TPV 冠捷科技
VISION INNOVATOR 用心專注 領航視界

Net-Zero Action Plan

Contents

TPV Technology at a Glance

About TPV

Originating in Taiwan and represented worldwide, TPV Technology has 12 manufacturing bases located in 7 countries across Asia, Europe, and the Americas. As a leading provider of Liquid Crystal Display (LCD) monitors and TVs, TPV Technology owns several products under its own brands AOC, AGON, and Envision and has a long-term exclusive license agreement with Royal Philips for global monitors, TVs, audio-visual products, and mobile phones[1] . With our excellent quality, good reputation, and wide recognition, our products have received various prizes in industrial design, including Red Dot Design Awards, iF Design Award, and CES Innovation Awards.

While pursuing business excellence, TPV Technology has deeply integrated the concept of sustainable development into its own operations and the management of upstream and downstream value chains. The Company has released the first *TPV Net-Zero Action Plan*, communicating its ambition and action path in addressing climate change to stakeholder, and looking forward to working together with partners to promote the vision of net-zero transformation of the industry and the whole society.

[1] TPV possesses an exclusive license to manufacture and distribute Phillips monitors (displays), TVs (except for the United States, Canada, Mexico, and some South American countries), and sound products worldwide.

Main Products

The Company focuses on the smart display business, primarily engaged in the R&D, manufacturing, sales, and services of smart displays and related products, including monitors, TVs, and AVA (audio, video, and accessories) devices.

Monitor

As a leading global intelligent manufacturer for displays, TPV develops, manufactures, and sells a wide variety of monitors—ranging from traditional PC monitors to gaming monitors and large-format professional displays. Serving both individual consumers and business clients, we aim to offer comprehensive display solutions across diverse industries, scenarios, and sizes.

TV

The Company independently develops next-generation smart TV technologies tailored to evolving market demands and user preferences. We actively pursue and deepen strategic partnerships with top-tier firms across various fields to create smart TVs that combine unique design with superior audio-visual experience.

Our Journey towards Net-Zero

Net-Zero Commitment and Roadmap

As the global climate crisis intensifies, society's economic development and human's well-being are facing severe challenges. The Intergovernmental Panel on Climate Change (IPCC) *IPCC Special Report on Global Warming of 1.5°C* points out limiting the global average temperature increase to within 1.5°C is essential to effectively avoiding the catastrophic impacts of climate change. Enterprises are not only significant sources of greenhouse gas emissions but also the backbone driving global actions against climate change. Climate change has a profound impact on enterprises' operations, business models, and value chains, while also creating new opportunities for enhancing competitiveness and opening up new markets.

Net-Zero Target Approved by SBTi

TPV Technology actively responds to the requirements of the *Paris Agreement* and China's "Dual Carbon" strategy and is committed to setting ambitious carbon reduction targets. In 2022, we established near-term greenhouse gas reduction goals based on the Science-Based Targets initiative (SBTi) [2] 1.5°C pathway and passed SBTi verification. In 2024, the Company further deepened its climate action commitment, following the SBTi net-zero emissions target standards, committing to reducing absolute carbon emissions in Scope 1, 2, and 3[3] by 90% from the base year 2020 before 2050. This net-zero target was verified by SBTi in April 2025, marking a solid and significant step for TPV in the transition towards net-zero.

SCIENCE BASED TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION

BUSINESS AMBITION FOR 1.5°C

Net-Zero Target

By 2050, reach net-zero greenhouse gas emissions across the value chain

2030 Near-term Targets

- By 2030, reduce Scope 1 & 2 emissions by 42% from 2020
- By 2030, reduce Scope 3 emissions – use of sold products by 42% from 2020

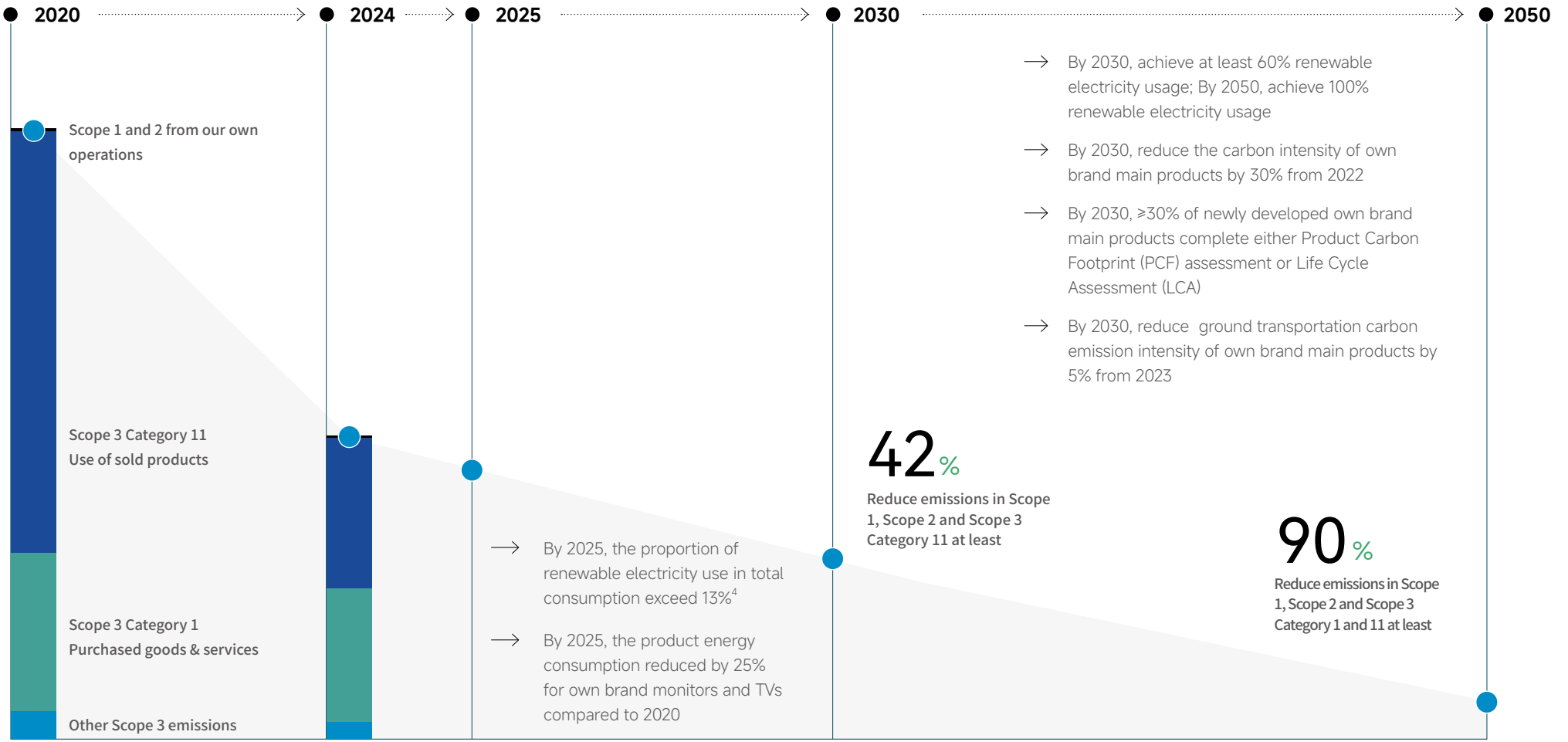
2050 Long-term Targets

- By 2050, reduce Scope 1 & 2 emissions by 90% from 2020
- By 2050, reduce Scope 3 emissions – purchased goods and services and use of sold products by 90% from 2020

[2] The Science Based Targets Initiative (SBTi) was jointly established by the CDP, the United Nations Global Compact (UNGC), the World Resources Institute (WRI), and the World Wildlife Fund (WWF) to encourage global businesses to set scientifically based and certified carbon reduction targets and jointly achieve the vision of not exceeding 1.5 ° C in 2050.

[3] Scope 3 targets include Category 1 - Purchased Goods and Services and Category 11 - Use of Sold Products.

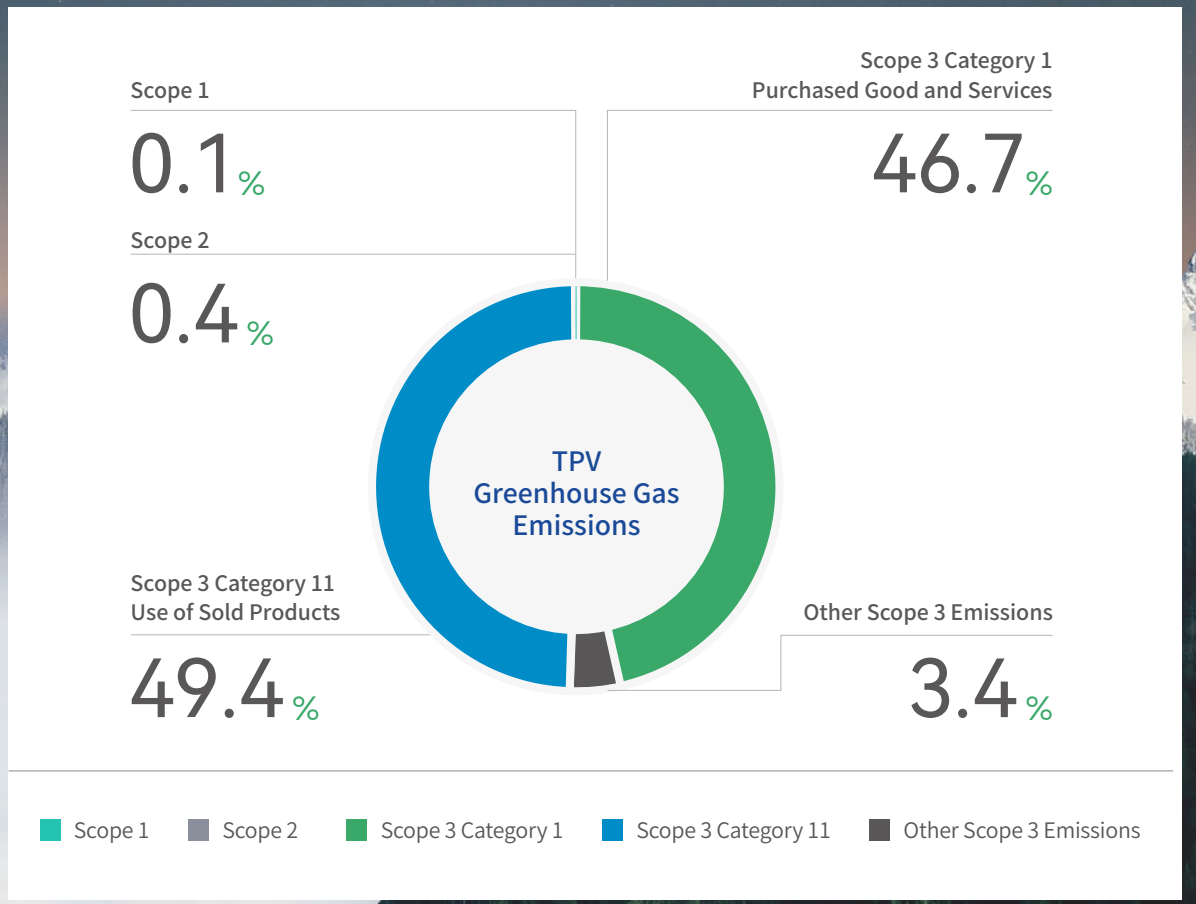
Net-Zero Roadmap



[4] Include global manufacturing bases, main offices and operation sites.

Carbon Emissions of TPV Technology

According to standards such as *Greenhouse Gas Protocol* and the *Guidelines for the Preparation of Provincial Greenhouse Gas Inventories (Trial)*, TPV conducts annual greenhouse gas emission accounting and third-party verification of emission data.



Scope 1 Direct Emission

Greenhouse gas emissions from the consumption of gasoline and diesel (stationary and mobile combustion), natural gas (stationary combustion), liquefied petroleum gas (stationary combustion), and the use of refrigerants.

Scope 2 Indirect Emission

Greenhouse gas emissions generated by indirect energy consumption, including purchased non-renewable electricity.

Scope 3 Category 1 – Purchased Good and Services

Greenhouse gas emissions generated during the extraction, production, and transportation of purchased goods and services, including all upstream (from cradle to gate) emissions of purchased goods and services.

Scope 3 Category 11 - Use of Sold Products

Greenhouse gas emissions generated during the expected lifespan of sold products such as monitors and TVs, including emissions from the use of electricity in the sold products.

Other Scope 3 Emissions

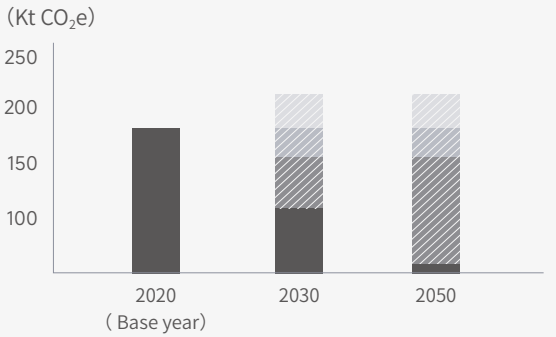
Other Scope 3 emissions includes greenhouse gas emissions from capital goods, fuel and energy related emissions, upstream transportation and distribution, business travel, employee commuting, and other categories.

Net-Zero Strategy and Actions

To develop a scientifically rigorous Net-Zero strategy, we conducted emission reduction scenario forecasting in 2024. By setting different assumptions, we formulated three future business growth scenarios: "Business as Usual", "Steady Growth", and "Aggressive Growth", and conduct detailed simulations of carbon emissions data to comprehensively analyze the systemic correlation between company's business development, operational strategy and carbon emissions. Through scenario forecasting and analysis, we not only thoroughly assessed the impact of different business paths on carbon emissions, but also provided data support and strategic guidance for developing and implementing net-zero strategies.

Scenario and Strategy Analysis

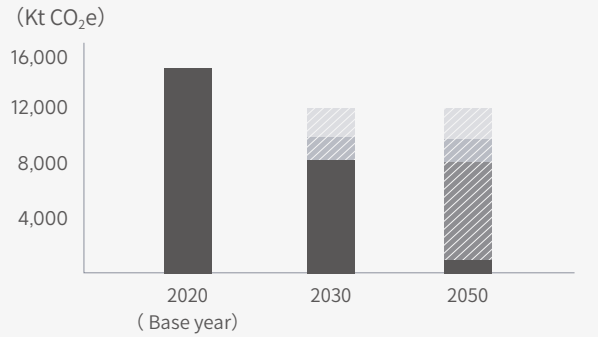
Forecast of emissions from our own operations (Scope 1 and 2)



Scenario Forecast: As the business continues to develop, the emissions resulting from the Company's own operations will increase year by year. Under the "Business as Usual" scenario, TPV's own operation emission will reach nearly 149,000 tCO_2e in 2030, which is about 44% higher than the 2030 target. It is expected that the emissions from our own operations in 2050 will be similar to those in 2030.

Strategic Analysis: TPV will continue to improve the energy efficiency of its manufacturing bases and operation sites, reducing energy consumption per unit of output through technological innovation and equipment upgrades. At the same time, we will further increase the proportion of renewable energy usage and accelerate the transition from fossil fuels to clean energy.

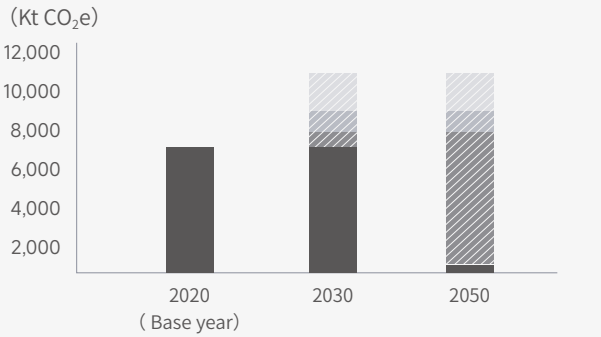
Forecast of indirect emissions - Use of Sold Product (Scope 3 Category 11)



Scenario Forecast: Through launching various emission reduction initiatives globally, coupled with the influence of market conditions, emission factors, and other internal and external factors, TPV has achieved our 2030 carbon reduction targets at the product level. If the Company's business volume continues to grow in the future, emissions generated during the product usage phase are expected to increase as well. Under the "Business as Usual" scenario, the emissions from our products during the usage phase are projected to reach over 8,800,000 tCO_2e in both 2030 and 2050.

Strategic Analysis: TPV will comprehensively upgrade its green product strategy by developing high-efficiency, low-power green products. We will optimize product design for better reparability and upgradability. Additionally, we will introduce energy-saving technologies to reduce energy consumption during the usage phase. We will also implement a full lifecycle carbon footprint management system to lower product carbon intensity from the design stage. At the same time, we will strengthen cooperation with research institutions to explore the application of new environmental materials, improve the product recycling system, increase material recycling rates, and create a green product portfolio with market competitiveness.

Forecast of indirect emissions - Purchased Goods and Services (Scope 3 Category 1)



Scenario Forecast: By the end of 2024, upstream emissions from TPV's purchased goods and services are showing an annual increase trend, with a peak projected in 2030. Under the "Business as Usual" scenario, emissions from purchased goods and services are expected to reach over 8,000,000 tCO_2e in both 2030 and 2050, representing a 21% increase compared to the base year.

Strategic Analysis: TPV will strengthen our supply chain emission reduction efforts by establishing a green procurement system, prioritizing low-carbon and circular materials, and implementing intelligent supply chain management systems. These actions will help promote the green transformation of our suppliers and create a sustainable green supply chain ecosystem. We will ensure that, alongside business growth, we are reducing carbon emissions in the upstream supply chain.

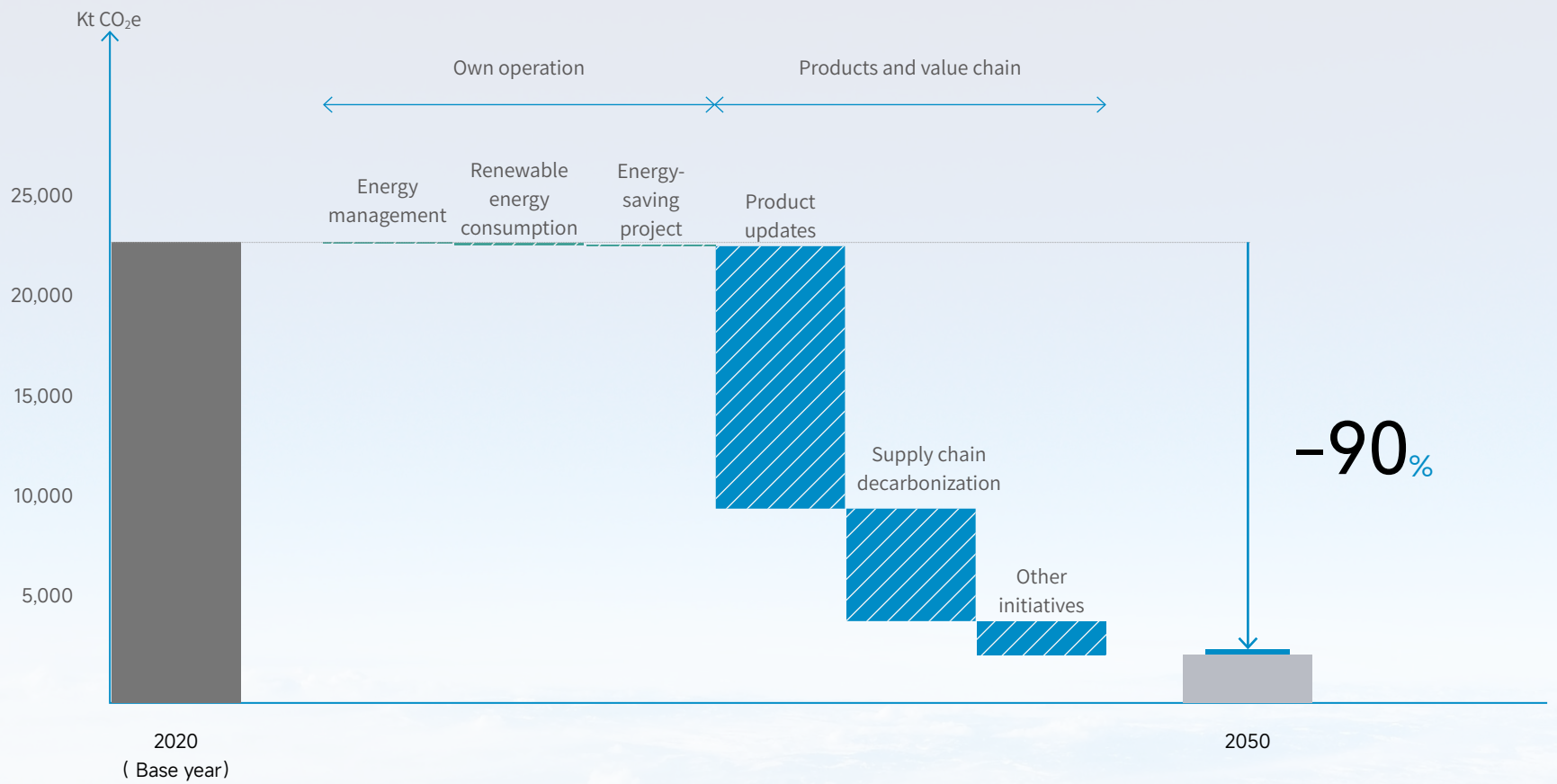
Emission Reduction Scenario Business as Usual Scenario Steady Growth Scenario Aggressive Growth Scenario

Based on the analysis of carbon emission scenarios under different business trends, TPV has identified three core strategies for addressing climate change: low-carbon operations, low-carbon products and sustainable supply chain. These strategies focus on our own operations, products and value chain respectively. Through a comprehensive strategic deployment, we will fully promote the Company's green transformation and steadily move towards a net-zero future.

Net-Zero Strategies and Actions

	Own Operations	Products	Supply Chain
Three Main Strategy	**Low-Carbon Operation** TPV is committed to creating an efficient and clean operational system. We achieve this by optimizing energy management, improving resource utilization efficiency, and accelerating the transition to renewable energy.	**Low-Carbon Products** TPV integrates environmental concepts throughout the entire lifecycle of our products. From design to technological development, from raw materials to packaging, we are always committed to reducing environmental impact and providing consumers with more environmentally friendly and sustainable product options.	**Sustainable Supply Chain** TPV will focus on strengthening supplier management, actively promoting emission reduction actions in all parts of the supply chain. We work with suppliers and partners to build a green value chain.
Key Actions	◇ Energy management ◇ Use of renewable energy ◇ Green manufacturing	◇ Green products ◇ Green packaging ◇ Circular economy	◇ Sustainable procurement ◇ Green logistics
Decarbonization Tools Technical Tools Policy/Management	⚑ Energy management system optimization: Continuously strengthen energy management capabilities to improve energy efficiency. Promote energy-saving practices in the office and green travel, and reduce energy waste. Expand the use of renewable energy: Promote the use of renewable electricity. Increase the proportion of green electricity through distributed photovoltaic systems and green power purchase. Intelligent manufacturing technology upgrade: Promote efficient, clean, and intelligent production models. Reduce energy consumption in the production process through energy-saving technology upgrades, and digitalize and optimize production processes.	Green product design: Integrate green and low-carbon concepts into the entire life cycle of design, production, use, and recycling. Expand the range of green products and reduce their environmental impact. Innovations in eco-friendly packaging: Use recycled materials, optimize packaging design, and reduce the use of packaging materials. Lower carbon emissions and environmental impact through innovative processes. ⚑ Circular economy model: Promote circular economy principles in production and operations, improve resource utilization efficiency, reduce waste generation, and promote the recycling and reuse of resources.	⚑ Green procurement: Increase the proportion of low-carbon, recyclable and renewable materials, promote sustainable management of suppliers, and facilitate the green transformation of the supply chain. ⚑ Supply chain collaborative emission reduction: Work with suppliers to reduce carbon emission across the entire supply chain, achieving overall green and sustainable development. ⚑ Low-carbon logistics: Prioritize low-carbon transportation methods and improve efficiency through smart warehouse management to reduce carbon emissions in transportation and storage.
Expected and Achieved Emission Reductions	By 2030, the carbon emission levels for Scope 1 and Scope 2 are expected to decrease by more than 42% compared to the 2020 baseline; by 2050, they are expected to decreased by 90%. As of 2024, we have reduced emissions by 55% compared to the base year.	By 2030, Scope 3 emissions from the use of sold products are expected to decrease by more than 42% compared to the 2020 baseline; by 2050, they are expected to decreased by 90%. As of 2024, we have reduced emissions by 48% compared to the base year.	By 2050, Scope 3 emissions from purchased goods and services are expected to decrease by 90% compared to the 2020 baseline. We are continuously advancing our supply chain emissions reduction targets.
Capital Expenditure and Operating Expenditure	◇ Investment for green and low-carbon manufacturing bases (including energy-saving project, management system certification project, etc.) ◇ Cost of renewable energy procurement ◇ Incentive fees for energy conservation and emission reduction proposal ◇ ESG management cost	◇ Low-carbon product R&D investment ◇ Low-carbon product certification fees	◇ Management cost of supply chain due diligence (including supplier sustainability training, digital supply chain management platform, etc.) ◇ Cost of sustainable material procurement
Greenhouse Gas Emissions	**Scope 1** Direct Emission **Scope 2** Indirect Emission	**Scope 3 Category 11** Use of Sold Products	**Scope 3 Category 1** Purchased Goods and Services

Expected Emission Reduction

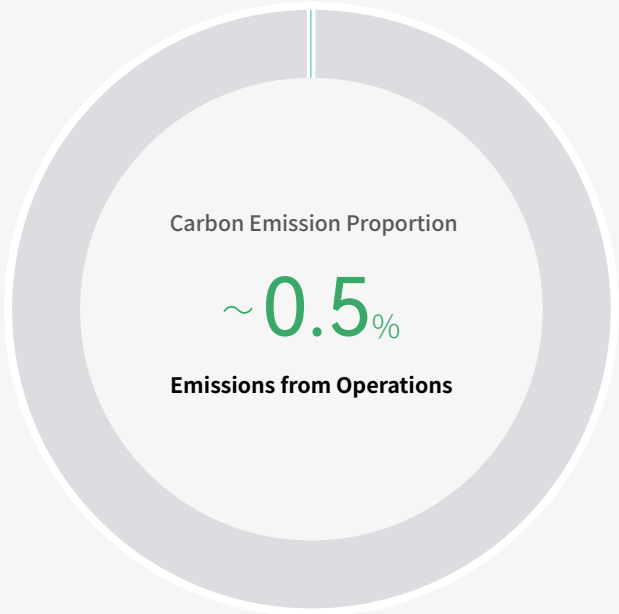


01

Strategy 1: Low-carbon Operations

As the core path to achieving Net-Zero emissions targets, green and low-carbon operations have always been integrated into TPV Technology's strategic development. We establish scientific environmental and energy management systems and continuously optimize production processes to significantly enhance energy efficiency. At the operational level, the Company actively promotes clean energy, optimizes the energy structure, and is committed to reducing carbon intensity while ensuring steady business growth.

Emissions from Operations



Science-Based Target

By 2030

42% ↓

decrease in Scope 1 and Scope 2 carbon emission compared to 2020

By 2050

90% ↓

decrease in Scope 1 and Scope 2 carbon emission compared to 2020

Action Targets

By 2030

2.4% ↓

decrease in the annual total electricity consumption (including global manufacturing bases, main offices and operation sites) compared to 2021

60%

renewable electricity consumption

Key Actions

- Energy management
- Renewable energy
- Green manufacturing

Progress in GHG Emissions Reduction

79,472 tCO_2e

2024 Scope 1 and Scope 2 emissions

55% ↓

decrease from 2020

Energy Management

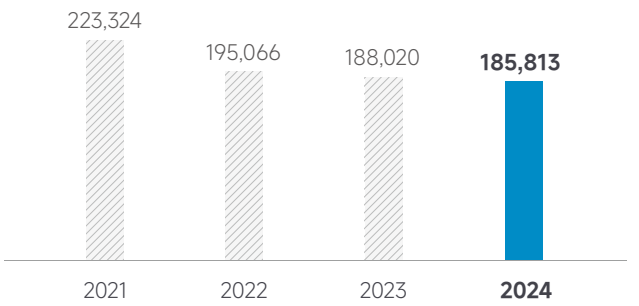
TPV continues to optimize its energy management system by establishing an energy management framework led by a leadership group focused on energy conservation. This framework is led by the General Managers of each manufacturing base, coordinated by facility and equipment departments and supported by relevant departments as team members. We promote the standardization of energy management across all sites globally, setting energy-saving targets based on the energy consumption at each manufacturing base. We regularly monitor and assess energy usage during production and operations, incorporating energy-saving targets into the performance evaluations of relevant departments. This drives continuous improvement in energy usage efficiency across all operational sites. In 2024, TPV has achieved ISO 50001 energy management system certification for 7 manufacturing bases, with a 16.8% decrease in total electricity consumption compared to 2021.

Our manufacturing bases actively implement and advance a series of energy-saving and emission-reduction projects each year, based on actual production needs and energy-saving potential analysis. We promote key energy-saving initiatives through various means such as equipment optimization, technology upgrades, and the planning of smart energy management systems. These projects enhance energy utilization efficiency and drive the transformation and upgrading of green manufacturing. From 2023 to 2024, TPV's global manufacturing bases collectively saved 5,832 MWh of electricity and reduced emissions by 3,037 tCO_2e. Additionally, TPV's data centers saw a significant decrease in PUE (Power Usage Effectiveness) values in 2024 compared to 2022.

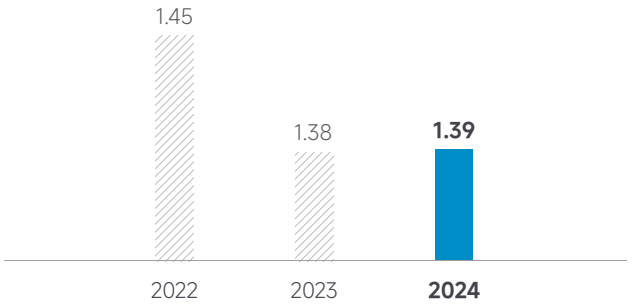
Energy-saving Projects at Global Manufacturing Bases (Partly)

Energy-saving Projects	2023 Energy-Saving Performance (MWh)	2024 Energy-Saving Performance (MWh)	Reduction of carbon emissions (tCO_2e)
Equipment Upgrade	1,061	736	1,005
Energy Management Process and System Optimization	1,320	/	929
Air Conditioning System	489	1,439	840
Heat Recovery	/	299	190
Lighting Upgrade	52	436	73

Electricity Consumption (MWh)



PUE (annual average value)



Use of Renewable Energy

To advance the development and utilization of renewable energy, TPV is adopting multiple approaches to increase the renewable energy usage. We are committed to achieving 100% renewable electricity usage by 2050. On one hand, we are continuously promoting the construction of distributed photovoltaic facilities at our manufacturing bases and increasing direct purchases of green power to boost the use of renewable electricity in production operations. On the other hand, we actively participate in green electricity market transactions, reducing carbon emissions from power consumption by purchasing unbundled green power certificates.

Main Methods of Renewable Energy Usage

Photovoltaic Projects

Distributed photovoltaic facilities provide green electricity for production and operation of our manufacturing bases. The distributed photovoltaic facilities at TPV Qingdao, TPV Beijing, and TPV Shanghai have been operating stably for many years. Multiple other manufacturing bases, including TPV Poland, are also actively planning and deploying the photovoltaic facilities.

Green Electricity Purchase

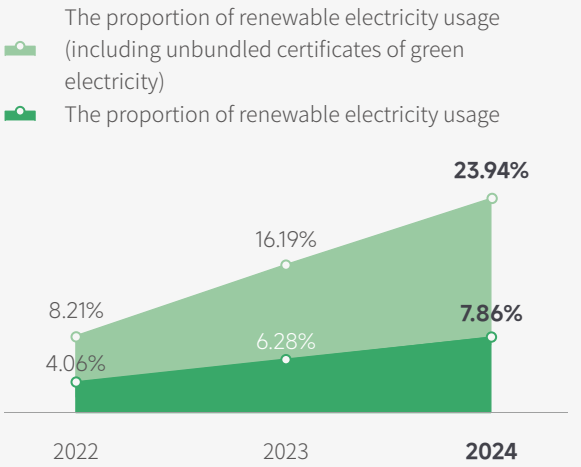
TPV has implemented green electricity procurement practices across multiple manufacturing bases and office locations both domestically and internationally. The amount of green power purchased has been increasing annually. TPV Brazil and TPV Amsterdam have achieved 100% use of renewable energy.

Renewable Energy Certificate purchase

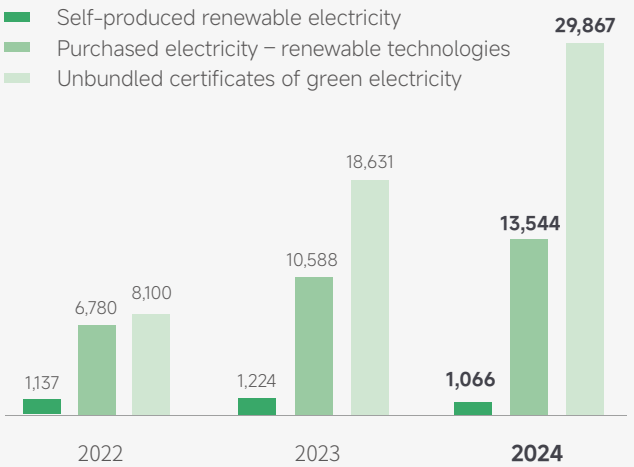
TPV fully considers the requirements of the green product certification system and clients' needs for low-carbon transformation within their supply chains. We actively increase the proportion of renewable energy use through renewable energy certificate purchase. Manufacturing bases such as TPV Fuqing and TPV Wuhan have already achieved over 30% of green electricity consumption through green certificate purchase.

Photovoltaic Facilities at TPV Manufacturing Base

The Proportion of Renewable Electricity Use



Renewable Electricity Consumption (MWh)



Green Manufacturing

TPV is committed to establishing an efficient, clean, low-carbon, and circular green manufacturing system. Therefore, we actively promote green management throughout the entire lifecycle of our products, continuously improving energy-saving production processes, and driving resource recycling. Our goal is to reduce the environmental impacts of product manufacturing. Several TPV manufacturing bases have received environmental honors for their outstanding performance in energy conservation, green circulation, and ecological design, setting industry benchmarks.

TPV Wuhan Awarded "National Green Factory 2024"

3

out of 6 manufacturing bases of TPV Technology in China have been awarded the title of "National Green Factory"[5]

[5] The Green Factory title is awarded to manufacturing sites that demonstrate excellence in low-carbon energy use, resource efficiency, clean production, green products, and land use optimization, in accordance with China's "General Principles for Assessment of Green Factories" and other relevant standards.

Intelligent Manufacturing

TPV is accelerating its transformation towards smart manufacturing, which is the core driving force for achieving the strategic goal of "TPV Smart Manufacturing 2025". This not only promotes improvements in production efficiency and management, but also provides crucial support for TPV's energy conservation and emission reduction objectives. The Company is actively constructing the intelligent factories and introducing emerging technologies such as AI, 5G, Internet of Things (IoT), big data, and cloud computing. We are developing data visualization smart display terminals and digital platforms to ensure product quality and production efficiency. In the future, the Company will continue to accelerate its intelligent transformation and digital upgrades, leveraging green manufacturing to contribute to sustainable development goals.

Finished Product Automated Packaging Line

Intelligent Warehouse

Material Auto-Inbound

Robotic arm with CCD Camera for auto-grabbing material information and smart inbound

Intelligent Warehouse

Material Smart Sorting

Linked to the automatic scheduling system, it automatically outputs the required materials in the order of work orders

Automated Material Sorting, Labeling, Roller Conveyor Transport

AGV Auto-Delivery

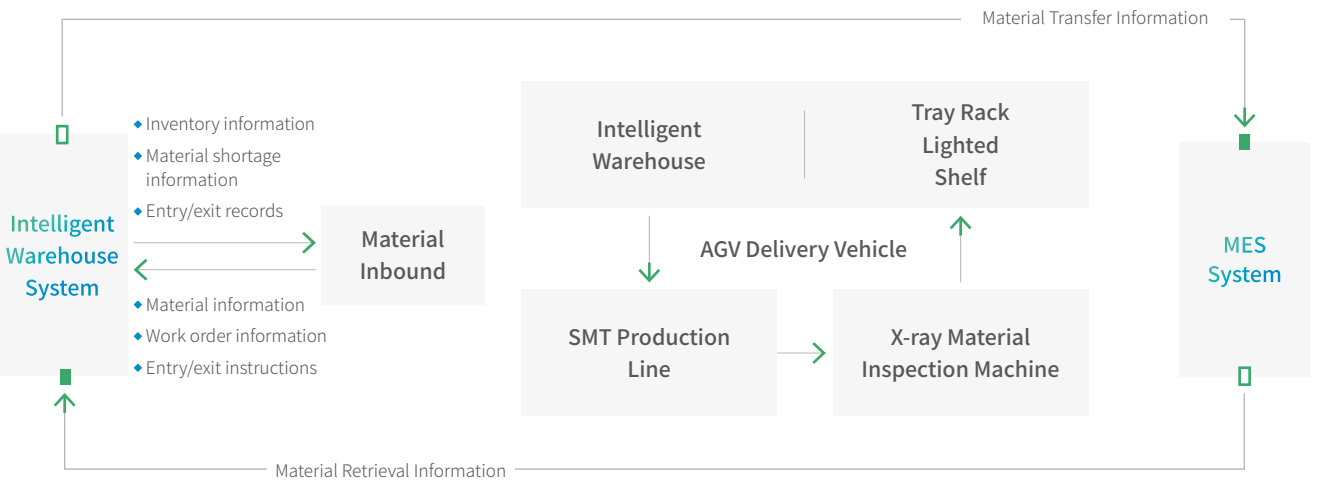
Based on the production demand pull system, achieve JIT delivery of materials

SLAM Laser Navigation for Full Workshop Delivery

Return Inventory Smart Counting

X-ray automatically counts materials, achieving real-time integration of material information with the MES system

High-Precision X-ray Automatic Counting System



Digital Warehouse Management

Green Office

TPV actively advocates low-carbon office practices. We improve building energy management systems, encourage energy-saving work styles, and advocate low-carbon travel methods to minimize carbon emissions in non-production processes. For green commuting,we continue to improve the management system for company vehicles and standardize the procedures. We follow the principle of "making applications in advance and scientifically planning routes" to reduce repeated trips, save fuel consumption, and minimize exhaust emissions. Additionally, we actively adopt electric commuting buses, install charging piles, and encourage employees to commute in more sustainable ways.

TPV Shanghai Building Has Received "National Green Building Three-Star Certification"

As the first building to be awarded "National Green Building Three-Star Certification" in Shanghai Hongqiao International Central Business District, the TPV Shanghai office building has fully integrated environmentally friendly concepts from the design stage. The roof is equipped with distributed photovoltaics, and the building features an energy efficiency monitoring platform and a rainwater recycling system, among other advanced facilities. The building maximizes resource conservation (energy, land, water, material), reduces pollution, and creates a healthy, practical, and efficient workspace for employees.

Building Integrated Photovoltaics
- The proportion of photovoltaic power generation is 2%

Combined Heat, Power, and Cooling
- Cooling and heat provided by the energy station

Green Roof
- 1,850 m^2 green area on the rooftop
- 400 m^2 eco-farm

Underground Space Daylighting
- Sunken courtyards

Derelict Land Utilization
- Land conservation
- Environmental improvement

Underground Space: Hongqiao Hub
- Express passage to Hongqiao transportation hub

Sub-Metering and Building Automation
- Energy monitoring system
- Building automation (BA) system

Adjustable shading
- Fixed exterior shading
- Adjustable interior shading

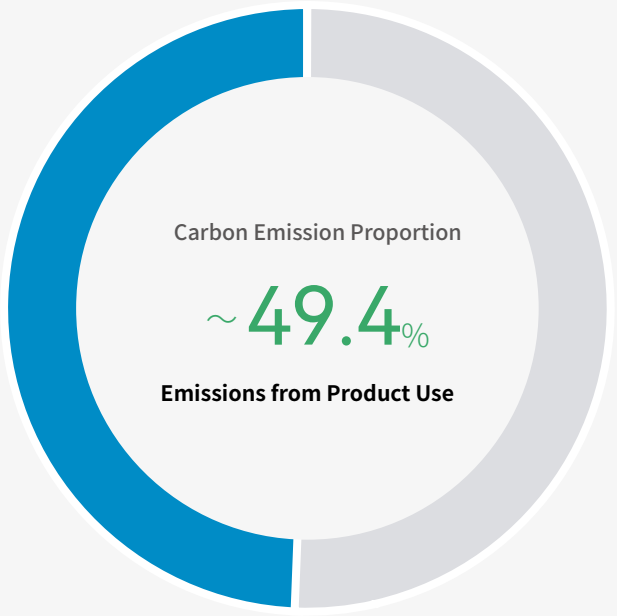
Non-Conventional Water Source
- Reclaimed water and rainwater utilization

02

Strategy 2: Low-carbon Products

As a responsible manufacturer of electronic consumer products, TPV integrates sustainability into every stage of the product lifecycle, from "raw materials to manufacturing, transportation, use, and disposal". We reduce the carbon footprint of our products through technological improvements, the use of sustainable materials, and product recycling, offering customers and consumers more environmentally friendly and sustainable products and solutions.

Emissions from the Use of Sold Products



Science-Based Targets

By 2030

42% ↓

decrease in Scope 3 - use of sold products compared to 2020

By 2050

90% ↓

decrease in Scope 3 - purchased goods and services and use of sold products compared to 2020

Action Targets

- By 2030, reduce the carbon intensity of own brand main products by **30%** from 2022
- By 2030, ⩾**30%** of newly developed own brand main products complete either Product Carbon Footprint (PCF) assessment or Life Cycle Assessment (LCA)
- By 2030, recycled plastic or bio-based plastic used in all products plastic packaging ⩾**15%**
- By 2030, recycled metal used in own brand main products ⩾**25%**
- By 2030, Post-Consumer Recycled (PCR) plastic used in plastic components of own brand main products ⩾**25%**

Key Actions

- Green products
- Green packaging
- Circular economy

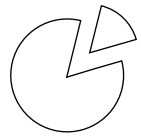
Progress in GHG Emissions Reduction

7,667,333 tCO_2e

2024 Scope 3 Category 11- use of sold products

48% ↓

decrease from 2020



Green Products

TPV introduces carbon management throughout the entire product lifecycle, embedding a "green" approach into our product design from the start. During the product design phase, we fully consider resource utilization and environmental impact to ensure that, while meeting quality and functional requirements, we strictly adhere to industry environmental compliance standards and pursue green product certification. We optimize the environmental performance of all aspects of the product through eco-design methods, including energy consumption, packaging materials, raw material usage, etc., and actively promote the achievement of eco-design goals to reduce the environmental footprint throughout the product's lifecycle.

EcoDesign[6] Objectives for Philips Licensed Brand under TPV

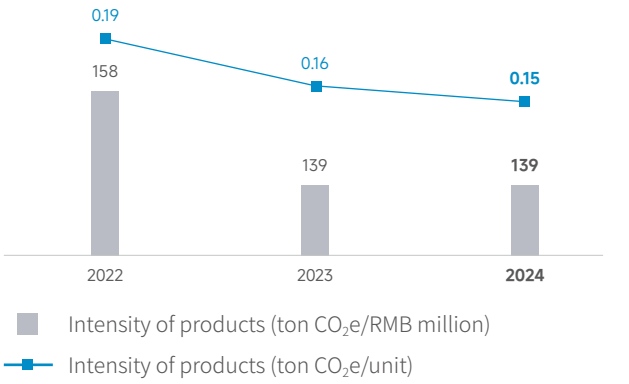
Energy efficiency	◇ Improve the efficiency of product usage
Packaging	◇ Select packaging materials that are recyclable, reusable and renewable
Substance	◇ Reduce and avoid the use of harmful substances
Circular economy	◇ Improve the maintainability and extend the service life by using parts that are easy to recycle and disassemble

EcoDesign goal

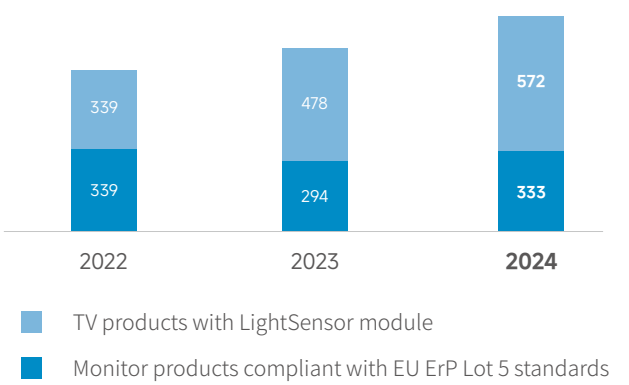
By 2030, proportion of Philips licensed brand product meeting the Philips Eco-design standards reach

100%

Carbon Emission Intensity of Sold Products



The Number of Low-carbon and Energy-efficient Products



Green and low-carbon product innovation is a key strategy for TPV. In recent years, we have continuously increased our investment in R&D and service innovation for energy conservation and environmental protection technologies. We have developed our own innovative energy-efficient modules and intelligent light adjusting technology, which significantly reduce product energy consumption. At the same time, we are actively exploring energy-saving solutions for our products to provide users with more environmentally friendly and convenient experiences. As of 2024, the carbon emission intensity of the Company's sold products has continued to decline.

[6] EcoDesign is an ecological design standard established by the Philips licensed brand under TPV for the development of new models of products. This standard specifies requirements for product and accessory power, energy consumption, packaging, substances of concern, sustainable material applications, and product maintainability. EcoDesign also provides systematic reference and guidance for the product development and design of various brands under the Company.

In addition, TPV actively develops new green product categories, launching ultra-energy-saving displays, low-power e-paper displays, solar-powered headphones, and other green products. This further enriches our product range and provides diverse environmental protection solutions for the market. These products not only meet users' expectations for green consumption but also demonstrate our commitment to environmental responsibility.

Green Function	Energy-saving Technologies	
Reduce Product Energy Consumption	◇ **Super-Efficient Power** design for maximum power savings ◇ **PowerSensor / PowerSensor2** recognizes user presence and automatically adjusts monitor brightness	◇ **LightSensor** recognizes environmental changes and automatically adjusts monitor brightness ◇ Use high-efficiency and energy-saving semiconductor material gallium nitride (GaN) as a power component to improve overall power efficiency
Create Energy-saving Models	◇ Green button on TV remote controls provides users with various energy-saving options ◇ The **ZeroWatts** with zero-power switch	

Featured Green Products

Philips Energy-saving monitor[7]

- ◇ Featured with various energy-efficient technologies which could save up to 80% energy
- ◇ 100% recyclable material & FSC certified packaging
- ◇ 100% recycled aluminum in monitor's base and stand
- ◇ TCO Certified & EPEAT Gold rating

E-paper Displays

- ◇ Low power consumption, long battery life
- ◇ Low carbon emissions. For example, the carbon emissions during the use of E-paper signages are only 0.0201kg CO_2e[8], which is 1/26 of the indoor LCD signage and 1/40 of the outdoor LCD signage

Philips TAA6219 On-ear Solar-powered Headphones

- ◇ Equipped with solar panel module, the product can be charged using artificial indoor light as well as outdoor sunlight. After being fully caged, it supports 80 hours of continuous use
- ◇ Global Recycled Standard (GRS) certification
- ◇ 100% renewable energy used in the production process
- ◇ 35% Post-Consumer Recycled plastics (PCR)
- ◇ Achieve net-zero emissions throughout the entire lifecycle by purchasing carbon credits

[7] Including Philips 27B2G5500, 24B2G5200 and other display models.

[8] We estimate the energy savings and carbon emissions reduction achieved by a single 31.5'' outdoor electronic display compared to a 32'' LCD indoor and outdoor display with reference to the German carbon emission co-efficient (0.30358)

The Number of Green Product Certification Obtained by TPV

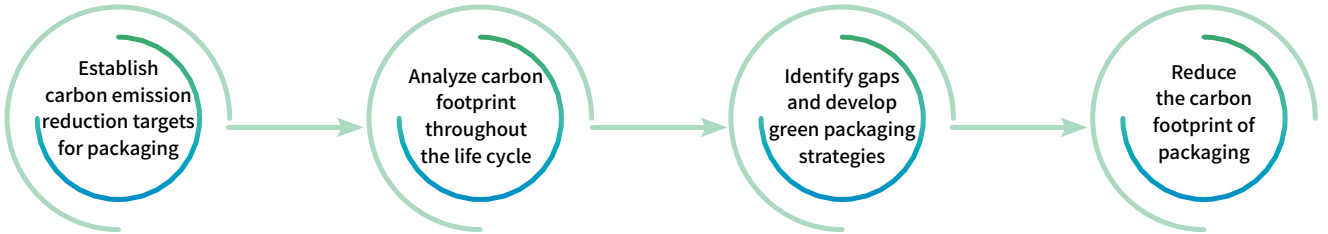
Green Product Certification		2022	2023	2024
EPEAT Climate+		/	120	**153**
EPEAT	Gold	36	60	**73**
	Silver	77	101	**106**
ENERGY STAR®		258	161	**141**
TCO Certified		150	151	**106**
China Energy Conservation Program (CECP)		/	330	**284**
China Environmental Labelling Certification (Ten-Ring)		/	250	**235**

In addition, TPV also collaborates with domestic and international research institutions and public welfare organizations. We actively participate in formulating international green standards and policy research, applying our technological experience to industry standards. For example, as a member of the Global Electronics Council (GEC), the Company participates in compliance guidance group meetings, offering professional technical support for the development of EPEAT standards. We have also contributed to the research and discussion of international standards such as the *Ecodesign for Sustainable Products Regulation (ESPR) Regulation* and participated in the revision workshop for the TCO Certified Generation 10, promoting the green environmental standards' updates alongside industry experts.

Green Packaging

TPV adheres to the concept of ecological friendliness. We strictly select green packaging materials that meet environmental standards, are safe for the human body, and can be recycled. We strictly follow the ecological environment protection standards throughout the entire lifecycle of packaging materials, from raw material selection, to production, use and final treatment. We optimize packaging design, reduce packaging volume, recovery and increase the recovery and reuse of packaging materials, so as to increase the proportion of green packaging usage and reduce the carbon emission intensity of packaging.

TPV Green Packaging Mechanism



Green Packaging Design

Accessory Box

- Digital instructions are used to reduce unnecessary paper materials
- All-paper packaging is adopted to reduce the use of plastic bags

Cushion

- Foam or other polymer foam materials are replaced by more recyclable air cushion and paper cushion, ensuring both strength and environmental friendliness

Protection Bag

- Plastic packaging bags are replaced by non-woven fabric packaging bags for the device, with raw materials derived from wood pulp and plants

Carton

- Introduce FSC-certified paper pulp packaging
- Adopt eco-friendly inks and optimize processes to reduce ink printing

Measures for Reducing Packaging Materials

Reducing Parts Packaging

- Anti-tamper labels on the outer packaging of film products can be removed without compromising quality, which reduces label usage by 40%
- By adjusting the number of internal transfers and evaluating the quantity of single package based on film thickness, packaging material usage for individual product categories was reduced by 80% and 40% respectively

Adopting Turnover Packaging

- Adopt reusable turnover boxes to reduce transportation damage and decrease the usage of packaging materials

TPV continues to drive the transformation to green packaging, actively using sustainable packaging materials to replace traditional plastics. This significantly improves the environmental attributes of packaging materials. The transformation reduces plastic use and minimize the environmental impact of the packaging process. Since 2023, the use of renewable packaging materials for the Company's own brand products has significantly increased.

TPV Argentina Leading Green Logistics Practice with Recycling Packaging

TPV actively promotes packaging recycling in manufacturing processes at global manufacturing bases, continuously improving resource utilization efficiency. TPV Argentina focuses on packaging recycling in the logistics sector, classifying and collecting large amounts of cardboard generated during product packaging and transportation. The manufacturing base cooperates with professional institutions to recycle the cardboards for new packaging materials or for other purposes, effectively reducing the consumption of forest resources. In addition, we further reduce material waste and achieve resource recycling through recovery of solder tin paste and tin slag.

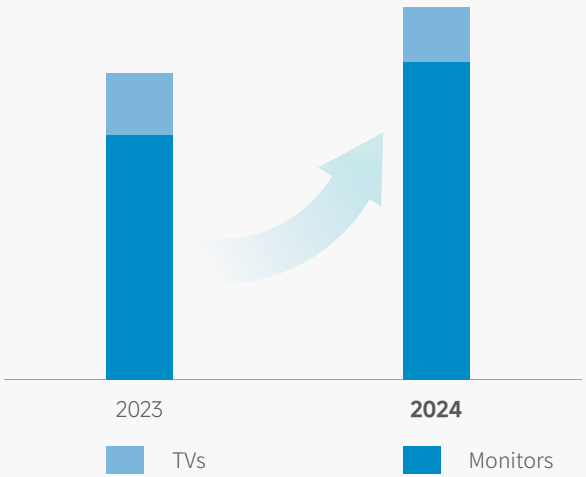
Smaller Packaging in Audio Products

TPV has incorporated 100% plastic-free packaging into many new audio products. We use materials including recycled cardboard and paper pulp trays, while reducing packaging size.

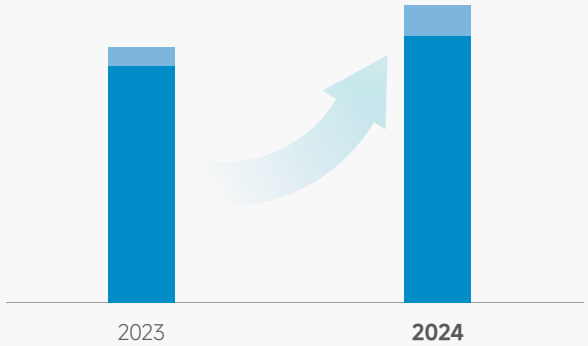
For Philips headphones products we introduced smaller packaging where we save around 10% of the volume for our 2025 models.

Use of Renewable Materials in Packaging of Own Brand Products

Trend in the Use of Renewable Materials in Packaging



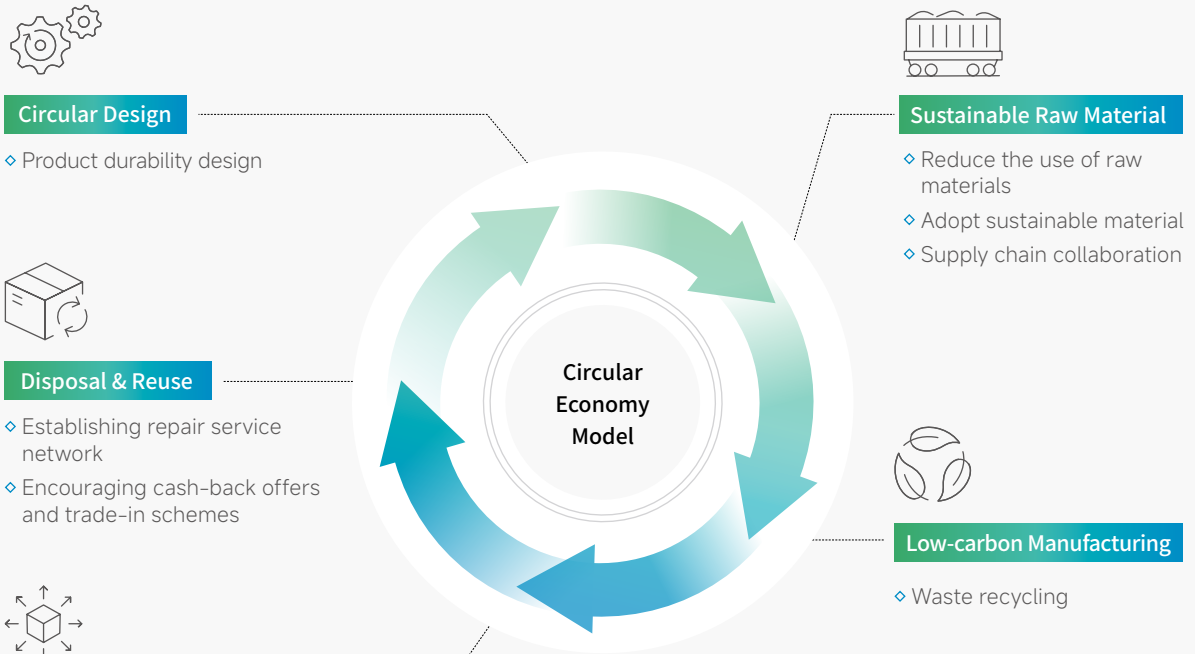
Trend in the Use of Recycled or FSC-certified Materials in Packaging



Paper Pulp Packaging

Circular Economy

Characterized by resource conservation and recycling, circular economy advocates an economic model which harmonize with nature. TPV explores the development of a circular economy model by pioneering circular design, expanding sustainable raw material use, implementing full life cycle resource management, and promoting recovery of materials and products, so as to comprehensively improve resource utilization efficiency and reduce the generation of waste.



Circular Design

In the stage of product design, we take a systematic approach, considering multiple dimensions such as durability design, raw material innovation, recovery and reuse needs. We establish a circular design system that spans the entire product lifecycle. This system not only extends the service life of products and reduces resource consumption, but also achieves remarkable results in recovery disposal and reuse.

In terms of durability improvement, TPV adopts a durability design strategy. Our Philips licensed TV products have been comprehensively optimized according to the French Durability Index standards, with the durability index improving to 8.1, surpassing the overall brand average of 6.0.

Sustainable Raw Materials

In the field of raw material innovation, TPV is committed to increasing the use of sustainable raw material. We actively exploring sustainable raw material innovation and upgrades in manufacturing process to reduce the consumption of traditional plastic, metal, and packaging paper materials.

3 Principles for Designing and Selecting Materials

Sustainable Materials in Our Products

Plastic

- Using sustainable materials such as post-consumer recycled (PCR) plastics, bio-based plastics, compostable bio-based materials

85% PCR plastic and 5% ocean-bound plastic in Philips monitors

Metal

- Exploring the Application of recovered metal materials in products

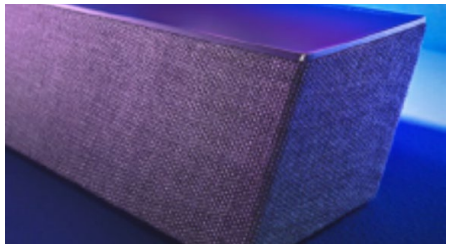
100% recycled aluminum in monitor's base and stand

Paper Packaging

- Using recyclable or FSC-certified packaging materials

100% recyclable materials packaging

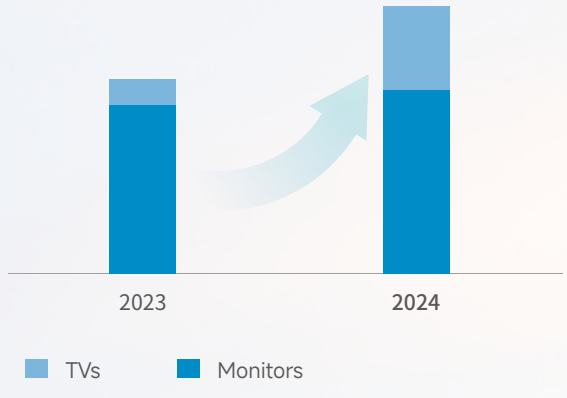
Additionally, we collaborate with suppliers specializing in green materials to drive the adoption and innovation of sustainable materials throughout the supply chain, while promoting the value chain's commitment to achieving carbon reduction goals.



Partnered with Kvadrat to Integrate Eco-friendly Wool Yarn into Philips Audio Product

Partnered with Muirhead to Integrate Low-carbon Leather into Philips TVs, Audio Products, and Headphones

Trend in the Use of Recycled Plastics in Own Brand Products



Low Carbon Manufacturing

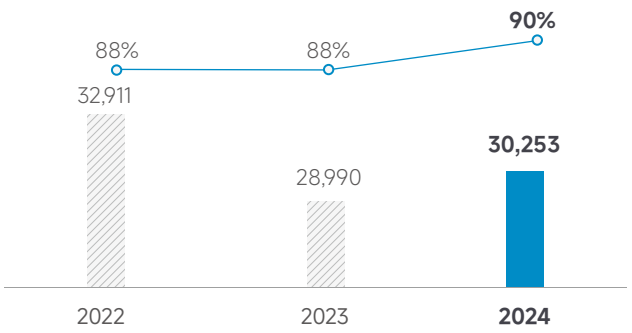
In the practice of low-carbon manufacturing, TPV Technology focuses not only on the efficient utilization of energy and the use of renewable energy, but also on solid waste management and resource reuse. We have optimized the production process and management process to reduce waste generation, and established a waste treatment and recycling system. Through waste recovery, we promote resource reuse through waste recovery and reduce resource consumption in the production process.

Solid Waste Reduction Target

7.5% ↓

decrease in total non-hazardous waste by 2030 compared to 2021

Recylable Waste Disposal Weight (t) and Ratio (%)



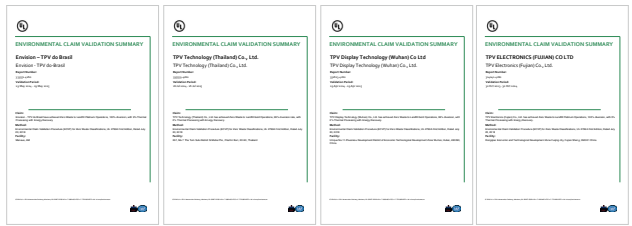
TPV has established a comprehensive waste management system in its global manufacturing bases. As of 2024, 4 manufacturing bases worldwide have obtained UL 2799[9] Zero Waste to Landfill Certification, with TPV Fuqing and TPV Brazil achieving the highest level, Zero Waste to Landfill Platinum Level. Every year, our manufacturing bases actively plan and implement multiple projects to promote recycling of packaging materials and manufacturing waste, continuously improving resource efficiency.

Packaging Materials Recycling

- Carton
- Expandable Polyethylene (EPE) & Expanded Polystyrene (EPS)
- PE bag (plastic bag)
- Pallet

Metal Materials Recycling

- Tin waste residue
- Soldering raw materials



TPV Fuqing, TPV Brazil achieved UL 2799 Zero Waste to Landfill Platinum Certification; TPV Thailand and TPV Wuhan achieved UL 2799 Zero Waste to Landfill Gold Certification

[9] The "UL 2799A Environmental Claim Validation Procedure (ECVP) for Zero Waste Classification" requires that at least 90% of waste be diverted through methods other than waste-to-energy incineration to qualify for Zero Waste to Landfill (ZWTL) certification (Silver, Gold, Platinum). Under this standard, "Gold certification" is awarded to sites achieving a landfill diversion rate of 95% to 99%, while "Platinum certification" is granted when a site consistently demonstrates 100% landfill diversion, verified by UL Solutions.

Product Use

TPV offers comprehensive maintenance services to extend the service life of products and reduce resource waste caused by product replacement. We have established a professional after-sales service team to provide timely and efficient technical support and maintenance and repair services. Additionally, we list product maintenance guidelines and procedures on our official website and in the product manual, encouraging consumers to extend product life through proper maintenance.

Improving the Quality of Product Maintenance Services

Free Software Upgrade

- Provide free functional and security patch updates and software upgrades for some products (such as the Philips MediaSuite TV series)

Extended Parts Warranty

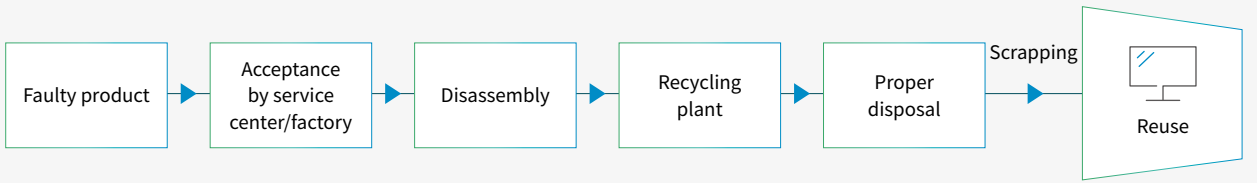
- Open an Online Spare Parts Web Shop in Europe, with replaceable consumables and parts after-sales service extended to 10 years. Customers can obtain warranty services from the online parts store

Consumer repair guidance

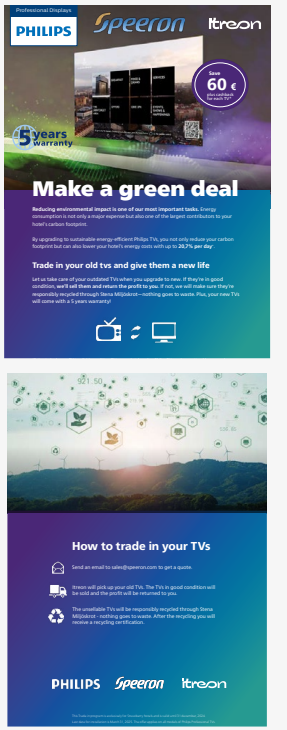
- Introduce the relevant guidelines and procedures for product repair on the official website and in the product manual of our own brand product, encouraging consumers to repair and extend the product's service time

Disposal and Reuse

TPV has fully considered the convenience and practicality of handling products at the end of their lifecycle during the design phrase, ensuring that the product is easy to disassemble and can be handle safely. We continue to optimize the recovery and disposal channels for discarded products, and have established a complete product recycling system in Europe, North America and Brazil. We cooperate with qualified recovery merchants to provide consumers with convenient channels for recycling end-of-life products. In addition, we have planned specialized projects in some regions to exchange old for new or encourage product cash-back. For example, the Philips Hotel TV series collaborates with professional recovery agencies to carry out old machine replacement and recycling projects, providing customers with purchase discounts based on the condition of their old devices.



To improve the efficiency of disassembly and recovery of products in disposal stage, TPV's own brand display products provide detailed disassembly manual to professional recycling institutions. At the same time, AOC and Philips have disclosed the channels and relevant information of recovery of products on their official websites, helping end users understand proper disposal methods and actively fulfill the extended responsibility of recycling and reuse of products.

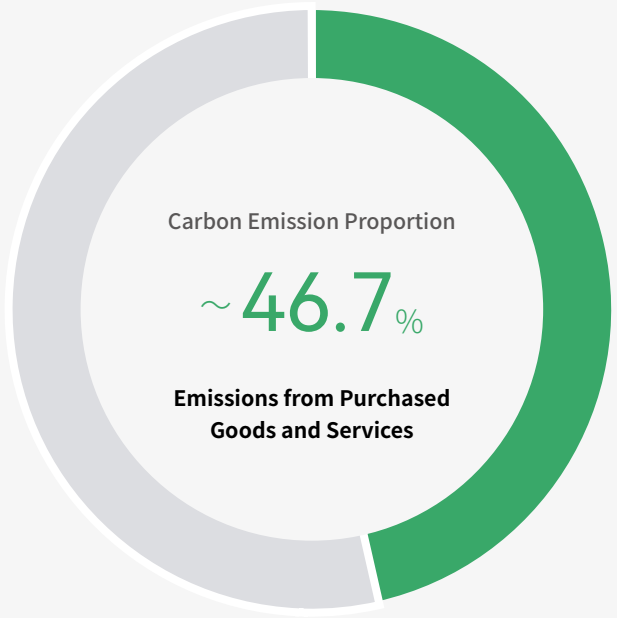


Philips Trade-in Program of Hotel TVs in Nordic Region

03 Strategy 3: Sustainable Supply Chain

TPV Technology not only emphasizes its own operational carbon reduction responsibilities but also strives to incorporate green and low-carbon principles into every critical link in the supply chain. Through continuous innovation and optimization in procurement, logistics, warehousing, distribution, and other stages, the Company aims to reduce overall carbon emissions in the supply chain. At the same time, the Company actively explores and practices the development of a green supply chain system, striving to promote the green and sustainable growth of supply chain partners and lead the creation of a low-carbon value chain.

Emissions from Purchased Goods and Services



Science Based Targets

By 2050

90% ↓

decrease in Scope 3 - purchased goods and services and use of sold products compared to 2020

Key Actions

- Sustainable procurement
- Green logistics

Action Targets

By 2030

70

suppliers complete public environmental information disclosures

100

suppliers complete GHG reduction targets setting

95%

buyers receive training on sustainable procurement and environmental protection

100%

new suppliers complete ESG risk assessment

Sustainable Procurement

TPV integrates ESG principles into its supplier management mechanisms, continuously deepening sustainable supply chain management. By gradually building an ESG evaluation system for suppliers and formulating sustainable procurement policies, TPV prioritizes the purchase of products or materials with renewable attributes and environmentally friendly characteristics, effectively managing environmental impacts within the supply chain. We have formulated a supply chain carbon reduction strategy, and aim to reduce carbon emissions from Scope 3 purchased goods and services by 4.5% annually. As an industry leader, TPV also conducts empowerment and sharing activities to help suppliers enhance their ESG management capabilities, working together to drive the green transformation and sustainable development of the industry.

Supply Chain Decarbonization Management Mechanism

Formulate sustainable supply chain strategy and targets	Establish management requirements for suppliers	Screen suppliers with low carbon footprint	Supplier empowerment and incentivization	Track carbon reduction progress of supplier
◇ TPV ESG Roadmap to 2030 ◇ *TPV Supplier Code of Conduct* ◇ *Sustainable Procurement Policy*	◇ Supplier Classification Directory ◇ Supplier ESG Risk Assessment	◇ Supplier ESG Survey	◇ Supplier ESG Training ◇ Supplier ESG Awards	◇ Annual Procurement Report

Management Policies and Mechanisms

TPV continues to deepen the low-carbon management of supplier and accelerate the process of achieving its net zero target. The Company has developed and implemented the *TPV supplier Code of Conduct*, which systematically regulates all requirements, from labor rights and occupational health and safety to environmental protection and supply chain management, and requires 100% qualified suppliers to sign it. TPV has also formulated a *Sustainable Procurement Policy*, committed to integrating sustainable development concepts into procurement practices, identifying, selecting, and purchasing products and services with a reduced negative impact on the environment and society, while maximizing positive outcomes.

Low Carbon Management Requirements in *TPV Supplier Code of Conduct*

> Supplier shall identify, manage, reduce, and control greenhouse gas (GHG) emissions at the operational level, monitor and quantify GHG emissions, set corresponding targets, and track the progress.

TPV continues to improve the low-carbon management mechanism of supplier. From evaluating the environmental performance of new supplier to overseeing low-carbon operation of qualified suppliers, TPV integrates low-carbon management requirements at every stage of supply chain management. During the supplier admission process, we implement the *Supplier Assessment and Management Procedure*. This includes screening for compliance with environmental standards and related risks. We also require suppliers to sign the *Quality Contract and Procurement Contract* with relevant clauses on environmental protection, energy conservation and consumption reduction. In addition, we carry out supplier daily management, audit and continuous improvement as required. The Company has developed an annual audit plan for supplier, which includes environmental protection, energy consumption, greenhouse gas emissions and other aspects, and continuously track the pain points and improvement area based on the audit report formed[10].

Core principles of Sustainable Procurement

Comply with laws, regulations, and industry standards

Establish and implement supplier screening and management process in accordance with the *TPV Supplier Code of Conduct* and relevant regulations

Continuously improving supplier selection mechanism

Priority will be given to supplier who meet the relevant criteria, including:

- Demonstrate its commitment to sustainability
- Formulate policies and codes of conduct related to sustainability
- Commit to fully comply with the *TPV Supplier Code of Conduct*
- Demonstrate good environmental management performance
- Establish internationally recognized sustainable development management systems, such as the ISO 14001 Environmental Management System

Reduce environmental and social impacts in the supply chain

Implement procurement strategies to minimize environmental and social impacts in supply chain, including:

- Prioritize the procurement of products or materials with renewable properties and environmental friendliness
- Prioritize the procurement of materials that have obtained relevant sustainable certifications
- Prioritize local procurement where reasonably feasible
- Minimize packaging as much as possible

Integrating sustainable development into supplier management

Implement the action strategies for sustainable supply chain management, including:

- Classify and categorize suppliers, implement sustainable procurement practices that align with their scale and management level, and drive continuous improvement
- Provide suppliers with sustainable supply chain-related training and guidance
- Regularly review suppliers' environmental and social performance

[10] For the daily management and audit process of supplier, please refer to the Supply Chain section of *TPV Technology's 2024 Environmental, Social and Governance Report*

Supplier ESG Evaluation System

Since 2023, TPV has gradually built a supplier ESG evaluation system to comprehensively collect, track and evaluate supplier performance in environmental, social and governance aspects, helping the Company more effectively identify and address ESG risks throughout the supply chain. In 2024, TPV launched the Supplier ESG Survey platform and introduced the Supplier ESG Survey. The platform collects suppliers' carbon emission data and integrates environmental indicators, such as greenhouse gas emissions, into its supplier evaluation index system, to continuously enhance suppliers' carbon management performance. In 2024, a total of 201 suppliers reported their carbon emissions and renewable energy usage through the online platform of the TPV's Supplier ESG Survey.

Dimensions of the TPV's Supplier ESG Survey on Climate Change

Commitment	◇ Climate change related policies or commitments
Target	◇ Carbon reduction targets
Responsibility	◇ Climate governance and carbon management mechanism
Action	◇ Carbon reduction performance: total greenhouse gas emissions, direct and indirect energy consumption, and renewable electricity usage ◇ Action measures for carbon reduction

Empowerment and Motivation

TPV Technology places great emphasis on cooperation with suppliers, assisting them in improving their low-carbon management capabilities through hosting global supplier conferences and organizing empowerment training. We encourage suppliers to undertake emission reduction actions and set emission reduction targets, thereby better addressing the global climate change challenge.

Project Name	Project Content	Project Outcomes
Global Supplier Conference	Invite internal and external experts to share the latest policy requirements and trends on environmental protection and low-carbon with suppliers, introduce TPV ESG Roadmap to 2030, carbon reduction targets and supply chain management requirements to suppliers	Clarified the key direction and specific requirements of supply chain ESG management, awarded "ESG Green Partner Award" to suppliers, and commended Suppliers for outstanding environmental performance
Climate Themed Training	Invite suppliers to participate in CDP climate change questionnaire filling and provide training for them	Promote 5 suppliers to complete CDP questionnaire filling in 2023 and 15 suppliers to complete CDP questionnaire in 2024
	Invite external experts to provide CBAM regulation training for suppliers, and provide CBAM reporting manual for suppliers	More than 100 suppliers and internal personnel participated in the training, and the relevant suppliers evaluated the carbon emissions of the products and completed the CBAM filling form
Procurement personnel training	Continuously conduct capacity building and awareness training for the Company's buyers and supplier auditors to better manage environmental risks in supply chain	More than 100 buyers participate in sustainable procurement related training every year

CDP Training for Suppliers

TPV Held Global Supplier Conference

Green Logistics

TPV embraces "low-carbon, efficient, and sustainable" as the core concept of green logistics strategy, driving the green transformation of logistics processes through multidimensional measures. We continue to enhance our carbon emission calculation system, actively collaborate across departments, systematically organize carbon emission data for logistics operations, and strive to improve data quality to provide scientific basis for precise carbon reduction.

In transportation, TPV implements various carbon reduction strategies tailored to different transportation modes and actively adopts transportation solutions with lower carbon footprints. At the same time, we optimize warehouse management to enhance efficiency and minimize resource waste in the warehousing process. TPV also works closely with logistics service providers to explore innovative green logistics solutions.

Green Logistics Target

By 2030

Reduce ground transportation carbon emission intensity of own brand main products by

5% ↓

from 2023

Optimize Logistics Plans

- Implement specific carbon reduction strategies for different transportation modes and adopt transportation solutions with lower carbon footprints:
  - Maritime transportation: select energy-efficient vessels and utilize sustainable marine fuels
  - Railway transportation: China-Europe Railway Expressway, as one of the main transportation lines, has largely transitioned to fully electric transportation
  - Road transportation: select trucks that comply with the latest environmental standards

Promote Green Warehousing

- Optimize location and route: reasonably plan the warehouse layout to reduce short-haul transportation distance, improve the Transportation Management System (TMS) for route planning and optimized distribution
- Improve storage space: optimize Warehouse Management System (WMS), upgrade the shelf warehouse, and enhance warehouse utilization
- Recycle packaging materials: recycle and reuse discarded pallets and paper products generated during transportation
- Reduce waste and promote automation: automate processes such as bundling and weighing, and utilize Automated Guided Vehicles (AGVs) for transportation to enhance warehouse efficiency

Deepen Cooperation in Low-carbon Logistics

- Utilize carbon emission management tools offered by logistics service providers to track carbon emissions from logistics
- Engage with logistics service providers to explore green logistics solutions

Climate Resilience

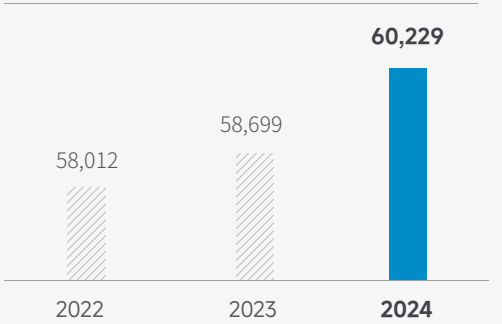
As a globally operating enterprise, TPV places great importance on contributing to climate resilience of the communities where we operate. For many years, we have supported and organized various biodiversity conservation and science education activities to raise public awareness and enhance the capacity for ecological protection, working together to improve the community's ecological environment and strengthen climate resilience.

Type	Main Projects
Tree Planting	◇ Philips Monitor Forest project ◇ TPV Fuqing initiates "TPV Forest" environmental protection program ◇ Each manufacturing base organizes tree-planting activities
Wetland Protection	◇ Conserve mangrove wetland ecosystems ◇ TPV Fuqing wetland protection cycling
Nature Education	◇ Wetland bird watching children study tour ◇ "Caring for Ecology and Leading the Way" - Public welfare science popularization campaign in schools ◇ Cross Strait Youth "Green Camp"

Philips Monitor Forest Project

Since 2020, TPV has been collaborating with third-party institutions on the Philips Monitor Forest project. For every Philips Monitor purchased, trees are planted in Tanzania. This project not only links consumer behavior directly to environmental protection but also provides essential jobs and improves living conditions for local communities involved in the initiative. It has yielded significant environmental and social benefits. As of 2024, the project has planted a total of 60,229 trees, covering an area of 60.25 hectares.

Total Number of Trees Planted in the Philips MonitorForest Project



TPV and Red Cross Netherlands Collaborate on Mangrove Planting and Protection

TPV has partnered with the Red Cross Netherlands to promote mangrove restoration projects in the Philippines, aimed at combating climate change, enhancing community resilience, and protecting biodiversity. Through mangrove planting, community engagement, and ecological monitoring, the project strengthens coastal protection and disaster risk management, while also providing critical habitats for biodiversity.

The mangrove restoration project not only creates a green protective barrier for coastal communities in the Philippines but also offers replicable practices for climate change adaptation and biodiversity conservation, embodying the sustainable development path of harmonious coexistence between humans and nature.

04 Low-carbon Governance

Governance Structure

Effective climate governance enables companies to coordinate and integrate resources, promote the successful implementation of low-carbon policies and achievement of emission reduction targets. TPV has established a comprehensive low-carbon governance system that encompasses organizational structure, institutional processes, and corporate culture, ensuring that low-carbon principles are embedded throughout the Company's strategic planning and business decision-making. This provides a solid foundation for achieving net-zero targets.

TPV Technology places great emphasis on the development of ESG governance systems. The Company has established a three-tier governance structure consisting of the Board of Directors, the Risk Management and ESG Committee and the ESG Taskforce. Low-carbon management functions are deeply integrated into this framework, with clearly defined responsibilities and authorities at the Board, management and execution levels, forming a systematic and hierarchical management model. In addition, the Company enhances management effectiveness through incentive mechanisms, professional qualifications, and knowledge reserves, ensuring the successful implementation of our low-carbon strategy.

Climate Change Governance Structure	Role	Responsibility	Frequency
Board of Directors	Highest decision-making body	◇ Reviewing and approving the climate-related mechanism, and assessing the effectiveness of climate-related risk management and internal control systems ◇ Reviewing ESG strategies and plans, annual key performance indicators, and progress towards targets, including reviewing carbon emission reduction targets and roadmap and approving climate-related budgets ◇ Integrating ESG factors, including climate change, into the following decision-making processes: -Formulate the overall plan -Develop business plans -Establish annual budgets -Prepare capital expenditure, acquisition and divestiture plans -Review and guide corporate strategy	Annual
Risk Management and ESG Committee	Management	◇ Guiding the design and implementation of strategies, goals, and initiatives related to climate change ◇ Assessing and managing climate-related risks and opportunities ◇ Handling the entry, statistics, and tracking of climate-related data and progress through the ESG Platform ◇ Monitoring and supervising the progress towards key risk indicators for carbon emission reduction ◇ Tracking and managing the progress towards the "TPV ESG Roadmap to 2030", including carbon emission reduction targets ◇ Engaging in communication with relevant stakeholders regarding climate-related issues, and conducting promotion and capacity-building activities ◇ Regularly reporting to the Board of Directors to ensure oversight	Semi-annual/ quarterly/ monthly/ daily
ESG Taskforce	Execution	◇ Developing and implementing each target outlined in the "TPV ESG Roadmap to 2030", including carbon emission reduction targets ◇ The ESG team is responsible for coordinating and promoting the projects with the relevant departments, including but not limited to: -The Energy Conservation & Emission Reduction Team is responsible for implementing energy use and carbon emission reduction targets at the operation level -The procurement, quality management, and R&D teams are responsible for implementing carbon emission reduction targets at the product level -The HR Team is responsible for executing climate-related incentive policies and internal capacity-building activities	Semi-annual/ quarterly/ monthly/ daily

- TPV has established a carbon reduction performance-based incentive mechanism linked to executive compensation. We directly link the carbon reduction performance at the operational level and across the value chain with senior executive (including CEO) compensation to ensure the effective implementation of the net-zero strategy

- The Board of Directors is the highest decision-making body for the Company's climate governance. Some of our Board members have extensive experience in green finance and climate-related management, including daily management of climate change matters, green investment and financing

- TPV has established a systematic training mechanism to provide customized climate-related training and professional consultation for all Board members, continuously improving the strategic decision-making capabilities and the effectiveness in managing climate-related risks

Since 2022, TPV Technology has adopted the Task Force on Climate-related Financial Disclosures (TCFD) framework[11]. We have conducted in-depth analysis of climate-related risks and opportunities, assessing their impact on our business by referring to scenario models developed by international organizations such as the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC). At the same time, the Company actively responds to the CDP Climate Change Questionnaire on an annual basis, providing a scientific and transparent overview of our carbon reduction progress to demonstrate our climate actions to stakeholders.

Internal Carbon Pricing

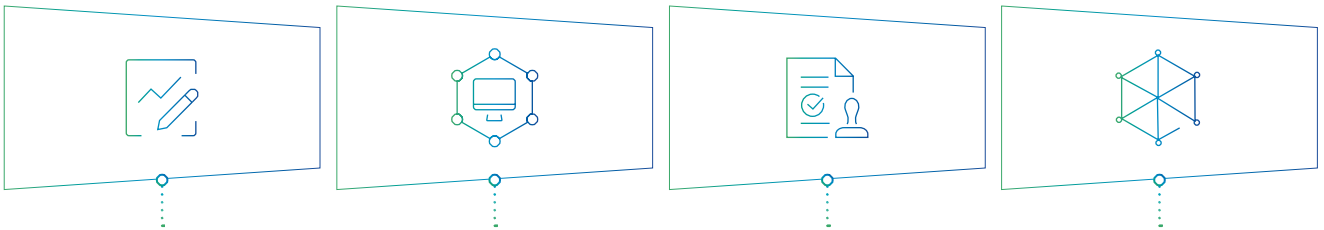
In 2025, TPV introduced an Internal Carbon Pricing mechanism to better manage climate risks and opportunities, promote low-carbon investments, and improve energy efficiency. The Company selected its manufacturing bases in China as a pilot program, covering Scope 1 and Scope 2 greenhouse gas emissions. Using a shadow pricing approach, TPV set an internal carbon price of $100 per ton, taking into account global carbon market prices, renewable energy costs, and scenario predictions. Moving forward, TPV will continue to refine the internal carbon pricing mechanism and explore solutions applicable to its global manufacturing bases, supporting the Company's net-zero goals.

[11] Detail information on TCFD climate disclosure can be found in *TPV Technology's 2024 Environmental, Social and Governance Report*.

Target Management

TPV has established a routine ESG target management system. The Company relies on its three-tier governance structure consisting of the Board of Directors, the Risk Management and ESG Committee and the ESG Taskforce, forming an efficient and coordinated management system. This system helps ensure that the net-zero goal is achieved smoothly, from strategic planning at the top level to action implementation at the ground level. A cross-functional ESG Taskforce has been established, comprising representatives from manufacturing, R&D, procurement, and other departments. Each department leverages its professional strengths to jointly promotes carbon reduction efforts. We have broken down the overall net-zero goals into measurable and trackable performance indicators and continuously optimize the implementation pathway through regular assessments and dynamic adjustments.

We actively leverage digital tools to promote carbon emission targets and data management. Through our self-developed ESG Platform, we have significantly enhanced our online carbon emission data tracking and traceability, providing strong technical support for target management and decision-making. Since the launch of the platform in 2022, TPV has continuously iterated and upgraded it based on evolving global carbon management policies, industry standards, and user feedback. In 2024, TPV innovatively launched the ESG Information Disclosure Platform, which optimizes internal management processes for collecting and compiling qualitative ESG information, significantly improving data quality and processing efficiency.



2022

ESG Platform First Launched

- The platform covers 165 indicators including direct energy use and purchased electricity, enabling GHG emissions data online reporting for the first time

2023

ESG Platform Version 2.0

- Developed a group-level management dashboard to enable trend tracking of KPIs such as SBTi emission reduction targets, electricity consumption targets, and renewable energy usage targets

2024

ESG Information Disclosure Platform First Launched

- The platform covers over 400 indicators including energy-saving projects and green products, enabling online inquiry and approval of carbon management information

In the Future

- Continuously update the platform with the latest regulations and low-carbon trends, steadily enhancing the efficiency and transparency of carbon information

Low-carbon Empowerment

TPV enhances the carbon management knowledge and capabilities across all levels of management and functional departments by organizing cross-departmental workshops, training courses, and climate-related thematic activities. The Company also promotes low-carbon awareness and sustainable behaviors among all employees at their work and lives, inspiring a sense of responsibility and motivating them to take action in addressing climate change.

Workshops/ Seminars

- ESG workshop for Directors, supervisors and senior executives
- ESG Sharing Session under the Leadership Reading Club
- Low-carbon themed sharing session

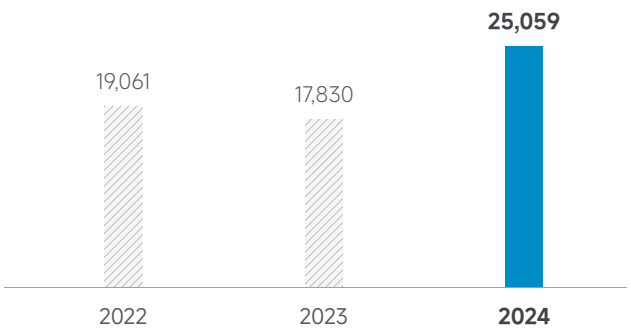
Climate Training Programs

- The Company's internal online training platform "TPV E-Learning" has launched a series of ESG courses, covering topics such as carbon neutrality and climate change

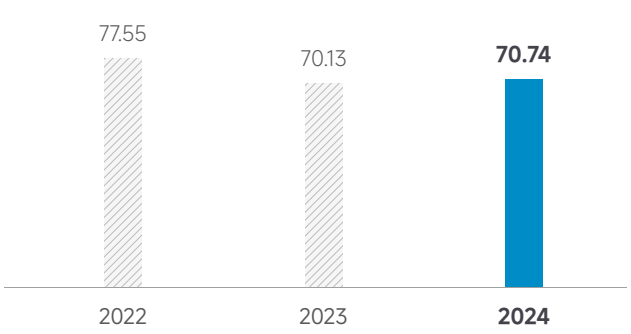
Environmental-themed Activities

- Energy Conservation Promotion Month/ Week
- Tree-planting activities at the manufacturing bases
- Environmental DIY activities

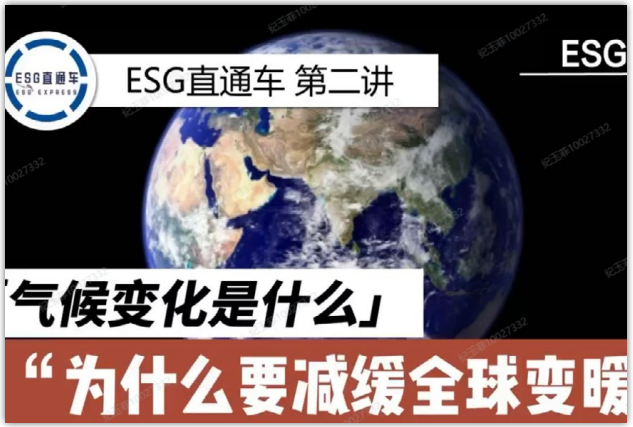
Training on Environmental Protection (hours)



Employee Coverage in Environmental Protection Training (%)



ESG Workshop for Directors, Supervisors, and Senior Executives



ESG Training Courses

Our Final Thoughts

As a global leader in the display industry, TPV Technology fully recognizes that climate change is a shared challenge concerning the future of humanity. The release of the *TPV Technology Net-Zero Action Plan* not only demonstrates our commitment to addressing the global climate crisis but also marks our dedication to driving net-zero transition through innovation. We uphold our ESG vision of "Better Display, Better Life", integrating net-zero emission goals into the entire product lifecycle - from green design, low-carbon operations, to sustainable supply chains and end-of-life product recycling. This reflects our long-term responsibilities to the environment, our customers, and society.

Looking ahead, TPV Technology will continue to foster open collaboration, working with global partners, customers, and employees to build a decarbonization ecosystem across R&D, manufacturing, and product application scenarios. We believe that through continuous technological breakthroughs, resource integration, and transparent actions, the low-carbon transition is not only an inevitable response to challenges, but also a strategic opportunity to create new value and lead the future of the industry. TPV Technology stands ready to join hands with all stakeholders, and with our net-zero ambition, we aim to illuminate a sustainable future by contributing innovative low-carbon display solutions to global climate efforts.

Appendix

About This Report

TPV Technology Co., Ltd. (referred to in this Report as "TPV Technology", "TPV", "we", or "the Company") released the *TPV Technology Net-Zero Action Plan* (this Report) for the first time in 2025.

This Report presents the performance and achievements of TPV Technology up to December 31, 2024. Unless otherwise specified, the scope of this Report covers TPV Technology and our 12 global manufacturing bases and 5 operation sites, and are applicable to all under the operational control of TPV Technology worldwide[12].

All financial data in this Report, unless otherwise specified, are presented in RMB. The Report is published in both Chinese and English. In case of any discrepancy in the two versions, the Chinese version shall prevail.

[12] The specific operational entities covered in this report are listed in the *TPV Technology's 2024 Report.*

GHG Accounting Scope and Methodology

TPV uses the operational control method to determine the emission boundary. The greenhouse gases accounted for include: carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), nitrogen trifluoride (NF_3), and sulfur hexafluoride (SF_6).

Category		Methodology
Scope 1		GHG emissions (Scope 1) are the GHG emissions from gasoline and diesel (stationary combustion), gasoline (mobile combustion), diesel (mobile combustion), natural gas (stationary combustion), LPG (stationary combustion) fossil fuels and the use of refrigerants consumed at 12 manufacturing bases, 5 main offices and operation sites, which consist primarily of the following GHGs: carbon dioxide, methane, nitrous oxide and HCFC-22, HCFC-123, HFC-32, R-134a, R-404a, R-410a. The accounting of GHG is based on Global Warming Potential (GWP) in the *IPCC Sixth Assessment Report* (AR6) , *the Guidelines for the Preparation of Provincial Greenhouse Gas Inventories (Trial) , the 2019 Refinement to the 2006 IPCC Guidelines for National Greenhouse Gas Inventories by the Intergovernmental Panel on Climate Change (IPCC) and the National Standard of the People's Republic of China General Rules for Calculation of the Comprehensive Energy Consumption* (GB/T 2589-2020) .
Scope 2	Market based	GHG emissions (Scope 2 - market based) are the GHG emissions from indirect energy consumption consumed at 12 manufacturing bases, 5 main offices and operation sites, considering the offsets from unbundled energy attribute certificates in the accounting of purchased non-renewable electricity, referenced to the *Green Gas Protocol*. Emission factors for purchased electricity for plants on the Chinese mainland refer to the *Announcement on Issuing the Electric Power Carbon Dioxide Emission Factors in 2021* issued by the Ministry of Ecological Environment and the National Bureau of Statistics, for Hong Kong (China), Taiwan (China) and overseas plants refer to the International Energy Agency (IEA) database.
	Location based	GHG emissions (Scope 2 - location based) are the GHG emissions from indirect energy consumption consumed at 12 manufacturing bases, 5 main offices and operation sites, including GHG from purchased renewable and non-renewable electricity referenced to the *Greenhouse Gas Protocol*. Emission factors for purchased electricity for plants on the Chinese mainland refer to *the Announcement on Issuing the Electric Power Carbon Dioxide Emission Factors in 2021* issued by the Ministry of Ecological Environment and the National Bureau of Statistics, for Hong Kong (China), Taiwan (China) and overseas plants refer to the International Energy Agency (IEA) database.
Scope 3	Category 1 - Purchased goods and services	GHG emissions (Scope 3, Category 1 - Purchased goods and services) are calculated according to the *Greenhouse Gas Protocol*, focusing on cradle-to-gate carbon emissions from the extraction, production, and transportation of goods and services procured during the reporting year. The calculation is based on the cost of newly purchased goods and services in the reporting year, multiplied by emission factors from the Chinese Environmentally Extended Input-Output (CEEIO) database.
	Category 11 - Use of sold products	GHG emissions (Scope 3, Category 11 - Use of sold product) are calculated according to the *Greenhouse Gas Protocol*, focusing on lifetime expected energy footprint for all monitors and TVs sold products during the reporting year. This figure is then multiplied by a published grid emissions factor of the year. The emissions factor mainly refers to the grid emission factors published by the International Financial Institution (IFI).
	Other categories	GHG emissions (Scope 3 - Other categories, including category 2, 3, 4, 5, 6, 7, 8, 12, 13, 15) are calculated according to the *Greenhouse Gas Protocol*. Activity data are primarily derived from direct measurements, questionnaire surveys, and other relevant sources. Emission factors are mainly referenced from authoritative domestic and international databases, including the Chinese Environmentally Extended Input-Output (CEEIO) database, the UK Government BEIS database, and the China Life Cycle Database (CLCD), among others.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