

Modern Slavery Statement 2024

Issued at: May, 2024

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MODERN SLAVERY STATEMENT 2024

This statement covers the financial year 2023.

Updated at: May, 2024

Website link: <https://www.tpv-tech.com/en/duty3.html>

Pursuant to *Section 3 of the California Transparency in Supply Chains Act of 2010*, the United Kingdom (UK) *Modern Slavery Act 2015, Chapter 30, Part 6, Provision 54*, and the *Australia Modern Slavery Act 2018, Part 2, Section 16*, TPV declares its efforts in identifying, assessing and managing the risks of modern slavery and human trafficking within our own operations and product supply chain. A summary of efforts concerning due diligence process, risk assessment and management, targets and trainings are provided below. For more information on TPV's structure and the approach to ESG and sustainability, please refer to the annual TPV Environmental, Social and Governance Report.

Our organization and supply chain

TPV is an international technology corporate headquartered in China and one of the largest monitor and TV providers in the world, which was founded in Taiwan, China in 1967. In 1989, TPV launched the first manufacturing base in Fuqing City, Fujian Province, Mainland China. Now working with nearly 20,000 employees around the world, TPV establishes a monthly capacity of millions units, delivering the following product globally:

- Monitors
- TVs
- AIOs
- Smart screens
- Audio products

The Group has a total of 12 manufacturing bases around the globe, of which 6 are in China, 1 in Russia, 1 in Poland, 1 in Mexico, 1 in Brazil, 1 in Argentina and 1 in Thailand. Moreover, the Group sets up 3 innovation and development ("I&D") centers in Belgium, India and China. In addition, the Group has over 3,500 sales offices and branches spreading around the globe to serve customers worldwide.

We regard our suppliers as important business partners and we continuously strive to forge and maintain close and supportive relationships with them, through engagement and collaboration, to maintain a healthy business ecosystem.

Our supply chain consists of the following categories of procurement:

- Production suppliers, providing the goods and services that go into our products;
- Non-production suppliers, providing the goods and services we buy to conduct our business, including but not limited to IT hardware and software, logistics, consulting, financial, legal and marketing.

The majority of our suppliers for manufacturing are based in Asia, whereas for service are located around the world.

	FY2023	FY2022	FY2021	FY2023	FY2022	FY2021
	Of production suppliers			Of non-production suppliers		
Asia	517	692	655	1,802	2,068	3,853
Europe	8	41	72	1,097	1,190	1,184
North America	19	19	21	209	227	219
Latin America	1	30	22	793	965	865

Our commitment

We are committed to following and upholding the laws and regulation in all the countries we operate. *TPV Code of Conducts*, *Supplier Code of Conduct* (“Code”)¹, *Human Rights Policy*² and related policies and Standard Operating Procedures (SOPs) are implemented to cover our employees and are also applied to our suppliers. In the meantime, we support and follow the vision and mission of Responsible Business Alliance (RBA), and actively call on our suppliers to join us in supporting *RBA Code of Conduct* especially in working hours, recruitment fees, occupational safety, etc.

As stated in our *Code of Conduct* and *Human Rights Policy*, we will not make use of forced labor or bonded labor in line with the international fundamental *ILO Conventions 29 and 105*. With forced labor we mean work performed by persons placed in an institution, slavery, human trafficking or compulsory labor as a means of political coercion or education to manufacture or assemble our products. All work must be conducted on a voluntary basis, and not under threat of any penalty or sanction.

The Group has issued *Supplier Code of Conduct* and requires our business partners to follow all these requirements by adding annex on social responsibility to our *Procurement Contract*. The *Code* and agreement set out a commitment to ensure any form of forced, bonded (including debt bondage) or indentured labor, involuntary or exploitative prison labor, slavery or trafficking of persons shall not be used.

As well as having internal channels, workers within our suppliers can raise the issue confidentially and anonymously through our whistleblowing policy³. All the issues raised by workers will be assessed and investigated further if appropriate. Anyone making a report will be kept confidential and they will be protected from retaliation, retribution and any form of harassment for raising the concern. Workers of our suppliers can share their anonymous feedback and concerns about their working conditions through the communication channels, by mail and phone calls, which are mentioned in our whistleblowing policy. In this way we can receive anonymous worker feedback which is an input for TPV to verify risks and to monitor their human rights performance.

¹ Please refer to the official website at <https://www.tpv-tech.com/en/duty3.html>

² Please refer to the official website at <https://www.tpv-tech.com/en/duty3.html>

³ Please refer to TPV Supplier Code of Conduct. Report by Email: tpv.whistleblowing@tpv-tech.com / by Phone: +(852) 2865-4219

Due diligence process

TPV has a well-established screening processes in place for supplier selection and evaluation. New suppliers are required to undertake a rigorous evaluation process which considers not only technical capability and quality, but also sustainability performance. Suppliers are required to sign an agreement to confirm their commitment to working with us in an environmentally and socially responsible way.

Under our supplier evaluation mechanisms, our dedicated teams conduct regular evaluations and ad-hoc audits of supplier performance to identify areas for improvement. Suppliers are required to undertake corrective actions in a timely manner. Failing to comply with our evaluation criteria can result in the termination of the business relationship.

Most of our own operations are audited by an independent third party using the standards such as RBA and SA8000, which include forced labor. TPV is strengthening its commitment to respect human rights and prevent modern slavery by launching its *Human Rights Policy* together with *Modern Slavery Statement*. As part of this commitment, we are also strengthening our due diligence system to identify, prevent and address modern slavery in our supply chains. This will require the following steps:

- Pro-actively identifying any actual and potential human rights risks.
- Embedding and integrating human rights into management systems and taking action to address the risks that were identified.
- Remediation where needed.

Risk assessment and management

We will add selection criteria to our supplier selection process that are complied with the requirements of ISO 14001, ISO 45001 and RBA standards that we are currently using, based on type of products or services and geographical location. In 2023, 100% of suppliers signed the procurement contracts with clauses covering environmental, labor and human rights requirements.

- We identify which criteria make our suppliers most at risk for modern slavery/forced labor.
- For current suppliers that are at risk, we are regularly performing internal and external audits. We will extend this group to suppliers that are at risk for modern slavery/forced labor. Till 2023, 133 production suppliers have actively participated in third-party RBA on-site audits. In 2023, TPV held both the supplier conference of own brands and the Global Supplier Conference to share information and updates on the social, as well as relevant regulations and standards, such as the supplier code of conduct, standards of the Responsible Business Alliance (RBA).
- We have found that conflict minerals issues are often coupled with modern slavery/forced labor issues, so we will further identify the potential risks identified in the mining, extraction and trade of metals that provide key minerals in electronic components. Risks include military conflict, human and labor rights violations and damaging impacts on the environment. As a member of the International Tin Supply Chain Initiative (ITSCI), TPV has played a significant role in promoting responsible procurement within the artisanal mining sector of tin, tantalum, and tungsten (3T) in the Democratic Republic of Congo. In 2023, we carried out investigations on conflict minerals for suppliers who use metal materials in their production process and achieved the coverage of 100%. In 2023, AOC and MMD (Philips Monitors), a subsidiaries of TPV, kept cooperating with Pact, a non-profit organization, and a total of 136 mining compliance awareness events were organized, 250 mining regulations handbooks were distributed, and 300 mining regulations posters were posted in operational areas and miner communities.

Targets to measure effectiveness

For 2023 and the years to come, we are working with the following targets:

- To increase the product suppliers' participation in third-party RBA audits to 200 by 2025, and to 300 by 2030
- To finish the product suppliers' ESG risk assessments and surveys by 80% by 2030 among the critical suppliers
- To increase buyers participated in sustainable procurement training to 90% by 2025 on the 2021 base which is 69%

Training on modern slavery and trafficking

TPV has implemented training and a variety of capacity building programs to help our employees and suppliers comply with the TPV human rights policy and ESG requirements.

We will develop a training on modern slavery and trafficking for our own employees and our labor contractors to start with. As a next step we can extend this training to our suppliers. In 2023, the total training hours on preventing discrimination and human rights violations, carried out among our own employees are 5,238.

ESG training sessions

All TPV employees are encouraged to participate in online ESG and RBA training sessions, which also applies to TPV suppliers. These TPV training sessions are organized by TPV and our internal experts provide trainings to suppliers, which cover various topics relating to the requirements of the RBA Code of Conduct including human trafficking and slavery and can help to further develop supplier sustainability competences. The total training hours on 5 major topics are included in ESG performance data, and in last two years it is shown as the below table:

<i>Annual total training hours</i>	FY2023	FY2022	FY2021
<i>on environmental issues (hour)</i>	17,830	19,061	23,673
<i>on energy conservation and climate actions (hour)</i>	24,663	19,987	4,953
<i>on preventing discrimination and human rights violations (hour)</i>	5,238	9,032	14,411
<i>on business ethics (hour)</i>	76,173	33,384	27,191
<i>on health and safety (hour)</i>	84,559	102,923	68,293

Supplier Conference

ESG and Sustainability is an important part of the Supplier Conference TPV Quality and GPM organizes annually. Management team will communicate instructions and changes related to ESG and sustainability to suppliers, including human rights, environmental protection, etc. In 2023, 47 key suppliers participated in the online RBA training.

Mark Chen
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