recycled plastics into the supply chains of international brands in sectors such as 3C electronics, helping customers comply with environmental regulations in markets like the European Union. Concurrently, building on this technological expertise, the company is actively advancing R&D for the recovery and treatment of future solid waste streams, including retired photovoltaic panels and wind turbine blades, continuously expanding the boundaries of the circular economy.

Relevant Equipment in the TCL Environmental Technology's Laboratory

TCL Environmental Technology's R&D Personnel Conducting Reagent Formulation and Testing for Recycled Plastic Pellets

Green Packaging

Green packaging is a key aspect of TCL Industries' 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.

Application of aesthetic plastics

We employ spray-free aesthetic plastics, which reduce pollution emissions and lower energy consumption at the process source. This material has been practically applied in components such as door handles of mid-to-high-end refrigerators and control panels of washing machines.

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 red TCL logo, black 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.

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 Industries 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

Warehousing Operations

We continuously optimise our green warehousing standards. We have issued 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.

Green Product Use

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, Pan-Smart Screen BU 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

over **40%** savings with a medium-zone (286-zone) configuration

Pan-Smart Screen BU 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, the 98-inch flagship product achieves an energy efficiency rating of up to **10** urpassing the national standard.

Energy-saving Product Certification Report (Example)

TCL Air-Conditioners continuously improves the environmental performance of products across their entire lifecycle through key measures, including the adoption of eco-friendly refrigerants, the selection of green materials, advancements in energy saving technologies, and optimisation of energy efficiency grades. These efforts have led to product certifications such as the China Environmental Label, the China Energy Conservation Product Certification, ENERGY STAR, and Low Carbon Product Certification. By establishing a comprehensive green certification system that covers design, manufacturing, and use, the BU communicates credible green value to the market and users.

Energy-saving Product Certification

TCL Air-Conditioners Drives Industry's Green Transition with Innovative Energy Efficient Products

The low-temperature variable frequency enhanced enthalpy modular unit technology developed by TCL Air-Conditioners BU for the Intelligent HVAC has been included in the *Recommended Catalogue of Energy Saving and Carbon Reduction Technologies in Refrigeration and Air Conditioning Applications*. With this technology, the BU's representative product series, Diamond Energy King modular units, operate stably in ultra low temperature environments as cold as –38 °C. This delivers significantly improved heating performance and achieves dual top grade (Grade 1) energy efficiency in both cooling and heating modes, raising overall energy efficiency by up to 25%. These units have been successfully implemented in major commercial and public projects across multiple regions in China, demonstrating reliable energy saving performance and operational stability under diverse climate and load conditions.

TCL Air-Conditioners BU's Intelligent HVAC Selected for the *Recommended Catalogue of Energy Saving and Carbon Reduction Technologies in Refrigeration and Air Conditioning Applications*

TCL Air-Conditioners Safeguards Family Health with Intelligent Energy Efficiency and Wellness Care

TCL Air-Conditioners integrates AI enabled energy saving technology, wellness focused features, and scenario-based intelligence to deliver environmentally friendly, comfortable, and inclusive smart living experiences. Equipped with proprietary AI power saving technology, our systems continuously learn user habits and incorporate real time environmental data to dynamically optimise operation, enhancing energy efficiency over time and helping households lower energy consumption. The AI air conditioners also utilise precise temperature control and a gentle airflow design, maintaining indoor temperature within ±0.5°C and avoiding direct cold drafts to protect the health of sensitive groups such as children and the elderly. Furthermore, they can connect with whole home smart devices to automatically adjust settings based on daily scenarios, reducing energy waste. Through dedicated product lines tailored to different user groups, TCL Air-Conditioners provides personalised healthy air solutions that enhance living quality while supporting a sustainable lifestyle.

TCL AI Healthy Air Conditioners

White Household Appliance BU Achieves High-Efficiency Drying through Heat Pump Technology and Waste Heat Recovery

To advance green technology and product energy efficiency, White Household Appliance BU has actively applied heat pump technology to its tumble dryer products. By establishing a closed-loop thermodynamic cycle of "evaporation-condensation-reheating", the system efficiently recovers and reuses waste heat from the exhaust air, leading to a significant leap in product energy efficiency. This innovation has notably elevated its European energy efficiency rating from Class E to Class B.

TCL High-Efficiency Dryer

TCL Air-Conditioners' Integrated PV-Storage-Pump Home Energy Solution

By leveraging three core technologies – photovoltaic power generation, energy storage batteries, and the R290 triple function heat pump, TCL Air-Conditioners has established an efficient, integrated, green, and low carbon smart home energy system that helps users achieve sustainable household energy consumption. The R290 triple function heat pump integrates heating, cooling, and domestic hot water supply in one system. It achieves ultra-high A+++ energy efficiency, with cooling capacities ranging from 4 kW to 16 kW. The system supports independent temperature control across three zones, enabling it to meet the varied energy demands of different spaces simultaneously. In 2025, the unit received the internationally recognised iF Design Award for its innovative design and environmental performance.

TCL Air-Conditioners' Integrated PV-Storage-Pump Home Energy Solution

Homa Built-in Maternal & Infant Refrigerator Selected for the Catalogue of the First Batch of Recommended Products Meeting the New National Energy Efficiency Standards

In December 2025, the Homa Built-in Maternal & Infant Refrigerator was successfully listed in the *Catalogue of the First Batch of Recommended Products Meeting the New National Appliance Motor Energy Efficiency Standard* at the Sixth Appliance Industry Chain Ecological Cooperation Conference. This conference was guided by the Guangdong Provincial Department of Industry and Information Technology and Department of Commerce, and jointly organised by the China National Electric Appliance Research Institute and the China Electrical Equipment Industry Association. This product has become one of the first representative products in the maternal and infant category to receive certification under this new national standard.

The product is designed around three core needs of families with infants: precise storage, health protection, and energy saving with low noise, and it is developed through extensive user research. Integrating strengths in energy efficiency, functionality, and design, the product meets the Grade 1 requirement of the new national energy efficiency standard, consuming only 0.89 kWh per 24 hour cycle. Equipped with an intelligent triple inverter system, it achieves low power consumption and stable temperature control with an independent 82 liter variable temperature compartment for maternal & infant, supporting adjustable temperatures from –20 °C to 5 °C. Made with baby bottle grade materials and featuring sterilisation technology, it ensures safe storage of food for mothers and infants. Its bottom heat dissipation design and ultra thin body allow for zero clearance installation and easy door opening, optimising both space efficiency and user experience.

Homa Fully Built In Maternal & Infant Refrigerator Selected for the *Catalogue of the First Batch of Recommended Products Meeting the New National Appliance Motor Energy Efficiency Standard*

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

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, TCL Industries 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_2e, while that of a 55P8K LCD television is 1,203.53 kg CO_2e, 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.

By analysing and tracking carbon footprint data, the GPM system provides data support and a basis for decision-making regarding TCL Industries' 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 Industries 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.

2025

the carbon footprint of a T951K smartphone is

49.463

kg CO_2e

the carbon footprint of a 55P8K LCD television is

1,203.53

kg CO_2e

Statement CN25/00008099

SGS

Product Carbon Footprint Verification Statement

The Carbon Footprint Study of Product
LCD TV
which was conducted by

TCL KING ELECTRICAL APPLIANCES (HUIZHOU) CO., LTD.

NO. 78, HUIFENG 4TH ROAD, ZHONGKAI NEW AND HIGH-TECH INDUSTRIES DEVELOPMENT ZONE, HUIZHOU CITY, GUANGDONG PROVINCE, P.R. CHINA

has been verified by SGS as meeting the requirements of
ISO 14067:2018

The carbon footprint of one 55P8K LCD TV is 1203.53 kg CO_2 eq

For the life cycle stages of the product:
from cradle to grave

Authorized by
David Xin
Sr. Director – Business Assurance
Date: 02 December 2025

SGS-CSTC Standards Technical Services Co., Ltd.
16F Century YuHui Mansion, No. 73 Fucheng Road, Beijing, P.R. CHINA 100142
t +86 (0)10 58251188 www.sgsgroup.com.cn

This Statement is not valid without the full verification scope, objectives, criteria and findings available on pages 2 to 5 of this Statement.

Page 1 of 5

Statement CN25/00005314

SGS

Product Carbon Footprint Verification Statement

The Carbon Footprint Study of Product
T951K Smartphone
which was conducted by

Huizhou TCL Mobile communication Co., Ltd.

No. 86, Hechang 7th West Road, Zhongkai Hi-tech Development District, Huizhou City, 516006, Guangdong, P.R. China

has been verified by SGS as meeting the requirements of
ISO 14067:2018

The carbon footprint of 1 unit of T951K Smartphone is 49.463 kg CO_2 equivalent

For the life cycle stages of the product:
from cradle to grave

Authorized by
David Xin
Sr. Director – Business Assurance
Date: 04 August 2025

SGS-CSTC Standards Technical Services Co., Ltd.
16F Century YuHui Mansion, No. 73 Fucheng Road, Beijing, P.R. CHINA 100142
t +86 (0)10 58251188 www.sgsgroup.com.cn

This Statement is not valid without the full verification scope, objectives, criteria and findings available on pages 2 to 5 of this Statement.

Page 1 of 5

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

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.

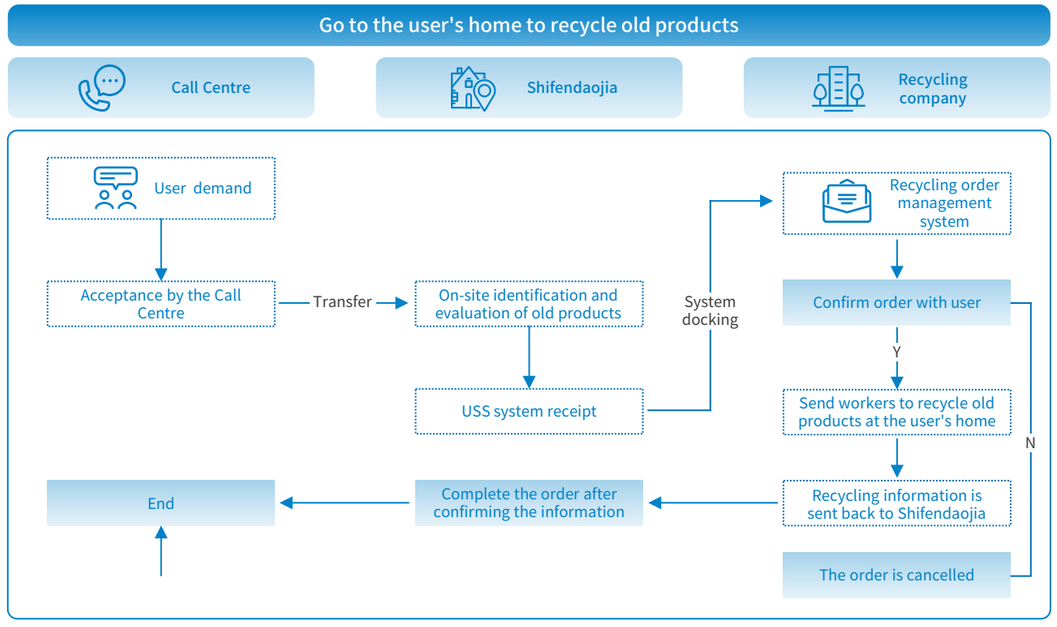
Management of Electronic Waste

TCL Industries has deeply embedded circular economy principles into our 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 Technology, 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.

01

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.

02

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.

03

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.

TCL Air-Conditioners Collaborates with Supply Chain to Recycle Scrapped Copper Tubes

TCL Air-Conditioners has incorporated the reduction of copper tube scrappage rate into routine operational goals and established a closed-loop recycling system spanning internal recovery and supply chain collaboration. Scrapped copper tubes generated during production are uniformly transferred by workshops to centralised storage in warehouses, and are then professionally recycled by suppliers coordinated by the procurement department. Through processes such as direct smelting or electrolytic purification, suppliers regenerate the waste copper tubes into qualified copper materials for re-entry into the production cycle. In 2025, the Air-Conditioners BU, through this mechanism, cumulatively recycled and reused 1,490 tonnes of scrapped copper tubes in collaboration with suppliers.

In 2025

Cumulatively recycled and reused **1,490** tonnes of scrapped copper tubes in collaboration with suppliers

White Household Appliance BU Applies Recycled Materials in Refrigerator Liner Sheet Production

Actively practicing circular economy principles, the White Household Appliance BU incorporates varying proportions of recycled materials to reduce reliance on virgin plastics. Taking the liner sheet of a French-door refrigerator as an example, its material composition includes 30% recycled PS material, prepared together with 62% virgin PS and 8% toughening colour masterbatch. This achieves effective improvement in material recycling rates while ensuring product performance and quality, thereby reducing the carbon footprint and resource consumption during production.

Extension of Circular Capability

We extend our circular capabilities to the societal level, leveraging our business strengths to meet the resource circulation needs of all sectors. Our subsidiary, TCL Environmental Technology, focuses on the field of waste resource utilisation, implementing the strategy of "prioritising resource recycling and providing comprehensive environmental services." It emphasises businesses such as PCR recycled plastics, hazardous waste resource utilisation, new materials, and general solid waste recycling, establishing a "recovery–reuse" circular industry chain that significantly enhances resource efficiency and economic benefits.

TCL Environmental Technology has pioneered an innovative business model of "electrical and electronic product recovery–cascading use–dismantling–recycling," cumulatively recovering and processing over 50.56 million units of waste electrical and electronic products. In 2025, Shenzhen TCL Environmental Technology Co., Ltd. further advanced closed-loop circularity for packaging materials, transforming waste packaging from upstream companies into recycled materials and directly supplying them to downstream enterprises. Throughout the year, 36,600 tonnes of waste materials were recycled and reused.

In terms of social contribution, TCL Environmental Technology actively assists customers in achieving green transformation. It also promotes the localisation of the environmental protection industry through cross-regional collaboration, creating comprehensive value that synergises environmental benefits with social development while proactively responding to changes in industry policies.

2025

TCL Environmental Technology cumulatively recovered and processed over **50.56** million units of waste electrical and electronic products.

Shenzhen TCL Environmental Technology Co., Ltd. recycled and reused **36,600** tonnes of waste materials

Response to Climate Change

Recognising the urgency of the global climate crisis, TCL Industries 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 Industries has integrated climate change response into corporate governance. We have established a systematic climate governance framework comprising the ESG Committee, the ESG Committee Office and BU/Regional ESG Committees, with clearly defined responsibilities at each level. This enables coordinated management across levels and functions, laying a strong organisational foundation for fulfilling our climate commitments.

TCL Industries Climate Governance Framework

Level	Responsibilities
ESG Committee	◦ The Chair of the ESG Committee acts as the primary responsible person for formulating and overseeing the climate strategy and its target fulfilment. ◦ Supervise and manage the allocation of resources and the implementation of climate related actions across functions, regions, and business units. ◦ Receive reports from the ESG Committee Office on a regular basis to stay informed of progress and outcomes related to climate matters. ◦ Review externally disclosed climate related information.
ESG Committee Office	◦ Develop and implement climate management systems, mechanisms, and frameworks within its scope, and drive the execution of relevant measures while planning the necessary resources and organisational capacities. ◦ Monitor climate related policies and trends to ensure the compliance and effectiveness of climate actions. ◦ Report to the ESG Committee on progress and achievements on a regular basis. ◦ Support climate-related information disclosure, ratings, branding activities, capacity building, and other related initiatives.
BU/Regional ESG Committees	◦ Formulate and execute mid- to long-term climate-related strategic plans, targets, implementation pathways, and annual action plans within its scope, ensuring strategic alignment with TCL Industries and high-standard goal orientation. ◦ Coordinate resources, manage and advance climate capacity building, drive the implementation, review, and reporting of key climate performance indicators, and ensure the effective execution and continuous improvement of climate-related initiatives.

Net-zero Strategy

TCL Industries is committed to peaking its carbon emissions no later than 2030 and achieving carbon neutrality no later than 2050. To expedite the low-carbon transformation, we are steadily advancing TCL Industries' 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.

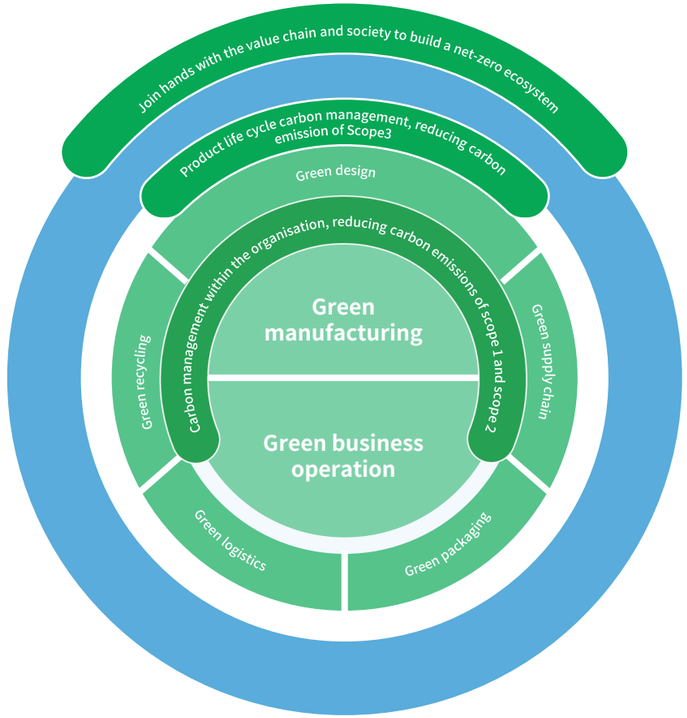
Synergistic Carbon Reduction Path in Inner, Middle, and Outer Circles

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, Excel in Global Efficiency, 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 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. By 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.

Climate Scenario Creation

TCL Industries, based on core business and industry characteristics, selected the high-emission scenario of IPCC SSP5-8.5[11] 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[12]) scenario of Below 2°C, aiming to assess the climate change on the Company's operations and value chain. In response, we implemented a comprehensive set of strict preventive, control, and supervision measures to manage climate-related risks and mitigate their effects on our production and operational activities. Meanwhile, we actively sought to harness the opportunities arising from climate change, to continuously enhance our resilience to development and contribute to the creation of a robust net-zero ecosystem.

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, GHG 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.

Analysis of Physical Risks

Future trends of key impact factors under the SSP5-8.5 scenario:

Risk Type	Forecast of Future Trends[13]		
Chronic Risk	Under this scenario, global surface temperatures are projected to rise significantly over the short, medium, and long term:		
	Best estimate of global surface temperature change (°C)		
	Short-term (2021–2040)	Medium-term (2041–2060)	Long-term (2081–2100)
	1.6	2.4	4.4
Acute Risk	By 2100, global average sea levels are projected to rise by approximately 0.63-1.01 metres. Rising sea levels and storm surges will likely increase the frequency and severity of extreme precipitation events and flooding disasters.		

11. 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/m² by 2100 (RCP8.5).
12. 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.
13. Source: Sixth Assessment Report of the Intergovernmental Panel on Climate Change (IPCC).

Analysis of Physical Risks Facing TCL Industries

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. This demonstrates our resilient risk management.

Risk Type	Impact Factor	Risk Description	Impact on the Value Chain	Time Dimension[14]	Method of Financial Impact	Financial Impact[15]	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 Revenue	Low	**Equipment assurance:**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. **Quality control:** 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 Revenue	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 Revenue	Low	**Infrastructure enhancement:** Fully consider the risks of extreme rainfall and flooding during factory construction and operations and deploy drainage and water level monitoring facilities to mitigate such risks. **Emergency response capability building:** Develop emergency response plans for environmental risks, conduct regular emergency drills, and stockpile emergency supplies.
	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 Revenue	Medium	**Localised procurement:** Establish localised supply chains in key production and operational areas both domestically and internationally to mitigate climate risks. **Clean energy transition:**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".

14. Time dimension: Short-term is defined as 2025 to 2030, mid-term as 2030 to 2050, and long-term as after 2050.
15. 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.

Analysis of Transition Risks

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.

Analysis of Transition Risks Facing TCL Industries

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 *IFRS S2*, the EU's *Corporate Sustainability Reporting Directive (CSRD)*, and Part D of the Hong Kong Stock Exchange's *ESG Reporting Guide* 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 GHG emissions, estimated at approximately USD 50-75 per tonne of carbon dioxide[16]. By 2050, the carbon price could rise to about USD 100-200 per tonne of carbon dioxide[17].	Quantitative	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[18].	Quantitative	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.	Quantitative	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.

16. 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.
17. 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.
18. 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[19]	Climate Action Strategy
Upstream Operations	Medium-term Long-term	Costs	Medium	Comprehensive compliance management: 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. Green manufacturing: Integrate the idea of clean and low-carbon development throughout the production and manufacturing process to minimise GHG emissions.
Upstream Operations	Short-term	Costs	Medium	Greenhouse gas management mechanism: Establish a statistical framework for GHG emissions indicators, comprehensively examine greenhouse gas emissions, and identify reduction directions. For details, please refer to "Indicators and Goals".
Operations	Short-term	Costs	Medium	Energy management: 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	Assessment mechanism: 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	Communication mechanism: Establish diverse communication channels and regularly engage with stakeholders to understand their expectations regarding the Company's operations and sustainability performance.

19. 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 Industries 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	Impact Factor	Opportunity Description	Impact on the Value Chain	Time Dimension	Method of Financial Impact	Financial Impact	Climate Action Strategy
Market opportunities	Products and services	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.	Downstream	**Long-term**	Revenue	High	**Lifecycle green products:** 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". **Brand building & green advocacy:** 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".
Technological opportunities	Low-carbon technologies	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.	Operations	**Long-term**	Revenue	High	**Innovation-driven development:** 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".
Reputational opportunities	Technology for inclusion	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.	Operations	**Long-term**	Revenue	High	**Products of technology for inclusion:** 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". **Technology empowering social development:** Leverage technological strengths and explore new models that integrate technology with public welfare, creating economic and social benefits.

To actively seize the development opportunities presented by climate change, TCL Industries has positioned green products as a strategic focus for its business development. In 2025, TCL Industries 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 Industries 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.

Risk Management

TCL Industries 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 Industries' Climate Risk Management Process

Risk identification and early warning

- Take into account the Company's actual development and industry research, delineate the boundaries for climate risk identification, clearly define the types of climate risks facing the Company's business, conduct comprehensive screening and analysis, and compile a risk list
- Monitor the latest climate risk assessment policies and standards regularly to ensure climate risk management practices comply with the relevant requirements

Risk assessment and decision-making

- Conduct regular climate risk assessments, align with climate scenarios, and evaluate the impact of various risks and opportunities on business models and value chains across different timescales through scenario parameters
- Develop strategies to enhance climate resilience for key climate risks and opportunities, and specify responsible departments and action plans

Risk supervision and reporting

- The ESG Committee supervises climate risk management and periodically reports the progress and effectiveness of risk management to the Board
- Disclose climate-related information in the annual *ESG Report*

Indicators and Goals

TCL Industries integrates the climate goals 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	◦ 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 ◦ 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 ◦ Implement various emission reduction tasks in accordance with the plans
Stage 2: 2031 - 2050	Carbon neutrality: Overall capacity building, continual carbon reduction	◦ Set continuous carbon emission reduction targets under the background of carbon neutrality ◦ Formulate carbon emission reduction plans and action plans under the background of carbon neutrality ◦ Implement various emission reduction tasks in accordance with the plans
Stage 3: Post-2050	Zero-carbon products	◦ Achieve and maintain operational carbon neutrality of TCL Industries ◦ All products achieve zero carbon emissions throughout the entire lifecycle

Carbon Inventory Management

In 2025, TCL Industries continued to deepen the building of its carbon management system, establishing a quarterly carbon inventory mechanism that covers TCL Electronics, TCL Air-Conditioners, TCL Washing Machine & Refrigerator, TCL Environmental Technology, TCL Financial Service, Getech, and TCL Industrial Park. Building on this mechanism, the Company can systematically track progress against its Scope 1, Scope 2, and Scope 3 carbon emission intensity targets. This provides a reliable basis for factories to identify emission reduction potential and develop carbon reduction pathways.

Building a "1 + N" carbon inventory personnel network

covering factories and platform departments

Strengthening personnel capacities

the course of "Everyone Knows Carbon Inventory" independently developed and launched on the online T Academy

Promoting the routine practice of quarterly carbon inventory and analysis

quarterly carbon inventory covering core domestic and overseas factories

In 2025, in accordance with the *ISO 14064-1:2018 Greenhouse Gas Inventory Standard* issued by the International Organization 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 Industries 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 ten key factories, obtaining carbon verification statements issued by a third-party institution.

Environmental Compliance Management

TCL Industries 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 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.

- White Household Appliance BU has established a systematic environmental risk management and emergency response system. By engaging third-party experts to conduct professional environmental risk assessments, developing emergency protocols and plans, equipping emergency supplies, and strictly implementing annual emergency drill schedules along with a monthly risk identification and control mechanism, the unit aims to achieve proactive prevention, effective preparedness, and timely response to operational environmental risks.

- TCL Air-Conditioners has established the *Environmental Factor Identification and Evaluation Procedure*, conducting regular identification of significant environmental factors and, based on this, developing specialised management systems and control measures to achieve risk prevention at the source. Additionally, TCL Air-Conditioners has formulated a comprehensive *Emergency Plan for Sudden Environmental* Incidents, covering various scenarios such as fire/explosion, leaks, hazardous waste, environmental facility failures, and natural disasters. A three-tiered early warning and response mechanism is implemented, following a standardised process from incident reporting, level assessment, emergency activation, and rescue execution to incident resolution and post-event handling, ensuring timely, orderly, and effective responses to emergencies.

The number of subsidiaries that have obtained ISO 14001 Environmental Management System certification reached **31**

The number of subsidiaries that have obtained ISO 50001 Energy Management System certification reached **9**

The number of factories awarded the title of "National Green Factory" reached **8**

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

Pollution Control and Emissions Management

Pollutant Management

TCL Industries 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 we operate. We have formulated several 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.

Source prevention

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.

Process control

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.

End-of-pipe treatment

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 & concentration + catalytic combustion" for back-end exhaust gas treatment and conducting special initiatives to tackle VOCs to reduce the level of atmospheric pollutant emissions.

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

TCL Air-Conditioners Implements High-Efficiency RTO Waste Gas Treatment System to Enhance Processing Efficiency

In December 2025, TCL Air-Conditioners commissioned a Regenerative Thermal Oxidizer (RTO) waste gas treatment system to process VOCs generated during welding and degreasing operations. The system utilises high-temperature oxidation technology to completely decompose VOCs and significantly optimises energy utilisation efficiency. Compared to the total power consumption of 292 kW from the previous three sets of filtration and adsorption units, the installed power of the RTO system has been reduced to 108.5 kW. This achieves more efficient and thorough purification while substantially lowering overall energy consumption.

Regenerative Thermal Oxidizer Equipment

Waste Management

We strictly abide 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 we operate. 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 each operational location 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

Waste reduction at source	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.
Process control	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 Industries manage disposal through qualified third-party recyclers or government-designated agencies in their respective locations.
Resource recycling	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
Management of general solid and non-hazardous waste	• 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. • Management of general solid waste: We have developed specific management requirements and selected qualified suppliers to conduct compliant recycling and treatment.
Hazardous waste management	• 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. • Construct dedicated hazardous waste storage facilities: Hazardous waste is transferred to third-party organisations with professional certifications for harmless disposal.
Electronic waste management	• 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. • 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. • 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.

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.

White Household Appliance BU Optimises Waste Gas Treatment Process to Achieve Synergistic Enhancement in Emission Reduction, Safety, and Energy Efficiency

In 2025, White Household Appliance BU upgraded its waste gas treatment process for refrigerator production lines by replacing the original five sets of "UV photolysis + activated carbon" devices with a "dual-stage activated carbon adsorption" system. This process improvement not only ensures continuous compliance of waste gas emissions with standards but also further reduces the generation of pollutants and hazardous waste (such as waste fluorescent lamps). Additionally, it effectively lowers equipment failure rates and electricity consumption, achieving synergistic enhancement in environmental performance, operational safety, and energy efficiency.

New Treatment Equipment of Waste Gas

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/QGCML 1631-2023 and T/QGCML 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.

Optimization method for E-waste recycling scheme considering ecological efficiency

E-waste Resource Recovery Journal Paper Publication

In 2025, TCL Environmental Technology recycled and processed 5.5 million units of various waste electrical and electronic equipment and handled 240,000 tonnes of industrial hazardous waste, effectively advancing resource circularity and low-carbon transformation. In future, we will continue to intensify innovation and application in waste resource recovery technologies, enhance recycling capabilities and resource reuse rates, and steadfastly support the development of the circular economy.

2025

TCL Environmental Technology recycled and processed **5.5** million units of various waste electrical and electronic equipment and handled **240,000** tonnes of industrial hazardous waste

Efficient Resource Utilisation

Energy Management

TCL Industries 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, as well as waste heat recovery projects, 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 Air-Conditioners Optimises Energy Use and Achieves Carbon Reduction & Efficiency Gains Through Solar-Integrated Microgrid

In November 2025, TCL Shenlan Technology Co., Ltd., a subsidiary of TCL Air-Conditioners, successfully commissioned and grid-connected a commercial and industrial energy storage project in Zhongshan, Guangdong. Centred on the concept of "solar-storage integration", the project combines a 200 kW photovoltaic power generation system with a 100 kWh energy storage system. Enhanced by AI data analysis and Time-of-Use (TOU) pricing strategies, it forms a customised microgrid solution—the BlueArk X5.

To address the challenge of limited plant space, the project adopts a modular design. Two 100 kWh standard cabinet units operate in parallel, supporting flexible capacity expansion and redundant backup. Maintenance on one unit does not impact critical loads. The system operates by charging during off-peak nighttime hours and discharging during peak daytime periods. During midday hours of peak solar generation, it prioritises storing green electricity in the batteries, maximising the consumption rate of self-generated solar power. Serving as an "energy buffer pool", the storage system stabilises solar power fluctuations, enhancing power supply quality and stability. It also achieves grid-to-island transition times of less than 20 milliseconds, ensuring uninterrupted power for critical loads.

The project delivers substantial annual electricity cost savings amounting to RMB hundreds of thousands for the park, effectively reducing peak-period electricity expenses. It also provides a "compact, efficient, and cost-effective" microgrid demonstration model for surrounding small and medium-sized enterprises, further advancing TCL Air-Conditioners' progress toward becoming a zero-carbon factory.

TCL Air-Conditioners' Smart Energy Storage Equipment

TCL Air-Conditioners' Zhongshan Base Focuses on Systematic Optimisation of Energy Saving Technologies to Advance Energy Conservation and Efficiency Improvement

TCL Air-Conditioners actively implements energy saving technological upgrades to enhance energy use efficiency. At its Zhongshan Base, it has established a waste heat and waste cold recovery system. This system captures heat generated by compressors and automated welding during production, as well as cold energy from liquid oxygen production. The recovered energy is then reused for heating water in factory dormitories and powering air conditioning systems. This initiative saves approximately 3.9 million kWh of electricity annually.

Additionally, TCL Air-Conditioners has completed a comprehensive top level energy efficiency retrofit of the base's air compressors. By optimising operations through an intelligent coordinated control system and gradually reducing discharge pressure from 0.75 MPa to 0.65 MPa, the upgrade ensures production stability while enabling additional estimated electricity savings of 408,000 kWh per year.

Energy Recovery Equipment

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. TCL King (Huizhou) 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 tCO2e and generated annual savings of RMB 518,900.

On-site Image of Energy-saving Technological Transformation Projects

TCL Photovoltaic Technology developed China's first Integrated PV Storage Pump Charging smart green energy station

To accelerate the green energy transition of industrial and commercial parks, TCL Photovoltaic Technology has developed China's first integrated smart green energy station at the Nanshan TCL International E-Park in Shenzhen. This station directly powers DC charging piles through a combined system of photovoltaic generation, energy storage, water pumping, and charging. The project utilises an Energy Management Contract (EMC) model and operates under a "self-generation for self-consumption, surplus electricity to the grid" scheme. It maximises space utilisation on park rooftops and carports to construct a rooftop photovoltaic power station and an energy storage system with a total installed capacity of 717.1 kW, along with solar carports.

The rooftop photovoltaic system employs 550Wp and 710Wp high-efficiency monocrystalline silicon modules. The energy storage system utilises a "2-charge, 2-discharge" strategy to effectively leverage peak and off-peak electricity price differentials for economic dispatch. The solar carports are equipped with 46 high-efficiency modules on their roofs, establishing an integrated generation, supply, and consumption system characterised by "100% photovoltaic consumption, surplus to the grid". The generated electricity is prioritised for powering park office facilities, property operations, AC/DC charging piles, carport lighting, and advertising lightboxes. The system is also connected to emergency backup power sources, enhancing the park's power supply reliability.

Upon grid connection, the project is expected to reduce carbon emissions by 757.28 tonnes annually. It can effectively improve the park's energy self-sufficiency rate and risk resilience, providing a replicable model for energy transition for surrounding enterprises and communities, thereby supporting TCL's "3050" dual-carbon goals.

Integrated PV Storage-Pump-Charging Project at TCL International E-Park

Homa Appliances Deploys a Digital Intelligent Energy Management System to Drive Precision Energy Management

Homa Appliances has introduced a smart energy management monitoring platform and a real time energy consumption display screen, replacing the traditional manual meter reading approach. This enables automated data collection, digital management, and visual monitoring of energy usage. The upgrade significantly improves the precision of energy oversight and supplies data support for continuous energy efficiency analysis and optimisation.

Homa Appliances' Energy Management System

Water Resources Management

TCL industries 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*. In alignment with these laws and regulations. We have formulated several 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 Industries 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 processes: 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.

TCL Air-Conditioners Implements Integrated Chip-Free Cutting Process for Short U-Sleeving and Advances Precise Water Resource Management

TCL Air-Conditioners adheres to the principles of water conservation and recycling by optimising and integrating existing production processes. The previously separate steps of short U cutting, short U sleeving, and short U cleaning have been consolidated into a single, integrated chip-free cutting and sleeving operation. This enhancement not only improves production efficiency but also reduces water consumption, achieving an annual reduction of 24 tons in wastewater discharge from cleaning processes.

Integrated Chip-Free Cutting Process for Short U-Sleeving

White Household Appliance BU Builds Water Resource Management System to Enhance Efficiency and Recycling Innovation

White Household Appliance BU adopts a structured approach to improve water efficiency and advance recycling practices. At its self-operated factory, White Household Appliance BU has implemented a reclaimed water system that treats and reuses production wastewater for cooling and cleaning processes. The system targets a reuse rate of over 50%, significantly reducing freshwater intake. Regarding products, select premium washing machines are equipped with water circulation modules that filter and reuse wash water, helping users save water during the use phase. In addition, the BU works with supply chain partners to advance the development of water recovery infrastructure. Together, they are building an industrial water conservation loop and extending water saving responsibilities across the upstream and downstream value chain.

Recycled Water Storage Tank

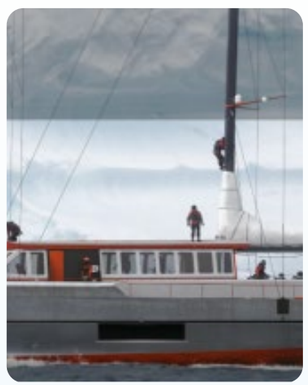
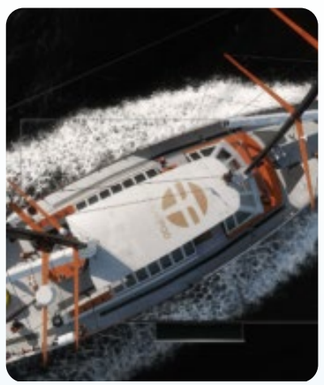
Biodiversity

TCL Industries 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 Industries and Polar Pod Jointly Protect Marine Ecology

Since 2022, TCL Industries 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"

Pan-Smart Screen BU's 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.

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.

Wild Animal Rescue

Biodiversity Introduction Boards

Governance Excellence

Transparent & Trustworthy Operations

TCL Industries embeds the principles of sustainable development deeply into our corporate governance. We are committed to building a robust compliance and risk control system, upholding high business ethics, and continually enhancing responsible marketing and data privacy protection mechanisms. Through systematic and professional management practices, we strengthen the foundation for long-term business sustainability and support the global growth of our operations.

Compliance Operation

TCL Industries has formulated the *Code of Business Conduct and Measures for Compliance Management* and established a compliance management system. 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

TCL Industries has set up the three lines of defence model for compliance management which is guided by the Compliance Management Committee and is composed of BUs and subsidiaries, administrative departments, and the audit department. In addition, the Company has appointed compliance officers deeply integrated into business units, 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

The first line of defence: all BUs and subsidiaries

Manage compliance risks within their respective units, appoint compliance officers and assume direct responsibility for all such risks

The second line of defence: administrative departments

Manage compliance risks within their areas of specialisation and assume responsibility for managing these risks

The third line of defence: audit department

Conduct audits and supervision of the responsibilities performed by the first and second lines of defence

Compliance Policies and Processes

TCL Industries 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 C*ompliance 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 Industries 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.

Closed-loop management process of compliance risk

Identification and early warning of compliance obligations and risks

- Administrative departments responsible for specific compliance areas timely track, identify, and interpret regulatory compliance requirements, sharing updates regularly with relevant BUs.
- Regularly issue compliance risk early warning reports through the early warning mechanism.
- Conversely, BUs are required to timely report any locally identified regulatory compliance requirements to the relevant administrative departments.
- The two-way communication ensures comprehensive and timely identification of compliance risks.

Compliance risk assessment and decision-making

- Conduct systematic risk assessments across key compliance areas.
- Classify and prioritise identified compliance risks.
- Develop corresponding response strategies and plans for different levels of risks.
- Continuously improve the overall risk prevention and control system.

Compliance risk review and rectification

- Establish regular compliance risk review mechanism.
- Conduct regular compliance review of key compliance risk areas and material business activities.
- Provide specific rectification advice to the relevant BUs.
- Track the entire process to ensure corrective actions are implemented, establishing a closed-loop management system.

Dedicated compliance risk governance

- Enhance export compliance system by updating policies including *Export Compliance Policy and Code of Conduct for Export Compliance*, and by integrating key business systems with the export compliance screening platform. Conduct regular export compliance reviews and deliver training across multiple domains such as R&D, sales, and procurement, thereby comprehensively strengthening compliance awareness throughout business operations.
- Refine and implement global multi-jurisdictional privacy compliance strategies. Conduct privacy compliance assessments through processes such as Privacy Impact Assessment (PIA) and third-party management, covering both key and emerging business areas. Carry out targeted initiatives to address privacy risks in key countries, perform compliance audits for critical products, and successfully renewed ISO 27701 certification.

Compliance Culture Development

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

Enhancing Compliance Policy Promotion

TCL Industries conducts compliance training and promotion campaigns for all employees and high-risk business scenarios on a regular basis. In addition, we conducted 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 Industries 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 Industries conducted 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 Industries regularly conducts compliance audits of key products, key countries and key sectors to identify and address compliance risks and issues within its operations. The Company has already held a range of domestic and international industry standard certifications, such as ISO 27001 Information Security Management System certification, ISO 27701 Privacy Management System certification. This year, the Company obtained the ISO 37001 Anti-Bribery Management System certification for the first time. These efforts reflect our ongoing commitment to strengthening our compliance management system and improving its standardisation, effectiveness and implementation.

Tax Compliance

TCL Industries 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, promoting 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.

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 Industries. In addition, we implement segregation of duties and cross-verification for tax responsibilities, alongside a rigorous review of tax returns, to reinforce accountability.
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 business units stay fully informed of new regulations and compliance requirements.
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 business units to conduct regular self-assessments, we enhance tax risk response mechanisms and effectively mitigate tax risks.
For promoting 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.
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 Industries strictly adheres to all applicable laws and regulations relating to anti-corruption and business ethics, formulates internal systems such as 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 Industries 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 Industries has formulated the *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 redlines for conduct in the employee handbook, particularly in corruption-sensitive areas such as abuse of authority, bribery, gift-giving, 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 Industries further refines management policies, and conducts an annual anti-bribery compliance risk assessment, 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 units, we steadily control corruption-related risks and continuously improve relevant preventative measures. 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, finance of products including LCD TVs, mobile communication terminal products and their accessories, wearable smart products, routers, room air conditioners (including household air conditioners, commercial air conditioners, special air conditioners, base station air conditioners, data centre air conditioners and cabinet air conditioners), and heat pump water heaters, and received the ISO 37001: 2016 Anti-bribery Management System certification. In 2025, the Company had one concluded corruption litigation case involving an employee. The case was adjudicated by judicial authorities, and the implicated employee was held criminally liable in accordance with the law. Upholding a "zero tolerance" stance, we enforce strict accountability to reinforce internal awareness and deterrence. Additionally, we view this incident as an opportunity to further strengthen internal controls and enhance compliance training, as part of our ongoing commitment to fostering an ethical, transparent, and responsible governance environment.

Antitrust

For domestic subsidiaries, TCL Industries has formulated 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 Industries has formulated and implemented the *Antitrust Compliance Guidelines for Overseas Business* based on local laws and business characteristics. The Company also improves the overseas contract management system, and reviews 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 Industries 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 Industries 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 Industries 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 Industries has formulated the *Code of Business Conduct* and set up open complaint channels for the corporate and supply chain. 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. 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.

Reporting channel:
tmtjubao@tcl.com

Anti-Corruption and Business Ethics Training

TCL Industries 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 requirements, 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 Industries delivered a total of **10** anti-corruption training courses with **10,000+** attendances

Anti-corruption training coverage **100%**

Responsible Marketing

TCL Industries 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 the *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*. The Company has formulated and implemented internal policies such as *New Media Management Standards*, the *News Release Management Measures*, and the *Global IP Management Standards*, providing clear guidelines and directions for marketing activities and ensuring legal and compliant operations worldwide. The Company has also formulated the *Responsible Marketing Code of Conduct*, integrating 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 Industries 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 Industries 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.

"Clean Life Theory – Mindful Care, Enduring Love" × China

In early 2025, TCL Industries launched the integrated marketing campaign "Clean Life Theory – Mindful Care, Enduring Love" in the Chinese market. Centred on the offline experience hub at Chengdu JD MALL and amplified across nationwide online platforms, the campaign communicated the sustainable value of the Super Drum washing machine (model G20P7 HDI). Addressing both the aging population and younger consumers' pursuit of meaningful living, the initiative connected product performance with human centric care and environmental responsibility under the theme of "Mindful Care, Enduring Love". Supporting activities including public welfare salons and an old clothing recycling and donation drive, created a full cycle from awareness to action, embedding responsible innovation and social value co creation into the brand's ongoing efforts.

"Clean Life Theory – Mindful Care, Enduring Love" Integrated Marketing Campaign

"Wash Smarter, Live Greener" × Thailand

From March to April 2025, TCL Industries carried out the ESG integrated campaign "Wash Smarter, Live Greener" in Thailand. With the upscale department store The Mall as the main offline touchpoint and nationwide outreach through Facebook and TikTok, the campaign highlighted the Washer & Dryer Combo (model WT890PWDS) and the Super Drum washing machine (model P682). Built around the message "Green living begins with how we wash - making sustainability accessible", it connected daily laundry routines with a sssustainable lifestyle. By setting up pop up interactive zones and giving away eco themed merchandise, the campaign drove public engagement and conveyed the brand's commitment to energy and water saving innovation.

"Wash Smarter, Live Greener" ESG Integrated Marketing Campaign

Shared Value
Collaborative Partnership

TCL Industries believes that shared growth with our value chain partners is fundamental to a sustainable future. Guided by diversity and inclusion, we have built a comprehensive employee support system covering health protection, fair incentives, and lifelong development. This approach energises our organisation and fosters mutual progress. We are continuously improving how we manage suppliers, working with partners across the chain to develop a responsible and sustainable supply network. As a global corporate citizen, we also channel resources into education, charitable giving, and rural revitalisation. Through these commitments, we give back to communities and collaborate with our partners to build a sustainable future together.

Employee Rights Protection

TCL Industries 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 have formulated 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 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 and maintain open and transparent employee communication channels and feedback mechanisms, promoting to foster a harmonious and stable relationship between the Company and our employees.

In 2025, the major awards we received in talent recruitment and employment included:

2025 China Annual Best Employer – Top 10 in Shenzhen

Award Granting Organisation:
Zhaopin.com

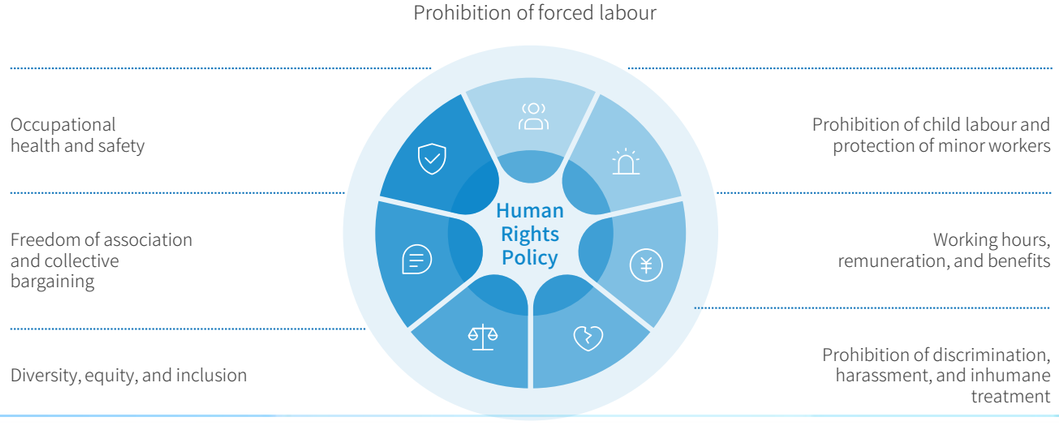
2025 Guangdong Annual Outstanding Employer

Award Granting Organisation:
Liepin.com

Employment Compliance

TCL Industries 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 Industries 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 Industries conducted internal audits at its five core owned factories 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 65 non-conformities were identified. During the audits, TCL Industries 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.

Subsidiaries and factories obtained RBA certification **3** in total

Employment Red Line Behaviour Management Process

Risk Identification and Preventative Measures

- We conduct an annual, full scope social responsibility risk assessment at the start of each year. This covers key areas including child labour, forced labour, health and safety, freedom of association and collective bargaining rights, discrimination, working hours, and wages. By quantifying risk levels, we develop targeted prevention and control measures to minimise the occurrence and impact of non-compliant employment.

Policy Implementation and Monitoring

Prohibition of Forced Labour

- We enforce a strict no forced labour policy and inspection procedure, explicitly prohibiting employers from restricting employees' freedom of movement or withholding personal identity documents. Employees' rights to reasonable rest periods and leave are fully respected.

Prohibition of Child Labour

- Age verification is mandatory during recruitment and onboarding. Recruiters receive training in ID authentication and age recognition techniques, and all staff undergo awareness sessions on the prohibition of child labour to ensure zero tolerance in hiring.

Prohibition of Inhumane Treatment

- We promote humanitarian awareness and strictly prohibit corporal punishment, abuse, harassment, psychological coercion, and any form of discrimination, whether in hiring, compensation, training, promotion, or other processes, based on ethnicity, race, gender, age, religion, belief, or disability.

Accountability for Violations

- Individuals who violate the Company's employment "red lines" are held accountable under the *Accountability Management Measures of TCL Industries Holdings Co., Ltd.* In 2025, TCL Industries recorded no incidents of illegal or non-compliant employment.

Feedback and Improvement

- We maintain multiple reporting channels, including written correspondence, visits, phone, fax, and email. The Audit Department is responsible for investigating and handling reported violations and providing feedback. In addition, we deliver regular training on compliant employment policies for all existing staff and new hires to reinforce a culture of company-wide compliance awareness.

Building on strict compliance with employment standards, we have developed an efficient, end to end recruitment system that operates across our global and domestic markets. We continuously widen and improve our hiring channels worldwide, enhancing our ability to attract outstanding talent. This strengthens our pipeline of key professionals, securing the core workforce needed for the Company's long-term growth.

Global PhD Talent Special Recruitment Plan

TCL Industries launched its 2026 global campus recruitment "PhD Talent Plan", aiming to recruit top-tier scientific research PhDs worldwide. Through its 24 R&D centres, 7 cutting-edge laboratories, and over 32,000 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 Industries 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 have formulated 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. Business units 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 Business Unit 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 Industries 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 conduct regular 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.

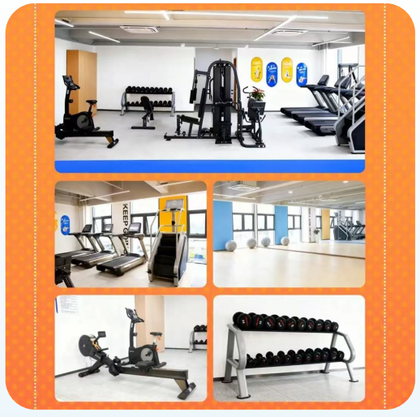
Commercial Business Unit – Employee Communication and Safeguard Mechanisms

Commercial Business Unit 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

TCL Air-Conditioners – Employee Communication and Engagement Platform

TCL Air-Conditioners has built multiple communication channels to protect employees' right to know, express opinions, and provide oversight. TCL Air-Conditioners launched the "TCL Employee Home" official WeChat account, which shares corporate culture and key updates, enables employee interaction, and hosts engagement activities. TCL Air-Conditioners has also set up suggestion boxes, dedicated email addresses and phone lines for reporting and feedback, ensuring employees can easily raise concerns and share ideas.



TCL Air-Conditioners Employee Home Interactive Activities

Employee Remuneration and Benefits

We have formulated 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.

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

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.

Employee Health and Well-being Initiatives

The Company organises annual health check-ups for all employees, ensuring holistic support for their physical and mental well-being.

Humanistic Care Practices

The Company organises a variety of sports events, including basketball and badminton competitions. 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.

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

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

"Win the Double 11 Campaign" Activity

The 5th "Dare to Be Extraordinary" Cup Football Competition

The 5th "Dare to Be Extraordinary" Cup Basketball Competition

The 4th "Dare to Be Extraordinary" Cup Badminton Competition

The 4th "Dare to Be Extraordinary" Cup E-sports Competition

Birthday Celebration Event

Christmas Celebration Activity

The 9th Food Festival

The Mid-Autumn Festival Garden Party

Occupational Health and Safety

TCL Industries prioritises the protection of employees' health and safety. By establishing a robust work safety and 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.

2025

29 subsidiaries of TCL Industries obtained ISO 45001 Occupational Health and Safety Management System certification.

Work Safety

We strictly adhere to all applicable work safety regulations and standards across all the countries or regions where we operate, 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*. We rigorously implement the work safety policy of "Life First, Safety Foremost, Prevention as the Main Approach, and Comprehensive Governance" throughout our production and operations, continuously enhancing our work safety management standards.

In 2025, TCL Industries 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 comply with safety standards.

TCL Industries Work Safety Management System

Pan-smart Screen BU	Formulated documents such as the *Process for Hazard Source Identification and Risk Assessment, the Management Manual for Social Responsibility* and the *Safety Management Manual*.
TCL Air-Conditioners	Formulated documents such as the *Work Safety Inspection Management Procedure*, the *Equipment Safety Management Procedure*, the *Emergency Medical Assistance Management Procedure*, and the *Emergency Preparedness and Response Management Procedure*.
White Household Appliance BU	Formulated documents such as the *External Construction Safety Regulations* and the *Hazardous Operations Regulations*. The *Work Safety Management Responsibility Statement* were signed by all employees at each level of the organisation via a cascaded signing mechanism.
Huizhou TCL Mobile Communication	Newly revised or issued documents include the *Management Measures for Key Safety Positions in the Supply Chain*, the *Management Measures for Safety Assessment*, the *Management Measures for Safety Practitioners*, the *Hazardous Chemicals Safety Management Regulations*, and the *Procedures for the Reporting, Investigation and Handling of Work Safety Incidents*, among others.
TCL Photovoltaic Technology	Formulated documents such as the *Safety Emergency Management Measures, the Comprehensive Emergency Plan for Engineering Projects, and the Project Department Work Safety Management Regulations*.
Commercial BU	Formulated the *SOP Guidance for Production Operations, the Regulations on Construction Safety Management*, the *Procedures for the Reporting, Investigation and Handling of Work Safety Incidents*, and the *Measures for the Management of Safety Assessments*.
Tonly Technology	*The Safety Management Responsibility Statement* and the *Occupational Health Responsibility Statement* to be signed at each level of the organisation via a cascaded signing mechanism.

Establishment of a Safety Management Framework

TCL Industries 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 Industries' Safety Management Framework

Safety Management Committee

- Research, deploy and guide safety management
- Put forward major guidelines and policies in safety management
- Solve the major problems in safety management

Safety Committee Office

- Provide suggestions on major guidelines, policies and important measures of work safety
- Supervise and inspect the safety management of subsidiaries, organise and implement safety inspections, and urge the related parties to address hidden hazards and critical problems

Work Safety Teams

- Establish the work safety management mechanism in the industrial park, organise and conduct safety inspections, emergency drills, work safety training and other activities as planned
- Coordinate internal and external audit matters related to work safety

TCL Industries' Work Safety Goals in 2025

Work Safety Goals	In 2025
Zero serious injuries or fatalities during the Year	Achieved
Zero fire accidents with a direct economic loss exceeding RMB 1 million	Achieved
Zero work safety accidents causing enterprise property losses exceeding RMB 1 million	Achieved

TCL Industries' 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.
- TCL Air-Conditioners identifies hazards in its production and operations and applies the LCD method to carry out risk evaluations.
- White Household Appliance BU conducts daily, weekly, and monthly safety inspections structured by level, specialty, and category throughout the year. The BU also performs annual assessments of occupational health and safety risk factors.
- 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 integrated 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.
- Tonly Technology organises annual identification of major hazards across all departments and workshops. In 2025, key areas were inspected according to Grade I, II, and III hazard severity criteria, with targeted preventive measures and emergency plans developed accordingly.

Monitoring of safety indicators

- The Pan-smart Screen BU and Huizhou TCL Mobile Communication regularly monitor work safety activities and indicators, evaluate the effectiveness of the safety management system, and continually improve it.

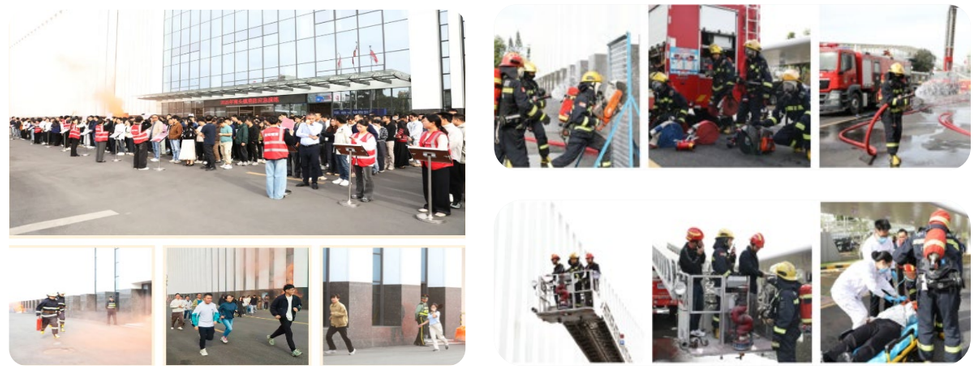
Safety emergency drills

- 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.
- Tonly Technology conducted a range of safety drills in 2025 covering daily production activities, including fire evacuation exercises. The company also carries out an annual anti terrorism emergency drill and signs a social responsibility and anti terrorism agreement.

The Pan-smart Screen BU Fire Drill

Tonly Technology's Fire Evacuation Drill and Fire Extinguisher Training

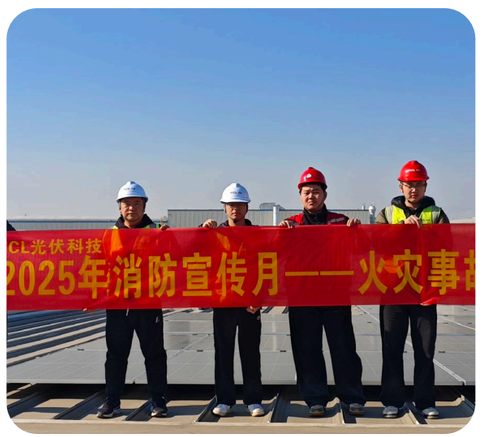
- TCL Air-Conditioner co-organised the "2025 Nantou Town Fire Emergency Evacuation Drill", where a sudden fire was simulated at an electric vehicle charging facility in a car park. The scenario involved rapid flame spread and thick smoke, posing a serious threat to the safety of people inside the building.



TCL Air-Conditioners' Fire Emergency Evacuation 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.



TCL Photovoltaic Technology's Work Safety Training Session

- TCL Air Conditioners provides employees with personal protective equipment, maintains emergency medical supplies in workplaces, and trains on site emergency responders to offer basic protection and immediate assistance. The company also runs regular training, awareness initiatives, and educational activities on safety and health management.
- White Household Appliance BU actively conducts health and safety training programmes. In 2025, the total participation in employee health and safety training exceeded 40,000 attendances.
- Tonly Technology holds annual specialised occupational health training and delivers diverse safety education programmes. These include volunteer fire brigade drills and traffic safety awareness activities.

Tonly Technology Volunteer Fire Brigade Training & Traffic Safety Interactive Quiz

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.
- At TCL Air-Conditioners, all personnel responsible for safety have signed the *Safety Responsibility Agreement*. The company conducts monthly safety and environmental inspections, as well as regular safety training and tests.
- White Household Appliance BU carries out annual assessments of occupational hazard factors and performs a comprehensive occupational health review every three years. These evaluations examine workplace hazards and protective measures to safeguard employee health and safety.
- At 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.
- 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.

Occupational Health

TCL Industries 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*. We identify and rigorously control various potential occupational safety risks and hazards to prevent occupational diseases and work-related accidents, thereby safeguarding the occupational health and safety of our employees.

Employee Occupational Safety Risk Assessment

TCL Industries conducts occupational safety risk assessments for all Business Units 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 Business Unit 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 Industries emphasises the protection of employees' occupational health rights. We have implemented a management system concerning health examinations, hazard monitoring, risk mitigation measures, and employee communication. Each Business Unit advances occupational health protection according to its operational context.

- 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.
- White Household Appliance BU implements full process notification for hazardous positions and conducts comprehensive health examinations throughout employment. Employees with abnormal test results are provided with timely job reassignments. In 2025, the BU completed third party testing at 680 hazardous position points. For identified anomalies, time bound corrective actions, such as adjusting work schedules and enhancing protective equipment, were applied, while emergency response facilities were continually upgraded.
- 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 Industries emphasises a combined approach of proactive prevention and post-incident safeguards. In advance, we have formulated 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 standardise the entire process, including medical treatment, disability assessment, benefit claims, and post-incident handling. Additionally, the Commercial BU conducts 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 organisation. 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 programmes 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.

External 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 organisational 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.

2025

100% of TCL Industries' employees received training, average training hours for all employees is **34** hours.

Management Development Programme

Training Objectives

To strengthen managerial business acumen and strategic execution capabilities, enhance decision-making and organisational 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, organisational 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 organised 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.

Pan-smart Screen BU – Layered and Categorised Talent Development System

For grassroots 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 – Young Eagle Vitality Camp

In July 2025, the Pan-smart Screen BU conducted the Young 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 Young 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 six specialised "ESG Empowerment Lecture Series" training sessions targeting multiple business units and R&D teams, including the Pan-smart Screen BU, TCL Photovoltaic Technology, MP BU, SCD BU, SMD BU, and the Eagle Lab. The series includes *the 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*, *2025 Supplier Energy Conservation and Carbon Reduction Training and ESG Enables a Better Life: A Look into TCL Air-Conditioning's Journey of Sustainable Development and Green Intelligent Manufacturing*. These initiatives are designed to deeply integrate sustainable development principles into the strategy and operations of each business unit. 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."

2025

"ESG Empowerment Lecture Series" training sessions conducted

6

participants from core positions and supplier representatives

500+

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

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.

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

Tonly Technology "Young Eagle PRO – Soaring Class Phase II" Training Camp

The "Young Eagle PRO - Soaring Class Phase II" training camp at Tonly Technology involved 66 campus recruits with around three years of service. Over a 10 month curriculum combining professional development and team building activities, the programme strengthened participants' technical skills and professional readiness, preparing emerging talent for the company's "Key Overseas Clients + Overseas Supply Chain" strategic initiatives.

Closing Ceremony of the "Young Eagle PRO – Soaring Class Phase II" Training Camp

Sustainable Supply Chain

TCL Industries 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.

Supply Chain Management

TCL Industries has formulated 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

Development & Qualification

- Supplier Selection Stage: All departments shall fill in the *New Supplier Certification Request Form* 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.
- Supplier Onboarding Stage: The development/coordination department must sign the *Partner Code of Conduct Agreement and the Business Partner Compliance 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.

Supervision & Audit

- Supplier Audit: Conduct regular supervision and evaluation, annual special audits, and third-party audits on suppliers.
- Supplier Tiered Management: 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.

Rectification & Exit

- Supplier Problem Analysis & Rectification: 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.

Responsible Supply Chain

We have established a responsibility management system throughout the supplier lifecycle. Corporate social responsibility (CSR) performance is fully integrated into all stages: qualification, evaluation, cooperation, and exit. We have formulated management requirements such as the *Supplier Code of Conduct and the Partner Code of Conduct Agreement*. We also conduct environmental and social responsibility training for all suppliers to ensure they understand their obligations regarding environmental impact, social accountability assessments, and business ethics.

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

01 Reduce Environmental Footprint

- Optimise procurement demand, reduce unnecessary material procurement, and advocate material reuse and recycling.
- Gradually phase out disposable plastic products and packaging materials with high environmental impact.
- Promote the procurement of green, low-carbon, and recyclable products and services.

02 Responsible Sourcing

- Comprehensively consider the environmental and social impacts of products and services throughout their lifecycle.
- Procure products compliant with environmental standards such as RoHS and REACH; support local economy and vulnerable groups and promote procurement diversification.
- Abide by the conflict minerals policy, improve the traceability mechanism, and eliminate mineral sources that violate human rights.

03 Promote Green Supply Chain Construction

- Prioritise suppliers that have established environmental management systems (such as ISO 14001, ISO 50001).
- Encourage suppliers to set environmental management objectives and promote their energy conservation, emission reduction, and resource recycling.
- Promote suppliers' participation in joint actions to address climate change.

2026 Targets

100% CSR audit coverage for existing and newly onboarded suppliers[20]

Management Objectives

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

20. The scope of data statistics covers Pan-Smart Screen BU, TCL Air-Conditioners, White Household Appliance BU, Mobile Phone BU, Smart Mobile Display BU, Smart Connected Device (SCD) BU and TCL Photovoltaic Technology

Supplier Qualification Mechanism

TCL Industries 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 Industries 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 prioritise 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.

TCL Industries continues to advance a multi-tier social responsibility audit mechanism across its supply chain, conducting systematic reviews and risk identification for suppliers, and classifying, tracking and managing supplier non-compliance. Identified non-compliances are categorised 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 labour and human rights (such as child labour, forced labour, 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 Industries systematically identifies deficiencies in areas such as labour and human rights, health and safety, and environmental management, and formulates targeted corrective measures.

In relation to labour and human rights

To address excessive overtime, the Company optimises 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 labour 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

We incorporate emergency facilities into the scope of daily inspections to ensure the effectiveness of firefighting equipment and evacuation signs. Concurrently, we integrate factory renovation projects into the engineering acceptance process to guarantee compliance with fire safety standards, and require that new equipment completes occupational health risk assessments prior to commissioning, thereby preventing safety risks at the source.

In relation to environmental management

In response to the acceptance of environmental protection "three simultaneities," we conduct a compliance gap assessment and engage qualified third-party agencies to carry out environmental impact assessments or complete the required approval procedures, ensuring that project development proceeds in accordance with laws and regulations.

As at 31 December 2025, 94.9% of suppliers had signed *the Partner Code of Conduct Agreement,* covering requirements on labour 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[21] **94.9%**

Conducted CSR audits and environmental and social impact assessments on **91** new suppliers[21]

Supplier Integrity Development

TCL Industries 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.

21. The scope of data statistics covers Pan-smart Screen BU, TCL Air-Conditioners, White Household Appliance BU, Mobile Phone BU, Smart Mobile Screen BU, Smart Connected Device (SCD) BU and TCL Photovoltaic Technology.

Conflict Minerals Management

TCL Industries has formulated the *TCL Industries 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 Industries 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 Industries launched CMRT surveys on 632 suppliers, achieving a 100% response rate, and also initiated EMRT surveys on the same 632 suppliers, with a 100% response rate as well. 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 Industries standards. We investigate 3TG in the supply chain by leveraging the RMAP certification audit results and the RCOI tools provided by RMI. 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.

2025

TCL Industries simultaneously conducted CMRT and EMRT surveys on **632** suppliers[21]

With both survey response rates reaching **100%**, achieving a comprehensive investigation of supply chain mineral information[21]

TCL Industries achieved **100%** traceability of product raw materials to the country of origin.

TCL Industries 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 Industries 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 customised training and professional support to enhance internal management standards within the supply chain.

Concept Communication & Consensus Building:

We regularly conduct ESG and sustainability focused training and awareness sessions for suppliers, deepening their understanding of environmental and social responsibilities and building collective momentum for green transition. In December 2025, the Company organised the "ESG Lecture Hall – 2025 Supplier Capacity Building Training on Energy Conservation and Carbon Reduction", with over 120 participants. The programme facilitated exchanges on topics including dual carbon policy, carbon management system development, and energy saving technology practices, and featured external experts who explained compliance requirements such as the EU Carbon Border Adjustment Mechanism (CBAM) and the EU Battery Regulation.

2025

the Company organised the "ESG Lecture Hall – 2025 Supplier Capacity Building Training on Energy Conservation and Carbon Reduction", with over **120** participants

"ESG Lecture Hall – Energy Conservation and Carbon Reduction Management" Specialised Training Session

Fair Treatment of Small and Medium Sized Enterprises

TCL Industries is committed to building a fair and collaborative procurement environment, growing together with small and medium sized enterprise (SME) partners across the industrial chain to strengthen the overall resilience and inclusiveness of the supply ecosystem. We uphold the principles of fairness, transparency, and non discrimination in procurement, fully protecting the legitimate rights and interests of SME suppliers and ensuring they enjoy equal competitive opportunities. In tendering and sourcing, we set reasonable qualification criteria to avoid hidden barriers against SMEs. All suppliers are engaged through formal contracts that specify payment terms and settlement periods, and we strictly honour our payment commitments as agreed. In 2025, TCL Industries recorded no legal disputes related to overdue payments, and the Company's accounts payable balance remained below 50% of total assets.

Participation in Social Welfare

TCL Industries profoundly understands that corporate growth is deeply intertwined with social progress. We actively engage in public welfare endeavours, making sustained investments in areas such as rural revitalisation, educational empowerment, green conservation, and community care. We are committed to growing together with society and striving to drive a sustainable and brighter future.

Rural Revitalisation

We concentrate on rural revitalisation by deeply integrating rural resources with corporate innovation through industrial collaboration and inclusive financial services. Our sustainable empowerment model is designed to stimulate endogenous growth and promote high quality rural economic development and shared prosperity.

Financial Services Nourishing the Countryside

TCL Financial Service focuses on agricultural insurance, actively aligning with government policies that encourage high quality development in the sector. Centred on supporting and benefiting farmers, the company provides financing solutions without requiring collateral or guarantees, thereby addressing the limited access to credit often faced by rural communities.

As of the end of 2025

TCL Financial Service had served over **5,000** farming households across more than **30** cities nationwide, using inclusive finance to help stabilise agricultural output and advance rural development.

Educational Empowerment

We remain deeply committed to educational philanthropy, establishing a diverse public welfare matrix that spans cultural heritage, sports and health, and scientific literacy. Through resource linkage and innovative practices, we empower youth development.

Building Ladders for Young Minds

In April 2025, TCL Industries 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

Cultural Heritage Takes Root Overseas

In 2025, Getech carried out a public welfare initiative for Chinese cultural heritage in Chiang Rai Province, Thailand. The programme provided courses in Chinese language, paper cutting, and folk traditions to students at Chinese language schools in communities with Chinese heritage. This effort helps bridge cultural gaps among overseas Chinese youth and supports the continued passing down of China's traditional culture abroad.

Science & Innovation Practice and Industry Education Integration

In 2025, TCL Air-Conditioners carried out research-practice programmes for primary, secondary, and higher education institutions in China, hosting over 1,000 students in total. These activities embody a blended model of "Technology + Education + Public Welfare", supporting students' personal development while positively contributing to university enterprise collaboration and the evolution of talent development approaches in society.

Research-practice Programme

Green Stewardship

We are deepening our green philanthropy initiatives. Our approach combines ecological restoration, the energy transition, and community-based collaboration. This integrated effort promotes sustainable development founded on harmony between humanity and nature.

Mountain Cleanup Campaign for a Better Environment

In November 2025, TCL Industries, 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

Solar Campus Initiative Powering Green Futures

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. 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.

2025

in Inner Mongolia, Ningxia, Guangdong, Shaanxi and other places, with a total installed capacity of **2,054.65** kW.

the project has reduced carbon dioxide emissions by a cumulative total of **49,877** tonnes.

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

Planting Trees for a Greener Culture

In March 2025, TCL Air-Conditioners partnered with the Nantou Town Government to launch a tree-planting initiative titled "Planting Trees for a Greener Culture". Party members, cadres, and employee volunteers actively took part in this public tree-planting effort. The activity contributed to local ecological development and demonstrated our commitment to green and low carbon growth.

Joint Tree Planting Activity

Community Care

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

Cool Relief, Honouring Perseverance

In July 2025, TCL Air-Conditioners, joined hands with JD.com to launch the "Cooling Guardians" initiative, donating energy-efficient air conditioners to sanitation workers in Wuhan and other cities. The effort delivered coolness and care to sanitation stations and rest points, helping to improve their working conditions in extreme heat. This was not merely a product donation, but a profound embodiment of TCL Air-Conditioners' "Technology for Good" brand philosophy.

The "Cool Relief" Initiative

Visual Impairment Inclusion Experience, Exploring New Paths of Equal Cooperation

In July 2025, TCL Industries 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 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

Elderly Care Activities Warming Community

The Party Committee of TCL Industries, TCL Industries, Southern University of Science and Technology Hospital, and Xili Trade Union Employee Welfare Society jointly carried out elderly care activities 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

Warmth in Winter, Caring for Seniors

In December 2025, the TCL Air-Conditioners' Party Branch and Labor Union organised a charitable donation drive at the Economic Development Zone Social Welfare Home. The activity titled "Warmth in Twilight Years, Care for Elders" delivered winter essentials and heartfelt support to the residents. Donations included a range of practical appliances, including air conditioners, computers, water purifiers, dryers, water heaters, and washing machines, along with 36 sets of cold weather supplies and a complete set of tables, chairs, and bookshelves for the reading room.

Charitable Donation Activity

Emergency Response Bearing Social Responsibility Worldwide

TCL Electronics' Vietnam Branch and Thailand Branch swiftly provided emergency support, including repair fee waivers and material donations, when local communities were affected by natural disasters.

Repair Fee Waiver Policy for Disaster-Affected Users (Vietnam)

Scene of the Daily Necessities Donation to Disaster-affected Areas (Thailand)

Future Outlook

Standing at the dawn of a new year, we recognise that the global industrial landscape is undergoing profound transformation. This change is driven by the powerful convergence of technological revolution and the transition to a sustainable, low-carbon economy. Guided by our core mission of "Building a Sustainable & Connected Future with Advanced Technology", we are charting our course forward with clear foresight, building upon a foundation of solid achievement. We will advance our ESG ambitions through continuous innovation. Our smart products will increasingly embody green design principles and integrate advanced low-carbon technologies. Our goal is to make sustainable innovation an integral part of the intelligent lifestyles of users worldwide. Additionally, we will continue to foster an inclusive culture, empower local talent, and contribute to biodiversity conservation, planting the seeds of sustainable development in the hearts and minds of every employee and community we engage.

The future calls for agility and resolve. TCL Industries will meet it with an open spirit of global partnership and a steadfast commitment to long-term value creation. We are dedicated to realising our vision: becoming a globally operated leading smart device enterprise, powering a sustainable future through high-quality development. Together with our partners and consumers across the world, we will co-create a future that is greener, smarter, and more inclusive for all.

ESG Performance Overview[22]

Environmental performance

Indicator		Unit	Data of 2025
Air pollutants	Total SO_2 emissions	t	2
	Total NO_x emissions	t	39
	Total PM emissions	t	23
	Total VOC emissions	t	39
GHG emissions	Total GHG emissions	tCO_2e	730,295
	GHG emission intensity	tCO_2e / RMB 100 million revenue	428
	Scope 1 GHG emissions	tCO_2e	312,648
	Scope 2 GHG emissions (Location-based)[23]	tCO_2e	417,647
Energy use	Total energy consumption	MWh	1,065,535
	Energy consumption Intensity	MWh / RMB 100 million revenue	624
	Total diesel consumption	kg	630,155
	Total gasoline consumption	kg	88,995
	Total natural gas Consumption	m^3	7,974,996
	Total LPG consumption	kg	4,096,582
	Total acetylene consumption	kg	2

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

23. This year, the GHG accounting is based on standards including ISO 14064-1:2018 Greenhouse Gas Inventory Standard issued by the International Organization 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 TCL Electronics、TCL Air-Conditioners 、TCL Smart Home、TCL Environmental Technology、TCL Financial Service、Getech、Tonly Technology、TCL Industrial Park.

Indicator		Unit	Data of 2025
Energy use	Total purchased electricity	MWh	759,316
	Total purchased green Electricity	MWh	73,809
	Solar power generation for self-use	MWh	50,749
Water resources use	Total water withdrawal	t	2,720,700
	Water withdrawal intensity	t / RMB 100 million revenue	1,594
Hazardous waste	Total amount of hazardous waste[24]	t	8,790
	Hazardous waste intensity	t / RMB 100 million revenue	5
Non-hazardous waste	Total amount of non-hazardous waste[25]	t	181,481
	Non-hazardous waste intensity	t / RMB 100 million revenue	106
Use of packaging materials[26]	Total usage of packaging materials	t	288,427
	Intensity of packaging material usage	t / RMB 100 million revenue	169
	Paper packaging materials used	t	153,964
	Plastic packaging materials used[27]	t	49,342
	Renewable packaging materials used	t	59,479

24. Statistical analysis of the hazardous wastes by categories was carried out according to *the Order No. 39 of the Ministry of Ecology and Environment – National Catalogue of Hazardous Wastes.*

25. Total amount of non-hazardous waste includes waste cartons, waste plastics, EPS, and other non-hazardous wastes.

26. In 2025, the statistical scope for this indicator excluded TCL Smart Home.

27. Paper packaging materials used include cartons and paper instructions.

28. Plastic packaging materials used include EPS and other plastic packages.

Social performance

Indicator			Unit	Data of 2025
R&D and innovation	Number of patents newly granted		Nos	1,705
	Accumulative number of patents granted		Nos	13,972
Employee composition[29]	Total number of employees		No. of people	76,191
	Number of employees by gender	Male	No. of people	46,084
		Female	No. of people	30,107
	Number of employees by age	Below 30	No. of people	33,942
		30-50	No. of people	38,884
		Above 50	No. of people	3,365
	Number of management personnel by gender	Male	No. of people	1,548
		Female	No. of people	467
New employees[30]	Total number of new employees		No. of people	40,857
Employee turnover rate[31]	Overall employee turnover rate		%	48
Employee training	Percentage of employees trained		%	100
	Percentage of male employees trained		%	60.48
	Percentage of female employees trained		%	39.52
	Percentage of senior management trained		%	0.08
	Percentage of middle management trained		%	2.56
	Percentage of junior employees trained		%	97.36
	Average training hours per employee		Hour(s)	34

Indicator		Unit	Data of 2025
Employee training	Average training hours per male employee	Hour(s)	37
	Average training hours per female employee	Hour(s)	26
	Average training hours per senior management	Hour(s)	82
	Average training hours per middle management	Hour(s)	53
	Average training hours per junior employee	Hour(s)	34
Occupational health and safety	Number of deaths related to work	No. of people	0
	Total lost days due to occupational injury	Day(s)	1,539
Supplier composition	Number of suppliers in the Chinese mainland	Nos	5,755
	Number of suppliers in Hong Kong, Macao, Taiwan, and overseas regions	Nos	515
Supply chain management	Number of suppliers where the practices are being implemented	Nos	6,270
	Number of new suppliers that were screened using environmental criteria	Nos	91
	Number of new suppliers that were screened using social criteria	Nos	91
	Number of suppliers conducting environmental impact assessments	Nos	114
	Number of suppliers conducting social impact assessments	Nos	114
	Number of suppliers involved in local procurement	Nos	579
Social contributions	Monetary donations	RMB 10,000	2,596
	Number of volunteers	No. of people	368
	Volunteer hours	Hour(s)	1,303

29. In 2025, the statistical scope of employee composition-related indicators did not include dispatched workers
30. In 2025, the statistical scope of the new employee-related indicator did not include dispatched workers.
31. In 2025, the statistical scope of the employee turnover rate-related indicator did not include dispatched workers.

GRI Standards Index

Statement of use	TCL Industries has reported the information referenced in this GRI Content Index for the reporting period with reference to the GRI Standards.
GRI 1 used	GRI 1：Foundation 2021
Applicable GRI Sector Standard	Not applicable

GRI STANDARD	DISCLOSURE		LOCATION
GRI 2: General Disclosures 2021			
1. Organization and its reporting practices	2-1	Organizational details	About TCL Industries
	2-2	Entities included in the organization's sustainability reporting	About this Report
	2-3	Reporting period, frequency and contact point	About this Report
	2-4	Restatements of information	Not applicable
	2-6	Activities, value chain and other business relationships	About this Report
2. Activities and workers	2-7	Employees	Shared Value Collaborative Partnership ESG Performance Overview
	2-8	Workers who are not employees	Shared Value Collaborative Partnership ESG Performance Overview
3. Governance	2-9	Governance structure and composition	ESG Governance Governance Excellence Transparent & Trustworthy Operations
	2-12	Role of the highest governance body in overseeing the management of impacts	ESG Governance Governance Excellence Transparent & Trustworthy Operations
	2-14	Role of the highest governance body in sustainability reporting	ESG Governance Governance Excellence Transparent & Trustworthy Operations

GRI STANDARD	DISCLOSURE		LOCATION
4. Strategy, policies and practices	2-22	Statement on sustainable development strategy	About TCL Industries Net-zero Strategy
	2-23	Policy commitments	Governance Excellence Transparent & Trustworthy Operations
	2-24	Embedding policy commitments	Governance Excellence Transparent & Trustworthy Operations
	2-25	Processes to remediate negative impacts	Leading Technology Extend Goodness to Everyone Green Products Sustain Endless Growth Governance Excellence Transparent & Trustworthy Operations Shared Value Collaborative Partnership
	2-26	Mechanisms for seeking advice and raising concerns	Leading Technology Extend Goodness to Everyone Green Products Sustain Endless Growth Governance Excellence Transparent & Trustworthy Operations Shared Value Collaborative Partnership
	2-27	Compliance with laws and regulations	covered across the full ESG Report
	2-28	Membership associations	About TCL Industries

GRI STANDARD	DISCLOSURE		LOCATION
GRI 2: General Disclosures 2021			
5. Stakeholder engagement	2-29	Approach to stakeholder engagement	ESG Governance
	2-30	Collective bargaining agreements	Shared Value Collaborative Partnership

GRI STANDARD	DISCLOSURE	LOCATION
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	ESG Governance
3-2	List of material topics	ESG Governance
3-3	Management of material topics	Refer to below table

DISCLOSURES			LOCATION
GRI 201: Economic Performance 2016	GRI 3：Management of material topics	How it manages economic performance	ESG Governance About TCL Industries ESG Performance Overview
	Topic disclosures	201-1 Direct economic value generated and distributed	About TCL Industries ESG Performance Overview
		201-2 Financial implications and other risks and opportunities due to climate change	Net-zero Strategy
GRI 203：Indirect Economic Impacts 2016	GRI 3: Management of material topics	How it manages indirect economic performance	ESG Governance Leading Technology Extend Goodness to Everyone Shared Value Collaborative Partnership
	Topic disclosures	203-2 Significant indirect economic impacts	Leading Technology Extend Goodness to Everyone Shared Value Collaborative Partnership
GRI 204：Procurement practices 2016	GRI 3: Management of material topics	How it manages procurement practices	ESG Governance Shared Value Collaborative Partnership
GRI 205：Anti-corruption 2016	GRI 3: Management of material topics	How it manages anti-corruption	ESG Governance Governance Excellence Transparent & Trustworthy Operations
	Topic disclosures	205-2 Communication and training about anti-corruption policies and procedures	Governance Excellence Transparent & Trustworthy Operations
		205-3 Confirmed incidents of corruption and actions taken	Governance Excellence Transparent & Trustworthy Operations
GRI206: Anti-competitive labor 2016	GRI 3: Management of material topics	How it manages anti-corruption	ESG Governance Governance Excellence Transparent & Trustworthy Operations
	Topic disclosures	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Governance Excellence Transparent & Trustworthy Operations

DISCLOSURES			LOCATION
GRI 301: Materials 2016	GRI 3: Management of material topics	How it manages materials	ESG Governance Green Products Sustain Endless Growth
	Topic disclosures	301-1 Materials used by weight or volume	ESG Performance Overview
GRI 302：Energy 2016	GRI 3：Management of material topics	How it manages energy	ESG Governance Green Products Sustain Endless Growth
	Topic disclosures	302-1 Energy consumption within the organization	ESG Performance Overview
		302-4 Reduction of energy consumption	ESG Governance Green Products Sustain Endless Growth
GRI 303：Water and Effluents 2018	GRI 3：Management of material topics	How it manages water and effluents	ESG Governance Green Products Sustain Endless Growth
		303-1 Interactions with water as a shared resource	Green Products Sustain Endless Growth
		303-2 Management of water discharge-related impacts	Green Products Sustain Endless Growth
	Topic disclosures	303-3 Water withdrawal	ESG Performance Overview
GRI 305：Emissions 2016	GRI 3：Management of material topics	How it manages emissions	ESG Governance Green Products Sustain Endless Growth
	Topic disclosures	305-1 Direct (Scope 1) GHG emissions	ESG Performance Overview
		305-2 Energy indirect (Scope 2) GHG emissions	ESG Performance Overview
		305-4 GHG emissions intensity	ESG Performance Overview
		305-5 Reduction of GHG emissions	ESG Performance Overview
GRI 306: Waste 2020	GRI 3：Management of material topics	How it manages waste	ESG Governance Green Products Sustain Endless Growth
	Topic disclosures	306-1 Waste generation and significant waste-related impacts	Green Products Sustain Endless Growth
		306-2 Management of significant waste related impacts	Green Products Sustain Endless Growth
		306-3 Waste generated	ESG Performance Overview

DISCLOSURES			LOCATION
GRI 308: Supplier Environmental Assessment 2016	GRI 3: Management of material topics	How it manages supplier environmental assessment	ESG Governance Shared Value Collaborative Partnership
	Topic disclosures	308-2 Negative environmental impacts in the supply chain and actions taken	Shared Value Collaborative Partnership
GRI 401: Employment 2016	GRI 3: Management of material topics	How it manages employment	ESG Governance Shared Value Collaborative Partnership
	Topic disclosures	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Shared Value Collaborative Partnership
		401-3 Parental leave	Shared Value Collaborative Partnership
GRI 403: Occupational Health and Safety 2018	GRI 3: Management of material topics	How it manages occupational health and safety	ESG Governance Shared Value Collaborative Partnership
		403-1 Occupational health and safety management system	Shared Value Collaborative Partnership
		403-2 Hazard identification, risk assessment, and incident investigation	Shared Value Collaborative Partnership
		403-3 Occupational health services	Shared Value Collaborative Partnership
		403-5 Worker training on occupational health and safety	Shared Value Collaborative Partnership
		403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Shared Value Collaborative Partnership
	Topic disclosures	403-8 Workers covered by an occupational health and safety management system	Shared Value Collaborative Partnership
		403-9 Work-related injuries	Shared Value Collaborative Partnership
GRI 404: Training and Education 2016	GRI 3: Management of material topics	How it manages training and education	ESG Governance Shared Value Collaborative Partnership
	Topic disclosures	404-1 Average hours of training per year per employee	ESG Performance Overview
		404-2 Programs for upgrading employee skills and transition assistance programs	Shared Value Collaborative Partnership

DISCLOSURES			LOCATION
GRI 405: Diversity and Equal Opportunity 2016	GRI 3: Management of material topics	How it manages diversity and equal opportunity	ESG Governance Shared Value Collaborative Partnership
	Topic disclosures	405-1 Diversity of governance bodies and employees	ESG Governance Shared Value Collaborative Partnership ESG Performance Overview
GRI 406: Non-discrimination 2016	GRI 3: Management of material topics	How it manages non-discrimination	ESG Governance Shared Value Collaborative Partnership
GRI 408: Child Labor 2016	GRI 3: Management of material topics	How it manages child labor	ESG Governance Shared Value Collaborative Partnership
GRI 409: Forced or Compulsory Labor 2016	GRI 3: Management of material topics	How it manages forced or compulsory labor	ESG Governance Shared Value Collaborative Partnership
GRI 413: Local Communities 2016	GRI 3: Management of material topics	How it manages local communities	ESG Governance Shared Value Collaborative Partnership
GRI 414: Supplier Social Assessment 2016	GRI 3: Management of material topics	How it manages supplier social assessment	ESG Governance Shared Value Collaborative Partnership
	Topic disclosures	414-2 Negative social impacts in the supply chain and actions taken	Shared Value Collaborative Partnership
GRI416: Customer Health and Safety 2016	GRI 3: Management of material topics	How it manages customer health and safety	ESG Governance Leading Technology Extend Goodness to Everyone
	Topic disclosures	416-1 Assessment of the health and safety impacts of product and service categories	Leading Technology Extend Goodness to Everyone
		416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Leading Technology Extend Goodness to Everyone
GRI 418: Customer Privacy 2016	GRI 3: Management of material topics	How it manages customer privacy	ESG Governance Leading Technology Extend Goodness to Everyone
	Topic disclosures	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Leading Technology Extend Goodness to Everyone


TCL