



TCL ELECTRONICS HOLDINGS LIMITED

TCL 電子控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 01070)

Sustainable Procurement

Version: 1.0

1 Objective

TCL Electronics Holdings Limited and its subsidiaries (the “Group”) is committed to integrating the concept of sustainable development into all aspects of its operations. This Sustainable Procurement Policy (the “Policy”) is formulated to systematically manage the environmental, social, and economic impacts of its procurement activities, promote the green transformation of its supply chain, and enhance its resilience and transparency.

2 Scope of Application

This Policy applies to all procurement activities of the Group. The Group encourages major suppliers, partners, and subcontractors to adopt the principles described in this Policy where applicable.

3 Sustainable Procurement Commitment

3.1 Reduce Environmental Footprint

Optimize procurement needs, reduce the purchase of unnecessary materials, and advocate the reuse and recycling of materials;

Phase out single-use plastic products and packaging materials with high environmental impact;

Promote the procurement of green, low-carbon, and recyclable products and services.

3.2 Responsible Procurement

The environmental and social impacts of products and services should be comprehensively considered throughout their entire lifecycle.

Purchase products that comply with environmental standards such as RoHS¹ and REACH²;

Support the local economy and vulnerable groups, and promote diversified procurement;

Adhere to conflict mineral policies, improve traceability mechanisms, and eliminate mineral sources that violate human rights.

3.3 Promote the Construction of Green Supply Chain

Prioritize suppliers who have established environmental management systems (such as ISO 14001, ISO 50001);

Suppliers are encouraged to set environmental management goals to promote energy conservation, emission reduction, and resource recycling;

Encourage suppliers to participate in the joint effort of addressing climate change.

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.

4 Supplier Management

4.1 Supplier Selection

The following factors must be taken into account alongside price, quality and delivery factors in the supplier assessment:

Whether a supplier possesses sustainable development policies or environmental and social responsibility commitments and is willing to sign the Partner Code of Conduct Agreement?

Whether the supplier complies with the relevant laws and regulations of the country or region where they are located, including those concerning the environment, labor, and human rights?

Whether an internationally recognized environmental, social, and governance (ESG) management system has been established and maintained, such as ISO 14001 Environmental Management System, ISO 50001 Energy Management System, ISO 45001 Occupational Health and Safety Management System, SA8000 Social Responsibility System, etc.

The Group integrates sustainability performance, including environmental management and labor practices, into supplier assessments and annual performance evaluations, alongside traditional commercial factors such as price, quality, and delivery capability, with corresponding weightings. Under the equal commercial conditions, suppliers demonstrating outstanding sustainability performance are prioritized.

4.2 Supplier Performance Evaluation

Regularly conduct social responsibility performance evaluations, on-site audits, and compliance checks on suppliers (including all Tier 1 suppliers and assessed core Tier 2 and Tier 3 suppliers);

Encourage non-compliant suppliers to develop improvement plans and provide necessary support;

For suppliers who consistently fail to meet standards or refuse to improve, the cooperative relationship will be terminated.

5 Information Disclosure and Communication Mechanism

The Group will regularly and proactively disclose its sustainable procurement performance and progress, maintain transparent communication with the public through its annual ESG report, and accept 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.

6 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.