TCL

2023
SUSTAINABILITY
REPORT

Our Commitment in Pursuing
Social Responsibility

TCL Communication Technology Holdings Limited

Contents

TCL

About This Report

This is the 9th annual sustainability report released by TCL Communication Technology Holdings Limited (hereinafter referred to as "TCL Communication", or "the Company"). Prepared under the principles of "accuracy, balance, clarity, comparability, completeness, timeliness and verifiability" specified by *GRI Standards*, this report mainly discloses the principles, major progress, achievements, and future plans of TCL Communication about sustainability management. In the future, the Company will regularly publish annual sustainability report according to the calendar year.

Reporting Scope

Unless otherwise specified, our reporting scope focuses on our manufacturing site Huizhou TCL Mobile Communication Co., Ltd., and CNY is the currency unit applied in this report.

Reporting Reference

This report is prepared mainly with reference to the following standards.
- Global Reporting Initiative Standards
- UN Sustainable Development Goals (SDGs)
- UN Global Compact
- ISO 26000: Guidance on Social Responsibility

Reporting Period

The information and data in this report cover the time period from January 1, 2023 to December 31, 2023. However, in order to achieve continuity and completeness of the report, some information may extend from the outlined period.

Data Source and Reliability Statement

All data disclosed in this report are acquired from documents and records in TCL Communication, which is authentic and accurate with no false record or misleading statement.

Report Confirmation and Approval

This report has been approved and confirmed for release by CSR Committee.

Access to and Feedback on this Report

You can access to the electronic version of this report through the official website link of TCL Communication: https://www.tcl.com/global/en.html. For any report-related comments or suggestions, please contact: tct.csr@tcl.com.

Information Restatement

No information in the previous report needs to be restated.

A Message from CEO

TCL

In the era of complex changes, corporate social responsibility is a key bridge between enterprises and society, and has become an important work for high-quality development of enterprises. TCL Industries has always adhered to the corporate mission of "building a sustainable & connected future with advanced technology", played its leading advantage and leading role in the industry in the process of development, actively strengthened cooperation with stakeholders, and continuously improved the management and practice level in environmental, social, governance (ESG) and other aspects, in order to achieve comprehensive, balanced and sustainable development goals.

Following the release of the carbon neutrality white paper last year, TCL Industries adhered to the "3050" goal and commitment, adhered to the green development concept of "Resonating with the times, sharing and co-building with multiple parties, living in harmony with nature", continued to consolidate our low-carbon business capabilities, and accelerated the development of climate transformation. We actively implemented our own carbon reduction measures, increased clean energy substitution, and strengthened the recycling and utilization of electronic waste. In 2023, the carbon emission intensity of TCL Industries' Scope 1 and 2 was reduced by 5.17% compared with the base year (2021). In addition, we took the lead in launching a green supply chain initiative in the home appliance industry, carried out supplier energy conservation and carbon reduction empowerment, and promoted suppliers and other partners to participate in carbon neutrality actions; The launch of the Global Green Initiative "TCLGreen" aims to use technology and art to advocate public participation in environmental protection actions and join hands with the whole society to build a net zero ecosystem.

TCL Industries' employees are located in more than 80 countries and regions around the world. We regard "respecting, cherishing, cherishing and employing talents" as an important guiding principle for employment, respect the diversified background of employees, protect the health, safety and legitimate rights and interests of employees, continuously improve the eagle series talent training system with TCL characteristics such as "young eagle", "flying eagle", "elite eagle" and "soaring eagle", and provide employees with fair and equitable promotion opportunities and career development paths to create an equal, harmonious and dynamic work environment. Under the comprehensive supplier management system, responsible procurement is practiced to promote the sustainable development of the supply chain. At the 2023 TCL Industries Global Supply Chain Ecosystem Conference, we released the TCL Industrial Supply Chain Convention, and joined hands with partners to build a "global, integrated, digital and intelligent, low-carbon" supply chain ecosystem to promote high-quality development of the industry. We are also actively engaged in environmental protection, education, cultural and sports development, community care and other public welfare areas. Throughout the year, we donated 15.89 million RMB and provided more than 28,000 hours of voluntary services, contributing to the building of a harmonious and beautiful society.

Integrity and dedication, success through persistence. TCL Industries will continue to taking on the responsibility of a great nation's brand, integrate corporate social responsibility into the development plan, listen carefully to the needs of stakeholders, actively give play to the leading advantages of technology and the driving role of the industrial chain, continue to create economic, social and environmental values for the development of enterprises, and join hands with all sectors of society to share, create and win together, so as to effectively promote the sustainable development of enterprises and society.

About TCL Communication

TCL

Founded in March 1999, TCL Communication is a world leading mobile terminal manufacturer and internet service provider, and one of the core industries of TCL Group. It is the first global multi-brand mobile company providing a connected experience via leveraging all of its products and services. For more than 20 years, TCL Communication has established its core competitiveness in global carrier partnership, customized manufacturing capability, display technology and commitment to quality and innovation.

◆ **Vast Product Portfolio.**
TCL Communication has been committed to rendering advanced and extremely intelligent devices and experience for consumers around the world. The products mainly include handsets, tablets, mobile connected devices, wearable devices and accessories.

◆ **Strong Sales Network.**
TCL Communication has established a marketing network with six regions as its core, covering North America, Latin America, Europe, Middle Africa, Asia-Pacific and China, and it has businesses in over 160 countries and regions. Besides, the Company has maintained solid partnerships with over 80 global first-tier mobile operators and retailers for more than 20 years.

◆ **Advanced R&D Technology.**
TCL Communication has more than a dozen R&D centers and product laboratories around the world. The Company is among the few companies in the world with core technology patented licenses for 2G, 3G, 4G and 5G.

◆ **Complete Quality Assurance System.**
TCL Communication boasts a single in-house factory (TMC) in Huizhou, Guangdong Province. With a leading SMT production line and MMI automatic testing system and an annual capacity of 120 million units, the factory ensures efficient manufacturing and strict quality control. Meanwhile, TCL Communication has a complete system for quality control featured by ISO9001, TL9000, ISO14001, ISO45001, SA8000, GSV, ISO27001, ISO27701, ISO14064, ISO50001 and IATF16949 certifications.

Following our mission of "Building a Sustainable & Connected Future with Advanced Technology", TCL Communication will keep in investing in advanced technology to provide products and services with extreme experiences for consumers, uphold sustainable development with a strong user orientation, and join hands with our stakeholders to build an open and beneficial industrial ecology.

Product Awards

No.	Product	Awards
1	TCL Onetouch 4021 Feature Phone	iF Design Award 2023
2	TCL NXTPAPER 11	iF Design Award 2023
3	TCL Ultrathin Mesh Router	iF Design Award 2023
4	TCL NXTVISION CARE	iF Design Award 2023
5	TCL Ultrathin Mesh Router	Red Dot Winner 2023
6	TCL Fiber Glass S	Red Dot Winner 2023
7	TCL NXTVISION Care	Red Dot Winner 2023
8	TCL Ultrathin Mesh Router	G-Mark 2023
9	TCL 40 NXTPAPER	G-Mark 2023
10	TCL G10 Plus Tablet	G-Mark 2023

Sustainability Awards and Certifications in 2023

TCL Communication wins EcoVadis Gold medal

ISO 50001 certificate

IATF 16949 certificate

TCL

TCL makes inspirational technology for those destined for greatness and inspire people to pursue greatness through product, platform & opportunities.

The stimulus that drives people
to act, create, develop or change

The moments in life when we achieve our goals, reach
our potential, surprise ourselves and amaze others

INSPIRE GREATNESS

CONNECT GREATNESS
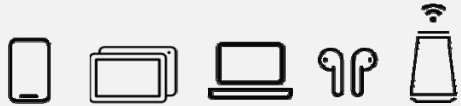
TCL LINK   TCL LINKZONE   TCL LINKKEY   TCL LINKHUB   5G

DISPLAY GREATNESS

NXTVISION   NXTPAPER   NXTWEAR

CAPTURE GREATNESS

SMART SHOT

Our Sustainability Management

As a global mobile company, TCL Communication is committed to empowering consumers to enjoy the latest technologies and making contributions to sustainable development around the world. The Company has established a sustainability management system to ensure cross department coordination to appropriately respond to challenges and opportunities posed by internal and external environment changes and seek for continuous improvement in sustainable development.

Sustainability Management System

Given an overall consideration of the internal and external environment and comprehensive requirements from local laws, government, customers and employees, TCL Communication determined the scope for CSR management system and built a top-down management framework, Corporate Social Responsibility Committee in 2015.

The Committee is in charge of holistic sustainable development and managing important CSR-related issues with the following responsibilities:

A company representative from senior management is delegated to ensure the implementation of the CSR management system and checking its effectiveness periodically, and the CSR management representative is appointed to be responsible for routinely monitoring and promoting continuous improvement in CSR management.

CSR management structure

TCL Industries CSR Committee
Director: Head of Supply Chain and Quality Security Center (SCQSC)

Executive Secretary & CSR Committee Office

Employee Care Working Group
Employee's basic rights and interests, occupational health and safety, etc.

Environmental Protection Working Group
Environmental compliance, energy saving, emission reduction, green design optimization, etc.

Equal Operation Working Group
Anti-corruption and bribery, fair competition, respect for intellectual property rights, etc.

Sustainable Procurement Working Group
Green supply chain, responsible procurement, supervision and education to improve suppliers' CSR performance, etc.

Philanthropy & Community Engagement Working Group
Public welfare charities, volunteer activities. etc., in cooperation with TCL CSR Innovation Center.

Management authority	CSR Committee	Position	Highest decision-maker
Responsibility	Setting CSR strategic planning goals		
	Deciding on important CSR projects or issues		
	Promoting CSR capacity building of TCL Industries and its subsidiaries		
	Reviewing TCL Industries' CSR report and TCL Electronics' ESG report and providing guidance		

Management authority	CSR Committee Office	Position	Executive body
Responsibility	Researching internal and external CSR policies		
	Promoting CSR strategic planning		
	Collecting and organizing CSR performance and reporting to CSR Committee regularly		
	Organizing the review of the CSR report of TCL Industries and ESG report of TCL Electronics		
	Organizing and participating in CSR industry exchanges		

CSR Policy

◆ **Energy conservation and consumption reduction**. The Company operation and products are beneficial to energy conservation and consumption reduction of raw materials. The Company has adhered to operational environmental friendliness and operational carbon reduction while embedding eco-design concept into product research and development.

◆ **Green Production**. In line with the customer requirements for hazardous substances and Hazardous Substance Process Management. Forbidden or restricted use of hazardous substances. Promotion of hazard-free treatment on processes and products and green production for environmental protection.

◆ **People orientation**. The Company provides occupational health and safety training for employees to enhance their health & safety awareness and capabilities, and strives to create a safe, healthy and comfortable working and living environment.

◆ **Health and safety**. The Company has established an occupational health and safety responsibility management system to improve safety production and constantly elevate the occupational health conditions of employees.

◆ **Accountability**. The Company shoulders responsibility for providing premium services to our customers, for the healthy development of employees, for win-win cooperation with partners, for environmental protection and saving as corporate citizens.

◆ **Benefit the society**. The Company fulfills its corporate social responsibility to ensure the sustainable development of enterprises, and improve the quality of life while pursuing excellence.

Stakeholder Engagement

The sustained healthy development of the Company cannot be separated from the standing support and trust of stakeholders. The Company has set up a platform for encouraging comprehensive and genuine communication. In this way, the Company can actively investigate and respond to the expectations and requirements proposed by stakeholders, so as to evaluate sustainability risks, increase operation transparency and achieve benign and closer relationships with stakeholders.
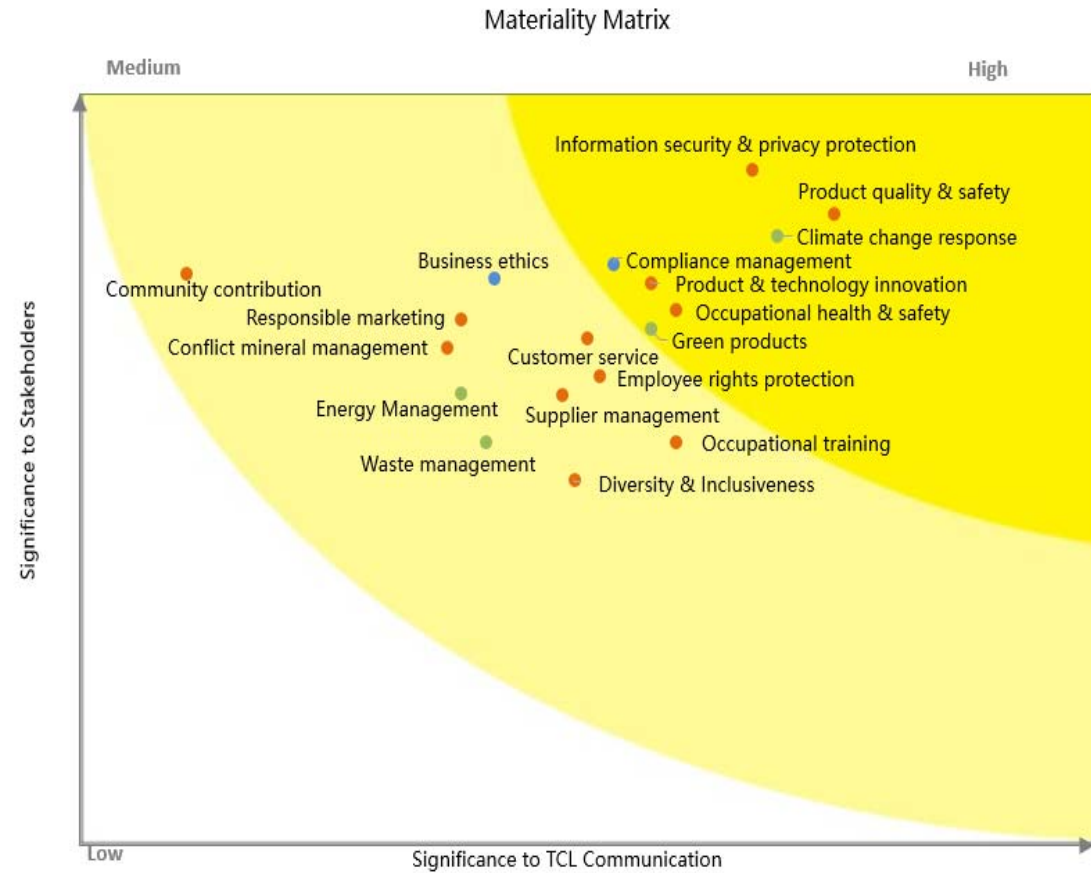
Stakeholders	Employees	Customers/ users	Suppliers	Shareholders/ investors	Government	Communities	Public organizations
Focus	Health and safety in workplace Compensation, benefits and incentives Capacity building Working experience Employee relationship Work and life balance	Product safety and high quality Protection of information security and privacy Timely and efficient service Environmental friendliness and carbon emission reduction After-sales recycle	Fair and transparent selection process Stable financial performance and payment Long-term cooperation Training	Company businesses Long-term development plan and financial performance Company governance and risk control	Compliance management Safeguard rights and interests of employees Stable operation Drive regional economic growth Green operation	Contribute to sustainable development of communities Share development fruits	Cooperative relationship Experience and expertise sharing Information communication and sharing
Several ways for communication	Regular communication meeting SPT meeting Staff suggestion box Questionnaires Hotline, email Labor Union	Customer satisfaction survey Customer meeting/ workshop CSR questionnaires Customer audit, investigation and cooperation projects After-sales service	On-site audit and communication Regular visit High-level exchanges	Phone call and email Work report Performance setting and evaluation	Attend meeting Policies and regulations	Community programs Public welfare activities	Regular communication Program cooperationCoam
Company response	Provision of market-competitive compensation, benefits, learning and promotion opportunities Organisation of employee activities Provision of a good working environment Development of a transparent employee management mechanism	Enhancement of all-round quality control Innovation of service and product diversification Customer satisfaction survey Use of green technology to manufacture products Strengthening of the protection of customer privacy	Development of a responsible supply chain Joint development and improvement of products IT training	Improvement of operational transparency and regular disclosure of business and financial information Improvement of corporate governance and investor relationship management Maintenance of business and profitability growth, and value creation for investors	Implementation of regulatory policies Payment of taxes according to law Taking the initiative to shoulder social responsibilities Carrying out business activities to meet the needs of the industry and regional economic development	Promoting industrial development and strengthening multi-party business cooperation Exploring new business models \Promoting technological innovation and change in the industry	Actively participating in targeted assistance Carrying out community development in depth Carrying out public welfare activities

Materiality Analysis

Based on the information collected through stakeholder engagement, a wide range of environmental, social and governance issues that worth attention are hence generated. Materiality analysis is a vital input for the Company to elevate its sustainability management level, and is also beneficial for the Company to focus on the key areas that affect its operation. Therefore, materiality analysis is carried out to comprehensively evaluate and prioritize these issues. In the future, the Company will commence special management work for the material issues to pursue continuous improvement in sustainable development guided by its overall development strategy.

Legend:
- Environment
- Social
- Governance

Materiality Matrix

Medium / High

Significance to Stakeholders (y-axis)

Significance to TCL Communication (x-axis), Low to High

Data points:
- Information security & privacy protection
- Product quality & safety
- Climate change response
- Business ethics
- Compliance management
- Product & technology innovation
- Community contribution
- Occupational health & safety
- Responsible marketing
- Green products
- Conflict mineral management
- Customer service
- Employee rights protection
- Energy Management
- Supplier management
- Occupational training
- Waste management
- Diversity & Inclusiveness

Sustainable Development Goals & Progress

TCL

Theme	SDGs	2028 Goals	TCL Actions	Progress in 2023
Focus on Technology and Product Innovation		• No complaints on product environmental performance • No complaints on products endangering consumer health and safety • Percentage of recycled materials used in product packaging reaches 85% • 100% suppliers sign Environmental Materials Declaration	The Company has been devoted to product research while pursuing products which are more environmentally friendly and user friendly, such as hazardous substance substitution, recycled materials application and energy-efficiency product research.	• No complaints on product environmental performance • No complaints on products endangering consumer health and safety • Percentage of recycled materials used in product packaging reaches 75% • 100% suppliers sign Environmental Materials Declaration
All about Our Customers		• 100% of employees receiving information security awareness training • No whistling on information and privacy security	The Company has been engaged in information and privacy security by establishing management system and structure, formulating rules and procedures, risk assessment, emergency response and regular training.	• 100% of employees receiving information security awareness training • No whistling on information and privacy security
Compliance Management		• 100% of suppliers signing Integrity Agreement • No bribery, corruption, extortion and embezzlement incidents • No whistling on money laundering incidents, unfair competition, false advertising incidents and information security • 100% of workers are trained on business ethics • 100% coverage of conflict of interest declaration • 100% information confidentiality commitment coverage	The Company has been focusing on compliance management through Business Behaviors Code, regular training courses, and risk assessment and control, as well as whistle-blowing mechanism.	• 100% of suppliers signing Integrity Agreement • No bribery, corruption, extortion and embezzlement incidents • No whistling on money laundering incidents, unfair competition, false advertising incidents and information security • 100% of workers are trained on business ethics • 100% coverage of conflict of interest declaration • 100% information confidentiality commitment coverage
Ingrained in Green Development		• Total amount of energy consumption 2100tce • Total GHG emissions 2366926.27tce • Total natural gas consumption 90000 m^3 • Total amount of water consumption 120000 m^3 • Industrial welding exhaust emissions 100% conform to standard • Kitchen fume emissions 100% conform to standard • Factory boundary noise 100% conform to standard • VOC emissions conform to standards • No chemical leakage incidents	1. The Company has been continuously promoting energy-saving reformation and renewable energy use for optimizing energy structure. 2. The Company has been keeping up closely with governing laws and regulations for environmental pollutants and conducting regular inspection by authorized parties. 3. The Company has always been strict with chemical treatment to ensure safety.	• Total amount of energy consumption 1764 tce • Total GHG emissions 1355097.91tCO_2e • Total natural gas consumption 78284 m^3 • Total amount of water consumption 207655 m^3 • Industrial welding exhaust emissions 100% conform to standard • Kitchen fume emissions 100% conform to standard • Factory boundary noise 100% conform to standard • VOC emissions conform to standards • No chemical leakage incidents

Theme	SDGs	2028 Goals	TCL Actions	Progress in 2023
People-centered Development		• No Complaints on child labor use, forced labor, harassment and inhumane treatment • 100% timely signing ratio of new employee labor contracts • Social insurance coverage 100% • 100% Percentage of workers with 1-day off in 7 consecutive days • 100% on-time salary release • Frequency of management attending company-level employee communication meetings exceeds once a quarter • 100% timely closure ratio of problems on communication meetings • 100% coverage of quarterly performance evaluation • 95% timely completion ratio of annual training plan • No safety accidents resulting in disability or death • No occupational disease, poisoning incidents • No major fire and explosion incidents • No major mechanical security incidents • No major public security and asset thievery incidents • No deaths due to occupational injury	The Company has been adhering to its people-oriented policy in its development. We focus on safeguarding legitimate rights and interests of employees and care about the development of them.	• No Complaints on child labor use, forced labor, harassment and inhumane treatment • 100% timely signing ratio of new employee labor contracts • Social insurance coverage 100% • 100% Percentage of workers with 1-day off in 7 consecutive days • 100% on-time salary release • Management attending company-level employee communication meetings once a quarter • 100% timely closure ratio of problems on communication meetings • 100% coverage of quarterly performance evaluation • 95% timely completion ratio of annual training plan • No safety accidents resulting in disability or death • No occupational disease, poisoning incidents • No major fire and explosion incidents • No major mechanical security incidents • No major public security and asset thievery incidents • No deaths due to occupational injury
Empowering Ecology for a Better Future		• Supplier Corporate Social Responsibility Notice Coverage reaches 100% • CSR audit coverage for new supplier introduction reaches 100% • On-time CAP submission and corrective actions taken for supplier annual auditing reaches 100%	The Company has been promoting social responsibility across its supply chain by including CSR requirements into supplier contracts, CSR risk assessment, CSR audit and training program.	• Supplier Corporate Social Responsibility Notice Coverage reaches 100% • CSR audit coverage for new supplier introduction reaches 100% • On-time CAP submission and corrective actions taken for supplier annual auditing reaches 100%

Heading into Future with Leading and Intelligent Products

TCL Communication has been keeping investing in areas close to the wellbeing of people (such as intelligence, health, low carbon and energy conservation), and leads the industry in technology innovation with an aim to enrich life experience of people with cutting-edge products and services, which is a precise illustration of the concept "The Creative Life" of the TCL Group.
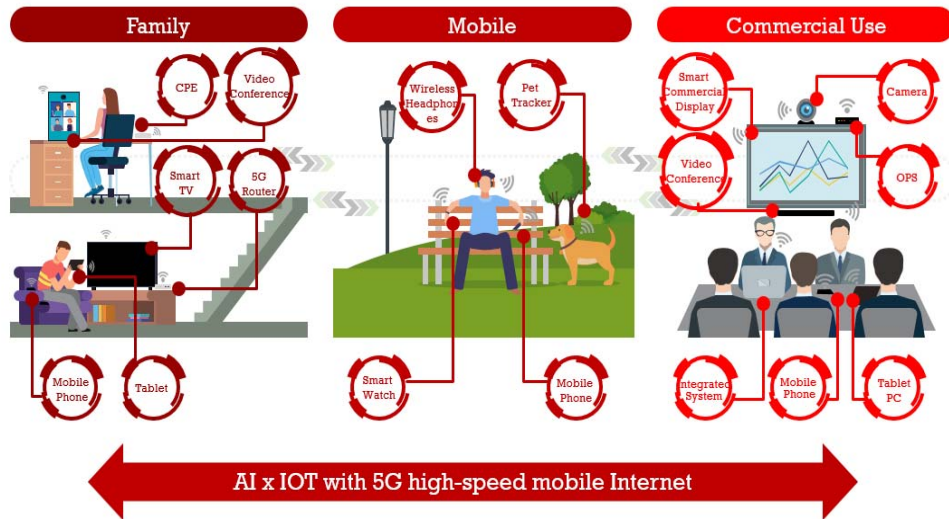
R&D of Cutting-edge Technologies

TCL

Guided by the mission of "building a connected world and make life better" and empowered by "AI x IOT" strategy with 5G high-speed mobile Internet, TCL Communication aims to create smart living user scenarios in family, mobile and commercial use that are fully integrated with each other.

With its leading technology in 2G to 5G, which is manifested by its software operation system, smart photographing and video technology, edge computing, smart connection and sensor application technology, the Company is capable of providing all-scenario product solutions including CPEs, mobile phones, tablets, wireless headphones, pet trackers, smart watches and video conference devices.

"AI" with intelligent display as its core

"IOT" to create smart life that covers all scenarios and all categories for users
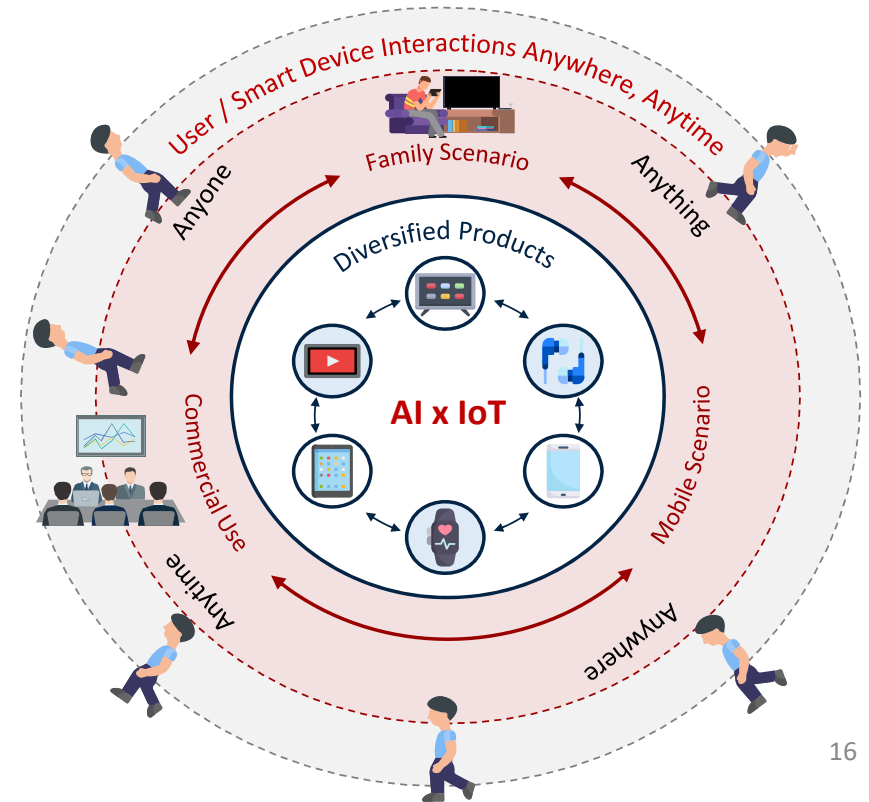
- **5G democratization**

One of our key mission is to bring 5G to everyone and everything to enable every possible use. We were the first to demonstrate an end-to-end 5G solution in 2015. Since then, we have introduced multiple 5G enabled devices bringing fast, reliable, and affordable 5G to home, business, education, and M2M environments.

- **NXTPAPER display**

Pioneering NXTPAPER display innovation focuses on preserving eye health, a growing concern in today's ever-connected digital world. The TCL NXTPAPER is a game changer in the industry. It's the world's 1st Full-Color Electronic Paper Display combining the best of hardware and software innovation to deliver unparalleled eye comfort by reducing both harmful blue light emissions by up to 61% and screen glare.

- **AI technology**

We are integrating future-ready AI into products to elevate users' digital experiences. Our AI is already helping users reimagine how they capture and create and will soon power their everyday productivity needs.

Star products

TCL 40 NXTPAPER 5G
Made for the quintessential professional looking to stay connected at all times, the TCL 40 NXTPAPER 5G delivers exceptional eye comfort and lightning fast 5G connectivity to breeze through tasks with ease whilst on-the-go. The stand-out 6.6" HD+ NXTPAPER display coupled with the paper-like viewing experience and the NXTPAPER UI make it an ideal choice for extended reading and document handling.

TCL 40 NXTPAPER
TCL 40 NXTPAPER smartphone comes with a 6.78" FHD+ NXTPAPER display, dual speakers, and 3D boom sound powered by DTS for an immersive audio-visual experience. It features a 32MP selfie camera, to capture striking detail and unique expressions. The versatile 50MP rear triple camera system, complete with a 5MP ultra-wide camera and a 2MP macro sensor, effortlessly allows users to take landscapes, portraits, and intricate details.

TCL NXTPAPER 11
TCL NXTPAPER 11's striking 11-inch 2K display delivers a stunning picture, with AI Visual Boost making colors bolder and more lifelike. TCL NXTPAPER 11 also packs a productivity punch. Whether it's hosting video calls with the 8MP front wide-angle camera or taking notes with the ultra-realistic optional T-pen, TCL NXTPAPER 11 makes life easy.

TCL TAB 11
TCL TAB 11 is an entertainment powerhouse, offering a stunning 11-inch 2K TCL NXTVISION display and quad speakers. Weighing just 462g, TCL TAB 11's slim 6.9mm design fits into almost any bag, perfect for life on the go. But, if you only want to use the tablet at home, TCL TAB 11 has LTE and non-LTE variants, giving you flexibility to enjoy it however you choose.

TCL LINKHUB 5G HH512L
delivering lightning-fast speeds up to 3.47Gbps with support for 5G NSA/SA. Enjoy seamless connectivity with dual-band Wi-Fi 6E (AX3600), providing ultra-fast wireless speeds. The HH512L features two Gigabit Ethernet ports for wired connections and an RJ11 port for voice service. Experience cutting-edge performance and versatility in one powerful device.

TCL LINKKEY 5G IK512
Experience blazing-fast 5G speeds with the IK512, a powerful USB dongle delivering up to 2.46 Gbps download speeds. The IK512 is easily managed via AT command or WEB GUI. Its flexible design features a USB-C port for convenient connectivity and IP51 resistance for enhanced durability. Whether you're looking for a reliable 5G solution for your personal devices or require a robust connection for M2M applications, the IK512 is the perfect choice.

Healthy and Inclusive Products

TCL Communication strives to investing in technological development that brings benefit to the society and the wellbeing of users. That is why the Company has always been committed to developing products that are highly adaptive to different users with flexible and powerful capabilities.

◎ Pay Attention to User Health

We continue to pay attention to the current popular health hot topics, actively embrace the health needs of users, introduce user health data monitoring technology in the product design process, and invest in several cutting-edge health technologies according to the nature of the product to advocate users' smart and healthy life.

Health monitoring function

To ensure that users' personalised health needs are met, we apply user health data monitoring technology in our products to further improve user experience. We introduce the heart rate monitoring function in mobile communication products, pay attention to the health status of users and prevent abnormal conditions.

Eye protection function

We have developed and applied health display technologies in mobile phones and tablets, such as NXTPAPER and brightness comfort adjustment curves that are used to provide users with visual protection to strengthen and upgrade the visual experience and bring users a comfortable "relaxing feeling" for their eyes.

The Company continued to launch various types of low-blue light products. These products have obtained certification from various professional institutions such as TÜV Rheinland and National Engineering Research Center for Ophthalmic Equipment, which is to reduce the harm of harmful blue light to human eyes when using electronic products.

low blue light certifications

◎ Creating barrier-free products

We prioritize the health of customers, including those with disabilities and the elderly. We continue to promote the research and development of technology barrier-free products. Our goal is to provide convenient and accessible product experience for different user groups.

Our mobile phones sold to North America follow the American National Standard Methods of Measurement of Compatibility between Wireless Communications Devices and Hearing Aids. With Hearing aid compatibility, our products do not have harmful effect on hearing aids, while providing reliable hearing aid service for or hearing-impaired people.

For hardware design, we provide two ways of coupling including acoustic couple and magnetic OTA, so as to realize compatibility of different hearing aids, and the sound quality is free from being affected by environment noises. For software design, we have developed clear and easy-to-use operational interface to achieve the switch between ordinary sound mode and hearing aid mode.

For children users, our tablets adopt the product design which is more suitable to their nature, usages and behaviors.

Color: establish a clear color class, set visual distinctions for foreground, background and interactive operation, and design reasonable color richness for children of different ages to reduce the complexity of visual information while maintaining the appeal to children users.

Page organization: product layout design keeps the content concise and focused to the maximum extent, controls the amount of information, and reduces the cognitive and operational obstacles caused by information overload for children users.

Interactive operation: choose to use simple gestures that can be easily completed by children, enlarge icons, buttons and spacing in the product to prevent touch by mistake, and reduce the cost of learning interactive operations for children users.


Meanwhile, we consider product attributes while strengthening brand recognition. For children's products, it is necessary to reach a kind of resonance between the media and children. IP is the best embodiment of brand cognition for children. Emotional design of multiple scenes is adopted to design IP image "KIKI" as a good friend of children, so as to reduce children's resistance to learning and boring feelings.

Product Quality Management

Upholding the quality policy of "Customers First, Best-in-class Product Quality and Continuous Improvement", We have established an end-to-end quality management system throughout the life cycle, value chain, and industry chain to continuously improve the quality of our products and services.
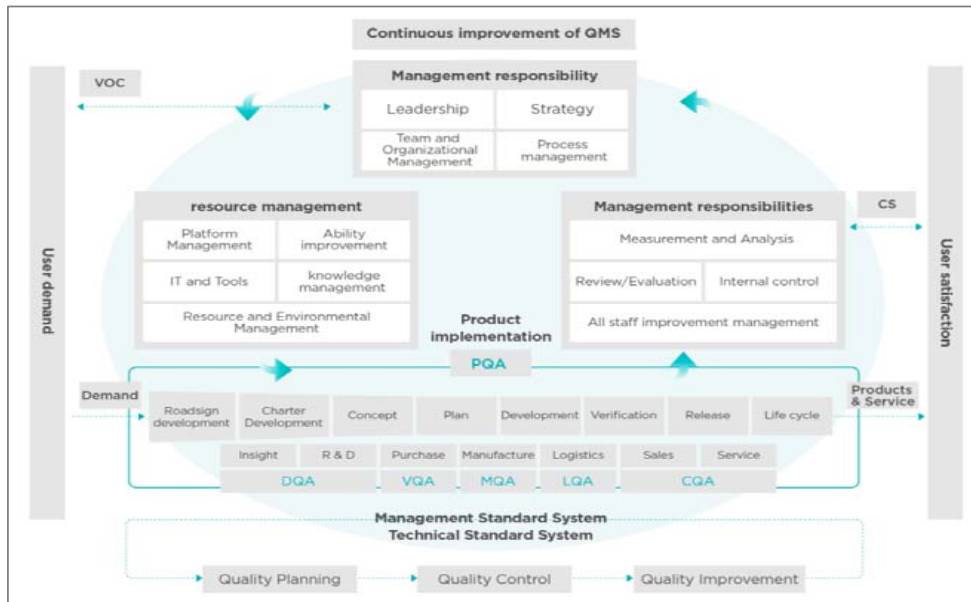

Product Quality Control Process of TCL Communication

Through the IPD-based integrated development, intelligent manufacturing, we have established a smart service system, construction of a digital quality management system, and promote the digitization and intelligence of quality management activities, and implement risk prevention management through tools such as DFx and FMEA, to enhance the organization's ability to do the right thing at once, ensuring the quality level of our products and services.

On the other hand, we continuously improve our measurement and improvement system, monitoring, analyzing, and improving quality data and performance; By conducting regular strategic reviews and evaluating the maturity model of the quality system, continuously optimizing quality management strategies, addressing strengths and weaknesses, and continuously improving quality management capabilities. With a sound quality management system, TCL Communication is capable of safeguarding product quality across the entire product life cycle, including project definition, research and development, production and maintenance. In 2023, our quality maturity showed a good performance with 4.0 points achieved.
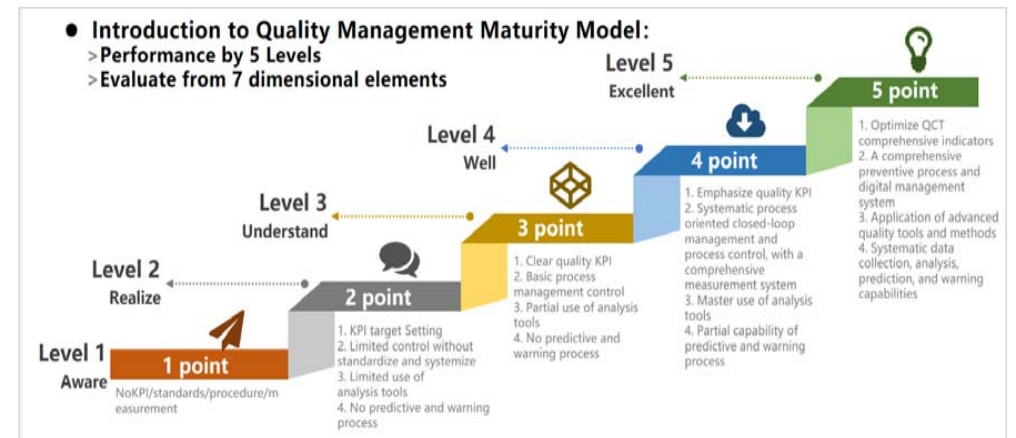
Case| DFMEA risk identification has been implemented in 3 product lines

In 2023, TCL Communications convened 43 R&D engineers to attend DFMEA training organized by TCL Industries in Shenzhen office. TCL Communication has fully implemented the promotion of the company's quality culture and raised employees' awareness of quality management through workshops, internal process trainings, external lecturers' practical trainings, seminars, arrangement of quality management lists for each core department and special review meetings.

Case| 6 Sigma Black Belt Training

TCL Communication organized a two-week 6 Sigma training. The training not only provided the trainees with systematic theoretical knowledge, but also helped them master the application skills of 6 Sigma methodology through practical cases and simulation exercises. In the future, we will continue to organize similar training and exchange activities to continuously improve the professional quality and skill level of our employees.

Development of Quality Culture

Quality culture is one of the core competitiveness of enterprises, A good quality culture is of great significance for improving product and service quality, reducing enterprise costs, enhancing team cooperation, and shaping enterprise reputation. TCL Communication highly values the quality culture development of the Group. We provide quality training and set goals every year.

Besides, we carried out various quality training courses on system, management development, profession/technology and general basic training, to enhance relevant personnel's general and professional skills in respect of basic knowledge consolidation, policy interpretations, and application of quality tools. We also pay attention to creating an atmosphere to value quality, and forge a working environment in which "everyone cares about quality, values quality, and pursues quality" by carrying out quality culture publicity, quality knowledge contests and quality speech contests.

Case| TCL Communication Launched a Series of Quality Culture Activities

In 2023, TCL Communication launched a quality culture activity themed "Customer First, Do It Right Once for All". It is composed of three parts: the quality speech contest, Quality Control Circle (QCC) contest, and Quality Knowledge Competition. In the activity we commended excellent quality management examples in design, production and service. There were altogether 32 projects in the QCC contest and 15 of them stood out. This activity aimed to cultivate QCC talents with theoretical knowledge and practical ability, to effectively strengthen the ability of quality team, and to create a strong atmosphere to value quality.

QCC Improvement Program Held by TCL Communication

Safeguarding Product Safety

With safety and quality taken as the core of products, TCL Communication has closely followed relevant laws and regulations from home and abroad, established sound product quality and safety management. Our products are subject to relevant safety certification in accordance with international safety standards.

To ensure reliable and safe products delivered to end users, TCL Communication has formulated Environment-related Substances Management Standard for chemicals control in its products, which is also available on our official website. As seen, the Company has established comprehensive hazardous substances control procedures, which ensure our products meet REACH, RoHS and customer-required Halogen-Free requirements.

TCL Communication initiated a halogen-free technical standard program in 2022 based on the legal and customer requirements with the aim to achieve halogen-free bill of materials for handsets. We updated the Environmental Materials Management Standard V1.7 and continuously updated the corresponding environmental requirements for both internal and external supply chain control.

TCL Communication has established a full-link product safety management and control, from key components such as batteries to the design, development, production, testing, storage, transportation and after-sales of the product to formulate clear safety norms and control measures, strengthen process safety testing and investigation, and comprehensively protect product quality and safety.

◆ Identify relevant requirements from customers or laws and regulations, and convert into internal product design process.

◆ Evaluate material application circumstances and technological features of different raw materials, so as to adopt the applicable material which is more environmental friendly.

◆ Assess the risk of hazardous substances if not avoidable under current technical conditions.

New product development phase
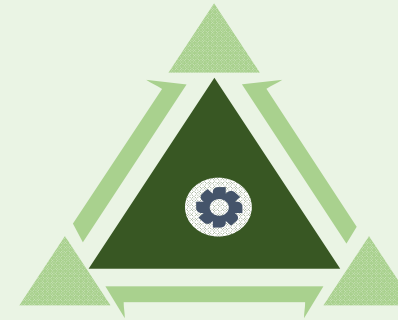
Sourcing phase

◆ Give priority to sourcing from suppliers with a sound hazardous substance control system.

◆ Make clear the requirements for project HSF management and deliver them to suppliers.

◆ All raw material suppliers are required to provide hazardous substance testing reports issued by certified third parties in accordance with relevant standards.

Product realization phase

◆ Integrate relevant requirements into process control, shipping and nonconforming products management.

◆ Product test as a whole by third-party agencies.

Case| We use less hazardous alternative substances in operations

In response to the new batch of national mandatory standards for VOCS implemented in 2020-2021, we have identified the paints, inks, adhesives and cleaning agents used in the raw materials and processes of our products, update the "Environmental Material Management Standards" and communicate the requirements to our suppliers, and carry out a check of the auxiliary materials we use to confirm that the paints, inks, adhesives and cleaning agent products we use comply with the national low VOCs content. The following is the result of the VOC content of an organic solvent cleaner commissioned by SGS, which is the highest used by our company, and its VOC content is 785g/L, which is lower than the limit value of the national standard "Limit Value of Volatile Organic Compounds Content in Cleaning Detergents", GB 38508-2020, which is 12.7%.

Test Report   No.: CANEC24010958502   Date: May 31, 2024   Page 2 of 4

Test Result(s):

Test Part Description:

SN ID	Sample No.	SGS Sample ID	Description
SN1	A.C001	CAN24-0109585-0001.C001	Colorless transparent liquid

Remarks:
(1) 1 mg/kg = 1 ppm = 0.0001%
(2) MDL = Method Detection Limit
(3) ND = Not Detected (< MDL)
(4) "-" = Not Regulated

GB 38508-2020—Volatile Organic Compounds (VOC)

Test Method: With reference to GB 38508-2020.

Test Item(s)	Limit	Unit(s)	MDL	A.C001
Volatile Organic Compounds(VOC)	900	g/L	2	785
Conclusion				Pass

Case| We reduce material consumption through process optimization

Most of the dysfunction reasons for BOX power supply in test stations are strongly related to the internal power supply of 5V switching power supply. Previously, the accessory was purchased in the form of parts, and it was directly replaced when it was confirmed that it was broken.
Then we digged into the dysfunction to find out whether there is any opportunities for resue and maintenance.
The 5V switching power supply with imported capacitor was replaced and found our that there was no problem with the design of this switching power supply, but the manufacturer chose a capacitor with low performance for cost consideration, which caused the failure problem.
Through process optimization including replacing the power supply with disassembly of 13 screws and wiring, and replacing the capacitor with disassembly of 2 screws, we have greatly saved maintenance time and improved work efficiency. Meanwhile, the materials applied in the process have been significantly reduced.

更换了进口电容的5V开关电源

Sustainable Product Innovation

TCL Communication is held responsible for its products across the entire life cycle and we have been incorporating green concept into all stages of a product's life cycle, which include raw materials acquisition, product design, production and transport, product use and end-of-life disposal, also known as "from cradle to grave".

◎ Raw Materials Acquisition

In this stage, we have ingrained green concept into product packaging and raw materials selection. We have resorted to several ways such as "3R" principle to apply more environmentally friendly materials to our products.

- Lightweight design in packaging to reduce resource consumption. We have been continuously optimizing packaging lightweight design and voidage rate reduction.

Mobile Phone

Former:
184×95×63 mm 212g

Optimization:
180×85×42 mm 128g

Mobile Phone

Former:
172×89×60 mm 94g

Optimization:
172×89×50 mm 69g

- Digitalization. We reduce inbox documents and optimize PSI by simplifying the content of PSI on the basis of compliance related laws and regulations, adopting electronic format instead of paper and uploading it on the website, creating a user-friendly interface on that allow end users to get the information conveniently and accurately.

- Environmentally friendly materials applied in packaging for speeding up circular economy. For instance, we adopt soybean ink instead of traditional oil ink to minimize the impact on environment. Our packaging includes 75% recycled paper. Our product packing box applies FSC certified ones, which is beneficial to stabilizing the living environment of endangered species and biodiversity as well as the ecological system.

Soybean ink

Soybean ink is used for packaging printing, which is renewable, harmless, recyclable and disposable.
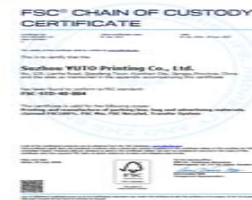
FSC certified

FSC certified packing box is used for minimizing the harmful effect on the environment and living species.

- Plastic replacement in packaging to promote sustainable consumption. We have designed our packaging to remove the use of plastic bags, ribbon and films, which is replaced by all-natural materials.

Charger packing: remove the plastic bag and change to paper bag
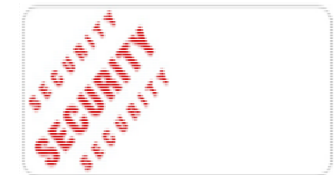
Security sticker: remove the plastic and change to paper

- Hazardous free materials applied for minimizing the impact of end-of-life treatment. TCL Communication has established hazardous materials management system in accordance with QC080000 to ensure all the products are in conformity with environmental standards.

◎ Product Design

- Improving product energy efficiency. We have been devoted to research in eco-design of our products with an aim to manage the environmental impacts of our products. For instance, Antenna and RF innovatively design reduces call scene consumption by 10%, the highlight screen design reduce LCD consumption by 10%, LCD high-definition and high-brightness technology – reduce the LCD daily brightness backlight consumption by 23% through wedge light guide plate dot technology and backlight frame reflective surface processing technology.

	Sleep mode strategy
	An application capable of intelligent prediction of sleep time of users and disabling non-essential applications from running in the background, limiting the power consumption during sleeping to 2%.
	Smart 5G strategy
	Smart switch to 5G and reduce power consumption by 10%. Normal saving mode: if there is no large data running, 5G is limited when screen off or battery is very low. Super saving mode: limit 5G except games, online videos, downloads applications.

- Lightweight product design. For instance, we replace front housing alloy with front housing aluminum sheet, reducing 4.1g of each product. Besides, we reduce battery cover CNC thickness from 0.95mm to 0.65mm, reducing 6g of each product. We also remove chargers upon request by customers.

Before	After		
Front housing alloy	Front housing aluminum sheet	Battery cover CNC	Charger removal
29.2g	25.1g		

◎ Production and Transport

In the process of product manufacturing, we use energy-saving equipment as much as possible and save energy through relevant management regulations. Besides, we also have a distributed PV system in place for optimizing energy structure. For the transport process, we resort to the optimization of delivery tools, such as air change to sea shipment and train delivery from China to EU..
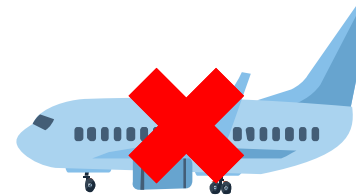
◎ Design for Reuse & Recovery

TCL products not only use ECO friendly materials for the casings but also designed for **easy assembly and disassembly.**

For instance, for smart-connected devices, we make the product easier to assemble and disassemble by reducing the number of screws and shell fasteners compared to previous generation products.

This simplifies subsequent repairs and refurbishments, enhancing after-sales efficiency and customer satisfaction, extending product lifecycles, and reducing plastic waste.
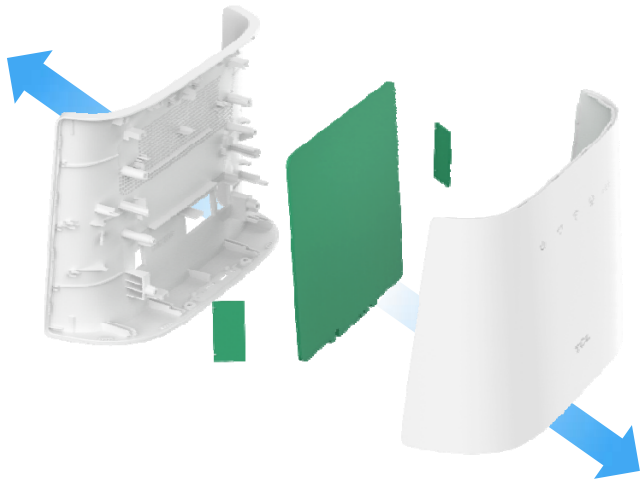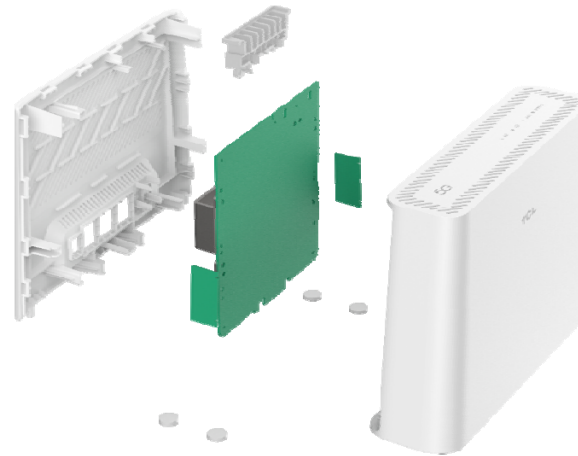
HH62   HH515L   HH516

◎ Product Use

- TCL Communication is committed to rendering more durable products for our users. Each product has experienced stringent environmental shock test and drop test.
- Easy-to-dismantle design is widely applied to our products. The unified specification of screws, buckles and screens can be the best example. Therefore, standardized disassembly tools such as screw drivers and plastic spudgers are merely required for disassembly, enabling easy dismantling. Moreover, these tools are also in unified specification, which makes it easy for reuse and recycling.

◎ Product Disposal

- The disposal of products may bring harmful effects to the environment. TCL Communication proactively fulfills its extended producer responsibility obligations and takes various measures to reduce its environmental impact.
- We actively participate in the WEEE program and provide funding to support local recycling systems by working with professional third-party recycling companies.

- For instance, we have launched an electronic recycling program and worked closely with our ISO14001 certified partner, Electronic Manufacturers Recycling Management Company (MRM) in the US, to offer the Nationwide Mailback Program (http:/www.mrmrecycling.com/recycle-now.php) with which consumers can generate a pre-paid shipping label to return their unwanted phones and tablets for recycling.

Case: Proper disposal notice of product on pacakaging to promote circular material flow

As a manufacturer of electronic and electrical appliances, our products and packaging are designed with recyclability in mind. In order to better fulfill our Extended Producer Responsibility (EPR) and reduce the environmental impact of our products and packaging after disposal, we have added the Triman logo and other logos to our original trash can logo on the product packaging to better remind users to put them in the appropriate recycling containers and to encourage more people to participate in waste recycling and sorting.

29

Case: Crossed-out wheeled bin symbol printed on product

According to the EU WEEE Directive, products that fall within the scope of the EU WEEE Directive are required to print a trash can logo in a conspicuous position on the product, which indicates that the electronic product should not be discarded as ordinary trash at the end of its service life but should be recycled in accordance with the relevant EU regulations; some parts of the product, such as batteries, electronic components, etc., may contain hazardous substances or recyclable materials that require special treatment to protect the environment.

◎ Product Environmental Impact Assessment

We also closely follow the environmental impact of the whole life cycle of products, and are committed to minimizing the carbon emissions generated throughout the process of product production, transportation, use and disposal. We continue to promote carbon labeling of our products, with the aim of guiding and meeting consumers' demand for green consumption and environmentally friendly products through green design.

Case: TCL products have been UL ECOLOGO certified

Our products including mobile phones (models including DUBAI VZW, BUFFALO and DOHA TMO), tablets (TCL TAB Disney Edition 2) and watches (WATCH 43 ADUIT) have been UL ECOLOGO certified, which proves energy efficiency and good environmental performance.

Case: SCD products contain 95% or higher percentage of PCR materials.

Device

90.9%
Recovery
in validation

WEEE

85%
Recycling
in validation

Casing

100%
ABS Plastic
(Recyclable)

95% or Higher
PCR
(Recycled)

Plastic free

Halogen free

100% Recyclable
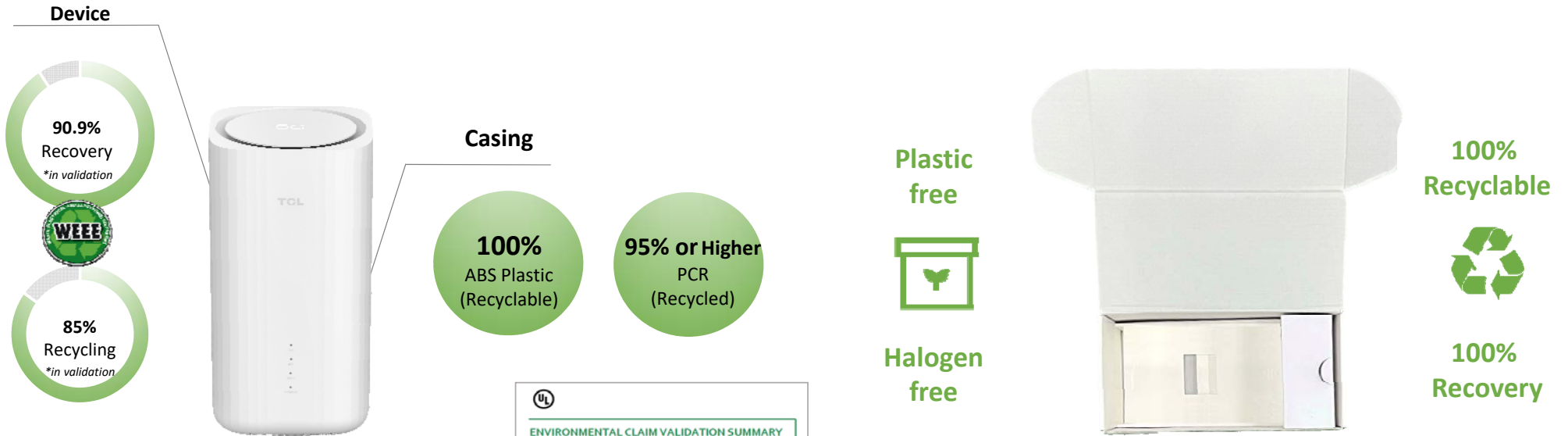
100% Recovery

- Casing material is 100% recyclable.
- Device material are 90.9% recovery & 85% recycling.
- 95% or higher percentage of PCR materials are used in casing.

(UL)

ENVIRONMENTAL CLAIM VALIDATION SUMMARY

Guangdong Sinoplast Advanced Material Co Ltd
HF420-R95 (all colors)
Report Number:
23xB23y4.310
Validation Period:
12 Oct 2023 - 12 Oct 2024

Claim:
HF420-R95 (all colors) contains 95% post-consumer recycled content.
Method:
Environmental Claim Validation Procedure (ECVP) for Recycled Content, UL ECVP 2809-2, First Edition, dated April 6, 2023
Facility:
368, Jiangbei Bubugao Rd, Wusha, Chang An, Dongguan, Guangdong, 523880, China

Casing supplier PCR content validation

- Gift box and inner paper tray are 100% recyclable & recovery.
- Protect and fix the products and accessories in place with paper.
- No single use plastic in the packaging.
- No outer plastic wrap.

All About Our Customers

TCL Communication always regards "Customer First" as our core concept, listens attentively to customers' voices, and treats user satisfaction as our priority of service. It is our duty to protect customers' privacy and maintain information security. We attach importance to honest and responsible marketing, fully safeguard the legitimate rights and interests of customers, and strive to win their trust and support.
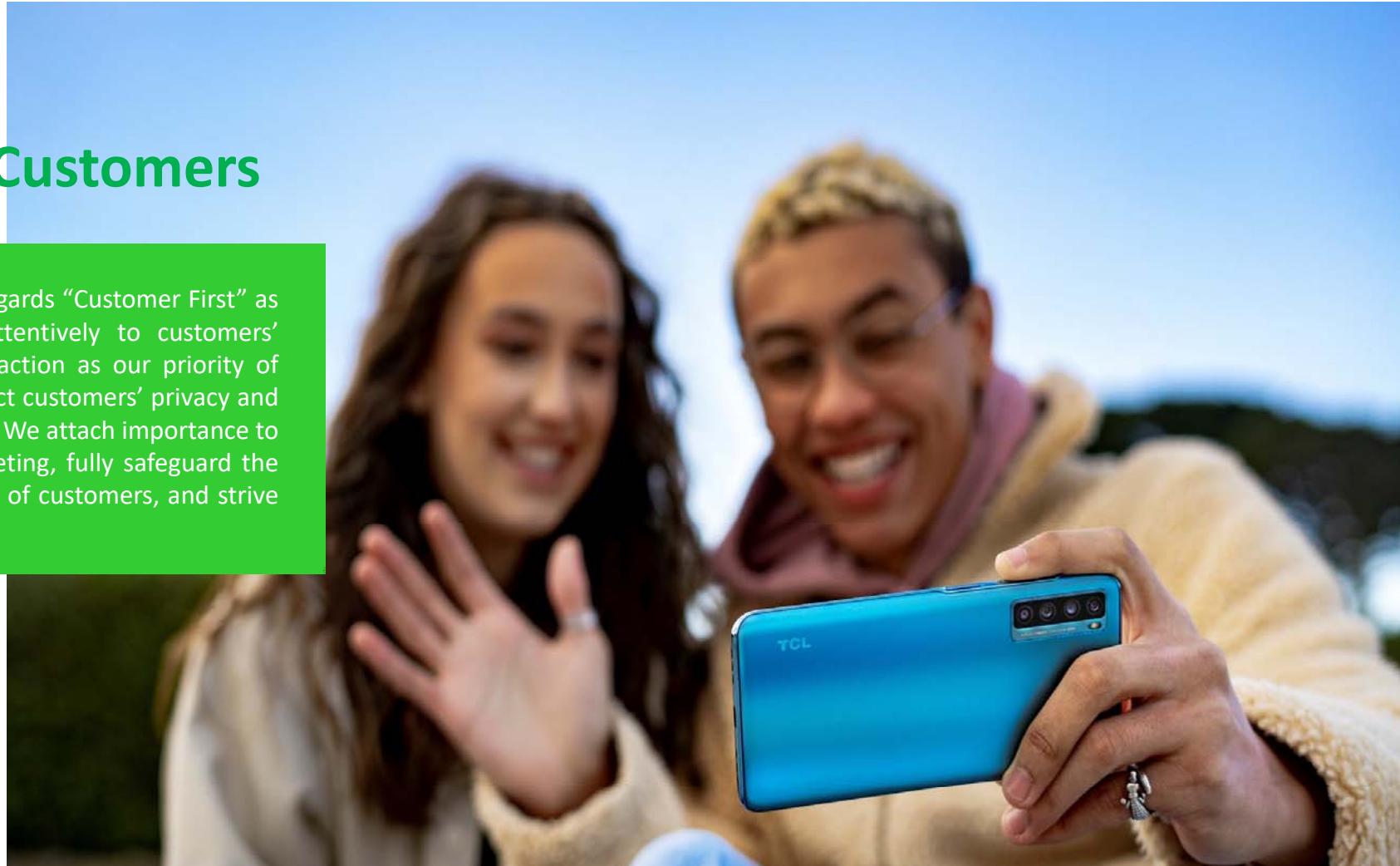
Improving User Satisfaction

The key work for improving user satisfaction in 2023 still focuses on improving product user experience and enhancing product NPS. Experience management is carried out through a full lifecycle process of 2 Managements and 2 Views. 2 management refers to managing both the process and the results, with a focus on viewing the company and competition in both process and result management.

Process management refers to a series of control activities during the product development stage, including competitor analysis, identification of experience requirements, formulation of experience strategies, and application of experience standards, to ensure product experience. After the product is launched, by collecting user experience related indicator data such as VOC and NPS, problems identified, analyzed and improved, and iterated to the new product, forming an experience closed-loop.

Customer feedback is a vital impetus for keeping TCL Communication moving forward. We have Quality Claim Management Procedure, and Customer Compliant & RMA (Return Material Authorization) Handling Procedure in place to address quality compliant from our customers, and specially-assigned personnel from departments are held responsible for analyzing and investigation, and then containment and preventive measures are taken regarding these issues. Based on customer feedback, TCL Communication established the user voice (VOC) management mechanism to close the loop on various problems and quickly deal with customer complaints.

Improve Product Experience	We have established a series of standardized mechanisms of customer participation, including public testing of new products, new product launch user research, public comment tracking, continuously polishing the ultimate product experience, and constantly improving customer satisfaction, so as to win user trust and reputation.
Closed-loop Complaint Management	We listen to user voices from all channels of sales, service, logistics, and products, set up a closed-loop management process including collection, classification, investigation, resolution, and effect evaluation, track and handle user complaints, and continuously improve our product quality and service. Quality Claim Management Procedure, and Customer Compliant & RMA Handling Procedure has been in place to address quality compliant from our customers.
Closed-loop NPS Management	Focusing on NPS, we formulate the NPS Closed-Loop Management Process Standards and establish an index assessment system based on products, channels and services. Meanwhile, we have set up separate NPS assessment systems in terms of different features of the products. We have established a special NPS data department to collect information from monthly sampling, in order to identify and analyze user experience issues relating to hardware audio and visual, system settings, content and interface, voice and other product modules, and propose improvement measures.
VOC Collection Channels	We provide users with a variety of feedback and complaint channels, including hotlines in all regions, TCL's official website, e-commerce, official e-mail, Amazon, Walmart and other sales channels, as well as operator channels.
Optimize Information Management	In overseas markets, we apply and constantly optimize the customer relationship management system for after-sales service management. Through an integrated management process, we empower call centers to directly resolve problems for users, and to continuously track the status of problem resolution through the "Following One Order till Closure" mechanism, realizing a real-time progress checking to improve after-sales service efficiency.

Information Security & Privacy Protection

TCL

The increasingly complicated network security threats in the world have posed a potential risk on effective company management. Confronted with the severe environment, TCL Communication has established ISO27001 Information Security Management System in 2020 to effectively manage operational risks and ensure lasting trust from our customers.

◎ Information Security Management

We adhere to the business philosophy of giving priority to product cyber security and user privacy protection and strive to protect user while complying with applicable laws and regulations on data and privacy protection worldwide, such as Cybersecurity Law of the PRC, Data Security Law of the PRC, Personal Information Protection Law of the PRC, California Consumer Privacy Act, California Privacy Rights Act, California Privacy Rights Act, Brazilian General Data Protection Law and General Data Protection Regulation of the European Union.

The Company has deployed advanced security tools, such as watermark and anti-disclosure system, mobile device management system, network access and boundary security optimization. Meanwhile, the Company also takes management measures to prevent information leakage by regular training to raise information security awareness for employees and conducting information security quarterly inspection.

> **Mission for Information Security**
> Build a comprehensive information security protection system for TCL Communication, guarantee its core information assets and industrial competitiveness, and support its performance goal achievement.

Information security working strategy:

- **Strengthen awareness**: Conduct information security awareness training for all employees, and constantly strengthen employees' information security awareness;

- **Hierarchical protection**: hierarchical management of information assets is carried out according to asset value and risk level, and appropriate and effective control measures are formulated.

- **Prevention first**: combined with the importance of information assets, take targeted measures to eliminate or reduce information security risks;

- **Continuous improvement**: on the basis of the standard system framework, constantly improve the measurable management mechanism of each management domain of information security.

◎ **Individual Privacy Protection**

TCL Communication attaches great importance to network security and privacy protection, and complies with applicable laws and regulations on data and privacy protection worldwide. The Company has maintained ISO 27701 Privacy management System certification since 2022, formulated and implemented the Privacy Subject Rights Response and Privacy Incident Handling Process, and updated the top-down privacy security organizational structure, integrated data and privacy protection requirements and information security management into relevant business processes, improved security awareness and capabilities of all R&D and operation personnel, and ensure that network security and privacy protection continue to be consolidated and keep pace with the times through management and technology innovation and optimization.

Optimize privacy management structure
We optimize the organizational structure of privacy protection work, guide, supervise and evaluate the work related to information security and privacy protection management, guide various departments/regions to carry out data and privacy protection work, and each business department promotes and implements relevant work tasks in accordance with the requirements of the working group and regulations to ensure the effective operation of privacy information management.

Improve security incident handling process
In response to privacy incidents, we have formulated the Privacy Incident Emergency Response Process to regulate the privacy incident handling process. If a privacy security incident occurs, the recipient of the incident shall, within 12 hours after receiving the report, organize a meeting or communication with personnel in the relevant field, set up a temporary working group for incident response, organize and guide incident investigation, emergency handling and evidence preservation, and promote the proper solution of the problem. TCL Communication has no privacy incident in 2023.

Continuously strengthen safety awareness of all staff and suppliers
In 2023, we continue to carry out special security technology training and privacy specialist salon to enhance the security management capabilities of professionals. In addition, we publicize the importance of privacy protection to all employees through E-learning courses, official accounts tweet and offline propagation.
For suppliers, to ensure the smooth progress of business cooperation and effectively control information security risks, TCL Communication conducts comprehensive supplier information security due diligence when selecting IT service providers, including but not limited to patent and trade secret leaks, infringement, personal privacy breaches, software vulnerabilities, virus intrusions, etc. we have set requirements for information security and privacy protection. We evaluate and manage the suppliers in accordance with third-party data management process requirements, and require the suppliers to sign Business Confidentiality Agreement to strengthen the awareness of suppliers' information security responsibilities and protect users' privacy from infringement.

Responsible Marketing

TCL Communication strictly abides by Advertising Law of the People's Republic of China and other marketing laws and regulations of other countries by stipulating the making and use process of various kinds of promotion materials through guiding documents such as TCL Core Material Review Procedure for Product Marketing & Retail, and Product Marketing Tools Specification. The Company requires all advertisements and promotion materials shall be authentic, clear and shall not deceive users in any possible way.

We have established a compliant marketing audit and supervision process, and the content placed on official website and social media in the course of its daily operation and other marketing materials are subject to the company's content audit before being launched/published. We have established an emergency response and handling process to ensure quick response and effective handling of marketing irregularities not detected in advance; we have continuously strengthened the capacity building of its personnel, and regularly organizes training related to compliant marketing to improve employees' awareness of compliant marketing and their risk prevention ability.

During the reporting period, TCL Communication did not incur any administrative penalties involving product and service information and labeling, or involving marketing communications.

Product Leaflet with disclaimer

Compliance Management

TCL Communication has always been committed to adhering to the vital belief of compliance management. We attach great importance to business ethics, exert efforts on improving the intellectual property rights protection system, enhancing compliance operation in an all-round way, and promoting sustainable and sound development.

Code of Conduct

TCL Communication is committed to complying with all applicable laws and regulations, and has followed the TCL Industries Code of Business Conduct as the highest guideline and principle for the business conduct of the Company and its employees, which clearly regulates the behavior of the company and its employees in key business scenarios.

TCL Communication has complied with the *TCL Industries Compliance Management Measures*, which clearly defines the three lines of defense for compliance management consisting of each business unit, the professional management departments of each compliance risk area, and the auditing department, to ensure effective prevention, monitoring, and response to compliance risks. Under the guidance of the Compliance Management Committee, the company comprehensively builds and implements the implementation of compliance organization, compliance plan, compliance system, compliance risk governance, compliance inspection and audit, compliance digitalization, compliance culture, and compliance assessment and accountability. In 2023, we received no reporting on breach of the Code of Conduct through the whistleblower procedure.

We require all employees to sign the Letter of Commitment to Integrity when they join the Group. We regulate employee behavior in the employee handbook of each business unit and make strict requirements for employees in terms of abuse of authority, bribery, gifts, commercial hospitality, etc. The Company also complied with the "Red Lines of Operation and Management of TCL Industries" for employees' behavior to ensure that they are clearly aware of the red lines of the Company's operation and management.

Red Lines of Operation and Management of TCL Communication	
Use of power for personal gain	Illegal warranty
Abuse of power	Disclosure of trade secrets
Illegal related party transactions	Violations of the management rules of brands, trademarks, trade names and enterprise names
Unauthorized investments or part-time jobs	Occurrence of major accidents or adverse events
Violation of financial discipline	Obstruction, hindrance of audit or investigation

Case: Organising anti-corruption education activities

On September 23, 2023, our group company TCL industries organized a special education activity of "Anti-corruption and integrity Promotion" for all high, middle and grass-roots supervisors, invited experts from external law firms to conduct special training on anti-corruption and integrity warning education, and shared knowledge of new anti-corruption andantl-bribery news and laws and regulations, common crimes and corresponding classic cases, to comprehensive improve the management's sense of responsibility for shaping a clean and upright corporate environment and help recreate an honest, transparent and fair working environment.

Anti-corruption & Anti-bribery Management

TCL Communication is committed to shaping a compliance culture of honesty and integrity. We continue to promote internal and external integrity education, training, and publicity to enhance the awareness of integrity among employees and suppliers in the workplace.

- Offer online Anti-Commercial Bribery Compliance Course on T-Learning, an internal online training platform;

- Establish a special column on integrity on the home page of the Company's website, and announce disciplinary actions against corrupt employees;

- Place the publicity information about anti-corruption and integrity on the mini bulletin boards in elevators and washrooms;

- Carry out anti-corruption education and training through diverse methods, including staff emails, interaction on corporate WeChat official account, office area advocacy, etc.;

- Make short videos on anti-corruption and play them during all training and meeting intervals;

- Carry out integrity questionnaire survey once a year and promote anti-corruption knowledge to employees;

- Carry out anti-corruption and integrity training covering all employees.

TCL Communication has formulated the *Whistleblowing Policy* and the *Measures for Management of Whistleblowers*, which clarify the definitions of misconducts such as soliciting bribes and the corresponding whistleblowing guidelines for employees and third parties. We provide internal and external reporting channels including letters/emails, hotlines and face-to-face conversations, and make every effort to keep all the information obtained from whistleblowers and their identities confidential. In addition, we have set up a special column on integrity on the homepage of the office automation system ("OA system") where employees can declare their relatives' positions in the Group or in suppliers in a timely manner in the OA system.

Whistleblowing Handling Process

Upon receipt of a whistleblowing report, the recipient will immediately report the whistleblowing report to the internal control and audit department. For real-name whistleblowing report, we set up a dedicated team to follow up in time. The team consists of a maximum of three members, two of who are responsible for investigating the case and contacting the whistleblower, and finally reporting the investigation results to the head of the audit department to ensure the reported information is processed in a timely and appropriate manner. For anonymous whistleblowing, the investigation will be carried out according to the details reported and the degree of whistleblower's assistance with the investigation.

Trade Compliance

◎ Promoting Fair Competition

We strictly abide by the laws and regulations related to anti-monopoly. We have formulated the Compliance Guide for Preventing Vertical Monopoly Agreements to guide each business department to investigate and improve sensitive behaviors that may constitute vertical monopoly agreements and conduct anti-monopoly application screening for external merger and acquisition transactions to effectively maintain the market competition order.

◎ Ensuring export compliance

TCL Communication is committed to complying with the applicable export control and sanction laws and regulations of the relevant countries and regions, and has complied with the *Code of Conduct for Export Compliance* within the Company, which requires members of the Board of Directors, senior management and all employees of the Company to comply with and specifies in the Code the compliance guidelines and compliance red line regulations for the screening work of the main body, the transactions of the country at risk, and the currency of the transaction. If violations are detected through inspections or reports, we will initiate a violation monitoring process in accordance with the *Management Measures for Compliance Inspections and Supervision*, conduct an investigation of the incident, appropriately assess the cause of the report, confirm the authenticity of the violation, and deal with the violation with reference to the *Accountability Management Measures*.

Protecting Self-Developed IPRs

TCL Communication takes the protection of IPRs as a key task. We carry out scientific, planned and procedural routine maintenance on the IPRs that have already been obtained and promote the awareness of safeguarding rights of relevant personnel through regular trainings and exchanges.

Establishing Records Management
We establish IPR information management records, keep clear record of the types of rights involved in each product and the protection period, and defend IPRs in a timely manner.

Infringement Search
We conduct IPR clues mining to safeguard the legitimate IPRs of TCL Communication on a global scale independently or in cooperation with external law firms.

Patent Litigation
According to the *Regulation of the Patent Litigation and Patent Licensing Case Management*, we shall file lawsuits against serious infringement, cooperate with relevant departments to provide support including litigation preparations, and invite an external team of lawyers to defend rights.

Improving the Awareness of Safeguarding Rights
We conduct rights-safeguarding trainings for front-line product personnel and sales teams, carry out activities such as Q&A and intellectual property system publicity according to the needs of departments, and promptly report external suspicious infringing clues, which will be followed up and evaluated by the legal and compliance department.

Green Innovation for Low-Carbon Growth

The concept that "lucid waters and lush mountains are invaluable assets" has been embraced by the world. TCL Communication has realized the importance of green development and we strive to make contributions to building a beautiful world where humanity and nature exist in harmony. On the one hand, we try to manage our environmental impact by improving the resources utilization efficiency, reducing resources consumption, and eliminating waste emission. On the other hand, we invest in green development regarding product research & development by introducing the concept of product life cycle. In this way, we can achieve green operation with favorable economic, environmental and social impact, and contribute to realization of global carbon neutrality goals.

7 AFFORDABLE AND CLEAN ENERGY

11 SUSTAINABLE CITIES AND COMMUNITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

Taking Climate Actions

The Company has been fulfilling the concept of sustainable development by participating in the decarbonized economy transformation, save energy resources by using more renewable and alternative energies, and make sure our practice meets and goes beyond the legally required goals.

◎ Low-Carbon Development Goals and Path

In response to national "Carbon Peak and Carbon Neutrality" strategy, we have defined a "three-step plan" to advance the progress in a sound and orderly manner. Relying on innovative technologies and focusing on energy-saving transformation, the Company has promoted the research and development of green manufacturing processes and the energy-saving of technology common facilities. At the level of the whole value chain, starting from the dimensions of green design, green supply chain, green manufacturing, green logistics, green packaging, green marketing and service, green recycling, the upstream and downstream industrial chain is driven to jointly achieve low-carbon development, and contribute to the high-quality development of China and the world economy.

In 2023, TCL Industries Group published the Carbon Neutrality Whitepaper, in which the low-carbon development goal was released, that is, to reach carbon peak in 2030 and reach carbon neutrality in operational scope by 2050.

From the three levels of"inner, middle, and outer circles," TCL constructs asynergisticcarbon reduction path that connects our operations, green products, and ecosystem.

In the inner circle, we give full play to our technological innovation strengths. Through innovative technologies and energy-saving transformation, we rationally utilize 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 "brand-ledvalue, global efficiency management, technology-driven, and vitality first", and bring "full scenario, full-category, and full-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.
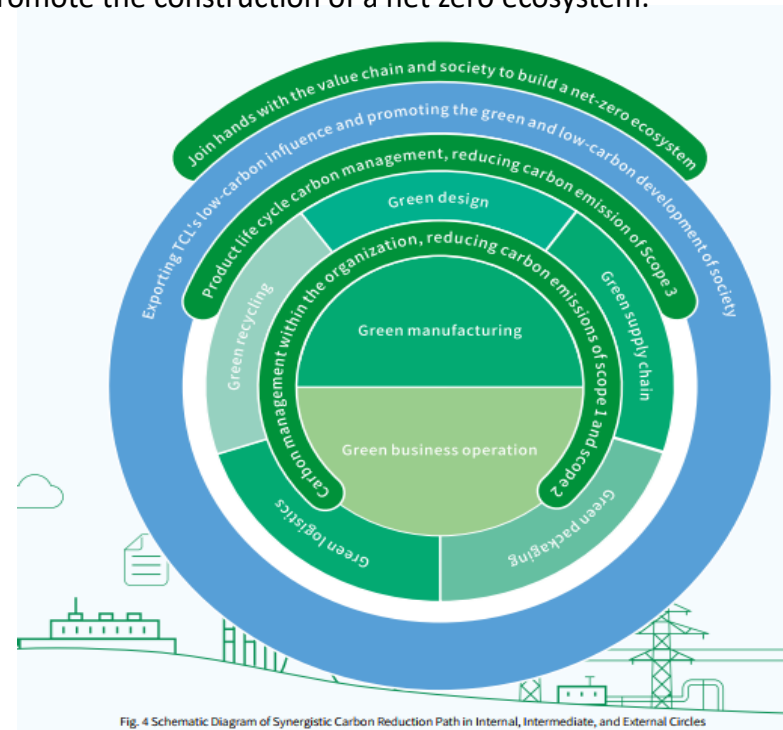

Fig. 4 Schematic Diagram of Synergistic Carbon Reduction Path in Internal, Intermediate, and External Circles

◎ Greenhouse Gases Calculation

In response to the Sustainable Development Goals and CDP Climate Change Disclosure Program, we embarked on a greenhouse gas inventory work in 2018 and established Greenhouse Gas Inventory Management Procedure is formulated according to ISO 14064: 2006 standard to guide internal GHG management and data collection to ensure accurate, transparent, and fair reporting of greenhouse gases emitted by the Company.

A GHG inventory group is established to be responsible for identifying energy consumption within the company, calculating the quantity of greenhouse gas emitted by the Company, and establishing effective measures to lower the consumption of energy and the emission of greenhouse gases. Our inventory is verified by qualified third-party agency SGS. Our emission data is open to public through our annual Sustainability Report, EcoVadis, and CDP questionnaire.

year	Scope 1	Scope 2	Scope 3
2021	1,296.01	20,914.74	2,929,688.17
2022	729.13	13,693.11	1,905,293.05
2023	445.08	8674.48	1345978.35

TCL Communication has committed to Science-based Target Initiative in 2021 and set our carbon emission targets. TCL Communication has committed to Science-based Target Initiative in 2021 and set our carbon emission targets. We commit to reduce absolute scope 1 and 2 GHG emissions 50.80% by 2030 from 2021 base year, and reduce absolute scope 3 GHG emissions 42.00% by 2030 from 2021 base year. Our latest review of progress towards GHG reduction targets showed that we are ahead.

◎ GHG Emissions Reduction Actions

In recent years, TCL Communication has been actively engaged in energy saving and promoting greenhouse gases emission reduction, so as to reduce the impact of greenhouse gases on global warming.

Technical or equipment upgrading for energy efficiency

We have been constantly improving energy efficiency through technical upgrading, so as to improve the production process with digital technology, optimize operation efficiency of equipment and enhance the accuracy of process management.

Air compressor online monitoring system

The air compressor system we have equipped is capable of realizing remote monitoring and fault diagnosis of air compressor by automatically controlling the air compressor to match the load of the gas end, the unnecessary air supply pressure is reduced, the pressure of the pipe network is stabilized. The energy can be saved in the main engine, auxiliary machinery, pipe network and terminal end.
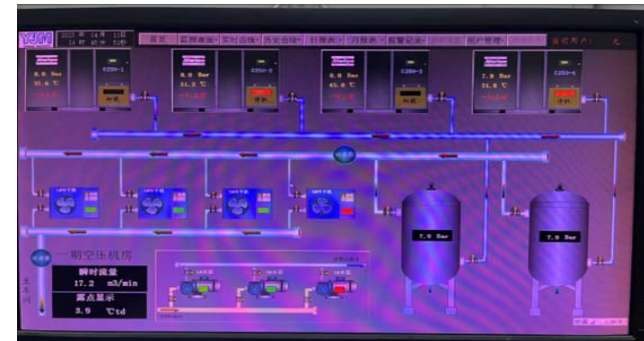
Automatic equipment upgrading

Our automatic equipment upgrading can be illustrated in the following picture, for instance, the self-made automatic screw machine has been upgraded to fifth generation, and the automatic PT testing platform has been upgraded to second generation.
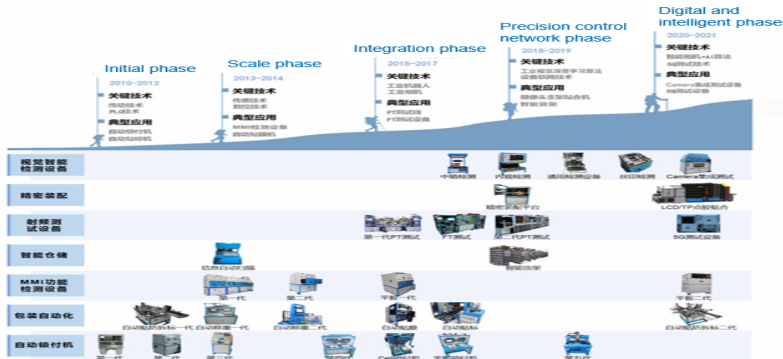
Waste heat recovery system for reducing energy consumption

We have a 1200 cold tons heat recovery system equipped to reuse the heat from the water-cooling unit for heating domestic and production hot water, resulting in the heat pollution of condensation heat on the environment and the reduction of operational noise of the cooling tower.

Energy consumption reduction for IT infrastructure

We cooperate with Amazon Web Services for data cloud storage, which is a solution based on green data center and capable of raising the energy-efficiency ratio and reducing greenhouse gas emission through green algorism.
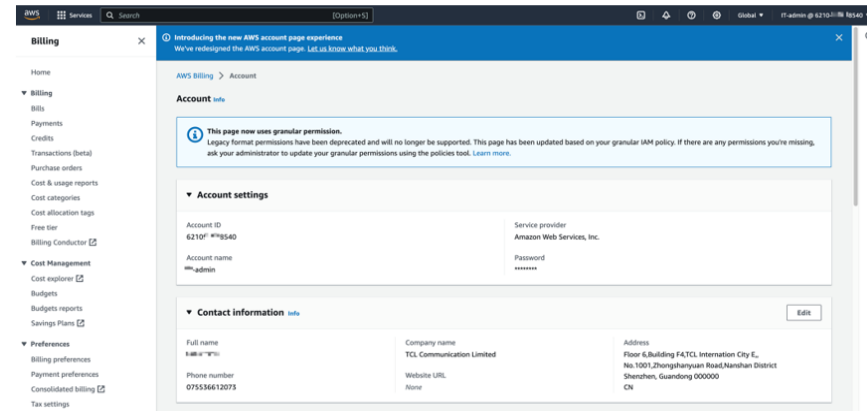
Fluorinated GHG emission control

For the purpose of safeguarding operational safety and reducing emission of fluorinated greenhouse gases, we have taken the following measures.

For equipment cooling agent, we have formulated equipment operation and maintenance procedures with three-level maintenance requirements to ensure normal operation.

For heptafluoropropane fire extinguishers, we have assigned a qualified third party for storage amount and protective area inspection.

For chemicals control, we have daily inspection of our chemical storage room and secondary leakproof containers are well equipped.

Actions taken for energy conservation

Lighting system optimization

photosensitive switch   redundant lamp removal

street lamp reduction   reminder on the switch

Transportation tools replacement

replace diesel forklift to electric forklift   optimize shuttle bus shifts

Green Manufacturing & Operation

TCL Communication highly values the impact on ecological environment of our operation and product manufacturing, and has committed to creating a harmonious environment for ecology.

◎ Environmental Management System

In strict accordance with relevant governing laws and regulations for environmental protection, and ISO14001 Environmental Management System, TCL Communication has a strict management system for environment and resources and energy control while complying with governing environmental laws and regulations. In the reporting year, the Company did not experience any non-compliance resulting in fines from environmental laws.

In 2017, our manufacturing factory was certified as "Green Factory" by the Ministry of Industry and Information Technology which proved that while maintaining product function, quality and occupational health of our staff, our factory can satisfy the requirements of infrastructure, management system, energy and resources input, and environmental performance.

The direct emission from energy consumption, indirect emission from purchased electricity and transportation of goods account for a dominant part of carbon emission. To strengthen our energy management, TCL Communication has established an energy management system in accordance with ISO50001:2018 in 2023. We have formulated corresponding regulations regarding energy saving. Besides, we also strived to reduce energy consumption through third-party energy diagnosis, data monitoring and analysis.

◎ Optimize energy structure

TCL Communication continues to optimize the structure of energy use, in-depth exploration of the application of renewable energy, and actively lay out the park photovoltaic power generation project. The Company launched a PV power generation project in 2022, laying rooftop PV with the laying area of 40,000 square meters.

reducing GHG emissions by about **2,000** tonnes per year

Case: TCL Communication purchased green electricity certificate

In 2023, our manufacturing factory purchased Green Electricity Certificates (GEC) with the number of 66, which equals 66,000 KWh. The source of the electricity purchased is solar energy and produced in Guangdong Province, China.

Environmental awareness training

For better inculcating the awareness of environmental protection in our employees, we have regular pre-job and occupational training courses on ISO14001 basics, energy saving and waste control.

Environmental emergency drills

For enhancing the skills and capacity of staff handling with hazardous chemicals leakage, we carry out hazardous chemical leakage emergency drills on a yearly basis. In this way, our staff responsible for handling chemicals can be more sensitive when chemical incidents occur.

◎ Water Resources and Wastewater Management

The Company sources water from water-supply system and mainly applies to cleaning in production place, office and living water, cooking and cleaning in the canteen. No industrial wastewater is produced in the Company and sanitary wastewater is disposed to the municipal sewage pipe network for treatment in strict accordance with relevant standards.

The Company implements Provision on Water Resources Management and strives to elevating conserving efficiency with both management and technology.

The Company has water-saving management objectives for different departments and explicitly requires employees to reduce water consumption as far as possible, enhance water-saving awareness on the premise of ensuring product quality and turn off the tap at any time to prevent the occurrence of water waste such as long running water.

TCL Communication adopts water recycling system

Our factory is equipped with an intelligent drinking water control system, which filters tap water through reverse osmosis technology, enabling 1:1 ratio between clean water and waste water. The clean water is sent to the pipeline terminal through the direct drinking water system and the waste water is discharged into the reservoir for garden watering. The amount of recycled water in 2022 is 980 m³.

TCL Communication adopts water cooling system

We have a water-cooling system consisting of 6 sets of centrifugal chillers. It is the cooling source of the central air conditioning, through which the circulating water leading to each room or equipment is cooled to chilled water, and the chilled water is pumped to the fan coil or other devices that need to be cooled, flowing in the coil to take away the air or the heat in the equipment. After the frozen water absorbs heat, the temperature rises, and then returns to the chiller, thus forming a closed and complete chilled water cycle.

63% of the reflow ovens in the SMT workshop is equipped with an internal water-cooling system, which is located under the cooling unit. The cooling water is transported by the pump from the water tank to the cooling circulation system, the hot water is injected by the heat exchanger and then cooled back to the tank.

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Water saving actions

water saving propagation

water saving toilet tank

◎ Waste Management

TCL Communication is strict with waste management for the sake of environment. In line with the ISO14001 Environmental Management System and relevant governing laws and regulations, the Company has established Provision on Prevention and Control of Waste Pollution to regulate waste management.

For hazardous waste treatment, mainly including organic solvent waste, office consumable waste, used batteries and chemical packaging waste, we have a designated person for collection, registration and archive management, and regularly hand it over to treatment companies which are identified to be qualified by the environmental agency. For non-hazardous waste like cartons and plastics, we collect them and give to professional recyclers for recycling and reuse. For domestic waste, we have transfer agreements with the municipal sanitation for collection and disposal.

Chemical management procedure	
Introduction	Chemical safety assessment is required before introduction.
transportation	Check the necessary qualification of hazardous chemical transport vehicles and personnel.
Storage	Customized special carts are used to transport chemicals, and chemical operators must wear protective equipment; Daily inspection of chemical staging rooms, setting stock limits for chemical staging rooms, and use leak-proof containers.
Usage	The chemical manager shall pack the chemicals, and PPE shall be worn during packaging operation. When chemicals are used at the production site, they must be packaged in a unified container. Chemical containers must be equipped with safety labels, and corresponding MSDS needs to be pasted on a location easily accessible to employees.
Disposal	Packaging boxes, containers, waste liquid, rags for the purpose of hazardous chemicals are recycled into the hazardous waste bucket and handed over to a qualified third party for disposal.

People-centered Development

TCL Communication is grateful to the more than 5,000 employees who have devoted themselves to our vision as a creative and respectable business. The Company has always been putting people first and endeavoring to safeguard the legitimate rights and interests of its people to a standard higher than laws and regulations. Meanwhile, the Company has done a great job in ensuring employee health and safety under different working environments. In line with the operational strategy of an international group company, TCL Communication renders diversified resources and platforms for its staff, aiming to build a staff system that is equal and friendly, and where common ground are sought while differences are reserved.

| 1 NO POVERTY | 3 GOOD HEALTH AND WELL-BEING | 4 QUALITY EDUCATION | 5 GENDER EQUALITY | 8 DECENT WORK AND ECONOMIC GROWTH | 10 REDUCED INEQUALITIES | 16 PEACE, JUSTICE AND STRONG INSTITUTIONS |

Fair & Transparent Recruitment Practice

TCL Communication has constantly maintained its vision of respecting and absorbing the most outstanding talents through formulating recruitment strategy and satisfying business needs.

In order to establish a clear recruiting process, we have taken the following measures,

- We have a clear and reasonable salary range defined for every post and candidate. Despite of different gender, age, religion and other individual personalities, our candidates will be treated equally without any prejudice.
- We have well-written job description with clear job responsibilities which will not lead to misunderstanding. In this way, we can also outline the specialized skills, required certifications, or beneficial background information we need for candidates.
- We have a clear recruitment process outlined on the recruitment brochure and we are specific about the number of interviews that will be conducted and the timeline for notice of interview results.

Employee Rights Protection

In strict accordance with the Labor Law of the People's Republic of China, the Labor Contract Law of the People's Republic of China and other governing laws and regulations, TCL Communication has a set of procedures for internal management in place like Employee Manual and integrated Management Manual, so as to secure the rights and interests of employees in recruitment & demission, compensation & benefits, working hours, freedom of association and collective bargaining, holidays and equal opportunities, and render a fair working environment for employees indifferent ages, locations and functions.

For better fulfilling its social responsibility especially for employees, TCL Communication has established a valid SA8000 system in its factory since 2009 and undergone strict periodical audits to ensure compliance with standards.

Abiding by the principle of respect for people and human rights, we strictly prohibit the use of child labor by checking the effective identification documents in recruitment and orientation. For young workers, we have Employee Rights Protection Management Procedure to specify the management procedure to protect their rights from being impaired.in addition to social insurances and housing provident fund, we also offer annual health check program for all employees and commercial insurance.

In addition to social insurances and housing provident fund, we also offer annual health check program for all employees and commercial insurance. In 2023, considering different requirements of our employees, we developed a customized insurance program for them and their family members, with wide insurance cover, low threshold and elder age coverage.

Caring and thoughtful benefits

Statutory benefits	Social insurance, housing provident fund, all statutory holidays ***Overtime pay*** 1.5 times for overtime on working days, 2 times on rest days and 3 times on statutory holidays.
Company benefits	***Holidays benefits*** Half day off on Children's Day for employees with kids under the age of 14. Parental leave for parents with kids under the age of 3. Nursing leave for elderly (for employees as the single child in the family). ***Work-life balance*** Phone bill reimbursement, work overtime shuttle bus, business travel allowance, flexible working time. ***Health care*** Annual health check, medical room, gymnasium, commercial insurance. ***Specialized benefits*** Employee purchase discount.

TCL Communication stand firmly against sexual harassment

We firmly safeguard the legitimate rights and interests of our workers and fight against immoral behaviors. For instance, we have a proper mechanism for preventing sexual harassment. Our security personnel and management have regular training on this topic. Then we also have an adequate procedure on workplace sexual harassment to clearly define the term and the disciplinary measures for breaches. Besides, we also have propaganda posters pasted on the bulletin boards with hotline and mailbox for the convenience of any complaints and whistle-blowing. Then the persons responsible for handling this issue will immediately help to protect the victims.

Diversity and Inclusiveness

Diversity and inclusiveness is the cornerstone for long-term development of TCL Communication. The uniqueness and rich experience of each employee contributes to achieving the vision of the Company, and the Company is held responsible to communicate its core values globally.

We have employees hired from diversified cultures and races both in management and staff, and we believe that a global work environment can better serve our customers around the world.

The Company promises equal employment opportunities, and make efforts to avoid discrimination, harassment and other misconduct from occurring in workplace. No discrimination or harassment is allowed in hiring and employment practices based on race, color, age, gender, sexual orientation, gender identity and expression, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, covered veteran status, protected genetic information or marital status. Besides, the Company also show respect for the disabled and have hired a number of disabled people in our factory, and facilitated working and living environment for them.

Keeping diversified culture and giving it into full play is a solid base for maintaining competitiveness of the Company. The Company promises equal employment opportunities, and make efforts to avoid discrimination, harassment and other misconduct from occurring in workplace. No discrimination or harassment is allowed in hiring and employment practices based on race, color, age, gender, sexual orientation, gender identity and expression, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, covered veteran status, protected genetic information or marital status.

Occupational Training & Development

TCL Communication highly values the growth and development of its employees, so that we constantly improve our talent cultivation system and provide diversified occupational paths and equal promotion mechanism for them.

◎ Occupational Development

TCL Communication has designed multi-dimensional development paths for our staff, mainly including technological / professional development and management development channels. For both development paths, we have set clear pathways and the promotion standard. The Company organizes Employee Career-path Program each year to expand the growth path and guide the self-development of our employees. Employees participating in the program will receive a degree reflecting their technical capability and work competence based on their knowledge, skills, quality and behaviors. In this way, a talent assessment system and selection mechanism are established for talent team building, and a team with international insight, occupational quality and professional skills.

Occupational development path

In order to set a basis for employee motivation, employee development, career planning, organizational development and optimization, TCL Communication quarterly assesses achievement of the work objectives and development performance of employees and motivates employees to achieve and consistently exceed performance goals. To be specific, the company adopts two performance management tools: Key Performance Indicator (KPI) and Contract to Success (CTS), the ultimate goal of which is to support the growth of employees. Employee's performance assessment results will be directly associated with their position adjustment, salary adjustment, bonus payment, outstanding employee reward and promotion, such as Stars of Accountability and Annual Evaluation of Excellence.

| performance objective formulation | process management | performance evaluation | performance feedback |

Performance Assessment Process
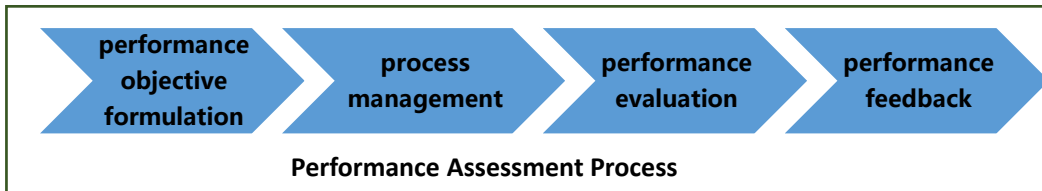
Besides, we also have a comprehensive cultivation system for frontline workers. For newly-recruited employees, we have probation period for experience and practical operation prior to position to better exploit the interests and advantages of beginners. For on-job employees, we have a "partnership" plan, mentorship project for one-to-one guidance, technical skills training and specialized training system, so as to help beginners grow into experienced workers as soon as possible. Apart from that, we also have skill competitions, annual excellent employee selection, and different kinds of team building activities to ensure that our employees work with satisfaction and cheerfulness. To facilitate reasonable mobility of talents, we have resorted to several measures, such as internal recruitment, job transfer and promotion.

◎ Talent Training

For better leveraging the strength of our employees to scale new heights and giving full play to their talents, TCL Communication has diversified cultivation and training programs to help them unearth their potential to the utmost and creating values with the Company. The all-round training program covers common knowledge, corporate culture, frontier science and technology, professional skills, leadership cultivation and so on. For enhancing the consciousness of our employees on learning, we have developed a T-learning platform on which our employees are entitled to attend various online courses of their interest at any time.

Case: Lingyun Plan for Management Team

We conducted a two-day training on the Lingyun Plan in August 2023, purpose of this training project is to activate the management team, strengthen the construction and training of reserve teams, enhance the thickness of talents, and create a dynamic and combat ready cadre team, thereby achieving the company's healthy operation, focused development, and quality growth driven by capacity building!

The special "Eagle" training system is designed for incubating the leadership and management skills of our management staff. Since eagles are the kings of the sky, we wish our staff become high-flyers and pioneers in the industry.

TCL "Eagle" training system
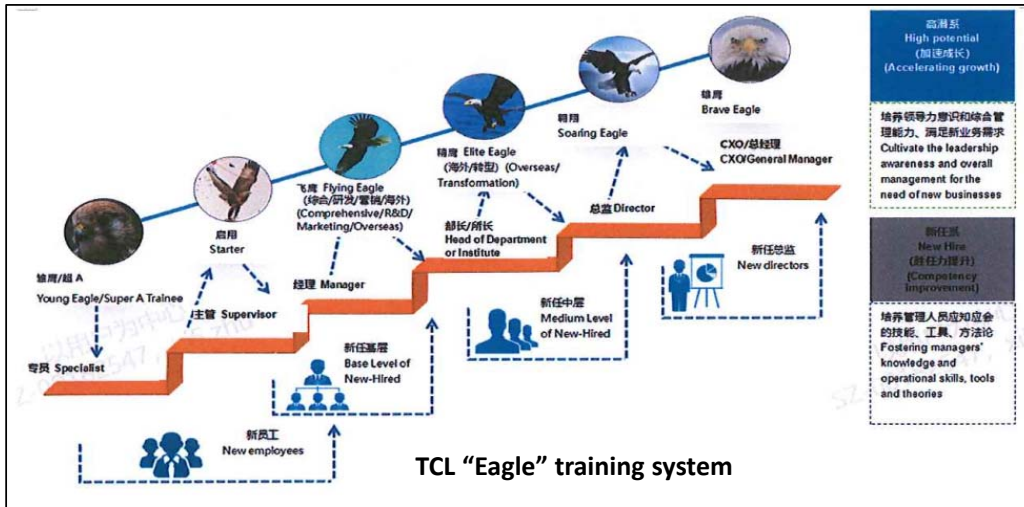
In addition to the talent cultivation system, we have also developed diversified ways of training for our employees to satisfy their demands. For instance, we have pre-job and on-job training for new employees including HR orientation training and tutoring system to help newcomers quickly accommodate to the environment and learn from skilled ones.

Besides, we have also carried out special training programs in 2023 according to the needs of business development, such as IPD training, English training course, 6sigma training course, skill competitions, mobile phone repairing course and so on. Furthermore, in case of the need for external training for new technology or certification, we also organize external training for relevant employees.

Four Major Areas	Training Programs in 2023
All Employees	• Establishing multiple public learning platforms such as T-Academy for all employees to share resources, providing various means of learning to ensure a diverse and relaxing learning experience. • Continuously conducting public trainings such as Employee Lecture Hall to offer employees learning opportunities and platforms.
New Employee Development	• Launching the "Rookie Eagle Power Camp" program for fresh graduates, and introducing the Super A special training program to select outstanding campus graduates to expand our talent pool. • Coordinating the training of newly recruited non-fresh-graduate employees to ensure they are quickly adapted to our corporate culture and their work.
Business Empowerment	• Implementing the Sword-forging Program for product management capabilities, providing systematic training for product managers and Product Development Team (PDT) managers. • Implementing the Spotlight Program for global supply chain capabilities, cultivating supply chain professionals. • Launching the overseas "Elite Eagle" program and customizing "Overseas Elite Eagle Training Camps" for employees dispatched to overseas management positions.
Leadership	• Conducting "Comprehensive Eagle" and "Professional Eagle" training programs for professional technical personnel and newly appointed managers to help them improve professional and management capabilities.

Health and Safety in Workplace

TCL Communication consistently prioritizes the health and safety of our employees, continuously strengthening safety management and occupational health protection to create a safe working environment, ensuring employees are protected from occupational hazards. We have made significant achievements in establishing a standardized occupational health and safety system. Currently, TCL Communication has obtained ISO 45001 Occupational Health and Safety Management Systems certification, SA8000 audit, SMETA audit, Supplier Compliance Audit Network (SCAN) certification and Supply Chain Security (SCS) audit, ensuring that the Company's operations comply with occupational health and safety standards.

◎ Goals of Health & Safety in working place

Work safety goals	In 2023
"Zero" casualty caused by safety accidents	Completed
"Zero" occupational diseases or occupational poisoning (including food and medical incidents) accidents	Completed
"Zero" major fire /explosion / mechanical safety accidents	Completed
Million hour accident loss rate≤15.7	Completed
Insufficient execution leads to external audit security issue rate≤0.035	Completed

◎ Health & Safety Management Structure

We have established a clearly defined occupational safety management structure, specifying management hierarchy and division of responsibilities to ensure the smooth operation of the safety management system and the protection of employee safety.

Management Level	Management Duties
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 production safety • Supervise and inspect the safety management of subsidiaries, organize and implement safety inspection, urge the related parties to address hidden hazards and outstanding problems
Safe Production Working Group	• Establish the work safety management mechanism in the industrial park, organize and conduct safety inspection, emergency drill, work safety training and other activities as planned • Coordinate internal and external audit matters related to work safety

Measures are taken to ensure Work Safety

Work Safety Inspection	Regularly conduct inspections and rectification of hidden dangers in equipment and facilities. New equipment must undergo risk assessment and pass an acceptance test before being put into use to ensure workplace safety.	**Education on Work Safety**
Risk Assessment on Work Safety	Identify, analyze, and evaluate potential safety risks in the production process, and develop corresponding control measures to reduce or eliminate these risks.	

Education on Work Safety

- Disseminate fire safety knowledge through various means such as television broadcasts, WeChat notifications, and special articles on public accounts.
- Organize first aid and hazardous chemical safety training, and firefighting equipment use training to enhance the safety awareness of all employees.
- Continuously improve the emergency response plan system, establish standardized emergency drill procedures, conduct various emergency drills, including dormitory fire evacuation drills, anti-terrorism and fire evacuation exercises, to enhance employees' ability to handle safety accidents.
- Provide specialized training for personnel with different job responsibilities, including full-time and part-time safety officer training, safety duty training, retraining for key persons in charge and safety management personnel, Red Cross first aid training, and other specialized training, to ensure that employees have necessary safety knowledge and skills.

- Post occupational hazards and protective measures signs on site

- Post working safety regulation signs on site

- Post personal protective equipment wearing and operating procedures on site

◎ Work Safety Performance

By continuously evaluating and improving safety management performance, TCL Communication achieve continuous improvement and maintain long-term safety production status.

Safety Training	• New employee safety training coverage :100%; • Company level safety production training: 33 sessions were conducted, with 9635 participants and 13084H of training hours
Safety Equipment/Environmental Monitoring	Occupational health-related testing and equipment testing:100% pass
Personnel qualifications on safety	The qualification certificates of safety related personnel are all valid.
Safety Emergency Drill	Implemented 12 company level emergency drills, with a total of over 6500 participants in the drills
Safety Risk Assessment	In March 2023, TCL Communication organized 23 departments to identify and confirm 2071 hazardous sources.

◎ Occupational Health

We comprehensively identify safety risk information for all business units, operational activities and processes, and scientifically assess the identified safety risks to determine their maximum level of risk in order to take appropriate and effective control measures. For important safety risks, we define risk control strategies and select targeted control measures to prevent potential safety-affecting accidents.

We continuously refine Inspection Report on Occupational Hazards in the Workplace and Assessment Report on the Current Status of Occupational Hazards, regularly organize occupational health site inspections, occupational hazard assessments, and radiation equipment inspections, and promptly take corresponding protective measures to ensure comprehensive protection of employees' occupational health. In the workplace

We identify potential occupational hazards according to different job types and formulate corresponding protective measures for each position.

We conduct regular spot checks on the wearing of protective equipment and labor protection equipment to ensure that employees know how to use relevant protective equipment correctly and in accordance with regulations, thereby minimizing the risk of occupational hazards and enhancing the safety of the working environment.

Caring for Our People

TCL Communication attaches great importance to the work feelings and experience of employees, therefore the Company has smoothed the channels for communication, and organized various kinds of employee activities to alleviate work pressure, raise the sense of happiness and belonging of employees.

◎ Communication with Employees

We have developed *Internal Communication Management Measures* to clarify the communication management responsibilities of the department heads and assessment and management methods. Additionally, we have specified the frequency and scope of different types of communication meetings, as well as employee complaint channels. Through the implementation and follow-up process for the problems raised in the communication meetings, we have further enhanced communication efficiency. We are committed to fostering an open, inclusive, and trusting corporate culture. Through channels such as employee communication meetings, CEO open letters, TLink column, dedicated mailboxes, complaint emails, and hotlines, we encourage employees to bravely express their needs and thoughts, thereby increasing employee engagement and satisfaction.

TCL Communication conducts EAP program

In order to help with our employees in solving their mental or behavioral problems, we offer a systematic and long-term EAP program for them. Our employees can make an appointment for EAP consulting through an easily-accessed widget. With a national certified psychological consultant in place, our EAP program is a comprehensive psychological service which helps our employees increase resistance to stress, maintain mental health, and cope with unprecedented incidents. In this way, the psychological pressure facing our employees can be drastically reduced and the work efficiency and performance can be greatly improved. Moreover, for employees from minority groups, they can also access to EAP consulting if they are facing the behaviors going against their manners and customs. Then the EAP program will help to eliminate their inadaptation confronting them.
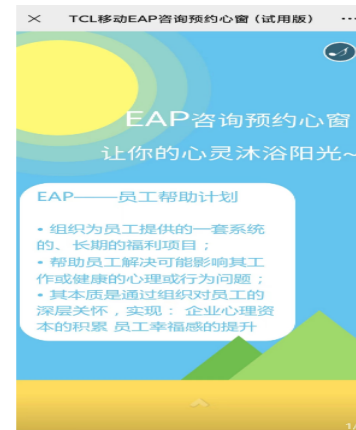
◎ Employee Activities and Benefits

We appreciate the hard work of each employee and we are concerned about their daily work and life. In order to reach a balance between life and work for them, we have actively organized rich recreational activities such as various ball matches, singing competitions and festival celebration activities. In this way, our people are able to maintain physical health while enjoying themselves in their leisure time, thus making their daily life more vibrant.

During festivals like the Dragon Boat Festival, Children's Day, and Mid-Autumn Festival, we distribute festival gifts and organize group activities like parties. For employees working overtime, we offer additional benefits such as transportation reimbursements and night shift allowances. Through a series of employee benefits, we strive to create a warm working environment and enhance employees' sense of happiness.

◎ Caring for Women

For female workers of childbearing age, we have baby-care rooms which provide a comfortable, safe, tidy and private place, and people-oriented services for working mothers in need. In accordance with standard requirement, the rooms are well equipped with hot water, wash basins, desks, chairs, sofa, dry/wet tissue, refrigerators, air conditioners and power sockets. In this way, the sense of belonging of working mothers can be dramatically enhanced, and the relationship between them and the company can be more harmonious.
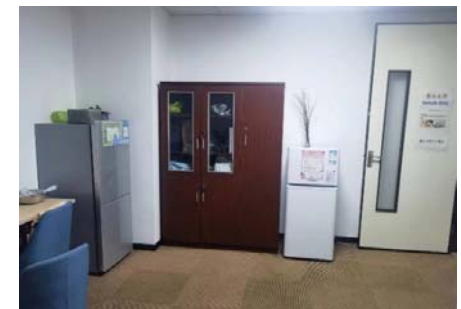
Nursing room   **Nursing room**

◎ Caring for the Disabled

TCL Communication has always been committed to nurturing a working condition of diversity and inclusiveness. Therefore, the Company has kept in the program of caring for the disabled. In spite of rendering fair employment opportunities for these employees, the Company is also engaged in providing disabled-friendly facilities and support for them.

Inclusive and caring policy

We have formulated an inclusive policy *Employee Rights Protection Management Procedure* to avoid discrimination against the disabled in recruitment and employment process. We also provide necessary interview convenience for the disabled and ensure that they are fairly treated.

Barrier-free facilities

We have a series of barrier-free facilities in place. For instance, we have user-friendly toilet seats in the bathroom, and wheelchair accessible passages both inside and outside the work place. We also have specialized window and chairs in the canteen and customized dormitories with necessary and handy services. We also make sure lifts and stairs have handrails and that lift buttons are of a reasonable height.

Workplace Care

We provide necessary auxiliary equipment to ensure convenience in workplace. For instance, we adjust the height of operating desks and chairs and providing operating equipment that is ergonomically designed, etc. For those employees who are inconvenient to walk, we adapt their positions to be in packaging workshop in the first floor, and we have a fleet for escorting them to commute in bad weather.

User-friendly toilet seats   User-friendly toilet

User-friendly canteen seats   Specialized canteen window

Psychological support and communication

We have an EAP program to help address their life and work pressure. Besides, we have organized different levels of The Forth Communication Meetings with Disabled Employees on the National Disability Day in November 2023 with the theme "Love lives forever, you are not alone", on which we gave presents to them, listened to their voices, and provided support to them.

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Empowering Ecology for a Better Future

With adherence to the mission of a "Sustainable & Connected Future with Advanced Technology", TCL Communication has been proactively cooperating with its stakeholders, especially suppliers to maintain and deliver the idea of sustainable development. Besides, the Company has also actively been shouldering its responsibilities as a corporate citizen and contributing to the community as much as possible.

| 1 NO POVERTY | 3 GOOD HEALTH AND WELL-BEING | 8 DECENT WORK AND ECONOMIC GROWTH | 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE | 10 REDUCED INEQUALITIES | 16 PEACE, JUSTICE AND STRONG INSTITUTIONS | 17 PARTNERSHIPS FOR THE GOALS |

Supplier CSR Management System

TCL Communication has been committed to establishing a long-term stable cooperative relationship with its suppliers by means of supplier CSR certification, risk evaluation, on-site audits and training to urge the suppliers to establish a sound CSR management system and build a win-win relationship with mutual trust that is stable and sustainable.

◎ Supplier certification

At the stage of supplier introduction, we conduct a comprehensive inspection of the environmental and social responsibility performance of suppliers in accordance with the Supplier Social Responsibility investigation Form. We conduct on-site reviews of suppliers based on 1 review terms under 13 dimensions, including business ethics, labor rights and interests, chemical safety, environmental protection, fire safety and occupational health, We require suppliers to describe their implementation for each review item and provide relevant evidence, followed by an on-site evaluation by our CSR personnel. For non-compliant items, the reviewer will explain the relevant reasons to the supplier and put forward effective rectification suggestions. If suppliers obtain an evaluation score below 70 or touch red lines, the processing mechanism of rectification, punishment, or termination of cooperation would be triggered, thereby continuously reducing environmental and social risks in the supply chain.

◎ Supplier regular assessment

We have developed *Code of Conduct for Suppliers* and signed documents such as *Notification of Corporate Social Responsibility*, Statement of Environmental Compliance, Quality Agreement and Integrity Agreement with all production material suppliers, requiring them to strictly abide by relevant regulations. We link the social responsibility certification of suppliers with their performance appraisals, emphasizing their social responsibility awareness and practices and promoting the sustainable development of the supply chain.

For AVL suppliers, we conduct annual reviews, special reviews and third-party reviews in accordance with Regulations on Supplier Review Management, During the review process, if common issues are discovered in suppliers, we will take immediate measures to address and prevent them, regular tracking of improvement progress is carried out, and subsequent reviews are conducted to ensures sustained progress, we have also promoted good practices to all suppliers, aiming to improve the quality level of the overall supply chain.

In the daily evaluation of suppliers, we conduct monthly, semi-annual, and annual performance evaluations from four key dimensions: business, delivery, quality and technology. Based on the assessment scores, we classify suppliers into four levels, preferred, qualified, restricted, and ensure, and carry out targeted classification management. For suppliers with low assessment scores, we will help them identify issues and take measures to rectify them.

◎ Supplier communication & training

This Year, we have set more detailed requirements for environmental protection among our suppliers, including compliance with environmental processes, management of sewage, solid waste and noise

control by person in charge, compliant energy usage, and carbon emission control, in an attempt to assess suppliers' environmental performance from multiple dimensions. We have successfully concluded the carbon inventory process for our top suppliers and conducted investigations into their energy-saving and carbon reduction measures. As of Dec. 2023, 100% of our suppliers have signed the Green Supply Chain Initiative, in a bid to jointly create an efficient and environmentally friendly supply chain system. Furthermore, this Year, we have completed the recycled material planning, identifying the usage scenarios and proportions of recycled aluminum, copper and plastics, thereby enhancing the competence of procurement personnel and raise their awareness of purchasing recycled materials.

◎ Supplier capacity building

TCL Communication is committed to establishing close and stable partnerships with suppliers to optimize and upgrade the supply chain and jointly promote the sustainable development of the company. In case of any update of the systems, we inform all the suppliers via email in a timely manner, and organize online and offline training and publicity for the highlights of the systems, so as to ensure that suppliers understand our requirements comprehensively. This Year, TCL Communication organized multiple supplier training sessions on sustainability-related systems such as ISO 14064, ISO 14067, ISO 50001, and other related knowledge, thus laying a solid foundation for rolling out low-carbon and environmentally friendly initiatives.

We regularly organize supplier meetings to engage in in-depth discussions with suppliers about business needs and collaboration matters, ensuring smooth cooperation between both sides. Additionally, we provide professional coaching and support to suppliers who need improvement

based on their CSR audit results, thereby helping them enhance their performance.

We proactively promote a win-win relationship with our suppliers and convey our expectations regarding business ethics, anti-corruption, product quality, and low-carbon environmental practices through regular communication activities. We also share industry information and project updates, enabling our suppliers and us to collectively address market challenges and harness market opportunities. We encourage suppliers to engage in close collaboration with our R&D department, thus fostering strategic exchanges on materials, technology, and other areas to continuously improve production efficiency and expand business domains.

Case: Suppliers' Training on Energy Efficiency and Low-carbon Empowerment

In November 2023, TCL Communication kicked off the annual Supplier Energy Efficiency and Low-carbon Empowerment Training. During the training course, an external agency was invited to share the knowledge about energy saving and greenhouse gas emission reduction. Then some of our suppliers were invited to share their good practices in energy saving with other suppliers. The training helps to expedite the clean energy transition of TCL supply chain.

Case: TCL Carbon Project Supplier Recognition Conference

In January 2024, TCL Communication kicked off the annual carbon project on which some of our suppliers were awarded for their excellent social and environmental performance, especially their cooperation in our green development path.

There were altogether 6 suppliers awarded with "2023 TCL Carbon project Excellent Supplier Award", including a battery supplier Veken Technology, and a PCB supplier Victory Giant Technology. We made it clear that the green development of our company is indispensable of the joint efforts of supply chain partners and we would continuously follow up with the partners who perform well and work actively with us in promoting excellent social and environmental performance and render them more opportunities.

2023 TCL Carbon project Excellent Supplier Award

Case: TCL initiated Annual Supplier GHG Survey

TCL Communication initiated annual supplier GHG survey in early 2024 to investigate 2023 greenhouse gas emissions. Based on 2023 purchase amount, we have identified 9 categories of raw materials (charger, PCB, IC, screen, housing, cable, packaing, camera, battery) and 27 suppliers with relatively high emissions. Then we have established the GHG survey template and reporting guidance for suppliers.

Among these 27 suppliers, 10 of them have conducted GHG inventory survey, 4 of them have set GHG emission reduction targets, 3 of them have participated in CDP climate change questionnaire, and 2 of them have their GHG emission reduction targets in line with SBTi.

Responsible Minerals Sourcing

With priority given to the sustainability of sourcing, TCL Communication has been actively pushing ahead risk assessment and conflict minerals management of the entire supply chain, and striving to build a responsible supply chain for adequate fulfillment of social and environmental responsibilities. The Company will also publish Conflict Minerals Annual Report for interested parties to understand its progress on this part.

◎ Conflict Mineral Management System

Establish a conflict mineral company management system
First of all, we have a conflict minerals policy that is formal and open to the public to manifest our commitment to safeguarding human rights and the environment. Besides, we also have formulated Conflict Mineral Report Operation Procedure to guide the implementation of the policy, in which the roles and responsibilities of relevant departments are outlined and the sourcing requirements and due diligence procedure on suppliers are also specified. Then we have set up a CSR Committee with a function of sustainable sourcing for risk control and developed a management system to help identify and control risks. The group is led by the leader of our supply chain center, with sourcing and quality team as executive members. The sustainable sourcing working group is responsible for overall control of the management system and report the risks timely to high-level management for further investigation and control.

Besides, we also work closely with our suppliers for capacity building and whistleblowing mechanism to ensure our management is transparent. TCL Communication has included the conflict mineral requirements into our supplier contracts and all of the suppliers are required to declare not to source minerals from the covered countries. TCL Communication provides our suppliers and external stakeholders with a grievance mechanism allowing them to voice any concerns or breaches upon conflict minerals.

Supply chain due diligence measures
We require our direct suppliers to provide a detailed list of the upstream SORs in cooperation through supply chain due diligence program. Then we make comparison between the list and the RMAP certified SOR to evaluate whether the SORs in our supply chain are free from conflicts. In our due diligence work, we keep in touch with those suppliers who are not willing to respond, and also review the integrity and accuracy of supplier responses. In case of any mistakes, inconsistency and incomplete answers, we will give feedback to our suppliers through an online conflict mineral management system and require them to take corrective actions.

Report on supply chain due diligence
For external reporting, we have also continuously provided our responsible minerals sourcing policy and status in our annual sustainability report, as well as reported our due diligence measures to our customers and external stakeholders.

◎ Due Diligence Taken in 2023 and Results

We conducted due diligence program upon our suppliers in the form of CMRT and EMRT management.
Critical data involved:
- Supplier CMRT & EMRT response rate: 100%.
- A total of 202 smelters and refineries was identified in the supply chain and the RCOI of them has been identified from the RMAP certification.
- Among the 202 SORs, all of them have passed the RMAP process.

Spreading Warmth to the Society

TCL Communication integrates corporate social responsibility into the whole process of its own development. The Company actively participates in public welfare fields such as environmental protection, education, cultural and sports construction and community care, contributing to the construction of a harmonious and beautiful society.

Protecting the natural environment
We not only pay attention to our own environmental protection practices, but also encourage employees to participate in environmental protection public welfare activities such as garbage clean-up and waste utilization to jointly promote the development and growth of environmental protection undertakings.

Case: Pick-up Running Team for Ecological Education

In March 2023, TCL Communication established a Pick-up Running Team under the support of Labor Union and the Pick-up Association of Huizhou City, with responsibilities of picking up picking garbage inside and outside the industrial park, thus helping to improve the civilization of employees and social responsibility of citizens. In 2023, the Team has organized more than 10 activities with an accumulated participation of over 100 members.

Case: TCL Communication National Ecology Day Campaign

On August 15th, 2023 which is the first National Ecology Day, TCL Communication organized a campaign to enhance the awareness and consciousness of employees in ecological environmental protection. The campaign was to set cigarette extinguishing posts and encourage people to collect cigarette butts and exchange for gifts.

Case: Care for Village Children

In March 2023, a team of volunteers in TCL Communication joined the public benefit activities such as Eagle Story-telling Session, Music Class, "A.I. Coming Home" projects initiated by TCL Charity Foundation with the aim to bring a journey combined with technology and public welfare to children in rural areas, covering Guizhou, Inner Mongolia, Xinjiang, Henan and Jiangsu Provinces.

Case: Anti-Fraud Awareness Campaign

In view of the frequently occurring telecommunication online fraud cases and severe losses of fraudulent people, TCL volunteer team conducted anti-fraud mobility propaganda campaign every Sunday morning in March 2023. During the campaign, these volunteers explained in detail to citizens about the knowledge of telecommunication network fraud, through the case of interpretation of the law, the distribution of pamphlets, on-site interaction and so on. In addition, volunteers also helped people to download and register the "National Anti-fraud Center" APP.

We actively support the employment placement of persons with disabilities. Through joint efforts in optimizing positions for employees with disabilities, improving administrative logistics services and facilities, expanding recruitment channels, and providing care, training, and development for employees with disabilities, we have facilitated better employment placement for them. In this year, we were honored with the title of Admirable Supporter for People with Disabilities at the Second Huizhou City Awards Ceremony.

We advocate women's values within the globe and launched a long-term women-oriented project called "TCL for Her". Upholding the brand values of "Seeing, Inspiring, and Supporting Women", we empowered women around the world with technologies, and helped more women achieve their dreams. We are also committed to promoting women's empowerment and individual development, aiming to create a self-supporting incentive system to inspire women to support each other and grow together.

Admirable Supporter for People with Disabilities at the
2nd Award Ceremony of Huizhou

"TCL For Her" Women-oriented Long-Term Project

Key Performance Indicators

TCL

Environmental performance

Topic	Key performance indicators	2021	2022	2023
Energy consumption	Total amount of energy consumption (tce)	3176	2787	1764
	Total natural gas consumption (m3)	118667	102565	78284
	Total purchased electricity (MWh)	24259.64	21281.93	17100.84
	Total renewable energy consumption (KWh)	0	909312	3583181
	Percentage of total energy consumption from renewable sources	-	3.79%	20.95%
Water consumption	Total water consumption (m3)	143577	307150	207655
	Total amount of water recycled and reused	-	980	1262
GHG emissions	Total GHG emissions (tCO2e)	2941899	1919715.29	1355097.91
	Total Scope 1 GHG emissions (tCO2e)	1296.01	729.13	445.08
	Total Scope 2 GHG emissions (tCO2e)	20914.74	13693.11	8674.48
	Total gross Scope 3 GHG emissions (tCO2e)	2919688.17	1905293.05	1345978.35
	Total gross Scope 3 Downstream GHG emissions	74408.68	629725.21	892506.79
	Total gross Scope 3 Upstream GHG emissions	2845279.49	1275567.84	453471.57
Air pollutants	Industrial welding exhaust conforms to standard	100%	100%	100%
	Kitchen fumes conform to standard	100%	100%	100%
	Factory boundary noise conforms to standard	100%	100%	100%
	VOC emissions conform to standards	100%	100%	100%
	Chemical leakage incidents	0	0	0
Solid waste	Total weight of hazardous waste (t)	43.25	46.69	24.31
	Total weight of non-hazardous waste (t)	1538.75	1401.47	925.05
	Total weight of waste recovered (t)	1582	1437.93	949.36
	Disposal ratio of hazardous waste	100%	100%	100%
	Percentage of total waste from company operations diverted from landfills	-	7.63%	11.06%

Topic	Key performance indicators	2021	2022	2023
Water pollutants	Weight of pollutants in wastewater discharges (kg BOD/year)	51244.32	56548.26	31441.02
Product use	Recycled materials used on packaging	60%	70%	75%
	Percentage of suppliers signing Environmental Materials Declaration	100%	100%	100%
	Complaints on products endangering consumer health and safety	0	0	0
	Customer complaints on product environmental performance	0	0	0
End-of-life disposal	Percentage of WEEE collected out of total of EEE placed on the market	-	-	1.89%
Environmental training	Percentage of employees trained on specific environmental issues	100%	100%	100%
Risk assessment	Percentage of operational sites assessed on specific environmental risks	100%	100%	100%

Social performance

Topic	Key performance indicators	2021	2022	2023
Working conditions & labor rights	Complaints on child labor use, forced labor, harassment and inhumane treatment	0	0	0
	Timely signing ratio of new employee labor contracts	100%	100%	100%
	Percentage of employees covered with healthcare	100%	100%	100%
	Percentage of workers with 1-day off in 7 consecutive days	100%	100%	100%
	On-time salary release ratio	100%	100%	100%
	Percentage of operational sites assessed for human rights impact or risks	100%	100%	100%
	Number of hours worked (H)	14224055	10403410	6333005

Topic	Key performance indicators	2021	2022	2023
Social dialogue	Frequency of management attending company-level employee communication meetings	1/month	1/quarter	1/quarter
	Timely closure ratio of problems on communication meetings	100%	100%	100%
	Percentage of employees covered by collective agreements	100%	100%	100%
	Percentage of employees covered by employee representatives	100%	100%	100%
Career development & training	Quarterly performance evaluation coverage	100%	100%	100%
	Timely completion ratio of annual training plan	90%	92%	95%
	Average hours of training provided per employee	9.82	20	45
	Percentage of employees who received skills-related training	100%	100%	100%
	Percentage of employees with personal development plans	100%	100%	100%
	Percentage of employees who received regular performance and career development reviews	100%	100%	100%
Employee health & safety	Number of safety accidents resulting in disability or death	0	0	0
	Occupational disease, poisoning incidents	0	0	0
	Major fire and explosion incidents	0	0	0
	Major mechanical security incidents	0	0	0
	Major public security and asset thievery incidents	0	0	0
	Percentage of operational sites for which an employee health and safety risk assessment has been conducted	100%	100%	100%
	Total number of deaths due to occupational injury	0	0	0

Topic	Key performance indicators	2021	2022	2023
Employee health & safety	Number of work-related accidents	-	3	3
	Number of days lost to work-related injuries, fatalities and ill health	-	76	1.83
Diversity, equity & inclusiveness	Percentage of employees trained on diversity, discrimination, and harassment	100%	100%	100%
	Percentage of workforce from minority groups	8.34%	8.70%	7%
	Percentage of workers from minority groups in top executive positions	5.2%	6.7%	2%
	Percentage of women employed in the whole organization	41.1%	43.1%	41.7%
	Percentage of women at top management level	47%	33%	34.4%
	Percentage of women within the organization's board	25%	50%	25%
	Average unadjusted gender pay gap	1.04	1.02	1.02

Fair operation performance

Topic	Key performance indicators	2021	2022	2023
Business ethics	Percentage of suppliers signing Integrity Agreement	100%	100%	100%
	Bribery, corruption, extortion and embezzlement incidents	0	0	0
	Number of whistling on money laundering incidents	0	0	0
	Number of whistling on participating in unfair competition	0	0	0
	Percentage of employees trained on business ethics	100%	100%	100%
	Number of whistling on false advertising incidents	0	0	0

Topic	Key performance indicators	2021	2022	2023
Business ethics	Number of whistling on fraud incidents	0	0	0
	Conflict of interest declaration coverage	100%	100%	100%
	Coverage of information confidentiality commitment	100%	100%	100%
	Percentage of total workforce trained (e.g. through e-learning) on business ethics issues	100%	100%	100%
	Number of reports related to whistleblower procedure	0	0	0
	Number of confirmed corruption incidents	0	0	0
	Percentage of risky trading partners covered by a due diligence process on corruption or information security	100%	100%	100%
	Percentage of all operational sites for which an internal audit/risk assessment concerning business ethics issues has been conducted	100%	100%	100%
	Percentage of all operational sites with certified anti-corruption management system	0%	100%	100%
Information security	Number of confirmed information security incidents	4	3	0
	Coverage of information security awareness training	100%	100%	100%
	Percentage of all operational sites with an information security management system (ISMS) certified to ISO 27000 (or other equivalent/similar standard)	100%	100%	100%

Sustainable procurement performance

Topic	Key performance indicators	2021	2022	2023
Sustainable procurement	Supplier CSR agreement signing coverage	100%	100%	100%
	CSR audit coverage for new supplier introduction	100%	100%	100%
	Timely closure ratio of CSR annual audit nonconformances	75%	85%	90%
	Percentage of targeted suppliers that have signed the sustainable procurement charter/supplier code of conduct	100%	100%	100%

Topic	Key performance indicators	2021	2022	2023
Sustainable procurement	Percentage of targeted suppliers with contracts that include clauses on environmental, labor, and human rights requirements	100%	100%	100%
	Percentage of targeted suppliers that have gone through a CSR assessment	100%	100%	100%
	Percentage of targeted suppliers that have gone through a CSR on-site audit	80%	85%	85%
	Percentage of buyers across all locations who have received training on sustainable procurement	100%	100%	100%
	Percentage or number of audited/assessed suppliers engaged in corrective actions or capacity building	100%	100%	100%

GRI Standard Index

Statement of use	TCL Communication has reported the information cited in this GRI content index for the period Jan. 1, 2023 to Dec. 31, 2023 in accordance with the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI STANDARD	DISCLOSURE	Page
GRI 2: General Disclosures 2021	2-1 Organizational details	P5
	2-2 Entities included in the organization's sustainability reporting	P3
	2-3 Reporting period, frequency and contact point	P3
	2-4 Restatements of information	P3
	2-5 External assurance	-
	2-6 Activities, value chain and other business relationships	P5
	2-7 Employees	P5
	2-8 Workers who are not employees	-
	2-9 Governance structure and composition	P9
	2-10 Nomination and selection of the highest governance body	-
	2-11 Chair of the highest governance body	P9
	2-12 Role of the highest governance body in overseeing the management of impacts	P9
	2-13 Delegation of responsibility for managing impacts	P9
	2-14 Role of the highest governance body in sustainability reporting	P9
	2-15 Conflicts of interest	P38
	2-16 Communication of critical concerns	P11
	2-17 Collective knowledge of the highest governance body	-
	2-18 Evaluation of the performance of the highest governance body	-
	2-19 Remuneration policies	-
	2-20 Process to determine remuneration	-
	2-21 Annual total compensation ratio	-
	2-22 Statement on sustainable development strategy	P10
	2-23 Policy commitments	P10
	2-24 Embedding policy commitments	P10
	2-25 Processes to remediate negative impacts	P35
	2-26 Mechanisms for seeking advice and raising concerns	P35
	2-27 Compliance with laws and regulations	P34-36
	2-28 Membership associations	-
	2-29 Approach to stakeholder engagement	P11
	2-30 Collective bargaining agreements	-

GRI STANDARD	DISCLOSURE	LOCATION
GRI 3: Material Topics 2021	3-1 Process to determine material topics	P12
	3-2 List of material topics	P12
	3-3 Management of material topics	P12
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	-
	201-2 Financial implications and other risks and opportunities due to climate change	P42
	201-3 Defined benefit plan obligations and other retirement plans	P51
	201-4 Financial assistance received from government	-
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	-
	202-2 Proportion of senior management hired from the local community	-
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	P66-68
	203-2 Significant indirect economic impacts	P66-68
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	-
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	P38
	205-2 Communication and training about anti-corruption policies and procedures	P38
	205-3 Confirmed incidents of corruption and actions taken	P38
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	P38
GRI 207: Tax 2019	207-1 Approach to tax	-
	207-2 Tax governance, control, and risk management	-
	207-3 Stakeholder engagement and management of concerns related to tax	-
	207-4 Country-by-country reporting	-
GRI 301: Materials 2016	301-1 Materials used by weight or volume	P69
	301-2 Recycled input materials used	P26
	301-3 Reclaimed products and their packaging materials	P26

GRI STANDARD	DISCLOSURE	LOCATION
GRI 302: Energy 2016	302-1 Energy consumption within the organization	P69
	302-2 Energy consumption outside of the organization	-
	302-3 Energy intensity	-
	302-4 Reduction of energy consumption	P46
	302-5 Reductions in energy requirements of products and services	P27
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	P47
	303-2 Management of water discharge-related impacts	P47
	303-3 Water withdrawal	P47
	303-4 Water discharge	P47
	303-5 Water consumption	P69
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	-
	304-2 Significant impacts of activities, products and services on biodiversity	-
	304-3 Habitats protected or restored	-
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	-
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	P69
	305-2 Energy indirect (Scope 2) GHG emissions	P69
	305-3 Other indirect (Scope 3) GHG emissions	P69
	305-4 GHG emissions intensity	-
	305-5 Reduction of GHG emissions	P43-45
	305-6 Emissions of ozone-depleting substances (ODS)	-
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	-
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	P48
	306-2 Management of significant waste-related impacts	P48
	306-3 Waste generated	P69
	306-4 Waste diverted from disposal	P69

GRI STANDARD	DISCLOSURE	LOCATION
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	P62-64
	308-2 Negative environmental impacts in the supply chain and actions taken	P62-64
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	-
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	P51
	401-3 Parental leave	P51
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	-
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	P55-57
	403-2 Hazard identification, risk assessment, and incident investigation	P55-57
	403-3 Occupational health services	P55-57
	403-4 Worker participation, consultation, and communication on occupational health and safety	P55-57
	403-5 Worker training on occupational health and safety	P55-57
	403-6 Promotion of worker health	P55-57
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	P55-57
	403-8 Workers covered by an occupational health and safety management system	P55-57
	403-9 Work-related injuries	P70
	403-10 Work-related ill health	P70
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	P70
	404-2 Programs for upgrading employee skills and transition assistance programs	P53-54
	404-3 Percentage of employees receiving regular performance and career development reviews	P70
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	P52
	405-2 Ratio of basic salary and remuneration of women to men	P70
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	-

GRI STANDARD	DISCLOSURE	LOCATION
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	P50
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	P50
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	P50
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	P50
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	-
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	-
	413-2 Operations with significant actual and potential negative impacts on local communities	-
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	P62-63
	414-2 Negative social impacts in the supply chain and actions taken	P62-63
GRI 415: Public Policy 2016	415-1 Political contributions	-
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	P20
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	-
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	P36
	417-2 Incidents of non-compliance concerning product and service information and labeling	-
	417-3 Incidents of non-compliance concerning marketing communications	-
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	-

Welcome Feedback

Dear Reader,

Thank you for your time in reading the 2022 Sustainability Report of TCL Communication Technology Holdings Limited. We are very eager to hear your voice, which will help us to better fulfill our sustainability performance and make improvement in our work.

1. Who am I：

☐government ☐non-government agency ☐investor ☐customer ☐supplier

☐cooperative partner ☐employee ☐public ☐media business staff

☐Others_____

2. I think the sustainability performance of TCL Communication:

☐Very good ☐good ☐average ☐ poor, because_____

3. I think this report:

☐Very good ☐good ☐average ☐ poor, because_____

4. I think the structure of this report：

☐very reasonable ☐reasonable ☐average ☐unreasonable, because

_____

5. I think the information quality revealed in this report：

☐Very good ☐good ☐average ☐ poor, because_____
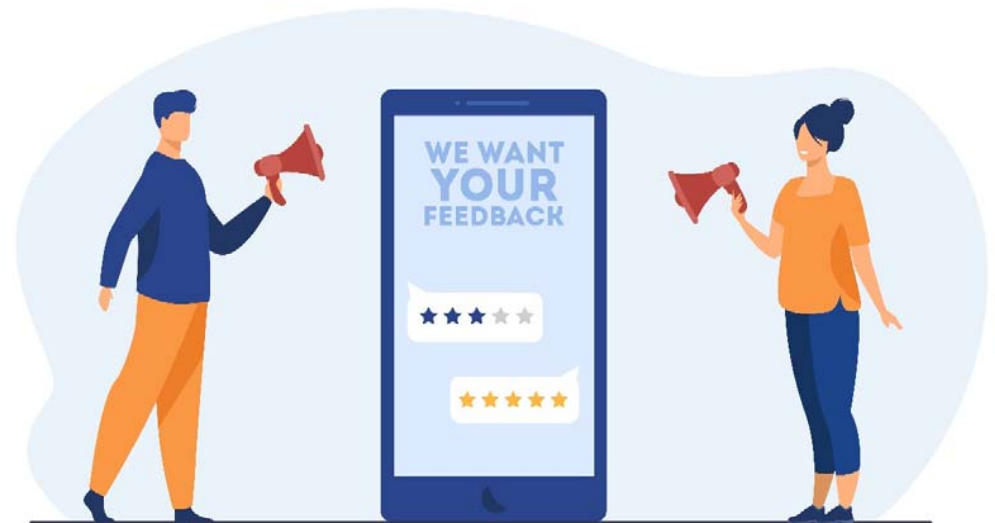
6. Overall, I think this report：

☐ very easy to understand ☐ easy to understand ☐ average ☐ hard to understand,

because_____

7．Other suggestions on this report:

_____

_____

Please feel free to send us (tct.csr@tcl.com) an email if you have any other questions or suggestions. Any contributions will be much appreciated.