

2025 SUSTAINABILITY REPORT

Table of Contents

Foreword

Report Overview	03
Report Scope	03
Message from the Chairman	04
Message from the Chairman of the Strategy and Sustainability Committee	05
Company Profile	06
Special Feature: APEX	10

1.0

Sustainability Management

1.1 Driving High-Quality Development through ESG Capacity Building	14
1.2 Stakeholder Communication	23
1.3 Double Materiality Assessment	25

2.0

Green Development

2.1 Addressing Climate Change	30
2.2 Energy Management	39
2.3 Water Resource Management	44
2.4 Air Pollution Prevention	51
2.5 Waste Management	54

3.0

Technology Empowerment

3.1 R&D and Innovation	61
3.2 Sustainable Products	67
3.3 Intelligent Manufacturing	74
3.4 Product Responsibility	78
3.5 Customer Relationship Management	83

4.0

Harmonious Coexistence

4.1 Labor and Human Rights	86
4.2 Employee Care and Communication	92
4.3 Talent Cultivation and Development	95
4.4 Occupational Health and Safety	101
4.5 Responsible Supply Chain	108
4.6 Giving Back to Society	114

5.0

Responsible Operations

5.1 Corporate Governance	117
5.2 Risk Management	119
5.3 Business Ethics	122
5.4 Information Security and Privacy Protection	127

Appendix

Key Performance Indicator Table	131
Indicator Index Table	142
Certification Summary	149
Independent Assurance Statement	150
Glossary	151
Feedback	154

Report Overview

This is the third Sustainability Report published by TCL China Star Optoelectronics Technology Co., Ltd. ("TCL CSOT", "the Company", or "We"), which provides an objective and comprehensive disclosure of TCL CSOT's goals, practices, and performance in Environmental, Social, and Governance (ESG).

Report Scope

The scope of entities included in this Report is consistent with the definitions in the *TCL Technology Group Corporation Annual Report 2025*. Unless otherwise specified, the reporting period covers 1 January 2025 to 31 December 2025; to ensure the report's completeness, some content and data extend beyond this timeframe. This Report covers TCL CSOT and its 14 subsidiaries :¹

- Shenzhen China Star Optoelectronics Semiconductor Display Technology Co., Ltd. ("Shenzhen CSOT Semiconductor")
- Wuhan China Star Optoelectronics Technology Co., Ltd. ("Wuhan CSOT")
- Wuhan China Star Optoelectronics Semiconductor Display Technology Co., Ltd. ("Wuhan CSOT Semiconductor")
- Guangzhou China Star Optoelectronics Semiconductor Display Technology Co., Ltd. ("Guangzhou CSOT Semiconductor")
- Guangzhou China Star Optoelectronics Technology Co., Ltd. ("Guangzhou CSOT")
- Guangzhou China Star Optoelectronics Display Co., Ltd. ("Guangzhou CSOT Display")
- Suzhou China Star Optoelectronics Technology Co., Ltd. ("Suzhou CSOT")
- Suzhou China Star Optoelectronics Display Co., Ltd. ("Suzhou CSOT Display")
- Huizhou China Star Optoelectronics Display Co., Ltd. ("Huizhou CSOT")
- Huaxian Optoelectronics Technology (Huizhou) Co., Ltd. ("Huizhou Huaxian")
- Guangzhou ChinaRay Optoelectronic Materials Co., Ltd. ("Guangzhou ChinaRay")
- Guangdong Juhua Printing Display Technology Co., Ltd. ("Guangdong Juhua")
- TCL CSOT Vietnam Co., Ltd. ("Vietnam CSOT")
- Panel Optodisplay Technology Private Limited ("India CSOT")

¹ Guangzhou CSOT and Guangzhou CSOT Display were officially transferred to TCL CSOT operations in April 2025, and Vietnam CSOT is a new production base established in 2025. India CSOT began mass production in 2022, and as the Company has continuously improved its global management information system, the data from the India factory has met the reliability standards for external disclosure in 2025 after two years of internal verification and closed-loop management, leading to its inclusion in the statistical scope of this Report for the first time.

Data Explanation

Data used in this Report are statistics from 1 January 2025 to 31 December 2025, unless otherwise specified, and primarily include data from TCL CSOT and its 14 subsidiaries. The Company reasonably assures that there are no false records, misleading statements, or significant omissions in this Report.

Basis of Preparation

This Report is prepared in accordance with the *Global Reporting Initiative Standards* ("GRI Standards") issued by the Global Sustainability Standards Board (GSSB). It also references the *IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information* ("IFRS S1") and the *IFRS S2 Climate-related Disclosures* ("IFRS S2") issued by the International Sustainability Standards Board (ISSB). The Report discloses ESG-related strategic goals and practical outcomes, actively responding to the expectations of stakeholders.

External Assurance

The Board has authorized the Strategy and Sustainability Committee to be responsible for the authenticity, accuracy, and completeness of the Report's content. To further ensure the accuracy of the information and performance data disclosed in this Report, TCL CSOT engaged an independent third-party assurance provider to conduct external assurance on the sustainability information and data disclosed in this Report. This was performed according to the *AccountAbility AA1000 Assurance Standard* ("AA1000AS v3") at a moderate level of assurance. For details on the independent assurance report and its basis, please refer to the Appendix: Independent Assurance Statement.

Report Approval

The Board's Strategy and Sustainability Committee reviewed and approved this Report in April 2026.

Report Release

This Report is published annually. Both Chinese and English versions are available on the TCL CSOT official website. In case of any discrepancies between versions, the Chinese version shall prevail.

Report Release Date: April 2026

Message from the Chairman



Dear Readers,

In 2025, the world is undergoing a profound transformation driven by both technological revolution and geopolitical restructuring. The wave of artificial intelligence is sweeping across thousands of industries, and the global industrial chain is rapidly being reshaped. Against this backdrop, TCL CSOT has set its strategic goal of "Global Leadership", seizing opportunities amid changes, forging resilience in the face of challenges, and unswervingly following a path that balances high-quality development with sustainable development.

In the past year, guided by the ESG vision of "Empowering Life with Advanced Technology, Building a Sustainable & Connected Future", TCL CSOT has deeply integrated sustainable development into its business philosophy of "Strategic Leadership, Innovation Driven, Advanced Manufacturing, and Global Operations". This has elevated ESG from a management issue to a strategic pillar for value creation, leveraging sustainable development momentum to drive the Company's long-term value growth. In 2025, the Company achieved an operating revenue of RMB 105.2 billion, a year-on-year increase of 17.4%, demonstrating strong development resilience and growth potential.

Innovation is the fundamental driving force for an enterprise to navigate economic cycles and stand out in intense competition, and original technological breakthroughs are key to building core competitiveness. In October 2025, TCL CSOT officially began construction on the t8 project, the world's first G8.6 Printed OLED mass production line, propelling China's display industry from a follower to an emerging leader in the next-generation OLED competition. At the same time, we have deepened the implementation of our "AI for Real" strategy by innovatively building the "1 Lake, 1 Model, 3 Platforms" AI Five-Star Architecture and releasing the "X-Intelligence 3.0" large model for strong inference in vertical domains. This allows AI to deeply empower the entire chain of manufacturing, R&D, and operations, achieving significant results in energy saving and consumption reduction in production. We firmly believe that only by relying on our original commitment to independent R&D, strengthening our talent pool, and persisting in long-term investment can we seize development opportunities in future global competition.

Facing the restructuring of the global industrial landscape, corporate globalization has also entered a new stage of development. The core principle is to shift from exporting products to co-building industrial capabilities with local partners, promoting the transformation and upgrading of overseas industries, and taking root in local development. In India, we expanded our production capacity for TVs and in-vehicle products; in Vietnam, we achieved

mass production and shipment of IT products. In 2025, TCL officially became a Worldwide Olympic Partner. At this new starting point, TCL will connect the world through the bonds of brand and culture. Throughout this process, we consistently adhere to the highest standards of compliance and business ethics, integrating the concept of "Harmonious Coexistence" into every operating location in our global operations to create long-term shared value for communities.

Organizational capability is the foundation of all capabilities, and its construction depends on talent. We adhere to the principle of "People First for Global Leadership" and are committed to creating a safe, healthy, diverse, and inclusive development platform in all aspects. Through a comprehensive training system and rights protection, we empower every TCL CSOT employee to grow and succeed, while achieving our control target of "Zero Major Safety Accidents" for the year. A team with global competitiveness, a sense of identity, and a sense of belonging is the most reliable guarantee for TCL CSOT to navigate cycles and maintain its leading position.

Looking ahead, TCL CSOT will, with greater strategic determination, integrate green concepts into technological innovation and industrial practices, and embed the philosophy of win-win cooperation in its global operations. We aim not only to be a promoter of industrial progress but also a pioneer of a sustainable future. As pledged in the United Nations Global Compact, let us "Unite Business for a Better World" and work hand in hand with our global partners to create a more resilient and vibrant smart future through sustainable innovation and action.

王生

Chairman, TCL Technology Group Corporation
Chairman, TCL China Star Optoelectronics Technology Co., Ltd.

Message from the Chairman of the Strategy and Sustainability Committee



Dear Readers,

Currently, the global display industry is undergoing a profound transformation, shifting from competition based on "Scale Expansion" to "Value Creation", and moving from a single technology track to diversified and integrated innovation. We are keenly aware that the long-term value of an enterprise is no longer measured solely by the speed and scale of its growth, but is rooted in the quality of its development and its resilience in facing the future. High-quality development has become the core proposition for corporate survival and growth in this era. In response to this proposition, TCL CSOT's choice is firm and clear: we will deeply integrate ESG principles into our corporate strategy and operations, viewing them as the core engine for driving high-quality development and building long-term global competitiveness. This is not only an active response to the global wave of sustainable development but also a vivid demonstration of

our proactive transformation and use of innovation to promote high-quality industrial development.

In 2025, TCL CSOT achieved a key advancement in its ESG development by upgrading it from a corporate management issue to a strategic pillar for value creation, officially embarking on a new journey of driving high-quality development with intrinsic sustainable momentum. We believe that to "Display the Future" means delivering more than just ultimate display performance — it means committing to green, low-carbon, and durable lifecycle value. Centered on our four major ESG policies of "Green Development, Technology Empowerment, Harmonious Coexistence, and Responsible Operations", we have integrated the concept of sustainability throughout the entire process of product definition, design, manufacturing, and recycling. We have translated our sustainability strategy into concrete actions with tangible results, achieving breakthroughs in several key areas.

Green Development Leads Efficient Operations. TCL CSOT regards Green Development as a key driver for the Company's high-quality development. Anchored by the dual strategic pillars of low-carbon transition and circular economy, we have systematically established an end-to-end environmental management system covering "Source Reduction, Process Control, and End-of-Life Disposal". By deepening the application of our energy management system and implementing energy-saving technological upgrades, we have saved 197,020 MWh of energy and reduced carbon emissions by 120,103 tons of CO₂ equivalent. Particularly noteworthy is our innovative introduction of an internal carbon pricing mechanism, which systematically incorporates climate costs into project investment and operational decision-making, effectively transforming emission reduction pressure into a core driver of business innovation. During the reporting period, Suzhou CSOT and Suzhou CSOT Display received the first AWS International Water Stewardship Standard Gold Certification in China's semiconductor display industry, fulfilling our solemn commitment to our planet with tangible achievements.

Technology Empowerment Strengthens the Cornerstone of Intelligent Manufacturing. TCL CSOT firmly believes that true leading technology must point towards a better life and a more sustainable future. In 2025, we continued to advance our APEX technology brand. Guided by the four value propositions of "more delightful display experiences (Amazing), more reliable visual health (Protective), more sustainable green and low-carbon solutions (Eco-friendly), and more boundless future imagination (X)", we released a series of globally leading products, including Printed OLED displays and products certified for high natural light similarity. While creating the ultimate visual experience, we have significantly reduced product energy consumption and carbon footprint. Concurrently, we have deeply empowered intelligent manufacturing and quality control with "AI+", comprehensively integrating AI technology into key processes such as manufacturing execution, intelligent inspection, and yield analysis, driving a dual leap in production efficiency and product quality.

Harmonious Coexistence Solidifies the Value of Responsibility. In 2025, TCL CSOT deepened the development of its international responsibility management system, fulfilling its corporate responsibilities across three dimensions: safeguarding employee rights and interests, building a responsible supply chain, and participating in community welfare, thereby allowing the benefits of development to reach more stakeholders. At the employee development level, we improved the mechanism for protecting employee rights and interests and established diversified career development channels and skills training systems to inject sustained momentum into employee growth. At the supply chain level, we promoted the extension of sustainable standards, such as green and low-carbon practices and labor rights, to the upstream and downstream of the industrial chain, forming a sustainable ecosystem of shared responsibility and co-created value, for which we successfully obtained the ISO 20400 Sustainable Procurement Declaration of Conformity. At the community level, we continued to implement public welfare projects focused on themes like science and technology education and ecological protection, giving back to society through practical actions and enabling the Company's development to prosper in symbiosis with the community.

Responsible Operations Strengthen Governance Resilience. TCL CSOT continuously improves its corporate governance structure, enhances the Board of Directors' comprehensive supervision over the Company's operations and sustainable development, and incorporates key ESG indicators into management assessments, ensuring that sustainable development requirements are implemented in every aspect of operations and management. In terms of compliance and risk control, the Company constantly strengthens risk management and business ethics. Throughout the year, integrity and compliance training covered 32,340 persons, and 100% of employees signed personal integrity commitments. At the same time, supported by the development of its information security system and through high-standard information disclosure and regular communication, the Company builds a transparent and trustworthy corporate image.

True global leadership means simultaneously building decisive advantages in both technological innovation and sustainable development. TCL CSOT will uphold the ESG vision of "Empowering Life with Advanced Technology, Building a Sustainable & Connected Future", respond to the call of the times with high-quality development, and embrace sustainable development as its most steadfast long-term commitment. We are willing to work hand-in-hand with all stakeholders, not only striving to become a world-leading display solution provider but also aspiring to be a practitioner of sustainable value and a co-creator of a sustainable ecosystem.

赵军

CEO and Chairman of the Strategy and Sustainability Committee

Company Profile

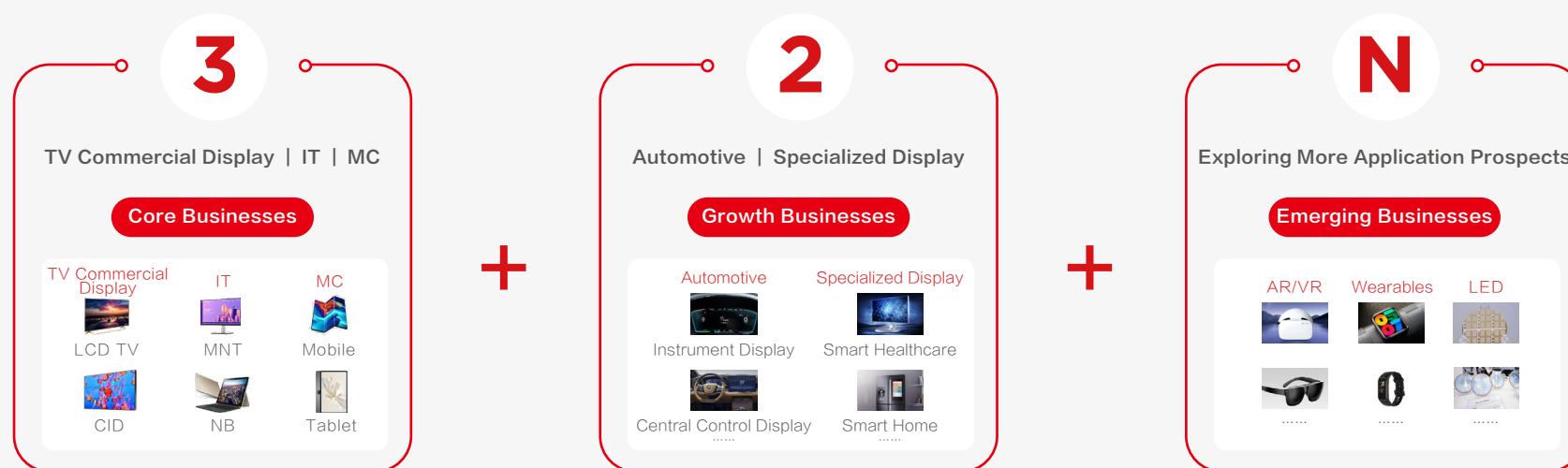
TCL China Star Optoelectronics Technology Co., Ltd., established in 2009, is a limited liability company controlled by TCL Technology Group. The Company specializes in the semiconductor display sector. With the vision of "Becoming the World's Premier Display Solutions Provider" and centered on the value proposition of "Display the Future", we have comprehensively covered technology routes including LCD, OLED, and MLED, supported by our "3+2+N" strategic layout. Our display solutions have been widely applied in TVs, IT, mobile phones, automotive displays, and various innovative display scenarios, aiming to provide diverse and ultimate visual experiences for thousands of industries and consumers worldwide.

We firmly believe that technological innovation is the fundamental driving force for upgrading the consumer experience. Relying on our global operations network and all-scenario service capabilities, we deeply empower every customer, transforming cutting-edge technology into tangible reality. While pursuing excellence, we also steadfastly fulfill our social responsibilities, committed to working with global partners to jointly create a new future ecosystem for displays that offers insight into all things and fosters intelligent connectivity.

© Business Blueprint: Empowering Customer Needs with All-Scenario Display Products and Services

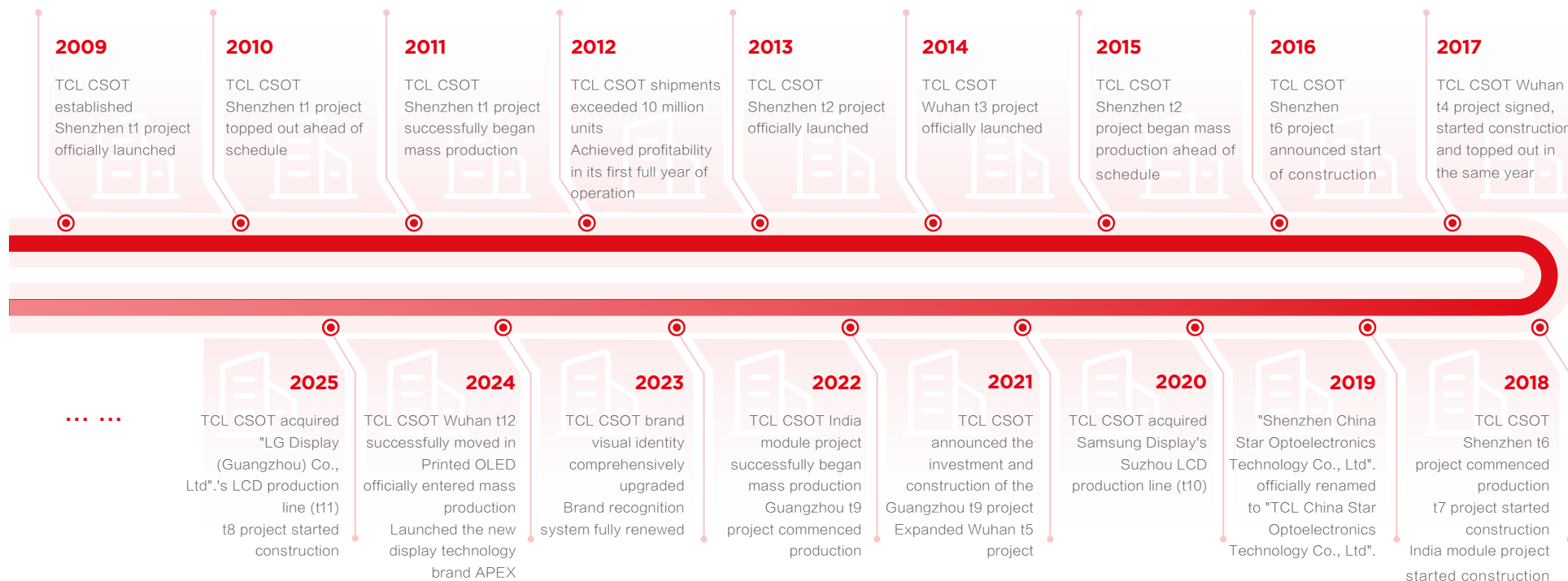
TCL CSOT's "3+2+N" strategic layout enables it to meet the diverse needs of customers in various scenarios with all-scenario display solutions. Leveraging multiple technology routes such as HVA, HFS, IPS, IJP OLED, FMM OLED, and MLED, the Company has successfully built a comprehensive product application platform that integrates all sizes, categories, and forms.

Guided by the advanced technology brand APEX, TCL CSOT will practice the philosophy of a "more delightful display experiences (Amazing), more reliable visual health (Protective), more sustainable green and low- carbon solutions (Eco-friendly), and more boundless future imagination (X)". Through deeply customized all-scenario solutions, the Company will continue to empower and lead clients across all industries to achieve digitalization transformation and comprehensive upgrades in terminal experiences, marking a "Highlight Moment" for Chinese display technology companies on the global stage.



◎ The Path of Leadership: Driving Industrial Upgrading through Innovative Breakthroughs

The history of TCL CSOT is a shining journey of transformative innovation and pioneering spirit. In 2025, the Company achieved milestone accomplishments in technology industrialization and global operations.



Launch of the World's First G8.6 Printed OLED Production Line (T8 Project) to Create a Hub for "New Quality Productivity"

In October 2025, TCL CSOT commenced the t8 project, the world's first G8.6 mass production line for Printed OLED, marking a breakthrough for China's display industry from "Follower" to "Emerging Leader" in the next-generation OLED competition. The Company will use the t8 project as an engine to accelerate the construction of a full industrial chain ecosystem encompassing "Materials-Equipment-Panels-Terminals". It will deeply integrate AI and industrial robotics technology to promote the large-scale mass production of full-size Printed OLED products, creating a paradigm of "New Quality Productivity" in the display industry and redefining what it means to "Display the Future" at the highest level.

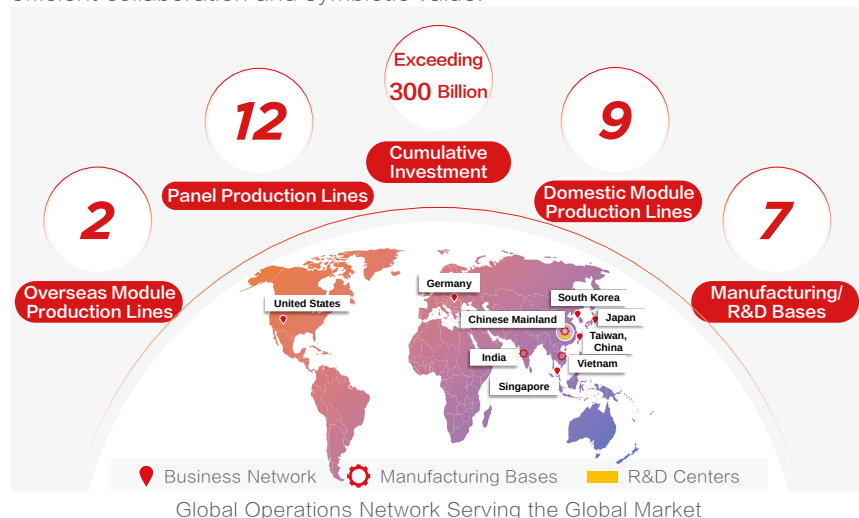


The t8 Project Commencement Ceremony of TCL CSOT

Deepening the Global Footprint, Operations Enter a New Stage of "Diverse Resonance"

TCL CSOT is resolutely advancing its strategy of "Globalisation of Business, Industrialization, and Operations". Facing an overseas market that accounts for approximately 40% of the display industry, the Company deeply recognizes that globalisation has shifted from an "Option" to a "Mandatory Question" crucial for future survival and development. In 2025, the Company deepened its global production capacity layout. Its Vietnam base, a key overseas node, successfully expanded into multiple product lines, providing a stable fulcrum for business expansion through overseas manufacturing and capability export, which significantly optimized global capacity allocation and supply chain efficiency.

At the operational level, based on a systematic review of its global customer structure, the Company has formulated precise, differentiated expansion strategies: top-tier clients are primarily targeted by product lines to upgrade the partnership from a simple supply relationship to a deeply-bound strategic interdependence; mid-tier clients are cultivated through deep regional engagement to continuously solidify the overseas revenue base. This profound transition from "Exporting Products" to "Exporting Capabilities and Ecosystems" not only shortens the supply chain cycle but also enhances overall resilience. TCL CSOT's global operations are steadily advancing into a "New Stage of Diverse Resonance" characterized by efficient collaboration and symbiotic value.



A Solid Foundation: Strong Operating Performance

Sound financial performance and excellent operational efficiency are the cornerstones for TCL CSOT to practice long-termism and achieve sustainable development. Through continuous technological investment and lean management, the Company has ensured healthy profitability and strong market competitiveness. The Company adheres to the bottom line of paying taxes in accordance with the law, earnestly fulfills its tax obligations, and supports sustainable corporate development with standardized and transparent tax management, contributing to a win-win situation for the local economy and society.



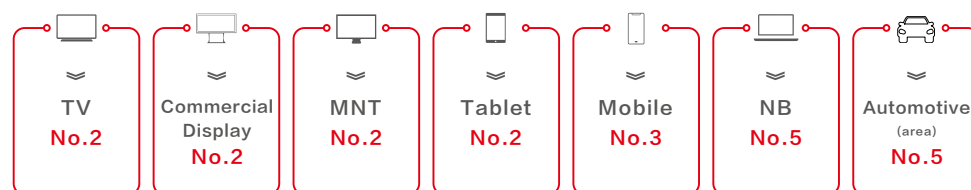
Operating Revenue Performance:

Total annual operating revenue of RMB **105.2 billion**, a year-on-year **increase of 17.4%**

Net profit of RMB **8 billion**, a year-on-year **increase of 44.4%**



Product Area Performance:



Industry Leader in Sub-Segments





Corporate Culture: Building A Sustainable & Connected Future with Advanced Technology

TCL CSOT takes "Building A Sustainable & Connected Future with Advanced Technology" as its corporate mission, actively practices social responsibility, and adheres to high-quality development. The Company upholds the core values of "Change, Accountability, Innovation, and Excellence" and the talent philosophy of "People First for Global Leadership". It deeply embeds the gene of organizational transformation and forges a talent team with a spirit of accountability, injecting strong momentum into the enterprise's sustainable and innovative development.

Mission: Building a Sustainable & Connected Future with Advanced Technology

We adopt leadership as our strategic orientation and technological innovation as our fundamental driver, committed to building a healthy and sustainable industrial ecosystem and using the power of technology to help create a harmonious and win-win world.

Values: Change, Accountability, Innovation, and Excellence

We encourage embracing change and daring to break new ground; we advocate for maintaining curiosity and bold experimentation; we insist on taking initiative and internalizing accountability; and we pursue excellence over mediocrity, ensuring missions are accomplished.

Talent Philosophy: People First for Global Leadership

We open our arms to outstanding talent from around the world and provide a broad platform for every employee to realize their value through a comprehensive dual-track career development system and the "Eagle Series" talent cultivation program, stimulating the surging momentum for continuous organizational innovation.





Special Feature: APEX

—Reshaping the Boundaries of Display Technology and Opening a New Era of Technological Development



When a screen simultaneously embodies ultimate visuals, health protection, green and low-carbon principles, and AI-driven imagination, it serves as both a tangible interface for a company's ESG brand value proposition and a window for consumers into the world of APEX.



With its "3+2+N" strategic layout as a cornerstone, TCL CSOT continuously expands the boundaries of all-scenario display technology. Through its advanced technology brand APEX, the Company translates the technological strength of "Display the Future" into perceivable value for consumers, practicing the philosophy of "more delightful display experiences (Amazing), more reliable visual health (Protective), more sustainable green and low-carbon solutions (Eco-friendly), and more boundless future imagination (X)."

Amazing

More delightful display experiences

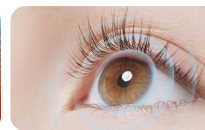


High contrast Wide color gamut High refresh rate

Ultra high definition Multiple forms

Protective

More reliable visual health



Low blue light Low reflection

Ultra high definition Multiple forms

Eco-friendly

More sustainable green and low-carbon solutions



High penetration Low power consumption Extra wide

Integration Multiple forms

X

More boundless future imagination



AI AR Metaverse

Big data model Future technology

HVA tech

HFS tech

IPS tech

IJP OLED tech

FMM OLED tech

MLED tech



Amazing: More Delightful Display Experiences

Deepening our focus on IJP OLED technology to present users with the ultimate display experience through superior image quality and immersive, multi-form designs.

TCL CSOT leverages core display technologies such as HVA, HFS, IJP OLED, FMM OLED, MLCD, and MLED to push contrast, color gamut, refresh rate, resolution, and form factor freedom to the extreme. In November 2024, the Company announced the official mass production of Printed OLED, launching a full-size product matrix covering mobile phones, tablets, laptops, monitors, and TVs to meet personalized visual demands across multiple scenarios. This also achieves the green production line advantages of "Two Lows and One High" (low energy consumption in production, low resource consumption, and high material utilization).



Leading Printed OLED Technology and Defining Next-Generation Displays

The "True Color Screen" of the 6.5-inch Printed OLED mobile phone display achieves zero crosstalk at text edges and ultimate color reproduction through a 1,000,000:1 native contrast ratio, 99% DCI-P3 color gamut, and a true RGB pixel array, making dynamic images flow like silk.



Printed OLED Mobile Phone Display



Protective: More Reliable Visual Health

Returning to the essence of technology with a focus on eye health, our displays mimic natural light to provide users with a more comfortable, reassuring, and superior visual health experience.

TCL CSOT is dedicated to advancing the visual health display system from concept to practical application, supported by four core technologies: low blue light, low reflection, flicker-free, and natural light display, while continuously increasing investment in eye-care technology R&D. By simulating the continuous spectrum of sunlight, we have increased the screen's spectral match with natural light to 50% (compared to the typical 20%), significantly reducing flicker and blue light peaks; combined with dynamic light-sensing adjustment technology, this intelligently optimizes color temperature and brightness, upgrading the user experience from "Clear Viewing" to "Comfortable Viewing" and ensuring that healthy eye use no longer comes at the expense of the user experience.



Increasing R&D Investment in Eye-Care Technology to Build a Healthy Eye-Use Ecosystem

TCL CSOT has launched the world's first natural-spectrum-like thin and light tablet display, which uses natural-light-like display technology to align the full-spectrum composition with that of sunlight, benefiting physiological rhythms. This is combined with Eye-Care display technology to balance eye health with brightness and thinness, improving portable office efficiency while alleviating visual fatigue for users who spend long hours in front of screens.



Natural-Spectrum-Like Thin and Light Tablet Display

In June 2025, the TCL CSOT natural-spectrum-like thin and light tablet display received the world's first Quasi-Natural Light Spectrum EX Certification from SGS for its outstanding performance in spectral optimization and color gamut, becoming the first display product globally to pass this certification.



Natural-Spectrum-Like Thin and Light Tablet Receives Quasi-Natural Light Spectrum EX Certification



Eco-Friendly: More Sustainable Green and Low-Carbon Solutions

Responding to the call of the times with energy-saving and low-carbon solutions, we provide users with a superior green technology experience that is more energy-efficient, environmentally friendly, and durable.

Green and low-carbon development has become a key direction for the display industry. TCL CSOT has achieved significant breakthroughs in environmental protection and energy efficiency by optimizing material selection and zone-based frequency division technology. Leveraging its five core advantages — high transmittance, low power consumption, ultra-wide frequency, integration, and green materials — the Company offers users a more durable technology experience with lower power consumption.



Low-Power LTPO Laptop Display

The 14.5-inch LTPO laptop display, based on LTPO low-frequency drive and low-power display technology, innovatively delivers an ultimate experience of "Zero Static Power Consumption and Ultra-Smooth Dynamics". With millisecond-level seamless switching between 0.3Hz and 120Hz, it completely eliminates visual stuttering for smooth and precise screen transitions. Leveraging over-frequency hibernation technology, it maintains the necessary display at an ultra-low frequency of 0.3Hz, achieving the breakthrough of "Zero Power Consumption When the Screen Is Static". Compared to traditional screen devices, this extends the device's battery life to 24 hours, offering users an ultimate demonstration of energy efficiency.



Low-Power LTPO Laptop Display



X: More Boundless Future Imagination

Empowering full-chain innovation with AI, exploring more cutting-edge interactive technologies, and prospectively planning for the future of AI.

In exploring more infinite possibilities for the future, TCL CSOT uses the "AI Five-Star Architecture" as its intelligent engine to drive innovation across the entire chain of manufacturing, R&D, and operations. We deeply integrate AI applications into diverse business scenarios, from R&D and design to production optimization and operational decision-making, making it the intelligent foundation for innovation across all business segments.

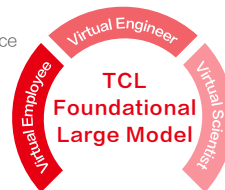


Launching the "X-Intelligence 3.0" Professional Reasoning Model to Embrace the AI Wave in the Display Industry

In June 2025, TCL CSOT launched X-Intelligence 3.0. Its "1 Lake" aggregates massive, high-quality data from all segments of the display industry supply chain; its "1 Model" possesses powerful reasoning and multi-modal capabilities, serving as the brain of CSOT's industrial AI; its "3 Platforms" act as the engine driving AI implementation; Xingyun provides underlying computing power scheduling for the computing cloud platform, Xingzhou offers a toolbox of operator libraries and model libraries, and Xingzhi uses AI Agents to apply capabilities to specific scenarios. As a powerful reasoning model in the display field, Xingzhi simulates engineering thinking and coordinates multiple types of agents — including simulation, design, and process optimization agents — to collaboratively execute tasks. This enables AI empowerment and deep engagement across general, professional, and innovative work scenarios, comprehensively enhancing TCL CSOT's level of intelligence.

In manufacturing, AI visual inspection has reduced the miss rate by 85% and improved the yield rate by 0.2%. In R&D, the digital twin system has compressed the product verification cycle from "Weeks" to "Seconds", increasing R&D efficiency by over 90%. In operations, the production scheduling cycle has been shortened from 7 days to 30 minutes, and the end-to-end delivery response time has been reduced by 30%.

- Automated Design
- Optics/Mechanics/Device Simulation
- HR Assistant
- Legal Counsel
- Intelligent Marketing
- Intelligent Interviewer



- Yield Analysis
- Equipment Operation and Maintenance
- Next-Generation Display Material Design
- Next-Generation Oxide Device Design
- Semiconductor Display Integrated Chips
- Micro-Nano Optoelectronic Devices



TCL CSOT Officially Launched X-Intelligence 3.0

1.0

Sustainability Management

TCL CSOT places sustainability at the core of its corporate strategy, viewing it as a core driver of driving high-quality development and building a long-term global competitive advantage. We uphold the vision of "Empowering Life with Advanced Technology, Building a Sustainable & Connected Future", systematically building and continuously improving our ESG governance system and deeply integrating ESG goals into corporate decision-making, performance assessment, and all business processes. By actively responding to global initiatives and leading industry practices, we translate our commitments into concrete actions in green innovation, operational efficiency, and supply chain collaboration, working with all stakeholders to build a sustainable future.

This Chapter includes:

- 14 1.1 Driving High-Quality Development through ESG Capacity Building
- 23 1.2 Stakeholder Communication
- 25 1.3 Double Materiality Assessment

1.1 Driving High-Quality Development through ESG Capacity Building

TCL CSOT is committed to reshaping corporate value, enhancing management capability, and fostering long-term competitiveness through ESG. We drive high-quality development through ESG capacity building, further enhancing our long-term corporate value and global competitiveness through high-efficiency operations, high-value innovation, high-standard responsibility, and high-level governance to ensure strategic focus and competitive advantage in a complex and ever-changing market.

High-Efficiency Operations

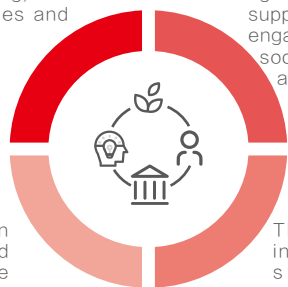
By practicing the concept of product lifecycle green management and building a dual-carbon strategy implementation system, the Company focuses on promoting key initiatives such as clean energy substitution, resource recycling and reuse, and continuous energy efficiency improvement, combining environmental risk management with green development opportunities to strengthen low-carbon, energy-saving, and environmental protection capabilities and set a new benchmark for green intelligent manufacturing.

High-Standard Responsibility

The Company has established an internationally aligned responsibility management system, integrating SDG priorities such as human rights protection, inclusive education, and health and well-being into its business practices to foster a corporate ecosystem characterized by harmony, inclusion, and growth. Through initiatives such as protecting employee rights and interests, building a responsible supply chain, and innovating in community engagement, the Company fulfills its social responsibilities to a high standard and fosters harmonious coexistence with its stakeholders.

High-Value Innovation

Adhering to the original aspiration of "Technology for Good" and driven by the dual-driver of core technology breakthroughs and digital transformation, the Company continuously innovates in fields such as AI applications and low-carbon technologies, comprehensively enhancing its innovation, intelligent manufacturing, and user-friendliness capabilities to create a more pleasant, healthier, and smarter display experience for global users, allowing technological innovation to truly benefit people's livelihoods.

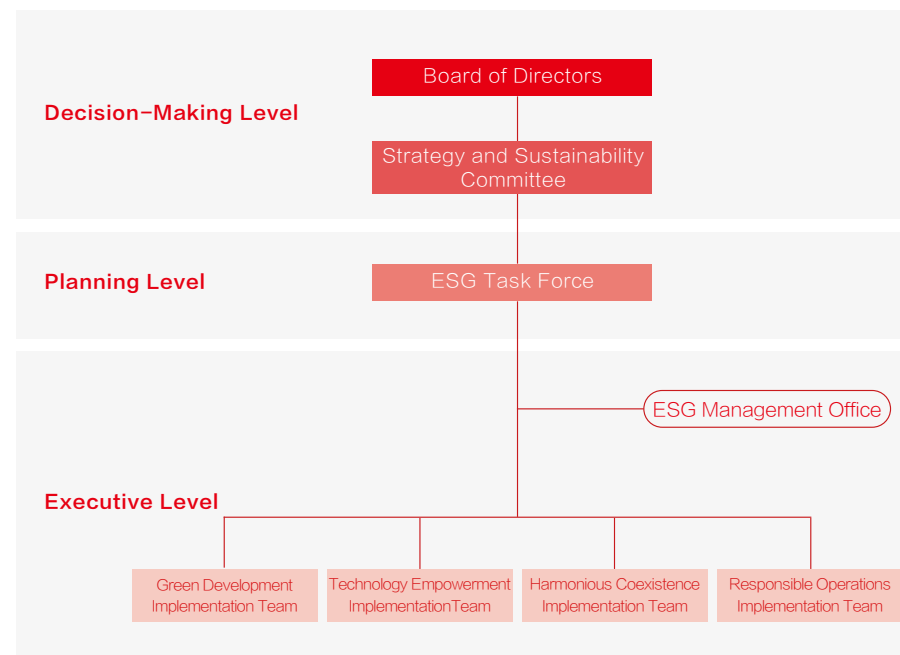


High-Level Governance

The Company has established an integrated compliance governance system spanning "strategy-operations-supervision" embedding ESG principles throughout the decision-making process and ensuring that key ESG information is traceable and verifiable through dynamic disclosure and communication mechanisms. By combining a bottom-line mindset with forward-looking governance, the Company continuously improves its business ethics system and fosters a business environment built on integrity, fairness, and resilience, laying a solid foundation for steady and long-term development.

© Sustainability Management

TCL CSOT has established a three-tiered "decision-making, planning, and execution" governance structure centered around the Board of Directors, which covers all organizations, levels, and business areas to ensure top-down coordination and a closed loop for bottom-up execution. Building on this foundation, the Company has strengthened the leadership role of management in sustainability. By integrating ESG into performance assessments and systematically developing ESG capacity building initiatives, we promote the deep integration of sustainability concepts into daily operations and strategic execution.



TCL CSOT Sustainability Management Structure



Board of Directors

ESG oversight body, responsible for:

- ◆ Integrating sustainability management into the Company's strategy
- ◆ Overseeing the performance of the Strategy and Sustainability Committee



Strategy and Sustainability Committee

Authorized by the Board of Directors, it serves as the Company's highest-level ESG promotion body, with the CEO appointed as the Chair of the Strategy and Sustainability Committee. It is responsible for:

- ◆ Reviewing and approving the Company's sustainability values, vision, principles, strategy, medium- and long-term goals, and management policies
- ◆ Periodically receiving reports from the ESG task force on responses to stakeholder concerns
- ◆ Approving and determining ESG risks and opportunities relevant to the Company's development
- ◆ Annually reviewing and approving the Company's material topics, double materiality assessment, and the effectiveness of the related analysis procedures
- ◆ Reviewing and approving the annual sustainability report
- ◆ Reporting to the Board of Directors at least once a year on key work, including the achievement of sustainability goals, management results, and responses to stakeholder concerns



ESG Task Force

Accountable to the Strategy and Sustainability Committee, reporting to it quarterly, and responsible for:

- ◆ Formulating and updating the Company's sustainability values, vision, principles, strategy, medium- and long-term goals, and management policies
- ◆ Communicating the Company's latest sustainability developments and management requirements to stakeholders and understanding their concerns
- ◆ Conducting annual analyses of material topics and double materiality to identify the Company's sustainability impacts
- ◆ Coordinating the allocation of the Company's ESG resources, setting annual strategic goals, and planning special projects for ESG capability building
- ◆ Reviewing the annual sustainability report



ESG Management Office

Under the leadership of the ESG Task Force, it is responsible for:

- ◆ Collecting and understanding the needs of various stakeholders, analyzing sustainability trends, and discussing annual strategic goals and special ESG project plans with various specialized execution teams
- ◆ Promoting the implementation of special ESG capability building projects and tracking progress towards annual strategic goals at least quarterly
- ◆ Preparing the annual sustainability report



ESG Execution Teams

With the assistance of the ESG Management Office, it is responsible for:

- ◆ Evaluating annual substantive issues and double materiality in accordance with the materiality principle
- ◆ Developing and implementing execution plans according to their respective responsibilities for substantive issues, annual strategic goals, and special ESG project plans

During the reporting period

The Strategy and Sustainability Committee reported to the Board of Directors **1** time.

The ESG Task Force reported to the Strategy and Sustainability Committee **3** times.

TCL CSOT has linked ESG performance assessment with management remuneration, with the performance assessment plan and its results being approved and reviewed by the Executive Committee under the Board of Directors, while a dedicated department supervises the standardized formulation and compliant implementation of ESG key performance indicators (KPIs). The Company conducts performance assessments twice a year (a mid-year review and a year-end evaluation), covering KPI achievement, sustainability project progress, and the effectiveness of ESG risk management and control, and implements differentiated assessment indicators based on business areas.

In addition, the Company has established a regular ESG capacity building mechanism that combines "external professional training + internal discussion", tailoring training content for management and relevant personnel based on industry trends and job responsibilities to continuously enhance the Company's overall professional sustainability capabilities and governance effectiveness.

During the reporting period

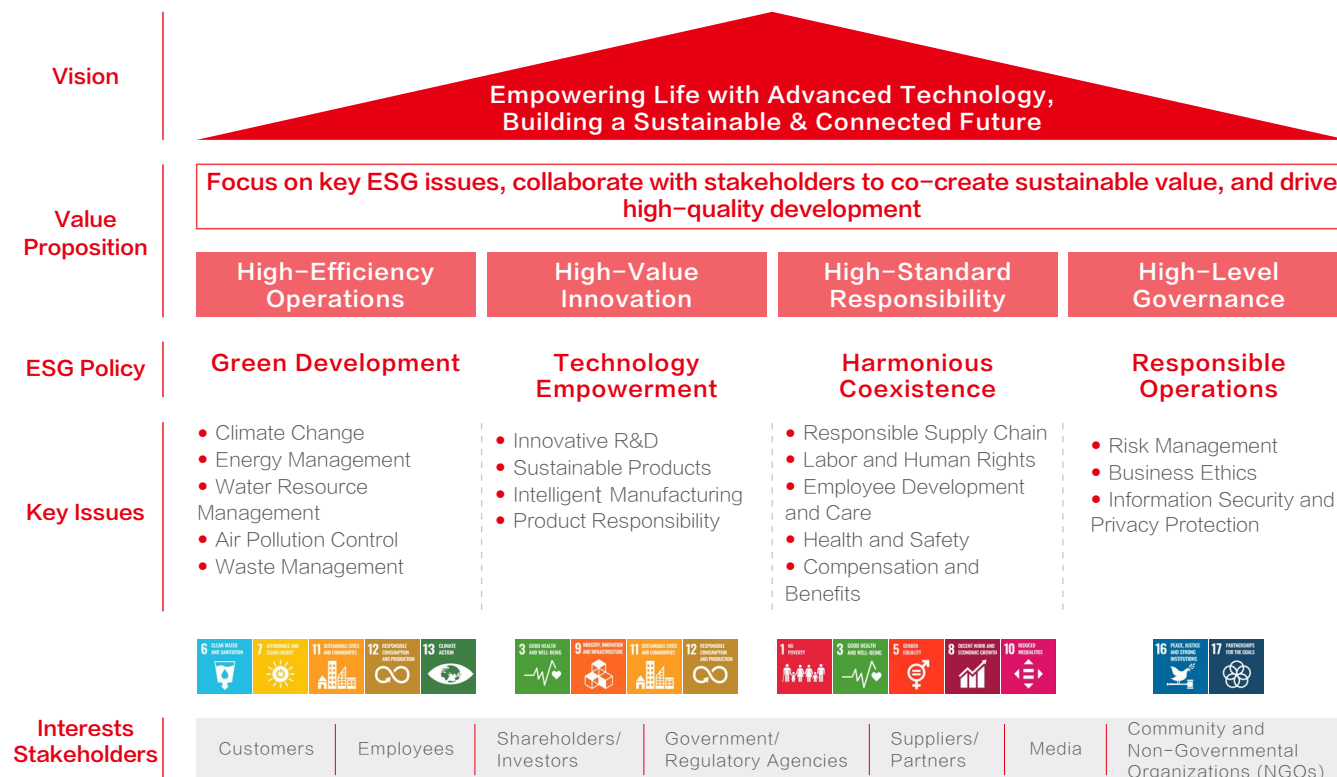
ESG training session for all employees **2** times with a total of **87,253** participants.

ESG training session for management **1** time with a **100%** participation rate from the members of the Strategy and Sustainability Committee.

© Sustainability Strategy

With the vision of "**Empowering Life with Advanced Technology, Building a Sustainable & Connected Future**", and supported by the ESG policy—"Green Development, Technology Empowerment, Harmonious Coexistence, and Responsible Operations"—TCL CSOT systematically identifies key issues and builds a sustainability system that is both forward-looking and actionable. The Company not only uses the United Nations Sustainable Development Goals (UNSDGs) as a global compass to ensure its direction aligns with global consensus, but also proactively leverages its technological advantages and innovative breakthroughs to drive the entire semiconductor display supply chain toward a greener, more resilient stage of high-quality development, thereby co-creating long-term value with stakeholders.

TCL CSOT Sustainability Strategy



Sustainability Commitment

TCL CSOT is committed to adhere to authoritative international codes such as the UNSDGs, the Ten Principles of the *United Nations Global Compact*, the *Universal Declaration of Human Rights*, the *International Labour Organization (ILO) Core Conventions*, the *Responsible Business Alliance (RBA) Code of Conduct*, and the *United Nations Convention Against Corruption (UNCAC)*, and has formulated its *ESG Management Policy* based on these requirements to establish a complete internal management system and long-term mechanisms. Through regular internal audits and management reviews, the Company ensures that all its business activities continuously comply with international standards and company policies, achieving dynamic improvement.

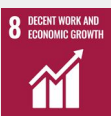
While continuously improving its own governance, the Company places great importance on transparent communication with stakeholders. Leveraging multiple channels such as the annual sustainability report, official website, and social media, the Company proactively and promptly discloses its policies, actions, and progress in ESG performance, thereby actively fulfilling its sustainability commitments.

© Sustainability Impact

With the core goal of "ESG Capacity Building Driving High-quality Development", TCL CSOT systematically plans practical action paths centered on its four ESG policies, translating commitments into concrete actions.

ESG Policy	UNSDGs Contribution	Response Topics	Specific Actions	Performance Highlights
Green Development	  	Climate change	Clarified its "Dual Carbon" goals and innovatively broke them down into three dimensions—"organization, product, and supply chain" —to build a comprehensive carbon management system.	- Scope 1 and 2 emissions per unit area (market-based) decreased by 21.6% compared with 2023. - The Scope 1 & 2 (market-based) emissions of the Suzhou base decreased by 14.9% compared to 2023, while absolute Scope 3 emissions (purchased goods and services) decreased by 8.0% compared with 2023. 9 companies recognized as National-Level Green Factories.
		Energy Management	Continuously developed green display technologies such as low-power consumption and high recyclability, systematically reducing the environmental footprint of products throughout their lifecycle and deeply integrating green and innovative principles.	- Implemented 399 energy conservation and emissions reduction projects, achieving energy savings of 197,020 MWh. - Comprehensive energy consumption per unit of production capacity decreased by 6.6% compared with 2023. - Renewable energy accounted for 13.8% of total energy use.
		Air Pollution Control	Built a refined, full-chain pollutant management system based on the four pillars of "source reduction, production control, classified treatment, and incident emergency response", upgrading from end-of-pipe treatment to a closed-loop, full-process control system.	0 cases of fines for excessive air emissions.

ESG Policy	UNSDGs Contribution	Response Topics	Specific Actions	Performance Highlights
Green Development	 	Water Resource Management	Established a three-pronged water conservation strategy of "reducing consumption, enhancing recycling efficiency, and digital empowerment", implementing water-saving requirements during production capacity expansion, improving resource efficiency through recycling projects, and achieving intelligent control via digital systems.	- Implemented 14 categories of water-saving projects, achieving water savings of 2,467,020 tonnes. - Average water consumption per unit area at production bases decreased by 16% compared with 2023. - Water recycling rate reached 97.3%. - Suzhou CSOT and Suzhou CSOT Display received the industry's first AWS Gold Certification.
		Waste Management	Promoted the transition of waste to a circular system through projects such as resource utilization and packaging material recycling, continuously enhancing resource efficiency and environmental benefits.	- Total waste generation per unit area decreased by 8.5% compared with 2023. - Comprehensive waste conversion rate of 93.3%. 9 companies were awarded UL 2799 Zero Waste to Landfill Platinum certification.
Technology Empowerment	   	Intelligent Manufacturing	Based on the "1 Lake, 1 Model, 3 Platforms" five-star AI architecture, the Company deeply empowers four major platforms—production, equipment, yield, and energy—to form a systematic, full-scenario intelligent manufacturing management strategy.	Suzhou CSOT's "AI-Driven Smart Factory for New Display Panels" project was selected as a "2025 National Excellent Smart Factory".
		R&D and Innovation	Established a full-chain R&D and innovation strategy covering the three dimensions of products, organization, and the supply chain. The Company empowers product R&D with human-centric ethics, creates an agile R&D organization through institutional innovation, and collaborates with the supply chain to build an innovative ecosystem, setting a benchmark for high-quality, sustainable R&D in the semiconductor industry.	- R&D investment reached RMB 8.05 billion, a year-on-year increase of 13.4%, accounting for 7.7% of revenue. 4,401 R&D personnel, accounting for 13.2% of all employees. - A total of 2,422 patents were granted and 2,869 patent applications were filed.
		Sustainable Products	The Company continues to drive the transition of visual health from an industry consensus to technological implementation. Leveraging four core technologies—low blue light, low reflection, flicker-free display, and natural light display—the Company constantly increases its R&D investment in eye-protection technology, committed to upgrading the display experience from merely "seeing clearly" to "viewing comfortably".	- The lightweight flat-panel display received SGS Natural Spectrum EX certification. - A total of 9,784 tons of packaging materials were recycled.

ESG Policy	UNSDGs Contribution	Response Topics	Specific Actions	Performance Highlights
Technology Empowerment		Product Responsibility	- The Company adheres to strict quality management standards, controls product quality and safety throughout the entire lifecycle, and leverages technological innovation to empower the green upgrading of its products, meeting market demand for high-quality and eco-friendly products. - The Company systematically manages customer relationships, deepens regular communication and diverse collaboration with clients, responds precisely to customer needs, provides high-quality services, and builds strong customer trust.	0 product recall incidents. 0 major quality accidents. 0 incidents of non-compliance with regulations concerning the health and safety impacts of products and services.
Harmonious Coexistence	    	Responsible supply chain	An innovative supply chain ESG management system has been established to embed ESG standards into full-process controls, manage conflict minerals, promote upstream and downstream collaboration, and achieve value co-creation and green sustainable development across the industrial chain.	- Key supplier ESG due diligence coverage reached 100%. 100% of new suppliers were assessed according to GP/CSR standards. - The proportion of raw material suppliers that have signed the supplier corporate social responsibility declaration reached 85.1%. - Suppliers subject to CSR audits accounted for 55.6% of those undergoing CSR assessments.
		Labor and Human Rights	The Company conducts human rights risk prevention and management within a framework of laws, regulations, and international standards, practicing a dual-track labor and human rights management strategy of "basic rights protection" and a "harmonious and inclusive workplace" while systematically implementing rights protection mechanisms.	0 verified incidents of child labor, forced labor, overdue wage payments, or discrimination. 100% of panel production bases obtained RBA VAP Silver certification.
		Compensation and Benefits	The Company implements diversified management measures of a "guaranteed basic salary, equal pay for men and women, performance-driven bonuses, and recognition for benchmark talent", and has established a "360° Welfare and Care System" to ensure employee benefits at multiple levels, covering work, life, and health needs.	- Over 3,000 employees were covered by long-term incentives. - The return-to-work rate for employees after maternity or paternity leave reached 99.2%, with a retention rate of 86.4%.

ESG Policy	UNSDGs Contribution	Response Topics	Specific Actions	Performance Highlights
Harmonious Coexistence		Health and Safety	Built around the three strategic pillars of risk management, safety culture, and sustainable development, the Company has advanced the digital and intelligent upgrading of safety management, systematically enhances capabilities in risk prediction, emergency response, and daily prevention and control, and follows PDCA closed-loop management principles to continuously improve its safety risk identification and control system.	- Total investment in occupational health and safety reached RMB 185 million. 0 work-related fatalities. 0 accidents causing direct economic losses of more than RMB 1.5 million. 0 fire, explosion, or major special gas incidents.
		Employee Development and Care	The Company continuously improves internal systems and management frameworks, conducts diverse and systematic training to empower employees, ensures smooth communication channels, activates employee potential, fosters individual growth, and builds harmonious and trusting internal labor relations.	- Employee engagement score: 77, up 4% from 2024; employee satisfaction score: 79, up 2.6% from 2024. - Average training hours per employee were 14.45 hours.
Responsible Operations	 	Risk Management	- The Company has established a modern corporate governance system with clear rights, responsibilities, and scientific decision-making, achieving sound decisions through a diverse Board of Directors and linking executive incentives to ESG performance to ensure aligned interests and secure long-term, stable operations. - The Company has also established a comprehensive risk management architecture and an intelligent risk control system to enable comprehensive risk assessment and dynamic risk management.	0 systemic risk incidents. 100% completion rate for risk response measures.
		Business Ethics	The Company has strengthened its integrity management system and dual supervision mechanism of "supervision + audit", extending business ethics requirements throughout the entire business chain to foster a corporate environment of integrity and uprightness.	100% anti-corruption training coverage. 0 administrative penalty cases confirmed for violations of fair competition laws.
		Information Security and Privacy Protection	The Company has built a full-process information security protection system covering "pre-event, in-event, and post-event" stages, strengthening compliance control and closed-loop supervision while improving data management.	100% of panel production bases obtained ISO 27001 certification. 0 major information security incidents or incidents involving data security or customer privacy breaches.

ESG Rating Results and Honors

ESG Rating Performance



- Climate Change **A-**
- Water Security **A**



Gold Medal
(Top 5% in the industry)

Honors and Awards



2025 "Green
Manufacturing
Enterprise of the
Year" Award (TCL
CSOT)



National Excellent
Smart Factory
(Suzhou CSOT)



2025 China Energy Conservation
Association Innovation Award
· First Prize in the Science and
Technology Progress Award for
Energy Conservation and Emission
Reduction (Carbon Neutrality
category) (TCL CSOT)

Sustainability Certifications



International Water Stewardship Standard
Gold Certification
(Suzhou CSOT and Suzhou CSOT Display)

Actively Participate in Organizations and Associations

Adhering to the new development philosophy of "innovation, coordination, greenness, openness, and sharing", TCL CSOT is deeply integrated into the global sustainable development process, actively participates in the co-construction of the industry ecosystem, and is committed to leading and promoting the sustainable transformation of the display industry and the overall enhancement of the value chain through dialogue, collaboration, and forward-looking practices.

² Joined in the name of the parent company, TCL Technology Group Corporation ("TCL Technology").

³ Joined in 2025 in the name of its subsidiary, Suzhou CSOT.

⁴ Joined in the name of the parent company, TCL Technology Group Corporation ("TCL Technology").



United Nations
Global Compact

Corporate Participant²



Corporate Member



Near-Term Target
Committed Company³



碳足迹产业技术创新联盟
Carbon Footprint Industry Alliance

Vice-Chair⁴



CDP Supporter

**Advanced Chip Industry
Innovation and Development
Alliance**

Council Member



United Nations Global Compact Representative Delivers Keynote Speech and Exchanges Views on Corporate Sustainability with TCL CSOT

In November 2025, during TCL CSOT's Global Display Ecosystem Conference (DTC), Ms. Liu Meng, representative of the United Nations Global Compact in China, attended the event and delivered a keynote speech titled "Business Innovation Driving Sustainable Development". In her speech, Ms. Liu noted that sustainable development is no longer an optional choice for enterprises, but a necessity for building long-term competitiveness. She emphasized that putting people first and ensuring that technological progress benefits everyone are shared principles for creating a more inclusive and prosperous world. In addition, Ms. Liu visited TCL CSOT's Suzhou base and exchanged views on the Company's specific practices in the field of sustainable development.



Liu Meng, Representative of the United Nations Global Compact in China, Delivered a Keynote Speech



Attending the *Fortune* Sustainability Summit and Sharing Practices in Advancing Global ESG Implementation

In October 2025, TCL CSOT was invited to attend the Fortune Sustainability Summit, themed "The Intelligent Era, Smart Symbiosis", where it joined nearly 200 global business leaders, policymakers, and academic experts to explore pathways toward harmonious coexistence among people, technology, and the environment. During the roundtable discussion, TCL CSOT shared its localized strategies for integrating human-centered care into overseas operations, as well as product innovations designed for extreme environments, focusing on topics such as tensions between global standards and local overseas practices and how to turn overseas market challenges into drivers of innovation. This demonstrated a practical pathway for transforming global challenges into sustainable competitive advantages.



Roundtable Discussion at the Fortune Sustainability Summit



TCL CSOT Attends the NetEase Finance ESG Trends Forum and the "Green Manufacturing Enterprise of the Year" Award

In December 2025, TCL CSOT attended the NetEase Economist Annual Conference, where it joined government representatives and industry experts in exploring new pathways for sustainable development. In recognition of its outstanding performance in green manufacturing, the Company received the "Green Manufacturing Enterprise of the Year" award.

During the event, TCL CSOT was invited to participate in an ESG roundtable dialogue on the theme of "Breaking Through and Collaborating in Green Supply Chain Transformation—From Compliance-Driven to Value Co-Creation", where it shared key insights into the green transformation of the supply chain.



Dou Yan, Vice President of TCL CSOT, Participates in an ESG Roundtable Dialogue

1.2 Stakeholder Communication

Based on the internal and external impacts of its operations, TCL CSOT systematically identifies key stakeholders and engages in regular communication to gain deep insights into their demands. This feedback serves as a core basis for determining material issues, enabling dynamic optimization of strategic decisions and resource allocation to ensure that corporate development is highly aligned with societal concerns and to build a win-win ecosystem.

Stakeholders	Highly Concerned Issues		Communication Channels and Frequency
Customers	• Climate Change • Energy Management • Sustainable Products • Product Responsibility • Labor and Human Rights • Health and Safety	• Innovation and R&D • Responsible Supply Chain • Business Ethics • Risk Management • Information Security and Privacy Protection	• Global Display Tech-Ecosystem Conference (DTC) (Annual) • Customer Audits and Surveys (Ad Hoc) • Customer Exchange Meetings and Technical Seminars (Ad Hoc) • Customer Satisfaction Surveys (Regular) • Routine Communication and Follow-Up Visits (Ad Hoc)
Employees	• Labor and Human Rights • Health and Safety • Compensation and Benefits • Employee Development and Care • Information Security and Privacy Protection		• Employee Satisfaction Surveys (Annual) • "Tiao T" Platform (Real-Time) • Labor Union Activities (Ad Hoc) • Employee Suggestion Box (Real-Time)
Shareholders/Investors	• Risk Management • Business Ethics • Information Security and Privacy Protection		• Shareholder Meetings (Annual) • TCL Technology Earnings Calls (Annual) • Sustainability Report (Annual) • Investor Surveys (Ad Hoc)
Government/Regulatory Authorities	• Energy Management • Air Pollution Control • Product Responsibility	• Innovation and R&D • Business Ethics • Information Security and Privacy Protection	• Supervision and Inspection (Ad Hoc) • Meetings and On-Site Communication (Ad Hoc) • Information Disclosure (Ad Hoc)

Stakeholders	Highly Concerned Issues	Communication Channels and Frequency
Suppliers/Partners	• R&D and Innovation • Product Responsibility • Labor and Human Rights • Health and Safety • Responsible Supply Chain • Business Ethics • Information Security and Privacy Protection	• Supplier Conference (Annual) • Supplier Audit (Annual) • Training and Seminars (Ad Hoc) • Daily Communication (Ad Hoc)
Media	• Waste Management • Air Pollution Control • Product Responsibility • Labor and Human Rights • Health and Safety • Compensation and Benefits • Employee Development and Care • Business Ethics	• Global Display Tech-Ecosystem Conference (DTC) (Annual) • Industry Exhibitions and Seminars (Ad Hoc) • Information Disclosure (Ad Hoc) • Public Mailbox (Real-Time) • Complaint Hotline (Real-Time)
Community and NGOs	• Sustainable Products • R&D and Innovation • Intelligent Manufacturing • Responsible Supply Chain • Information Security and Privacy Protection	• Community Event Participation (Ad Hoc) • Information Disclosure (Ad Hoc) • Public Mailbox (Real-Time) • Complaint Hotline (Real-Time)



1.3 Double Materiality Assessment

Materiality assessments help the Company focus on key ESG issues, optimize resource allocation, and enhance stakeholder trust. TCL CSOT systematically conducts issue identification and materiality assessments annually. In 2025, based on the overall stability of its business model, regulatory environment, and stakeholder concerns, with no significant changes to impact materiality, the Company carried forward the results of the 2024 impact materiality assessment. Concurrently, we updated our financial materiality assessment to further enhance the precision of strategic decision-making and our capacity for sustainable value creation.

© Identifying the Context of the Company's Activities and Business Relationships

When compiling its list of ESG issues, the Company considers its corporate context and affected stakeholders, and conducts research and analysis based on six categories of factors: ESG standards, ESG capital market rating requirements, international initiatives, global economic and policy trends, market trends, and the Company's development needs.

Based on the review results, the Company ultimately identified **17** material issues. Compared with 2024, TCL CSOT integrated "**Integrity and Compliance**" and "**Fair Competition**" into "**Business Ethics**" to further align with mainstream international ESG disclosure and rating standards, enhancing the transparency and systematic nature of its governance information.

ESG Standards

- Global Reporting Initiative (GRI) Standards
- ISSB *International Financial Reporting Sustainability Disclosure Standard 1-General Requirements for Disclosure of Sustainability-related Financial Information* (IFRS S1)
- ISSB *International Financial Reporting Sustainability Disclosure Standard 2-Climate-related Disclosures* (IFRS S2)
- Sustainability Accounting Standards Board (SASB) for the Technology & Communications-Hardware Industry, etc.

ESG Rating Requirements

- EcoVadis Global Supply Chain Sustainability Rating
- CDP Global Environmental Information Disclosure, etc.

International Initiatives

- United Nations Sustainable Development Goals (UNSDGs)
- The ten principles of the United Nations Global Compact (UNGC)
- Responsible Minerals Initiative (RMI)
- Responsible Business Alliance (RBA) Code of Conduct, Etc.

Policy Trends

- China's "Dual Carbon" Goals and "1+N" Policy Framework
- China's *Guiding Opinions on Accelerating the Establishment of a Product Carbon Footprint Management System*
- China's *Notice on the Implementation of Actions to Promote Green Consumption*
- European Union Carbon Border Adjustment Mechanism (CBAM)
- Product sustainability and compliance requirements, such as REACH, RoHS, TSCA, and the EU's *Ecodesign for Sustainable Products Regulation*

Market Trends

- End-customer requirements for low-carbon supply chains and supplier compliance with labor and human rights standards
- Consumer preferences for energy-efficient, green, and healthy eye-care products

The Company's Development Needs

- Guided by its corporate vision of "becoming a world-leading display solution provider", the Company has established an ESG vision of "Empowering Life with Advanced Technology, Building a Sustainable & Connected Future", and defined four major ESG principles: "Green Development, Technology Empowerment, Harmonious Coexistence, and Responsible Operations".
- Creating the advanced technology brand APEX, which is dedicated to making display technology focus on "more delightful display experiences (Amazing), more reliable visual health (Protective), more sustainable green and low-carbon solutions (Eco-friendly), and more boundless future imagination (X)".

© ESG Issue Identification and Assessment

For the 17 identified ESG issues, we systematically identified their potential impacts on our own operations and across all stages of the value chain, analyzed the effects of our business activities on the environment and society, and evaluated the potential financial risks and opportunities of these issues. The following section presents only the impacts, risks, and opportunities of the 7 double materiality issues identified in 2025.

Issue	Impacted Area	Positive and Negative Impacts	Description of Risks and Opportunities
Sustainable Products	Own operations Downstream value chain	Positive impact: Developing low-energy display products guides end-users toward a low-carbon transition and reduces the environmental footprint of electronic products throughout their entire lifecycle. Negative impact: If circular design is lacking during the raw material extraction and end-of-life stages of products, it will lead to the continued consumption of non-renewable resources and create challenges in e-waste disposal.	Risk: Investment in sustainable product R&D is substantial, commercialization cycles are long, and it faces multiple uncertainties such as rapid technological iteration, intensified market competition, and changes in policy subsidies; if the R&D direction becomes disconnected from the market, it will result in a low return on investment, reduced product competitiveness, and an impact on profitability. Opportunity: Capturing green consumption trends, opening up new markets, and increasing product premiums, while fully leveraging government subsidies, tax incentives, and green finance support, can reduce capital costs, drive long-term business growth, and build a differentiated advantage.
Climate Change	Upstream value chain Own operations Downstream value chain	Positive impact: Formulating a scientific carbon reduction pathway and carbon neutrality plan helps lower the carbon footprint across the entire value chain, contributing to the mitigation of global warming. Negative impact: Greenhouse gas emissions generated during raw material acquisition, manufacturing, logistics and distribution, product use, and other stages, if not effectively offset, will continue to have a negative impact on global climate change.	Risk: Extreme weather events may cause operational disruptions, sharp cost increases, and revenue losses; tightening global carbon regulations will directly increase compliance costs and reputational risks, weakening export competitiveness. Opportunity: Launching low-carbon solutions and participating in climate governance can meet market demand and secure policy support, thereby increasing sales revenue and brand premium.
Energy Management	Own operations	Positive impact: Adopting clean energy sources and improving energy efficiency through energy-saving technological upgrades can drive the net-zero transition of the upstream and downstream value chain. Negative impact: Energy consumption during operations and production, especially when the energy mix is dominated by fossil fuels, will continue to generate carbon emissions and environmental pollution; low energy efficiency will lead to resource waste.	Risk: Fluctuations in energy prices or supply disruptions could lead to significant increases in operating costs or production halts, affecting the stability of corporate profits; inadequate compliance or delayed responses will result in the risk of penalties. Opportunity: Improve energy efficiency and increase the use of renewable energy through digitalization and intelligent technologies to reduce operational and compliance risks; develop self-owned clean energy projects and participate in green electricity and green certificate trading to enhance energy autonomy and cost control.

Issue	Impacted Area	Positive and Negative Impacts	Description of Risks and Opportunities
Water Resource Management	Own operations	Positive impact: Implementing high-standard wastewater recycling systems and advanced treatment technologies can effectively reduce fresh water intake and minimize the impact on local water ecosystems. Negative impact: The display panel production process involves extensive cleaning, and continuous consumption of fresh water and discharge of wastewater, if not properly treated, may pressure regional water resource balance and pose a pollution risk to soil and groundwater.	Risk: Water scarcity, rising prices, and pollution could trigger supply disruptions and cost increases, affecting production continuity and revenue stability; stricter regulations may lead to water intake restrictions and higher discharge standards; water pollution incidents could result in penalties, litigation, and reputational damage. Opportunity: Through water-saving technologies and water recycling, the Company can improve resource utilization efficiency, reduce operating costs, obtain government subsidies, enhance its sustainable competitiveness, and lead the industry's sustainable development.
Waste Management	Own operations	Positive impact: Comprehensive recycling and waste reduction programs can improve resource utilization rates and, through waste-to-resource conversion, reduce reliance on terminal disposal methods like landfill and incineration. Negative impact: Industrial and hazardous waste generated during production, if poorly managed during storage or disposal, will negatively impact soil and groundwater environments.	Risk: Improper disposal of waste can lead to administrative penalties and reputational damage, while rising waste treatment standards may increase disposal costs. Opportunity: Reducing waste generation can lower waste disposal costs and concurrently decrease raw material procurement expenses; converting waste into resources can also create additional revenue.
Innovation and R&D	Own operations Downstream value chain	Positive impact: Continuous investment in forward-looking technologies can overcome industry bottlenecks, improving quality of life, and enhance the efficiency of information interaction through advances in display technology. Negative impact: A lack of innovation or inadequate intellectual property protection not only weakens corporate competitiveness and harms stakeholder interests but may also hinder the overall progress of technological advancement in the industry.	Risk: R&D investments that fail to yield effective outputs or result in outdated technological paths will lead to a waste of resources, placing the Company at a disadvantage in technological competition and affecting the revenue contribution of new products; negative incidents related to intellectual property may lead to legal litigation. Opportunity: Continuous and efficient R&D and Innovation can create technological barriers, foster high-value-added products and services, drive business growth, and enhance the Company's bargaining power in the industrial chain.
Responsible Supply Chain	Upstream value chain Own operations Downstream value chain	Positive impact: Promoting ESG audits and capacity building in the supply chain can drive upstream suppliers to improve their governance and reduce environmental and social risks across the entire value chain. Negative impact: Production and operational activities at all stages of the supply chain have negative ESG footprints. If audit coverage is incomplete, the enterprise will indirectly bear the negative consequences of supply chain failures.	Risk: ESG non-compliance issues, fluctuations in raw material prices and sustainability performance, and supply chain disruptions caused by external factors (such as extreme weather and geopolitical conflicts) may lead to joint legal liability, reputational damage, increased operating costs, and restricted market access, thereby threatening business continuity and financial stability. Opportunity: By building a responsible, transparent, and efficient supply chain system (e.g., using sustainable raw materials and digital management tools), the Company can optimize operating costs and meet the high standards of international markets and customers, thereby enhancing supply chain resilience and improving product competitiveness.

ESG Issue Impact and Financial Materiality Assessment

- Regarding "financial materiality", the Company invited several members of its management to analyze the potential impact of various issues on financial indicators such as costs and revenues, considering industry characteristics, business models, and operational features. A quantitative assessment was conducted using a two-dimensional matrix of "degree of impact" and "likelihood of occurrence", with the following determination thresholds established:

Degree of Risk/Opportunity Impact

- 3 Points – [High – Greater Than 1% of Revenue]
- 2 Points – [Medium – Between 0.01% and 1% of Revenue]
- 1 Point – [Low – Less than 0.01% of revenue];

Likelihood of Risk/Opportunity:

- 3 Points – [Has Occurred or Is Expected to Occur in the Future (>80%)]
- 2 Points – [Possible, Occurrence Is Uncertain (20% – 80%)]
- 1 Point – [Unlikely, Very Low Probability of Occurrence (<20%)]

Financial
Materiality
Assessment



Impact
Materiality
Assessment

- Through methods such as on-site interviews, exchange meetings, survey questionnaires, and email communications, various stakeholders were invited to score the nature of issues (negative or positive) across four dimensions: likelihood of impact, degree of impact, scope of impact, and irremediability. The results of this year's impact materiality assessment are a continuation of the 2024 results. For more information, please refer to the *TCL CSOT 2024 Sustainability Report*.

Materiality Matrix

In 2025, TCL CSOT identified

7

double materiality
issues

10

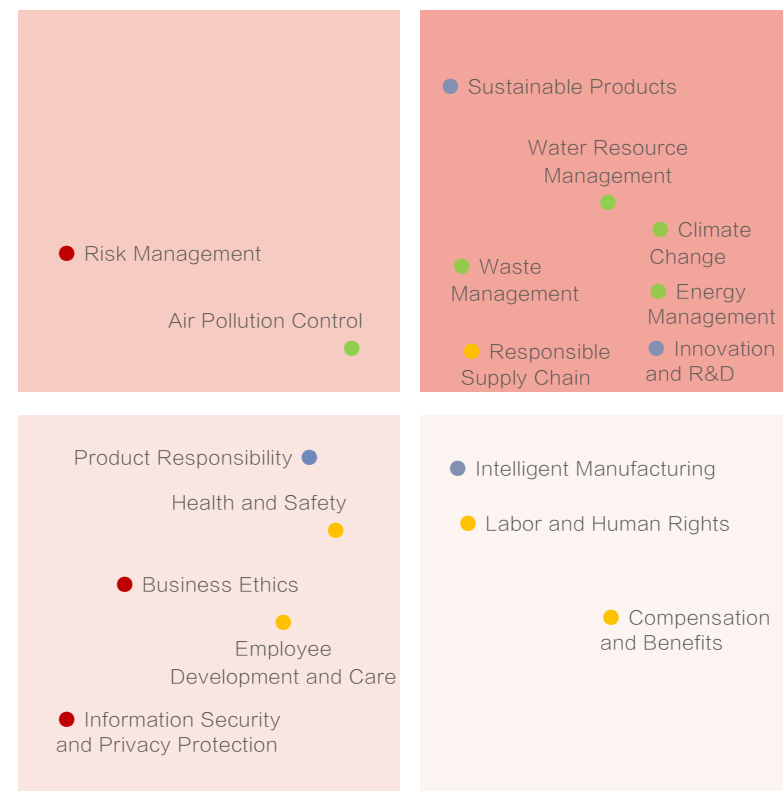
financial materiality
issues

9

sustainability impact
materiality issues

Double Materiality Matrix

Sustainability Impact Materiality



Financial Materiality

This Chapter includes:

30	2.1 Addressing Climate Change	51	2.4 Air Pollution Prevention
39	2.2 Energy Management	54	2.5 Waste Management
44	2.3 Water Resource Management		

ESG Highlights in 2025

Scope 1+2 (market-based) carbon emissions per unit area decreased by **21.6%** compared to 2023

Comprehensive energy consumption per unit of production decreased by **6.6%** compared to 2023

Renewable energy use ratio reached **13.8%**

Average water consumption per unit area across all bases decreased by **16%** compared to 2023

Water recycling rate reached **97.3%**

9 national-level green factories

Total waste generation per unit area decreased by **8.5%** compared to 2023

Comprehensive waste conversion rate reached **93.3%**

9 subsidiaries received the UL 2799 Zero Waste to Landfill Platinum-level certification

2.0

Green Development

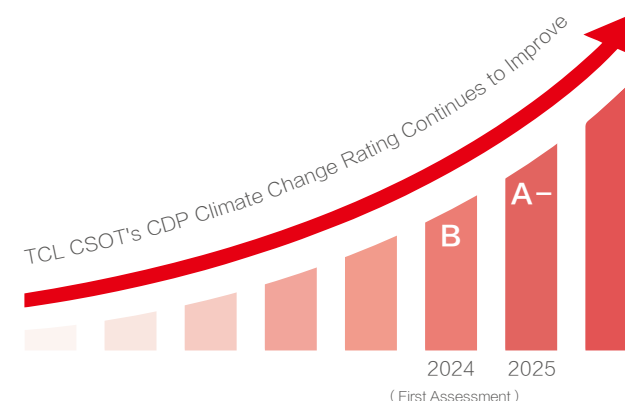
—Leading Efficient Operations

Guided by the "Dual Carbon" strategy, TCL CSOT has internalized green development as a core competitive advantage. The Company champions high-efficiency operations and reshapes its green development paradigm through "Strategic Innovation". We have established a full-dimension comprehensive green management system that extends to key areas such as energy, water resources, waste, and other key areas, achieving a leap in environmental governance from isolated breakthroughs to integrated systems. Through the deep integration of digitalization and green practices, the Company has broken down carbon management silos. It systematically cracks common challenges in the semiconductor display industry, such as numerous management barriers and difficulties in whole-chain collaboration. This approach leads the industry toward a new stage of high-quality, sustainable green development.



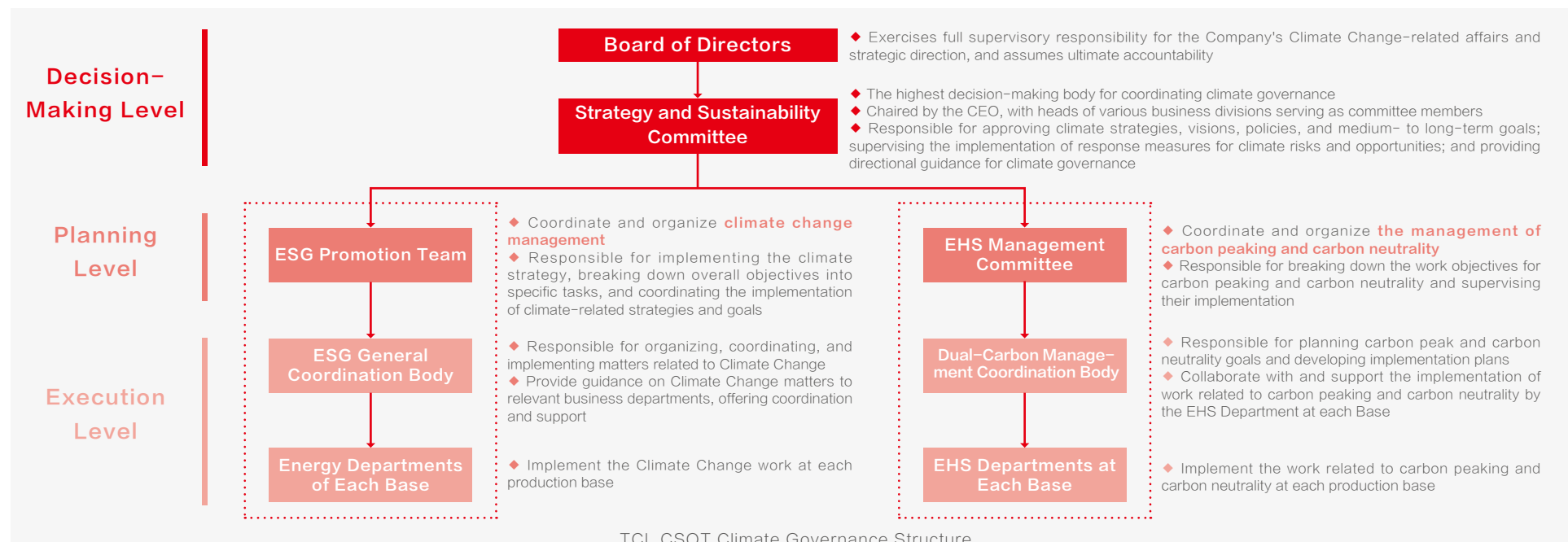
2.1 Addressing Climate Change GRI 101、102、201

Global climate change has become a core issue facing humanity. As a cornerstone of the modern digital economy, the semiconductor display industry bears a critical responsibility for driving the green transformation of global industrial chains. TCL CSOT views its response to the national "Dual Carbon" commitment as a new starting point for leading the semiconductor display industry toward a zero-carbon economy. It is committed to "achieving carbon peaking no later than 2030 and carbon neutrality no later than 2050", continuously iterating its green transformation pathway and advancing toward sustainability with its partners.



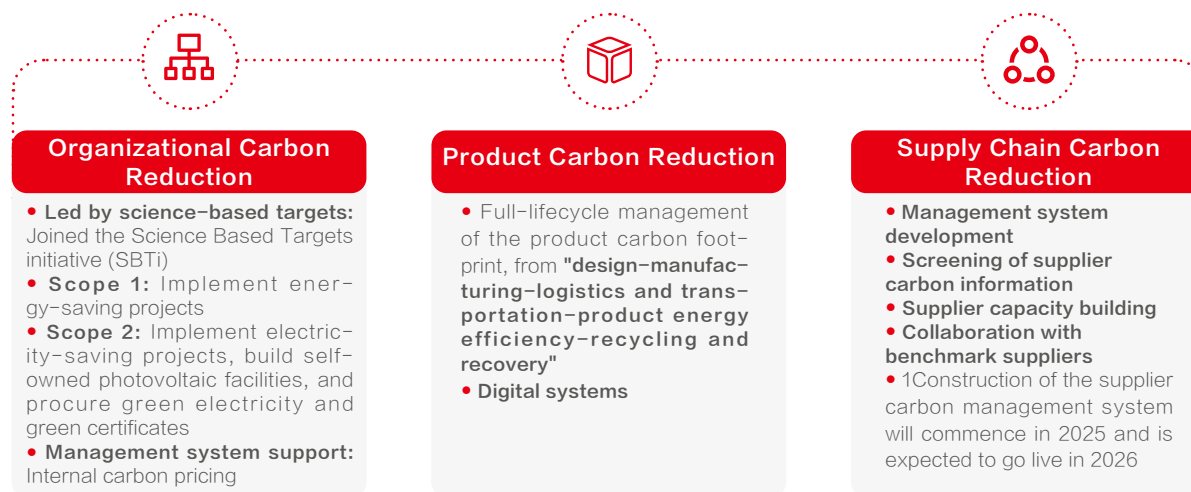
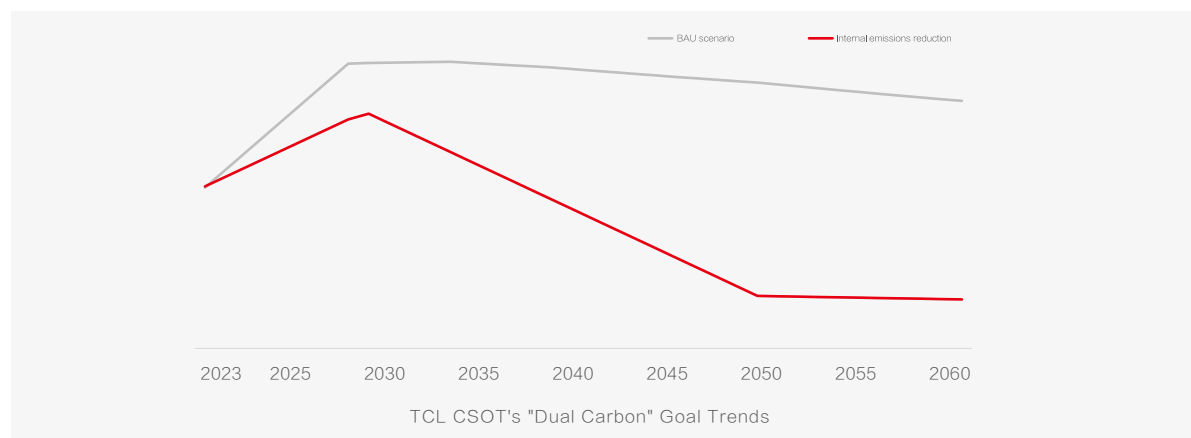
Governance

TCL CSOT continues to deeply integrate climate change response into its Corporate Governance structure, establishing a three-tiered climate governance framework of "decision-making, planning, and execution". It has also set up two collaborative systems for climate change management and dual carbon management. The ESG Promotion Team is responsible for the overall planning and coordination of climate change management, while the EHS Management Committee undertakes the dual carbon management work. By embedding both systems into the existing organizational structure and internal business processes, the Company ensures its climate strategy is deeply integrated with its operations and effectively implemented.

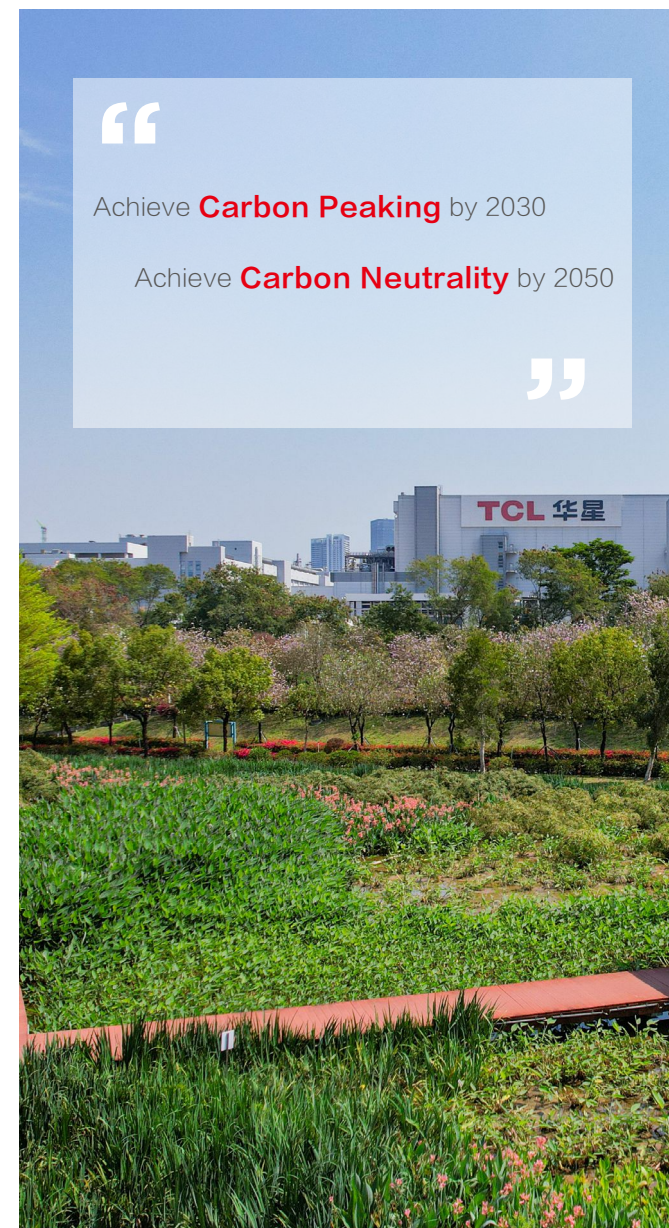


🎯 Strategy and Tactics

Positioned at the core of high-end manufacturing and the industrial chain, TCL CSOT regards addressing climate change as a key strategic issue for promoting the Company's high-quality development and building sustainable value creation capabilities. The Company is anchored to its ESG development strategy, has defined its **"Dual Carbon"** goals, and has further broken these down into three supporting dimensions: **"organization, product, and supply chain"**. These are systematically promoted across all production bases to ensure the strategy is executable and its results are measurable.



TCL CSOT's Three-dimensional Strategy of "Organization, Product, and Supply Chain"



Drive Carbon Reduction Efficiency with Internal Carbon Pricing

TCL CSOT has incorporated the low-carbon transition as a crucial part of its corporate strategy. Guided by the Science Based Targets initiative (SBTi), the Company focuses on managing Scope 1 and 2 carbon emissions and has introduced carbon pricing as a greenhouse gas management tool for the first time. Under the coordinated promotion of the EHS Management Committee, this mechanism integrates data from both compliance and voluntary carbon markets to form a dynamic internal carbon price. Through supporting standardized measurement tools, monitoring processes, and a regulatory system, carbon costs are systematically embedded into the Company's project decision-making. This approach continuously enhances the Company's operational and management efficiency through three core pathways:

1

Embedding carbon reduction benefits into project investment calculation models to promote cost reduction and efficiency gains in green projects;

2

Quantifying and pricing carbon emissions to transform climate risks into assessable financial indicators, helping management optimize resource allocation;

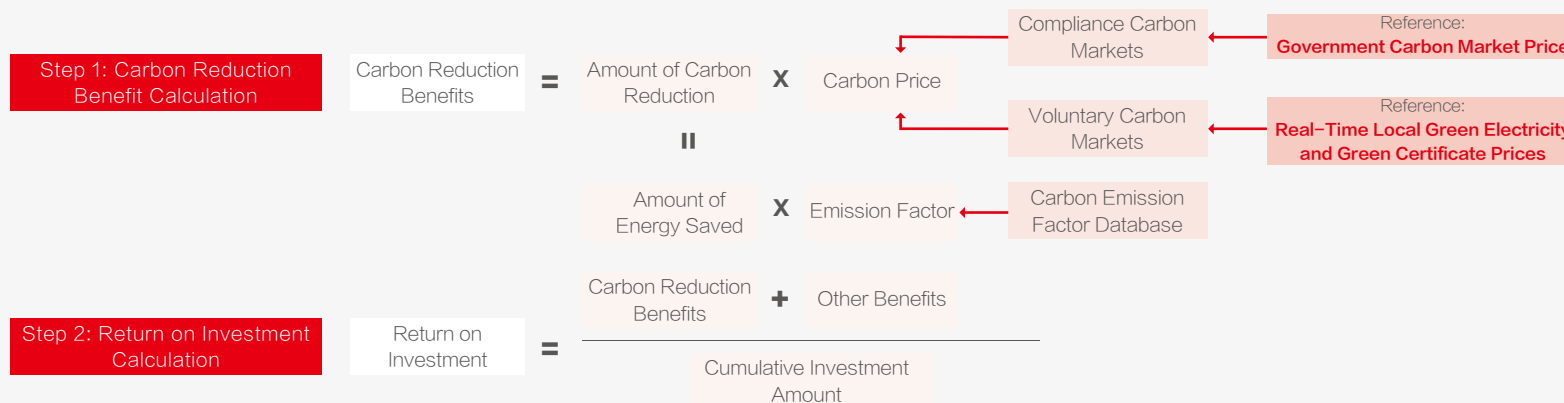
3

Transforming emission reduction responsibilities into an intrinsic driver for business, and systematically fostering a low-carbon decision-making culture.

In November 2025, the Company's internal carbon pricing mechanism was officially launched, with plans to embed it into the online decision-making process for energy-saving projects in 2026. Concurrently, the Company conducted internal training on topics such as the "shadow pricing mechanism" to enhance the carbon cost awareness and decision-making capabilities of all employees. In December 2025, TCL CSOT received the "First Prize of the 2025 China Energy Conservation Association Innovation Award for Scientific and Technological Progress in Energy Conservation and Emission Reduction (Carbon Neutrality Field)" at the 5th Boao Carbon Neutrality Conference for its "Internal Carbon Pricing Project". This award highlights the Company's forward-thinking approach to driving green transformation through market-based mechanism innovation.



TCL CSOT Receives the Dual Carbon First Prize at the 2025 Boao Carbon Neutrality Conference



TCL CSOT's Shadow Pricing Mechanism

Build Full-Chain Management to Systematically Track Carbon Footprint

To establish a data-driven product carbon reduction management mechanism, the Company independently developed and deployed the "TCL CSOT ESG Carbon Footprint Digital Management Platform". This platform achieved three major breakthroughs: online integration of carbon footprint certification processes, intelligent accounting, and systematic data management. It restructures the carbon management paradigm, marking the Company's ability to independently calculate product carbon footprints. This centralizes and standardizes product life-cycle carbon emission data, significantly reduces carbon management operating costs, and lays a solid foundation for achieving medium and long-term carbon neutrality goals.

In 2025, the Company completed 16 carbon footprint certifications. This not only directly contributed to precise carbon reduction of end products, but also established a measurable and traceable carbon management foundation for the industrial chain, demonstrating the key value of digital carbon management tools in empowering its green transformation.



TCL CSOT ESG Carbon Footprint Digital Management Platform

Deepen Green Collaboration to Empower Carbon Reduction across the Industrial Chain

As a core enterprise in the industrial chain, TCL CSOT actively promotes low-carbon transformation among its suppliers. The Company has formulated and implemented the *CSOT Sustainable Procurement Management Manual*, incorporating climate risk assessment and carbon reduction capabilities into supplier admission and annual performance evaluation to systematically manage supply chain environmental risks.

⁵ The system is expected to be officially launched in 2026.

The Company has conducted organizational carbon inventories and product carbon footprint accounting for high-carbon-category suppliers, covering 90% of Scope 3 purchased goods and services emissions. It has established a special management mechanism for high-carbon-emission suppliers, promoting carbon reduction efforts and encouraging an increased share of renewable energy. At the same time, the Company is deepening collaboration with benchmark suppliers to drive the display industry's green and low-carbon transformation, demonstrating its leading role in global sustainability.

In 2025, the Company initiated the construction of a supplier carbon management system⁵ to build an online platform covering supplier carbon emission data collection, accounting, analysis, and performance tracking. This platform enables centralized management and visual analysis of carbon emission data, providing data support for setting carbon reduction targets, performance evaluation, and decision-making optimization.



Building a Low-Carbon Industrial Chain with Partners

To deepen climate collaboration within the industrial chain and stimulate suppliers' innovation in carbon reduction, TCL CSOT successfully held the second "Fusion Innovation · Chain-Driven Future" Innovation Proposal Competition from September to November 2025. The event attracted broad participation, including upstream partners and internal teams from R&D, manufacturing, and supply chain, with a total of 170 participants submitting 43 innovative proposals. Among these, 17 proposals focused on exploring carbon reduction pathways across the industrial chain, covering key areas such as green production process optimization, material recycling, and the application of green materials. This initiative drives carbon reduction practices through technological innovation, systematically enhancing the collaborative carbon reduction capability of the industrial chain.



Promoting Supplier Collaboration for Carbon Reduction

TCL CSOT actively promotes the green transformation of its supply chain by guiding foaming product suppliers to replace traditional natural gas boilers with centralized steam from power plants. In the original process, suppliers typically used natural gas combustion to generate steam for foaming production, resulting in high energy consumption and carbon emissions. Through proactive communication and collaborative efforts, TCL CSOT encourages existing suppliers to undertake technological upgrades or partner with suppliers capable of providing steam from power plants. This approach reduces natural gas consumption at the source, effectively lowers carbon emissions throughout the production process, and achieves green upgrades and collaborative carbon reduction across the supply chain.

🎯 Risk and Opportunity Management

The Company has constructed a climate scenario analysis model based on the Sixth Assessment Report (IPCC AR6) of the Intergovernmental Panel on Climate Change (IPCC) and the scenario framework of the Network for Greening the Financial System (NGFS). This model identifies, quantifies, and assesses the potential physical and transition risks faced by all production bases across four dimensions: plant location, production chain, supply chain, and customer demand. It evaluates the financial impact of various risks and opportunities on the Company from short-, medium-, and long-term perspectives to empower climate-related decision-making.

Physical Risk and Transition Risk Scenarios



To promote the deep integration of climate-related risk and opportunity management with daily risk management activities, the Company dynamically monitors four major transition risks—policy and legal regulations, market, technology, and reputation—and two major physical risks—acute and chronic. It also tracks five categories of opportunities in resource efficiency, energy conservation and carbon reduction, products and services, new markets, and resilience. Referencing IFRS S2, the Company analyzes each climate impact model to formulate and update measures in a timely manner.

In 2025, through methods such as data analysis, peer benchmarking, interviews with management and key personnel, and questionnaire surveys, the Company identified a total of

5

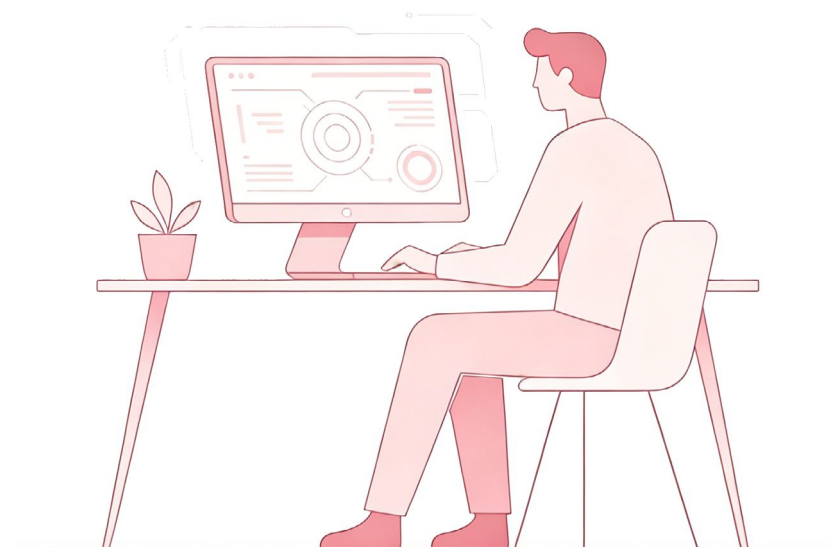
physical risks

4

transition risks

5

opportunity factors



TCL CSOT's Climate Risk Identification and Response Measures

Impact Period	Risk/ Opportunity Type	Potential Risk Description	Potential Financial Impact	Response Measures
Physical Risk (Acute Risk)				
Short-Term	Extreme High Temperatures	◆ Threaten the health of outdoor workers ◆ Increased cooling energy consumption and operating costs ◆ Affect equipment lifespan and production capacity, increasing equipment failure rates	Increased Costs Asset Impairment	◆ Reinforce plant facilities for windproofing, waterproofing, and insulation ◆ Maintain drainage and electrical systems, and enhance inspections ◆ Implement remote work or temporary shutdowns when necessary; provide high-temperature subsidies during heatwaves ◆ Conduct regular emergency drills for disasters such as typhoons, heavy rainfall, and cold snaps, and clarify evacuation routes
	Extreme Precipitation	◆ Production and logistics disruptions caused by heavy rain or floods ◆ Plant leaks and water accumulation causing short circuits, corrosion, and damage to electrical equipment ◆ Increased risk of accidents such as slips and electric shocks due to slippery surfaces and potential electrical leakage in the plant area		
	Cold Snaps or Extreme Snow and Sleet	◆ Production equipment shutdowns ◆ Supply chain logistics disruptions affecting production operations and order delivery ◆ Icy plant roads and snow accumulation on buildings increase the risk of accidents such as slips, falls, and being struck by objects		
Physical Risk (Chronic Risk)				
Long-Term	Water Scarcity	◆ Scarcity and rising prices of water resources drive up production and operating costs ◆ Decline in water quality and raw water supply leads to forced interruptions or adjustments in production plans	Asset Impairment Increased Costs	◆ Develop water-saving processes and recycling technologies ◆ Conduct water conservation training ◆ Prioritize the assessment of climate resilience in site selection for plants ◆ Monitor water quality in real-time to ensure the safety of production water
	Warming Trends	◆ Increased volume of chilled water supplied to the plant leads to higher cooling costs		

TCL CSOT's Climate Risk Identification and Response Measures (Continued)

Impact Period	Risk/ Opportunity Type	Potential Risk Description	Potential Financial Impact	Response Measures
Transition Risks and Opportunities				
Long-Term	Policy and Legal Risks	◆ Increasingly stringent environmental regulatory requirements raise compliance costs and investment thresholds ◆ Stricter carbon emission trading systems increase the Company's compliance costs and operational pressures ◆ Higher regulatory requirements for product markets impose more stringent access requirements regarding product environmental standards	Increased Expenditures Reduced Revenue	◆ Dynamically track changes in environment-related regulatory requirements and laws, and systematically manage compliance costs
Medium-Term	Technological Risks	◆ Energy conservation and carbon reduction technical transformation projects involve uncertainties, including risks related to technology route selection and return on investment ◆ The research and development of low-carbon product technology has inherent uncertainties, facing challenges in R&D cycles, costs, and market acceptance		◆ Increase R&D investment and incentivize employee innovation ◆ Apply for relevant technology patents ◆ Pilot new technologies in new products within core areas
Long-Term	Reputational Risks	◆ If the Company's climate governance is inadequate, its inability to meet the increasingly high environmental requirements of various parties will directly damage its reputation		◆ Monitor public opinion, and promptly handle and provide feedback on complaints and suggestions
Long-Term	Market Risks	◆ As market demand for low-carbon and environmentally friendly products continues to grow, traditional products may face the risk of declining competitiveness and loss of market share		◆ Develop low-carbon and environmentally friendly products

TCL CSOT's Climate Risk Identification and Response Measures (Continued)

Impact Period	Risk/ Opportunity Type	Potential Risk Description	Potential Financial Impact	Response Measures
Long-Term	Resource Efficiency	◆ Promote the circular use of materials ◆ Promote diversification in the use of resources and energy and improve utilization efficiency	Increased Revenue Reduced Operating Costs	◆ Formulate diversified resource procurement strategies, and develop backup supply channels and alternative solutions for key energy and raw materials
Long-Term	Energy Conservation and Carbon Reduction	◆ Implement internal carbon pricing and participate in external carbon markets ◆ Advance energy-saving production and the use of renewable and clean energy ◆ Promote green logistics		◆ By further promoting internal carbon pricing, compliance costs are incorporated into the budget, driving internal efforts to tap emission reduction potential and optimize investments
Long-Term	Products and Services	◆ Transform the demand for low-carbon and environmentally friendly products into advantages for sustainable product development and market opportunities		◆ Establish a mechanism that links market demand with R&D to quickly translate customer environmental requirements into specific product specifications and technical solutions ◆ Build a product carbon footprint management system and continuously drive low-carbon transformation of products
Long-Term	Entering New Markets	◆ Enter new market regions to reduce the risk of market access restrictions in existing markets ◆ Develop new product types (such as e-paper, electronic labels, etc.)		◆ Develop new low-carbon products that meet market demand, focusing on emerging market demand and competitive landscape to identify entry points ◆ Flexibly adapt to the regulations, infrastructure, and customer preferences of target markets
Long-Term	Resilience	◆ Respond to government green project certifications to obtain policy incentives and support ◆ Enhance the climate resilience and energy efficiency levels of facilities from the building source		◆ Conduct policy tracking and project applications, and systematically manage applications for green certifications ◆ Apply green buildings standards in the planning and design of new factory areas to lock in future low-carbon and adaptation capabilities from the design stage

The Company has formulated and implemented the *CSOT Safety and Environmental Accident and Incident Management Process* and the *Emergency Response Plan for Sudden Environmental Accidents and Incidents*, which define the graded response mechanism and disposal procedures for environmental incidents. Through institutionalized management and regular emergency drills, the Company continuously enhances its capacity to respond to extreme climate and environmental risks.



TCL CSOT's Risk prevention Measures for Typhoon No. 18 "Huajiasha"

In September 2025, Super Typhoon "Huajiasha" approached Shenzhen, with central wind speeds exceeding Grade 16. TCL CSOT responded swiftly in Shenzhen, Guangzhou, and Huizhou, establishing a special command center. The emergency prevention and control system was immediately activated upon the issuance of the typhoon warning. The company organized multiple rounds of special inspections, rectifying 52 potential hazards, and proactively deployed emergency supplies such as flood control sandbags and water pumps. It also systematically organized the evacuation of employees in non-essential posts to ensure the safety of all personnel. During the typhoon, company leaders led on-site shifts, and all staff worked in coordination, ultimately achieving zero casualties and zero production interruptions. This fully demonstrated TCL CSOT's emergency response capabilities and operational resilience in the face of extreme weather, accumulating practical experience for enhancing its response to climate risks.



Suzhou CSOT Officially Joins the Science Based Targets initiative (SBTi) and Makes Steady Progress toward Its Goals

In April 2025, TCL CSOT's Suzhou base officially joined the Science Based Targets initiative (SBTi) and set near-term carbon reduction targets based on the 1.5°C temperature control goal. It has committed to reducing absolute emissions from its own operations by 42% by 2030 compared to 2023, and to reducing absolute emissions from its Supply Chain (purchased goods and services) by 25% by 2030 compared to 2023. In 2025, substantial progress has already been made in this work, achieving a 14.9% reduction in absolute emissions from its own operations compared to 2023, and an 8.0% reduction in absolute emissions from its supply chain (purchased goods and services) compared to 2023.

During the reporting period

Total Scope 1+2+3 (market-based) greenhouse gas emissions were
26,098,276 tons of CO₂ equivalent

🎯 Indicators and Targets

The Company comprehensively considers its own emission reduction requirements, current operational status, and customer needs. It actively responds to the call for "Carbon Peaking and Carbon Neutrality" and the temperature control goals of the *Paris Agreement*. The Company has established its "Dual Carbon" goals and broken them down into finer detail, reinforcing the emission reduction responsibilities of each organization and promoting the implementation of internal carbon reduction actions at all production bases. Concurrently, a quarterly tracking mechanism has been established to ensure the effective implementation of its climate strategy.

The Company regularly conducts ISO 14064-3 greenhouse gas emission verification to systematically assess and continuously enhance the carbon emission management capabilities of each base, ensuring that carbon reduction work and targets are effectively implemented.

In 2025, the Company

Achieved **100%** coverage of its production bases with ISO 14064-3 verification.

Indicators	Targets	Progress
Scope 1+2 (market-based) emissions per unit area	- Decrease by 6% compared to 2023 - An average annual decrease of no less than 3%	Decrease by 21.6% compared to 2023
Suzhou base's Scope 1+2 (market-based) emissions	Decrease by 12.0% compared to 2023	Decrease by 14.9% compared to 2023
Suzhou base's Scope 3 (Category 1) emissions	Decrease by 7.2% compared to 2023	Decrease by 8.0% compared to 2023

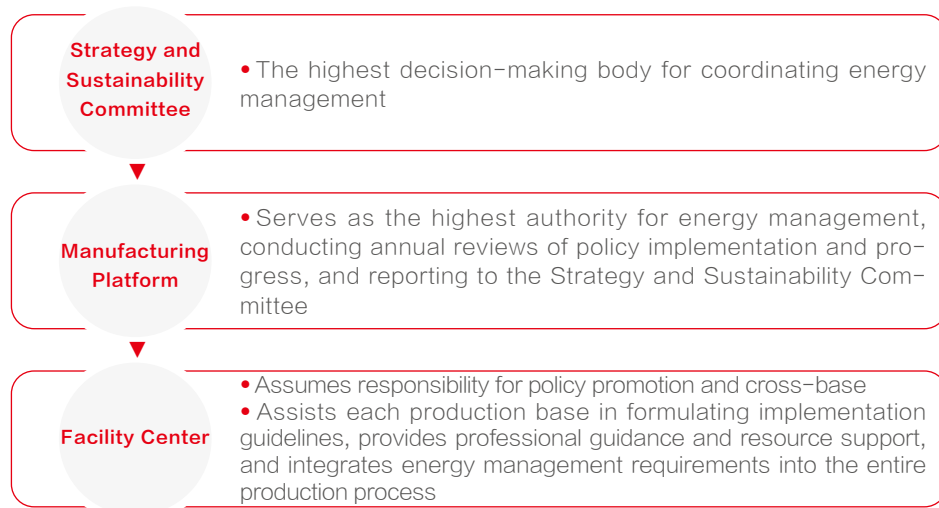
2.2 Energy Management

GRI 103

At a critical stage where the global semiconductor display industry is developing in parallel with a green transformation, TCL CSOT has constructed three major energy management strategies: "Lean Energy Efficiency Enhancement, Green Energy Transformation, and Digitalization and Intelligent Empowerment". This forms a management paradigm covering all scenarios, leading the high-energy-consumption industry in exploring a path of high-quality development that balances scale growth with resource conservation and contributing the practical wisdom of China's manufacturing sector.

🕒 Governance

TCL CSOT deeply understands the importance of energy management to corporate operations and has established a three-tiered energy management structure comprising the "Strategy and Sustainability Committee – Manufacturing Platform – Facility Center". This structure breaks down energy management responsibilities to specific positions and individuals, forming a top-down, cohesive execution force where each party performs its duties. During the reporting period, the Company's management continued to strengthen its focus on energy management issues, holding two energy transformation seminars. These seminars brought together experts from academia and industry to gain deep insights into domestic and international policy trends and stakeholder needs, analyze the Company's current energy consumption status and characteristics, and discuss future directions for energy transformation to explore feasible solutions.



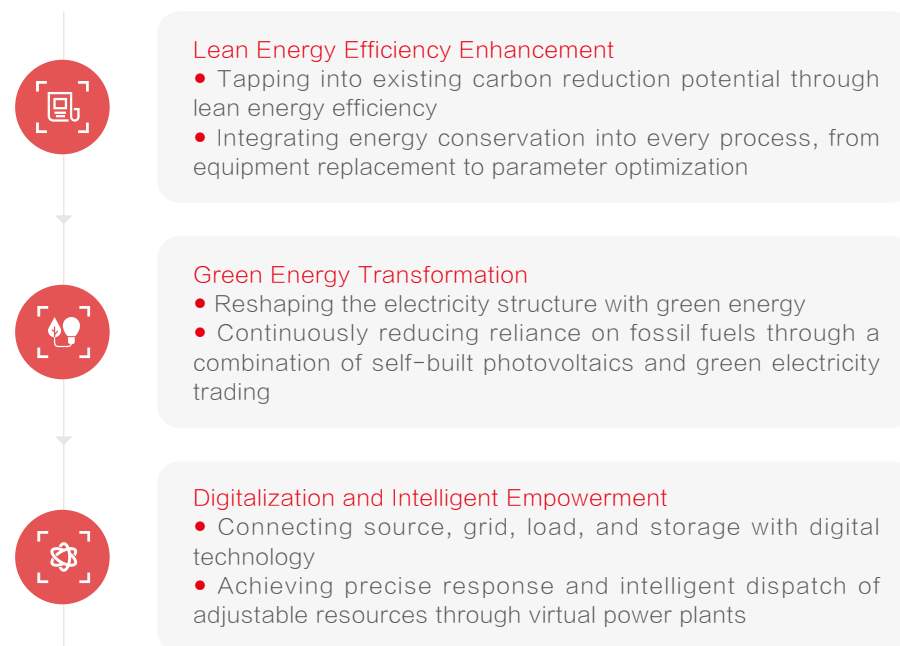
TCL CSOT Energy Management Structure

Concurrently, the Company actively develops its ISO 50001 energy system, periodically issuing and updating the energy management policy. It has also formulated and implemented institutional documents such as the *Energy Management System Manual*, *Energy Metering Management Standards*, and *Control Procedures for the Energy Target and Indicator Management Program*. These documents clarify requirements for energy use, metering, monitoring, and continuous improvement, providing a standardized and institutionalized operational framework for the ongoing enhancement of energy performance.

🕒 Strategy and Tactics

TCL CSOT has built a comprehensive, all-scenario energy management system around the three pillars of "Lean Energy Efficiency Enhancement, Green Energy Transformation, and Digitalization and Intelligent Empowerment". These three strategies support and reinforce each other, driving energy management from single-point breakthroughs to a systemic restructuring.

TCL CSOT Energy Management Strategies



Lean Energy Efficiency and Energy Conservation Management Enhancement

TCL CSOT integrates lean thinking throughout all stages of production and operations, driven by both technological upgrades and management optimization, to continuously reduce comprehensive energy consumption per unit of production capacity, ensuring every kilowatt-hour of electricity yields maximum benefit. Through six types of refined energy management measures, such as parameter optimization and improving shutdown efficiency, we achieved electricity savings of 145,025.53 MWh. In addition to energy conservation in production, the Company also emphasizes green management in its operations. Through green office initiatives like LED energy-saving retrofits in office areas and paperless expense reimbursement, we reduce energy consumption in non-production activities, creating a closed loop for energy efficiency improvement that covers both production and operations.

In 2025, TCL CSOT's

Comprehensive energy consumption per unit area at our panel production bases decreased by **6.6%** compared to 2023⁶

During the reporting period

the Company invested a total of RMB **89** million in energy conservation and emission reduction

Implementing **399** energy-saving measures such as FFU speed reduction and the replacement of CDAs and chillers

Resulting in energy savings of **197,020** MWh



Suzhou CSOT Color Filter Department's Oven Heat Exchanger Energy-Saving Initiative

In 2025, the Color Filter Department at Suzhou CSOT undertook a challenging project to autonomously replace oven equipment heat exchangers. As process exhaust gas adhesion reduces heat transfer efficiency, potentially leading to wasted electricity, the team independently completed the replacement of four heat exchangers. Each unit can reduce energy consumption by **45** kW, resulting in a total power reduction of **180** kW.

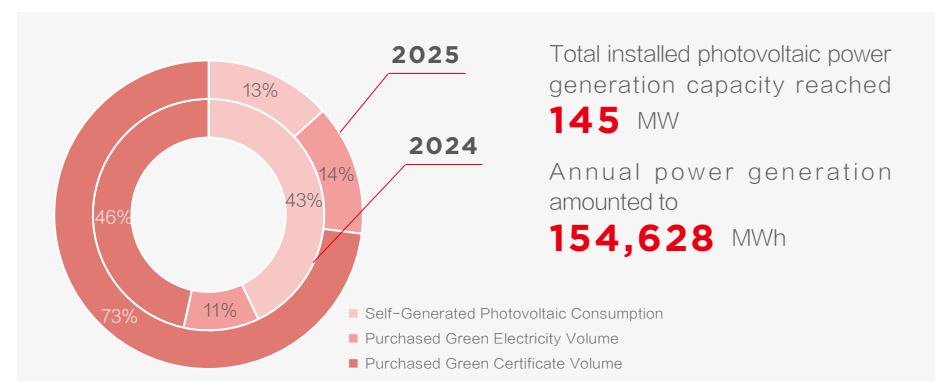
During the reporting period, this project achieved cumulative electricity savings of **2.15** million kWh, demonstrating the effectiveness of lean energy conservation efforts that focus on fine details.

Deepen Green Energy Transition and Optimize Energy Structure

TCL CSOT is not limited to enhancing the efficiency of fossil fuel utilization; it focuses more on changing the source and method of obtaining energy, continuously transitioning towards cleaner and lower-carbon options. The Company has clearly set transformation goals, committing to increasing the proportion of renewable energy use to 30% by 2030 and achieving 100% renewable energy substitution by 2050, guiding its long-term energy structure transformation with a clear roadmap. On one hand, the Company vigorously develops clean energy projects, actively promoting the installation of rooftop photovoltaic systems wherever possible to reduce electricity expenses while continuously expanding the use of green electricity. On the other hand, it deeply participates in the green electricity market, persistently reducing carbon emissions in its production processes by purchasing green electricity and green certificates.



TCL CSOT Develops Rooftop Photovoltaic Projects



⁶ As Guangzhou CSOT and Guangzhou CSOT Display were newly acquired in 2025, they are not included within this performance scope.

Strengthen Digital Empowerment and Enhance Energy Dispatch Precision

TCL CSOT thoroughly implements the *Key Points for Coordinated Digital and Green Transformation Development in 2025*, fully leveraging the empowering role of digital technology in energy management. Building upon traditional energy-saving technical retrofits for Fossil Fuels and the green energy transformation, the Company further reshapes its energy management model with digital means, accelerating the coordinated digital and green transformation of its production methods.

At the flexible regulation level, the Company has launched a virtual power plant project, using digitalization to achieve "peak shaving and valley filling" of energy, thereby enhancing grid regulation and new energy accommodation capabilities. At the foundational management level, the Company has built a smart Energy Management System (EMS) that integrates data from multiple systems, including facility automation, chiller group control, and centralized air compressor control, to enable real-time online monitoring, alarms, analysis, and visualization of energy consumption. As of the end of the reporting period, the system had connected over 60,000 points and more than 4,000 pieces of equipment. Through four rounds of model training using AI algorithms on data such as geographical and meteorological information, historical loads, and user behavior, it has achieved high-precision energy consumption prediction (average error <2%), providing a solid digital foundation for refined energy management and intelligent dispatching.



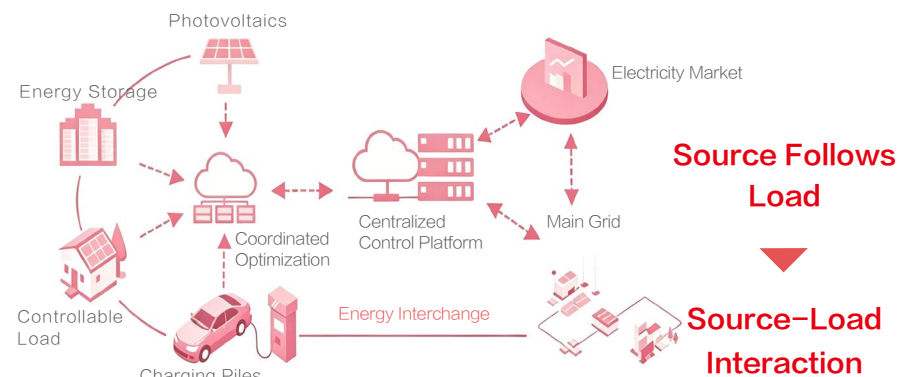
TCL CSOT Optoelectronics' Smart Energy Management System



Shenzhen CSOT Advances Virtual Power Plant Project Construction

As a key carrier for the coordination of generation, grid, load, and storage, the virtual power plant is becoming a crucial engine for activating the distributed photovoltaic market and enhancing renewable energy integration. TCL CSOT actively responds to policy calls and innovatively implements virtual power plant projects, using digital means to achieve precise perception and intelligent dispatch of adjustable resources.

On a practical level, Shenzhen CSOT has aggregated various adjustable resources within its facility, including energy storage, air conditioning, lighting, and factory production scheduling, to form a virtual power plant with unified dispatch and coordinated response capabilities. In 2025, the project participated in demand response four times, regulating **75,571 kWh** of electricity. This has effectively validated a feasible path for flexible load participation in the electricity market, empowered by digitalization.



Dual Roles as a "Power Plant" and a "Load"

Shenzhen CSOT Virtual Power Plant Operating Model

⊙ Risk and Opportunity Management

TCL CSOT systematically identifies internal and external factors related to the topic of energy management, including policies and regulations, market changes, technological evolution, and resource conditions. The Company assesses potential risks and opportunities in the energy management field and has built a comprehensive energy risk management system to achieve proactive responses and dynamic adjustments to energy compliance and cost fluctuations.

TCL CSOT has established an "Audit-Driven, Training-implemented" energy risk management mechanism: external audits serve as a mirror to identify management blind spots, while internal training acts as a bridge to continuously reduce comprehensive energy consumption per unit of production by enhancing the energy efficiency awareness and operational skills of all employees, ensuring the effective implementation and achievement of energy compliance and emission reduction targets.



TCL CSOT Conducts Energy Conservation and Emission Reduction Training

Risk and Opportunity Identification

Risk	Opportunity
◇ Energy Cost Fluctuation Volatility in fossil fuel prices and market-oriented electricity price reforms are driving up energy costs, challenging manufacturing cost competitiveness ◇ Regulatory Compliance Risk Energy conservation inspections and carbon data verification are becoming stricter, while binding targets such as non-fossil energy consumption are continuously tightening. Inadequate compliance preparation, delays in consumption progress, or untimely corrective actions could lead to penalties	◇ Digital and Intelligent Energy Efficiency Competitiveness Leveraging the smart energy management system and AI algorithms to advance energy efficiency from refinement to intelligence ◇ Green Electricity Price Negotiation and Cost Optimization Securing low-cost green electricity to reduce carbon emissions while enhancing the controllability of energy costs ◇ Policy Response and Cost Optimization Leveraging national pilot projects such as virtual power plants to secure financial subsidies and policy support, thereby reducing the overall cost of the energy transition



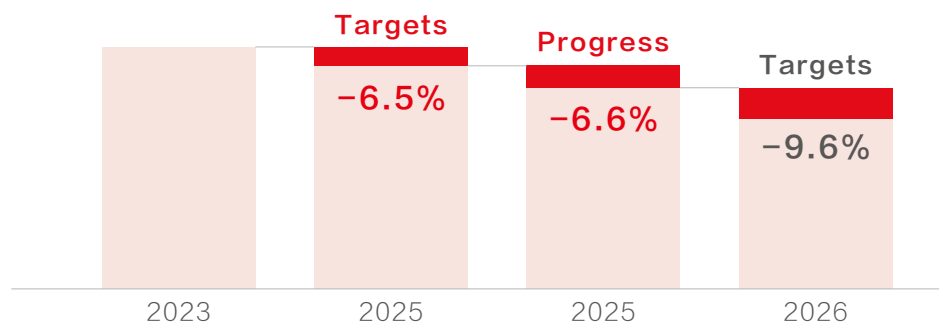
Risk Management Mechanism

Audit-Driven	Training-Implemented
◇ Internal Review In 2025, TCL CSOT conducted an independent internal energy review in accordance with standards such as ISO 50001 to comprehensively assess its energy management system and equipment energy efficiency levels, identify opportunities for improvement, and provide a basis for refining its energy management ◇ External Review Wuhan CSOT and Wuhan CSOT Semiconductor actively conduct energy conservation supervision and energy reviews. In 2025, they completed the preparation of an energy conservation supervision report and successfully passed the energy conservation supervision and energy efficiency diagnosis for key energy-consuming units organized by the Wuhan Municipal Development and Reform Commission.	◇ Internal Training TCL CSOT continuously promotes energy conservation internally, encouraging employees to adopt the habit of "turning off lights when leaving", and organizes training on paperless reimbursement procedures to advance the implementation of energy-saving concepts ◇ External Training To enhance the energy conservation and emission reduction awareness of all employees and reduce risks associated with energy use and waste, TCL CSOT invited experts from third-party institutions to conduct specialized awareness and training sessions, effectively disseminating knowledge on energy saving. In 2025, the energy conservation and emission reduction training covered 258 employees

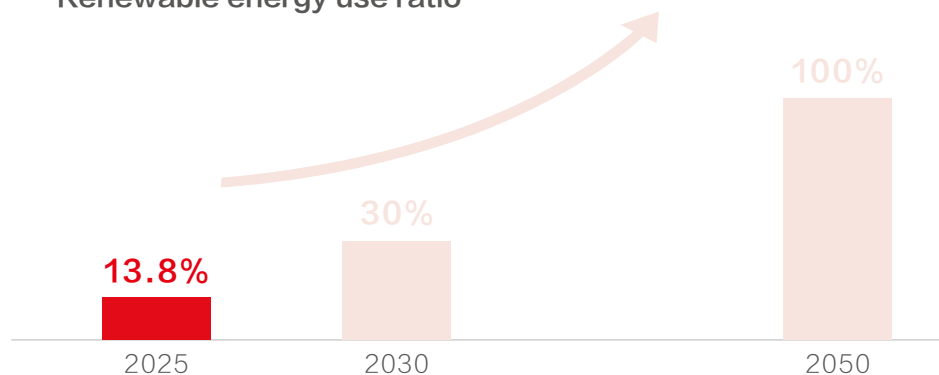
🎯 Indicators and Targets

TCL CSOT actively implements its energy management strategy, continuously strengthening its systematic and standardized energy management capabilities. As of the end of 2025, 12 subsidiaries had obtained ISO 50001 certification, and all panel production bases have achieved full coverage of energy management system certification. During the reporting period, other subsidiaries began implementing the energy management system, and the coverage of the Company's Energy Management system is expanding in an orderly manner along with business integration.

Reduction in comprehensive energy consumption per unit of production compared to 2023



Renewable energy use ratio



During the reporting period

Energy conservation and emission reduction efforts achieved energy savings of **197,020** MWh

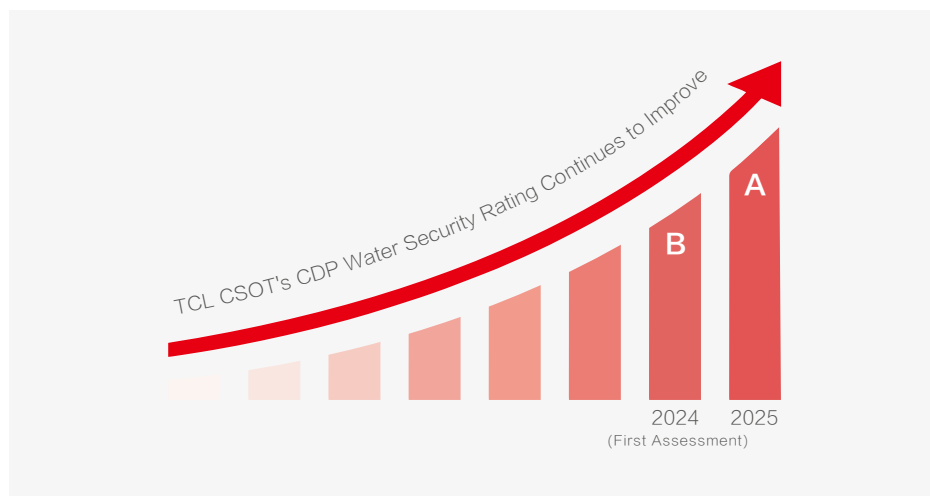
Total renewable energy usage amounted to **1,157,066** MWh

Reduced carbon emissions by **120,103** tons of CO₂ equivalent



2.3 Water Resource Management GRI 101, 303

Against the backdrop of global water scarcity, TCL CSOT positions efficient water use as a critical factor for the sustainable development of the semiconductor industry. The Company has reshaped its water resource management system to integrate the entire chain of "Consumption Reduction, Recycling Efficiency, and Digital Empowerment", earning the industry's first AWS Gold Level Certification. It is committed to leading the harmonious coexistence of industrial operations and the natural ecosystem, contributing industrial strength to protect global water resources and promote sustainable human development.



© Governance

To ensure the rational allocation and efficient use of water resources, the Company has formulated a company-wide *Water Resource Management Policy*, which includes the *System for Water Conservation Management Position Responsibilities*, *Management System for Water Conservation*, *Management System for Water Use Planning*, *System for Regular Patrol Inspections*, *System for Water Conservation Work Meetings*, and *Wastewater Management System*, all aimed at reducing water waste and protecting the water environment.

Concurrently, the Company continuously improves its water resource management system, having established a three-tiered water resource management structure of "Strategy and Sustainability Committee - Manufacturing Platform - Facility Center". A further three-tiered water conservation management system is implemented within each production base.

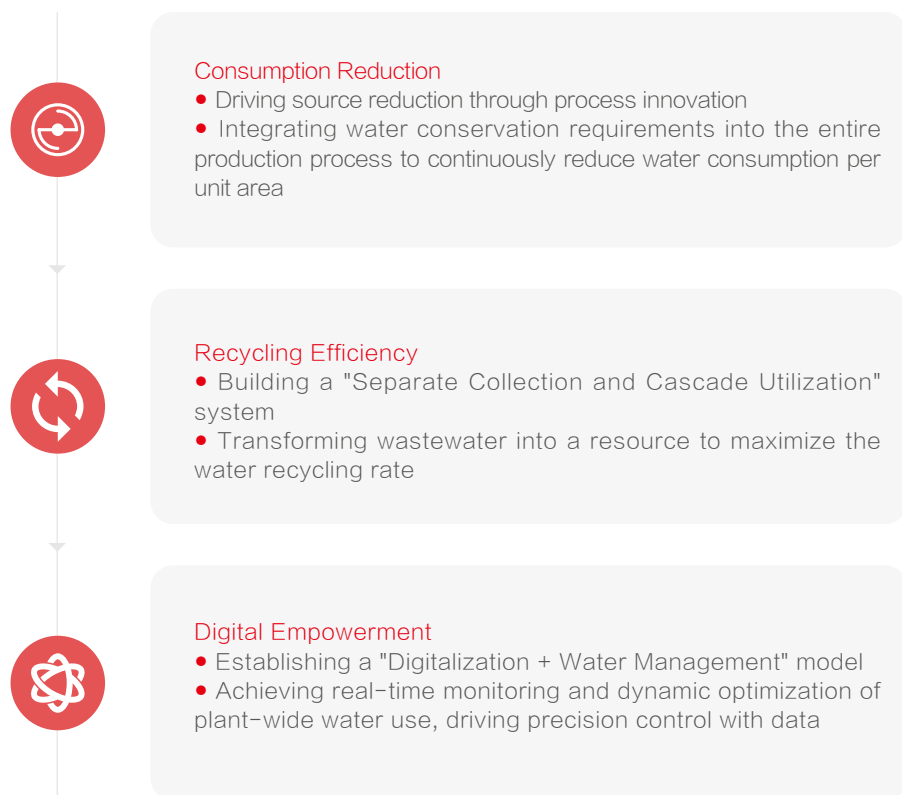


TCL CSOT Water Resource Management Structure

① Strategy and Tactics

In the semiconductor display panel industry, which is both technology-intensive and water-intensive, TCL CSOT, deeply aware of the importance of water resource management, has innovatively established a three-pronged core strategy of "Consumption Reduction, Recycling Efficiency, and Digital Empowerment". The Company reinforces water conservation requirements in tandem with production capacity expansion, enhances resource efficiency through recycling projects such as reclaimed water and wastewater recovery, and utilizes digital systems to achieve full-process monitoring and intelligent control.

TCL CSOT Water Resource Management Strategy



Develop Water-Saving Processes and Reduce Operational Risks Related to Water Resources

Amid continuously increasing regional water stress, advancing innovations in water-saving processes has become a crucial measure for enterprises to mitigate operational risks related to water resources and ensure production continuity. All of the Company's water is drawn from third-party municipal sources and is fresh water. Among its bases, Suzhou Base face significant water supply and consumption pressures. To address these water risks, they have established a water-saving leadership group to manage and supervise the rational use of water resources at the base and continuously improve water utilization efficiency.



Suzhou Base Awarded the Industry's First AWS Gold Level Certification

In August 2025, Suzhou Base officially obtained the Gold Level certification under the international standard for sustainable water management from the Alliance for Water Stewardship (AWS), becoming the first enterprise in China's semiconductor display industry to receive this top honor. This achievement signifies that the Company's water resource management has reached an advanced international level and, with its benchmark status as the "First in the Industry", marks an important milestone on the path of sustainable development.



Suzhou Base Received the AWS Gold Level Certification

In accordance with the requirements of the Suzhou Water Affairs Bureau, a target for water withdrawal intensity has been set at 1.02 tons/square meter. In 2025, following water-saving technical modification projects, the actual water withdrawal per unit area of Suzhou Base was 0.56 tons/square meter, far below the target. Additionally, Suzhou CSOT successfully passed an annual water use audit conducted by a third party, demonstrating the practical effectiveness of the enterprise's water resource control and compliant operations in a high-risk area.



Suzhou Base Actively Carried Out Water-Saving Technical Modification Projects

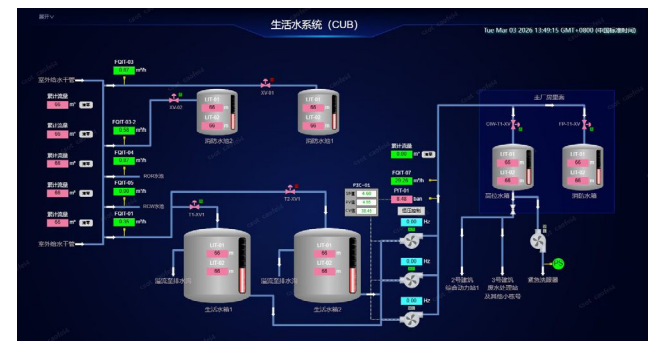
In 2025, Suzhou Base systematically advanced water-saving technological renovations, establishing a water conservation system covering the entire production process by implementing several key projects. The plant continuously upgraded the processing capacity of its water recycling system, increasing daily recycled water volume to 33,000 cubic meters after adding three BAC towers and one MF unit. A C-RO concentrate recovery system was concurrently built to effectively treat primary RO concentrate and reuse it in production, saving 6.57 million tons of fresh water annually. Additionally, the reclaimed water reuse system replaces up to 7,000 cubic meters of fresh water daily. Through these measures, Suzhou Base has alleviated regional water stress and provided a replicable management model and technical pathway for water-intensive industries to achieve green operations and sustainable growth in resource-constrained areas.



Suzhou Base Actively Carried out Water-saving Technical Modification Projects

Build a Digital Monitoring Platform to Empower Water Use Management

Building on its water-saving technological upgrades and wastewater recycling efforts, TCL CSOT has developed a digital management system that covers all water metering data collection and configuration across its plant areas, using a visual dashboard to enable real-time monitoring and dynamic management of plant-wide water consumption and recovery rates, provide timely warnings for abnormal water usage, and offer precise data support for water conservation optimization and management decision-making.



TCL CSOT's Intelligent Water Management System

Optimize Graded Wastewater Reuse and Enhance Water Resource Efficiency

TCL CSOT takes various measures to treat wastewater. The Company has established a "Separate Collection and Cascade Utilization" system for wastewater discharged from process equipment, creating a dynamically balanced "Water Circulation Ecosystem" within its plant. Most process wastewater undergoes deep purification through a combined process of "Sand Filtration + Ion Exchange + Reverse Osmosis" and is then precisely classified into three grades based on water quality for differentiated recycling.

TCL CSOT's "Separate Collection and Cascade Utilization" System

Grade 1 Pure Water

Returned to the production line for screen cleaning processes that require extremely high levels of cleanliness

Grade 2 Pure Water

Makeup water for cooling towers, ensuring the stable operation of plant infrastructure

Grade 3 Low-Quality Water

Irrigation for plant landscaping, road cleaning, and supplementing cleaning water for the plant area





Suzhou Base Utilized Fluorinated Wastewater

The volume of fluorinated wastewater at Suzhou Base was approximately 5,000 tons/day, with an initial fluoride concentration of about 200 ppm. The wastewater underwent physical and chemical treatment, reducing the fluoride concentration to below 5 ppm. It was then mixed with organic wastewater and entered a "Two-Stage AO + MBR" biochemical system, further lowering the effluent fluoride concentration to within 3 ppm. Finally, it was reclaimed through a reverse osmosis (RO) system, achieving a recovery rate of 58% of the total water volume. The quality of the produced water is superior to municipal tap water standards and is reused as raw water for ultrapure water preparation and makeup water for cooling towers, enabling the resource-based recycling of fluorinated wastewater. The wastewater discharge is far below the comprehensive Grade 3 discharge standards and urban sewer standards required by the government.

Wastewater Discharge Indicators and Government Standards for Suzhou Base

	pH	COD mg/L	Ammonia Nitrogen mg/L	Total Nitrogen mg/L	Total Phosphorus mg/L	Fluoride mg/L
Main Outfall	7.37	56	0.56	19	0.3	4.32
Integrated Discharge Standard Grade III and Urban Sewer Standards	6~9	≤ 500	≤ 45	≤ 70	≤ 8	≤ 20



Suzhou Base Implemented the Utilization of Fluorinated Wastewater



⊙ Risk and Opportunity Management

TCL CSOT actively manages water resource risks and opportunities, comprehensively considering factors such as regional water conditions and regulatory compliance requirements to fully assess challenges in water resource management, seize the two major opportunities of enhancing water recycling capabilities and green low-interest financing, and continuously strengthen the resilience of its water resource management.

TCL CSOT's Identification of Water Resource Management Risks and Opportunities

Risk	Opportunity
◇ Water Supply Risk Some regions face high water stress, and regional droughts or restricted water allocation may affect production continuity, increasing operational uncertainty ◇ Risk of Tightening Compliance Regulations With continuously tightening water pollutant discharge standards and intensifying environmental inspections and water quality monitoring, inadequate discharge control could lead to penalties and reputational damage	◇ Enhancing Water Recycling Capabilities Increase investment in advanced wastewater treatment and reuse technologies to improve the water recycling rate and continuously reduce fresh water intake ◇ Green Low-Interest Financing Promote water-saving technological upgrades and process optimization to continuously reduce water consumption per unit area, which can help the Company obtain green low-interest financing

TCL CSOT references the World Resources Institute (WRI) Aqueduct Water Risk Atlas to regularly conduct water risk analyses for each of its bases. To systematically address water risks, the Company has deeply integrated water conservation management into its operational system by appointing water conservation administrators and establishing regular patrols and a tiered reward and penalty system, achieving full-process control from planning and execution to assessment. Simultaneously, the Company systematically promotes process upgrades and equipment modifications, transforming water conservation from a management requirement into sustainable operational resilience and a cost advantage.



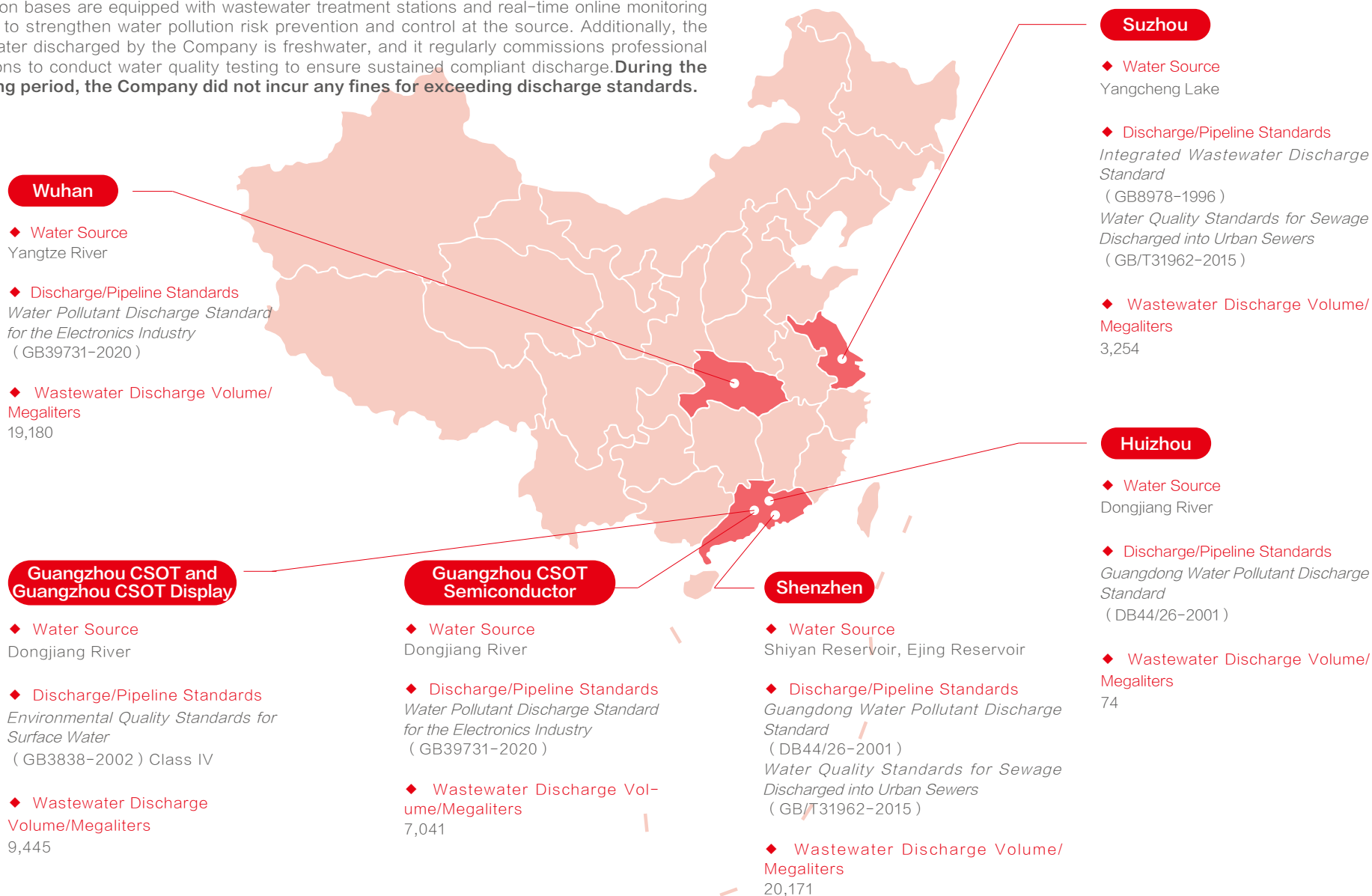
Shenzhen CSOT Semiconductor Receives the "2025 Guangdong Top 10 Typical Water Conservation Cases" Award from the Guangdong Water Conservation Association

The 2025 water risk assessment indicates that, with the exception of the India and Suzhou bases which face high water stress, all other bases are at medium-to-low risk or below, providing a scientific basis for differentiated water conservation management. The specific risk levels are shown in the table below:

2025 Water Risk Assessment Results

Water Stress		Water Depletion	
Low < 10%	◇ Guangzhou Base ◇ Wuhan Base ◇ Huizhou Base	Low < 5%	◇ Shenzhen Base ◇ Guangzhou Base ◇ Wuhan Base ◇ Huizhou Base
Low-Medium 10-20%	◇ Shenzhen Base ◇ Vietnam Base	Low-Medium 5-25%	◇ Suzhou Base ◇ Vietnam Base
Medium High 20-40%		Medium High 25-50%	
High 40-80%		High 50-75%	◇ India Base
Extremely High > 80%	◇ Suzhou Base ◇ India Base	Extremely High > 75%	

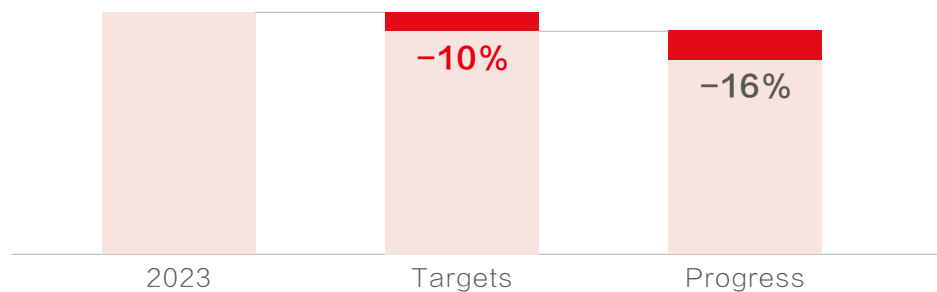
To address the risks of increasingly stringent compliance regulations, all of TCL CSOT's domestic production bases are equipped with wastewater treatment stations and real-time online monitoring devices to strengthen water pollution risk prevention and control at the source. Additionally, the wastewater discharged by the Company is freshwater, and it regularly commissions professional institutions to conduct water quality testing to ensure sustained compliant discharge. **During the reporting period, the Company did not incur any fines for exceeding discharge standards.**



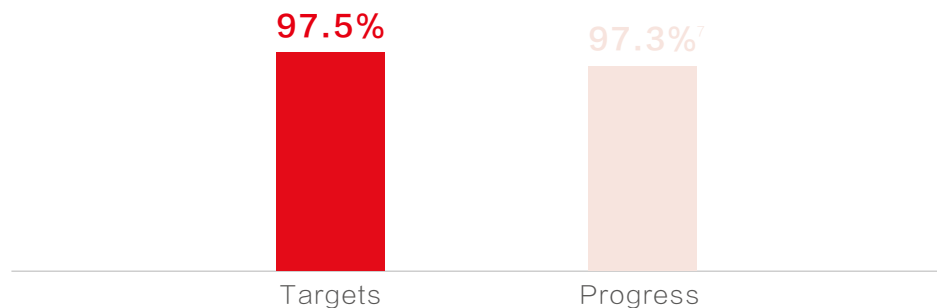
🎯 Indicators and Targets

Through a series of water conservation practices, TCL CSOT has transformed the concept of water resource protection into systematic action within modern industrial development, demonstrating the Company's benchmark strength and innovative achievements in leading the industry's sustainable development.

Reduction in average water consumption per unit area at bases compared to 2023



Water recycling rate



⁷ As Guangzhou CSOT and Guangzhou CSOT Display were enterprises newly acquired in 2025, the inclusion of their relevant data within this performance statistical scope resulted in the target not being achieved.

During the reporting period

Experienced no major environmental incidents and received no penalties for environmental events

Invested a total of RMB **287.59** million in environmental protection

Implemented a total of **14** water-saving projects across all bases

Invested approximately RMB **5.97** million

Saved **2,467,020** tons of water

As of the end of 2025

13 subsidiaries obtained **ISO 14001** certification

Environmental management system coverage reached for panel production **100%** bases



2.4 Air Pollution Prevention

GRI 101

TCL CSOT regards air pollution control as a vital practice for protecting our planet and promoting harmony between humanity and nature, continuously advancing exhaust gas emission reduction technologies in its industrial operations through systematic measures of "source reduction, production control, classified treatment, and incident emergency response".

🎯 Pollutant Management System

Air pollution control is led by the EHS Management Committee Office, which has established a three-tiered pollutant management structure where the EHS Management Committee Office coordinates the establishment of the relevant institutional framework for air pollution control; the EHS Department at each base supervises the entire lifecycle of exhaust gas treatment, from facility construction and commissioning to operation and emergency response; and the Energy Department at each base ensures stable system operation and exhaust gas treatment efficiency through process improvements and regular maintenance.

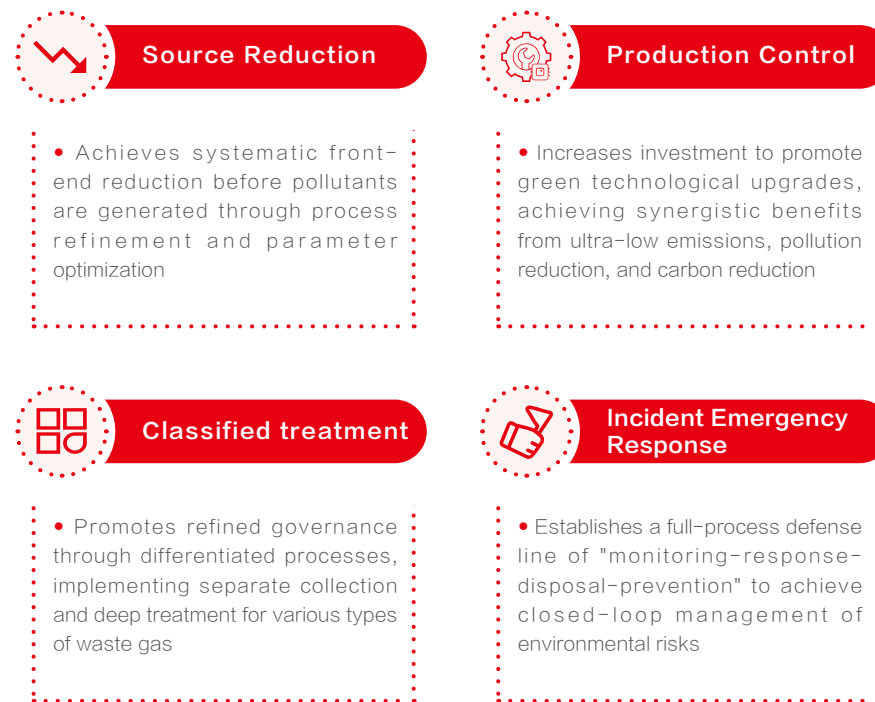


TCL CSOT's Pollutant Management Structure

To achieve systematic control of pollutants, the Company has formulated systems such as the *CSOT Environmental Pollutant Control Management System* and the *CSOT Environmental Monitoring and Measurement Management Process*, and conducts exhaust gas monitoring in accordance with discharge permit management requirements to ensure compliant system operation and standard-compliant emissions. Additionally, the Company has established the *CSOT Environmental Complaint Response Process* to ensure a prompt and effective response to external complaints.

🎯 Pollutant Management Strategy

TCL CSOT has built a refined management strategy covering the entire lifecycle of pollutants around four pillars: "Source Reduction, Production Control, Classified treatment, and Incident Emergency Response", upgrading pollutant management from end-of-pipe treatment to a full-chain, closed-loop control system that promotes synergistic progress between corporate development and environmental protection.



TCL CSOT's Pollutant Management Strategy

Promote Source Reduction to Achieve Systematic Waste Reduction

Against the backdrop of global climate change and industrial green transformation, TCL CSOT has established source reduction as the priority path for pollutant management, with each production department taking measures such as optimizing equipment operating parameters to achieve systematic reduction at the source before pollutants are generated.

**TCL CSOT Carries Out Source Reduction Work for Nitrogen Trifluoride (NF₃) Exhaust Gas**

In 2025, TCL CSOT's Vacuum Department focused on the source reduction of fluorine-containing exhaust gases by precisely adjusting equipment process parameters to reduce the NF₃ gas flow rate. As of December 2025, this resulted in a cumulative reduction of 31 metric tons of NF₃ gas, with an average reduction rate of approximately 7%. This practice demonstrates the Company's strategic execution in achieving substantial front-end pollutant reduction through refined operational management while ensuring stable production and product quality.

Deepen Production Control to Ensure Compliant Emissions

TCL CSOT deeply integrates green operations into the entire production management process, continuously enhancing the effectiveness of environmental protection facilities by systematically implementing pollutant production control projects such as upgrading exhaust gas treatment standards, while being committed to achieving compliant emissions and ensuring stable production.

**Suzhou CSOT Carries Out an Exhaust Gas Treatment Standard Upgrade Project**

In 2025, Suzhou CSOT invested RMB 17.4 million to implement a comprehensive upgrade of its exhaust gas treatment facilities. After the renovation, the emission concentration of non-methane total hydrocarbons remained consistently below 10mg/m³, far below the control requirement (≤ 60mg/m³) of Jiangsu Province's local standard, the *Integrated Emission Standard of Air Pollutants* (DB 32/4041-2021), achieving an annual emission reduction of 12.7 tons. The project also delivered synergistic benefits of "pollution and carbon reduction": it saved 234,700 cubic meters of natural gas and 945,000 kWh of electricity annually, correspondingly reducing greenhouse gas emissions by 1,084 tons of CO₂ equivalent⁸.



Suzhou CSOT Carries Out an Exhaust Gas Treatment Standard Upgrade Project



⁸ The carbon reduction benefits generated from electricity savings are calculated using the 2023 national average carbon dioxide emission factor for the power grid (excluding electricity from market-traded non-fossil fuel sources), published by the Ministry of Ecology and Environment and the National Bureau of Statistics on 31 December 2025.

Promote Categorized Treatment to Achieve Precise Control of Exhaust Gas

TCL CSOT has established a scientific, tiered management and control system for exhaust gases to systematically enhance pollutant treatment efficiency. The Company's Power Department provides specialized support, strictly implementing the classified collection, equipment operation, and regular maintenance of various types of exhaust gases (including organic, alkaline, acidic, stripping, CVD, sewage treatment plant, and cooking fume gases) to improve treatment efficiency. Building on this system, the Company continues to advance the categorized treatment of key pollutants such as NO_x and VOCs, providing solid support for the industry's green transformation and the improvement of regional environmental quality.

**Shenzhen CSOT Semiconductor Carries Out a VOCs Treatment Efficiency Enhancement Project**

In 2025, Shenzhen CSOT Semiconductor launched a project to enhance the efficiency of its VOCs treatment. The renovation primarily involved replacing inefficient zeolite rotors with high-performance domestic models to specifically treat high-boiling-point organic exhaust gases, and simultaneously adding advanced treatment facilities—"Condensation Cooling, Alkaline Scrubbing, Dual Rotors, and Chemical Adsorbent Materials"—at the outlet of the original RTO system's combustion furnace to boost the efficiency of the entire VOCs treatment process. Through this differentiated and refined categorized treatment process, the overall system's treatment performance was significantly enhanced, achieving an annual reduction of 26 tons in VOCs emissions and reaching emission concentrations that meet leading standards within the industry and the country, thus making a positive contribution to regional atmospheric environmental protection.



Shenzhen CSOT Semiconductor's VOCs Treatment Efficiency Enhancement Project

Strengthen Emergency Response Defenses to Achieve Closed-Loop Control

Emergency response serves as the final line of defense in the pollutant management strategy, achieving full-process governance from risk warning to closed-loop disposal by establishing systematic monitoring, response, and recovery mechanisms. TCL CSOT established a systematic risk monitoring and response mechanism, systematically managing environmental risks by regularly commissioning third-party testing, publicizing discharge data, and relying on online monitoring, plant boundary and community patrols, emergency drills, and multi-party communication. All monitoring plans are filed with the competent authorities to ensure full transparency and collaborative governance in risk management.

**Guangzhou CSOT Semiconductor conducts an emergency drill for VOCs emissions exceeding standards**

On 10 January 2025, Guangzhou CSOT Semiconductor conducted an emergency drill for VOCs emissions exceeding standards, aiming to enhance its rapid response capabilities for such incidents, ensure the stable operation of the exhaust gas treatment system, and strengthen the emergency handling skills of the on-duty personnel and other emergency team members to reduce the risk of environmental safety accidents. Following the drill, Guangzhou CSOT Semiconductor addressed the issues identified by implementing corresponding technical improvements and preventive measures related to inlet concentration, desorption fan frequency, and furnace temperature, thereby systematically reducing the risk of similar incidents in the future.



Guangzhou CSOT Semiconductor Conducts an Emergency Drill for VOCs Emissions Exceeding Standards

📍 Pollutant Management Performance

The Company systematically enhances its pollution prevention capabilities and green operational standards by actively implementing pollutant management measures, thereby continuously advancing its sustainable development process.

During the reporting period

the Company did not receive any major administrative penalties or face criminal liability for pollutant emissions

Ensure that no fines are incurred due to non-compliant exhaust gas emissions

51.93 tons
Particulate Matter (PM)

176.32 tons
Nitrogen Oxides (NO_x)

24.12 tons
Sulfur Oxides (SO_x)

204.84 tons
Volatile Organic Compounds (VOC)

Major Pollutant Types and Emissions in 2025⁹

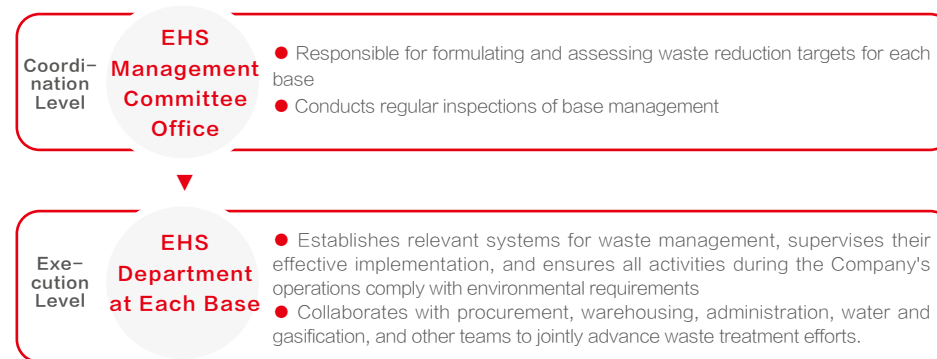
2.5 Waste Management

GRI 101、301、306

TCL CSOT profoundly recognizes that efficient Waste Management is a critical path to corporate sustainable development and green transformation, with a significant impact on reducing ecological and environmental burdens and enhancing the efficiency of natural resource utilization. The Company continues to deepen its three core strategies of "Source Reduction, Resource Utilization, and End-of-Life Disposal", solidly promoting resource recycling practices, converting waste into sustainable value, and providing a replicable model for the semiconductor display industry to explore green manufacturing and circular economy practices.

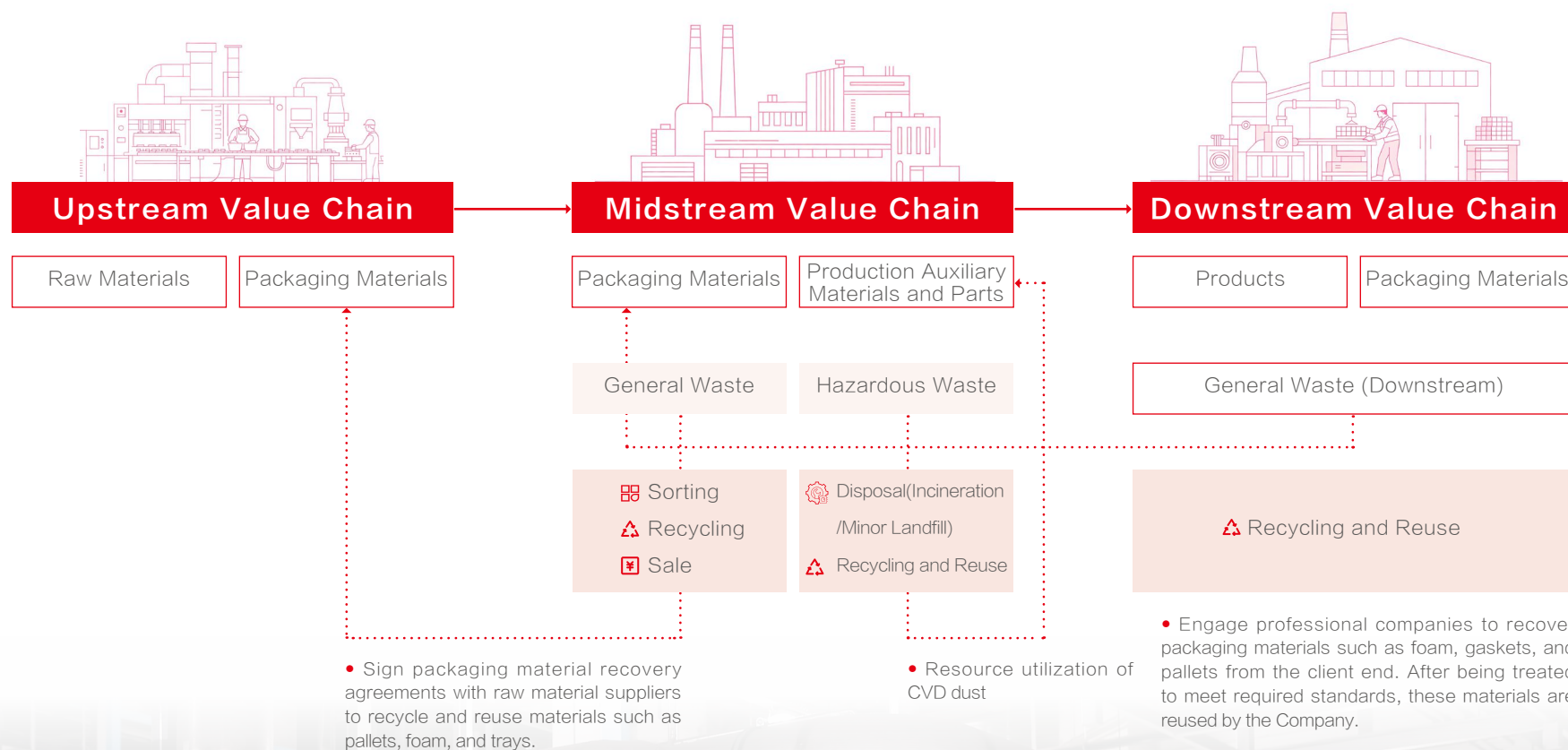
📍 Governance

TCL CSOT has established a two-tiered waste management architecture comprising a "Coordination Level" and an "Execution Level", where the EHS Management Committee Office is responsible for coordinating target assessments and inspections, while the EHS Department at each base supervises and executes these measures, jointly advancing waste governance efforts.



The Company has established a standardized Waste Management system and formulated regulations and procedural documents such as the *CSOT Hazardous Waste Operation Guide*, *CSOT Waste Management Process*, *CSOT General Waste (Including Sludge) Operation Guide*, and *CSOT Waste Safety Management Specifications*, enabling whole-process management from waste generation, warehousing, and temporary storage to transportation, disposal, maintenance of disposal ledgers, and settlement of accounts.

⁹ This performance entity does not include Guangzhou ChinaRay, Vietnam CSOT, or India CSOT.



TCL CSOT's Waste Treatment Process Flowchart



TCL CSOT systematically builds a waste management system aiming for "Near-Zero Carbon Emissions" based on the three core strategies of "Source Reduction, Resource Utilization, and End-of-Life Disposal".



Source Reduction

- Embedding circular concepts from the design stage
- 90% Green Practices



Resource Utilization

- Continuously improve the reuse and conversion rate of recycled resources
- 100% Resource Conversion Rate



End-of-Life Disposal

- Reduce greenhouse gas emissions from incineration
- Near-Zero Carbon Disposal

TCL CSOT's Waste Strategy Diagram

Promote Source Reduction to Systematically Reduce Waste Discharge

TCL CSOT places great emphasis on waste reduction at the source, striving to systematically prevent and reduce waste generation before it occurs by focusing on production design and process optimization, thereby lowering waste emissions from their origin. Concurrently, the Company continuously conducts training and awareness campaigns on waste reduction and classification. In 2025, the Company organized two specialized training sessions on waste reduction, classification, and the latest management regulations, and systemically enhanced the awareness of all employees regarding waste reduction and standardized operations through its internal learning platform, "Xingtu Academy", and the new employee safety education system.



Wuhan Base launched hazardous waste reduction project

Guided by the principle of source reduction, Wuhan Base launched a special project to manage the stripping waste liquid from panel production. By constructing two in-house stripping waste liquid recovery systems, they purify and recycle the waste liquid that was previously transported off-site for disposal as hazardous waste. This project can reduce the generation of hazardous waste by approximately 12,000 tons annually, which not only significantly alleviates the pressure on end-of-pipe treatment but also effectively achieves waste reduction at the production stage, demonstrating the Company's practical commitment to green manufacturing at the process source.



Wuhan Base's Chemical Recovery Equipment

Promote Resource Utilization to Enhance Circular Benefits

Converting waste into usable resources, thereby turning "Waste into Treasure", is a crucial part of waste management for promoting a circular economy and practicing green development. TCL CSOT promotes the transition of waste towards a systematic circular model through projects like resource utilization and packaging material recovery, continuously enhancing resource efficiency and environmental benefits. In 2025, the Company transported packaging materials back from client bases via a third-party recovery system, and after cleaning, specification checks, and parts replacement, put them back into use. The recovery rate for foam-based packaging, gaskets, and pallets further increased by approximately 4%, with the total annual recovery of packaging materials reaching 9,784 tons.



Wuhan Base Implemented Silver Recovery, Turning "Waste" into Medals to Recognize Employees

Wuhan Base launched an out-sourced recovery project for silver-containing baffles, contracting a specialized vendor to extract and recover the silver. The recovered silver is then cast into commemorative silver medals used to recognize stakeholders, outstanding employees, and excellent project teams. From 2024 to 2025, a total of 17,359 silver medals were produced, using approximately 250.58 kilograms of silver. This practice transforms production waste into a meaningful incentive carrier with commemorative value, exploring a new circular economy path that combines resource utilization with employee motivation.

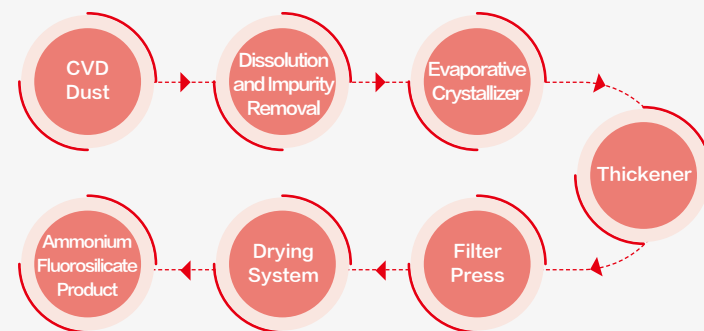


Wuhan Base Turns "Waste" into Silver Medals



Shenzhen CSOT Semiconductor Launched a CVD Dust Resource Utilization Project

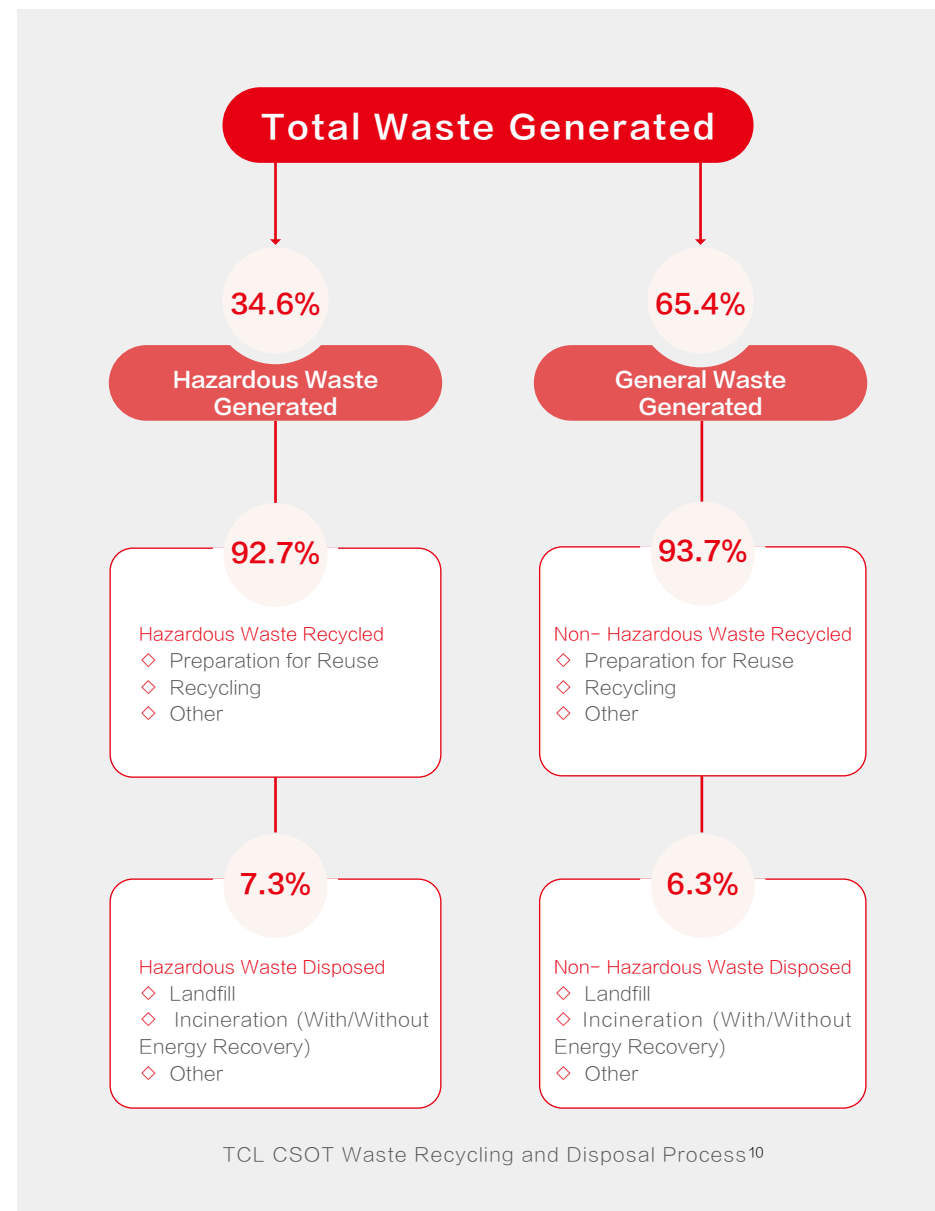
In 2025, Shenzhen CSOT Semiconductor implemented a CVD dust resource utilization project, converting the CVD dust generated during production into ammonium fluorosilicate, a product with industrial value. Through processes such as high-temperature water immersion, filtration, separation, and cooling crystallization, the project achieves efficient extraction and purification of valuable components from the dust, with the crystallization mother liquor also being recycled. A total of 1,487.66 tons of CVD dust were processed throughout the year, and the resulting product can be used in various fields including industrial processing, disinfection, and preservation, embodying the circular economy concept that "Waste Is a Resource".



Standardize End-of-Life Disposal to Ensure Compliance and Efficiency

Building on source reduction and resource utilization, TCL CSOT has further improved its end-of-life waste disposal system to ensure the final compliant and efficient handling of general and hazardous waste. By systematically advancing waste disposal towards the goal of zero carbon, TCL CSOT has shifted from passive pollution control to proactive, systemic resource value management. It has transformed waste, traditionally a cost center, into an anchor for driving the circular economy, providing a replicable and scalable waste management path for the sustainable development of the semiconductor display industry.

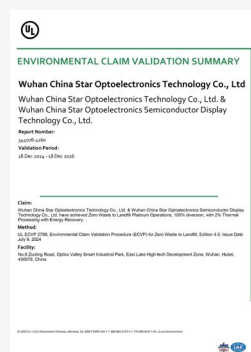
TCL CSOT's Waste Classification and End-of-Life Disposal Methods



“

In 2025, nine subsidiaries were awarded the UL 2799 Zero Waste to Landfill certification, achieving the highest Platinum level. This certification requires a waste diversion rate of 100%, representing the highest international standard for closed-loop waste management.

”



Wuhan CSOT and Wuhan CSOT Semiconductor Receive Platinum Certification in 2025

¹⁰ For data on waste generation, disposal, and recycling from 2023–2025, please refer to the appendix of this report.

⊙ Risk and Opportunity Management

TCL CSOT addresses the topic of waste management by focusing on two key dimensions: regulatory compliance pressure and resource waste. The Company systematically identifies the main risks associated with waste management, continuously enhancing the precision of waste management and its risk response capabilities.

TCL CSOT Waste Management Risk and Opportunity Identification

Risk	Opportunity
◇ Risk of Tightening Compliance and Supervision Standards for waste classification, storage, and disposal are continuously tightening, and environmental supervision is intensifying. If management is non-compliant or unqualified parties are contracted for disposal, the Company may face penalties and reputational damage ◇ Risk of Resource Waste The recyclable portion of waste is not fully sorted and converted into resources, leading to resource waste and increasing waste disposal costs	◇ Optimization of Reduction Management Promoting source reduction and process improvements reduces the intensity of waste generation and lowers disposal costs, achieving a win-win for both economic and environmental benefits ◇ Enhancement of Recycling Increasing investment in waste classification, recycling, and resource utilization technology, expanding the types and channels for recyclables, and improving the rate of waste recovery and conversion to turn waste into valuable resources



Guangzhou CSOT Semiconductor Conducted Hazardous Waste Emergency Drill

In 2025, Guangzhou CSOT Semiconductor prepared the *Emergency Response Plan for Sudden Environmental Incidents*, which added a new emergency response plan for hazardous waste leakage, clarifying organizational responsibilities and response procedures, and standardizing classified storage and daily management. During the reporting period, the Company completed its annual emergency drill as planned, continuously improving its rapid response and risk disposal capabilities for sudden environmental incidents.



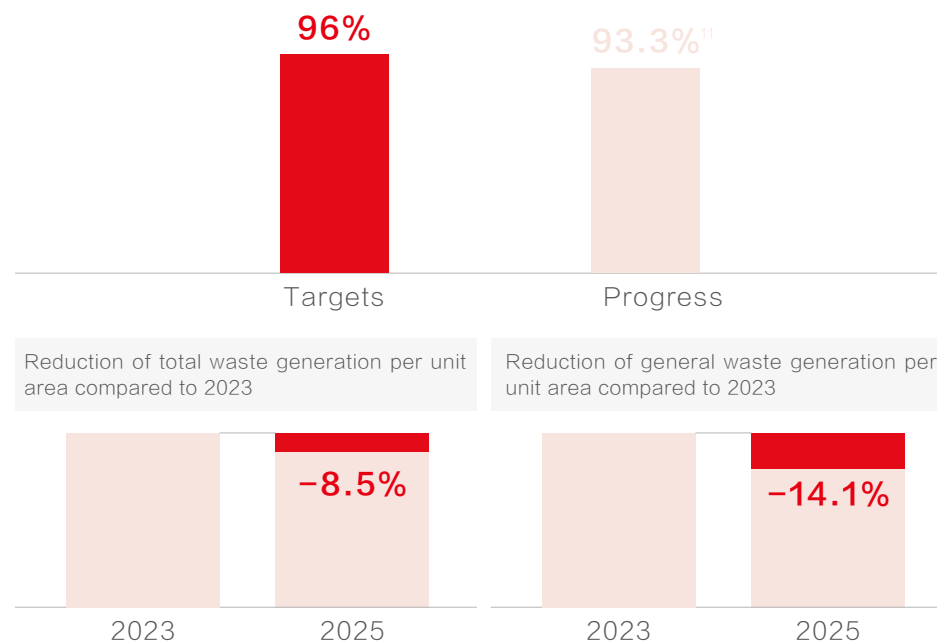
Guangzhou CSOT Semiconductor Hazardous Waste Leakage Emergency Drill

11 As Guangzhou CSOT and Guangzhou CSOT Display were enterprises newly acquired in 2025, the inclusion of their relevant data within this performance statistical scope resulted in the target not being achieved.

⊙ Indicators and Targets

TCL CSOT implements a full-chain management strategy covering "Source Reduction, Resource Utilization, and End-of-Life Disposal" to continuously promote the systematic implementation and dynamic optimization of related measures, thereby practicing corporate green action.

Comprehensive waste conversion rate



Key Performance

9 subsidiaries at its production bases in Shenzhen, Huizhou, Guangzhou, Suzhou, and Wuhan have been awarded the **UL 2799** Zero Waste to Landfill Platinum-level certification

3.0

Technology Empowerment Securing the Foundation of Intelligent Manufacturing

Upholding its original aspiration of "Technology for Good" and using APEX as its value compass, TCL CSOT has built an integrated innovation system of "innovative breakthroughs, intelligent manufacturing upgrades, and user-friendly experiences". By tackling core technologies, the Company has driven the Chinese display industry from a "follower" to an "emerging leader". It has reshaped effectiveness through upgrades in Intelligent Manufacturing and has focused deeply on visual health and low-carbon design, bringing a human touch back to technological innovation. We are committed to becoming a leader in the evolution of display technology, driving industrial upgrading with high-value innovation, and empowering a better life with the warmth of technology.

This Chapter includes:

61	3.1 R&D and Innovation	78	3.4 Product Responsibility
67	3.2 Sustainable Products	83	3.5 Customer Relationship Management
74	3.3 Intelligent Manufacturing		



ESG Highlights in 2025

R&D investment reached RMB **8.05** billion

Global patent applications filed were **67,927**

PCR technology registration rate for packaging materials was **67%**

A year-on-year increase of **13.4%**

Invention patents accounted for **97%**

Achievement rate for the top three customer satisfaction metrics was **100%**



3.1 R&D and Innovation

Grounded in national strategy with a global perspective, TCL CSOT has innovatively established a comprehensive R&D and innovation mechanism covering products, organization, and the industrial chain. This creates a closed-loop innovation cycle that encompasses technology implementation, talent empowerment, and ecosystem co-construction. The Company systematically reshapes the high-quality development paradigm of the semiconductor display industry, solidifies its foundation for sustainable competitiveness, and helps Chinese intelligent manufacturing achieve a historic leap from follower and parallel runner to leader on the world's technology stage.

© Governance

TCL CSOT has established an R&D management system centered on professional division of labor and collaborative innovation. Through specialized technical organizations such as the Integrated Technology Management Team (ITMT) and the Technology Development Team (TDT), it conducts timely centralized reviews and decision-making on technology development investments and key technical bottlenecks to ensure technological development capabilities and strategic foresight. The Company also enhances the efficiency of R&D management by strengthening cross-departmental collaboration, optimizing work processes, and promoting digitalization.

The Company has formulated R&D and innovation management systems such as the *CSOT · Intellectual Property Risk Management Procedures* and the *CSOT Internal Operating Standards for Patent Applications*. In 2025, to enhance information security and confidentiality measures in patent applications, the Company updated the *CSOT Internal Operating Standards for Patent Applications* to include periodic confidentiality reviews for patents.

© Strategy and Tactics

Focusing on the technology-intensive and innovation-driven nature of the semiconductor industry, TCL CSOT has constructed a full-chain R&D and innovation strategy covering all dimensions of products, organization, and the industrial chain to achieve efficient coordination and systematic empowerment of R&D activities. In the "product" dimension, it adheres to human-centric ethics to drive innovation for good, deeply embedding social responsibility and sustainable development concepts into technology R&D and product design; in the "organization" dimension, it stimulates talent vitality through mechanism innovation to create an open, collaborative, and agile R&D organizational form; in the "industrial chain" dimension, it actively promotes open collaboration, working with upstream and downstream partners to co-create a win-win innovation ecosystem, setting a sustainable value benchmark for high-quality R&D in the semiconductor industry.

Driving Product Innovation for Good with Human-Centric Ethics

TCL CSOT firmly believes that true innovation stems from a deep insight into and care for users' underlying needs. By embedding the people-oriented principle throughout product development, the Company is committed to reshaping a warm connection between technology and people in the AI era.

Driven by a strong commitment to user health and visual well-being, TCL CSOT has introduced a vision of eye protection that "returns to nature" and developed an innovative "new natural light" display technology. By simulating natural light spectra and optimising optical characteristics, this technology embeds technological care into users' daily lives, alleviating visual fatigue caused by prolonged screen use. As embodied by the APEX brand's commitment to value upgrade, TCL CSOT is systematically transitioning from a "technology provider" to an "experience creator". With every technological innovation, it fulfils the long-term responsibility of making technology serve people and strive for good, ensuring that "Display the Future" is not only about providing a display window but also about being a caring companion for health.



Stimulating Organizational Talent Vitality through Mechanism Innovation

TCL CSOT continuously attracts and cultivates a high-level R&D talent team to enhance its innovative capabilities at the organizational level. The Company stimulates team innovation enthusiasm and encourages scenario-based innovation solutions centered on enhancing quality and efficiency and AI applications by regularly holding special events such as the Technology Innovation Competition, AI Pioneer, Gold Rush Plan, and Patent Innovation Award. In 2025, the Company launched the Gold Rush Plan, an initiative that encourages high-quality proposals through incentives like cash and shopping cards and establishes quarterly and annual awards, effectively discovering and transforming high-value innovations and forming a virtuous cycle of talent-driven innovation implementation.



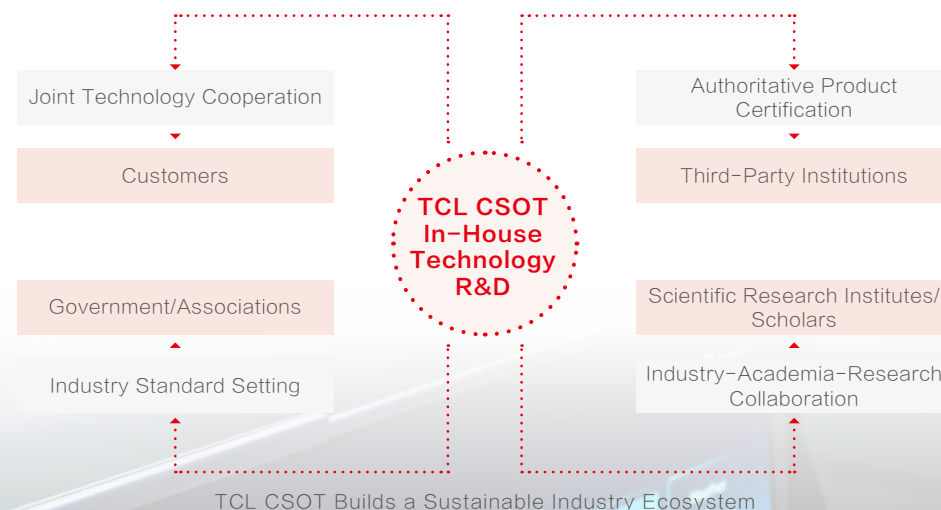
Holding the First "Innovation and Intelligence, Protected by Patents" Patent Innovation Award Selection Event in 2025

In 2025, TCL CSOT officially established the "Patent Innovation Award", aims to practice the core strategy of innovation-driven development, inspire innovative vitality among all employees, anchor the orientation toward high-value patents, and widely solicit outstanding innovative achievements that possess both technological breakthroughs and commercial value from all employees.

The review at TCL CSOT is conducted by the legal and R&D departments, with selections based on a multi-dimensional evaluation of the patent's strategic, market, and technical value. The top 10 outstanding patents are submitted for the Group Patent Award to represent the company in competing for gold, silver, and bronze awards. Ultimately, the first Patent Innovation Award competition resulted in two gold awards, two bronze awards, and 11 excellence awards, with a total of RMB 225,000 in bonuses distributed.

Building an Innovative Industry Chain Ecosystem Through Open Collaboration

TCL CSOT deeply understands the significant value of industry chain collaboration in promoting technological innovation and sustainable development. Adhering to a philosophy of open and collaborative development, the Company actively partners with customers, governments/associations, third-party institutions, and scientific research institutes, and other stakeholders. This collaboration spans technology cooperation, authoritative certification, standard-setting, and Industry-Academia-Research Collaboration to systematically build a sustainable industry ecosystem. During the reporting period, the Company participated in hundreds of industry exchange activities, continuously deepening the framework for collaborative industrial innovation.



Stakeholders	Key Initiatives	Stakeholders	Key Initiatives
Customers	On July 12, 2025, Phase II of the Xiaomi & TCL CSOT innovative display joint laboratory was unveiled. 		- In June 2025, TCL CSOT's Natural-Light-Like Slim Tablet was awarded the world's first Natural-Light-Like EX certification by SGS. - In September 2025, TCL CSOT's education tablet display received the world's first SGS high similarity to natural light certification. - On September 25, 2025, TÜV Rheinland awarded TCL CSOT's inkjet Printed OLED display module three certifications for Flicker Free, Perceived Color Gamut in 3D, and Eye Comfort Display (OLED), signifying that this product series meets international standards for eye health and user experience. - In October 2025, TCL CSOT's natural light display received the SGS high similarity to natural light certification.
Government/ Associations	- On June 5, 2025, the group standard <i>Technical Specification for MLCD Screen Display Consistency</i> (T/SUCA 009—2025), spearheaded by TCL CSOT, was officially released by the Shenzhen 8K UHD Video Industry Alliance. - On July 15, 2025, the group standard <i>Mini LED Indoor Commercial Display Screens</i> (T/SLDA 007—2025, T/SPEMF 0041—2025, T/SUCA 038—2025), overseen by the Shenzhen Lighting and Display Engineering Industry Association, the Shenzhen Performance Excellence Management Promotion Association, and the Shenzhen 8K UHD Video Industry Alliance, was officially released and implemented on July 31. - From September 22 to September 26, 2025, experts from TCL CSOT participated in the IEC/TC110 working group meetings and plenary session as part of the Chinese delegation, contributing to international standardization efforts. - In October 2025, the industry standard <i>Technical Requirements for e-Sports Monitors</i> (SJ/T 12019—2025), led by TCL CSOT, was announced and published by the Ministry of Industry and Information Technology of the People's Republic of China (Announcement No. 19 of 2025). - In November 2025, TCL CSOT, Along with Multiple Partners, Released the Landmark <i>Visual Health Technology White Paper 2.0</i>.	Third-Party Institutions	  TCL CSOT'S Inkjet Printed OLED Display Module Receives TÜV Rheinland Certification TCL CSOT Receives SGS Certification
		Industry-Academia- Research Collaboration	- On May 29, 2025, TCL CSOT signed a cooperation agreement with professor Hideo Hosono. - On June 24, 2025, TCL CSOT signed a cooperation agreement with professor Jia Qu.



TCL CSOT Signs Cooperation Agreements with Professor Hideo Hosono and Professor Jia Qu

On May 29, 2025, Professor Hideo Hosono, the "Father of Iron-Based Superconductors" and a pioneer in amorphous transparent oxide semiconductors, signed on as a distinguished technical advisor for TCL China Star Optoelectronics Technology Co., Ltd. Through collaboration with world-class experts, TCL CSOT will further integrate premium global resources, aiming to accelerate its capabilities in high-mobility oxide semiconductor technology and achieve new breakthroughs in core areas such as display materials and device processes.

On June 24, 2025, TCL CSOT signed a cooperation agreement with Professor Jia Qu, a founder of optometry and ophthalmology in China and Chairman of the China Eye Valley Council, to accelerate the enhancement of its healthy display ecosystem and lead the industry's development toward "healthier and higher quality" standards. This partnership will also advance the application of APEX Perfect Picture technology in visual health, driven by both "Technological Innovation + Medical Validation" to continuously launch products that balance an ultimate visual experience with scientific eye care.



TCL CSOT Signs Cooperation Agreement
with Professor Hideo Hosono



TCL CSOT Signs Cooperation Agreement
with Professor Jia Qu

© Risk and Opportunity Management

Focusing on the topic of R&D and Innovation, TCL CSOT systematically identifies potential risks in its R&D activities from the perspectives of technological evolution trends and intellectual property protection. Concurrently, it concentrates on perfecting its patent system and achieving breakthroughs in key core technologies to continuously fortify its technological moat and leadership in innovation.

Identification of R&D and Innovation Risks and Opportunities at TCL CSOT

Risks

◇ Risk of Accelerated Technology Iteration

As the pace of technology iteration is accelerating, if R&D direction deviates from mainstream market trends, it could lead to sunken R&D investments and missed market windows.

◇ Intellectual Property Protection Risk

Failure to promptly apply for patents for core technological achievements or inadequate confidentiality measures could lead to risks of technology leakage or infringement, diminishing innovation returns.

Opportunities

◇ Breakthroughs in Core Technologies

Increase investment in forward-looking technology R&D to overcome key process bottlenecks, form proprietary intellectual property, and lead the direction of industry technology development.

◇ Optimization of Patent Portfolio

Systematically build a patent portfolio around key technologies and cutting-edge directions to construct technological barriers, thereby strengthening intellectual property protection and enhancing market influence.

To address the dual risks of technological iteration and intellectual property protection, TCL CSOT has established an IP protection system centered on "comprehensive intellectual property protection measures" and "full lifecycle management and application of patents" to mitigate infringement risks. Concurrently, the Company continuously empowers its R&D teams through mechanisms like technology seminars and intellectual property training, enhancing researchers' acuity to technological trends and their ability to protect innovative outcomes, thereby strengthening the resilience and sustainability of the R&D system from its source.

Response and Preparation

- Receipt of Relevant Warning Documents
- Review of Legal Documents
- Formation of a Special Task Force

Analysis and Strategy

- Information Collection and Analysis
- Patent Invalidity and Infringement Risk Assessment
- Preparation of Response Materials

Decision and Action

- Development of Response
- Strategy Execution
- Monitoring of Implementation Effectiveness

Evaluation and Adjustment

- Regular Evaluation
- Response Effectiveness

TCL CSOT's Patent Risk Management Process



TCL CSOT's "Xingtu Academy" Conducts Online Training on Intellectual Property Protection in 2025

On the occasion of World Intellectual Property Day on April 26, 2025, TCL CSOT conducted specialized intellectual property protection training through its internal online learning platform, "Xingtu Academy". The training covered core modules such as fundamental patent knowledge, technical disclosure writing, patent mining, and relevant case studies. By embedding intellectual property protection awareness into daily R&D activities, TCL CSOT fortifies the first line of defense for its innovative achievements, effectively reducing the risk of technology loss and providing solid support for the resilience of its R&D and innovation.

🎯 Indicators and Targets

TCL CSOT continues to build a future-oriented technological innovation management system, continuously strengthening its independent innovation capabilities in core technologies, providing strong support for industrial upgrading and the independent control of key technologies, and achieved considerable results and prestigious awards in 2025.

Key Performance

R&D investment reached RMB **8.05** billion

A year-on-year increase of **13.4%**

Accounting for **7.7%** of revenue

Local leading talents: **3**

Senior R&D experts: **120**

Including:

10 from Hong Kong, Macao and Taiwan region

30 from other countries

4,401

R&D Personnel Accounting for **13.2%** of all employees

Led **3** major national science and technology projects Undertook/participated in **13** projects

Granted **2,422** patents

Filed **2,869** patent applications

Formulated **27** domestic and international technical standards

Total global patent applications filed were **67,927**

Invention patents accounted for **97%**

Award Name	Awarding Body
Technology Innovation Award	Xiaomi Corporation2025 China (Shanghai) International Display
Display Industry Star of the Year	Industry Summit (DIC FORUM 2025)

Corporate Innovation Technology Awards

Product and Technology Awards

International Conference on
Display Technology (ICDT)
Best Innovative Display Award —
Expert Gold Award

6.9" Tandem PLP UFG Foldable
Screen

International Conference on
Display Technology (ICDT)
Best Innovative Display Award —
Gold Award

27" 4K 120hz Printed OLED Display

International Conference on
Display Technology (ICDT)
Best Innovative Display Application
Technology Award — Expert Gold
Award

6.73" Flat-Screen PLP Low-Power
OLED Screen

International Conference on
Display Technology (ICDT)
Best Display Product Award —
Gold Award

6.36" Multi-Scenario True HDR
Screen

International Conference on
Display Technology (ICDT)
Best Display Application Product
Award — Expert Gold Award

6.73" Mass-Produced All-Scenario
Zonal Frequency OLED Screen

International Conference on
Display Technology (ICDT)
Best Display Application Product
Award — Gold Award

6.67" Circularly Polarized Eye-Care
Screen

13th China Information Technology
Expo Innovation Gold Award

4K 120hz Printed OLED Display

13th China Information Technology
Expo Innovation Award

OLED Display

2025 China (Shanghai)
International Display Industry
Summit (DIC FORUM 2025)
Display Device Innovation Gold
Award

4K 120hz Printed OLED Display (27")

2025 China (Shanghai)
International Display Industry
Summit (DIC FORUM 2025)
Display Device Innovation Gold
Award

LCD TV Display (98")

2025 China (Shanghai)
International Display Industry
Summit (DIC FORUM 2025)
Display Application Innovation Gold
Award

Natural Spectrum-Like Thin and
Light Flat Panel Display (12.1")

2025 China (Shanghai)
International Display Industry
Summit (DIC FORUM 2025)
Gold Award for Display Application
Innovation

Printed OLED Laptop Display (14")

Society for Information Display (SID)
2025 SID People's Choice AwardsBEST LCD-BASED TECHNOLOGY

Sustainable and Eco-Friendly TV Display

3.2 Sustainable Products

GRI 101、301

Centered on the four core value propositions of APEX, TCL CSOT deeply integrates its dual-drive strategy of "Green + Technology" into the entire life cycle of its display products, cultivating green display technologies such as low power consumption and high recyclability to solidify its low-carbon foundation, while extending its sustainable development vision from "environmental friendliness" to "humanistic care", proactively understanding the diverse needs of consumers in display experience, visual health, and future imagination, deeply integrating green and innovative genes to redefine the sustainable value of display technology—creating products that are more energy-efficient and recyclable, as well as display solutions that are more user-friendly, trustworthy, and possess greater future vitality.

© Governance

To accelerate the transition of green technology from research and development to application, TCL CSOT established an ESG R&D Management Group in 2024, responsible for building a monitoring system covering the entire green technology development process, gaining insights into trends in professional fields such as environmental regulations, product design, and clean technology, formulating sustainable development project management standards, systematically promoting the forward-looking integration of environmental concepts and product innovation, and monitoring the implementation of green-related technologies, enabling the Company to promptly respond to the escalating market demand for low-carbon products and to continuously provide technological leadership for the green transformation of the display industry.

© Strategy and Tactics

In 2025, guided by the APEX technology brand as its strategic compass, the Company advanced through five core stages — product design, intelligent manufacturing, green logistics, low-carbon use, and circular recycling — to integrate its four value propositions — "display experience, visual health, eco-friendliness, and boundless imagination" — throughout the product life cycle. By embedding a sense of responsibility into every stage of product innovation, TCL CSOT provides consumers with display solutions that deliver both exceptional performance and ecological sustainability.

Five Core Stages



Display Experiences: Reshaping Visual Boundaries with Ultimate Performance

TCL CSOT continues to lead the forefront of display technology innovation, achieving key breakthroughs in the Printed OLED field. In recent years, the Company has continuously launched high-precision OLED mobile phone displays and Printed OLED tablet displays, among other products, driving continuous breakthroughs in FMM OLED image quality through Real RGB and C-series light-emitting materials, showcasing the Company's leading strength in printed display technology and empowering global mobile terminal customers with an exceptionally detailed visual experience.



Reconstructing Visual Boundaries Through Breakthroughs in OLED Product Performance

The 14" Printed OLED tablet display combines a 1920×1200 resolution with a micron-level inkjet deposition process, achieving a 30% increase in pixel density and a million-level native contrast ratio to accurately reproduce natural color transitions and deliver a cinema-grade performance, while the product's anti-glare coating ensures color stability in various scenarios, allowing users to balance professional creative productivity with an immersive entertainment experience.



Printed OLED Tablet Display

The TCL CSOT 27" 4K 120Hz Printed OLED display reconstructs visual boundaries with its striped RGB pixel arrangement technology, delivering ultra-high-definition resolution and pure color accuracy. Its wide color gamut coverage, combined with a swift 120Hz refresh rate, eliminates dynamic motion blur. Simultaneously, the three-sided borderless design breaks through physical limitations, creating an immersive field of view with an ultra-high screen-to-body ratio, making it suitable for professional design rendering, efficient multitasking, and high-frame-rate entertainment scenarios.



4K 120Hz Printed OLED Display

Visual Health: Defining Display Health with the Natural Light Standard

Adhering to the philosophy of "screens restoring the natural world", TCL CSOT uses natural light as its gold standard to systematically build six core technology systems: wide spectrum, non-linear polarization, diffuse reflection, continuity, rhythm, and spatiality, making continuous breakthroughs in four technical aspects—depolarization, low blue light, high refresh rate, and dynamic brightness—to advance visual health from an industry consensus to technological implementation, achieving an upgrade in the display experience from "seeing clearly" to "viewing comfortably".

**Releasing the Visual Health Technology White Paper 2.0**

On November 14, 2025, at the "TCL CSOT Display Health Industry Seminar", TCL CSOT, in collaboration with the National Engineering Research Center for Ophthalmic & Visual Science of Wenzhou Medical University and joined by various industry, academic, and research partners including Lenovo, CVTE, TAL Education Group, the China National Institute of Standardization, and SGS, jointly released the White Paper on the Principles of Natural Light for Eye Health and System Construction Technology (2.0), which for the first time established "natural light" as the gold standard and systematically proposed six core dimensions—wide spectrum, non-polarization, continuity, diffuse reflection, rhythm, and spatiality—to build a complete "natural light display technology system", promoting the establishment of a quantifiable and verifiable benchmark for visual health in the industry and laying a scientific framework for the next generation of the healthy display industry.



Launch Ceremony for the Visual Health Technology White Paper 2.0

Depolarization Technology

Addressing the fact that light emitted from LCD screens is primarily linearly polarized, differing from natural light, technological innovations are used to make the screen's emitted light closer to circularly polarized light, bringing its optical properties more in line with natural light and effectively alleviating visual fatigue in the human eye.

Low Blue Light Technology

Through spectrum optimization technology, harmful short-wave blue light is precisely blocked while retaining beneficial long-wave blue light, making the screen's spectral characteristics closer to the continuous spectrum of sunlight, which both protects the user's retinal health and avoids color distortion.

Dynamic Brightness and Glare Control

Joint research with the China National Institute of Standardization was conducted to deeply investigate the glare comfort of mobile phone screens in outdoor environments, optimizing anti-glare performance through scientific testing and evaluation to reduce the impact of decreased display quality on work efficiency and visual comfort.

High Refresh Rate and Fluidity

Through joint testing with the China National Institute of Standardization, the Company has verified the significant effect of high refresh rates on reducing image flicker and motion blur and enhancing visual comfort, ensuring users a smoother and more comfortable viewing experience during prolonged periods of focus.



Jointly Developing Eye-Care Products for Educational Settings with TAL Education Group

In terms of application scenarios, the Company collaborated with TAL Education Group to develop eye-care solutions for educational settings, pioneering a 7:5 golden ratio educational screen, and through a three-layer diffuse reflection light design and optimization of brightness uniformity at ultra-wide viewing angles, it protects the growth of children with considerate technology, allowing technology to truly return to a human-centric approach.



Read

Watch Course

Eco-friendly: Integrating Green Design Throughout the Product Life Cycle

By increasing the use of recycled materials and promoting lightweight design to reduce material consumption, the Company actively practices a circular economy model, deeply integrating low-carbon principles into the early stages of product development; at the same time, it conducts carbon footprint accounting and certification for key products to drive the optimization of carbon reduction performance with data.

Drive Green Innovation by Advancing Product Design

Advance Innovation in Creating Ultra-Thin and Lightweight Display Products

- The Company introduced a 0.125mm **ultra-thin glass substrate**
- The 14-inch LCD laptop module achieved a breakthrough in thinness and lightness, with **a thickness of only 0.99mm and a weight of just 99g**
- The Natural Spectrum-like thin and light tablet display (12.2-inch), through systematic optimization of its backlight film and packaging solutions, **weighs only 99g and is just 1.35mm thick**, setting an industry benchmark for thinness while leading in eye-care technology and ensuring extreme portability
- The 2.8K 240Hz high-refresh-rate laptop display uses MUX2 common-color and common-drive technology, which not only enhances image quality but also **halves the number of ICs, significantly improving driving efficiency**
- Through thinning design and structural optimization of components like the light guide plate and LEDs, the monitor achieves an ultra-thin design with a thickness as low as **7.7mm**, meeting the dual demands for portability and aesthetics in high-end commercial and consumer markets

Encourage the Use of Recycled Materials

- The Company actively promotes the application of **recycled materials** in its products
- Integrates the circular economy concept into **the source of product design**
- Implements practical measures to practice **green design** and efficient resource utilization

Optimise Product Manufacturing to Drive Green Transformation

Implementing Low-Carbon Manufacturing

The Company reduces greenhouse gas emissions during the production process through key initiatives such as process improvements and low-carbon process innovations, leading the industry's transition to low-carbon production models. In 2025, centered on its low-carbon manufacturing goals, a total of 399 energy conservation and emission reduction projects were promoted. Meanwhile, at multiple bases including Wuhan, Guangzhou, and Shenzhen, the Company systematically reduces the use of fluorinated gases in chemical vapor deposition and dry etching processes through measures like process optimization and equipment upgrades, combining source reduction with process control to continuously lower the carbon emission intensity of its production activities and promote the green and refined optimization of its manufacturing processes.



Reducing Fluorinated Gas Through Process Optimization

In 2025, Guangzhou CSOT addressed the issue of NF_3 material consumption, launched an engineer-led project for precise risk control and unit consumption reduction. The project focused on three optimizable areas: cleaning time, cleaning cycle, and NF_3 gas flow rate. By establishing a real-time monitoring system for equipment unit consumption and yield rates and employing a method of step-by-step trial and error with unit-by-unit verification, the Company successfully **reduced NF_3 material unit consumption by 18%** while ensuring stable yield rates, providing a replicable improvement path for refined emissions management at the process level.



Promoting Supplier Transition from Natural Gas Boilers to Steam for Collaborative Carbon Reduction

TCL CSOT actively promotes the green transformation of its supply chain by guiding foaming product suppliers to replace traditional natural gas boilers with centralized steam from power plants. In the original process, suppliers typically used natural gas combustion to generate steam for foaming production, resulting in high energy consumption and carbon emissions. Through proactive communication and collaborative efforts, TCL CSOT encourages existing suppliers to undertake technological upgrades or partner with suppliers capable of providing steam from power plants. This approach reduces natural gas consumption at the source, effectively lowers carbon emissions throughout the production process, and achieves green upgrades and collaborative carbon reduction across the supply chain.



Innovate Green Delivery to Lead the Packaging Revolution

The Company is committed to building a low-carbon, efficient, and intelligent logistics and transportation system. By promoting the use of environmentally friendly packaging materials, optimizing transport routes and loading efficiency, and collaboratively advancing the green, low-carbon transformation of multimodal transport including water, road, and air, the Company aims to minimize the carbon emission intensity of its logistics operations.

Green Packaging	For television and display module products, the use of paper cartons has been 100% eliminated	100% PCR EPS	100% PCR HDPE packaging bags
		100% PCR EPE	70% PCR EPS material reduced carbon emissions by over
Pack-aging Material Reduction	The Company continuously optimizes the structure and density of box lids, gaskets, dividers, pallets, and box bodies to reduce material consumption at the source		
Green Transportation	By optimizing cargo loading methods, modifying truck carriages, and promoting double-stack transportation for large-sized semi-finished panels, the Company has increased loading rates, resulting in an annual carbon emission reduction of 57 tons. Additionally, the Company has introduced the "Rail + Road" multimodal transport method, reducing air freight volume by 19.5 tons and achieving an annual carbon reduction of 472 tons.		



Launching the Application of PCR EPS Materials in Panel Packaging

In 2024, TCL CSOT officially launched the "Application of PCR EPS Materials in Panel Packaging" project. The purity of raw materials was improved by standardizing pretreatment and upgrading screening equipment. Customized formula optimizations were developed to address material performance challenges based on the specific needs of the panel industry. In terms of process adaptation, the Company overcame technical bottlenecks by optimizing foaming parameters, mold design, and molding processes, and in 2025, it became the first in the industry to successfully develop and mass-produce 100% PCR EPS materials. According to calculations by SGS, this innovation can reduce carbon emissions from foam packaging materials by over 70%, injecting green momentum into the industry's pursuit of its "zero waste" goal.

Focus on Product Use to Reduce End-User Energy Consumption

In the sustainable product design phase, TCL CSOT not only focuses on carbon reduction in its own production and operations but also leverages its dual display technology platforms, LCD and OLED, to continuously introduce low-energy, high-efficiency display products to the market. This helps users save energy and reduce carbon during product use, thereby building a green value chain that spans the entire product lifecycle.

LCD High-Efficiency Platform

LCD technology iteration: TV products have achieved series production on a high-transmittance platform, with transmittance increased by over 26% based on design and material optimization.

OLED Low-Power Platform

As a key technological direction for the Company's investment, Printed OLED not only drives breakthroughs in display performance but also offers unique advantages in Green Intelligent Manufacturing. Based on calculations from the G5.5 generation line, Printed OLED can save 300 to 400 million kWh of equipment energy consumption annually due to a significant reduction in vacuum processes. This is equivalent to powering a city of 500,000 people for 30 to 60 days, fully embodying the green value of "lighting up a city with a drop of ink" and driving the display industry towards high-quality development through technological innovation.

Strengthen Circular Recycling to Unlock End-of-Life Value

TCL CSOT places great importance on end-of-life resource recovery, adhering to the "3R1G" principles — reduction, reuse, recycling, and green materials. The Company promotes the recycling of end-of-life products and packaging materials, collaborating with upstream and downstream partners to drive a closed-loop resource system across the entire value chain.

Product Recycling

The Company collaborates with qualified third-party waste disposal agencies to explore the recycling and reuse of display screens, ensuring the entire process is compliant and traceable to deeply tap into the residual value of products at the end of their life.

Packaging Material Recycling

- ◆ Promoting the recycling and reuse of major packaging materials such as box lids, gaskets, and pallets at the client end;
- ◆ Coordinating with suppliers and secondary recycling plants to utilize chemical recycling technology for the repurposing of waste packaging materials, filling the gap in low-value waste plastic recycling and creating brand premium;
- ◆ A third-party company is engaged to transport packaging materials back from the client end. Through measures such as cleaning, specification checks, and component replacement, **the reuse rate of materials like foam, gaskets, and pallets was increased by 4% in 2025.**
- ◆ Through initiatives such as employee specification training, operational method coaching, and the introduction of returnable crates, **the scrap rate of foam boxes was reduced by approximately 3%.**



Low-Power Display Technology Driving Upgrades in Screen Energy Efficiency

TCL CSOT showcases an ultra-low power 8:9 art TV display (85"), which features an IGZO backplane and high-transmittance materials to achieve high open-cell transmittance. Combined with a power-reducing driver algorithm and a backlight brightness gain solution, it consumes only one kilowatt-hour of electricity in three days (based on 6 hours/day of use) and meets the European Class A energy efficiency standard.



Ultra-low Power Oxide Art Screen

¹² Calculated based on actual G5.5 operating conditions.

Boundless Imagination: Exploring Cutting-Edge Interactive Technology with AI

Exploring New Display Forms

In its exploration of a more limitless future, TCL CSOT uses its AI five-star architecture as an intelligent engine to drive innovation across the entire chain of manufacturing, R&D, and operations, transforming innovative technologies into leading display products that cover multiple scenarios such as smart driving, AR, and e-sports.



Actively Exploring Future Scenarios and Expanding the Frontiers of Smart Cockpit Technology

The high demands on display quality from the transition to intelligent and connected vehicles are driving the rapid advancement of in-vehicle display technology. TCL CSOT's independently developed world's narrowest bezel dual-curved conjoined screen display (23.6") integrates conjoined screen and wood-grain hidden display technologies, offering drivers an outstanding immersive visual experience and creating a "boundless window" interactive experience for the smart cockpit.

In the field of Micro-LED in-vehicle displays, TCL CSOT has introduced an ultra-high brightness 14.3-inch Micro LED PHUD display. It maintains a 5:1 contrast ratio even in strong ambient light and features high brightness, ultra-high contrast, and a wide color gamut. This technology eliminates the need for a blackened area on the windshield for the display, significantly increasing the transparent viewing range for driving and ensuring precise support for safe driving.

TCL CSOT's 28" sliding center console and curved armrest Printed OLED in-vehicle display features a slidable screen that can smoothly extend from the driver's side to the front passenger's side, seamlessly expanding from 16" to 28" to create an immersive visual experience. The core sliding structure uses high-strength steel with a bending radius of less than 4mm and supports over 100,000 sliding operations. Paired with a gradient curved armrest box, it combines futuristic aesthetics with practical reliability, perfectly meeting the interactive demands of high-end smart cockpits.



The World's Narrowest Bezel Dual-Curved Conjoined Screen Display



Ultra-High Brightness 14.3-Inch Micro LED PHUD Display



Sliding Center Console and Curved Armrest Printed OLED In-Vehicle Display



Focusing on User Needs and Innovating the Consumer Electronics Display Sector

TCL CSOT, leveraging the flexible characteristics of Printed OLED, has created the Lenovo Legion Pro rollable screen concept laptop. In its standard state, it features a 16-inch screen, which can be horizontally extended to 21.5 inches (Tactical Mode) or 23.8 inches (Arena Mode) with the press of a button, fully showcasing the possibilities for future mobile e-sports devices.



Lenovo Legion Pro Rollable Screen Concept Laptop 16-Inch Screen



Lead AI Collaborative Innovation

Against the backdrop of the AI era and the concept of "display as interface", TCL CSOT collaborates with leading industry partners to innovate, advancing display panels from being mere "image carriers" to becoming "core interfaces" for smart interaction. This accelerates the integration of AI computing power and visual information at the terminal side, laying the foundation for expanding the applications of consumer-grade AR glasses in fields such as navigation, real-time translation, and industrial assistance.



"Display the Future" for the AI Era, Providing a Low-Power Display Solution for Green Events

As a Worldwide Olympic Partner, TCL CSOT is illuminating the Milan 2026 Winter Olympics with "Display the Future", delivering Olympic-level display quality. At the "Snowscape Wonderland" Winter Olympics-themed exhibition, products such as the VR display (3.59") – Varjo, MR display (2.56") – PICO 4 Ultra, and the world's smallest silicon-based Micro LED display (0.05") were highly acclaimed. TCL CSOT develops lightweight, low-power, high-definition display solutions tailored for XR products, fully demonstrating its commitment to creating "Display the Future" that meets the demands of the AI era through its "Display for AI" strategy.

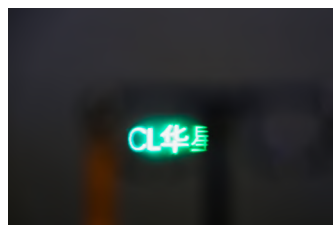


TCL CSOT's VR Products Debut at the Winter Olympics



The World's Smallest Silicon-based Micro LED, Leading the Microdisplay Revolution

The 0.05-inch, the world's smallest silicon-based Micro LED display, features a resolution of 5080 PPI (10 times the limit of the human eye) and a peak brightness of 4 million nits, enabling it to present 1080p-level clear images within a 1 cm distance. It serves as a core display component for AR glasses and micro-projectors, marking a significant breakthrough for display technology into "micro-nano level" application scenarios.



The World's Smallest Silicon-based Micro LED Display

Risk and Opportunity Management

TCL CSOT places great importance on the full-process management of Sustainable Products. By comprehensively analyzing factors such as policy directions, market trends, Supply Chain resilience, and brand reputation, the Company systematically evaluates the potential risks and strategic opportunities of sustainable design topics. It has established a sustainable management system covering the entire value chain to minimize environmental impact and create long-term value.

Risk

◇ Technology Substitution

Low-carbon product access barriers are increasing. If the sustainability performance of iterative technologies lags behind, the Company may be unable to meet customers' evolving requirements.

◇ Raw Material Supply and Cost

Water restrictions in stressed regions, conflict mineral regulations, and recycled material cost volatility create supply and pricing risks for sustainable product raw materials. A resilient, traceable sustainable procurement system is needed to ensure stable green product supply.

◇ Reputation and Image

Inaccurate Data Disclosure and Product Over-Promotion, as Well as "Greenwashing" Accusations, Can Trigger a Brand Crisis.

Opportunity

◇ Market Financing

As public environmental awareness grows, the Company's innovation in Sustainable Products helps win favor from consumers and clients, while also creating more investment opportunities in the capital market, leading to revenue growth.

◇ Industry Development

- Collaborate with Industry Partners to Establish Green Supply Chain Standards, Thereby Enhancing Influence Within the Industry.
- Establish a closed loop of "trade-in + dismantling and recycling" to create new profit growth points.

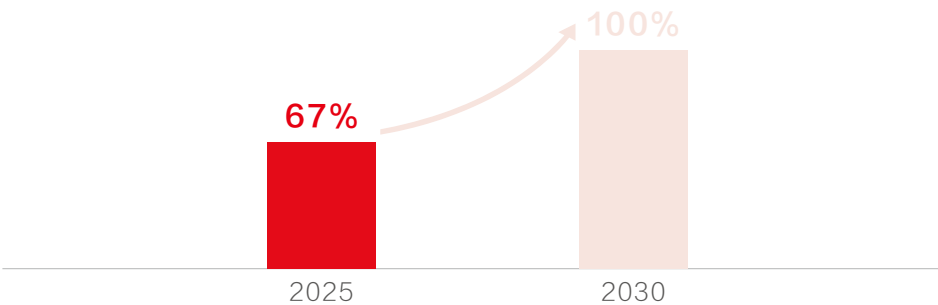
◇ Production Energy Consumption

- Utilize AI Algorithms to Dynamically adjust Production Line Energy Consumption, Reducing Carbon Emissions per Unit of Output Value.

🕒 Indicators and Targets

Based on global market trends and diverse consumer expectations for green products, TCL CSOT sets targets across key product life cycle stages—design, manufacturing, logistics, use, and recycling. These targets are integrated throughout the entire production and operation process to build an efficient, clean, low-carbon, and circular paradigm for green development.

PCR technology registration rate for packaging materials



Key Performance

By 2025, TCL CSOT

The total amount of packaging materials recycled reached **9,784** tons.

3.3 Intelligent Manufacturing

TCL CSOT is comprehensively advancing its intelligent transformation, with "AI for Display" as its strategic core, to drive the continuous evolution of its manufacturing paradigm. Through the constant iteration of full-process intelligent management and control, the Company has created a virtuous cycle between enhancing quality and efficiency and value creation, reshaping the manufacturing landscape of the semiconductor display industry. It serves national strategies with the power of Chinese Intelligent Manufacturing, illuminating the future of display with the light of AI.

🕒 Intelligent Manufacturing Management System

TCL CSOT has established an Intelligent Manufacturing management architecture with the Digital Transformation Center and the Industrial Technology Research Institute at its core. Within the Digital Transformation Center, an AI Application Development Department has been set up to continuously strengthen general AI development and data architecture capabilities, resulting in the implementation of over 2,000 AI agent applications. The Company has also established "Digital Pioneer" positions across 10 key capability domains, bringing together over 500 business experts to systematically promote the deep application of intelligent technologies in scenarios such as R&D, production, operations, and end-to-end collaboration, thereby continuously enhancing its global competitiveness through technological innovation.

🕒 Intelligent Manufacturing Management Strategy

TCL CSOT is actively building a "1 Lake, 1 Model, 3 Platforms" five-star AI architecture. Centered on an application strategy of "Four Platforms + AI" for production, equipment, yield, and energy, this strategy systematically empowers four integrated management platforms, forming a structured Intelligent Manufacturing management approach.

These four integrated management platforms work in synergy to advance manufacturing operations toward automation, intelligence, and green practices, providing strong support for the construction of unmanned factories.

"Production" Dimension	"Yield" Dimension	"Equipment" Dimension	"Energy" Dimension
Cost reduction and efficiency gains are achieved through an intelligent scheduling and experiment system	An agile data drives precise decision-making	A dual-core engine of prediction and diagnosis deeply enhances operational effectiveness	Algorithmic models lead green energy conservation

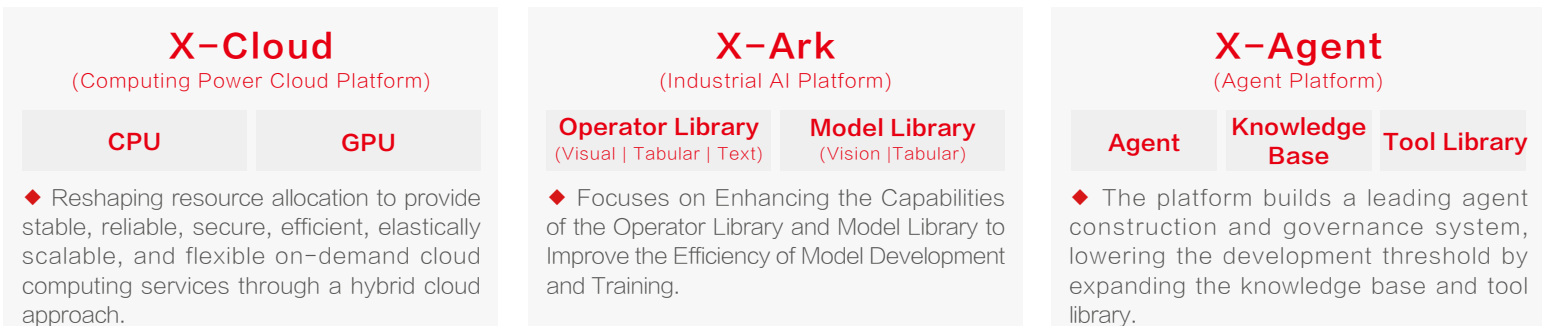
Currently, the five-star AI architecture has been implemented in over 40 projects, secured 3 intellectual property rights, and helped train more than 100 AI development talents. Over 1,000 agent applications have been independently developed, including more than 200 high-value applications, generating annual economic benefits exceeding RMB 20 million. Concurrently, the Company empowers over one hundred AI development talents, continuously enhancing R&D efficiency and injecting innovative vitality into intelligent manufacturing.

AI Five-Star Architecture

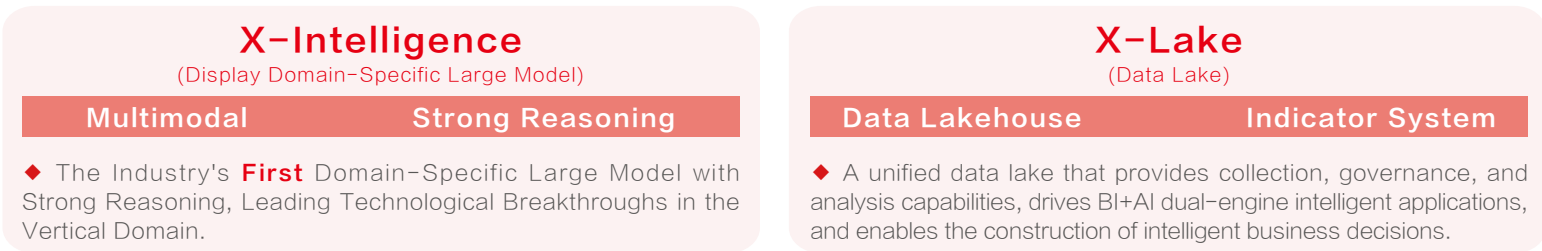
N
Applications



3
Platforms



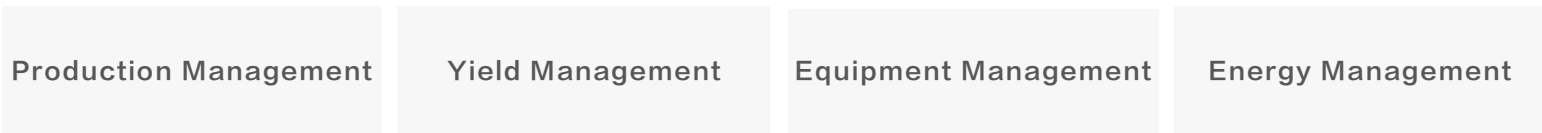
1
Lake



1
Model

Empowerment

4
Integrated
Management
Platforms



TCL CSOT's "1 Lake, 1 Model, 3 Platforms" Five-Star AI Architecture

Utilize AI-Empowered Production Management: Realize Cost Reduction on Intelligent Production Lines

TCL CSOT has a deep understanding of Intelligent Manufacturing and has always prioritized efficiency. The Company continues to deepen the application of AI within its production management platform. Through its self-developed intelligent scheduling system and intelligent experiment execution system, it has comprehensively optimized its intelligent scheduling and experiment management processes, effectively boosting production efficiency, significantly shortening experiment cycles, and achieving a virtuous cycle of cost reduction and efficiency improvement.



AI-Driven Intelligent Upgrade of Production Management

In 2025, the intelligent experiment execution system achieved major breakthroughs, eliminating night shift waiting times through prerequisite condition planning and resource coordination, which compressed the experiment cycle by approximately two days. The system's embedded automatic parameter verification and distribution functions significantly reduced the risk of human error, **yielding annualized benefits of approximately RMB 14.5 million**. Meanwhile, the intelligent scheduling system enabled scientific dispatching, promoting centralized equipment production and precise idling, which effectively reduced empty runs and inefficient operation, lowering overall energy consumption. By optimizing production scheduling based on material characteristics, it maximized material utilization, saving over RMB 2 million in material costs annually. Currently, the intelligent experiment execution system has achieved a 100% implementation rate. Through deep AI empowerment, it continues to enhance production efficiency and resource, setting an intelligent innovation benchmark for cost reduction and efficiency improvement in the semiconductor display industry.

Utilize AI-Empowered Yield Management: Realize Quality Enhancement Through Agile Data

Yield is the lifeline of semiconductor display manufacturing and a core benchmark of intelligent manufacturing capability. TCL CSOT leverages its dual-core engine — an efficient ad-hoc analysis system and a data insight platform — to deeply integrate into yield management scenarios, fully unblocking the data flow and value creation chain. This drives a leap in the efficiency of quality analysis and business response, achieving both quality and performance improvements.



Reshaping Yield Management by Driving Decision Making and Prediction Accuracy with Agile Data

TCL CSOT deeply integrates AI capabilities into the entire process of data governance and application, transforming data from merely "visible" to "understandable". This continuously enhances the precision of quality control and the speed of decision-making in the manufacturing process.

On the data processing end, Efficiency Analysis System serves as the core tool, cleansing, integrating, and refining scattered information from various production systems to build business-oriented thematic data assets. This supports rapid process parameter traceability and continuous optimization of virtual metrology models, laying a solid data foundation for yield analysis. On the data insight end, Spotfire empowers business personnel to explore data independently. Through flexible visualization components, it transforms complex quality metrics into intuitive charts, saving analytical workforce.

Currently, the platform has achieved interconnectedness of all production data, maximizing the efficiency of data access and modeling development, reducing the time from three days to eight hours, and supporting the creation of over 1,500 active self-service dashboards by business users. TCL CSOT is driving lean and intelligent manufacturing in the semiconductor display industry with its agile data ecosystem, injecting innovative momentum for continuous breakthroughs in panel yield.

Utilize AI-Empowered Equipment Management: Realize Deeply Improving O&M Efficiency

The core of TCL CSOT's factory operations lies in its high-precision automated equipment, whose stable operation is the fundamental prerequisite for ensuring high yield and high production capacity. To enhance equipment management efficiency, the Company independently developed an "AI-driven Intelligent O&M Platform for the Full Equipment Lifecycle", achieving fully closed-loop intelligent fault management. It deeply embeds AI into the O&M process and has built a dual-core AI engine for "prediction and diagnosis".



Driving smart O&M with a dual-core "Predict-Diagnose" AI engine

TCL CSOT is reshaping the equipment O&M paradigm with AI, defining factory operational efficiency with intelligence. Currently, the intelligent O&M platform has been standardized and deployed in over ten factories nationwide, achieving real-time perception and precise management of equipment health status.

In terms of predictive maintenance, the platform integrates a predictive maintenance AI engine to perform real-time analysis and high-precision modeling of equipment data, helping engineers transition from "passive emergency repairs" to "proactive planning" and reducing unplanned downtime for core equipment by over 80%. For fault diagnosis, the platform deeply integrates the "Xiaoluban" generative AI large model, combining multimodal knowledge understanding with retrieval-augmented generation technology to achieve a knowledge Q&A accuracy rate of over 95%, shortening repair times for major and minor faults by 15.7% and 61%, respectively. The synergistic operation of these dual-core capabilities has boosted the overall equipment effectiveness of the factory by 2.5%.

Utilize AI-powered Energy Management: Algorithm-Driven Energy Conservation

TCL CSOT continues to deepen innovation in Energy Management by integrating AI algorithms into its energy management platform. Through data diagnostics, intelligent dispatching, and predictive decision-making, the Company promotes green, low-carbon factory operations. While ensuring production stability, it fully taps into the efficiency potential of every kilowatt-hour of electricity, maximizing energy value and using intelligent methods to help sustainable development take root.



Using an AI Energy Consumption Prediction Model to Tap Into Energy-Saving Potential

TCL CSOT leverages its energy management platform, redefining energy management methods with algorithms to save over 10,000 kWh of electricity per day. The platform horizontally compares the energy consumption characteristics of similar equipment to quickly identify anomalies, providing direction for on-site improvements. For equipment that can operate during off-peak hours, the algorithm combines production plans to generate optimal start-stop strategies, shifting high-energy-consumption processes to periods of low electricity prices.

The platform monitors energy consumption anomalies across the entire plant in real time, delivers multi-channel notifications directly to responsible personnel, and feeds improvement insights back into the knowledge base — forming a continuously evolving closed-loop management system.

The AI energy consumption prediction model provides effective support for energy procurement decisions, and offers a reasonable basis for production scheduling to facilitate peak shaving and valley filling, achieving cost reduction and efficiency improvement through intelligent energy control.

🕒 Achievements in Intelligent Manufacturing Management

TCL CSOT actively implements the "AI + Manufacturing" strategy, driving high-quality development with digital and intelligent transformation as its engine. The Company is also deeply involved in developing national and industry standards, participating in the drafting of standards, including the *Intelligent Manufacturing Capability Maturity Model*, *Guidelines for the Implementation of Intelligent Decision-making in Intelligent Manufacturing*, and *Service Specification for Intelligent Manufacturing Capability Building*, thereby strengthening the foundation for standardization in the display industry's intelligent manufacturing.

During the reporting period, the Suzhou site was successfully recognized as an Exemplary Intelligent Manufacturing Demonstration Factory for 2025, fully showcasing TCL CSOT's benchmark strength in leading the transformation of intelligent manufacturing in the semiconductor display industry.



Digital and Intelligent Management Practices for the Entire Process of Suzhou Base G8.5 LCD Production Line

Since 2021, Suzhou Base site has implemented a digital transformation of its Gen 8.5 LCD panel production line, achieving intelligent control across the entire chain of R&D, manufacturing, and operations and maintenance, thanks to various AI applications powered by the Xingzhou Platform. Through intelligent production scheduling and benign manufacturing, the transformed line achieved a yield improvement to 99%, a 7.74% reduction in operating costs, and a production cycle shortened to 4.2 days. This practice was recognized by the Ministry of Industry and Information Technology as an Exemplary Intelligent Manufacturing Demonstration Factory for 2025, contributing digital transformation experience to the industry's pursuit of new industrialization and high-quality development.



Honors and Awards

◇ In September 2025, Suzhou CSOT's "**AI-driven New Display Panel Smart Factory**" project was selected as a "**2025 National Exemplary Smart Factory**" and was also named one of the "**Top Ten Scientific and Technological Advances in China's Intelligent Manufacturing for 2025**"

◇ Shenzhen CSOT Semiconductor and Suzhou CSOT received national **level-4** certification for intelligent manufacturing capability maturity

◇ Suzhou CSOT Display received national **level-3** certification for intelligent manufacturing capability maturity

3.4 Product Responsibility

GRI 416

TCL CSOT adheres to the quality mission to "achieve customer success and become a trusted display solution partner". The Company utilizes intelligent tools to empower full-process quality control, strictly upholds product safety and reliability, and is committed to precise delivery and continuous improvement. It aims to make high quality a hallmark of the enterprise and win market trust through outstanding performance.

🕒 Governance

TCL CSOT places quality at its foundation, incorporating product quality and safety into the agenda of its top management. The top management bears the primary responsibility for quality and product safety and has authorized the head of the Quality Center as the management system representative to coordinate the system's establishment, operation, and continuous improvement. The Company has built an end-to-end quality management framework based on international standards such as ISO 9001, QC 080000, IATF 16949, and ISO/IEC 17025. It also continuously refines policies like the *CSOT Quality Manual*, *CSOT Product Quality Planning Process*, *CSOT In-process Quality Management Manual*, *CSOT Supplier Quality Management Process Manual*, and *CSOT Non-conforming Product Management Process*. This enables quality control across the entire chain from design, procurement, manufacturing and shipping, ensuring product safety and customer trust while supporting long-term value creation for the enterprise.

During the reporting period

14

subsidiaries obtained
ISO 9001:2015
Quality Management
System certification

13

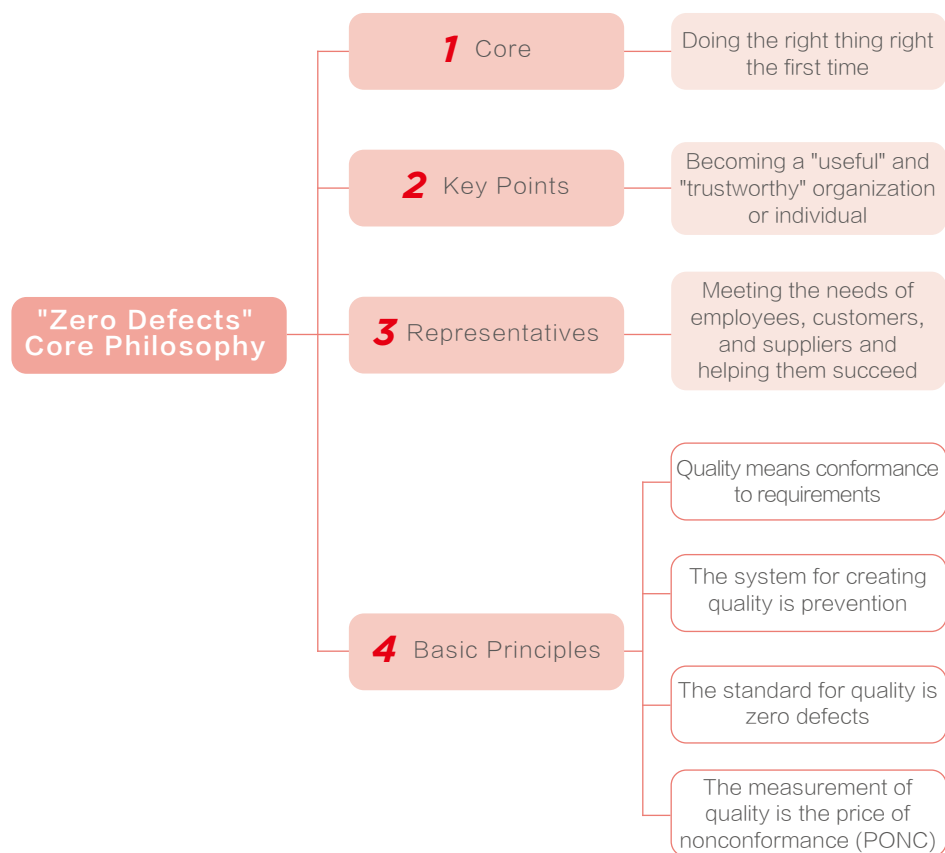
subsidiaries obtained
IECQ QC 080000:2017
Hazardous Substance
Process Management
System certification

Wuhan CSOT

passed the
IATF 16949:2016
Quality Management
System certification

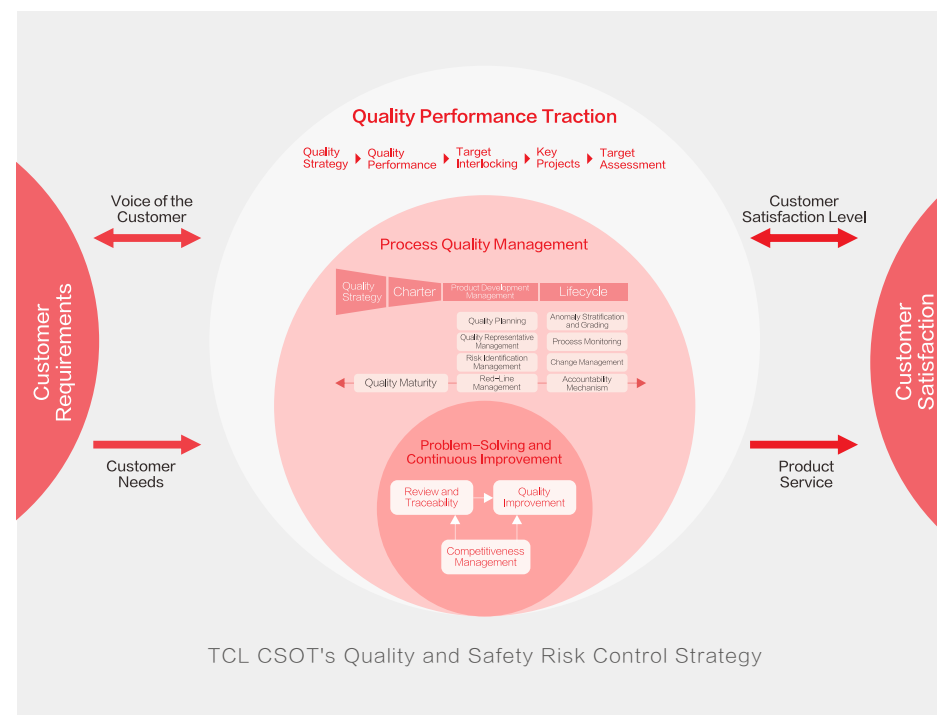
◎ Strategy and Tactics

Guided by the "Zero Defects" philosophy, TCL CSOT follows a framework of "one center, two basic points, three representatives, and four basic principles". It strictly adheres to "doing the right thing right the first time", striving to be a useful and trustworthy organization, and works collaboratively with employees, customers, and suppliers for mutual success.



◎ Risk and Opportunity Management

TCL CSOT has built a quality management system that covers the full product lifecycle, embedding the core principles of "design for prevention, verification through testing, and emergency response" into practice. The Company consistently translates customer needs into reliable products and services, systematically safeguarding product safety and customer trust. Driven by "quality performance traction" as the top-level mechanism, it transforms customer needs and voices into clear strategic objectives and performance indicators. Through "in-process quality management", the Company exercises core control and systematically implements full-process quality management. Leveraging a closed loop of "problem-solving and continuous improvement", it conducts root cause reviews and addresses customer feedback to enable closed-loop optimisation and capability building.



Strengthen Products' In-Process Quality Control

TCL CSOT is committed to protecting user health and safety and ensuring the delivery of safe, reliable products. The Company has established and implements a full-process quality and safety control system based on the principles of "prevention, control, and improvement". The system covers technology and product development, material production and procurement, as well as manufacturing and assembly. During the product introduction phase, TCL CSOT provides customers with safety test reports that meet product requirements and discloses detailed product safety information. This creates an end-to-end mechanism for risk identification, assessment, and closed-loop resolution, ensuring product quality and reliability, and delivering a safe and reliable product experience to customers and consumers.

Optimise Technology and Product Development to Rigorously Control the "Six-New" Risks

To mitigate quality and safety risks associated with new products and technologies, the Company has developed a "Six-New" system focusing on "new specifications, new applications, new technologies, new processes, new designs, and new materials". It reviews the maturity of design, manufacturing, and testing, and uses quantifiable and traceable innovation management standards to ensure new products have high reliability and manufacturability in the industry. During the reporting period, the Company reduced the number of issues related to new product development under the "Six-New" framework by 48%.



The "Six-New" Quality Review System



Strengthen Material Procurement Control to Ensure Reliability at the Source

The Company relies on the ISC integrated Supply Chain process, which includes key links such as change management, supplier management, procurement management, and logistics and warehousing management. It collaborates with upstream partners to build a line of defense for product safety, continuously strengthening material compliance and Supply Chain control to reduce inbound risks and ensure product quality and reliability from the source.

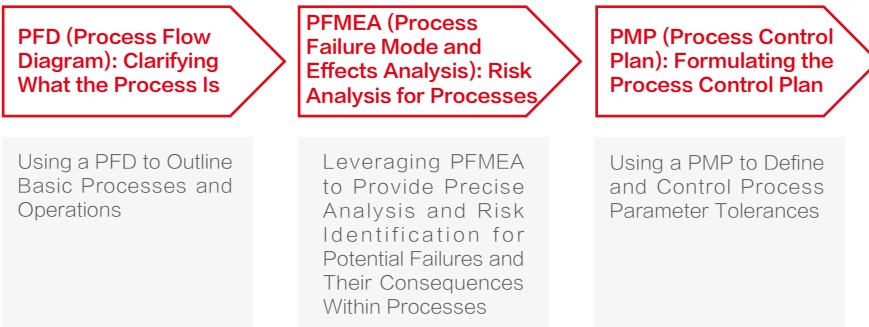
Standardising Product Manufacturing and Assembly to Prolong Product Lifespan

The Company fully identifies risks related to application scenarios, technologies, and material processes for each product line, conducting reliability testing and review procedures. During the production and assembly stages, it formulates risk-tiered control and emergency response plans based on process characteristics, and implements strict process controls, online inspections, and traceable records for key safety characteristics to mitigate product quality and safety risks and maximize product lifespan.



TCL CSOT Applies Advanced Quality Management Methodology

TCL CSOT systematically introduces and practices advanced quality management methodology, centered on the core concept of "controlling outputs by controlling inputs". Through process flow diagrams to clarify process steps, PFMEA for systematic risk identification and assessment, and ultimately the formation of a PMP to define and control key parameters, it shifts the focus of quality control from post-inspection to in-process management and risk prevention, deeply embedding the "Zero Defects" philosophy.



Advanced Quality Management Process

Promote Problem-Solving and Continuous Improvement to Improve Product Quality

TCL CSOT continuously drives innovation to resolve and improve quality issues. Using a digital management system, the Company controls and improves non-conforming products across the entire process. It has also established a closed-loop horizontal deployment platform to consolidate quality issues identified along with their corresponding improvement plans and results, thereby standardising corrective measures and deploying them across all manufacturing sites to achieve closed-loop management.

Standardising the Management of Non-Conforming Products and Recalls to Safeguard Consumer Safety

TCL CSOT values consumer Health and Safety and has formulated relevant management systems that specify response and disposal procedures. While providing customers with feedback channels such as WeChat, email, telephone, or meetings, the Company's non-conforming product and recall management procedures cover all product categories. A digital management system has been established to control non-conforming products from incoming materials, through manufacturing and shipping, to customer complaints, thereby promoting continuous improvement in product quality.

Refining Continuous Improvement Mechanisms to Drive Quality Enhancement

TCL CSOT has introduced the Six Sigma DMADV methodology and supporting tools into its design and development phase to define and ensure key safety and reliability characteristics from the outset. In the production phase, the Company implements fine-grained process control centered on DMAIC to quickly identify and resolve potential defects in a closed loop, significantly enhancing yield and mass producibility. Furthermore, to meet the higher reliability demands of new applications, overseas markets, and high-end markets, the Company promotes upstream and downstream collaboration to improve the quality of products and components, strengthening the competitiveness of the entire industry chain.

Strengthen Quality Management Team Development

TCL CSOT has built a quality culture management structure featuring "ideological leadership from the top, active promotion from the middle, and comprehensive implementation at the grassroots level". A three-stage quality talent development pathway — from "incubation" to "development" to "maturity" — has been established to actively cultivate professionals skilled in quality tools. Leveraging its digital platform, the Company has created a quality tool resource center by compiling tool manuals, developing teaching materials and video courses, and building test and knowledge bases. This enables the consolidation of professional knowledge and experience sharing, ensuring that the "do it right the first time" quality culture is effectively implemented and permeates all business segments.

An end-to-end inspection chain has been built, from incoming materials to shipment, with the active introduction of API¹³/AAI¹⁴ intelligent inspection and the application of AI-based judgment to improve the detection rate of non-conforming products.



Clear standards for classifying anomalies, notification mechanisms, and response times are established. When an anomaly is triggered, a dedicated team is efficiently assembled to analyze the root cause, define the scope of risk, and prevent the accidental outflow of defective products.



A closed-loop horizontal deployment platform has been established across all five TCL CSOT sites, where responsible units formulate corrective and preventive improvement measures to eliminate potential product safety impacts at the source.

Digitally Enabled Control of Non-Conforming Products Across the Full Process

13 API: Automated Panel Inspection
14 AAI: Automated Appearance Inspection

Improve Quality Performance Incentives

Through quality performance incentives, TCL CSOT has established an incentive mechanism that interlocks quality performance with targets. The Company uses rewards, quarterly competitions, selections for outstanding organizations and individuals, and the promotion of best practices to foster a culture of full participation in improvement. During the Reporting Period, the Company provided incentives for 12 central projects, 40 teams, and 150 individual awards, benefiting a total of 770 people.

During the reporting period

Conducted online training for all employees via the X-Academy platform, delivering **19,577** hours of quality-related training
Covering over **40,000** people

Engaged external institutions for offline professional training on quality culture, awareness, and tools.
In 2025, over **80** training sessions were held

Covering more than **10,000** people, with a total training duration exceeding **1,000** hours, including

49
tool training sessions

Totaling
730 hours

Education for middle and senior management, totaling **80** hours

Zero Defects instructor training, totaling **120** hours



TCL CSOT Held "Zero Defects" Education and Seminar for Middle and Senior Management

In 2025, driven by the "Zero Defects" philosophy, TCL CSOT conducted "Zero Defects" education and seminars for general managers, directors, factory managers, and core department heads, with a total of 160 participants. The seminars resulted in a public commitment to the "new quality" value proposition, implementing personal quality transformation at the senior management level and strengthening the leadership function for "Zero Defects", thereby providing a positive impetus for enhancing TCL CSOT's product quality.



Scene from the *Zero Defects* Training

Indicators and Targets

Number of product quality and safety incidents

2026 Target

0

2025
Target

0

2025
Actual

0

Key Performance

During the Reporting Period, TCL CSOT:

0 Product recall incidents

0 Major quality incidents

0 Incidents of non-compliance with regulations or voluntary codes concerning the health and safety impacts of products and services

3.5 Customer Relationship Management

TCL CSOT upholds the principle of being "centered on customer needs and guided by customer value". By systematically building a customer-centric service mechanism and digitally empowering its customer relationship management system, the Company is committed to providing customers with high-quality, high-efficiency, and high-standard services throughout the entire process, creating long-term value for them.

🕒 Customer Service Management System

TCL CSOT has a Customer Quality Service Department that serves as a hub responsible for customer engagement, relationship maintenance, and satisfaction improvement. It also feeds customer needs back to internal departments such as R&D, quality, and sales, forming a customer-driven collaborative network.

The Company follows the "2485" response principle and has formulated regulations such as the *Customer Demand Management*, *Customer Complaint Management*, and *After-Sales Management of Defective Products* to standardize customer communication, customer feedback handling, and tiered response. It also conducts training programs like *Excellent Customer Service Skills* and *Zero Defects* to enhance team capabilities, providing customers with complete, professional solutions and efficient service.

Within 2 Hours Rapid Response	Within 24 Hours Rapid Reply	Within 48 Hours Cause Analysis and Countermeasure Formulation	Within 5 Days Completion of Countermeasure Implementation and Effectiveness Verification
---	---------------------------------------	---	---

The "2485" Response Principle



Customer Complaint Management Process

The Company employs digital management tools and has upgraded its digital management platform to monitor client-side quality dynamics in real time, enhancing the efficiency of after-sales service. This enables timely responses to customer needs and the prevention of complaints at every stage: "pre-sale, in-sale, and after-sale".



Collaborating With a Customer to Build a Visual Management Platform

In 2025, based on customer requirements and through joint discussion on the design framework with the customer, a TCL CSOT team independently developed a customer visual management system. By leveraging automated model updates, the system enables data centralisation, process automation, intelligent analysis, and convenient early warnings, thereby improving cross-departmental collaboration efficiency. The solution has received customer satisfaction and recognition, and has been named a digital excellence case by the quality centre.

The Company has comprehensively upgraded its customer complaint response strategy, shifting from "passive response" to "proactive identification". It actively identifies customers' key concerns and evolving needs, deeply explores their requirements, and intervenes early to address potential quality risks. Combined with a rapid response mechanism, this ensures efficient complaint resolution and continuously improves customer satisfaction.

During the reporting period

The response rate to customer needs and complaints reached **100%**

Customer Satisfaction Management

TCL CSOT places a high value on customer feedback, regularly communicating with customers and sharing industry insights. Biannual customer satisfaction surveys cover four key areas: customer service, product quality, business and delivery, and new product introduction. This ensures that customer suggestions or opinions are promptly received, and improvement plans are developed and implemented until closed, thereby enhancing customer satisfaction. During the reporting period, the achievement rate for the top three customer satisfaction metrics was 100%, and the close-out rate for improvement plans derived from survey results was 100%.



Optimizing Comprehensive Satisfaction Management to Build an Innovative Quality-Based Competitive Advantage

In 2025, TCL CSOT established a triangular cycle comprising an indicator framework, client-side indicator tracking, and improvement activities to reshape the dimensions of its comprehensive customer satisfaction evaluation. The Company collected and integrated customer feedback across multiple dimensions, including after-sales warranty, product quality, personnel service, and ESG management, and put forward recommendations and improvement directions, thereby enhancing customer satisfaction.

- ◇ Client-side information is regularly collected through three channels—the CSOT, management visits, and third-party interviews—and is input internally for dynamic collection and analysis of client-side indicators.
- ◇ Supports the comprehensive satisfaction indicator framework, self-indicator updates, and tracking of improvement activity effectiveness

Continuous
Follow-Up on
Client-Side
Indicators

Continuous
Improvement
of the Indicator
Framework

Implementation
and Closure of
Improvement
Activities

- ◇ Construction of the initial indicator framework and feasibility optimization
- ◇ Indicator framework updates and goal setting
- ◇ Internal collaborative management based on the indicator framework

In accordance with the framework, goals, and customer feedback, improvement activities are formulated, implemented, and brought to closure; all departments collaborate to **support the achievement of satisfaction goals** and report progress on an internal platform.

The Triangular Cycle of Comprehensive Satisfaction Management

Leveraging its quality control system and Supply Chain collaboration capabilities, the Company has earned the trust of numerous customers, receiving their recognition for its technological leadership, excellent product quality, and strategic partnership value.



TCL CSOT Honors or Commendations In 2025



Best Partner, Excellent Quality Award, and Technology Innovation Award
Xiaomi Technology Co., Ltd.



Excellent Quality Award
Vivo Mobile Communication Co., Ltd. (Vivo)



BYD Excellent Quality Award
BYD Company Limited



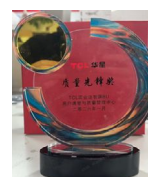
Lenovo Quality Leader Award
Lenovo Group Limited



Excellent Quality Award
OPPO Guangdong Mobile Communications Co., Ltd.



TPV Excellent Quality Award
TPV Technology Limited



TCL Quality Pioneer Award
TCL Industrial Holdings Co., Ltd.



Best Supplier Award
Samsung Electronics Co., Ltd.



CVTE Best Quality Service Award
Guangzhou Shiyuan Electronic Technology Company Limited

This Chapter includes:

86	4.1 Labor and Human Rights	101	4.4 Occupational Health and Safety
92	4.2 Employee Care and Communication	108	4.5 Responsible Supply Chain
95	4.3 Talent Cultivation and Development	114	4.6 Giving Back to Society

ESG Highlights in 2025

0 verified incidents of child labor, forced labor, wage payment arrears, or discrimination.

100% of panel production bases are RBA VAP Silver-certified.

Average training duration per employee: **14.45** hours.

Employee engagement score: 77 points, an increase of **4%** from last year

100% of new suppliers are screened using GP/CSR standards.

0 incidents causing direct economic losses exceeding 1.5 million yuan.

0 incidents of fire, explosion, or major special gas accidents.

employee satisfaction score: 79 points, an increase of **2.6%** from last year.

85.1% of raw material suppliers have signed the Supplier Corporate Social Responsibility Statement.

Suppliers undergoing CSR audits account for **55.6%** of suppliers receiving CSR assessments.

Conflict minerals risk assessment coverage for raw material suppliers reaches **100%**

0 suppliers source minerals from unqualified recycling or non-conformant smelters.

4.0

Harmonious Coexistence

Forging Responsible Value

Guided by the global Sustainable Development Goals, TCL CSOT is committed to building an international, high-standard responsibility management system and creating a harmonious, inclusive, and growing corporate ecosystem. We empower our employees through robust rights protection and growth mechanisms, fostering a collaborative and symbiotic workplace environment. Through responsible procurement and technological innovation, we partner with industry stakeholders to promote value co-creation and resilient development in the Supply Chain, jointly building a sustainable future for the industry.



4.1 Labor and Human Rights GRI 406、407、408、409

Adhering to the core philosophy of "Harmonious Coexistence", TCL CSOT views the protection of employee rights as an intrinsic driving force for the Company's long-term sustainable development. We have established a framework based on international standards to fortify our defenses against Human rights risks and to eliminate the use of Child Labor and Forced Labor. Through institutionalized management, systematic training, and open two-way communication, we actively promote workplace diversity, equality, and inclusion. This approach unleashes employee potential, empowers individual growth, and fosters harmonious and trusting labor relations, enabling both employees and the organization to achieve true coexistence and progress through shared value creation.

Governance

At TCL CSOT, the Human Resources Center coordinates compliance and governance for Labor and Human Rights. An "ESG Labor and Human Rights Working Group" operates under its purview to handle specific execution, forming a matrix management system. The Company follows an operational model of "centralized guidance, comprehensive coverage, cross-regional collaboration, and departmental management" to professionally advance the systematic identification, routine governance, and continuous improvement of Labor and Human Rights issues, thereby effectively safeguarding employee rights and laying a solid foundation for the Company's high-quality, sustainable development.

Strategy and Tactics

TCL CSOT places great importance on protecting Labor and Human Rights, integrating respect for Human rights into the Company's policies and management systems. We are committed to a Labor and Human Rights management strategy of "Protecting Basic Rights" and fostering a "Harmonious and Inclusive Workplace". Based on this foundation, we have developed six key management tactics to systematically implement rights protection mechanisms, providing solid talent and cultural support for the Company's long-term development.

Labor and Human Rights Governance Strategy

Protecting Basic Rights

Risk Management

Compliance Management

Supervision, Execution, and Performance

Harmonious and Inclusive Workplace

Diversity and Equal Opportunity

Promoting Work-Life Balance

Listening to Employee Voices

Risk and Opportunity Management

Guided by a "people-oriented" principle, TCL CSOT is dedicated to safeguarding the rights and dignity of its employees. We have formulated risk control measures focusing on issues such as the prohibition of child labor, anti-discrimination, anti-harassment, freedom of association, and forced labor. The Company continuously conducts specialised training to strengthen labor and human rights management and continuously solidify its core competitiveness.

Continuously Conduct Risk Control

The Company regularly conducts Labor and Human Rights Risk assessments and has established a Risk Management mechanism of "Due diligence—Risk assessment—Mitigation and Remediation" to proactively identify and evaluate potential impacts and risks. Identified risks are managed according to their respective levels to comprehensively protect the fundamental rights of our employees.



Due Diligence

- In accordance with the CSOT Corporate Social Responsibility Internal Audit and Corrective Action Management Standards, an internal audit is conducted at least once a year to review and improve existing issues.
- Each year, the Company responds to due diligence audits conducted by customers, third-party organizations hired by customers, and the government, which drives the Company's continuous improvement.



Risk Assessment

- In accordance with the CSOT Corporate Social Responsibility Risk Management Standards, labor and human rights-related risks are identified quarterly, and the specific level of each risk is determined based on risk assessment criteria.
- For identified risks, corresponding preventive and control measures are established based on different levels, and appropriate procedural and substantive controls are implemented.



Mitigation and Remediation

- When a major risk is detected, the responsible CSR management department promptly implements mitigation, remediation, and other response measures in accordance with the CSOT Corporate Social Responsibility Crisis and Emergency Plan Management.

Labor and human rights risk management mechanism

Establish Compliance System Guarantees

The Company strictly adheres to national laws, regulations, and employment standards in its operating locations, including the *Labor Law of the People's Republic of China*, and has formulated policies such as the *CSOT Labor Management Manual*, *CSOT Corporate Social Responsibility Risk Management Standards*, *CSOT Corporate Social Responsibility Internal Audit and Corrective Action Management Standards*, and *CSOT Corporate Social Responsibility Crisis and Emergency Plan Management* to build a workplace with zero tolerance for Child Labor, freedom of employment, lawful labor practices, and an absence of discrimination and harassment, thereby effectively protecting employees labor rights and professional dignity.

· Implementation of Anti-Child Labor Management

TCL CSOT has formulated and implemented the *CSOT Management Standards on Prohibition of Child Labor*, strictly prohibiting the employment of child labor. During recruitment and onboarding, the Company deploys multiple preventative measures, including manual verification, interview screening, digital comparisons, and HR system checks, and also conducts annual risk identification and assessments for child labor to ensure compliance in employment.

· Improvement of Anti-Forced Labor Management

The Company has formulated the *CSOT Management Standards on Prohibition of Forced Labor*, strictly prohibiting all forms of forced labor. It adheres to the principle of free and voluntary recruitment, does not use any form of indentured, bonded, prison, foreign immigrant, slave, or trafficked labor, and resolutely refuses to cooperate with organizations involved in such practices. The Company conducts annual risk identification and assessments for forced labor. If a suspected case is found or a complaint is received, a level-one response is initiated according to relevant procedures, with prompt remedial and accountability measures taken to genuinely protect labor dignity and create a harmonious environment.

Material Topic	Risk Description	Response and Control Measures
Prohibition of Child Labor	Employment of Child Labor Due to Identity Verification Loopholes	◆ Confirming employee information through manual verification and control via the HR affairs system ◆ Conducting random inspections of employee information in the system ◆ In cases of erroneous hiring due to documentation issues or upon receiving a complaint about the use of child labor, a level-one response is immediately initiated in accordance with the remedial and accountability procedures for child labor management to carry out remedial actions and accountability measures
	Administrative Penalties for Employing Child Labor	◆ All units are encouraged to report any discovery of child labor during employment management at any time, with rewards provided for such reports
	Use of Child Labor by Suppliers/Subcontractors	◆ Conducting supplier CSR audits and training
Anti-forced labor	Requiring or Indirectly Requiring Employees to Pay Deposits, Provide Collateral, or Surrender Personal Documents for Safekeeping Subjecting Employees to Body Searches, Pat-Downs, or Other Inspections That Violate Bodily Autonomy	◆ Improving systems and commitments to explicitly prohibit related risk behaviors and stipulate consequences for violations and remedial measures ◆ Actively conducting employee training on labor policies to raise awareness of anti-forced labor
	Requiring Overtime or Restricting Personal Freedom Under Non-Voluntary Circumstances (Including but Not Limited to Threats of Fines or Dismissal)	◆ Clarifying working hour standards and internal audit mechanisms, strictly distinguishing between work and non-work time, and prohibiting forced overtime ◆ Conducting regular internal special reviews, requiring rectification of identified issues within a specified timeframe, and tracking the implementation effectiveness

· Management of Anti-harassment and Anti-discrimination Treatment

The Company prevents, detects, and eliminates any discriminatory factors through regular interviews, random sampling and etc., establishes sound remedial procedures for victims, protects the confidentiality of victims' personal information and their personal safety, and strengthens training and awareness across all channels to convey the Company's zero-tolerance attitude towards harassment.

Risk Description	Response and Control Measures
Inhumane Treatment Such as Sexual Harassment, Verbal Abuse, and Corporal Punishment	Conducting regular internal special reviews, requiring rectification of identified issues within a specified timeframe, and tracking the implementation effectiveness
Discrimination in Pre-Employment Physical Examinations	Establishing reporting channels, protecting the privacy and personal safety of whistleblowers, and creating remedial procedures
Various Forms of Discrimination in the Labor and Employment Management Process	Clearly stating the commitment to non-discrimination and clauses for severe punishment of offenders in recruitment and related policies



TCL CSOT's special training on labor and human rights

In 2025, the Company newly developed the ESG Special Training — Harmonious Coexistence and Inclusivity course, and updated the ESG Special Training and ESG Special Training – Anti-Workplace Bullying and Sexual Harassment courses. The participation rate for all employees was 100%, which promoted an increase in awareness of labor and human rights among all staff and laid a solid foundation for the Company's high-quality, sustainable development.

Enhancing Internal and External Supervision and Execution

The Company implements an integrated internal and external supervision mechanism for Labor and Human Rights risks. Internally, the Company has established the *CSOT's Ten CSR Red Lines* and the *CSOT Corporate Social Responsibility Performance Goals, Indicators, and Program Management Standards*, which define Labor and Human Rights objectives and assessment indicators, forming a closed-loop system for managing Human rights risk impacts. Externally, the Company proactively undergoes third-party supervision and verification, such as from the RBA, using the results of these audits to validate and improve internal controls and comprehensively mitigate Labor and Human Rights-related risks.

During the reporting period

12 subsidiaries obtained RBA certificates, all with scores above 160, including **7** subsidiaries scoring above 180.

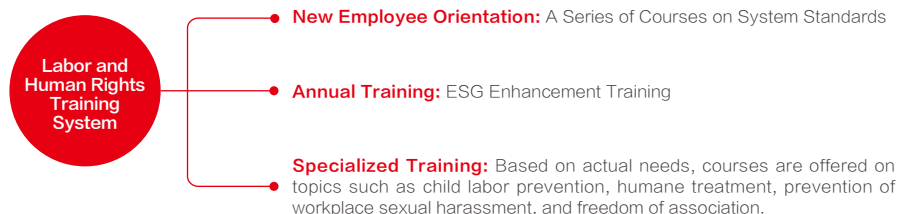
3 subsidiaries obtained SA 8000 Social Accountability Management System certification.

Providing Diverse and Equal Opportunities

The company has integrated the principles of Diversity, Equity, and Inclusion (DEI) into its talent strategy, implementing systems such as the *CSOT Equality, Inclusion, and Diversity Management Specification*, the *CSOT Human Treatment Management Specification*, and the *CSOT Non-Discrimination Management Specification*. These guidelines explicitly prohibit any form of human rights risks in all employment processes and are committed to providing a fair development platform for employees of different genders, ages, ethnicities, health statuses, and those utilizing occupational health services.

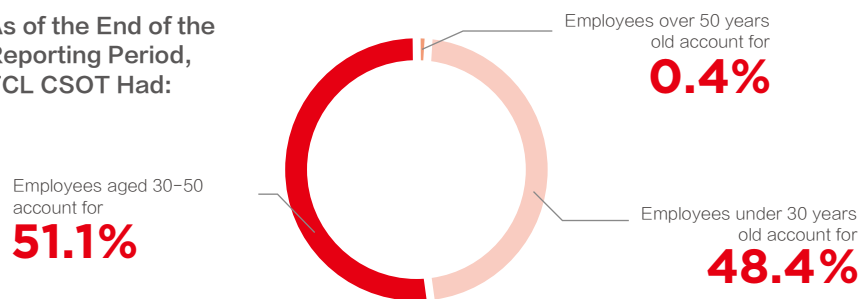
· Enhancement of Labor Rights Awareness

The Company continuously deepens its empowerment of human rights due diligence by building a labor training system that covers core areas such as preventing workplace sexual harassment, prohibiting forced labor and child labor, and ensuring freedom of association. It imparts practical insights and case experience to refine the organization's human rights governance capabilities, embedding the values of respect and equality into the corporate culture and helping the Company improve its human rights responsibility framework and operational governance.



 **Diversity and Equality Goals:** TCL CSOT has set a goal to increase the proportion of female employees to 30% by 2030, continuously enhancing the high level of acceptance for female groups and promoting the Company's equal and diverse development.

As of the End of the Reporting Period, TCL CSOT Had:



· Promoting Equal Development for Women

The Company practices the philosophy of "being seen, heard, and cared for", and has formulated the *CSOT Management Standards for the Protection of Female Employees* to ensure equal employment for men and women, prohibit discrimination against female employees, and provide an equal development environment and opportunities for them. Centered on the "TCL for Her" concept, the Company actively promotes female role models and launches publicity projects such as "Praise the Outstanding Women Around You" to highlight their contributions and exemplary roles. It has also established appointment services and hotlines with internal career planners and psychological counselors and delivers leadership and professional skills courses via e-learning to support the systematic career growth of women.



· Building a Disability-Inclusive Workplace

The Company has formulated the *CSOT Management Standards for the Placement of Employees with Disabilities*, which clearly stipulates that the Company must employ a certain proportion of people with disabilities and provide them with convenient conditions for employment and daily life. It implements fair employment measures for vulnerable groups, actively building a harmonious, inclusive, and equal modern workplace ecosystem.



Accessible facility construction:

The factory is equipped with accessible elevator buttons and dedicated passages for employees with disabilities to ensure convenient mobility and site accessibility.



Care and belonging support:

A promotion channel has been opened for employees with disabilities, and gifts are distributed and visits are made during major holidays to enhance their sense of belonging and engagement.



Employment and skills empowerment:

The 'Star Massage Room' was established to provide free massage services, while also creating a platform for blind technicians to gain employment and self-esteem.

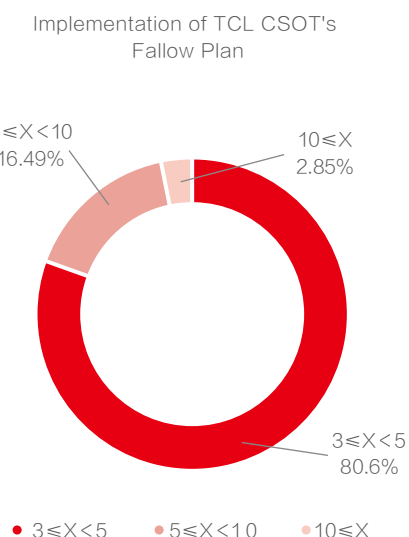
TCL CSOT's equality and inclusion measures for vulnerable groups

Maintaining Work-Life Balance

Employees' well-being and creativity are the core drivers of sustainable corporate development. The company pays close attention to working hours, strives to help employees achieve work-life balance, systematically optimizes working hour management, prevents forced labor risks, and provides comprehensive protection for employees' work-life balance.

Risk Description	Response and Control Measures
Unreasonable work schedule management may lead to excessively long consecutive working days or result in excessive overtime situations	- Managing Overtime Applications Through a Streamlined Process in the Human Resources Management System to Control Overtime Hours - Implementing shift rotation or adjustment systems to guarantee at least one day of rest per week, setting target indicators for weekly working hours and monthly rest days, and conducting regular monitoring. - Establishing Accessible and Confidential Channels for Feedback and Grievances

The Company has established a scientific working hour management mechanism, paying close attention to employees' working hours. Through measures such as the "Rest and Recuperation Plan" and flexible work arrangements, it encourages a balance between work and life. The Company utilizes a lean production system to completely restructure operational processes, introduces an intelligent scheduling system, and builds a pre-approval mechanism for overtime to reduce the risk of forced labor. In daily operations and work, these measures enhance employee happiness and sense of belonging, thereby strengthening cohesion and team spirit. During the reporting period, the Company's "Rest and Recuperation Plan" enabled nearly 30,000 employees to take single leaves of more than 3 days, as detailed below:



Actively Listening to the Voice of Our Employees

The Company values the voice of every employee and continuously improves its system of policies, including the *CSOT Management Standards for Employee Feedback and Participation in Corporate Social Responsibility*. We commit to notifying employees and their representatives in advance before implementing operational changes that may have a significant impact on them, ensuring that communication channels are open and feedback is timely. Company executives connect with employees' voices through multiple touchpoints, gaining deep insights into their needs and thoughts, and fully respecting their rights and expressions.

1 Daily Channels

Local union committee members/employee representatives, suggestion boxes/mailboxes, communication meetings, managers, HRBPs, employee experience ambassadors, etc.

2 Internal Communication Platforms

OA, TiaoT Platform, HR affairs system, etc.

3 ESG Working Group Hotline or Email

0755-86908853,
csot. ESG1@tcl.com.

4 TCL CSOT Reporting/Complaint/Suggestion Express Channel

0755-86905198,
csotjubao@tcl.com

5 Group Reporting/Complaint Express Channel

TCL Party and Mass Affairs Office Union,
TCL Audit and Supervision tclsj@tcl.com
(anonymousreporting available)

6 'Executives on the Frontline' Series

Top-down communication channels such as 'Face-to-Face with Executives,' 'Brother Dong's Livestream,' and manager communication meetings.

TCL CSOT's communication mechanism

The Company has built the "Tiao T" digital employee community platform as a central hub for internal feedback, complemented by a "135 response mechanism". This uses digital means to promote frank communication among employees across nine functional dimensions, including administration, on-site management, human resources, information security, and security protection, ensuring that issues are responded to and resolved in a timely manner.

During the reporting period

the "Tiao T" platform handled a total of **4,279** employee suggestions

with an overall case closure rate of **91%**

1 Working Day
Respond

3 Working Days
Result of Feedback and Follow-up

5 Working Days
Resolve issues

The "135" timely response mechanism

🎯 Indicators and Targets

The development and innovation of an enterprise depend on the support of its talent. The Company actively responds to the UN Guiding Principles on Business and Human Rights and the United Nations Global Compact (UNGC). Based on international initiatives and standards, it is committed to respecting and protecting human rights within its business operations and value chain, thereby promoting the achievement of the Company's labor and human rights goals.

TCL CSOT's Ten Commitments to Labor and Human Rights

- ✓ Comply with the Requirements of Labor Organizations and Ensure Zero Incidents of Child Labor
- ✓ Respect the Voluntary Choices of Employees and Ensure Zero Incidents of Forced Labor
- ✓ Pay Employee Wages in Full and on Time, and Ensure Zero Incidents of Wage Arrears
- ✓ Control Weekly Working Hours
- ✓ Ensure 100% of Employees Enjoy the Right to Rest and Leave, Respecting Their Work-Life Balance
- ✓ Achieve zero incidents of discrimination, advocate for diversity and inclusion, and oppose all forms of discrimination
- ✓ Achieve Zero Incidents of Inhumane Treatment, Ensuring Employees Work in a Dignified and Safe Environment
- ✓ Support Employees' Freedom of Association and Encourage Participation in Union Activities
- ✓ Gradually increase the proportion of female employees, commit to gender equality, and ensure equal opportunities for women in the workplace
- ✓ Achieve 100% ESG Training Coverage to Enhance Employee Awareness and Participation in ESG Issues

Key Performance

Verified Incidents of Child Labor, Forced Labor, Delayed Wage Payments, and Discrimination

0 Cases

Total Training Hours on Labor and Human Rights for All Employees

100,108 Hours

Participation Rate in Labor and Human Rights Training for All Employees

100%

Number of Subsidiaries Audited Under RBA VAP

12 Subsidiaries

Number of Subsidiaries with an RBA VAP Certification Score Over 180

7 Subsidiaries

Percentage of Panel Production Bases with RBA VAP Silver Certification

100%

4.2 Employee Care and Communication GRI 402

TCL CSOT adheres to a "people-oriented" philosophy, viewing employee care as a vital extension for safeguarding basic rights and interests. The Company consistently prioritizes Employee Satisfaction and well-being, implements a human rights strategy for a harmonious and inclusive workplace, ensures open channels for employee feedback and participation in improvements, fosters a workplace atmosphere of mutual trust and respect, and consolidates employee strength to promote the co-creation of value and shared prosperity for both individuals and the organization.

Care for Female Employees

The Company places great importance on caring for female employees, having built a female-friendly support system that includes differentiated benefits and a three-stage care process. All sites are equipped with nursing rooms to meet the needs of employees at different stages of pregnancy and provide maternal care. Additionally, the Company regularly organizes "March 8th" (International Women's Day) themed events, distributes holiday gifts, and arranges health lectures and free clinics. It also runs the "Ai Xing" childcare program to help employees balance work and life, demonstrating the corporate philosophy of being people-oriented and promoting Harmonious Coexistence. During the reporting period, a total of 33,275 employees were entitled to parental leave, including 9,011 female employees and 24,264 male employees.

During the Reporting Period

The return-to-work rate for employees
after parental leave reached

99.2%

with a retention rate of ¹⁵

86.4%



Three-Stage Care

- ☒ Priority Seating on Shuttle Buses
- ☒ Priority Tables and Chairs for Dining
- ☒ Priority in Dining Queues
- ☒ Flexible Work Breaks
- ☒ Management of Job and Shift Transfers
- ☒ Access to Nursing Rooms



Marriage and Childbirth Policies

- ☒ Marriage Leave
- ☒ Prenatal Check-Up Leave and Maternity Leave
- ☒ Paternity Leave
- ☒ Lactation Leave
- ☒ Parental Leave (for Both Parents)
- ☒ Cash Gift for the Birth of a Third Child



Related Benefits

- ☒ Holidays for Specific Employee Groups
- ☒ Annual Leave and Periodic Rest Plan
- ☒ Caregiver Leave and Paid Sick Leave
- ☒ Family Day and "Xing Tuo" Daycare Classes
- ☒ Starlight Housing Program
- ☒ Commercial Insurance and High-Value Medical Coverage

Mechanisms to Promote Work-Life Balance for Female Employees

¹⁵ Retention Rate = (Total number of employees still employed 12 months after returning from parental leave / Total number of employees who actually returned from parental leave in the previous year) x 100%



TCL CSOT launches a special feature on women's health and wellness

From August to November 2025, TCL CSOT launched a series of health check-up Q&A sessions and health knowledge promotional activities in Guangzhou, Shenzhen, Huizhou, Suzhou, and other locations, focusing on "women's health and wellness" to provide comprehensive care for the physical and mental health of its female employees, which is a concrete manifestation of the Company's commitment to its "Live Well, Work Well" employer philosophy.



Women's health check-up Q&A session



TCL CSOT launches the "Daycare Class" to support employee families

In July 2025, the TCL CSOT Labor Union launched the "Daycare Class" to provide childcare and educational services for dual-income families. The program employs scientific class assignments and small-class management, offering courses such as academic tutoring, quality development, and safety education, while also collaborating with community resources to organize public welfare activities, achieving "zero safety incidents" and "zero complaints" during the daycare period, thereby genuinely practicing the "Live Well, Work Well" employer value and demonstrating the Company's comprehensive care for its employees.



The TCL CSOT "Daycare Class" summer camp

Employee Care

The Company places a high value on employee well-being, promoting various humanistic care policies and measures. It advocates for a positive and healthy lifestyle by encouraging employees to maintain a balanced diet, engage in moderate exercise, and keep regular schedules. The Company also organizes sports competitions and other activities to meet the material and spiritual needs of employees in their work and life, creating a happy and harmonious work environment and enhancing the cohesion of all staff.

TCL CSOT recognizes that employees are the core driving force behind the company's sustainable development. To embody the spirit of "collaboration and unity" and create a fertile ground for talent cultivation, the company's labor union has established a diverse system of sports and cultural associations. This system covers nine major associations, including badminton, basketball, soccer, dance, photography, yoga, outdoor activities, tennis, and marathon. Guided by the principle of "employee-initiated, union-supported, and all-staff participation," the associations regularly organize leagues, workshops, and external exchange competitions. These activities effectively alleviate employee stress, promote physical and mental well-being, refine team synergy through collaboration, and stimulate organizational vitality through collective engagement.



TCL CSOT badminton tournament and daily training sessions of the Badminton Association



TCL CSOT Labor Union employee football league



"Summer Cool-Down" care campaign

In July 2025, the TCL CSOT Labor Union launched the "Summer care" campaign in locations including Shenzhen, Guangzhou, Huizhou, Wuhan, and Suzhou, reaching a total of 43,000 employees. The Labor Union, in collaboration with the administrative team, provided heat-relief supplies such as cool drinks, custom ice treats, and fresh fruit. This initiative also incorporated procurement from agricultural support programs, effectively protecting the health of employees in high-temperature positions and conveying organizational care.



TCL CSOT's Summer Cool-Down" care campaign



The 16th anniversary "Starlight Run" embodies a spirit of progress

In June 2025, the Company organized the 16th-anniversary themed event, "Running Towards the Light, A Starlight Start", across multiple sites, attracting over 2,200 employees. This event deeply integrated sports competition with Corporate Culture, consolidating the team's firm momentum towards high-quality development.



The "Running Towards the Light, A Starlight Start" themed event

Communication and Feedback

The Company actively listens and responds to employee suggestions and needs, fostering an open and trusting communication environment. It respects employees' rights to freedom of association, collective bargaining, and peaceful assembly. The Company has formulated the *CSOT Employee Complaint Handling Management System* and established formal employee grievance channels to manage feedback by category, ensuring that all grievances are resolved promptly.

The Company is committed to protecting complainants, ensuring that no one faces retaliation for legitimate complaints, and imposes severe penalties for retaliatory actions. In serious cases, judicial authorities may be requested to pursue legal liability in accordance with the law. Additionally, the Company regularly holds employee symposiums to protect employees' rights to be informed, participate, express their views, and supervise, thereby providing a vital channel for employee opinions and suggestions.



Employee Grievances

- Verbal and Written Email Complaints to Director Indirect Supervisors.
- Verbal, written, and email complaints to the Company's Human Resources Department; the receiving email address is: csotjubao@tcl.com



Other Complaints

- Written Complaints to the Company's Human Resources Department.
- Anonymous Complaints via Email or the Employee Suggestion Box.

Employees' Welfare and Benefits

Building on statutory benefits, the Company has established five main benefit pillars—"food, transportation, housing, enjoyment, and health"—to create a unique 360° Welfare and Care System. This system provides multi-layered employee benefits that cover work, life, and health needs, laying a foundation for strategic competitiveness in attracting and retaining talent.

360° Welfare and Care System



- Meal Allowance
- Company Cafeteria



- Free Shuttle Bus



- Interest-Free Home Purchase Loan
- Company Dormitory



- Employee Discounts for Shopping Company Cafeteria
- Holiday Gifts
- Full-Pay Sick Leave
- Regular and Year-End Team-Building Activities
- Company Facilities Such as a Cinema, Gym, and Dance Studio
- Association Clubs for Dance, Yoga, Badminton, Etc.



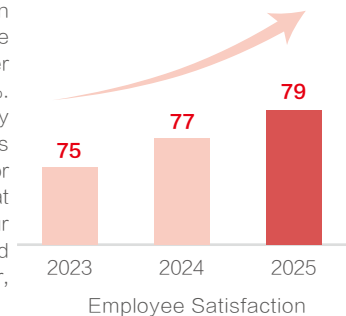
- Commercial Insurance for All Employees
- Bi-Annual Selection for Million-Dollar Medical Insurance
- Medical Assistance for Critical Illnesses
- Maternity Cash Gifts
- Annual Physical Examination
- EAP Mental Health Activities

System Foundation

Five Social Insurances and One Housing Fund, Statutory Holidays (Public Holidays, Annual Leave, Marriage/Maternity Check-Up/Maternity/Nursing/Paternity/Sick Leave, Etc.)

Statutory Benefits

Engagement and satisfaction surveys are a crucial tool for understanding our employees. The Company has built an evaluation system covering 17 dimensions and conducts these surveys annually. This year's survey was distributed to over 33,000 employees, achieving an effective response rate of 94%. Based on the quantitative assessment results, the Company prepared the 2025 Engagement and Satisfaction Survey Results and Improvement Plan, proposing improvement suggestions for common issues and setting clear timelines. This ensures that rectification measures are solidly implemented, deepens our understanding of employee sentiments, enhances cohesion, and guarantees that support initiatives are put into practice. This year, the satisfaction score was 79%, up 2.6% from last year.



Employee symposium to gather feedback

In April 2025, the TCL CSOT Labor Union held an "I Want to Hear from You" employee symposium, attended by 20 employee representatives. Focusing on topics such as office facilities, catering, accommodation, and commuting, the event collected and responded to 67 opinions and suggestions through a combination of online pre-collection and on-site Q&A, with responsible parties and resolution deadlines clearly defined. This effectively protected employees' rights to be informed, participate, and supervise, and promoted the implementation of an "employee-centric" philosophy.



Employee symposium



Launching the "Starlight Housing Program" to Help Employees Settle Down and Thrive

To assist employees in alleviating the burden of home ownership and realizing their dream of settling down, TCL CSOT introduced the "Starlight Housing Program". This housing benefit policy provides interest-free loans for home purchases to employees who meet service-tenure and performance requirements, effectively easing the pressure of down payments and enabling employees to truly "settle down and thrive". In 2025, the plan benefited 62 employees, with interest-free loans totaling 27.707 million yuan disbursed. Since 2015, the plan has benefited 1,423 employees, with cumulative interest-free loans amounting to 480 million yuan.



Starlight Housing Program

4.3 Talent Cultivation and Development

GRI 201、203、401、404、405

TCL CSOT's core talent development strategy is to "attract top-tier talent globally, forge cadres through real-world challenges, temper talent through experience, and direct opportunities and resources toward first-class individuals". The Company has established corresponding development plans for new hires, management cadres, and professional technical staff, continuously strengthening top-level design and broadening channels for talent learning and development. Furthermore, we focus on the four core dimensions of "Talent Attraction, Growth Empowerment, Performance Evaluation and Promotion, and Compensation and Benefits" to build a support and cultivation system that covers the entire employee career life cycle, creating a developmental ecosystem where employees and the enterprise grow together.



Talent Attraction and Retention

The Company deeply understands that talent is the key to maintaining a sustainable competitive advantage in the market. Adhering to the philosophy of "attracting and cultivating first-class talent on a global scale", it continues to use workforce planning as a guide, constantly improving systems and processes such as annual workforce planning, allocation management, and talent selection. It customizes and implements recruitment strategies for different talent groups to build a long-term talent Supply Chain. At the same time, the Company has innovatively proposed the "Specialized Casting Program", which focuses on key tasks and brings industry "experts" to forge TCL CSOT's talent team and technical capabilities through multiple approaches such as internal development, external recruitment, and external collaboration. This supports the success of the hundred-billion-level business strategy and enables the company to achieve global leadership.



Talent Acquisition and Retention Management Initiatives

Employee Appraisal and Promotion

The Company values talent retention and promotion, building transparent promotion channels oriented by performance. It has revised the *CSOT Staff Performance Management System* and the *CSOT On-site Performance Management System*, and added new policies such as the *CSOT Skilled Talent Performance Management System* and the *CSOT Employee Rewards and Punishments Management System*. These measures ensure that employees receive fair and equitable development opportunities, enhance their sense of belonging, and create a sustainable talent ecosystem.

Implementation of Performance Appraisal, Supporting Employee Development

The Company has established a performance management system covering four key stages: "performance planning, performance coaching, performance evaluation, and performance feedback". It emphasizes the management principle of "focusing on contributions from proactive efforts, strengthening ongoing communication, and continuous improvement". The Company implements a differentiated performance appraisal mechanism for different employee groups, with "monthly reviews for on-site employees and annual reviews for other employees". Through performance communication meetings, it stays informed about employees' work, customizes improvement plans, and helps employees clarify their development paths and break through personal capability limits. During the reporting period, **34,206** employees received regular performance management and career development reviews, needs and thoughts, and fully respecting their rights and expressions.



Performance Appraisal and Evaluation Process for Current Employees

Streamlining Career Development Pathways, Unleashing Talent Vitality

The Company has formulated the *the CSOT Staff ECP Standard Regulation and the CSOT Staff ECP Management Regulation*, which include a dual-track model for "management channel" and "professional channel" and provide a path for on-site employees to transition between career channels, thereby broadening their career development space. During the Reporting Period, the internal employee promotion rate reached 24%, with 3,058 individuals promoted.

During the reporting period

the internal employee promotion rate reached **24%** with **3,058** individuals promoted

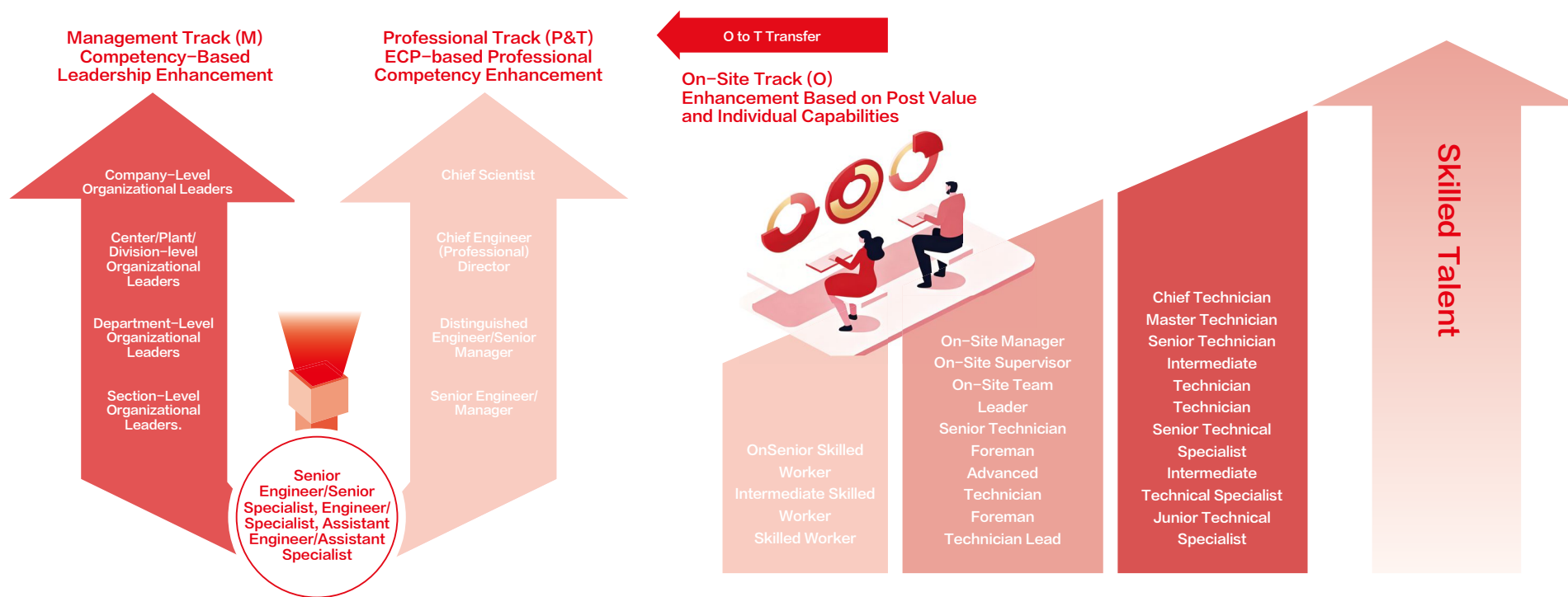
The Company conducts career training for skilled talent and new employees, respectively, to help them find matching career paths.

For skilled talent

the Company custom-developed the Career Development Planning for Skilled Talent course, which has a total duration of 6 hours. A total of 3 professional training sessions covered 200 skilled personnel

For new employee

the Company helps them understand how to plan their personal development paths through ECP and accelerate their career growth by introducing career development channels and promotion criteria. This training covered 2,599 people for a total of 628.68 learning hours.



"Management + Professional" dual-track development mechanism

🎯 Talent Cultivation and Development

The Company has built a diversified training system that is "demand-oriented, layered in design, and comprehensive in coverage". It customizes suitable training programs and development plans for different groups, activates talent potential through scientific planning, and empowers employee development by combining online courses with practical exercises to enhance team professionalism.

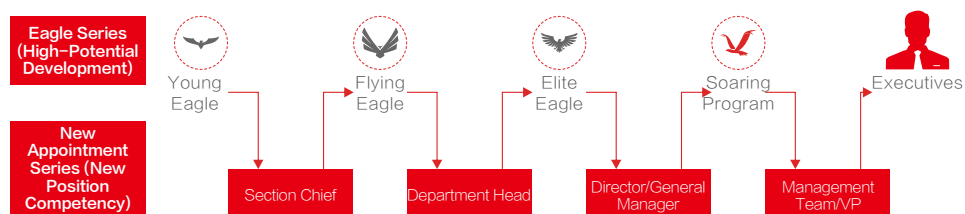
During the reporting period

Invested a total of **15.40** million yuan in employee training with a total training duration of **678,390** hours Training was provided to a total of **46,962** participants

with an average of **14.45** training hours per person achieving a **100%** employee training coverage rate

Eagle Series Training Program

The Company has established the "Eagle Series" talent training system and refined training plans based on job ranks. Through differentiated and customized training courses, it helps employees grow and succeed. Concurrently, the Company collaborates with professional talent from various business units to create four specialized academies for R&D, manufacturing, product development, digitalization, and more, strengthening empowerment based on business and strategy to create an ecosystem where employee development and company value grow together.



Ongoing Development: Leadership Combat Effectiveness Enhancement and Leadership Empowerment



Eaglelet training camp program



Flying eagle training camp program

In addition, the Company values the professional and competency enhancement of its employees, continuously strengthening the construction of core talent pipelines and the quality of management cadres. It encourages employees willing to advance their education to independently apply for EMBA programs and provides tuition assistance, further strengthening the Company's mid-to-senior-level talent, and driving the continuous enhancement of organizational capabilities.

Building an On-site Employee Training and Development System

The Company has implemented a systematic training plan for its on-site employees, including management skills and professional abilities. By integrating internal company policies with resources from school-enterprise cooperation, it provides special subsidies for on-site employees pursuing higher education, supporting their career development and skill advancement.

Management Skills Training

"Bedrock Program"

Utilizing a "online learning + offline instruction + practical application" model to help team leaders quickly master management skills, having cumulatively trained over 400 outstanding team leaders.

Lean Team Leader Training

During the Reporting Period, the Company conducted a total of 7 sessions of lean training for front-line team leaders, combining "lean management theory + practice". This covered 2,300 skilled personnel, creating lean teams that meet CSOT's requirements.

Gold Medal Team Leader Sharing and Exchange

Four Exchange Meetings Are Held Annually to Share and Learn from Front-Line Management Systems and Practical Cases at Different Sites or Enterprises.

Professional Skills Training

Star Craftsman

During the Reporting Period, the Company held over 50 craftsman competitions covering more than 5,000 people, and also organized 4 sharing sessions featuring Gold Medal Team Leaders and Five-Star Craftsmen.

Professional Skill Level Certification

Supporting Employees in Obtaining Job Skill Certifications, National Skill Level Certifications, and Other Credentials.

Multi-Skilled Worker Training

Multi-Position Development
Multi-Skilled Worker Selection + Training + Certification.



TCL CSOT launches "Foundation Strengthening Program 2.0"

In 2025, the Company continued to deepen the Foundation Strengthening Program 2.0. Through systematic job analysis, it optimized the end-to-end management processes for team leaders, refined learning maps and competency standards for technician and operator positions, and organized various initiatives such as craftsman competitions and lean training for team leaders and supervisors. In addition, the "Dream Support Program" provided a total of RMB 225,300 in tuition fee subsidies. These efforts effectively reduced the employee turnover rate and steadily improved employee satisfaction.

© Compensation and Benefits System

Compensation and Benefits are core elements and strategic levers of corporate competitiveness. The Company adheres to the management principles of "basing rank on position, basing pay on rank, and rewarding based on performance". Guided by market-orientation, performance-orientation, and long-term incentives, it promotes transparency and fairness in compensation distribution, enhances organizational competitiveness and employee sense of belonging, and drives the mutual growth of the enterprise and its employees.

TCL CSOT's Compensation Strategy

Total Compensation Orientation

Based on the principles of market orientation, fairness, and sustainability, the Company has established a compensation and benefits system that aligns with its corporate strategy and development stage, ensuring equal pay for equal work for both men and women.

Incentive Linkage

Compensation is deeply linked with talent strategy, performance management, and career development channels to promote the optimization of the talent structure and enhance organizational competitiveness.

Stable Adaptation

The Company participates in global compensation surveys annually, referencing GDP, CPI, industry best practices, and corporate performance to regularly conduct annual compensation maintenance, ensuring the market relevance and stability of its compensation.

Optimizing Sustainable compensation

In its *CSOT Salary and Remuneration Management Standards* and other policies, the Company explicitly stipulated that employee salaries must comply with the latest local minimum wage standards. The company provides accessible pay statements and open feedback channels to ensure salary compliance. The Company regularly conducts salary reviews, stays informed about local minimum wage standards, and progressively increases compensation and benefits in accordance with domestic and international requirements and company development, enabling employees to live with dignity, attracting more talents and strengthening the enterprise's talent foundation.

The Company adheres to the principle of equal pay for equal work and has made substantial progress in gradually narrowing the gender pay gap. It will continue to deepen its efforts in equal pay in the future, ensuring equality for women in development and remuneration, and promoting fair compensation and long-term talent retention.

Implementing Incentive Mechanism for Employees

In its CSOT Salary and Remuneration Management Standards and other policies, the Company explicitly stipulated that employee salaries must comply with the latest local The Company has established a three-tiered incentive system comprising "annual bonuses, in-process incentives, and long-term incentives" to promote talent retention and value co-creation. In 2025, the Company implemented the equity incentive plan for 2024, significantly expanding the scope of its long-term incentives to cover over 3,000 people. For the first time, skilled frontline personnel were included in the benchmark incentives, with shares distributed to 93 outstanding skilled professionals, thereby strengthening talent retention and skill succession through institutionalized long-term motivation.



Annual Bonus

Guided by the 'Acquire and Share' system, employees are encouraged to collectively grow the Company's value, with distributions based on current contributions and performance. From an overall income perspective, this system favors actual contributors and support employees on rotation, secondment, or with concurrent roles.



In-Process Incentives

Focusing on key projects and goals within the year, timely incentives combining both material and honorary reward are given to successful teams and outstanding individuals.



Long-Term Incentives

Balancing current contribution and future potential, with a focus on motivating cadres, core talents, and skilled personnel, to be settled in TCL Technology shares.

The Company organizes annual commendations, performance evaluations, and bonus incentives, establishing annual awards for both teams and individuals. Special awards are also created each year based on specific circumstances to continuously reinforce a culture of role models and foster an organizational atmosphere where employees feel "seen, recognized, and motivated".

Key Performance

awards were presented for **8** company-level outstanding projects, **40** outstanding teams, and **710** outstanding individuals

Group-level awards included **696** outstanding employees, **50** Starlight Awards, **55** Gold Foremen, **600** Five-Star Craftsmen, and **24** Outstanding Managers

4.4 Occupational Health and Safety GRI 403

TCL CSOT recognizes that safety serves as the bottom-line capability to ensure production continuity and support stable global operations. Centered around the three strategic pillars of risk management, safety culture, and , the Company promotes the digital and intelligent upgrading of safety management. It systematically enhances capabilities in risk prediction, emergency response, and daily prevention and control to create a safe and healthy work environment for its employees.

Governance

TCL CSOT strictly adheres to the requirements of laws and regulations such as *the Work Safety 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*, and has established an occupational health and safety management system based on ISO 45001 that covers all employees and contractors.

During the reporting period

14 subsidiaries of TCL CSOT obtained ISO 45001 certification¹⁶, with the occupational health and safety management system achieving **100%** coverage at panel and module production bases, encompassing **33,168** employees.¹⁷

The Company has established a EHS Management Committee, chaired by the CEO and composed of representatives from various responsible units and employees, which holds regular quarterly meetings to coordinate EHS strategic planning and major decision-making. Each year, the committee issues annual occupational health and safety targets to all bases and signs EHS responsibility statements. A closed-loop management mechanism of "target setting, execution assessment, and performance accountability" is formed by linking monthly performance evaluations to management's performance, ensuring that responsibilities are solidified at every level and measures are effectively implemented.

¹⁶ Guangdong Juhua is a research and development subsidiary and has not yet obtained ISO 45001 certification.

¹⁷ The Company's occupational health and safety management system encompasses contractors. In 2025, we conducted occupational health and safety induction training for contractors totaling 32,932 person-times, achieving 100% coverage of the contractors.

Executive Committee

Responsible for approving EHS strategic plans and major investment decisions, providing top-level resource guarantees and performance supervision for safety and environmental protection work.

TCL CSOT EHS Management Committee

Coordinates the Company's EHS strategic deployment and major decision-making, issues annual targets and implements performance assessments, and promotes closed-loop management.

EHS Management Committee at Each Base

Implements the Company's EHS goals and systems, and organizes the execution of tasks such as risk control, hazard identification, and occupational health protection.

Plant-Level Four-Color Risk Map

The Company has formulated and implemented a series of policy documents, including the *CSOT EHS System Management Manual*, *CSOT Occupational Health Monitoring Management Procedures*, *CSOT Fire Safety Management Regulation*, *CSOT Safety Risk Tiered Control Management System*, and *CSOT Hazard Identification and Management Procedures*. These documents systematically establish an EHS management system covering key areas such as tiered risk control, hazard identification, health surveillance, and fire safety, ensuring both compliant operations and the comprehensive safety and health of employees.

🎯 Strategy and Tactics

With the EHS vision of "becoming a safe and green display company loved by employees, trusted by customers, and recognized by society", TCL CSOT has set a goal of "zero accidents, zero interruptions, and zero injuries" and developed an EHS strategic map centered on the three pillars of risk management, safety culture, and digitalization.



🔒 Fortifying Workplace Safety through Enhanced Risk Control

TCL CSOT strictly follows the Plan-Do-Check-Act (PDCA) closed-loop management principle to continuously improve its safety risk identification and control system. Through various methods such as on-site inspections and employee feedback, the Company regularly conducts risk identification, implements corrective measures, and pursues continuous improvement to thoroughly investigate safety hazards and ensure a safe and controllable workplace.

Safety Risk Type	Response Measures	Number of Hazards Identified in 2025	Unit
Fire Safety Risk	- Comprehensive configuration of various fire protection system hardware, oxygen detectors, and emergency supplies. - Annual fire facility inspections and routine special checks to ensure the effectiveness of fire protection equipment. - Upgraded control in key fire-prone areas with the installation of very early warning and rapid response systems.	25,321	case
Equipment Safety Risk	- Establishment of a lockout/tagout system for equipment safety; regular inspection of safety interlock devices to ensure intrinsic safety and reliability. - Maintenance of special equipment files, regular inspections and testing, and commissioning of qualified units to perform preventive maintenance on elevators. - Establishment of a pipeline and valve inspection system; installation of leak detection alarms and interlock devices. - Special enhanced control measures for high-risk equipment and facilities.	30,992	case
Chemical Safety Risk	- Standardized management for on-site operations involving specialty gas chemicals, with detection alarms and anti-leakage devices installed. - Implementation of the "five-dual system" (dual-person storage, dual-person collection, dual-person use, dual-person accounting, and dual-person dual-lock) for highly toxic, precursor, and explosive chemicals. - Provision of emergency rescue facilities and supplies; clear definition and regular drills of emergency response procedures.	12,345	case
Electrical Safety Risk	- New equipment must pass SEMI F47 voltage sag standard tests, and an emergency power restoration process must be established. - Install short-circuit/overload protection devices, regularly replace spare parts, and periodically inspect insulation.	20,598	case
Personnel Behavioral Risks	- Operators must be certified for their roles (specialized operations/forklifts) and strictly adhere to standardized operating instructions. - Appropriate personal protective equipment (PPE) must be worn according to the specific scenario, and a dynamic management system of spot checks and inspections is established.	35,692	case
Process Management Risks	- Strictly implement the work permit application system and conduct full-process safety supervision. - Conduct qualification audits for outsourced units and establish a systematic safety supervision mechanism for related parties.	106,142	case



TCL CSOT Implements Multiple Engineering Control Measures to Build an Inherent Safety Defense Line

In 2025, the Company implemented multiple engineering control measures targeting key hazardous sources and risk factors identified at the production site, achieving source-based management of safety risks through technical means. The specific measures include:

· Deployment of Forklift AI Anti-Collision System

Integrates facial recognition, sensors, AI vision, and radar automatic braking technology to enable access control, mandatory seatbelt use, behavioral warnings, and intelligent anti-collision, thereby eliminating operational errors and reducing the risk of collisions between people and vehicles.

· Optimization of Packaging Machine Safety Interlock Devices

The front roller chain drive was removed and replaced with a non-powered device; the operating mode was changed from a single-button to a dual-button simultaneous start, effectively eliminating the risks of entanglement and pinch injuries from incorrect operation.

· Advancement of Source-Shielding Modifications for X-Ray Radiation Sources

By adding an anti-static coating to the exposure machine stage to eliminate static electricity, this new method replaces the original static treatment process, eliminating health and safety risks from radiation for operators at the source.

Advancing Smart Safety Transformation to Safeguard Employee Health and Safety

Driven by AI and data, TCL CSOT is reshaping its safety management system, continuously advancing the digitalization and intelligent upgrading of safety risk prevention and control, and shifting from passive response to proactive prediction and precise intervention to effectively ensure employee health and production safety.



TCL CSOT Builds the "Anxiaoxing" EHS Intelligent Agent, Transitioning from "Human Defense" to "Intelligent Defense"

TCL CSOT continues to advance the digital transformation of production safety by building the "Anxiaoxing" EHS intelligent agent, which provides an intelligent window for all employees to efficiently access safety business processes and regulations (efficiency increase $\geq 50\%$), achieving an upgrade from "human defense" to "intelligent defense". The system is designed to perfect five core functions: intelligent emergency coordination, safety business consultation, safety skills guidance, personnel behavior warning, and safety risk analysis, covering the end-to-end needs of managers, on-site employees, and EHS personnel. Real-time data monitoring and intelligent analysis help the Company enhance its risk identification efficiency and emergency response capabilities, reduce on-site violation risks, and propel safety management towards greater precision and intelligence.



TCL CSOT Builds a Digitalized Dynamic Risk Map to Drive Precise Safety Risk Management

In 2025, to address the pain points of traditional risk management, such as reliance on manual offline confirmation and the inability to monitor and update risk statuses in real time, the Company developed an online dynamic risk map system to achieve digital presentation and real-time dynamic updates of four-color risk maps at the plant and workshop levels. The system supports risk level determination, risk distribution visualization, and automatic push notifications for escalation warnings, driving the transformation of safety management from post-incident response to pre-incident prevention and from static control to dynamic awareness. The full implementation of this system is expected to reduce the accident rate by 20%, effectively mitigate compliance risks, and significantly enhance the sophistication and intelligence of safety management.



Plant-Level Four-Color Risk Map



Workshop-Level Four-Color Risk Map

Strengthening Occupational Health Systems to Protect Employee Physical and Mental Health

TCL CSOT strictly complies with the requirements of relevant laws and regulations such as the *Law of the People's Republic of China on the Prevention and Control of Occupational Diseases* and the *Provisions on the Supervision and Administration of Occupational Health at Workplaces*, has formulated the *CSOT Occupational Health Monitoring Management Process*, and has established a health management system covering both physical health protection and mental health support.

Physical Health Protection

- Annually commissions third parties to conduct occupational hazard factor testing and status assessments.
- Conducts equipment safety risk investigations and upgrades occupational health protections based on identified hazards and risk factors.
- Provides occupational health examinations and standardizes procedures for pre-employment, in-service, post-employment, and emergency check-ups; employee examination results are for their personal viewing only, and the Company maintains the confidentiality of employee health information.
- Implements preventive monitoring and dynamic tracking management for positions with occupational disease hazards

Mental Health Support

- Establishes an EAP psychological care mechanism.
- Equipped with 6 counseling rooms to provide psychological counseling services for employees.
- Conducts annual psychological health screenings for all employees.
- Holds quarterly mental health lectures.
- Promotes and popularizes mental health knowledge among employees during "mental health month".



The Company has established a work-related injury and harm handling mechanism that classifies injuries into three levels based on severity—minor, moderate, and major, —and specifies corresponding initial response plans, medical referral guidelines, and reporting procedures.

Minor Injuries

(Such as Skin Redness, Minor Pain, or Bleeding)

Must Be Reported to Section-Level Management Within 30 Minutes

Moderate Injuries

(Such as Limited Limb Mobility)

Must Be Reported to Department-Level Management Within 30 Minutes

Major Injuries

(Such as Fractures, Deep Trauma, or Coma)

Must Be Reported to Director-Level Management Within 30 Minutes

Enhancing Safety Emergency Systems and Constructing a Robust Disaster Prevention Framework

To fortify the final line of defense in disaster prevention and mitigation, TCL CSOT systematically enhances its emergency response capabilities, the reliability of its equipment and facilities, the professional response capacity of its Emergency Response Team (ERT), and the disaster prevention and relief awareness of all employees. The Company has formulated and implemented the *CSOT Accident Investigation and Handling System*, which classifies and grades emergencies, clarifies accident investigation procedures and closed-loop management principles, and ensures that corrective actions and lessons learned are implemented for every incident.

TCL CSOT has established an Emergency Response Center (ERC) and formed both full-time and part-time Emergency Response Teams (ERTs) that operate on a 7x24 basis. Through special initiatives such as regular emergency drills, strengthened preventive maintenance of equipment and facilities, ERT skills competitions, and the promotion of CPR certification for all employees, the Company continuously improves its emergency management system covering the entire process of prevention, preparedness, response, and recovery, thereby comprehensively enhancing the coordinated response effectiveness for emergencies.



Shenzhen CSOT Conducts an Electrical Fire Emergency Evacuation Drill

During Fire Safety Promotion Month in 2025, Shenzhen CSOT, in collaboration with the Tangjia Fire Brigade, conducted an electrical fire emergency evacuation drill. Centered on the theme "Fire Safety for All, Life First—Safe Use of Fire and Electricity", the drill simulated a sudden fire outbreak, with all personnel responding swiftly and evacuating to a safe assembly point in an orderly manner within 8 minutes. ERT members and the fire brigade collaborated to demonstrate fire hazard response and a ladder rescue, effectively enhancing the fire safety awareness and self-rescue capabilities of all employees.



Shenzhen CSOT Fire Evacuation Drill Site



The 6th TCL CSOT ERT Skills Competition in 2025

In November 2025, TCL CSOT held its 6th ERC Skills Competition, with 6 teams participating from its bases in Wuhan, Shenzhen, Suzhou, Huizhou, Guangzhou, and the IPS base. The competition featured practical events such as an obstacle course, stretcher first aid, and high-rise water deployment from a fire truck to test the emergency response capabilities of each base. All teams demonstrated rapid and professional emergency response skills, with Wuhan CSOT emerging as the champion. The competition served as a practical training exercise, effectively enhancing emergency response capabilities and strengthening the Company's safety defenses.

80m Obstacle Run



Stretcher First Aid



Fire Truck High-rise Water Spraying



Scene from the ERT Skills Competition

Strengthening the Foundation of Safety Culture to Enhance Employee Safety Awareness

TCL CSOT places great importance on enhancing the safety awareness and skills of all employees, has established and strictly implements the CSOT Safety Training Management Procedures, and has built a comprehensive training matrix that includes:

Hierarchical education

Covers new employee orientation training, annual refresher training for all employees, and safety leadership enhancement training for mid-to-senior level managers.

Specialized empowerment

Conducts certification training for personnel engaged in specialized operations such as working at heights, hot work, and forklift operation, and provides various specialized safety skills education tailored to production characteristics to ensure that personnel capabilities match job risks.

Daily communication

In daily communications and safety awareness campaigns, employees are clearly informed of their right to evacuate on their own if they believe the work environment could cause injury or health problems, without facing any penalty for doing so.

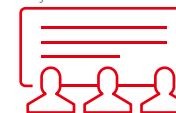
TCL CSOT highly values employee participation in safety governance and is committed to fostering a cultural atmosphere where "everyone participates in safety". Through a combination of online and offline channels, the Company has built a systematic framework for collecting and responding to employee safety suggestions.

Multi-channel suggestion collection

The Company has set up an online platform called "Got a Suggestion? Scan the Code!" and offline "Safety Suggestion Boxes" covering key areas such as footbridge entrances, canteen entrances, R&D corridors, and manufacturing departments to ensure employees can report safety hazards or management suggestions anytime, anywhere. The Company protects the personal privacy of employees who provide suggestions and prohibits any form of retaliation.

Efficient coordination and corrective action response

The Company's EHS Management Committee has established a closed-loop process of "rectification, response, and satisfaction follow-up" for collected suggestions, covering various dimensions including security, fire safety, electrical safety, health, and community life.



Transparent disclosure and incentives

The Company regularly publishes the Employee Safety Suggestion Bulletin, publicly sharing before-and-after photos of rectified safety issues and the results of satisfaction follow-ups with all employees. For employees who proactively provide suggestions, the Company offers corresponding points or rewards, taking practical steps to encourage a shift in mindset from "I am told to be safe" to "I want to be safe", thereby collectively strengthening the enterprise's safety defenses.



Special Equipment Management Training Session



Specialized Operations Personnel Training Session

Shenzhen CSOT Fire Evacuation Drill Site



TCL CSOT Co-builds an Industry EHS Communication Platform to Create a New Ecosystem for Safety Management

On 25 October 2025, TCL CSOT, together with industry experts, successfully held the "Semiconductor and Panel Enterprise EHS Director Safety Management Technology Seminar". This event brought together 54 industry elites for in-depth sharing and discussion on 14 cutting-edge topics, including cross-industry safety practices for panels and chips, process safety management, whistleblower mechanisms, safety culture development, dynamic risk control, RTO risk assessment, and smart factory construction, reaching a consensus of "Safety in Mind, Progress Together" and effectively enhancing CSOT's influence in safety.



Scene from the ERT Skills Competition

Indicators and Targets

Key Performance

In 2025, TCL CSOT

Total investment in occupational health and safety reached
185 million

Recordable injury rate per million work hours
0.53

Conducted **6,064** occupational health and safety training sessions

with a total training duration of

2,625,678 hours

1,219,161 participants

and a total of **2,647** individuals trained for special positions

work-related fatalities
0

work-related injuries ¹⁸
42

and a **100%** case closure rate for work-related incidents

Contractors work-related fatalities

0

Contractors severe work-related injuries

0

Contractors recordable work-related injuries

0

2026 Target

accidents with direct economic losses of 1.5 million or more

fire, explosion, or major specialty gas incidents

food poisoning incidents

group occupational disease incidents

2025 Actual

0

2026 Target

0

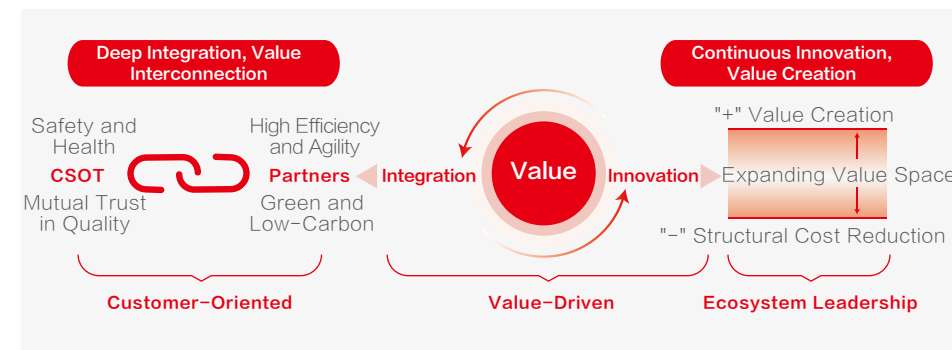
¹⁸ including 18 non-labile traffic accidents during commute, 10 injuries during finishing work, 9 on-site work-related injuries, and 5 injuries during off-site work

TCL CSOT fully responds to the "dual chain" strategy of safety and low-carbon development, anchoring its approach in "integrated innovation" by deeply embedding ESG principles throughout the entire supplier management lifecycle, systematically reshaping its responsibility green supply chain management system and architecture, and using a forward-looking risk control mechanism as a pillar to build a resilient industrial chain defense line, driving the entire value chain towards green, intelligent, and high-value transformation, and collaborating with ecosystem partners to achieve value co-creation and efficiency symbiosis, thereby jointly shaping an open, co-prosperous, and future-oriented new industrial ecosystem.

TCL CSOT has established a collaborative sustainable management structure featuring "decision-making and execution", which clarifies the strategic formulation responsibilities of the decision-making level and the implementation and empowerment duties of the execution level, achieving efficient end-to-end integration and closed-loop management from strategic planning to business operations, ensuring the comprehensive implementation of sustainable procurement goals through a management model of "dedicated roles and responsibilities, and refined operations."



Value creation is the core of TCL CSOT's Supply Chain Management 3.0 era. Driven by the dual engines of "integration" and "innovation", the Company focuses on the values of being "customer-oriented, value-oriented, and ecosystem-leading" to jointly build an integrated ecosystem with partners that is safe and healthy, mutually trusted in quality, efficient and agile, and green and low-carbon, relying on parallel efforts in structural cost reduction and value creation to drive full-chain collaboration and value symbiosis.



⦿ Risk and Opportunity Management

TCL CSOT adheres to green and safe development as its bottom line, deeply integrating with partners through comprehensive supplier risk management and full-lifecycle CSR risk management, co-creating value with partners by managing green products in the supply chain and establishing a conflict minerals management system, and strengthening communication and empowerment among all enterprises in the industrial ecosystem to fortify the supply chain's safety defenses.

TCL CSOT regards its suppliers as partners, with raw material suppliers being a key component of the Company's production and operations. The Company categorizes procurement based on the properties of raw materials, covering glass, polarizers, electronic components, and more, and implements tiered and categorized supplier management with differentiated controls and resource allocation to enhance supply chain stability and risk resilience.

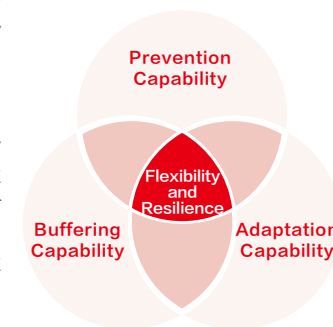
By the end of 2025

The procurement value from key suppliers across all categories accounted for over **80%**



Implement comprehensive supplier risk management to enhance supply chain resilience

TCL CSOT focuses on "prevention, buffering, and adaptation capabilities" as the three pillars of its supply chain management, establishing a hierarchical risk identification and quantitative assessment system for all material categories to identify high-, medium-, and low-risk material lists. The Company conducts risk assessments for materials (BOM, MRO, equipment, etc.) associated with various risks and has created a tiered response mechanism for short-term emergencies and long-term and sudden risks, continuously enhancing the resilience, security, and sustainability of the Supply Chain.



Three pillars of supply chain risk management

The Company has developed a panoramic view of supply chain risk management that encompasses different risk types such as geopolitics, natural disasters, price fluctuations, and compliance. It has also established three lines of defense for supply chain management: "risk buffering, risk prevention, and risk review". This framework allows for multi-dimensional and dynamic monitoring of key areas like supplier stability, financial health, and compliance, while the risk identification system and assessment standards are regularly updated based on market changes and technological advancements to continually improve the supply chain's risk resistance and resilience.



Three Lines of Defense for TCL CSOT Supply Chain Risk Management

Optimizing Entire Lifecycle CSR Risk Management

TCL CSOT has formulated the *TCL CSOT Supplier Social Responsibility Code of Conduct*, which requires new and mass-production suppliers to meet the Company's various requirements concerning low-carbon transition, ESG ratings, RBA compliance, and violation control across five dimensions: CSR management systems, labor rights, health and safety, environmental protection, and business ethics.

In 2025, the Company will adopt a tiered mechanism to integrate supplier ESG performance into its performance evaluation system, offering bonus points to incentivize outstanding performers. For mass-production suppliers identified as potentially high-risk after CSR risk assessment, audits and guidance will be implemented to help them continuously improve their ESG management levels.

STEP 1 Initiate RFI Survey

- ◆ To effectively manage the corporate social responsibility (CSR) of the supply chain and monitor suppliers' CSR risks, we conduct CSR management from two dimensions: certification of new suppliers and management of mass-production suppliers. For new suppliers, those with high CSR risks are blocked until they complete necessary improvements to become qualified suppliers. For mass-production suppliers, we categorize and tier them, developing differentiated management models to identify potential high-risk suppliers. For suppliers with potentially higher risks, we conduct audits and provide guidance to ensure their risks are effectively controlled and reduced.

STEP 2 Sign Supplier Agreements

- ◆ For suppliers that meet qualifications and pass evaluations, TCL CSOT signs procurement framework contracts or supplier base agreements with them, incorporating a series of ESG-related agreements, including the Safety and Environmental Protection Agreement, Conflict-Free Minerals Declaration, Hazardous Substances Declaration, and Supplier Corporate Social Responsibility Declaration.

STEP 3 Conduct Certification Audits

- ◆ Led by the business department, a certification expert team is formed by selecting professionals from quality, technology, and business fields from the expert resource pool to conduct supplier certification audits. The audits cover multiple dimensions, including Quality System Audit (QSA), Corporate Social Responsibility Audit (CSR), and Green Product Audit (GP). For each audit component:
 - A score ≥ 85 grants supplier qualification;
 - A score between 70 and 85 requires improvements before qualification;
 - A score <70 results in disqualification

STEP 4 Conduct Risk Assessments

- ◆ TCL CSOT conducts risk assessments for mass-production suppliers. Suppliers that have been penalized or publicly reported for corporate social responsibility (CSR) issues within the past three years are classified as high-risk CSR suppliers. For these high-risk suppliers, annual audits are conducted in the current and following year, with normal audit frequency resuming from the third year. All other suppliers are considered low-risk CSR suppliers and are audited once every two years.

STEP 5 Implement CSR Audits

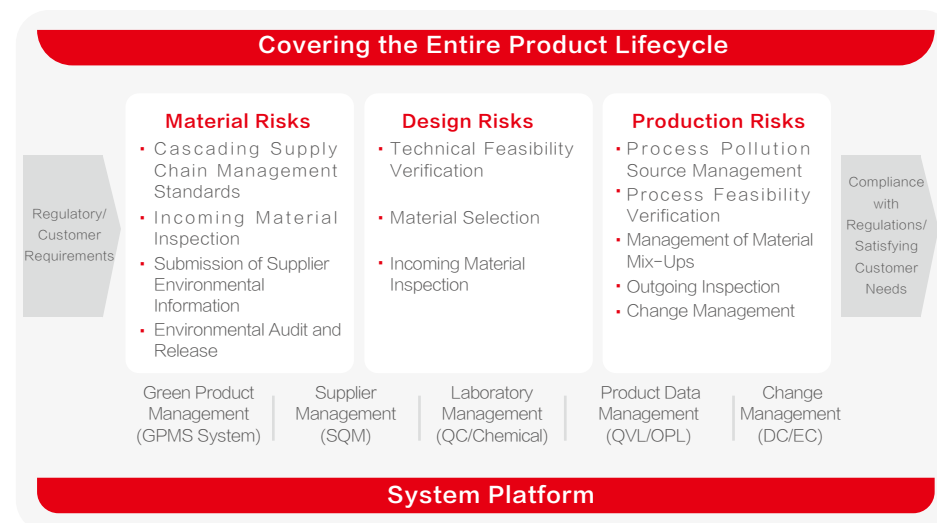
- ◆ Based on risk assessment results, TCL CSOT develops an annual CSR audit plan. Before audits begin, suppliers are required to conduct self-assessments. The Company determines whether to conduct document-based or on-site audits based on the suppliers' self-assessment results. Auditors perform item-by-item scoring according to audit standards, record non-conformities and recommendations, and provide a formal audit report. The specific evaluation criteria are:
 - Score ≥ 85 : Approved;
 - Score between 70 and 85: Conditionally Approved;
 - Score <70 : Not Approved.

STEP 6 Guide Deficiency Improvements

- ◆ Once deficiencies are identified, TCL CSOT provides improvement guidance to suppliers until the issues are fully rectified. Suppliers with initial audit scores below 85 are required to undergo a Closed audit to verify the implementation of corrective measures. If a supplier repeatedly fails audits, their eligibility for new project initiation is restricted; in severe cases, their QVL (Qualified Vendor List) qualification is revoked.

Strict Hazardous Substance Risk Management

TCL CSOT collaborates with upstream suppliers to explore the application of low-power, harmless, and renewable materials, works with downstream customers to develop green products, and engages third-party organizations for supervision and certification. This systematically reduces the environmental impact of products throughout their entire lifecycle and enhances the ability to create value from resources.



· Implement end-to-end GP compliance management

To fully implement product environmental protection and safety requirements, the Company strictly adheres to regulations and systems such as RoHS, REACH, TSCA, and the *CSOT Hazardous Substance Management Specification*, as well as the Hazardous Substance Process Management System (IECQ QC 080000) requirements and customer demands. We identify, assess, and manage hazardous substances throughout the entire process and sign a *Hazardous Substance Declaration* with material suppliers to ensure products comply with regulatory and customer green product requirements.

As of the end of 2025

100% of the Company's panel production bases have obtained IECQ QC 080000 certification.



All material suppliers are required to sign the Hazardous Substance Declaration and commit that all supplied materials, components, and packaging materials comply with the requirements of the *CSOT Product and Material Hazardous Substance Management Specification*.



Upon updating the *CSOT Product and Material Hazardous Substance Management Specification*, the Company promptly communicates the revisions to suppliers and requires them to complete self-inspections and confirm compliance within a specified timeframe. If suppliers make any changes related to raw material properties, they must proactively declare them and provide the required documentation and samples. Changes can only be implemented after approval.



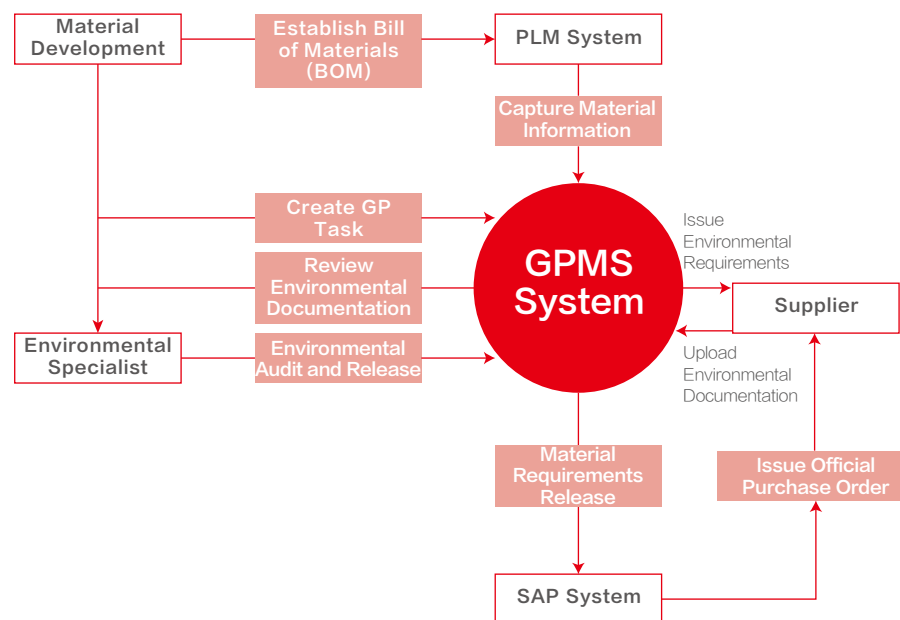
We conduct regular special audits on supplier's hazardous substance controls, verifying material safety data sheets and third-party hazardous substance test reports. The Company's internal laboratories also perform tests.



We systematically promote the substitution or reduction of hazardous chemical substances, executing phase-out and chemical substitution plans as soon as practicable to continuously reduce the environmental impact of our products.

· Enhancing GPMS Digital Control

By continuously upgrading its Green Product Management System (GPMS), TCL CSOT integrates a basic chemical substance database with internal environmental standards to establish a unified admission mechanism for green materials. This system allows for the investigation and monitoring of controlled substances like REACH, SVHC, and PFAS in supply chain materials, ensuring traceability of material components. The GP module within the GPMS system has been fully integrated into the product R&D and procurement systems. It facilitates proactive assessments and planning for substitution or phase-out solutions in response to new trends in hazardous substance control, such as prohibitions and restrictions. The Company also regularly provides suppliers with the latest regulatory interpretations and corporate control standards to promote collaborative compliance across the Supply Chain.



In 2025, the European Chemicals Agency (ECHA) announced a total of 9 Substances of Very High Concern (SVHC) in its 33rd, 34th, and 35th batches, expanding the SVHC Candidate List to 251 substances. Following this regulatory update, we utilized our GPCM system to conduct an SVHC risk assessment for all suppliers. We initiated surveys with 122 identified suppliers and have received responses from all of them. This information helps the Company identify risks related to hazardous substances in the Supply Chain and enhance its hazardous substance management system.

Implement Conflict Minerals Management, Fulfill Commitments to Responsible Procurement

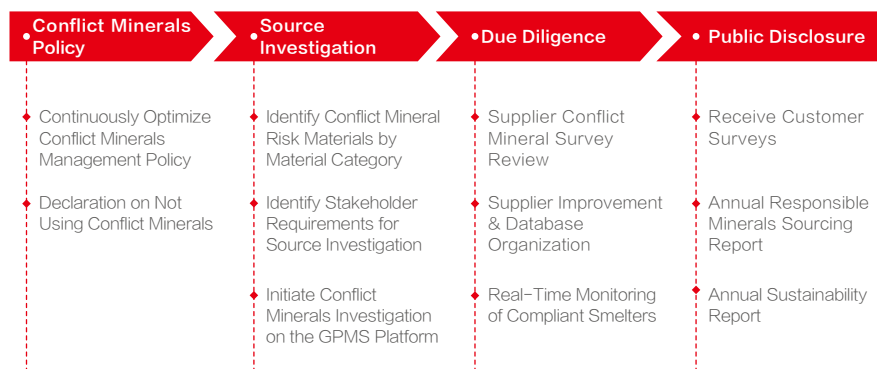
TCL CSOT consistently adheres to international standards by building a closed-loop management system encompassing Reasonable Country of Origin Inquiry (RCOI), risk assessment, corrective mechanisms, and process tracking. We have issued a *Declaration on Not Using Conflict Minerals* and incorporated conflict mineral management requirements into our basic supplier agreements to proactively control risks. In 2024, the Company became a formal member of the Responsible Minerals Initiative (RMI), working with supply chain partners to advance conflict mineral risk management.

To further trace the origin of relevant minerals, the Company has integrated the investigation process outlined in the OECD's *Due Diligence Guidance* and its supplements, along with the CMRT/EMRT, into its management system. Each year, the Company uses the CMRT and EMRT to conduct RCOI investigations and implement improvement measures for all Smelters or Refiners (SORs) reported in the Supply Chain, demonstrating its long-term commitment to responsible mineral sourcing through tangible actions.

During the reporting period

TCL CSOT achieved a **100%** response rate for its supplier RCOI surveys

which confirmed that its products do not contain conflict minerals that directly or indirectly finance or benefit armed groups in the covered countries¹⁹.



Conflict minerals management process

Strengthen Supplier Capacity, Empower Industrial Development

TCL CSOT continues to deepen partnerships with its suppliers and enhance their capabilities. Through initiatives like supply chain conferences and supplier ESG training, the Company consistently promotes the advancement of suppliers' ESG management capabilities, leading the industry toward win-win development.



Supplier management training

Focusing on the theme of "Integrated Innovation and ESG: Co-building a New Sustainable and Responsible Supply Chain Ecosystem", the Company organized a 3.5-hour special feature training for 70 suppliers. The training covered important topics such as carbon emissions, responsible supply chain system development, ESG risks, and water management, thereby strengthening the ESG management and sustainable development resilience of the Supply Chain.

In November 2025, the Company held its Global Supply Chain Conference with the theme "TRUE VISION, GLOWING FUTURE", bringing together industry leaders and partners from around the world. The Company announced it will continue to pursue its vision of "Leading Technology and Harmonious Coexistence" to become a zero-carbon enterprise. It aims to collaborate with all parties to address the risks and uncertainties in display industry trends and Globalisation, jointly creating a path for integrated supply chain innovation and high-quality development, and continuously injecting new momentum into the sustainable development of the display industry.



"TRUE VISION, GLOWING FUTURE" 2025 TCL CSOT Global Supply Chain Conference

¹⁹ Conflict minerals: Abbreviated as CM, these include minerals such as tantalum, tungsten, tin, gold, cobalt, and mica.

🎯 Indicators and Targets

Key Performance

ESG Due Diligence Rate for Key Suppliers

100%

Percentage of Raw Material Suppliers That Have Signed the Corporate Social Responsibility Declaration

85.1%

Number of New Suppliers Audited According to GP/CSR Standards

114 Number

Percentage of New Suppliers Audited According to GP/CSR Standards

100%

Percentage of Target Raw Material Suppliers Who Underwent CSR Assessments

100%

Number of Suppliers Who Underwent CSR Audits

105 Suppliers

Percentage of Suppliers Who Underwent CSR Audits Among Those Who Underwent CSR Assessments

55.6%

Number of Suppliers with Initial CSR Assessment Scores Below 85 Who Received Guidance

11 Suppliers

Number of Suppliers Disqualified Due to CSR Issues

0 Suppliers

In 2025, TCL CSOT

Achieved **100%** coverage in conflict mineral risk assessments for raw material suppliers

Initiated conflict mineral investigations for suppliers of materials containing metals, with **122** suppliers responding using CMRT/EMRT

Had **0** suppliers whose minerals originated from non-compliant recyclers or non-validated smelters

Achieved a **100%** Response Rate from Suppliers Using the Conflict Minerals Reporting Template for Due Diligence

4.6 Giving Back to Society

GRI 101、203、413

Adhering to its public welfare philosophy of "Technology Empowering Ecosystems, Industry Nurturing Nature", TCL CSOT systematically plans and implements community co-creation, public welfare initiatives, and ecological conservation. The Company is dedicated to deeply connecting corporate growth with social well-being and environmental improvement, allowing the warmth of technology to illuminate the future.

Community Engagement

TCL CSOT actively builds transparent and trusting community relationships through open and interactive activities, consolidating internal and external synergies for development.



Wuhan CSOT's "Environmental Open Day", fostering trust through transparency

In June 2025, Wuhan CSOT invited residents from surrounding communities and partners to visit its campus for a "Green New Vision, Zero-Distance Environmental Protection" Open Day. The event systematically showcased the Company's technological innovations and practical achievements in its green strategy for carbon peaking and carbon neutrality, its management system for waste gas, waste water, and solid waste, and its carbon footprint monitoring. Through engaging popular science exchanges, the event built a bridge for harmonious coexistence, mutual trust, and communication with the community.

Public Welfare and Charity

TCL CSOT focuses its public welfare initiatives on ecological environment construction and cultural preservation, exploring sustainable paths to drive social value innovation through its technological capabilities.



Planting trees together, adding "green momentum" to the earth

In June 2025, Wuhan CSOT invited residents from surrounding communities and partners to visit its campus for a "Green New Vision, Zero-Distance Environmental Protection" Open Day. The event systematically showcased the Company's technological innovations and practical achievements in its green strategy for carbon peaking and carbon neutrality, its management system for waste gas, waste water, and solid waste, and its carbon footprint monitoring. Through engaging popular science exchanges, the event built a bridge for harmonious coexistence, mutual trust, and communication with the community.



The "Planting Trees Together for a Green Future" Arbor Day event

**AI empowering the Nomadic Film Festival to protect cultural diversity**

In September 2025, TCL CSOT, in collaboration with partners, supported the "2025 World Nomadic Film Festival" in Inner Mongolia. We provided professional display equipment, including APEX screens and HVA technology, to present the unique charm of nomadic aesthetics with cutting-edge visual technology, creating an expressive platform for creators to connect traditional culture with contemporary imagery. During the event, both parties signed a memorandum of understanding to support the "World Nomadic Images" project and jointly launched the "AI for an E-Future" public welfare initiative. This initiative leverages artificial intelligence to empower young artists, assist in the digital recording and preservation of ethnic cultures, and promote the protection of cultural diversity and the popularization of arts education.



TCL CSOT using technology to help present nomadic aesthetics

Biodiversity Protection

TCL CSOT pays close attention to the potential impacts of its production and operations on the surrounding ecological environment and has formulated relevant management plans. Through ecological restoration and environmental management measures, the Company reduces disturbances to ecosystems and continuously promotes the coordinated development of its operations and ecological protection. In the course of project construction and daily operations, the Company implements environmental impact assessment and ecological protection requirements, incorporating ecological and environmental factors into its site selection, construction, and operational management decisions, and standardizing production activities to minimize impacts on the surrounding ecosystem. There are no nature reserves, ecological redline areas, or other biodiversity-sensitive areas around any of the Company's production sites, and the overall ecological risk is manageable. Concurrently, by continuously advancing green production, energy conservation, emission reduction, and standardized pollutant management, the Company mitigates potential operational disturbances to the ecosystem, ensuring that its products and services do not have a significant impact on biodiversity.

**TCL CSOT's Shenzhen site builds a constructed wetland for ecological restoration**

At its Shenzhen site in Guangming District, TCL CSOT invested in and constructed a wetland covering approximately 45,000 square meters. By creating a natural wetland ecosystem, this facility purifies industrial wastewater ecologically, effectively reducing the pollution load entering the Maozhou River and promoting the restoration of the regional aquatic environment. At the same time, the treated water is reused for landscaping and municipal water supplies, achieving synergy between ecological restoration and resource recycling. In addition to its wastewater treatment capabilities, the carefully selected plants grown in the wetland also play a positive role in regulating the local ecosystem. Today, this constructed wetland has merged with the local municipal wetlands to form a recreational and scenic park with a wetland theme, attracting various species of waterfowl.



CSOT Wetland Park

5.0

Responsible Operations

Strengthening Governance Resilience

TCL CSOT adheres to high-level governance, founded on a modern corporate governance structure with clear rights and responsibilities and scientific decision-making. The Company systematically advances innovations in its governance mechanisms and the upgrade of its risk control system to forge operational resilience and ensure compliant and stable business operations. The Company continuously improves its business ethics oversight system to promote the development of a business ecosystem based on integrity, fairness, and resilience. It also establishes information security and privacy protection as key cornerstones of trust in the digital era, providing a solid foundation for the Company's long-term, steady development.

This Chapter includes:

- | | | | |
|-----|--------------------------|-----|---|
| 117 | 5.1 Corporate Governance | 122 | 5.3 Business Ethics |
| 119 | 5.2 Risk Management | 127 | 5.4 Information Security and Privacy Protection |



ESG Highlights in 2025

100%

completion rate for risk response measures

100%

anti-corruption training coverage

100%

of all panel production bases obtained ISO 27001 certification

0

systemic risk incidents

0

confirmed administrative penalty cases for violations of fair competition laws

0

major information security incidents, data security incidents, or customer privacy breaches



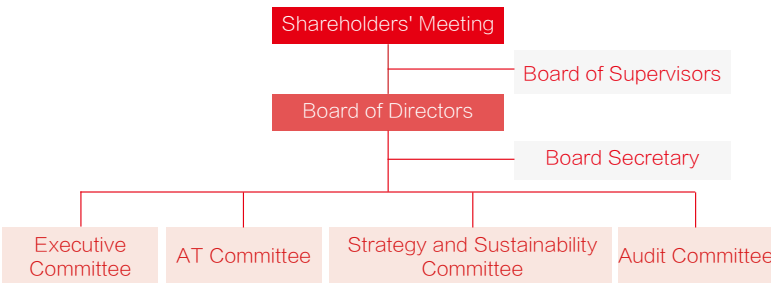
5.1 Corporate Governance

GRI 405

TCL CSOT has established a sound modern corporate governance system. The Company relies on a diverse and highly qualified Board of Directors to enhance decision-making efficiency. It has also established an incentive mechanism linking executive compensation to sustainability performance, promoting that management's actions are aligned with the interests of shareholders and stakeholders, thereby supporting the Company's long-term stable operations.

Corporate Governance Structure

TCL CSOT strictly complies with laws, regulations, and regulatory requirements including the *Company Law of the People's Republic of China*, and has established a corporate governance structure comprising the Shareholders' Meeting, Board of Directors, Board of Supervisors, and management in accordance with the *Articles of Association*, thereby standardizing corporate governance by improving its modern enterprise system. The Board of Directors has established an Executive Committee, an AT Committee, a Strategy and Sustainability Committee, and an Audit Committee, which assist the Board in fulfilling its decision-making and supervisory functions through a clear delegation of responsibilities.



TCL CSOT Governance Structure

During the reporting period

the Company convened
13 meetings of the
Board of Directors

a **100%**
director attendance rate

Director Nomination and Selection

The Company's Board of Directors consists of 6 directors. Director candidates are nominated by shareholders and elected at the Shareholders' Meeting; the chairman and vice chairman are elected by the Board of Directors; and directors serve a 3-year term, and are eligible for re-election upon its expiration. To ensure the independence of the Board of Directors, the Company implements a system that separates the duties of the chairman and the CEO and has appointed Board Observers to enhance the supervision and management of the Board's operations.

During the director selection process, the Company follows the principle of member diversity, giving comprehensive consideration to candidates' gender, age, professional background, industry experience, and competence in ESG governance. By introducing members with diverse insights, the Company ensures the scientific rigor and professionalism of the Board's decisions, providing a solid institutional foundation for its long-term and stable operations.

Name	Li Dongsheng Male	KIM WOO SHIK Male	Zhao Jun Male	Wang Cheng Male	Yang Anming Male	Yan Xiaolin Male	HURCHEOL Male
Position	Chairman	Vice Chairman	CEO Director and CEO	Director	Director	Director	Board Observer
Committee Membership	Executive Committee		•		•	•	
	AT Committee		•		•	•	
	Strategy and Sustainability Committee		•		•	•	
	Audit Committee		•		•	•	
Professional Background	Finance and Risk Management				•		
	Technology and R&D					•	
	Electronics and Related Industries	•	•	•	•		•
	Sustainability	•	•	•	•	•	

🎯 Executive Compensation

In accordance with the *Compensation Management System*, the AT Committee, established under the Board of Directors of TCL CSOT is responsible for formulating and deciding on the Company's overall remuneration strategy, policies, and major adjustment plans. To ensure the external competitiveness of its remuneration, the Company regularly commissions independent third-party institutions to conduct market salary surveys and dynamically benchmarks against industry peers. At the same time, when designing incentive plans and determining remuneration outcomes, the Company widely solicits opinions from stakeholders, including shareholders and employees, to ensure internal fairness.

The Company upholds the remuneration principles of "aligning with talent strategies, stimulating organizational vitality, and driving performance outcomes", implementing a "fixed salary + bonus + long-term incentives" salary structure for its executives. Their total income is closely linked to the Company's performance, while a long-term incentive mechanism strengthens the alignment of interests between executives and shareholders. Additionally, to support the implementation of its sustainable development strategy, TCL CSOT has integrated ESG performance into its executive remuneration system and established differentiated evaluation criteria for management across different business segments.



Assessment Function

The Executive Committee under the Board of Directors is responsible for approving performance assessment plans and reviewing their results, while specialized departments oversee the compliant formulation and implementation of KPIs.



Assessment Frequency

Performance is assessed twice a year through a mid-year review and a year-end evaluation.



Assessment Basis

ESG KPI achievement, the effectiveness of sustainability projects, and the level of risk management and control.

5.2 Risk Management

In a complex and ever-changing environment, corporate survival and development depend not only on the speed of growth but also on the deeper capacity for rapid recovery and continuous evolution amid shocks. TCL CSOT regards systematic risk management as the cornerstone of building such core resilience. Driven by innovations in governance mechanisms and risk control models, the Company has established a risk management system characterized by forward-looking awareness, and deep business integration to ensure operational stability and help the Company effectively identify, assess, monitor, and respond to risks in complex environments.

🕒 Strengthening the Risk Management Defense Line

TCL CSOT has established a dedicated risk management department and promoted close integration between its risk management and process management teams, enabling coordinated work across process compliance, indicator monitoring, and risk control. Drawing on the COSO ERM 2017 framework and ISO 31000 risk management guidelines, and benchmarking against leading international practices, the Company has built a "business-supervision-audit" three lines of defense model. This has enabled it to establish a risk management system covering all business areas and the entire process, while adhering to the principles of comprehensiveness, materiality, adaptability, classification and grading, and cost-effectiveness, so as to systematically identify and address key risks.

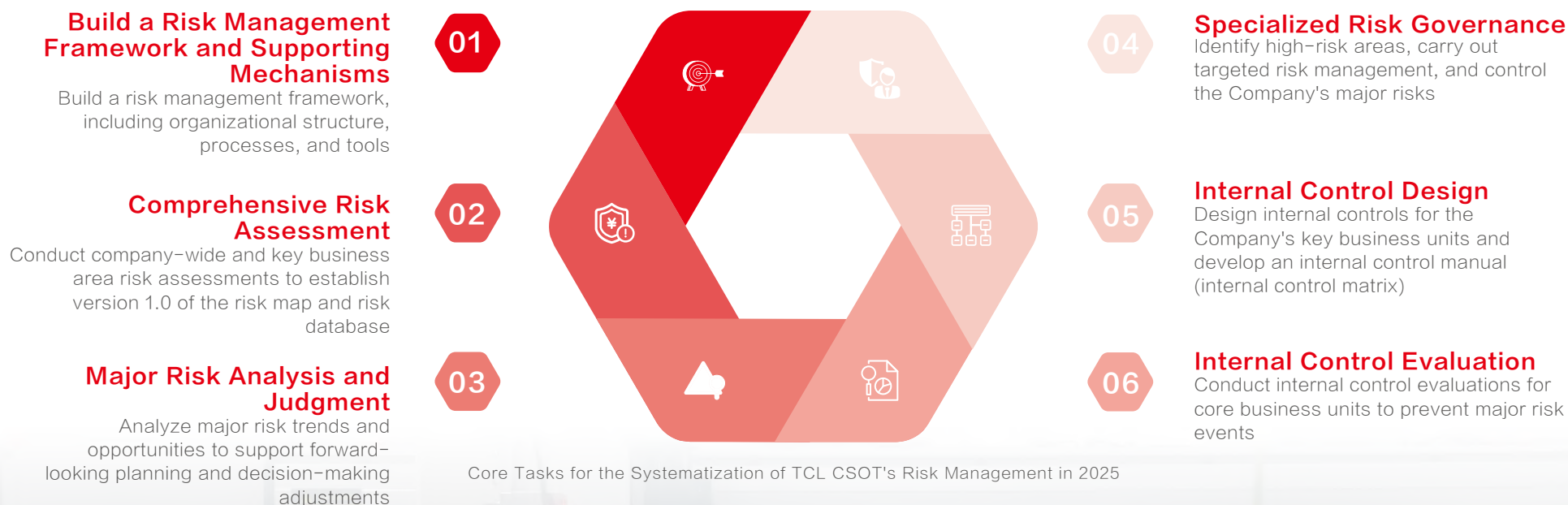
Additionally, we have issued the *CSOT Annual Risk Management Process*, the *CSOT Risk Management Policy*, and a unified risk assessment methodology to provide an institutional guarantee for the standardized, systematic, and effective implementation of the risk control management system.



TCL CSOT's Risk Management Organizational Structure and "Three Lines of Defense"

🎯 Improving the Risk Management Framework

To address the complex risk challenges in global operations, TCL CSOT has innovatively created an intelligent risk control system integrating risk controls, processes, authorizations, and indicators. We adopt a phased implementation strategy to systematically advance risk management and progressively achieve more systematic, refined, and intelligent risk control.



🕒 Comprehensive Assessment and Dynamic Control

Each year, based on the internal and external environment, the Company formulates its overall risk management strategy in alignment with its strategic plan and annual business objectives, considering its risk tolerance, risk appetite, and risk categories, thereby defining control priorities and implementing dynamic management to ensure no systemic risks occur.



TCL CSOT's Risk Management Process

In the 2025 comprehensive risk assessment, various business areas collected and identified risk information from multiple perspectives including strategy, market, finance, operations, and legal, identifying a total of 483 risks. The Company evaluated these risks according to unified qualitative and quantitative standards and, combined with comprehensive assessments from business areas and the risk coordination group, identified the top 40 corporate-level risks, for which specific response strategies and control measures were developed to ensure risks remained controllable, with their implementation effectiveness tracked to achieve closed-loop management.

During the reporting period

0
systemic risk incidents

100%
completion rate for risk response measures

5.3 Business Ethics

GRI 205、206

Amid the trend of global operational transparency, business ethics serves not only the baseline for legal compliance but also a "strategic asset" and "reputational currency" for TCL CSOT to earn the long-term trust of global partners, customers, and society. We are driving the evolution of business ethics management from passive compliance to active leadership, upgrading management mechanisms to transform business ethics from a set of rules to be followed into a culture that every employee actively safeguards.

🕒 Improving Business Ethics Governance

TCL CSOT adheres to the ISO 37001 Anti-bribery Management Systems standard and continuously improves key policies such as the *CSOT Supervision Management System*, *CSOT Integrity Management Policy*, *CSOT Management Regulations on Employee Conflicts of Interest and Acceptance of Gifts and Gratuities*, and the *CSOT Anti-Bribery Management Manual*, which explicitly prohibit bribery, the acceptance of bribes, and the transfer of benefits. Concurrently, the Company has formulated specialized policies including the CSOT Export Control Compliance System and the *CSOT Anti-Monopoly Compliance Guidelines* to ensure that all foreign trade activities and market competition practices fully comply with international norms and local legal requirements.

During the reporting period

the Company was not subject to any administrative penalties for violations of laws related to fair competition or antitrust.

Specialized Compliance Training

- Conducted specialized antitrust compliance training for key business units, covering **4** centers/departments and **127** participants
- Issued regular legal newsletters to all employees to promptly communicate legal updates on antitrust and anti-unfair competition. In 2025, **4** legal newsletters related to fair competition were sent.

The Company's ESG Management Office, Human Resources Center, and Audit Center jointly lead the development of the integrity system. The ESG Management Office is responsible for the operation of the ISO 37001 anti-bribery management system, the Human Resources Center handles the management and supervision of executives in high-risk positions, and the Audit Center, as an independent supervisory body, is responsible for in-process supervision and post-event investigations. In 2025, core functional areas established an integrity team, and within each functional center, the department head serves as the primary responsible person, with a designated individual appointed as the departmental executive officer to systematically carry out policy dissemination, cultural promotion, supervision and inspection, risk prevention and control, and cross-departmental collaboration, upgrading integrity management from a policy requirement to a normalized governance practice integrated into daily business operations.

Integrity Team



- Organize regular training on laws, regulations, and the Company's integrity policies to ensure employees understand and comply with the rules.



- Conduct at least one integrity education activity each quarter, using typical cases to enhance employees' integrity awareness.



- Identify departmental integrity risks, focus on high-risk positions and areas vulnerable to corruption, and promote rectification of identified issues.



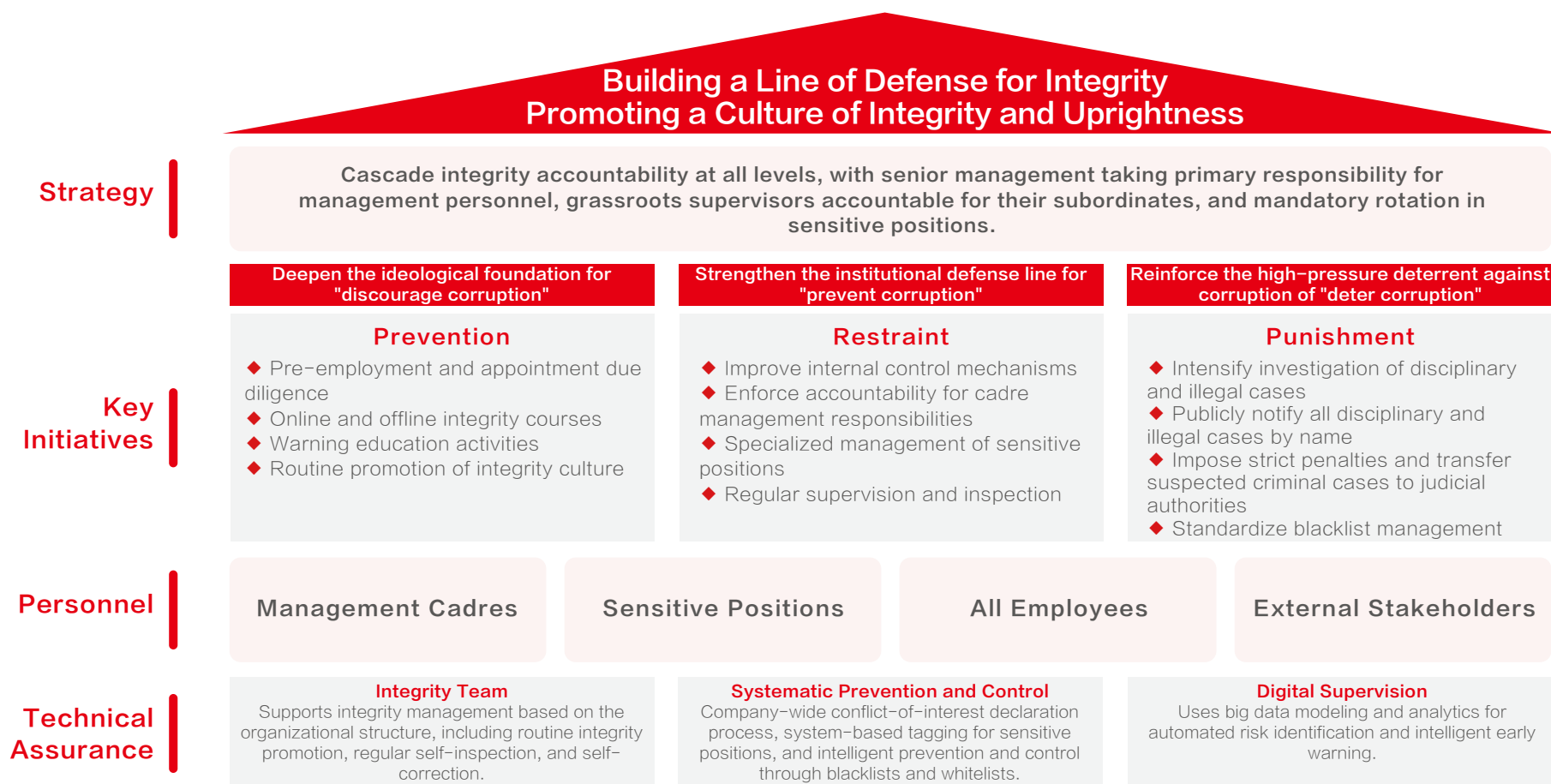
- Regularly identify integrity risks and weak links in business operations to support the development of control measures.



- Cooperate with relevant departments to implement special projects such as ISO 37001 certification, customer audits, and the management of key positions and partners.

Responsibilities of the Integrity Working Group

The Company extends its compliance management requirements to suppliers and partners, building a business ethics governance system that covers all personnel, all business areas, and the entire value chain. In 2025, the Company established an integrity construction blueprint to systematically enhance its business ethics governance capabilities, solidify the foundations of compliant operations, and adhere to the principle of "addressing both symptoms and root causes, with prevention as the priority", thereby safeguarding the enterprise's sustainable and healthy development.



TCL CSOT's Integrity Construction Blueprint

🎯 Strengthening the Effectiveness of Integrity Supervision

1. Implementing Comprehensive and Systematic Management

Based on the strategic blueprint, the Company has built an integrity management system centered on six key dimensions: "personnel selection and appointment, organizational environment, personnel management, internal control, supervision and inspection, and disciplinary constraints", achieving systematic management from source prevention to process control and post-event accountability. In 2025, the Company conducted a corruption risk assessment across its 14 companies (15 operating sites in total) and found no significant corruption risks.

Personnel Management

Strengthen education, identification, and disciplinary action regarding violations by management personnel, and guide managers to further empower employees.

Organizational Environment

Carry out diversified integrity promotion and training to foster a clean and upright organizational environment and effectively embed cultural values in daily operations.

Personnel Selection and Appointment

Strictly conduct pre-employment background checks and appointment reviews to screen out individuals with integrity issues.



TCL CSOT's Integrity Management System

Internal Control

Identify control blind spots and ineffective links, improve systems and processes, and promote the continuous strengthening of internal risk control mechanisms.

Supervision and Inspection

Conduct routine supervision and inspection, and continuously monitor key risk areas such as critical positions, bidding and procurement, and contract fulfillment.

Disciplinary Constraints

Regularly issue notices on violations of laws and regulations, introduce social credit and legal sanctions, and refer suspected criminal cases to judicial authorities for handling.

2. Advance the parallel "inspection + audit" dual-track supervision mechanism

TCL CSOT has established an "inspection + audit" integrity supervision mechanism. In 2025, audit work enhanced collaboration and forward-looking planning, expanded its coverage, and focused on conducting regular supervision in high-risk areas; inspection work, guided by the principles of "major case breakthroughs, continuous monitoring, rectifying conduct and discipline, and forging a healthy ecosystem", strengthened investigations of reports and punishment for violations; conducted integrity index surveys and analyses to bolster risk prevention, control, and effectiveness assessment.

Work Type	Key Initiatives and Achievements In 2025
Integrity Index Survey	- An annual integrity index questionnaire survey was conducted for all employees and partners of Greater CSOT, with 3,837 valid questionnaires collected (3,003 from employees and 834 from partners). - The Company's self-assessed integrity index was 8.88, remaining stable. - The partner rating reached 9.84, up 0.05 points from 2024.
Inspection + Audit	- Continuously expanded the scope of audits, strengthened routine monitoring of high-risk areas, and issued 16 audit reports, promoting improvements in various business units based on audit findings. At the same time, to transition from post-event auditing to proactive pre-event and in-process auditing, the Company implemented a full inspection of purchase orders, conducted dynamic risk monitoring in core business areas, and provided effective early warnings for major risk events. - Strengthened the deterrence and punishment of violations, advanced anti-bribery controls and compliant operations, promoted cost reduction and efficiency improvement in business management, prevented and recovered losses.
Rectification Supervision	- Implemented the <i>CSOT Management Measures for Supervising and Rectifying Issues Found in Audits</i>, integrating rectification into the daily management of business units. The Audit Center tracks the entire process, urges the formulation of rectification plans and deadlines, and follows up monthly to verify the authenticity of the rectifications. In 2025, the on-time rectification rate for audit rectifications was approximately 97.3%. - Established a "look-back" mechanism, reviewing past rectification situations through routine management improvement audits and conducting special in-depth audits for significant common issues. In 2025, during audit projects related to plant construction management, quality management, and non-brand business management, the Audit Center concurrently conducted a "look-back" on the rectification of findings from previous audits in the same areas.

3. Implement Effective Management of Reports and Complaints

Through the *CSOT Supervision Management System* and the *TCL CSOT Accountability Management Measures*, TCL CSOT has established clear reporting and complaint channels for all employees, suppliers, customers, and other stakeholders. Whistleblowers can report through various means such as telephone, text message, courier, letter, email, in-person reporting, or by providing audio-visual materials, and may choose to report anonymously or by name. All reports are uniformly received, registered, and followed up throughout the entire process by designated personnel from the Audit Center to ensure standardized procedures and centralized information management. The Company will reward individuals who report illegal, disciplinary, or regulatory violations if the claims are verified and meet the conditions stipulated in the policy.

The Company strictly implements the following whistleblower protection measures in receiving and handling reports:

Strict confidentiality

The identity of whistleblowers and the materials they submit are kept strictly confidential throughout the entire process.

Prohibition of retaliation

No personnel may suppress, obstruct, harass, or retaliate against whistleblowers.

Procedural fairness

Report information must not be concealed, withheld, or destroyed, and handling personnel must promptly acknowledge receipt, register, and forward the report.

In 2025, TCL CSOT received 40 new whistleblower reports. By the end of the year, investigations into 24 of these had been completed, and all matters were handled by taking action against the relevant personnel and units in strict accordance with regulations.

Reporting Channels

Email: csotjubao@tcl.com

Phone: (+86) 0755-8690 5198

In person or by mail: Audit Center, No. 9-2 Tangming Avenue, Guangming New District, Shenzhen

🎯 Strengthening the Foundation of Ethics Training

In 2025, guided by the core management principle of being "deter corruption, prevent corruption, and discourage corruption", TCL CSOT continued to deepen its culture of integrity. Through a multi-faceted approach combining offline integrity-themed lectures, seminars, and warning education activities with online integrity courses, daily integrity-themed posters and articles, and specialized compliance training, the Company comprehensively enhanced the integrity and compliance awareness of all employees, fostered a clean and upright internal environment, and provided strong support for high-quality development.

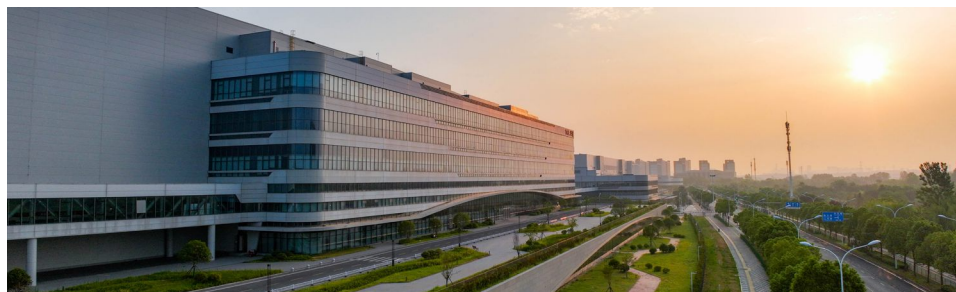
Integrity Promotion and Education Activities

Developed **2** online integrity courses on the "Xingtu Academy" platform.

Organized **3** warning education activities

Held **4** large-scale integrity lectures
2 management integrity seminars

Published **7** warning education activities



Anti-corruption policy and procedure communication coverage

Governance body members
9 persons

Total employees
33,275 persons

Major business partners
65 companies

Percentage of major business partners

100%

Anti-corruption training received

Governance body members
9 persons

Total employees
32,340 persons

Percentage of governance body members

100%

Percentage of employees

97.2%

Note: Major business partners refer to suppliers accounting for over 80% of the total procurement amount, consistent with the definition of key suppliers in the Responsible Supply Chain chapter.

5.4 Information Security and Privacy Protection

GRI 418

With digitalization deeply integrated into manufacturing and management, information security and privacy protection have become crucial pillars for TCL CSOT to ensure business resilience, maintain customer trust, and fulfill corporate responsibilities. The Company has established an information security and privacy protection framework, positioning it as a strategic cornerstone that underpins high-quality development and globalisation cooperation, and safeguarding stable operations amid digital transformation.

Governance

TCL CSOT has established a systematic and professional governance framework for information security and privacy protection. Through a well-defined organizational structure, specialized teams, institutional regulations, and system certifications, it comprehensively protects the information security and data privacy of the Company and its stakeholders.

TCL CSOT has established an Information Security Committee as its highest decision-making body, which reports directly to the CEO and is responsible for reviewing major information security strategies and matters. Reporting to the committee is the Information Security Management Department, which serves as the executive body responsible for implementing committee resolutions and managing daily information security tasks. The department is divided into an Information Security System Group and an Information Security Technology Group.

The information security team includes **3** CISSP (Certified Information Systems Security Professional)

11 CISP (Certified Information Security Professional) certified members.

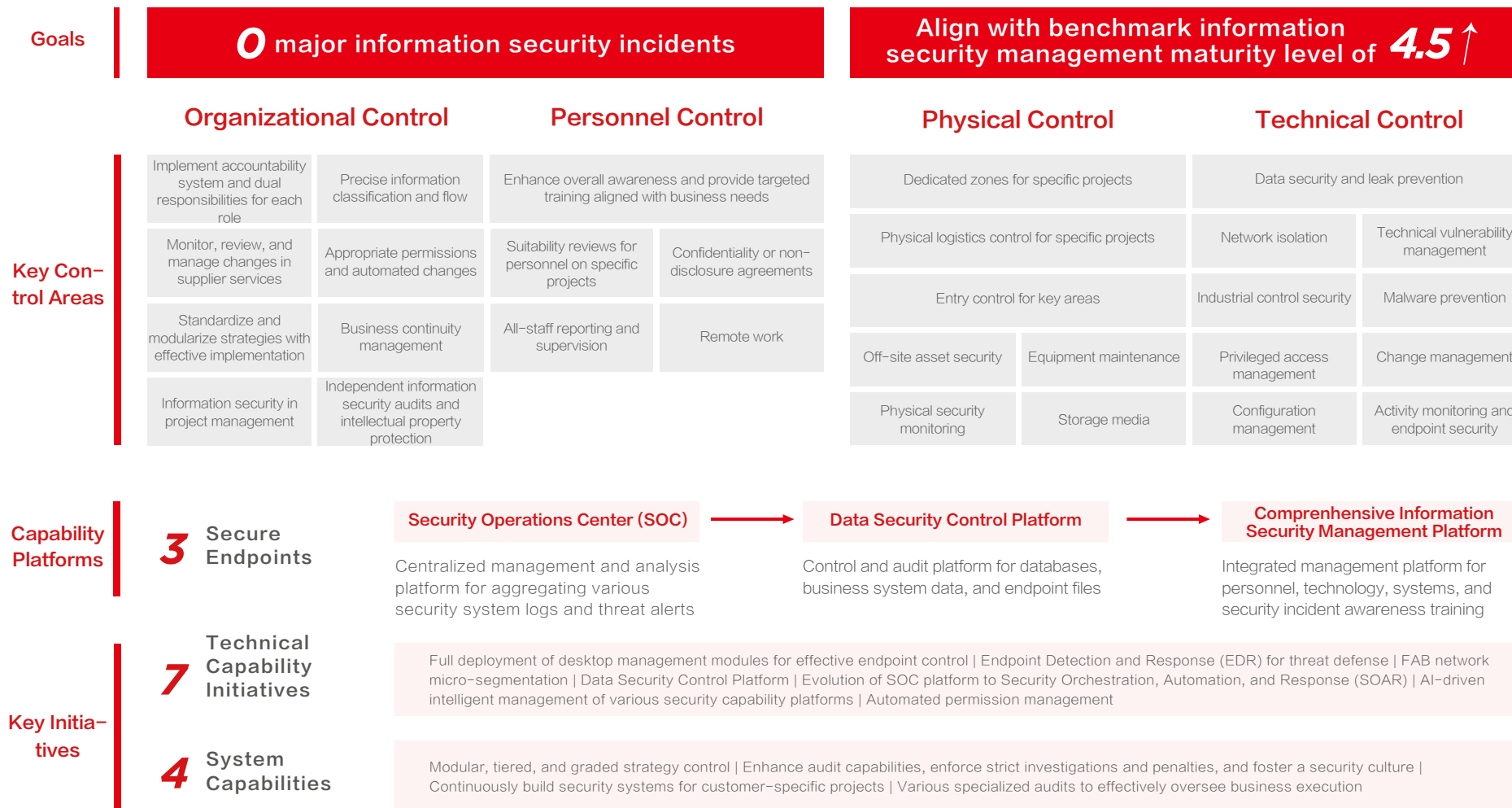


TCL CSOT's Information Security Management Structure

The Company has formulated and continually refines policies such as the *CSOT ISMS Information Protection and Asset Management Specification*, *CSOT ISMS Privacy and PII Protection Management Specification*, *CSOT ISMS Personnel Information Security Management Specification*, and *CSOT ISMS Terminal Security Management Specification*. These systematically regulate the management of information assets and personal data and clarify the protection requirements for information of employees and external parties.

🎯 Strategy and Tactics

TCL CSOT has established a strategic blueprint for information security, deploying targeted control measures across four key areas: organization, personnel, physical security, and technology. This approach comprehensively ensures the security of business information and the stable operation of its systems.

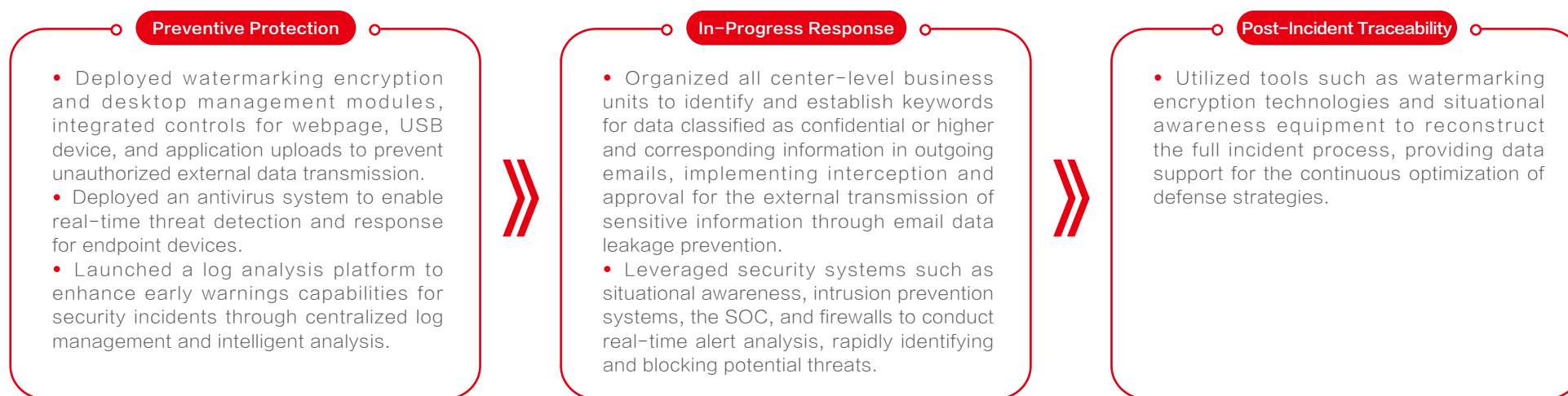


TCL CSOT's Information Security Strategic Blueprint

🕒 Risk and Opportunity Management

1. Strengthen information security protection and reinforce the defense line for data security

TCL CSOT has established a comprehensive information security protection system that covers the entire process—"pre-event, in-event, and post-event" an incident. By coordinating technical measures with management mechanisms, this system holistically enhances data security and system stability.



TCL CSOT has formulated and implemented the *CSOT ISMS Information Security Incident Management Specification* and the *CSOT ISMS Business Continuity Management Specification*, establishing a tiered response mechanism to classify and manage major information security incidents. The Company has identified 91 key business systems and regularly conducts business continuity drills to ensure rapid response and effective recovery during sudden security incidents, minimizing the impact on business operations.

The Company conducts systematic internal audits of its information security management system annually. In 2025, a total of four special feature audits (including the annual internal system audit, IT special audit, antivirus special audit, and R&D special audit) and 12 monthly audits were completed. All identified issues were rectified in strict accordance with the PDCA principle. Based on its solid management practices, the Company obtained ISO/IEC 27001 and TISAX certifications.

During the reporting period

11 subsidiaries obtained ISO 27001 certification, achieving **100%** coverage of the information security management system across all panel production bases.

100% of its automotive panel bases obtained TISAX certification.

2. Implement personal privacy protection and ensure compliant information processing

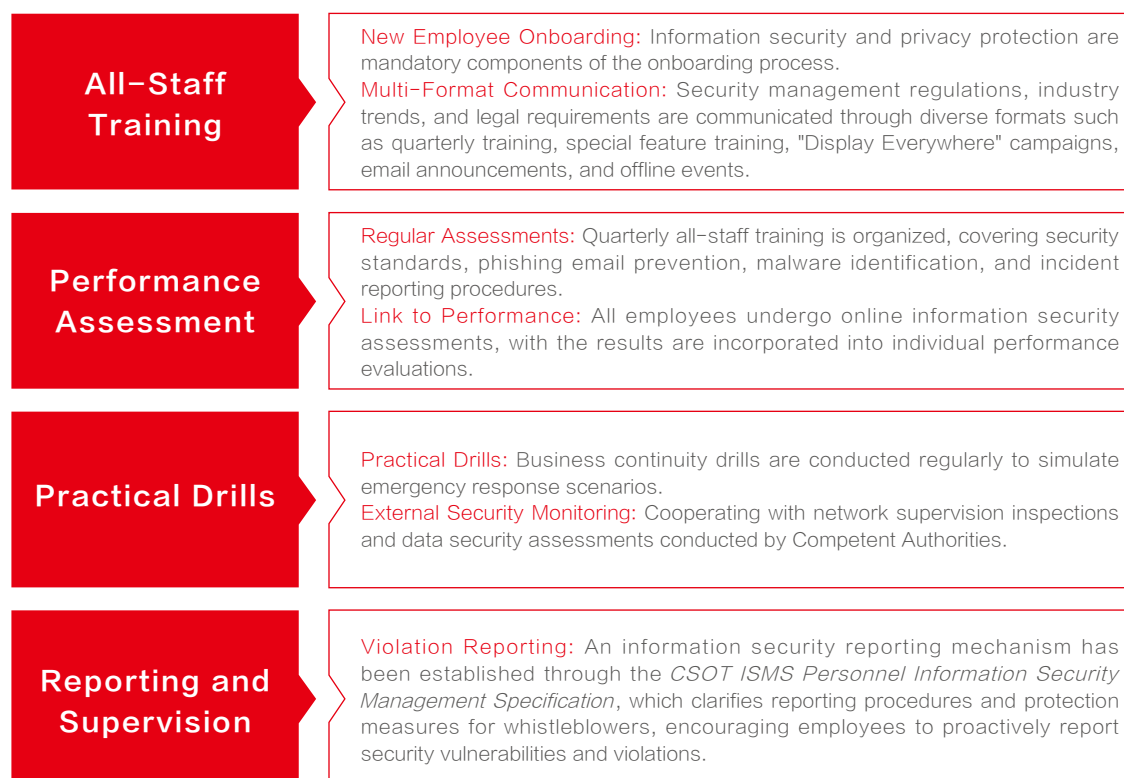
TCL CSOT complies with laws and regulations such as the *Personal Information Protection Law of the People's Republic of China* and the *Civil Code of the People's Republic of China*, specifying the requirements for the collection, use, storage, and processing of personal information in the CSOT ISMS Privacy and PII Protection Management Specification to ensure compliance throughout all personal information processing activities.

In 2025, for clients with high confidentiality requirements, the Company specifically enhanced the information security management system for high-security projects, adding 11 new policy documents and comprehensively strengthening customer data control processes. It successfully passed the client's annual high-security system audit, achieving zero leakage of client information throughout the year.

3. Strengthen the information security culture and deepen awareness among all employees

TCL CSOT is committed to building an information security culture with full employee participation, internalizing information security awareness into the daily habits of its employees through regular training, performance assessments, and practical drills.

TCL CSOT's Information Security Culture Building Initiatives

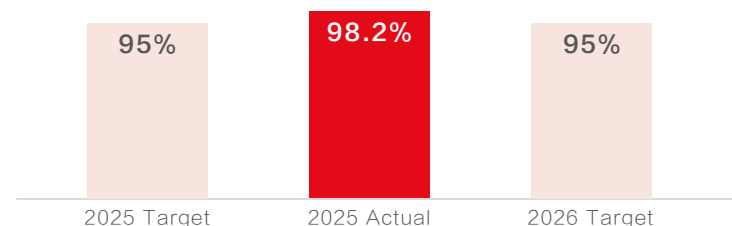


Indicators and Targets

Major information security continuity drills are conducted regularly to simulate emergency response scenarios



Employee information security training coverage



Key Performance

Conducted 19 information security training sessions	A total of 36,682 participants in information security training	Average training duration of 1.66 hours per person
--	--	---

Appendix

Key Performance Indicator Table

Indicator	Unit	2023	2024	2025
Direct Economic Value Generated and Distributed				
Revenue	RMB 100 Million	721	897	1,052
Energy Consumption				
Total Energy Consumption	Gigajoules	26,008,197	28,203,530	35,195,888
Total Non-Renewable Fuel Consumption	Gigajoules	25,536,805	26,965,458	31,030,452
Purchased Electricity Consumption	Gigajoules	24,801,082	26,227,007	30,220,827
Natural Gas Consumption	Gigajoules	626,572	690,238	750,104
Steam Consumption	Gigajoules	77,820	25,884	57,542
Diesel Consumption	Gigajoules	14,812	10,217	905
Gasoline Consumption	Gigajoules	1,707	1,895	1,074
Purchased Heat Energy Consumption	Gigajoules	0	0	0
Purchased Cooling Energy Consumption	Gigajoules	0	0	0
Total Renewable Fuel Consumption	Megawatt-Hours (MWh)	130,942	343,909	1,157,066
Self-Used Photovoltaic Power	Megawatt-Hours (MWh)	100,486	147,609	153,478
Purchased Green Electricity and Green Certificates	Megawatt-Hours (MWh)	30,456	196,300	1,003,588
Self-Produced Electricity Sold (if any)	Megawatt-Hours (MWh)	0	1,627	1,150
Energy Use Intensity	Gigajoules/RMB 10,000	3.61	3.15	3.34
Energy Consumption Reduced Directly Through Energy-Saving Projects	Megawatt-Hours (MWh)	499,000	224,319	197,020
Greenhouse Gas Emissions Reduced Directly Through Energy-Saving Projects	Tons of CO ₂ Equivalent	284,580	115,446	120,103
Scope 1 Emissions				
Total Direct (Scope 1) Greenhouse Gas Emissions	Tons of CO ₂ Equivalent	422,644	695,198	353,643
Carbon Dioxide (CO ₂) Emissions	Tons of CO ₂ Equivalent	46,099	41,538	50,157
Methane (CH ₄) Emissions	Tons of CO ₂ Equivalent	24,334	33,750	40,340
Nitrous Oxide (N ₂ O) Emissions	Tons of CO ₂ Equivalent	47,433	187,327	59,348

Indicator	Unit	2023	2024	2025
Scope 1 Emissions				
Sulfur Hexafluoride (SF ₆) Emissions	Tons of CO ₂ Equivalent	146,390	61,398	29,714
Hydrofluorocarbons (HFCs) Emissions	Tons of CO ₂ Equivalent	51,391	36,945	43,519
Perfluorocarbons (PFCs) Emissions	Tons of CO ₂ Equivalent	36,033	46,801	25,169
Nitrogen Trifluoride (NF ₃) Emissions	Tons of CO ₂ Equivalent	70,964	287,439	105,397
Biogenic Carbon Dioxide (CO ₂) Emissions	Tons of CO ₂ Equivalent	0	0	0
Scope 2 Emissions				
Location-Based Scope 2 Emissions	Tons of CO ₂ Equivalent	3,954,834	3,917,036	4,538,241
Market-Based Scope 2 Emissions	Tons of CO ₂ Equivalent	3,937,465	4,159,509	4,599,087
Greenhouse Gas Emission Intensity				
Scope 1+2 Emission Intensity (Location-Based)	Tons of CO ₂ equivalent/RMB 10,000	0.61	0.51	0.46
Scope 1+2 Emission Intensity (Market-Based)	Tons of CO ₂ equivalent/RMB 10,000	0.60	0.54	0.47
Scope 1 Emission Intensity	Tons of CO ₂ equivalent/RMB 10,000	0.06	0.08	0.03
Scope 2 Emission Intensity (Location-Based)	Tons of CO ₂ equivalent/RMB 10,000	0.55	0.44	0.43
Scope 2 Emission Intensity (Market-Based)	Tons of CO ₂ equivalent/RMB 10,000	0.55	0.46	0.44
Scope 3 Emissions				
Other Indirect (Scope 3) Greenhouse Gas Emissions Total	Tons of CO ₂ Equivalent	20,596,706	17,361,136	21,145,547
Water Withdrawal by Source				
Total Water Withdrawal (Including Stressed Areas)	Megaliters	53,777	60,530	77,763
Surface Water	Megaliters	0	0	0
Groundwater	Megaliters	0	0	0
Seawater	Megaliters	0	0	0
Produced Water	Megaliters	0	0	0
Third-Party Water Sources (Municipal Tap Water)	Megaliters	53,777	60,530	77,763
Water Withdrawal in Water-Stressed Regions (Suzhou)	Megaliters	4,399	4,609	4,855
Surface Water	Megaliters	0	0	0
Groundwater	Megaliters	0	0	0
Seawater	Megaliters	0	0	0
Produced Water	Megaliters	0	0	0
Third-Party Water Sources (Municipal Water)	Megaliters	4,399	4,609	4,855

Indicator	Unit	2023	2024	2025
Water Discharge (by Destination)				
Total Water Discharge (Including Stressed Areas)	Megaliters	40,762	47,197	59,211
Surface Water	Megaliters	3,572	3,529	3,253
Groundwater	Megaliters	0	0	0
Seawater	Megaliters	0	0	0
Third-Party Water	Megaliters	37,190	43,668	55,958
Transferred to Other Organizations for Use	Megaliters	0	0	0
Total Water Discharge at Suzhou Base	Megaliters	3,772	3,016	3,254
Surface Water	Megaliters	0	0	0
Groundwater	Megaliters	0	0	0
Seawater	Megaliters	0	0	0
Third-Party Water	Megaliters	3,772	3,016	3,254
Of Which: Transferred to Other Organizations for Use	Megaliters	0	0	0
Water Consumption				
Total Water Consumption	Megaliters	13,015	13,333	18,553
Water Consumption Intensity per Unit of Revenue	Tons/RMB 10,000	1.81	1.49	1.76
Key Substances of Concern in Wastewater Discharge				
Chemical Oxygen Demand (COD)	Tons	163~5,591	179~5,804	498~5,216
Biochemical Oxygen Demand (BOD)	Tons	284	374	595
Suspended Solids (SS)	Tons	254~703	190~582	346~2,335
Heavy Metals – Total Copper	Tons	1~9	1~5	5~14
Heavy Metals – Total Silver	Tons	0~1	0~1	0
Petroleum Substances	Tons	2~10	1~5	0.52
Other Substances of Concern (Ammonia Nitrogen)	Tons	3~495	7~668	13~658
Number of Non-Compliant Wastewater Discharge Incidents	Incidents	0	0	0
Water Reuse				
Volume of Alternative Water Sources Used	Tons	10,078,124	10,886,467	12,034,096
Total Water Resource Recycling	Megaliter	2,223,097	2,468,581	2,792,852
Water Resource Recycling Rate	%	97.6	97.6	97.3

Indicator	Unit	2023	2024	2025
Pollutant Emissions				
Ozone-Depleting Substance (ODS) Emissions	Tons of Trichloromethane Equivalent	Not Tracked	35.15	1.43
Particulate Matter (PM) Emissions	Tons	18.55	44.61	51.93
Nitrogen Oxides (NOx) Emissions	Tons	69.58	133.07	176.32
Sulfur Oxides (SOx) Emissions	Tons	8.22	18.74	24.12
Volatile Organic Compound (VOC) Emissions	Tons	172.28	86.73	204.84
Waste (by Generation Category)				
Total Waste Generated	Tons	128,302	167,962	195,438
Hazardous Waste Generated	Tons	44,177	50,138	67,558
General Waste Generated	Tons	84,123	117,824	127,879
Waste (by Disposal Method)				
Total Waste Recycled and Reused	Tons	117,776	157,362	182,377
Hazardous Waste Recycled and Reused	Tons	40,625	45,750	62,601
Hazardous Waste Transferred for Preparation for Reuse (All Handled Off-Site)	Tons	32,825	37,653	44,989
Hazardous Waste Transferred for Recycling (All Off-Site Disposal)	Tons	6,648	6,587	14,992
Hazardous Waste Transferred for Other Recovery Operations (All Off-Site Disposal)	Tons	1,122	1,510	2,620
Non-Hazardous Waste Recycled and Reused	Tons	77,687	111,612	119,776
Non-Hazardous Waste Transferred for Preparation for Reuse (All On-Site Disposal)	Tons	77,687	111,612	112,439
Non-Hazardous Waste Transferred for Recycling (All Off-Site Disposal)	Tons	8	8	7
Non-Hazardous Waste Transferred for Other Recovery Operations (All On-Site Disposal)	Tons	0	0	7,330
Waste Recovery and Conversion Rate	%	95.29	95.39	93.32
Total Waste for Disposal	Tons	9,988	10,600	13,060
Hazardous Waste Directed to Disposal	Tons	3,552	4,388	4,957
Hazardous Waste Directed to Incineration (with Energy Recovery) (All Off-Site Disposal)	Tons	3,418	4,220	4,944
Hazardous Waste Directed to Incineration (without Energy Recovery) (All Off-Site Disposal)	Tons	6	18	13
Hazardous Waste Directed to Landfill (All Off-Site Disposal)	Tons	129	151	0
Hazardous Waste Directed to Other Disposal Operations (All Off-Site Disposal)	Tons	0	0	0
Non-Hazardous Waste Directed to Disposal	Tons	6,436	6,212	8,103
Non-Hazardous Waste Directed to Incineration (with Energy Recovery) (All Off-Site Disposal)	Tons	3,886	3,508	8,103
Non-Hazardous Waste Directed to Incineration (without Energy Recovery) (All Off-Site Disposal)	Tons	0	0	0
Non-Hazardous Waste Directed to Landfill (All Off-Site Disposal)	Tons	0	0	0
Non-Hazardous Waste Directed to Other Disposal Operations (All Off-Site Disposal)	Tons	2,551	2,704	0

Indicator	Unit	2023	2024	2025
Significant Spills				
Total Number of Recorded Significant Spills	Incidents	0	0	0
Materials and Sustainable Products				
Product Safety Performance Test Pass Rate	%	100	100	100
Environmental Governance				
Environmental Protection Investment	RMB 10,000	192,111	61,604	28,759
Number of Penalties issued by Ecological and Environmental Authorities	Count	0	0	0
Percentage of Employees at All Operational Sites Who Received Environmental Training (Including Internal and External) Relative to Total Employees	%	100	100	100
Percentage of Operational Sites That Have Undergone Environmental Risk Assessments (Including Internal and External) Relative to all Operational Sites	%	100	100	100
Employee Overview				
Percentage of Employees with Signed Labor Contracts	%	100	100	100
Percentage of Employees Covered by Social Insurance	%	100	100	100
Total Number of Employees	Persons	28,008	29,708	33,275
Gender Statistics				
Total Number of Employees by Gender (Male)	Persons	20,314	21,630	24,264
Total Number of Employees by Gender (Female)	Persons	7,694	8,078	9,011
Age Statistics				
Total Number of Employees by Age Group (Under 30)	Persons	14,273	14,562	16,119
Total Number of Employees by Age Group (30–50)	Persons	13,657	15,060	17,017
Total Number of Employees by Age Group (Over 50)	Persons	78	86	139
Education Statistics				
Total Number of Employees by Education Level (Doctorate and Above)	Persons	183	169	198
Total Number of Employees by Education Level (Master's Degree)	Persons	2,643	2,520	2,820
Total Employees by Education Level (Bachelor's Degree)	Persons	8,213	8,044	9,163
Total Employees by Education Level (Below Bachelor's Degree)	Persons	16,969	18,975	21,094

Indicator	Unit	2023	2024	2025
Regional Statistics				
Total Employees by Region (China, Including Hong Kong, Macao, and Taiwan)	Persons	27,938	29,646	32,827
Total Employees by Region (Overseas)	Persons	70	62	448
Governance Body Diversity				
Percentage of Male Members	%	88.9	84.6	73.3
Percentage of Female Members	%	11.1	15.4	26.7
Percentage of Members Under 30	%	0	0	0
Percentage of Members Aged 30–50	%	77.8	76.9	80.0
Percentage of Members Over 50	%	22.2	23.1	20.0
Percentage of Ethnic Minority Members	%	0	0	0
Percentage of Members with Disabilities	%	0	0	0
Employee Diversity				
Percentage of Male Employees in the Organization	%	72.5	72.8	72.9
Percentage of Female Employees in the Organization	%	27.5	27.2	27.1
Percentage of Employees Under 30 in the Organization	%	51.0	49.0	48.4
Percentage of Employees Aged 30–50 in the Organization	%	48.8	50.7	51.1
Percentage of Employees Over 50 in the Organization	%	0.3	0.3	0.4
Percentage of Ethnic Minority Employees in the Entire Organization	%	7.9	8.0	8.1
Percentage of Employees with Disabilities in the Organization	%	0.1	1.1	0.8
New Employees				
Number of New Employees	Persons	12,044	12,980	9,244
Male New Employees	Persons	9,183	10,069	6,970
Female New Employees	Persons	2,861	2,911	2,274
New Employees Under 30	Persons	8,843	8,835	6,598
New Employees Aged 30–50	Persons	3,189	4,143	2,629
New Employees Over 50	Persons	12	2	17
New Employees from China (Including Hong Kong, Macao, and Taiwan)	Persons	12,032	12,978	9,065
New Employees from Overseas	Persons	12	2	179
New Employee Hiring Rate	%	40.5	44.2	29.4
Percentage of New Male Employees	%	45.2	46.6	28.7
Percentage of New Female Employees	%	37.2	36.0	25.2

Indicator	Unit	2023	2024	2025
New Employees				
Percentage of New Employees Under 30	%	62.0	60.7	40.9
Percentage of New Employees Aged 30–50	%	23.4	27.5	15.5
Percentage of New Employees Over 50	%	15.4	2.3	12.2
Percentage of New Employees from China (Including Hong Kong, Macao, and Taiwan)	%	43.1	43.8	27.6
Percentage of New Employees from Overseas	%	17.1	3.2	40.0 ²⁰
Departed Employees				
Number of Departed Employees	Persons	12,447	12,991	13,687
Male Employees	Persons	9,370	10,001	10,622
Female Employees	Persons	3,077	2,990	3,065
Employees Under 30	Persons	9,077	9,050	10,033
Employees Aged 30–50	Persons	3,347	3,931	3,633
Employees Over 50	Persons	23	10	21
Departed Employees from China (Including Hong Kong, Macao, and Taiwan)	Persons	12,430	12,983	13,578
Departed Employees from Overseas	Persons	17	8	109
Employee Turnover Rate	%	30.8	30.5	29.1
Male Employees	%	31.7	31.7	30.4
Female Employees	%	28.6	27.1	25.4
Employees Under 30	%	39.0	38.4	38.4
Employees Aged 30–50	%	19.7	20.8	17.6
Employees Over 50	%	23.2	10.6	13.1
Departed Employees from China (Including Hong Kong, Macao, and Taiwan)	%	30.9	30.5	29.3
Departed Employees from Overseas	%	19.5	11.4	19.6
Maternity and Paternity Statistics				
Total Number of Employees Expected to Return to Work in the Current Year After Maternity/Paternity Leave	Persons	949	957	1,043
Male Employees	Persons	615	678	686
Female Employees	Persons	334	279	357
Total Number of Employees Actually Returning to Work in the Current Year After Maternity/Paternity Leave	Persons	943	955	1,035
Male Employees	Persons	614	676	686
Female Employees	Persons	329	279	349
Return-To-Work Rate for Employees After Maternity/Paternity Leave	%	99.4	99.8	99.2

20 In 2025, the company continued to deepen its global strategic layout to support the expansion of its international business. Therefore, it introduced more outstanding overseas talents.

Indicator	Unit	2023	2024	2025
Maternity and Paternity Statistics				
Male Employees	%	99.8	99.7	100
Female Employees	%	98.5	100	97.8
Total Number of Employees Actually Returning to Work in the Previous Year After Maternity/Paternity Leave	Persons	1,021	943	955
Male Employees	Persons	695	614	676
Female Employees	Persons	326	329	279
Total Number of Employees Still Employed 12 Months After Returning from Maternity/Paternity Leave	Persons	812	760	887
Male Employees	Persons	583	526	654
Female Employees	Persons	229	234	233
Retention Rate for Employees After Maternity/Paternity Leave	%	79.5	80.6	92.9
Male Employees	%	83.9	85.7	96.7
Female Employees	%	70.2	71.1	83.5
Employee Training				
Investment in Vocational Training	RMB10,000	1,016	1,258	1,540
Total Training Hours Provided to All Employees	Hours	578,406	594,771	678,390
Average Training Hours per Employee	Hours/Person	14.31	13.95	14.45
Percentage of Employees Receiving Vocational or Skills-Related Training	%	100	100	100
Percentage of Employees Receiving Diversity, Discrimination, or Harassment Training	%	100	100	100
Employee Assessment and Promotion				
Percentage of Employees Receiving Regular Performance and Career Development Assessments	%	100	100	100
Percentage of Internal Job Transfers for Employees	%	28.6	26.7	23.2
Percentage of Internal Promotion for Employees	%	27.7	26.5	24.0
Total Number of Employees Promoted Internally in the Current Year	Persons	3,283	3,054	3,058
Total Number of Employees Promoted Internally in the Current Year (by Gender, Female)	Persons	825	944	859
Total Number of Employees Promoted Internally in the Current Year (by Gender, Male)	Persons	2,458	2,110	2,199
Compensation and Benefits				
Ratio of Average Female to Male Compensation				
Management	%	90.0	102	104.8
Staff	%	90.1	90.3	91.1
On-site Employees	%	93.8	101.8	97.3
Ratio of Minimum Full-Time Wage for Female Employees to the Local Regulated Minimum Wage	%	119	113	141
Ratio of Minimum Full-Time Wage for Male Employees to the Local Regulated Minimum Wage	%	119	113	135

Indicator	Unit	2023	2024	2025
Employee Satisfaction				
Employee Satisfaction Score	Score	75	77	79
Freedom of Association				
Percentage of Employees Covered by Trade Unions	%	74.5	85.2	54.3 ²¹
Labor and Human Rights				
Percentage of Sites That Have Undergone Human Rights Reviews or Impact Assessments	%	100	100	100
Incidents of Child Labor Recruitment	Incidents	0	0	0
Incidents of Forced Labor	Incidents	0	0	0
Incidents of Discrimination or Harassment	Incidents	0	0	0
Occupational Health and Safety				
Number of Employees Covered by the Occupational Health and Safety Management System	Persons	27,905	29,602	33,172
Percentage of Employees Covered by the Occupational Health and Safety Management System	%	99.6	99.6	99.7
Percentage of Employees Covered by Internally Audited Occupational Health and Safety Management System	%	99.6	99.6	99.7
Percentage of Employees Covered by Externally Audited or Certified Occupational Health and Safety Management System	%	99.6	99.6	99.7
Investment in Safe Production	RMB 100 Million	0.59	1.78	1.85
Number of Employee Deaths Due to Work-Related Injuries	Cases	0	1	0
Number of Recordable Employee Work-Related Injuries	Cases	83	37	42
Number of Employee Deaths Due to Work-Related Health Issues	Cases	0	0	0
Number of Recordable Employee Cases Related to Work-Related Health Issues	Cases	0	0	0
Workdays Lost Due to Work-Related Injuries	Days	1,726	1,633	2,092
Fatal Workplace Accidents / Accidents with Direct Economic Losses Exceeding RMB 1.5 Million Due to Safety Incidents	Cases	0	0	0
Number of Penalties Issued by Emergency Management Authorities	Incidents	0	1	0
Fire, Explosion, or Major Gas Release Incidents	Cases	0	0	0
Percentage of Sites That Have Received Employee Health and Safety Risk Assessment	%	100	100	100
Total Number of Employee Participations in Safety Training During the Reporting Period	Person-Times	950,094	699,592	1,219,161
Total Duration of Safety Training Conducted by the Company During the Reporting Period	Hours	1,767,393	2,164,009	2,625,678
R&D and Innovation				
R&D Investment	RMB 100 Million	67	71	81
R&D Investment Proportion	%	9.3	7.9	7.7
Total Number of Patent Applications ²²	Cases	62,694	65,319	67,927
Total Number of Patents Granted	Cases	24,998	25,730	25,103

²¹ The Company's Suzhou base has already signed a Collective Contract, which stipulates the notice period required before consultation meetings to safeguard employees' rights to collective bargaining; other manufacturing bases use employee representatives as a bridge between the Company and its employees to protect their collective rights.

²² The company has abandoned certain licensed patents in previous years.

Indicator	Unit	2023	2024	2025
Customer Service				
Product Complaint Resolution Rate	%	100	100	100
Number of Product Recalls	Incidents	0	0	0
Confirmed Complaints Related to Breaches of Customer Privacy and Loss of Customer Data	Cases	0	0	0
Customer Satisfaction Top 3 Achievement Rate	%	Not Tracked	95.0	100
Total Number of Incidents During the Reporting Period Involving Violations of Regulations and/or Voluntary Codes Related to the Health and Safety Impacts of Products and Services	Cases	0	0	0
Total Number of Confirmed Incidents of Customer Data Leaks, Theft, or Loss	Cases	0	0	0
Sustainable Supply Chain & Conflict Minerals Management				
Number of Target Suppliers (Key Suppliers)	Entities	30	50	65
Proportion of Procurement Amount from Target Suppliers	%	59.0	76.0	80.0
Percentage of Raw Material Suppliers That Have Signed the Supplier Corporate Social Responsibility Declaration	%	75.1	83.3	85.1
Number of Audited Suppliers Participating in Improvement Actions	Entities	4	19	11
Number of Audited Suppliers Terminated After Evaluation	Entities	0	0	0
Percentage of Raw Material Suppliers That Have Undergone Corporate Social Responsibility Assessments	%	62.9	74.4	100
Percentage of Raw Material Suppliers Subject to CSR Audits (with Significant Actual and Potential Negative Social Impacts)	%	48.6	54.4	0
Percentage of Audited Suppliers Participating in Improvement Actions	%	3.9	11.8	10
Percentage of Audited Suppliers Terminated After Evaluation	%	0	0	0
Percentage of Procurement Staff Trained in Sustainable Procurement Across All Regions	%	80	100	100
Number of Newly Introduced Suppliers	Entities	77	104	114
Percentage of New Suppliers Screened Using GP Standards	%	100	100	100
Percentage of New Suppliers Screened Using Environmental and Social Standards	%	100	100	100
Number of Suppliers Responding with CMRT/EMRT	Entities	251	255	122
Suppliers Sourcing Minerals from Non-Compliant or Invalid Smelters	Entities	0	0	0
Response Rate of Suppliers Using Conflict Minerals Reporting Template (CMRT and EMRT) for Due Diligence	%	100	100	100
Number of Supplier Conferences Held	Incidents	1	1	1
Number of Suppliers Participating in Supplier Conferences	Entities	306	355	152
Corporate Governance				
Number of Board of Directors Meetings Held	Incidents	9	9	13

Indicator	Unit	2023	2024	2025
Compliance and Operations				
Total Number of Significant Non-Compliance Incidents Resulting in Fines During the Reporting Period	Incidents	0	1	0
Total Number of Significant Non-Compliance Incidents Resulting in Non-Financial Penalties During the Reporting Period	Incidents	0	0	0
Total Number of Fines Paid for Non-Compliance Incidents Occurring in the Current Reporting Period	Incidents	0	1	0
Total Amount of Fines Paid for Non-Compliance Incidents Occurring in the Current Reporting Period	RMB 10,000	0	6	0
Total Number of Fines Paid for Non-Compliance Incidents Occurring in the Previous Reporting Period	Incidents	0	0	0
Total Amount of Fines Paid for Non-Compliance Incidents Occurring in the Previous Reporting Period	RMB 10,000	0	0	0
Business Ethics				
Number of Complaints Received from Internal and External Stakeholders	Incidents	39	33	40
Number of Legal Actions During the Reporting Period Related to Anti-Competitive Behavior and Violations of Anti-Trust and Anti-Monopoly Laws Where the Organization Was Identified as a Party	Cases	0	0	0
Number of Concluded Legal Actions	Cases	0	0	0
Number of Pending Legal Actions	Cases	0	3	0
Number of Confirmed Significant Information Security Incidents	Cases	0	0	0
Resolution Rate of Accepted Complaint Cases	%	100	100	100
Percentage of Governance Body Members Signing Personal Integrity Pledges	%	100	100	100
Percentage of General Employees Signing Personal Integrity Pledges	%	100	100	100
Number of Participants in Anti-Corruption Training	Person-Times	72,708	81,509	32,340
Anti-Corruption Training Coverage Rate	%	100	100	97.2
Percentage of Governance Body Members Trained in Anti-Corruption	%	100	100	100
Percentage of General Employees Trained in Anti-Corruption	%	100	100	97.2
Percentage of Operational Sites That Have Undergone Corruption Risk Assessment	%	100	100	100
Completion Rate of "Anti-Monopoly Training" for Key Personnel	%	100	100	100
Information Security Training Coverage Rate	%	96.0	97.9	98.2

Indicator Index Table

Statement of Use	TCL China Star Optoelectronics Technology Co., Ltd. has prepared this report for the period from 1 January 2025 to 31 December 2025 in accordance with the GRI Standards.
GRI 1 Used	GRI 1: Foundation 2021
Applicable GRI Sector Standards	None

GRI Standard/Other References	Number	Description	Location in the Report	Page Number	Remarks
GRI 2: General Disclosures 2021 -The Organization and Its Reporting Practices	2-1	Organizational Details	Company Profile	P6-9	
	2-2	Entities Included in the Organization's Sustainability Reporting	Report Scope	P3	
	2-3	Reporting Period, Frequency and Contact Point	Report Scope	P3	
	2-4	Restatements of Information	Report Scope	P3	
	2-5	External Assurance	Independent Assurance Statement	P150	
GRI 2: General Disclosures 2021 -Activities and Workers	2-6	Activities, Value Chain, and Other Business Relationships	Company Profile	P6-9	
	2-7	Employees	Labor and Human Rights Employee Care and Communication	P86-94	
	2-8	Workers Who Are Not Employees	Omitted	/	The Volume of Data Is Complex; Improvements Will Be Made in the Future.
GRI 2: General Disclosures 2021 -Governance	2-9	Governance Structure and Composition	Corporate Governance	P117	
	2-10	Nomination and Selection of the Highest Governance Body	Corporate Governance	P117	
	2-11	Chair of the Highest Governance Body	Corporate Governance	P117	
	2-12	Role of the Highest Governance Body in Overseeing the Managing of Impacts	Sustainability Management	P14-16	
	2-13	Delegation of Responsibility for Managing Impacts	Sustainability Management	P14-16	
	2-14	Role of the Highest Governance Body in Sustainability Reporting	Sustainability Management	P14-16	
	2-15	Conflicts of Interest	Business Ethics	P122-126	
	2-16	Communication of Critical Concerns	Sustainability Management	P15	
	2-17	Collective Knowledge of the Highest Governance Body	Sustainability Management	P16	
	2-18	Evaluation of the Performance of the Highest Governance Body	Sustainability Management	P16	
	2-19	Remuneration Policies	Corporate Governance	P118	
	2-20	Process to Determine Remuneration	Corporate Governance	P118	
	2-21	Annual Total Compensation Ratio	Omitted	/	Not Disclosed Externally Due to Information Confidentiality Requirements.

GRI Standard/Other References	Number	Description	Location in the Report	Page Number	Remarks
GRI 2: General Disclosures 2021 –Strategy, Policies, and Practices	2–22	Statement on Sustainable Development Strategy	Sustainability Strategy	P16–17	
	2–23	Policy Commitments	Sustainability Strategy	P16–17	
	2–24	Embedding Policy Commitments	Sustainability Strategy	P16–17	
	2–25	Processes to Remediate Negative Impacts	Business Ethics	P127	
	2–26	Mechanisms for Seeking Advice and Raising Concerns	Business Ethics	P127	
	2–27	Compliance with Laws and Regulations	See Relevant Sections of the Report	/	
	2–28	Membership Associations	See Relevant Sections of the Report	/	
GRI 2: General Disclosures 2021 –Stakeholder Engagement	2–29	Approach to Stakeholder Engagement	Stakeholder Communication	P23–24	
	2–30	Collective Bargaining Agreements	Employee Care and Communication	P94	
GRI 3: Material Topics 2021	3–1	Process to Determine Material Topics	Double Materiality Assessment	P25–28	
	3–2	List of Material Topics	Double Materiality Assessment	P28	
	3–3	Management of Material Topics	Double Materiality Assessment	P25–28	
GRI 101: Biodiversity 2024	3–3	Management of Material Topics	Community Investment	P115	
	101–1	Policies on Preventing and Reversing Biodiversity Loss	Water Resource Management	P44	
			Air Pollution Control	P51	
			Waste Management	P54	
	101–2	Management of Biodiversity Impacts	Community Investment	P115	
	101–3	Access and Benefit-Sharing	Omitted	/	This Disclosure Is Not Applicable as There Is No Involvement in the Research and Development or Use of Genetic Resources.
	101–4	Identifying Biodiversity Impacts	Community Investment	P115	
	101–5	Locations with Biodiversity Impacts	Community Investment	P115	
	101–6	Direct Drivers of Biodiversity Loss	Addressing Climate Change	P29–59 P67–74	
			Water Resource Management		
			Air Pollution Control		
			Waste Management		
	101–7	Changes in Biodiversity Status	Giving Back to the Community	P115	
	101–8	Ecosystem Services	Giving Back to the Community	P115	

GRI Standard/Other References	Number	Description	Location in the Report	Page Number	Remarks
GRI 102: Climate Change 2025	3-3	Management of Material Topics	Addressing Climate Change	P30-38	
	102-1	Transition Plan for Climate Change Mitigation	Addressing Climate Change	P31-33	
	102-2	Climate Change Adaptation Plan	Addressing Climate Change	P31-33	
	102-3	Just Transition	Omitted	/	Not Disclosed Due to Confidentiality Requirements.
	102-4	Greenhouse Gas Emission Reduction Targets and Progress	Addressing Climate Change	P38	
	102-5	Scope 1 Greenhouse Gas Emissions	Addressing Climate Change Key Performance Indicator Table	P131-132	
	102-6	Scope 2 Greenhouse Gas Emissions	Addressing Climate Change Key Performance Indicator Table	P132	
	102-7	Scope 3 Greenhouse Gas Emissions	Addressing Climate Change Key Performance Indicator Table	P132	
	102-8	Greenhouse Gas Emission Intensity	Addressing Climate Change Key Performance Indicator Table	P132	
	102-9	Greenhouse Gas Removals in the Value Chain	Omitted	/	The Volume of Data Is Complex; Improvements Will Be Made in the Future.
	102-10	Carbon Credits	Addressing Climate Change	P32	
GRI 103: Energy 2025	3-3	Management of Material Topics	Energy Management	P39-43	
	103-1	Energy Policy and Commitments	Energy Management	P39	
	103-2	Energy Consumption and Generation within the Organization	Energy Management Key Performance Indicator Table	P40, P131	
	103-3	Upstream and Downstream Energy Consumption	Omitted	/	The Volume of Data Is Complex; Improvements Will Be Made in the Future.
	103-4	Energy Intensity	Energy Management	P43, P131	
	103-5	Reduction of Energy Consumption	Energy Management Key Performance Indicator Table	P43, P131	
GRI 201: Economic Performance 2016	201-1	Direct Economic Value Generated and Distributed	Omitted	/	Information Not Disclosed for Reasons of Confidentiality.
	201-2	Financial Implications and Other Risks and Opportunities Due to Climate Change	Addressing Climate Change	P34-38	
	201-3	Defined Benefit Plan Obligations and Other Retirement Plans	Talent Cultivation and Development	P95-100	
	201-4	Financial Assistance Received from Government	Omitted	/	Information Not Disclosed for Reasons of Confidentiality.
GRI 202: Market Presence 2016	3-3	Management of Material Topics	Double Materiality Assessment	P25-28	
	202-1	Ratio of Standard Entry-Level Wage by Gender Compared to Local Minimum Wage	Key Performance Indicator Table	P138	
	202-2	Proportion of Senior Management Hired from the Local Community	Omitted	/	Information Not Disclosed for Reasons of Confidentiality.

GRI Standard/Other References	Number	Description	Location in the Report	Page Number	Remarks
GRI 203: Indirect Economic Impacts 2016	3-3	Management of Material Topics	Giving Back to the Community	P114-115	
	203-1	Infrastructure Investments and Services Supported	Giving Back to the Community	P114-115	
	203-2	Significant Indirect Economic Impacts	Talent Cultivation and Development Responsible Supply Chain	P95-100 P108-113	
GRI 204: Procurement Practices 2016	3-3	Management of Material Topics	Double Materiality Assessment	P25-28	
	204-1	Proportion of Spending on Local Suppliers	Omitted	/	Information Not Disclosed for Reasons of Confidentiality.
GRI 205: Anti-Corruption 2016	3-3	Management of Material Topics	Business Ethics	P122-126	
	205-1	Operations Assessed for Risks Related to Corruption	Key Performance Indicator Table	P141	
	205-2	Communication and Training About Anti-Corruption Policies and Procedures	Business Ethics	P126	
	205-3	Confirmed Incidents of Corruption and Actions Taken	Business Ethics	P124-125	
GRI 206: Anti-Competitive Behavior 2016	3-3	Management of Material Topics	Business Ethics	P122-126	
	206-1	Legal Actions for Anti-Competitive Behavior, Anti-Trust, and Monopoly Practices	Business Ethics	P122	
GRI 107: Tax 2019	3-3	Management of Material Topics	Company Profile	P8	Non-Material Topic
	207-1	Tax Approach	Company Profile	P8	Non-Material Topic
	207-2	Tax Governance, Control, and Risk Management	Company Profile	P8	Non-Material Topic
	207-3	Stakeholder Engagement and Management of Tax-Related Concerns	Company Profile	P8	Non-Material Topic
	207-4	Country-By-Country Reporting	Omitted	/	Not Applicable
GRI 301: Materials 2016	3-3	Management of Material Topics	Sustainable Products	P67-74	
	301-1	Materials Used by Weight or Volume	Sustainable Products	P69-74	
	301-2	Recycled Input Materials Used	Waste Management	P57	
	301-3	Reclaimed Products and Their Packaging Materials	Sustainable Products	P69-74	
GRI 303: Water and Effluents 2018	3-3	Management of Material Topics	Water Resource Management	P44-50	
	303-1	Interactions with Water as a Shared Resource	Water Resource Management	P48-49	
	303-2	Management of Water Discharge-Related Impacts	Water Resource Management Key Performance Indicator Table	P48-49 P133	
	303-3	Water Withdrawal	Water Resource Management Key Performance Indicator Table	P48-49 P132	
	303-4	Water Discharge	Water Resource Management Key Performance Indicator Table	P48-49 P133	
	303-5	Water Consumption	Water Resource Management Key Performance Indicator Table	P48-49 P133	

GRI Standard/Other References	Number	Description	Location in the Report	Page Number	Remarks
GRI 306: Waste 2020	3-3	Management of Material Topics	Waste Management	P54-58	
	306-1	Generation of Waste and Significant Waste-Related Impacts	Waste Management	P54-58	
	306-2	Management of Significant Waste-Related Impacts	Waste Management	P54-58	
	306-3	Waste Generated	Waste Management	P58	
			Key Performance Indicator Table	P134	
	306-4	Waste Diverted from Disposal	Waste Management	P58	
			Key Performance Indicator Table	P134	
GRI 306: Effluents and Waste 2016	306-3	Significant Spills	Waste Management	P58	
			Key Performance Indicator Table	P134	
GRI 308: Supplier Environmental Assessment 2016	3-3	Management of Material Topics	Double Materiality Assessment	P108-113	
	308-1	New Suppliers That Were Screened Using Environmental Criteria	Responsible Supply Chain	P110-111	
	308-2	Negative Environmental Impacts in the Supply Chain and Actions Taken	Responsible Supply Chain	P110-111	
GRI 401: Employment 2016	3-3	Management of Material Topics	Double Materiality Assessment	P86-91	
	401-1	New Employee Hires and Employee Turnover	Key Performance Indicator Table	P136-137	
	401-2	Benefits Provided to Full-Time Employees (Excluding Temporary or Part-Time Employees)	Talent Cultivation and Development	P94	
			Talent Cultivation and Development Key Performance	P92	
GRI 402: Labor/ Management Relations 2016	3-3	Management of Material Topics	Double Materiality Assessment	P92-94	
	402-1	Minimum Notice Periods Regarding Operational Changes	Employee Care and Communication	P94	
GRI 403: Occupational Health and Safety 2018	3-3	Management of Material Topics	Occupational Health and Safety	P101-107	
	403-1	Occupational Health and Safety Management System	Occupational Health and Safety	P101	
	403-2	Hazard Identification, Risk Assessment, and Incident Investigation	Occupational Health and Safety	P103-105	
	403-3	Occupational Health Services	Occupational Health and Safety	P105	
	403-4	Worker Participation, Consultation, and Communication on Occupational Health and Safety	Occupational Health and Safety	P106	
	403-5	Worker Training on Occupational Health and Safety	Occupational Health and Safety	P106	
	403-6	Promotion of Worker Health	Occupational Health and Safety	P105	
	403-7	Prevention and Mitigation of Occupational Health and Safety Impacts Directly Linked by Business Relationships	Occupational Health and Safety	P101-107	
	403-8	Workers Covered by an Occupational Health and Safety Management System	Occupational Health and Safety	P101	
	403-9	Work-Related Injuries	Occupational Health and Safety	P107	
	403-10	Work-Related Health Issues	Occupational Health and Safety	P107	

GRI Standard/Other References	Number	Description	Location in the Report	Page Number	Remarks
GRI 404: Training and Education 2016	3-3	Management of Material Topics	Double Materiality Assessment	P95-100	
	404-1	Average Hours of Training per Year per Employee	Talent Cultivation and Development Key Performance	P98	
	404-2	Programs for Upgrading Employee Skills and Transition Assistance Programs	Key Performance	P98-99	
	404-3	Percentage of Employees Receiving Regular Performance and Career Development Reviews	Talent Cultivation and Development Key Performance	P96	
GRI 405: Diversity and Equal Opportunity 2016	3-3	Management of Material Topics	Double Materiality Assessment	P86-100	
	405-1	Diversity of Governance Bodies and Employees	Corporate Governance	P117	
	405-2	Ratio of Basic Salary and Remuneration of Men to Women	Talent Cultivation and Development Key Performance	P138	
GRI 406: Non-Discrimination 2016	3-3	Management of Material Topics	Double Materiality Assessment	P86-91	
	406-1	Incidents of Discrimination and Corrective Actions Taken	Labor and Human Rights	P86-91	
GRI 407: Freedom of Association and Collective Bargaining 2016	3-3	Management of Material Topics	Double Materiality Assessment	P86-91	
	407-1	Operations and Suppliers at Significant Risk for Incidents of Freedom of Association and Collective Bargaining	Labor and Human Rights Key Performance	P86-91	
GRI 408: Child Labor 2016	3-3	Management of Material Topics	Double Materiality Assessment	P86-91	
	408-1	Operations and Suppliers at Significant Risk for Incidents of Child Labor	Labor and Human Rights Key Performance	P86-91	
GRI 409: Forced or Compulsory Labor 2016	3-3	Management of Material Topics	Double Materiality Assessment	P86-91	
	409-1	Operations and Suppliers at Significant Risk for Incidents of Forced or Compulsory Labor	Labor and Human Rights Key Performance	P86-91	
GRI 410: Security Practices 2016	3-3	Management of Material Topics	Omitted	/	Non-Material Topic
	410-1	Security Personnel Trained in Human Rights Policies or Procedures	Omitted	/	Non-Material Topic
GRI 411: Rights of Indigenous Peoples 2016	3-3	Management of Material Topics	Omitted	/	No Incidents Involving Violations of the Rights of Indigenous Peoples
	411-1	Incidents of Violations Involving Rights of Indigenous Peoples	Omitted	/	No Incidents Involving Violations of the Rights of Indigenous Peoples
GRI 413: Local Communities 2016	413-1	Operations with Local Community Engagement, Impact Assessments, and Development Programs	Social Contribution	P114-115	Non-Material Topic
	413-2	Operations with Significant Actual or Potential Negative Impacts on Local Communities	Giving Back to the Community	P114-115	Non-Material Topic
GRI 414: Supplier Social Assessment 2016	3-3	Management of Material Topics	Double Materiality Assessment	P108-113	
	414-1	New Suppliers Screened Using Social Criteria	Responsible Supply Chain	P110-113	
	414-2	Negative Social Impacts in the Supply Chain and Actions Taken	Responsible Supply Chain	P110-113	
GRI 415: Public Policy 2016	3-3	Management of Material Topics	Omitted	/	Not Applicable
	415-1	Political Contributions	Omitted	/	Not Applicable

GRI Standard/Other References	Number	Description	Location in the Report	Page Number	Remarks
GRI 416: Customer Health and Safety 2016	3-3	Management of Material Topics	Double Materiality Assessment	P25-28	The Company's Products Are Not-Directly Labeled or Marketed to End Consumers; This Is a Non-Material Topic.
	416-1	Assessment of the Health and Safety Impacts of Product and Service Categories	Product Responsibility	P78-82	
	416-2	Incidents of Non-Compliance Concerning the Health and Safety Impacts of Products and Services	Product Responsibility	P82	
GRI 417: Marketing and Labeling 2016	3-3	Management of Material Topics	Omitted	/	
	417-1	Requirements for Product and Service Information and Labeling	Omitted	/	
	417-2	Incidents of Non-Compliance Concerning Product and Service Information and Labeling	Omitted	/	
	417-3	Incidents of Non-Compliance Concerning Marketing Communications	Omitted	/	
GRI 418: Incidents of Non-Compliance Concerning Marketing Communications	3-3	Management of Material Topics	Information Security and Privacy Protection	P127-130	
	418-1	Substantiated Complaints Concerning Breaches of Customer Privacy and Losses of Customer Data	Information Security and Privacy Protection	P130	

Certification Summary

Site/ Company	ISO 9001 Quality Management	IATF 16949 Automotive Quality Management	ISO 14001 Environmental Management	ISO 50001 Energy Management	ISO 14064-3 Greenhouse Gas Verification	UL 2799 Zero Waste to Landfill Validation	QC 080000 Hazardous Substance Process Management	SA8000 Social Accountability Management	ISO 45001 Occupational Health and Safety Management	ISO 27001 Information Security Management	ISO 20400 Sustainable Procurement
TCL CSOT	●		●	●	●	●	●		●	●	●
Shenzhen CSOT Semiconductor	●		●	●	●	●	●		●	●	
Wuhan CSOT	●	●	●	●	●	●	●	●	●	●	
Wuhan CSOT Semiconductor	●		●	●	●	●	●		●	●	
Guangzhou CSOT	●		●	●	●		●		●	●	
Guangzhou CSOT Display	●		●	●	●		●		●	●	
Guangzhou CSOT Semiconductor	●		●	●	●	●	●	●	●	●	
Suzhou CSOT	●		●	●	●	●	●		●	●	
Suzhou CSOT Display	●		●	●	●	●	●	●	●	●	
Huizhou CSOT	●		●	●	●	●	●		●	●	
Huizhou Huaxian	●		●	●	●	●	●		●	●	
Guangzhou ChinaRay	●		●		●		●		●		
Guangzhou Juhua	●				●						
Vietnam CSOT	●		●	●	●		●		●		
India CSOT	●				●				●		

Independent Assurance Statement



ASSURANCE STATEMENT

REPORT ON SUSTAINABILITY ACTIVITIES IN THE TCL CHINA STAR OPTOELECTRONICS TECHNOLOGY CO., LTD.'S 2025 SUSTAINABILITY REPORT

NATURE OF THE ASSURANCE/VERIFICATION
SGS-CSTC Standards Technical Services Co., Ltd. (hereinafter referred to as SGS-CSTC) was commissioned by TCL China Star Optoelectronics Technology Co., Ltd. (hereinafter referred to as TCL CSOT) to conduct an independent assurance of the 2025 Sustainability Report (Chinese version) for the period of January 1, 2025 to December 31, 2025.

INTENDED USERS OF THIS ASSURANCE STATEMENT
This Assurance Statement is provided with the intention of informing all TCL CSOT's stakeholders.

RESPONSIBILITIES
The sustainability information in the 2025 Sustainability Report and its presentation are the responsibility of TCL CSOT's ESG governing body and the management. SGS-CSTC has not been involved in the preparation of any of the material included in the 2025 Sustainability Report.

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of assurance based upon sufficient and appropriate objective evidence.

SGS-CSTC hereby states that it shall not be held responsible or liable for any direct, indirect, incidental, or consequential damages or losses arising from or in connection with the use of information provided in this report.

ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE
The assurance of this report has been conducted according to the AA1000 Assurance Standard (AA1000AS v3), a standard used globally to provide assurance on sustainability-related information across organizations of all types, including the evaluation of the nature and extent to which an organization adheres to the AccountAbility Principles (AA1000AP, 2018).

The assurance of this report has been conducted according to the following Assurance Standards:

Assurance Standard	Level of Assurance
AA1000AS v3 Type 2	Moderate

SCOPE OF ASSURANCE AND REPORTING CRITERIA

This assurance engagement is confined to verifying the accuracy and reliability of the sustainability performance information presented in the TCL CSOT's 2025 Sustainability Report and evaluating adherence to the following reporting criteria:

Reporting Criteria
AA1000 AccountAbility Principles (2018)
GRI Standards 2021 (In Accordance with)



ASSURANCE METHODOLOGY

The assurance comprised a combination of pre-assurance research, interviews with relevant employees on-site at 9-2, Tangming Avenue, Guangming District, Shenzhen City, Guangdong Province, P.R. China, including documentation and record review and validation where relevant. This assurance engagement was restricted to the group level of TCL CSOT and did not include traceability of all original data from subordinate institutions.

LIMITATIONS

Data drawn directly from independently audited financial accounts and intensity data calculated based on financial data has not been checked back to source as part of this assurance process.

The greenhouse gas emission related data in the 2025 Sustainability Report has been directly adopted from the independent third party verification data and has not been double verified in this audit.

This assurance engagement was limited to conducting interviews with departmental managers and selected employees of TCL CSOT, in addition to reviewing relevant documents and records.

INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and certification, operating in multiple countries and providing services. As an affiliate of SGS Group, SGS-CSTC affirms our independence from TCL CSOT, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment.

FINDINGS AND CONCLUSIONS

ASSURANCE OPINION

On the basis of the methodology described and the assurance work performed, we believe that the specified performance information included in the scope of assurance is accurate, reliable, and has been fairly presented. The TCL CSOT's 2025 Sustainability Report has been prepared in accordance with the Four Principles of AA1000.

We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting.

ADHERENCE TO AA1000 ACCOUNTABILITY PRINCIPLES (2018)

INCLUSIVITY

The TCL CSOT's 2025 Sustainability Report has demonstrated that the organization identified its stakeholders, collected their expectations and concerns, established methods for stakeholder communication and engagement, and undertaken various forms of dialogue and interaction with them.

MATERIALITY

The TCL CSOT's 2025 Sustainability Report has reasonably disclosed significant issues and indicators that materially affect stakeholder evaluations and decisions, reflecting the organization's most significant impacts on economic, environmental, and social matters based on the concerns raised by relevant stakeholders.

RESPONSIVENESS

The TCL CSOT's 2025 Sustainability Report has demonstrated the established channels for stakeholder interaction and has fully addressed stakeholder concerns and expectations. Additionally, it has provided transparent responses on material issues to an appropriate extent.

IMPACT

The TCL CSOT's 2025 Sustainability Report has provided an account of the monitoring and measurement of the principal activities' impacts concerning environmental, social, and governance (ESG) issues.



QUALITY AND RELIABILITY OF SPECIFIED PERFORMANCE INFORMATION

On the basis of the methodology described and the verification work performed, we checked management documents, HR system data, vouchers and supporting documents, minutes of meetings, ISO Certificates, Third-Party Inspection Reports, etc. We have confidence that the specified performance information included in the scope of assurance is reliable at a moderate level of scrutiny for TCL CSOT.

ADHERENCE TO GRI STANDARDS 2021

The assurance team concludes that the TCL CSOT's 2025 Sustainability Report has been prepared in accordance with the requirements of GRI Standards 2021.

RECOMMENDATIONS

All observations pertaining to commendable practices, sustainable development activities, and managerial recommendations identified throughout the assurance process have been thoroughly communicated with relevant management divisions of TCL CSOT to serve as a reference for their ongoing efforts towards continuous improvement.

Signed:



For and on behalf of SGS-CSTC

David Xin
Sr. Director – Business Assurance
16/F Century Yuhui Mansion, No. 73, Fucheng Road, Beijing, P.R. China

Apr. 29th, 2026
WWW.SGS.COM



CN26/00002939



AA1000
Licensed Report
000-8/V3-QCR2B

Glossary

English Abbreviation	English Full Name
AAI	Automated Appearance Inspection
AI	Artificial Intelligence
API	Automated Panel inspection
AR	Augmented Reality
AWS	Alliance for Water Stewardship
BOD	Biochemical Oxygen Demand
CBAM	Carbon Border Adjustment Mechanism
CDA	Compressed Dry Air
CDP	Carbon Disclosure Project
CEO	Chief Executive Officer
CISSP	Certified Information Systems Security Professional
CISP	Certified Information Security Professional
CMRT	Conflict Minerals Reporting Template
COD	Chemical Oxygen Demand
CSOT	China Star Optoelectronics Technology
CSR	Corporate Social Responsibility
CVD	Chemical Vapor Deposition
ECHA	European Chemicals Agency
EMRT	Extended Minerals Reporting Template
EAP	Employee Assistance Program
EPE	Expanded Polyethylene
EPS	Expanded Polystyrene
ERC	Emergency Response Center
ERT	Emergency Response Team
ESG	Environmental, Social and Governance
EX	Excellence
FFU	Fan Filter Unit
FMM	Fine Metal Mask
G5.5	Generation 5.5

Glossary(Continued)

English Abbreviation	English Full Name
G8.6	Generation 8.6
GP	Green Product
GPMS	Green Product Management System
GRI	Global Reporting Initiative
HDPE	High-Density Polyethylene
HFS	High Frequency Switching
HVA	High Vertical Alignment
IC	Integrated Circuit
IEC	International Electrotechnical Commission
IFRS S1/S2	International Financial Reporting Standards Sustainability Disclosure S1/S2
IJP OLED	Inkjet Printing OLED
ILO	International Labour Organization
IPS	In-Plane Switching
IPCC	Intergovernmental Panel on Climate Change
ISMS	Information Security Management System
ISSB	International Sustainability Standards Board
ITMT	Integrated Technology Management Team
IATF	International Automotive Task Force
KPI	Key Performance Indicator
LCD	Liquid Crystal Display
LED	Light Emitting Diode
LTPO	Low Temperature Polycrystalline Oxide
MLED	Mini/Micro LED
MUX	Multiplexer
ODS	Ozone Depleting Substances
OLED	Organic Light-Emitting Diode
PCR	Post-Consumer Recycled
PDCA	Plan-Do-Check-Act
PFAS	Per- and Polyfluoroalkyl Substances

Glossary(Continued)

English Abbreviation	English Full Name
PII	Personally Identifiable Information
PLP	Panel Level Packaging
PM	Particulate Matter
PPI	Pixels Per Inch
RBA	Responsible Business Alliance
RCOI	Reasonable Country of Origin Inquiry
REACH	Registration, Evaluation, Authorisation and Restriction of Chemicals
RMI	Responsible Minerals Initiative
RoHS	Restriction of Hazardous Substances
SASB	Sustainability Accounting Standards Board
SBTi	Science Based Targets initiative
SDGs	Sustainable Development Goals
SGS	SGS-CSTC Standards Technical Services Co., Ltd.
SID	Society for Information Display
SOC	Security Operations Center
SOR	Smelter or Refiner
SS	Suspended Solids
SVHC	Substance of Very High Concern
TDT	Technology Development Team
TISAX	Trusted Information Security Assessment Exchange
TSCA	Toxic Substances Control Act
T ü V	T ü V Rheinland
TV	Television
UL	Underwriters Laboratories
UNCAC	United Nations Convention against Corruption
UNGC	United Nations Global Compact
VAP	Validated Assessment Program
VOC	Volatile Organic Compounds
VR	Virtual Reality



Feedback

Dear Readers: Thank you for reading the TCL CSOT 2025 Sustainability Report. Should you have any questions or suggestions regarding this Report, we welcome your feedback to help us further enhance TCL CSOT's sustainability performance and improve the quality of our reporting.

Tel: +86-0755-86908853

Email: csot.ESG1@tcl.com

Mailing Address: No. 9-2, Tangming Avenue, Guangming District, Shenzhen, Guangdong Province

Postal Code: 518107