TCL ELECTRONICS HOLDINGS LIMITED

TCL 電子控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01070)

Environmental Management Policy

Version: 1.0

1   Objective

TCL Electronics Holdings Limited (the "Company") and its subsidiaries (the "Group") considers environmental responsibility as an important component of producing world-class products. The Group deeply understands that sustainable development is closely related to environmental protection. To actively address global climate change, systematically manage the environmental impact of our production and operations on climate, resources, and ecology, and fulfill our corporate social responsibility, the Group has formulated this environmental management policy (the "Policy") in accordance with the environmental protection laws and regulations of the locations where the Group operates and relevant international standards.

2   Scope of Application

This Policy applies to all operational activities, products, and services of the Group.

3   Environmental Management Commitment

The Group undertakes the corporate responsibility for environmental protection, and aims to minimize the environmental impact of its production and operations by establishing an environmental management system and a continuous improvement mechanism, thereby promoting green and low-carbon transformation.

3.1   Environmental Compliance and Management System

Comply with applicable environmental laws, regulations, and other compliance obligations worldwide, and continuously improve the environmental compliance risk management mechanism. Establish, implement, and maintain an environmental management system that meets international standards, and continuously identify and manage environmental impacts, risks, and opportunities, including key issues such as pollutant and hazardous substance management, resource utilization and circular economy, climate change and energy management, green products, and biodiversity conservation.

3.2   Pollutant and Waste Management

Establish a comprehensive pollution prevention and control system, and standardize the treatment and disposal processes for pollutants such as waste water, waste gas, solid waste, and noise. Strictly implement the pollutant emission monitoring plan, and regularly commission qualified third-party inspection agencies to conduct monitoring to ensure that all pollutant emissions continuously comply with regulations and standards. Improve the processes for the classification, storage, labeling, registration, and transfer and disposal of hazardous waste to ensure 100% compliant disposal of hazardous waste.

In the treatment of electronic wastes, we comply with national laws and regulations governing the transfer of hazardous waste to non-OECD countries, as stipulated in the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, recycling and treatment related laws and regulations in countries and regions around the world.

The take-back and recycling of end-of-life electronic products are incorporated into the product life-cycle management and circular economy framework. An electronic waste take-back and recycling program is established and covers all geographic segments where the Group operates. In compliance with applicable local laws and regulations, end-of-life electronic products are managed under a uniform management framework, including collection, reuse, refurbishment, dismantling, and material recovery, with the aim of promoting efficient resource circulation and reducing environmental impacts.

With respect to collection channels, on-site take-back options are provided through retail stores and designated drop-off locations, together with mail-in options and scheduled pick-up services, enabling

consumers to return end-of-life electronic products to the Group or its authorized take-back system. All products and all brands, including products with the Group's brand as well as products not made by the Group, are eligible for collection and recycling under the take-back and recycling program.

The controlling parent company of the Company possesses the capabilities to independently carry out electronic waste collection and treatment. Where appropriate, cooperation with qualified professional recycling vendors is conducted. Collected electronic waste is classified and managed based on condition. Products suitable for further use are directed to reuse or refurbishment processes, while products not suitable for reuse are dismantled in accordance with applicable requirements, and recovered materials such as metals and plastics are processed through material recovery and resource recycling, in order to increase recycling rates and reduce final disposal volumes. The electronic waste treatment system of cooperating professional recycling vendors have obtained recognized electronic waste recycling certifications, including R2, e-Stewards.

We participate in electronic waste recycling management programs, industry initiatives, or recycling networks, and support the standardized operation and continuous improvement of the electronic waste take-back and recycling system.

3.3　Chemical Safety Management System

Across the entire product lifecycle, all chemical substances used are systematically identified, collected, and managed, including hazardous chemicals, regulated substances, and substances that may potentially be subject to future regulatory requirements. In accordance with applicable statutory and regulatory requirements such as RoHS[1], REACH[2], ISO 14001, the Regulations on the Safety Management of Hazardous Chemicals, the Measures for the Administration of Hazardous Waste, the Environmental Protection Law of the People's Republic of China, and the Law on the Prevention and Control of Occupational Diseases of the People's Republic of China, relevant chemical substances are subject to categorized management and reduction controls to mitigate potential environmental and human health risks.

A chemical substance management categorization framework is established to manage all chemicals contained in products, taking into account applicable laws and regulations, voluntary industry standards, and potential future regulatory trends. Within the supply chain, the submission of chemical substance reports for products and analytical data for regulated substances is required. An annual review mechanism is implemented to assess regulatory compliance and evaluate chemical content and risk levels, including substances that are regulated or have the potential to be regulated.

For chemical substances used in products and during production processes, Safety Data Sheets (SDS) are provided for all products and made available to customers and stakeholders through official websites and other public channels. The SDS systematically disclose the basic properties, hazard information, and recommended emergency response measures of chemical substances, supporting the identification of chemical risks and the safe use of products.

For hazardous substances and other regulated substances, the Group discloses the names and contents of hazardous substances contained in all product components in the product instruction manuals.

The Group recognizes consumers' right to access information on product chemical content and maintains diversified communication and inquiry channels, including customer service hotlines and websites, to address consumer inquiries related to chemical composition and safe product use, thereby improving consumer awareness of the content and intended uses of chemical substances in products.

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[1] RoHS Directive : Directive on Restriction of Hazardous Substances in Electrical and Electronic Equipment, a mandatory standard formulated by European Union legislation.

[2] REACH: Registration, Evaluation, Authorization and Restriction of Chemicals, a regulation of the European Union for the precautionary management of all chemicals entering its market.

3.4   Resource Utilization and Circular Economy

Adhering to the principles of "minimization, recycling, and hazard-free," the Group aims to build a circular economy system. The Group implements projects for the tiered use and recycling of water resources, and promote the construction of greywater reuse and rainwater harvesting systems. The Group promotes eco-friendly design, reduces the use of raw materials. The Group encourages the recycling of electronic waste to fixed recycling points for collection, door-to-door collection of electronic waste, and sending electronic waste by mail to a unified disposal center, etc., to enhance the efficiency of material recycling and utilization. The Group establishes a comprehensive waste classification and recycling system to promote the recycling of waste materials generated during production.

3.5   Climate Change and Energy Management

Establish and implement an energy management system compliant with ISO 50001 standards, conduct systematic energy reviews, adopt efficient energy-saving technologies, processes, and equipment, and improve energy utilization efficiency. Establish a greenhouse gas emissions accounting system covering operations and the value chain in accordance with ISO 14064-1, conduct regular greenhouse gas inventory checks, identify and update information on greenhouse gases and ozone-depleting substances that may be generated during production processes, and formulate and implement emission reduction measures.

3.6   Green Products

Implement full lifecycle management of hazardous substances to ensure products comply with domestic and international regulations such as RoHS[3] and REACH[4]. Incorporate environmental factors into the product design and development process, promote eco-design, improve product energy efficiency, and reduce the environmental impact of products throughout their entire lifecycle. Ensure products comply with environmental regulations and customer requirements, providing the market with green and low-carbon products.

3.7   Biodiversity Conservation

In project development and operation, priority will be given to avoid ecologically vulnerable areas, and potential biodiversity impacts will be assessed and managed. Throughout the construction and operation of industrial parks and cooperative projects, local environmental requirements will be strictly adhered to, ecological protection actions in the operating locations will be respected and supported, and environmental monitoring will be conducted.

4   Information Disclosure and Communication Mechanism

The Group regularly and proactively discloses environmental performance information, maintains transparent communication with the public through its annual ESG report, and accepts public oversight. The Group is committed to handling all environmental inquiries, suggestions, and complaints in an open and transparent manner. Any stakeholder can provide feedback through our ESG-related mailbox (esgcommittee@tcl.com) or the Group's whistleblowing platform (tmtjubao@tcl.com).

All feedback will be kept strictly confidential and will be investigated and handled by a dedicated team based on the principles of fairness and objectivity. The results will be promptly reported back to the relevant parties.

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5   Policy Oversight, Evaluation and Updates

The Group will conduct a comprehensive review of this policy periodically, revise and optimize it in a timely manner based on changes in laws and regulations, technological advancements, corporate strategic adjustments, and stakeholder expectations, to ensure its continued applicability and effectiveness.