

Sustainability Report 2026



About this Report

VTech has published its annual Sustainability Report since the financial year (FY)2014. The purpose of the report is not only to communicate our sustainability strategies, management approaches and performances with our stakeholders, but also comprehensively introduce our ongoing activities for our sustainable development towards the societies and environment in which we operate.

VTech considers sustainability as a direction for our long-term development. The Sustainability Report was prepared in accordance with the Environmental, Social and Governance (ESG) Reporting Code (ESG Code) set out in Appendix C2 of the listing rules of The Hong Kong Stock Exchange Limited (the Stock Exchange) and the Global Reporting Initiative (GRI) Standards 2021. The report was also prepared with reference to the International Sustainability Standards Board (ISSB) IFRS S2 Climate-related Disclosure.

VTech also supports the 17 Sustainable Development Goals (SDGs) developed by the United Nations (UN), which provide sustainable development direction and targets of the world to be achieved by 2030. In our Sustainability Plan 2030, we have developed sustainability strategies and programmes based on our five sustainability pillars – Governance and Business Ethics, Product Responsibilities and Value Chain Management, Environment, Our People, and Society, aiming to make contribution towards the UN SDGs.

Since FY2020, VTech has disclosed climate-related initiatives and measures by using the framework of Task Force on Climate-related Financial Disclosures (TCFD). In FY2026, VTech updated its assessment on climate-related risks and opportunities, and estimated the associated financial impacts on its operations and businesses in accordance with the HKEX ESG Reporting Code and with reference to IFRS S2 Climate-related Disclosures standard published by the ISSB. These assessments are essential for the Group to develop and implement its climate-related transition plans to address those identified risks and opportunities.

Reporting Principles

This report follows the fundamental reporting principles of the Stock Exchange ESG Code:

Materiality	In order to identify and assess the material concerns of our stakeholders, VTech has conducted materiality assessment surveys through a number of stakeholder engagement activities to determine the factors that have material impacts on our sustainable growth, and incorporated them in the development of our 5-year sustainability strategies and targets for FY2030.
Quantitative	The quantitative principle applies to all information in this report. All performance indicators are provided with clear definition and unit measurement is clearly stated. Calculation methodologies and assumptions can be found in the Performance Data Summary.
Consistency	Our report has also been prepared consistently to allow for meaningful comparisons over time. There has been no major change from previous years in the way this report has been prepared. Certain data for prior years were restated for fair comparison of the performance data.
Balance	We disclose our ESG achievement and areas for improvement in a transparent and unbiased manner for objective review by stakeholders.

Reporting Period and Scope

The scope of this report includes data and activities from operations over which we exercise full management control, including our headquarters in Hong Kong, our manufacturing facilities in Mainland China, Malaysia, Mexico as well as our overseas sales offices, unless specifically stated otherwise. The factory in Mexico, acquired in April 2021, is included to the reporting boundary from FY2023 onwards. During FY2025, VTech has completed the acquisition of the assets of GST Communication GmbH (formerly known as Gigaset Communications GmbH), which is now managed and operated by the new VTech entity Gigaset Technologies GmbH (Gigaset). The facilities of Gigaset are included to the reporting boundary from FY2025 onwards unless specified. There were no other significant changes in VTech's operation locations, share capital structure, or our supply chain structure.

Reporting period: FY2026 (1 April 2025 to 31 March 2026), as per the financial period of our Annual Report 2026. The Sustainability Report is issued on an annual basis.

Organisations covered: VTech Holdings Ltd and its subsidiaries (the Company or the Group).

Assurance

Data and information contained in this report have been independently assured by the Hong Kong Quality Assurance Agency (HKQAA) to ensure accuracy and credibility. This report has also been reviewed by VTech Internal Audit Team and Audit Committee.

Reference Guidelines

GRI Standards	TCFD Recommendations
Stock Exchange ESG Code	IFRS S2 Climate-related Disclosures

Full details of the VTech Sustainability Report 2026 are available on sustainability.vtech.com/reports_policies



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CHAIRMAN'S MESSAGE

“VTech sustainability vision is to create sustainable value to improve the lives of people and protect the planet for future generations.”

Over the past year, the global business environment has continued to be shaped by persistent economic uncertainty. Intensified geopolitical tensions, volatile trade dynamics, and disruptions in global supply chain exacerbated by surging demand for emerging technologies, have posed significant challenges across all industries.

As a global leader in electronic learning products (ELPs), the world's largest supplier of residential phones, and a world-leading contract manufacturing services provider, VTech is leveraging its strategic strengths to navigate this evolving landscape. With a robust sustainability foundation augmented by its vertically integrated production capabilities, a resilient global manufacturing footprint, and a long-standing culture of innovation, VTech has taken deliberate steps to convert these unprecedented challenges into its competitive advantages. In calendar year 2026, we are also proud to achieve a major milestone: our 50th anniversary. This landmark celebrates VTech's five decades of dedication, innovation, and partnership with our stakeholders and the communities.

In addition, the financial year 2026 (“FY2026”) marked the first year of our third 5-year Sustainability Plan 2030, with meaningful progress achieved across various sustainability initiatives. Building on its 50 years of excellence in

technological innovation, VTech continued to incorporate sustainable materials into its products and packaging, with a target towards a circular economy. Over the past six years, we introduced a total of 61 products made from sustainable materials, with eight eco-friendly products launched in FY2026. These included Take-Along Toucan and Forest Pals First Discoveries Set with fabrics and stuffing made from recycled polyethylene terephthalate (PET) bottles, LeapFrog® 6-in-1 Snap & Learn Busy Cube™ made from reclaimed plastics, and five IP (Internet Protocol) desktop phones with Gigaset brand made from 75% of reclaimed acrylonitrile butadiene styrene (ABS) plastic.

As for sustainable packaging, 96.0% of the packaging for ELPs was paper, with 99.9% of the paper packaging made from recycled or Forest Stewardship Council™ (FSC™)¹-certified materials. For the remaining 4.0% of the plastic packaging, over 80.0% was recyclable, with blister eliminated in 99.0% of ELP packaging. For TEL products, 98.0% of packaging was paper, while the remaining 2.0% was plastic made from recyclable materials. Sustainable materials were also used in 100% of CMS designed product packaging. It is our long-term goal to introduce more products made from sustainable materials, increase the use of materials with recyclable or recycled content in our packaging, while continuing to reduce plastics in our packaging materials. VTech also continues to partner with the leading international recycling companies in its major markets to promote post-consumer recycling of VTech's products and packaging.

Since FY2021, VTech has been taking steps to install solar panels at our manufacturing sites, with coverage of over 33,000 square meters of its production buildings in FY2026. Together with the renewable energy procured by its overseas offices, the total renewable energy usage has reached 6,550 MWh in FY2026. On-going programmes for energy efficiency

¹ License number: FSC™ C163945

improvement, water consumption savings and waste reduction management are also in place to preserve natural resources in the factory operations. We are pleased to report that comparing with FY2025, the absolute Scope 1 and 2 GHG emissions of the Group reduced by 9.2%, our absolute electricity consumption reduced by 9.5%, and our absolute water consumption also reduced by 16.3%.

Furthermore, VTech has been evaluating and disclosing its climate-related initiatives using the TCFD framework since FY2020. In FY2026, VTech updated its assessment on climate-related risks and opportunities, and estimated the associated financial impacts on its operations and businesses in accordance with the ESG Reporting Code set out in Appendix C2 of the Listing Rules of The Stock Exchange of Hong Kong Limited, as well as with reference to the IFRS S2 Climate-related Disclosure Standard published by the International Sustainability Standards Board (ISSB). These assessments are essential for the Group to develop and implement its climate-related transition plans to address those identified risks and opportunities. Non-financial sustainability KPIs have also been incorporated into the remuneration packages of Executive Directors since FY2025, reinforcing VTech's commitment to align the Group's long-term sustainability goals with the interests of top management and the wider group of companies.

As a responsible global corporate citizen, VTech is dedicated to providing a diverse, equitable and inclusive working environment for its employees. VTech's Workforce Diversity Policy states its commitment to building a diverse and inclusive workforce, and providing equal employment opportunities for all its employees. We also take steps to promote diversity at all levels including the Board of Directors, management positions and general staff. In FY2026, in addition to the gender diversity of its Board of Directors, VTech's global workforce consisted of 41.6% women, with 26.5% of management positions held by women. The Group has implemented a Human Rights Policy along with risk management programme to protect and safeguard the human rights of its stakeholders including its employees, customers, suppliers and business partners. Adhering to industry standards set by the United Nations Global Compact and the Responsible Business Alliance, we maintain a comprehensive "Supply Chain Management System" to monitor supplier sustainability performance related to business ethics, human rights, labour practices, health and safety, as well as environmental protection.

VTech also uses its expertise and resources to support the communities in which it operates. It has been collaborating with Save the Children, an international charitable organisation supporting marginalised and vulnerable children, to organise various fundraising and toy donation events across multiple countries for six consecutive years. These included our donation of over 400 plush toys to kindergarten students in response to the Tai Po blaze in Hong Kong. VTech volunteers also partnered with The Hong Kong Federation of Youth Groups and Patient Resource Centre of Hong Kong Children's Hospital to engage paediatric patients

in playful sessions with our toys and donated 300 toys to support paediatric inpatients across three hospitals in Hong Kong. During FY2026, VTech continued to grant scholarships to 12 students from top five universities in Hong Kong, and partner with City University of Hong Kong and The Chinese University of Hong Kong to organise the "VTech Innovation & Sustainability Award" for the students involved in sustainability projects.

VTech's contributions to sustainability continue to receive local and international recognition. VTech Holdings Limited has been a constituent member of the Hang Seng Corporate Sustainability Benchmark Index, with a rating of AA+, and the FTSE4Good Global Index, for eleven consecutive years. VTech has also achieved a rating of AA in the MSCI (Morgan Stanley Capital International) ESG Ratings assessment for six years, and received various ESG Awards. These included the "Best Environmental, Social and Governance Reporting Award" and "Citation for Online Environmental, Social and Governance Reporting" at the Best Annual Report Awards organised by the Hong Kong Management Association, the "ESG Leading Enterprises" and "Sustainable Supply Chain" Awards presented by Bloomberg Businessweek/Chinese Edition, the "CG Awards Special Mention" at the Best Corporate Governance and ESG Awards presented by the Hong Kong Institute of Certified Public Accountants. In addition, VTech's commitment to corporate social responsibility has received recognition from the Federation of Hong Kong Industries for ten consecutive years, with an "Outstanding Caring Award (Enterprise Group)" under the Industry Cares Recognition Scheme. It has also been awarded the "Caring Company" logo by the Hong Kong Council of Social Service for seventeen consecutive years.

For VTech, the 50th anniversary marks not only an important milestone in its achievements over the past five decades, but also the beginning of a new chapter in its everlasting sustainability journey. Building on its strong sustainability foundation and a culture of integrity, accountability, and innovation, VTech will continue to steadfastly integrates economic growth, environmental protection and social responsibility into its business strategies to design, manufacture and supply innovative and high-quality products for the wellbeing of people and benefit of society, aiming to drive sustainable value for its stakeholders and the communities. I would also like to extend my sincere gratitude to all our stakeholders, particularly our employees, business partners, and customers, for their unwavering support throughout our sustainability journey. Let us continue working together to build a sustainable future to improve the lives of people and protect the planet for future generations.



Allan WONG Chi Yun
Chairman
Hong Kong, 21 May 2026



About vtech

VTech is the global leader in electronic learning toys from infancy through toddler and preschool² and the world's largest supplier of residential phones. It also provides highly sought-after contract manufacturing services. Our product lines include ELPs, TEL products, and contract manufacturing services (CMS).

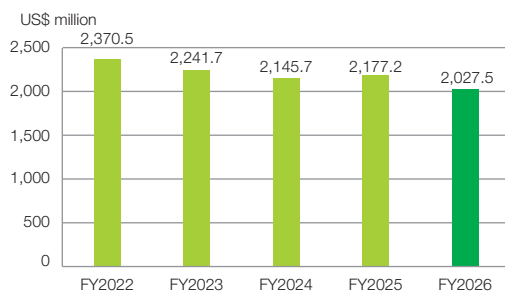
With a global workforce of over 19,000 employees in 19 countries and regions, VTech maintains R&D centres, manufacturing operations and sales subsidiaries across the Americas, Europe and Asia. This extensive network allows the Group to remain at the forefront of technology and market trends worldwide while fostering close relationships with valued customers. VTech's products are sold in over 100 countries and regions, through partnerships with leading retailers, prominent e-commerce companies and distributors worldwide.

For the year ended 31 March 2026, Group revenue and profit attributable to shareholders of the Company were US\$2,027.5 million and US\$134.1 million respectively. At 31 March 2026, the Group had working capital and total assets of US\$266.2 million and US\$1,298.9 million respectively. The Group's total equity was US\$647.3 million as at 31 March 2026.

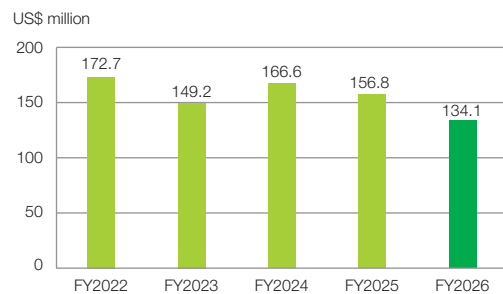
Shares of VTech Holdings Limited are listed on The Stock Exchange (HKSE: 303). At 31 March 2026, the number of issued and fully paid shares of the Company was 253,557,466 shares.

For details of our financial performance, please refer to the financial highlights included in our Annual Report 2026 at: www.vtech.com/en/investors/financial-reports/

Group Revenue in Last 5 Years



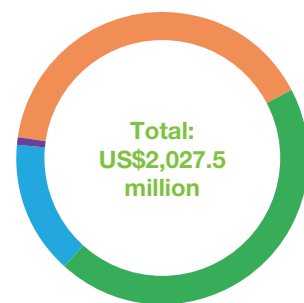
Profit Attributable to Shareholders of the Company in Last 5 Years



At VTech, we manage our business in accordance with a number of key external charters. We adhere to and implement policies that are coherent with 10 UN Global Compact principles³, which itself is built upon many internationally agreed principles relating to welfare of workers, environmental management and anti-corruption. Since 2012, we have subscribed to the Responsible Business Alliance (RBA) (formerly the Electronic Industry Citizenship Coalition (EICC)) Code of Conduct and the International Council of Toy Industries (ICTI) Code of Business Practices, which are specific to our industries.

To keep abreast of the latest trends and development within our industry, we have participated in a number of trade associations around the world. We primarily engage as members, but where possible we will collaborate on industry projects to help develop the markets and industry standards. Many of our memberships require us to meet a Code of Conduct which provides VTech stakeholders with further peace of mind and confidence.

Revenue by Region for the year ended 31 March 2026



- **North America 40.0%**
US\$811.6 million
- **Asia Pacific 14.5%**
US\$294.7 million
- **Europe 44.4%**
US\$899.9 million
- **Other Regions 1.1%**
US\$21.3 million

² Ranking based on Circana, LLC, Retail Tracking Service for Projected US Dollar Sales in G12 (the US, Canada, France, Germany, the UK, Belgium, Netherlands, Italy, Australia, Spain, Brazil and Mexico) in the combined categories of Early Electronic Learning, Toddler Figures/Playsets & Accessories, Preschool Electronic Learning, Electronic Entertainment (excluding Tablets), and Walkers for January - December 2025

³ The UN Global Compact asks companies to abide by its 10 principles, protecting the core values of the UN's human rights, labour standards, environmental and anti-corruption policies. See www.unglobalcompact.org/what-is-gc/mission/principles for more details.



Sustainability Foundation

Our sustainability mission is to integrate economic growth, environmental protection and social responsibility in our business strategies to design, manufacture and supply innovative and high quality products for the wellbeing of people and benefits of society, aiming to drive sustainable value for our stakeholders and the communities.

Managing Sustainability

Corporate Governance

VTech Holdings Limited is incorporated in Bermuda and has its shares listed on the Stock Exchange. The corporate governance rules applicable to the Company are the Corporate Governance Code as set out in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange.

Board of Directors and its Committee

The Board of Directors (the Board) comprises three Executive Directors of the Company (Directors), one Non-executive Director, and five Independent Non-executive Directors. Their names and brief biographies can be found in the section “Biographical Details of Directors” on pages 105-108 of the Annual Report 2026. The Board focuses on the formulation of business strategy and policy, and control. Matters reserved for the Board are those affecting the Company’s overall strategic policies, finances and shareholders. These include,

but are not restricted to, deliberation of business plans, risk management, internal controls, announcement of interim and final results, dividend policy, annual budgets, major corporate activities such as material acquisitions and disposals and connected transaction, and Directors’ appointment and re-election.

The Board has established an Audit Committee, a Nomination Committee, a Remuneration Committee and a Risk Management and Sustainability Committee (RMSC) with defined terms of reference which are no less exacting than those set out in the Corporate Governance Code to assist and support the Board in discharging its governance and other responsibilities, particularly on financial reporting, internal control, and corporate governance functions; composition of the Board and remuneration of Directors and senior management; risk management and sustainability strategy. For details of our corporate governance, please refer to the corporate governance section included in our Annual Report 2026 at www.vtech.com/en/investors/financial-reports/

Roles and Responsibilities of Board Committees

Board of Directors

Audit Committee

- oversees and reviews financial and internal audit reporting;
- reviews the effectiveness of the Group’s risk management and internal control systems, corporate governance functions and internal auditing processes;
- ensures that the Group complies with all applicable laws and regulations;
- approves the Sustainability Report;
- reviews the major findings related to investigations made under Whistleblowing Policy; and
- monitors the appointment, function and remuneration of the Group’s external auditors.

Nomination Committee

- reviews and recommends Board appointments or re-appointments and succession planning;
- reviews the structure, size, and composition of the Board as well as Nomination Policy and Board Diversity Policy;
- assists the Board in maintaining a board skills matrix;
- reviews regularly the assessment of each Directors’ time commitment and contribution to the Board as well as the Directors’ ability to discharge his or her responsibilities effectively under the Listing Rules;
- assesses the independence of the Independent Non-executive Directors under the Listing Rules;
- reviews the implementation and effectiveness of the independence mechanism; and
- supports the Company’s regular evaluation of the Board’s performance.

Remuneration Committee

- reviews the remuneration packages of the Executive Directors and senior management, and recommends it to the Board; and
- reviews and approves matters relating to share schemes (including granting of share options or share awards) under Chapter 17 of the Listing Rules.

Risk Management and Sustainability Committee

- advises the Board on the Group’s risk profile and tolerance, and satisfy itself that the Company’s strategy reflects an appropriate consideration of risk appetite;
- provides vision and strategic direction for the Group’s sustainability activities;
- reviews and assesses the Group’s sustainability policies, performance progress and activities against goals and targets; and
- reviews the effectiveness of the Group’s risk management and control procedures in identifying and monitoring major risks (including ESG risks) and reports any significant findings to the Audit Committee.

Executive Directors
Independent Non-executive Directors
Senior Management



VTech's Sustainability Management

In order to ensure that our sustainability strategies are carried out effectively and consistently throughout the Company, we have organised our sustainability approach into the five pillars across the Company's product lines with the following missions:

Risk Management and Sustainability Committee Sustainability Sub-Committee

5-year Sustainability Plan

Governance and Business Ethics



- Promote a culture of integrity, accountability and innovation throughout the Company
- Ensure our corporate governance structure meets the applicable laws and regulations, industry best practice and global trends
- Review and monitor the internal control systems and risk management processes to ensure the overall effectiveness with continuous improvement
- Uphold the highest ethical standards of business integrity and foster a culture of compliance

Product Responsibilities and Value Chain Management



- Culture of Innovation – Support and encourage creative thinking and sharing of new ideas
- Product Innovation – Design products for the well-being of people and for the benefits of society
- Product Quality – Design products to ensure that they are of good quality and compliant with the highest safety standards
- Eco-friendly Product – Incorporate sustainability concepts into our product design and increase the use of sustainable materials for our products and packaging
- Sustainable Supply Chain – Manage our supply chain in a socially and environmentally responsible manner and source from approved suppliers who meet our VTech's Corporate Social Responsibility (CSR) requirements

Environment



- Circular Economy and Environmental Management – Analyse, monitor and minimise the associated environmental impacts following our Environmental Management System
- Climate Change Strategy – Review our approach on climate change and develop sustainability initiatives to identify and address the associated physical and transitional risks and opportunities
- Culture of Innovation – Strengthen our operational excellence with innovative solutions in the following aspects:
 - Green Manufacturing Practice – Minimise the environmental impacts from our operations
 - High Performance Production Chain – Maximise our resource efficiency and improve productivity
 - Sustainable Logistic Practice – Improve operational efficiency and reduce GHG emission throughout the transportation process

Our People



- Promote a culture of integrity in our working environment
- Enhance our good staff relations through various communication channels and staff activities
- Foster a continuous learning environment and encourage employees to develop and advance their careers in VTech
- Respect the labour and human rights of all our employees with clearly defined human resources management policies, and promote an inclusive culture throughout the company
- Provide a supportive, inclusive and motivating workplace for our employees and foster a caring community in our workplaces

Society



- Promote a culture of accountability for the communities in which we operate, focusing on:
 - Supporting people in need
 - Collaborating with local charities
 - Providing training opportunities for young people
 - Nourishing an innovative environment
 - Developing a healthy and green community



At VTech, our RMSC is delegated with the authority from the Board to provide vision and strategic direction for our sustainability activities to ensure that we stay on track and in balance with the three sustainability dimensions of economic, environmental and social impacts at all times. The RMSC is also responsible for reviewing our sustainability strategies and improvement activities, assessing how the policies are implemented in achieving the sustainability goals and targets, and monitoring the performance progress on a biannual basis. We also have an escalation process in place to ensure that any identified issues are dealt with at the appropriate level of the Company.

Our RMSC has also formed the Sustainability Sub-Committee which comprises key employees from the Company's different product lines and relevant departments, including Group Chief Financial Officer, TEL President, Vice President of ELP Operation, Managing Director of CMS, and the Sustainability Team. It has the strategic and operational responsibility to manage sustainability issues while implementing the policies and measures to achieve strategic vision and direction approved by RMSC. It is also responsible for monitoring the progress of our sustainability activities compared with targets in their responsible product lines and functions, evaluating and determining the

sustainability investments from economic, environmental and social aspects, and sharing new and significant industry sustainability concerns with the committee members quarterly. Environmental and social data is collected via our data collection system and reported to the sub-committee quarterly for review. Internal Audit conducts an annual review to assess the effectiveness of the sustainability reporting process.

Our Alignment with the UN SDGs

The 17 Sustainable Development Goals (SDGs) were adopted at the United Nations General Assembly in 2015. The SDGs address the global challenges related to poverty, inequality, climate change, environmental degradation, peace and justice etc., and are aimed at establishing a sustainable society.

As a global corporate citizen, we acknowledge the emerging global trends outlined in the SDGs in how we run our business and contribute to the achievement of SDGs. We have identified five primary goals which VTech is best positioned to contribute to and have the greatest impact under our five sustainability pillars – Governance and Business Ethics, Product Responsibilities and Value Chain Management, Environment, Our People, and Society.

SUSTAINABLE DEVELOPMENT GOALS



To define our priorities in SDGs, we have evaluated the relationship between SDGs and our value chain, identifying positive and negative impacts in all business activities from upstream material sourcing, manufacturing, to downstream distribution, product use and product end-of-life. We have identified 14 SDGs and 17 sub-targets in which VTech is

contributing to within our business. These include mitigating potential environmental and social risks of our operations and at the same time seizing opportunities to utilise our capabilities to forge community wellbeing. This analysis forms the basis of our sustainability initiatives to create value for our stakeholders and the wider society.



The SDGs targets we are contributing to throughout our value chain are as follows:

VTech's Value Chain to Achieve UN SDGs

Maximise Positive Impact



Target 1.4

Ensure that all men and women, in particular the poor and the vulnerable have equal rights to economic resources, appropriate new technology and financial services

→ See our community involvement programmes



Target 4.4

Substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship

→ See our training, internship and scholarship programmes



Target 7.2

Increase substantially the share of renewable energy in the global energy mix

→ See our renewable energy initiatives



Target 9.4

Upgrade and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes

→ See our innovative sustainable products design
→ See our achievements on lean manufacturing



Target 11.7

Provide access to green and public space

→ See our recreational facilities at our Manufacturing sites



Target 12.8

Increase awareness for sustainable development and lifestyles in harmony with nature

→ See our Global Green Day activities



Target 17.17

Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships

→ See our collaboration projects with various partners



Minimise Negative Impact



Target 3.4

Reduce premature mortality from non-communicable diseases

→ See our health and wellness initiatives
→ See our health and safety measures and training



Target 6.4

Substantially increase water-use efficiency and ensure sustainable withdrawals and supply of freshwater to address water scarcity

→ See our rainwater and wastewater recycling initiatives



Target 5.1

End discrimination against women

→ See our Workforce Diversity Policy



Target 12.5

Substantially reduce waste generation through prevention, reduction, recycling and reuse

→ See our packaging reduction initiatives
→ See our post-consumer recycling programmes



Target 10.3

Ensure equal opportunity

→ See our Equal Opportunity and No Discrimination Policy



Target 8.8

Protect labour rights and promote safe and secure working environment for all workers, including migrant workers

→ See our Human Rights Policy, and labour, welfare and safety practices



Target 12.7

Promote procurement practices that are sustainable

→ See our Supplier CSR risk management practices



Target 13.2

Integrate climate change measures into policies, strategies and planning

→ See our Climate-related Disclosures



Target 16.5

Substantially reduce corruption and bribery in all their forms

→ See our business ethics policies

Target 16.6

Develop effective, accountable and transparent institutions at all levels

→ See our Corporate Governance system



Dialogue and Involvement with our Stakeholders

Stakeholder Engagement Approach

Stakeholder engagement is the process through which we stay connected with our customers, employees, shareholders, investors, suppliers and the wider communities in which we operate. We believe that the approach of stakeholder engagement is integral to the development of our sustainability strategy, and is also a pre-requisite for our long-term sustainable growth.

VTech has an open door policy to encourage suggestions or comments given by our stakeholders through various communication channels. Since FY2014, we have developed a formal annual stakeholder engagement procedure, which helps us identify which sustainability issues are most important to our stakeholders and report our sustainability approach, performance and activities to address their material concerns and priorities. Our purpose is to engage with those who are directly affected, either economically, environmentally or socially, by our operations and to ensure that our sustainability strategies, activities and reporting process would meet or exceed their expectations.

The selection of stakeholder groups is determined by the RMSC in conjunction with the Sustainability Sub-Committee. We have selected a number of representative customers and suppliers from the Company's different product lines, a range of employees from all levels in the Company, our major shareholders and investors, and communities with whom we were actively involved. As part of our annual review process, we also engaged our stakeholders through their preferred communication channels to conduct our materiality assessment surveys.

Our Sustainability Sub-Committee has also developed an approach which identifies the broad topics that the stakeholder groups are concerned with, and used a materiality matrix to assess the material topics identified by our stakeholders during the engagement process. A topic is classified as material when it substantially affects our long-term commercial or operational viability, with material impacts on economic, environmental or social topics. This matrix combines VTech's approach to identifying and assessing the material concerns of our stakeholders, and our own materiality scoring methodology by following the principles outlined in the GRI Standards.





A summary of the stakeholder groups, the topics concerned, and the communication channels with frequency are listed in the following table.

Stakeholders	Topics Concerned	Communication Channels	Frequency per year
 Customers	<ul style="list-style-type: none"> • Production quality and improvements • Product safety, performance and life cycle • Operation in compliance with applicable law and regulations • Customer support • Financial performance • Sustainability strategies 	<ul style="list-style-type: none"> • Online customer satisfaction surveys • Customer visits or meetings • Industry exhibitions and forums • Product training workshops • On-site visits at VTech's factories • Quarterly business review • Customer service hotline and email 	As required* As required* As required* As required* Quarterly On-going
 Employees	<ul style="list-style-type: none"> • Employees' health and safety • Employee communication and engagement • Working conditions and welfare • Career development and training • Business performance • Product safety • Operation in compliance with applicable laws and regulations 	<ul style="list-style-type: none"> • Employee engagement surveys • Monthly social events with employees • Newsletter • Performance reviews • Regular management meeting with staff representatives • Career and product training • Occupational health and safety training • Suggestion box, hotline, emails, notice board and briefing sessions 	Quarterly Monthly Quarterly Annually On-going On-going On-going On-going
 Shareholders	<ul style="list-style-type: none"> • Return on investment • Strategic plans • Operation in compliance with applicable laws and regulations 	<ul style="list-style-type: none"> • Annual and interim results announcement events • Annual and Interim Reports • Regular meetings and correspondence • Sustainability Report 	Biannually Biannually As required* Annually
 Investors	<ul style="list-style-type: none"> • Business performance • Strategic plans • Operation in compliance with applicable laws and regulations 	<ul style="list-style-type: none"> • Annual and Interim Reports • Feedback to media enquiries • Media conferences • Regular meetings and correspondence • Sustainability Report 	Biannually As required* As required* On-going Annually
 Suppliers	<ul style="list-style-type: none"> • Supplier quality performance • Supplier sustainability in business model, quality and production control • VTech's expectations with suppliers • Product quality and safety • Operation in compliance with applicable laws and regulations 	<ul style="list-style-type: none"> • Annual business review meeting • Annual Suppliers Day or Workshop • Key supplier audits 	Annually Annually On-going
 Communities	<ul style="list-style-type: none"> • Support to civil society organisations • Local environment • Environmental protection • Local community activities involvement • Operation in compliance with applicable laws and regulations 	<ul style="list-style-type: none"> • Informal communication through email and phone calls • Sponsorship • Participation in local community activities and volunteering work 	As required* On-going On-going

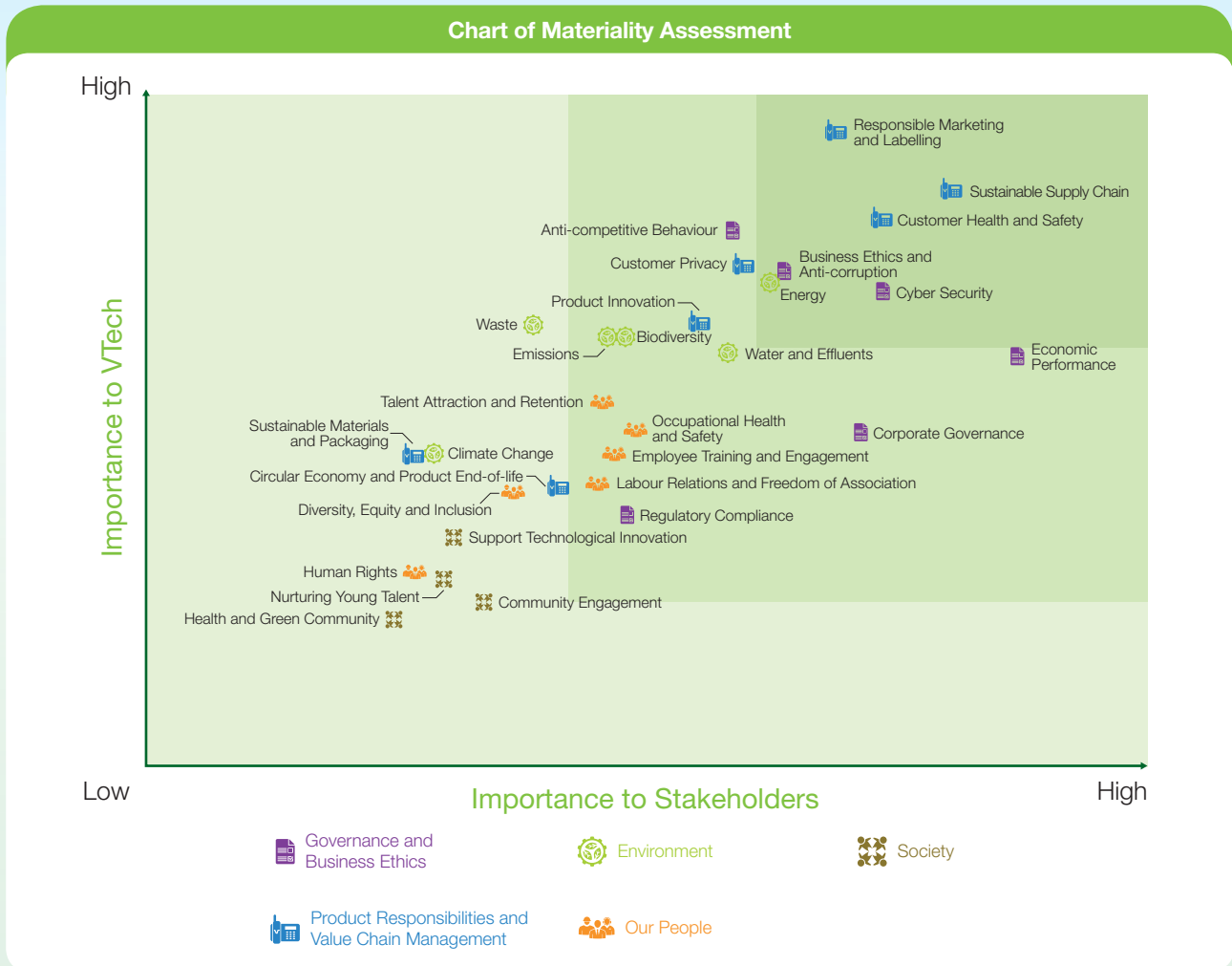
* VTech may vary the frequency to meet its business needs.



Materiality Assessment

Materiality assessment is a four-step process of identification, prioritisation, validation and review. All of the potential material topics listed are referred to the GRI Standards. The material sustainability topics identified by the stakeholders were

based on the results of the materiality assessment surveys conducted in FY2026. The results were mapped with the key sustainability topics assessed by VTech's senior management and illustrated in the following chart. It was approved by the RMSC.



These topics were considered as material for reporting by VTech based on the significance of the Group's economic, environmental and social impact, as well as the influence of the decisions of our stakeholders. The list of the topics is reviewed and revised when necessary to reflect the latest developments in the industry and the Group, as well as the changing expectations of stakeholders.

The labelled topics that lie within the shaded area of the Chart were the most important items on our sustainable development identified by both VTech and the Stakeholders

in the materiality assessment surveys. According to our survey results, 6 out of 29 topics were identified as the most important to our stakeholders and VTech. These included Sustainable Supply Chain, Customer Health and Safety, Responsible Marketing and Labelling, Business Ethics and Anti-corruption, Cyber Security, Energy. The materiality assessment helped us to prioritise our corresponding sustainability activities and programmes to address the material needs and concerns of our Stakeholders, and to monitor our progresses towards the sustainability targets.



We have also defined the impacts and boundaries of each material topic in the following table:

Category	Material Topic	Impacts and Boundaries					
		Customers	Employees	VTech's Operations	Investors	Suppliers	Communities
 Governance and Business Ethics	Economic Performance	✓	✓	✓	✓	✓	✓
	Cyber Security	✓	✓	✓	✓	✓	✓
	Corporate Governance	✓	✓	✓	✓	✓	
	Business Ethics and Anti-corruption	✓	✓	✓		✓	
	Anti-competitive behaviour	✓		✓	✓	✓	
	Regulatory Compliance	✓	✓	✓	✓	✓	✓
 Product Responsibilities and Value Chain Management	Sustainable Supply Chain	✓		✓		✓	
	Customer Health and Safety	✓		✓	✓		✓
	Responsible Marketing and Labelling	✓		✓	✓	✓	✓
	Customer Privacy	✓		✓	✓		✓
	Product Innovation	✓	✓	✓	✓	✓	✓
	Circular Economy and Product End-of-life	✓		✓	✓	✓	✓
	Sustainable Materials and Packaging	✓		✓	✓	✓	✓
 Environment	Energy	✓	✓	✓		✓	✓
	Water and Effluents	✓	✓	✓			✓
	Biodiversity	✓	✓	✓	✓	✓	✓
	Emissions	✓	✓	✓		✓	✓
	Waste	✓	✓	✓		✓	✓
	Climate Change	✓	✓	✓	✓	✓	✓
 Our People	Labour Relations and Freedom of Association		✓	✓			
	Occupational Health and Safety	✓	✓	✓	✓	✓	✓
	Employee Training and Engagement		✓	✓			✓
	Talent Attraction and Retention		✓	✓			
	Diversity, Equity and Inclusion	✓	✓	✓	✓	✓	✓
	Human Rights	✓	✓	✓	✓	✓	✓
 Society	Community Engagement		✓	✓			✓
	Nurturing Young Talent		✓	✓			✓
	Support Technological Innovation		✓	✓		✓	✓
	Health and Green Community		✓	✓			✓



Sustainability Targets and Performance

VTech constantly reviews and monitors its sustainability progress along the business development. We recognise that we have to build on the foundation that we have established since we started our sustainability journey in FY2006.

Sustainability Progress

During our sustainability journey since FY2006, VTech has successfully developed our sustainability strategies with a vision to create sustainable value to improve the lives of people and protect the planet for future generations and a mission to integrate economic growth, environmental protection and social responsibility in our business strategies to design, manufacture and supply innovative and high quality products for the wellbeing of people and benefits of society, aiming to drive sustainable value for our stakeholders and the communities.

FY2006

- Introduced the concept of CSR and the related activities in our annual report

FY2020

- Developed the second 5-year VTech Sustainability Plan 2025. Incorporated the UN SDGs and TCFD framework into our sustainability strategy

FY2013

- Renamed VTech's Risk Management Committee to Risk Management and Sustainability Committee at the Board of Directors level

FY2021

- Accelerating the installation of solar panels at manufacturing sites

FY2014

- Defined VTech sustainability vision and strategies. Published our first Sustainability Report following the Core option of GRI G4 Guidelines

FY2022

- Developed and launched ELPs made from plant-based plastic, recycled PET bottles or FSC™-certified materials and new series of hotel phones made from recycled PET bottles

FY2015

- Developed the first 5-year VTech Sustainability Plan 2020. Database set up to monitoring data and targets

FY2024

- Developed and launched IP desk phones made from reclaimed ABS plastic for Snom brand, and collaborated with CMS customer in developing audio interface devices made from recycled aluminium and recycled ABS plastic.

FY2017

- Completed the acquisition of LeapFrog, Snom and fixed assets of Kenny Precision Products (Shenzhen) Company Limited

FY2025

- Completed the acquisition of assets of Gigaset in Germany. Developed the third 5-year VTech Sustainability Plan 2030.

FY2019

- Completed the acquisition of Pioneer Corporation's manufacturing facility in Malaysia

FY2026

- Launched eight eco-friendly products made with sustainable materials, including five IP desk phone models for Gigaset brand and three ELPs.



Awards and Recognitions

VTech's contributions to sustainability continue to receive local and international recognition. VTech Holdings Limited has been a constituent member of both the Hang Seng Corporate Sustainability Benchmark Index, with a rating of AA+, and the FTSE4Good Global Index⁴, for eleven consecutive years. VTech has also achieved a rating of AA in the MSCI (Morgan Stanley Capital International) ESG Ratings for six years⁵ and were assessed by Sustainalytics to be at low risk of experiencing material financial impacts from ESG factors. It won several ESG awards. These included the "Best Environmental, Social and Governance Reporting Award" and "Citation for Online Environmental, Social and Governance Reporting" at the Best Annual Report Awards organised by the Hong Kong Management Association, the "ESG Leading Enterprises", "Sustainable

Supply Chain" Awards presented by Bloomberg Businessweek/Chinese Edition, the "CG Awards Special Mention" at the Best Corporate Governance and ESG Awards presented by the Hong Kong Institute of Certified Public Accountants, the "Best in ESG Practices" Award from TVB ESG Awards, "ESG Grand Award" in Master Insight x Hang Seng University ESG Award, and "Sustainable Value Award" in InnoESG Prize. VTech's commitment to corporate social responsibility has received recognition from the Federation of Hong Kong Industries for ten consecutive years, with an "Outstanding Caring Award (Enterprise Group)" presented in FY2026 under the Industry Cares Recognition Scheme. It has also been awarded the "Caring Company" logo by the Hong Kong Council of Social Service for seventeen consecutive years.

<p>Hang Seng Corporate Sustainability Benchmark Index AA+</p>	<p>FTSE4Good Global Index</p>	<p>MSCI ESG Ratings AA</p>	<p>Sustainalytics Rating – Low Risk</p>
<p>Best Annual Reports Awards – Best Environmental, Social and Governance Reporting Award (Manufacturing)</p>	<p>Best Annual Reports Awards – Citation for Online Environmental, Social and Governance Reporting</p>	<p>Best Corporate Governance and ESG Awards – CG Awards Special Mention</p>	<p>MI x HSU ESG Award – ESG Grand Award</p>
<p>TVB ESG Awards – Best in ESG Practices</p>	<p>InnoESG Prize – Sustainable Value Award</p>	<p>Outstanding Caring Award (Enterprise Group) by Federation of Hong Kong Industries</p>	<p>Award as Mental Health Friendly Supreme Organisation by Department of Health</p>
<p>Award as Caring Company for the 17th Consecutive Year</p>	<p>Partner Employer Award by The Hong Kong General Chamber of Small and Medium Business</p>	<p>Award as Heart to Heart Company by Hong Kong Federation of Youth Group</p>	<p>Award as Mental Health Friendly Supreme Organisation by Department of Health</p>

⁴ FTSE4Good Index is an equity index series that is designed to facilitate investment in companies that meet globally recognised corporate responsibility standards.

⁵ The use by VTech Holdings Limited of any MSCI ESG Research LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation or promotion of VTech by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.



VTech Sustainability Plan 2030


The VTech Sustainability Plan ensures that our continuous improvement programmes and approaches on sustainability are carried out effectively and consistently throughout the Company and in a sustainable manner. Following the successful implementation of the first and second 5-year Sustainability Plan which built strong foundation for our sustainability journey, VTech is proud to present our third 5-year Sustainability Plan 2030, which covers FY2026 to FY2030, outlining a wider range of goals and targets on sustainability.





FY2026 Targets and Progress Update

The table below presents our achievements against the targets developed through our VTech Sustainability Plan 2030 covering FY2026 to FY2030.

 Governance and Business Ethics	
Goals and Targets for FY2030	FY2026 Progress Update
Corporate Governance	
Approach: Continuously improve our company policy and procedures to ensure our corporate governance structure meets the applicable laws and regulations, industry best practice and global trends	
Bi-annual meeting of the Group's RMSC to review the Group's risk management and internal control system and their effectiveness	Bi-annual meeting of the Group's RMSC was arranged and the Group's risk management and internal control system and their effectiveness were reviewed
Maintain regular meetings with shareholders, investors and analysts	Regular meetings with shareholders, investors and analysts were maintained
Provide training for our employees on the update of listing rules and requirements	Training was provided for our employees on the update of listing rules and requirements
Risk Management	
Approach: Set up Risk Management and Sustainability Committee to monitor and review the risk management and sustainability strategy of the Group and review reports from the Data Security Governance Board	
Bi-annual risk registry update and assessment from each business unit	Risk registry update and assessment from each business unit were performed bi-annually
Annual Business Continuity Plan update	Business Continuity Plan was updated annually
Update and provide training on cyber security for our employees to include latest cyber threats	Cyber security training was provided for our employees
Review and update the data security policy to address the new and existing cyber security risk	The data security policy was reviewed and updated to address the potential cyber security risk
Business Ethics	
Approach: Uphold the highest ethical standards of business integrity and foster a culture of compliance throughout the company	
Provide Code of Conduct training for our employees	Code of Conduct training was provided for our employees
Review reports under the Whistleblowing Policy biannually and send the report to the Chairman of the Audit Committee quarterly	Reports under the Whistleblowing Policy were reviewed biannually
Provide anti-corruption training for our directors and employees	Anti-corruption training was provided for our directors and employees
Regularly monitor the latest update on the Privacy Regulations relevant to the operation and business and review our Data Security Policy	Update on the Privacy Regulations worldwide were monitored regularly and our Data Security Policy was reviewed regularly
Provide regular training for our employees on the Intellectual Property Rights protection	Regular training on the Intellectual Property Rights protection was provided for our employees



Product Responsibilities and Value Chain Management

Goals and Targets for FY2030

FY2026 Progress Update

Design for Environment – Sustainable Product Design and Material

Approach: Improve our products to make them more sustainable and eco-friendly

ELP	Continuously develop ELPs made from sustainable materials such as recycled, reclaimed, recyclable, plant-based plastics, or FSC™-certified wood	The following products had been developed and would be launched in FY2027: <ul style="list-style-type: none"> – Take-Along Toucan and Forest Pals First Discoveries Set with fabrics and stuffing made from recycled PET bottles – LeapFrog® 6-in-1 Snap & Learn Busy Cube™ made from reclaimed plastics
	Maintain application of waterborne paint on ELPs at 90% or above	Waterborne paint was applied on 92% of ELPs
TEL	Increase the use of sustainable materials such as recycled, reclaimed, recyclable or plant-based plastics for TEL products	Five models of IP desktop phone models made from reclaimed ABS plastic were launched in FY2026
	Continue to adopt anti-bacteria technology on hotel phones launched to the market	Anti-bacteria feature was applied on most of hotel phone models
	Maintain application of waterborne paint on TEL products at 90% or above	Waterborne paint was applied on about 90% of TEL products
TEL & ELP	Undertake LCA analysis for 10 key products in TEL products and ELPs to reduce carbon footprint throughout the product life cycle	LCA analysis was performed for 2 key products in TEL products and ELPs to reduce carbon footprint throughout the product life cycle
CMS	Apply sustainable materials including waterborne paint for selected CMS designed products	Recycled resin was used in some engineering samples Continued to search and select different types of post-consumer recycled materials to apply in selected CMS designed products
	Use sustainable paint for 50% of CMS designed products	No CMS designed products required the application of painting

Design for Environment – Sustainable Packaging

Approach: Improve our product packaging to make them more sustainable and eco-friendly

ELP	Maintain application of waterborne paint for ELPs packaging at 95% or above	Waterborne paint was applied on 100% of ELP packaging
	Packaging by weight: Maintain ELPs paper packaging over 95% of total packaging, and plastic packaging less than 5% of total packaging	96% of product packaging by weight was paper, while the remaining 4% was plastic
	Paper packaging: Maintain 100% of paper packaging of ELPs to be recyclable; and maintain 98% of paper packaging of ELPs to include recycled content or FSC™-certified materials	100% of paper packaging was recyclable, with 99.9% made from recycled or FSC™-certified materials
	Plastic packaging: Maintain 90% of plastic packaging of ELPs to be recyclable; and maintain 50% of plastic packaging of ELPs to include recycled content ⁶ or reclaimed materials	Over 80% of the ELPs packaging materials was recyclable, of which about 24% was made from recycled or reclaimed materials
	FY2030 Goal: Expand the use of recycled PET plastic to all window and blister packaging	Blister was eliminated in 99% of ELPs Continued to replace remaining blisters with sustainable materials including recycled and bio-based PET
	Maintain 45% or above size reduction of the instructions leaflet for new ELPs to reduce paper consumption	Reduced 45% by size of our instruction leaflet for new products
TEL	Maintain TEL product paper packaging at 99% of total packaging, and plastic packaging at 1% of total packaging	TEL product packaging consists of 98% paper and 2% plastic by weight
	Maintain application of waterborne paint for TEL product packaging at 95% or above	Waterborne paint was applied on 91% of all TEL packaging
CMS	Use sustainable materials for more than 95% of CMS designed product packaging	Sustainable materials were used for 100% of the CMS designed product packaging

⁶ "Recycled content" was defined as plastic packaging containing at least 30% or more post-consumer recycled materials.



Product Responsibilities and Value Chain Management

Goals and Targets for FY2030

FY2026 Progress Update

Design for Environment – Product Disposal and Recycling

Approach: Provide channels for customers to recycle VTech products after use

Participate in different local packaging recycling programmes and educate customers to recycle the packaging in all major markets

We had participated in post-consumer recycling programmes such as WEEE in Europe, EPRA in Canada and TerraCycle®, ESR in the US

Engage post-consumer recycling programme for VTech products in major markets

Design for Quality

Approach: Continue to ensure that all products are compliant with the international quality and safety standards

Zero product recall, fines or penalties relating to non-compliance with regulation

We had zero product recalls, fines or penalties relating to non-compliance with regulations

Design for People

Approach: Continue to use our technological expertise to design and provide products to enhance the well-being of our customers and benefit the society

Increase the total sales of health and safety products by 10% compared with FY2025

Compared with FY2025, health and safety products sales decreased by 6.0%

Sustainable Supply Chain

Approach: Manage our supply chain in a socially and environmentally responsible manner and source from approved suppliers who meet our VTech's CSR requirements

Conduct supplier engagement activities programme annually to reinforce our sustainability plan to our suppliers and monitor their progress

Annual supplier workshops were held to share our long term sustainability plan and current performance with our suppliers

Assess CSR risk of suppliers and complete annual CSR audits of all high risks suppliers identified per VTech CSR requirements

We conducted CSR audits for 135 suppliers

Work with suppliers to reduce product and packaging waste

We had worked with suppliers to reduce the size of packaging for selected materials



Environment

Goals and Targets for FY2030

FY2026 Progress Update

Environmental Management

Approach: Analyse, monitor, and minimise the associated environmental impacts following our Environmental Management System

Regular review on update of environmental standards and regulations

We continued to review on update of environmental standards and regulations regularly

Climate Change

Approach: Review our approach on climate change and develop sustainability initiatives to identify and address the associated physical and transitional risks and opportunities

Reduce total Scope 1 and 2 GHG emission per revenue by 5% compared with FY2025

Compared with FY2025, total Scope 1 and 2 GHG emission per revenue reduced by 2.5%

Reduce total absolute Scope 1 and 2 GHG emission by 5% compared with FY2025

Compared with FY2025, total absolute Scope 1 and 2 GHG emission reduced by 9.2%

Continue to increase renewable energy usage at manufacturing sites and offices

Compared with FY2025, renewable energy use increased by 0.7%

Disclose Scope 3 categories significant to VTech Business

We disclosed our scope 3 emission



Environment

Goals and Targets for FY2030

FY2026 Progress Update

Green Manufacturing

Approach: Reduce energy consumption and thus the GHG emissions

Reduce total electricity usage per revenue by 5% compared with FY2025

Compared with FY2025, electricity usage per revenue reduced by 2.8%, while absolute consumption reduced by 9.5%

Adopt high efficient energy system and equipment for high performance operation - upgrade on heating and cooling systems

We replaced old screw chillers with new magnetic bearing chillers

Approach: Reduce water consumption and improve effluent treatment

Reduce total water consumption per revenue by 5% compared with FY2025

Compared with FY2025, total water consumption per revenue decreased by 10.1%

Approach: Recycle materials to minimise waste and conserve resources

Maintain the recycling rate of reusable materials at or above 75%

In FY2026, the recycling rate of the reusable materials was 79.8%

Reduce amount of hazardous waste per revenue by 3% compared with FY2025

Compared with FY2025, amount of hazardous waste per revenue increased by 3.0%, while absolute weight reduced by 4.1%

Reduce amount of non-hazardous waste per revenue by 3% compared with FY2025

Compared with FY2025, amount of non-hazardous waste per revenue reduced by 5.1%, while absolute weight reduced by 11.6%

Reduce material use per revenue by 5% compared with FY2025

Compared with FY2025, material use per revenue reduced by 5.7%, while absolute consumption reduced by 12.2%

Reduce packaging material used for finished goods per revenue by 5% compared with FY2025

Compared with FY2025, packing material used for finished goods per revenue reduced by 5.6%, while absolute consumption reduced by 12.1%

High Performance Production Chain

Approach: Implement more low cost automation projects and further strengthen the operational management to improve the production efficiency and productivity

Increase revenue per worker by 10% compared with FY2025

Compared with FY2025, the revenue per worker increased by 0.7%

Sustainable Logistics Practice

Approach: Reduce the environmental impact from shipment of products

Maintain the average loading capacity of each container shipment at or above 80%

Average loading capacity was 86.2%

Maximise the usage of ocean and rail freight for long distance and inland shipments respectively

Continued to work with customers to maximise the usage of ocean and rail freight

Continue to locate distribution centres in other major markets for efficient distribution to customers

Continue to locate distribution centres in major markets for efficient delivery of our products



Our People

Goals and Targets for FY2030	FY2026 Progress Update
Communication and Staff Relations	
Approach: Enhance our good staff relations through various communication channels and staff activities	
Maintain employee satisfaction for offices at or above average level based on the employee satisfaction survey	In FY2026, average employee satisfaction rate was above average level
Maintain average staff turnover rate at or below 10%	In FY2026, average employee turnover rate was maintained below 10%
Advancement in Careers	
Approach: Foster a continuous learning environment and encourage employees to develop and advance their careers in VTech	
Maintain average training hours per employee at or above 40 hours	In FY2026, average training hours per employee were 105.5 hours
Respect of Labour and Human Rights	
Approach: Respect the labour and human rights of all our employees with clearly defined human resources management policies, and promote an inclusive culture throughout the company	
Increase number of staff with years of service longer than 5 years by 15% compared with FY2025	Compared with FY2025, number of staff with years of service longer than 5 years increased by 4.4%
Conduct diversity and inclusion awareness training in all operational sites for employee	Diversity and inclusion awareness training was conducted in major operational sites for employees
Maintain the percentage of women in all management positions at 25% or above	In FY2026, the percentage of women in management positions was 26.5%
Maintain the percentage of women in the workforce at 40% or above	Percentage of women in the workforce was 41.6% in FY2026
Environment for Our People	
Approach: Provide a supportive, pleasant and healthy workplace for our staff, and foster a caring community in our working environment	
Maintain the loss of working hours due to injuries at manufacturing facilities at or below 0.01%	Lost hour rate was 0.016% in FY2026
Maintain the Lost Time Injury Frequency Rate below 0.7	Lost Time Injury Frequency Rate was 0.78 in FY2026
Zero work-related fatality case	No fatality case had been reported since FY2014
Maintain employee satisfaction rate for manufacturing sites at or above average level based on the employee satisfaction survey	Average employee satisfaction rate had been above average since FY2014



Society

Goals and Targets for FY2030

FY2026 Progress Update

Support People in Need

Approach: Use our expertise and resources to support the communities in which we operate

Continue to ensure that the total number of VTech volunteers is no less than 10% of total employee

Total number of volunteers reached 2,524 in FY2026

Collaborate with Local Charities

Approach: Use our expertise and resources to support the communities in which we operate

Continue to ensure that the volunteering hours are no less than 20,000 hours

Total voluntary hours were 21,068 in FY2026

Collaborate with corporate philanthropies and participate in more local charitable events

We had worked closely with different charitable organisations to arrange various local charitable events for volunteers to take part in

Provide Training Opportunities for Young People

Approach: Use our expertise and resources to support the communities in which we operate

Extend scholarship programme in other countries

We extended the programme to provide scholarship to 12 students from Hong Kong universities in FY2026

Nourish an Innovative Environment

Approach: Use our expertise and resources to support the communities in which we operate

Engage 500 students to participate in innovative activities or studies

We engaged with over 500 students to participate in innovative activities or studies

Develop a Healthy and Green community

Approach: Develop and promote a healthy and green lifestyle within VTech and the community

Continue to organise VTech Green Day in our major operation locations

VTech Global Green Day was held for major operation locations including Hong Kong and overseas offices on March 2026



Sustainability Pillars Governance and Business Ethics



VTech promotes a culture of integrity, accountability and innovation throughout the Company. It also ensures that its corporate governance framework complies with the applicable laws and regulations as well as industry best practice with effective internal control and risk management systems in place.



VTech has developed a comprehensive management structure throughout the years. We have continuously reviewed our company policies and procedures to ensure our corporate governance structure meets the applicable laws and regulations, industry best practice, global trends, and market expectation. To achieve these goals requires both broad ranging and in-depth governance structures and risk management processes.

Corporate Governance

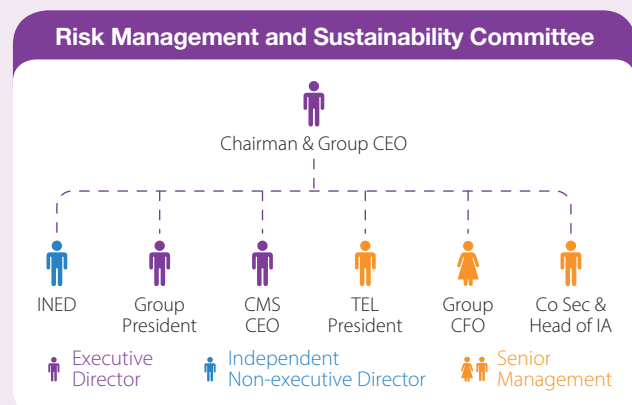


Risk Management and Sustainability Committee

Effective risk management is crucial for maintaining our stable daily operation and indicates our ability to respond and adapt to the changing environment. In order to minimise the possible disturbances to our operation during the event of disruptions, it is important to be prepared for emergency and to build resilience in the face of adversity. VTech has implemented an organisational structure with formal and clearly defined lines of responsibility and delegation of authority. There are also established procedures for financial planning, capital expenditure, treasury transactions,

information and reporting systems, and monitoring the Group's businesses and their performance.

The RMSC is chaired by Dr. Allan WONG Chi Yun – Chairman and Group Chief Executive Officer (Chairman & Group CEO) with Dr. PANG King Fai – Group President, Mr. Andy LEUNG Hon Kwong – Chief Executive Officer of CMS (CMS CEO), Mr. WONG Kai Man – Independent Non-executive Director (INED), Mr. Hillson CHEUNG Hoi – President of TEL Products (TEL President), Ms. Shereen TONG Ka Hung – Group Chief Financial Officer (Group CFO) and Mr. CHANG Yu Wai – Company Secretary and Head of Internal Audit (Co Sec & Head of IA), as members – a combination of Executive Directors, an INED and senior management.





The RMSC is responsible for monitoring and reviewing the risk management and internal control systems, as well as the sustainability strategies, performance and activities of the Group on a regular basis. It also reports any significant findings to the Audit Committee twice a year.

The RMSC has also developed an internal risk management structure at both management and operational levels, which has clearly defined the roles and responsibilities in managing potential risks in the respective areas, and set up procedures for execution of the Group’s Business Continuity Plan in the event of disruptions.

The Group adopts an end-to-end risk management framework, i.e. from risk identification to monitoring the implementation status of risk management actions, in managing the risks that are relevant to the Group. Risks are identified by the management of each key business units or functions based on knowledge of the appropriate, relevant and up-to-date information. The identified risks are assessed based on predetermined criteria (impact, likelihood and velocity) and risk management resources are prioritised based on the risk criticality levels. The risk description, risk assessment results, risk management method and actions, as well as the target completion dates, and implementation status of the risk management actions are reported in a risk register. The risk management action implementation status is monitored and formally reported to the Risk Management and Sustainability Committee for review and approval twice a year.

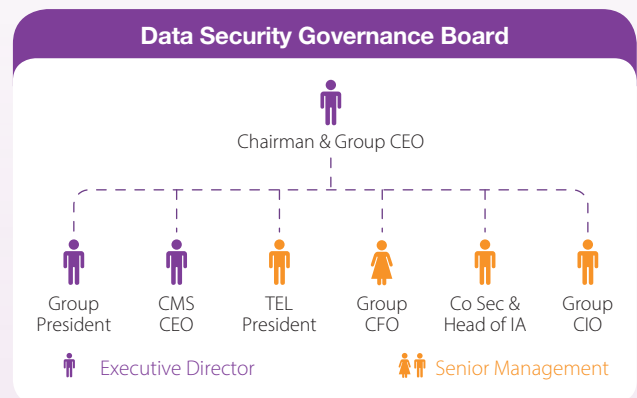
Starting from FY2026, management will provide confirmation on the effectiveness of the risk management and internal control systems to the Board of Directors through the RMSC. Control owners are required to conduct self-assessments and attest to the effectiveness of the systems within their areas of responsibility via management representation letters submitted to the Executive Board. Each member of the Executive Board then signs these letters to attest to the effectiveness of VTech’s risk management and internal control systems. For FY2026, management confirmed that the systems are operating effectively. The RMSC has held two meetings during the financial year to monitor and review the Group’s risk management and internal control systems, as well as its sustainability strategies, performance and activities.

Data Security Governance Board

The Data Security Governance Board was established with defined terms of reference reporting to the RMSC. The Data Security Governance Board is chaired by Chairman and Group CEO and comprises the Group President, CMS CEO, TEL President, Group CFO, Co Sec & Head of IA, and Group Chief Information Officer (Group CIO). It is responsible for decision-making, implementation, enforcement, oversight, compliance and periodic review of the Data Security Policy and practices, as well as the



cybersecurity risks and mitigation measures of the Group. It also ensures that the Group’s data security practices are compliant with international and local laws and regulations, including but not limited to, the applicable privacy ordinances and data protection regulations in the respective countries such as the General Data Protection Regulation in Europe. The Data Security Governance Board has held two meetings during the financial year. It has reviewed and monitored the implementation and execution of the Data Security Policy and practices of the Group for the compliance with the latest privacy ordinances and data protection regulations in the respective countries. It has also reviewed the implementation progress of the additional preventive measures, technologies enhancement and staff trainings for the mitigation of cybersecurity risks of the Group. In addition, the Data Security Governance Board has reviewed and monitored the remedial actions of the identified security related issues which have been brought to its attention.



Investor Communication

All of the Group’s investor communications are governed by a Shareholders Communication Policy. The Policy sets out the procedures for providing shareholders and investment community with ready, equal and timely access to balanced and understandable information about VTech.

For details of our Shareholders Communication Policy, please refer to www.vtech.com/en/about-us/corporate-governance/

Regulatory Requirements

We are in full compliance of the Listing Rules of the Stock Exchange. Regular training is delivered by professionals to our staff on the update of Listing Rules and requirements. We keep monitoring the update of the Stock Exchange’s ESG Reporting Code and update our Sustainability Report accordingly.

Sustainability Pillars



Risk Management



ESG Risks and Opportunities

The RMSC has oversight of all ESG issues including ESG risks. It is responsible for identifying and evaluating ESG risks and opportunities. ESG risks are reviewed in the RMSC biannual meetings as well as the Board meetings.

ESG risk management and opportunities are integrated into our Sustainability Plan 2030. Please refer to pages 43-49 for details of climate-related risks and opportunities.

Business Continuity Management

Business Continuity Management (BCM) is important for ensuring that we always have a smooth business operation. Our BCM programme not only helps us to identify and mitigate our potential operational risks, but also increases our resilience capability, in the event of disruptions, to resume our

operations in an effective and timely manner. VTech's RMSC has developed an internal risk management structure at both the management and operational levels, which has clearly defined the roles and responsibilities in managing the potential risks in the respective areas, and set up procedures for the execution of our Business Continuity Plan (BCP) in the event of disruptions. At each of our key business functions, the management team who is responsible for BCM, consisting of the senior management at the operational level of the relevant departments, is given the responsibility for developing and executing the BCP to ensure the continuous operation of the critical and essential functions of the Company in the event of emergency or business interruption. We have adopted a four-step BCM framework to identify the events that could affect our operation, assess the identified risks, establish measures and controls to manage the impacts with recovery actions, and review and monitor the BCP for continuous improvement on a regular basis. Through the lessons learned from the unprecedented challenges from COVID-19, we have enhanced the precautionary measures and guidelines to manage the risks following the BCM framework in ensuring the health and safety of our employees and safeguarding business continuity.

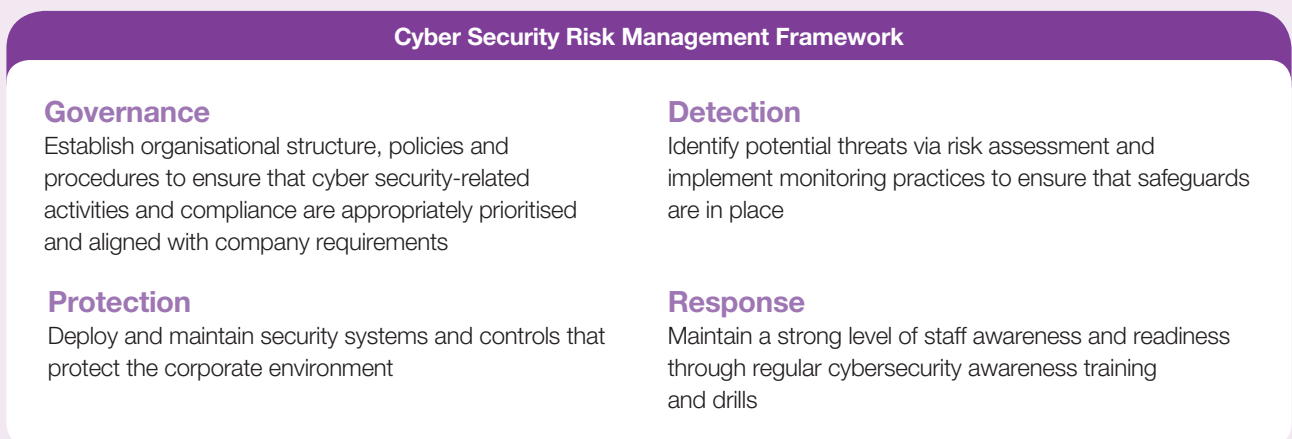


Cyber Security

The proliferation of new technologies has significantly changed the ways people access information. VTech has established a multifaceted cyber security programme with data and system security policies and measures in place to protect the data and information from any unauthorised access, accidental loss or destruction.

The Data Security Governance Board reporting to the RMSC established at the Board level, is also responsible for ensuring that our data security practices are compliant and aligned with international and local laws and regulations, including but not limited to the applicable privacy ordinances in the respective countries and regions such as the General Data Protection Regulation in Europe.

Cyber Security Risk Management Framework follows internationally recognised cyber security standards, and revolves around four pillars:





To proactively detect cyber threats and system vulnerabilities, VTech has implemented comprehensive Endpoint Detection & Response (EDR) solution that leverages AI and behaviour models to strengthen real-time threat detection and response capabilities. Additional fit-for-purpose security monitoring controls are also in place to proactively enhance infrastructure security while maintaining business productivity. These cover our network gateways, computing devices and business systems. An industry leading code scanning tool is leveraged to review in-house developed code. A dedicated internal information security team stays up to date with new threats and we also manage risks of third-party vendors and partners by establishing a process to vet their security practices, ensuring adequate security measures are in place. Proper work-from-home policies and procedures have been established without jeopardising the risk of network security.

To ensure that our products are best protected, we have engaged best-in-class penetration testers to review our network-connected products before rollout. For internal systems, we continue to regularly conduct security assessments in order to meet international security standards. Regular risk assessment, internal and external audits mechanism provide further layers of feedback to ensure that threat detection and mitigation activities are effective and done in a timely manner.

In response to threat and incident handling, a proper procedure for incident escalation and handling have been established. We have also carried out incidence response drills to ensure that our cross-department response team is ready.

To ensure preparedness, our staff are required to attend mandatory cyber security awareness training and testing on a yearly basis and are subject to simulated phishing drills to maintain vigilance.

Business Ethics



Code of Conduct and Whistleblowing Policy

Our Code of Conduct serves as one of the cornerstones of our governance and operation, underpins our culture of integrity and represents the Group management's commitment to a vigorous, responsible and forward-looking compliance culture. It spells out the guiding principles for our corporate and staff behaviour and sets the high standards of integrity and honesty we apply in our operation and business. We have additional policies for staff in specific risk-related areas to cover conflicts of interest, bribery, accounting standards and internal management. Staff are

required on joining to confirm that they understand and accept the requirements and standards laid down in the Code of Conduct appropriate to their role and position in the Company, and in addition, avail themselves to attend and complete various governance trainings provided online, and provide annual confirmation of compliance of the Code of Conduct in writing. Staff is required to strictly follow the Code of Conduct so that the Group operates to the highest standard of business behaviour and ethics in its engagement with customers, business partners, shareholders, employees and the community at large. Due to a constantly changing business environment and the emergence of increasing demands on responsible corporate behaviour, we review our Code of Conduct periodically to ensure that it reflects the current industry and global best practices and meets the expectations of all stakeholders.

VTech operates a Whistleblowing Policy in order to encourage and assist whistleblowers to disclose information relevant to misconduct, malpractices or irregularities through a confidential reporting channel without the fear of retaliation. Reports are referred to the Head of Internal Audit, who will review the complaints and determine the appropriate mode of investigation and any subsequent corrective action. Recommendations on improvements to controls and procedures identified during the course of the investigation are communicated to the respective department's senior management for implementation. All reports are handled by the Company with care and all legitimate concerns are investigated in a fair and proper manner. The nature, status and the results of the complaints received under the Whistleblowing Policy are reported to the Chairman of the Audit Committee on a quarterly basis and to the Audit Committee twice a year. No incident of fraud or misconduct was considered to have a material effect on the Group's financial statements or overall operations for FY2026. The Whistleblowing Policy is reviewed periodically to align it with the industry best practice and was last updated in May 2025.

Full details of our Whistleblowing Policy and Code of Conduct are available on www.vtech.com/en/about-us/corporate-governance/

Sustainability Pillars



Business Integrity and Anti-Corruption Policies

The Company is committed to zero tolerance towards corruption and a culture of integrity. It promotes the core values of integrity, honesty, fairness, impartiality and ethical business practices. VTech Group and its officers, employees, agents and intermediaries are prohibited from giving or offering to give money or anything of value to any third party who includes government officials, political parties, party officials or candidates for political office, in order to influence the commercial acts or official duties or decisions of that person or entity, or to obtain or retain business, or secure any improper advantage. The Company does not make any donations to political parties in any country but it does not restrict its employees from joining or participating in individual associations provided that there is no conflict of interest between their role as a member of the association and their role as an employee of VTech. Employees are prohibited from representing or purporting to represent the Company in any social or political forum and using the Company's brand, time or assets to advance the interests of any social or political party or group.

Anti-corruption is one of the major governance areas covered by our Code of Conduct. In addition to the Anti-Corruption Policy, the Company has also issued policy to guide its staff on the offer and receipt of gifts, entertainment and gratuities and the related reporting and approval procedures. VTech's management shall ensure that employees are familiar with these policies and the related control procedures in their job areas. Employees receive regular anti-corruption and internal control training to reinforce their awareness and understanding of the Code of Conduct and the relevant policies.

For details of our Code of Conduct and Anti-Corruption Policy, please refer to www.vtech.com/en/about-us/corporate-governance/

Anti-Corruption Training to Directors and Staff

Anti-Corruption Training is provided to our staffs via our eLearning platform to facilitate continuous learning on the topic. New joiners are required to complete the online training within 3 months after joining VTech. During FY2026, we provided a Group-wide online training for all general staff, senior management and directors. The training covered the Group's zero-tolerance approach to corruption, key risk areas such as gifts and entertainment, conflicts of interest, record-keeping requirements, and reporting mechanism, with practical scenarios and quizzes to reinforce employee's responsibilities and reporting obligations.

Privacy and Data Protection

We acknowledge the importance of data security and privacy for our stakeholders and recognise that data protection is an essential consideration in the workplace. In order to safeguard the privacy of our stakeholders, we have developed personal data protection policies and personal data handling practices that cover how we collect, use, disclose, transfer, retain and dispose stakeholders' personal information. These policies and practices are implemented and monitored through the following measures:

Privacy and Data Protection Policies and Measures

- Regular training and awareness programmes for employees handling personal data to ensure understanding of privacy obligations and industrial best practices;
- Access controls and security measures to restrict access to personal data on a need-to-know basis and protect against unauthorised access or disclosure;
- Internal audits and compliance reviews conducted periodically to assess adherence to privacy policies and identify areas for improvement;
- Incident response procedures to promptly detect, investigate and address any suspected data breaches or data subject requests; and
- Periodic review and oversight to ensure policies remain up to date with evolving regulatory requirements and industry standards.



We are committed to complying with applicable privacy and data protection laws and regulations in the jurisdictions where we operate in managing stakeholders' personal data. Consumer personal information is usually collected from several sources, namely, our online shop, authorised dealers or agents and media channels for enquiries and complaints, and in general whenever it is necessary to provide services to the consumers. We are committed to using the consumer personal information we have collected only for the purpose intended and notified. We follow the US Children's Online Privacy Protection Act (COPPA) to protect the privacy of children when managing personal data collected from children in the relevant services we provided. VTech will not sell the personal information to a third party for any consideration.

As required by the Data Security Governance Board, a designated Data Protection Officer has been appointed to facilitate VTech's compliance with the applicable privacy laws and regulations, and its own privacy and data protection policies. A privacy and data protection team consisting of business managers of different departments regularly involved in the processing of personal information assists the Data Protection Officer from time to time with the preparation, implementation and enhancement of any actions required for the compliance with any privacy legislation and VTech's personal data protection requirements.

Protection of Intellectual Property Rights

VTech is devoted to protecting its own intellectual property rights and the intellectual property rights of others. VTech has adopted and implemented proper policy and protocol in place to protect its intellectual property rights through different means including, but not limited to its patents, designs, trademarks, copyrights and licences in different areas such as logos, designs, technologies, trade secrets, computer programmes, inventions, product information, instruction manuals, video and sound recordings in various media. Without our permission, a third party cannot acquire any rights to use or display any related intellectual property. VTech will take legal actions and seek legal remedies against any violations of its intellectual property rights or misuse of its intellectual property wherever such may have been found.

For details of our intellectual property rights protection measures, please refer to www.vtech.com/en/about-us/corporate-governance/

Global Tax Policy

VTech is committed to full compliance with all statutory obligations, full disclosure to relevant tax authorities, and to act in a way which upholds its reputation as a responsible corporate citizen. The Group's tax affairs are managed in a way which takes into account the Group's wider corporate reputation in line with VTech's overall high standards of governance.

Each group company has the responsibility to understand and comply with tax laws and regulations applicable to its business, with support from the external tax advisors. We have implemented a series of processes and controls to identify, manage and report tax risk appropriately. These include regular updates from Finance teams; documented review processes and regular training for staff involved in tax return preparation and review.

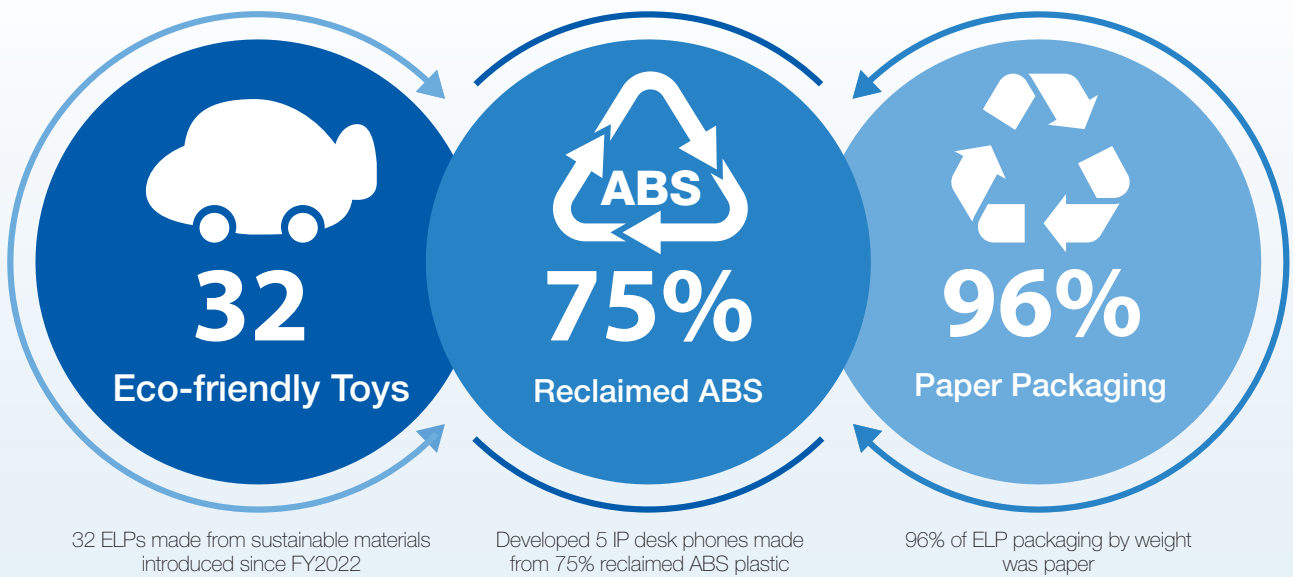


Sustainability Pillars

Product Responsibilities and Value Chain Management



VTech's culture of innovation not only supports its employees to continuously design and develop innovative and high quality products for the wellbeing of people and benefits of society, but also facilitates the Company to integrate sustainability concepts throughout the factory and business operations as well as its supply chain.



VTech's culture of innovation, which supports and encourages creative thinking and sharing of new ideas in the workplace, facilitates its employees to design and develop innovative and high quality products for the wellbeing of people and benefits of society. Its management approach focuses on "Design for Environment", "Design for Quality" and "Design for People". VTech products comply with the highest international and local environmental and safety standards. All products also meet the specific standards and requirements on material usage, energy consumption and disposal method in the respective markets. A list of environmental and safety standards for our products is shown on pages 100-101. VTech also manages its supply chain through a well-established "Supply Chain Management System" to monitor suppliers' performance on the aspects of quality, environment and social, ensuring their alignment with VTech's CSR requirements.

Product Innovation



Design for Environment

Consumers are increasingly seeking out environmentally responsible brands that prioritise the protection of the VTech Holdings Limited

environment, health, and safety of all stakeholders. As an environmentally conscious Company, VTech embraces the principle of circular economy to promote resource efficiency. It endeavours to continuously enhance products to increase their sustainability and eco-friendliness, aiming to offer durable products with enhanced energy efficiency and recyclability, while utilising sustainable materials.

At the product design and development stage, we explore the transition towards circular economy by following the life cycle assessment (LCA) principle from the beginning of the product design to different stages of production chain, with a focus on minimising our environmental impacts throughout the whole product life cycle from cradle-to-grave.

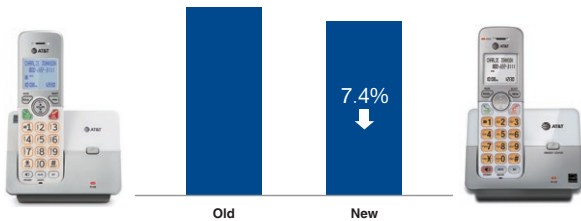
Our designers and engineers are required to follow the requirements on the LCA checklist to select more eco-friendly product and packaging materials, reduce the use of materials and energy, maximise the use of reusable items and avoid disposal of recyclable materials to landfill during the product development stage. We are working on extending our product life cycle from cradle-to-grave to cradle-to-cradle, through the increasing use of sustainable materials and engaging in recycling programmes for our products and packaging.



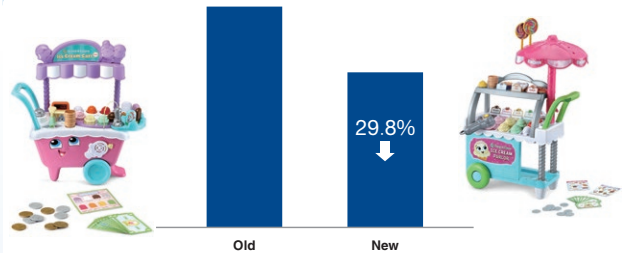
We continue to incorporate eco-design principles from the manufacturing phase of the production life cycle to the product usage in the end user's home. Every year we conduct LCA for our key products to compare the carbon footprint between the old and new models, and ensure that there is continuous reduction in carbon footprint of the new

model. By embedding the eco-design principles and with continuous reduction in plastic materials and components usage, the carbon footprints of the two new ELP and TEL models have reduced 29.8% and 7.4% respectively compared with the old generation.

VTech Product Carbon Footprint Comparison of TEL Products



VTech Product Carbon Footprint Comparison of ELPs



VOCs Reduction Initiatives

VTech strived to reduce Volatile Organic Compounds (VOCs) emissions generated from the printing process through installing VOCs purification system in our manufacturing sites, using the waterborne paint to replace solvent-based paint, and upgrading the production technology.

Starting from FY2019, we began to adopt plastic overmolding technology. It is a multiple injection molding process where multiple-coloured plastic components are being produced in a multiple molding cycle. The adoption of plastic overmolding technology allows us to minimise paint spraying process and thus VOCs emission. Vacuum Plasma Treatment technology has been adopted to replace Polypropylene Water Spraying, eliminating the spraying process and reducing VOCs emissions. To minimise the consumption of solvents containing VOCs, isopropyl alcohol based Wave Soldering Flux will be replaced with VOC-free flux which utilises deionized water as major solvent. At some of our operating sites, we adopted the inkjet printing technology to substitute silkscreen printing and pad printing to reduce odour and VOCs emission during the colouring process. In FY2025, we replaced silkscreen printing with thermal-transfer printing on plastic parts where applicable, which minimises VOCs emission in printing process.

Phasing out solvent-based ink and adhesives with the application of waterborne alternatives is our on-going measure to reduce VOCs emission. In FY2017, we successfully launched our first TEL product that uses

waterborne paint. Over the past years, we have further extended the application of waterborne paint in most of our products. It significantly reduced the amount of solvent used for dilution within the factory. In our metal factory, waterborne paint has replaced solvent-based paint for all products. Waterborne paint has also been applied to the pad printing and silkscreen printing procedures for our packaging. The application of waterborne paint has greatly reduced emission of VOCs into the atmosphere during manufacturing process and improved air quality. In FY2026, waterborne paint was used in about 92% of ELPs and 90% of TEL products. As for packaging, waterborne paint was used in about 100% of ELP packaging and about 91% of TEL product packaging. We will continue to extend the use of waterborne paints for our TEL products, ELPs and CMS designed products.



Inkjet Printing Technology



Sustainable Product Design and Material

We have initiated our “Every Component Counts” programme and “Compact Design” principles since 2008 and we have made continuous improvements in the reductions of materials and components usage in our products.

Through our “Every Component Counts” programme, our designers and engineers also make suitable adjustments for components and material reductions. We have continued to embed the principle of “Compact Design” in our packaging design, choosing more environmentally friendly packaging materials and reducing the weight of materials used for all VTech products. With the compliance of RoHS (Restriction of Hazardous Substances) and REACH (Registration, Evaluation, Authorisation and Restriction of Chemicals)

standards, we aim to use minimum permitted hazardous substances and chemicals in all ELPs and TEL products.

We have been exploring the application of sustainable materials for ELPs, selected TEL products and CMS designed products. In FY2022, we launched new ELPs made with plant-based plastics, reclaimed plastics and FSC™-certified wood. During the same financial year, we also launched the first hotel phone with an environmentally friendly cabinet made using recycled PET bottles. In FY2024, we collaborated with our CMS customer in the design of a series of audio interface devices made from post-industrial recycled aluminium and post-consumer recycled ABS plastic. Replacing fossil-based materials with sustainable alternatives will continue to be our long-term goal of our sustainability journey. Over the past six years, we introduced a total of 61 products made from sustainable materials

Eco-friendly Electronic Learning Products

VTech is devoted to sustainability by introducing a variety of electronic learning products (ELPs) made from sustainable materials. Our commitment to innovation and environmental responsibility has brought a growing range of eco-friendly toys, including the Soft Hugs Hippo, Rainbow Lights Axolotl, LeapFrog® Strum & Count Wooden Guitar™, LeapFrog® Pop & Count Lion™, and LeapFrog® 4-in-1 Discovery House™. These products have been well received by consumers, reinforcing our dedication to creating high-quality, sustainable play experiences.

As part of our ongoing efforts to replace fossil-based virgin plastics with more sustainable alternatives—such as

recycled, reclaimed, recyclable, plant-based plastics, and FSC™-certified wood—we have expanded our range of eco-friendly ELPs. This includes the Take-Along Toucan⁷ and Forest Pals First Discoveries Set, both featuring fabrics and stuffing made from recycled PET bottles. We also launched the LeapFrog® 6-in-1 Snap & Learn Busy Cube™ made with reclaimed plastics.

Since FY2022, we have introduced a total of 32 ELPs made from sustainable materials, and our R&D team continues to explore sustainable alternatives for future product lines. To learn more and view our full range of eco-friendly products, please visit our website: sustainability.vtech.com/product-and-value-chain



⁷ Recycled materials only applied in the EU version of Take-Along Toucan.



Gigaset Phones Made with Reclaimed Plastic

VTech strives to conserve resources and reduce its environmental footprint by providing sustainable product options for its customers. Gigaset branded IP desk phones feature Power over Ethernet (PoE) functionality, enabling power supply and data transmission via a single cable which reduces material waste and energy consumption. Plastic-free packaging is adopted to minimise waste and enhance recyclability.

In FY2026, Gigaset achieved a new sustainability milestone with the launch of five desk phone models. These models are made with 75% of reclaimed acrylonitrile butadiene styrene (ABS) plastic, boosting resource efficiency. Gigaset will continue to develop more sustainable products and integrate green elements in product design and manufacturing.



VTech Wireless Thermostat



Optimising energy efficiency is one of the core elements of VTech's sustainable design. In FY2026, VTech launched a new wireless thermostat model for customers in the hospitality sector. The thermostat incorporates an occupancy sensor that enables smart, stand-alone energy management that monitors room activity to maintain guest comfort while optimising the HVAC performance, making it capable of reducing energy consumption by up to 30% under optimal conditions. Wireless technology offers flexible placement throughout the guest room without the need for additional wiring and a secure remote management interface for effortless integration into existing energy management and property management systems. Beyond energy efficiency, the thermostat is manufactured with antibacterial materials, effectively mitigating the risk of spreading infections and safeguarding guest health and safety.

Hybrid Inverter with Solar Charging

VTech partnered with its customer to launch the hybrid inverter, an intelligent power system that integrates solar charging, battery energy storage and various energy inputs such as mains or fuel generators. It is mainly used for home backup power, off-grid power supply or scenarios such as peak-valley arbitrage. The system delivers stable and flexible power supply for households, supporting the growing adoption of solar energy through intelligent energy management and storage.

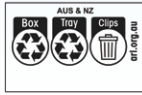


Sustainability Pillars



Sustainable Packaging

We continuously reduce environmental impacts of our packaging through material sourcing, usage reduction, design change and recycling as part of our effort moving towards circular economy.



For ELPs, 96% of product packaging by weight was paper, while the remaining 4% was plastic. 100% of paper packaging was recyclable, with 99.9% made from recycled or FSC™-certified materials. As for plastic packaging, we are committed to using recyclable plastic types and using plastics that contain recycled or reclaimed materials. Over 80% of the ELPs plastic packaging materials was recyclable, and about 24% was made from recycled⁸ or reclaimed materials. We have also eliminated blister in 99% by weight of the ELPs packaging, and continued to replace fossil-based blister packaging with sustainable alternative such as bio-based or recycled PET in new ELPs packaging. Part of the plastic locks have been replaced with reclaimed plastic, and some of the cable ties with paper rattan. We have made effort to reduce the size of the instructions leaflet of the ELPs to save paper. By adding QR code for full instruction menu, we were able to reduce 45% of the leaflet size. For TEL products, 98% of packaging was paper, while the remaining 2% was plastic made from recyclable materials. Our hotel phone and Snom branded business phone products packaging are plastic-free. Sustainable materials were also used for 100% of CMS designed product packaging.

Product Disposal and Recycling

In order to support circular economy initiatives in its major markets, VTech has engaged in various post-consumer packaging recycling programmes in the US, the UK, France, Australia and New Zealand. Packaging recycling labels such as How2Recycle® and “OPRL” the On-Pack Recycling Label have also been placed on the product packaging of its electronic learning products for consumers’ easy reference.

⁸ "Recycled content" was defined as plastic packaging containing at least 30% or more post-consumer recycled materials

To encourage post-consumer product recycling, VTech has partnered with leading international recycling companies such as TerraCycle® in the US and Electronic Products Recycling Association in Canada. It has also followed the Waste Electrical and Electronic Equipment Directive in Europe by adding product recycling labels on the product packaging. These recycling programmes provide an easy way for consumers to recycle VTech’s electronic learning products in the respective countries.

We have extended the post-consumer product recycling to our telecommunication products in the US. By partnering with Electronic Scrap Recycling (ESR), consumers can send our products to ESR for collection and sorting prior to recycling process. The collected products will be shredded, and recyclable materials such as paper and metals are separated and sorted by type before being processed into raw materials.

We will continue to explore opportunity for a wider end-of-life product collection and recycling scheme and search for partner for cooperation on this matter, aiming to extend the post-consumer recycling programmes to the rest of our key markets.



Eco-friendly Label and Certification

VTech products comply with the international and local environmental regulations and we have embedded the eco-design principles into our products. For the US cordless phone products, we have upgraded our power adaptor to the level VI standard with Energy Star eco-label and obtained the California Energy Commission (CEC) certification. Some of the phone products also obtained the Energy Efficiency Verification mark (EEV) of Canada.

To ensure that our consumers are well informed of their choices of purchases, all related product specifications and information are clearly labelled on the gift boxes and could also be easily accessed through our social media channels, which assures the quality and environmental performance of our products.





Design for Quality

VTech is committed to designing and manufacturing products that meet the highest international and local health and safety standards. All VTech products follow robust specifications on banned and restricted substances. Our products, including TEL products and ELPs, sold in the US and Europe are RoHS compliant, and our products sold in the US and Europe fully comply with REACH. We have implemented a stringent quality control system, from all materials, components, machines and equipment, operational techniques and methods to the final products assessment, to ensure that the use of all materials and manufacturing processes are compliant with both international and local standards and requirements.

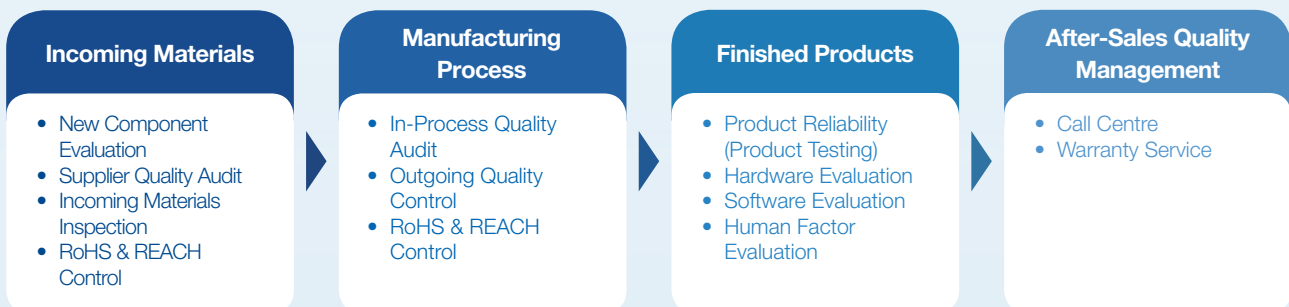
VTech Quality Control System

Upholding the highest quality standards of our products, all VTech's manufacturing facilities for TEL products, ELPs and CMS are certified with ISO 9001. VTech has implemented a comprehensive quality management system framework to set up quality assurance policies and procedures to address the product quality and reliability on a regular basis, as well as improve the work efficiency. By going through the incoming materials inspection, we could ensure all selected parts and components comply with required specifications, international and local standards before production, whereas the in-process quality audit could constantly improve our manufacturing process, production efficiency and consistency. Our outgoing quality assessment helps to verify

the reliability and compatibility of our products, ensuring that our products meet the required specification and are free from defects at the time of delivery. We also build trust with our customers and ensure our products meet their expectations through our after-sales management.

All VTech products are fully covered by our warranty. We have set up different communication channels, such as call centres and social networking platform that can be accessed around the world, where customers can raise their concerns directly to us. We also work proactively on all reported cases in a timely manner by carrying out reviews, evaluations and investigations, followed by immediate corrective or preventive actions to satisfy our customers' needs.

During the year, there was no product recall as a result of health and safety issues and we have received 8 complaints related to product health and safety. They have been handled promptly and carefully by the legal, quality assurance, R&D and customer service teams, in order to resolve underlying issues and prevent safety incidents resulting from product usage. As product quality and safety is always our number one priority, VTech will continue to strengthen our manufacturing process, product specifications, quality assurance and management programmes throughout the whole product life cycle from the early stage of product design, to the manufacturing and after-sales services and warranties to ensure that our products are free from safety defects at the time of delivery.



VTech Quality Laboratories

To improve the quality, durability and performance of our products, we have set up our in-house product quality and reliability validation laboratories (labs) at the manufacturing sites of our product lines. All our products must go through reliability tests during different design stages. The comprehensive tests provide data for our engineers to improve the quality and reliability during the stages of production, transportation, storage and throughout the intended product life cycle under a wide range of use conditions.

Ongoing reliability test is also conducted during the mass production stage on a sampling basis to detect any anomalies or changes that may occur in the design, supply

chain or production process that adversely changes field reliability performance of our products. The reliability lab of TEL products is designed based on the international requirements and standards, and our UL Safety Lab has taken the lead in obtaining the qualification of UL60950-WTDP (Witness Test Data Program) in 2007. Our in-house physical and chemical laboratory of ELPs is a China National Accreditation Service (CNAS) certified laboratory for ASTM F963 & EN71-1 (specific test items) standards since 2011 and complies with ISO/IEC 17025 standard. Equipped with advanced testing instruments, our in-house chemical laboratory is also able to test specific chemicals such as heavy metals and phthalates. Samples of our VTech products are also sent to independent safety testing labs before they are brought to market to ensure that they meet the highest levels of international and local quality and safety standards.



TEL Products Test Labs

Compliance Lab

- Signal Performance
- Alerting
- Transmission Characteristics
- Environmental Considerations
- Caller Identity (CID) Test
- Acoustic Test

Reliability Lab

- Salt Fog Test
- Autoclave Test
- Height Measurement
- Carton Vibration Test/ Carton Drop Test/ Carton Stacking Test
- Unpacked Drop Test
- Waterproof Test/ Surface Temperature/ Battery Life
- ESD Test/ Energy Star/ CEC
- Charge-contact life/ Keypad Life/ Coil Cord Life
- Silkscreen & Painting Abrasion Test

UL Safety Lab

- Stress Relief Test
- Drop Test
- Impact Test
- Over-voltage Test
- Hi-pot Test
- Steady Force Test

Environment Test Lab

- High Low Temperature Test
- High Low Storage Test
- Humidity Test
- Thermal Shock Test
- Temperature Cycle Test
- UV Test



Keypad Life Test

ELPs Test Labs

Reliability Lab

- Wire Bending Test
- Keyboard Life Test
- Component Life Test
- Storage Test
- Operating Temperature
- ESD Test
- Transportation Test – Vibration Test
- Transportation Test – Carton Box Drop Test
- Sound Test
- Tension Test
- Torque Test
- Drop Test
- Compression Test

Chemical Lab

- Pb, Hg, Cr & Cd on Electronics Components
- Heavy metals (soluble & total contents) on Surface Coatings and Substrates
- Phthalates & Organostannic Compounds Test on Surface Coatings and Substrates
- Flame Retardant Contents on Surface coatings and Substrates



Phthalates & Organostannic Compounds Test on Surface Coatings and Substrates

CMS Test Labs

Measurement & Reliability Lab

- Automated 3D Dimension Measurement
- Colour Spectrum Analysis
- Height Measurement
- IV Curve Analysis
- Melt Flow Index Analysis
- Optical Microscopy Analysis
- Quartz Oscillator Test
- RCL Measurement
- Signal Analysis
- X-Ray Imaging Analysis
- XRF Spectrum Analysis
- Abrasion Test
- Burn in Test
- Salt Spray Corrosion Test
- Speaker Test
- Switch On-Off Cycling Test
- Temperature Humidity Environmental Stress Test
- Thermal Shock Test
- Vibration Test
- Wire Load Swing Test
- Button life test
- Knob switch life test
- Stress & Compression test

UL Safety Lab

- Data logger and Thermo coupler
- Electricity power test
- Falling ball impact test
- Free fall drop test
- Insulation and Continuity test
- Insulation Resistance test
- Leakage current test
- Programmable electronic load test
- Rockwell hardness test
- Stability test
- Temperature and humidity test chamber
- Tumble test
- Withstand Voltage test



Burn in Test



Responsible Marketing and Labelling

VTech is committed to delivering high quality products to customers while upholding the highest legal and ethical standards for its marketing activities to protect the rights of its consumers. We adhere to all relevant laws and regulations on responsible marketing at all locations where we operate. We have a Responsible Marketing and Labelling Policy in place to ensure that the Group adheres to the applicable regulatory requirements on responsible marketing for the provision and communication of accurate and reliable marketing information about its products and services to its customers. It is our objective that all our marketing communications are lawful, decent, honest, truthful, transparent, free from exaggeration and not misleading. Marketing materials are thoroughly reviewed and approved by the marketing team to ensure they complied with relevant standards and regulations. VTech recognises the special nature of the child audience. We take extra care in marketing activities directed towards them to safeguard the rights of children and parents. All our marketing communications must be age-appropriate and inclusive, taking into account children's levels of experience, sophistication and maturity. We aim to enrich the play experience of children while protecting them from physical and mental harm. We work with trusted digital media partners and websites to ensure advertising contents reach our customers via appropriate platforms.

For details of our Responsible Marketing and Labelling Policy, please refer to: sustainability.vtech.com/reports_policies

Customers' health and safety are important considerations in the design, manufacturing and marketing of our products. We provide and place clear and comprehensive labels on our products, packaging, and manuals that contain plain

and accurate information. All efforts are made to ensure our product labelling complies with all relevant laws and regulations. The contents of the description, labels and all other communications on our products, packaging and marketing communications including but not limited to safety standards and warnings, quality, green labels, disposal and recycle instructions, and copyright logos undergo routine internal review conducted by the marketing and quality teams which when necessary, will be guided by the legal team for accuracy and compliance.

Design for People

Addressing our customers' needs is our primary responsibility in the stage of product design. We continuously use our technological expertise to help improve the health and safety of our customers, which is our number one objective. We have developed a series of baby monitors that help parents take care of their babies. Meanwhile, VTech continues to use its global leadership position in electronic learning products to develop high-quality and innovative educational products that inspire children's creativity through fun and smart play. In order to stay in harmony with the environment, we also incorporate the eco-design principles into our products and launch many eco-friendly products.

Products for Customers' Health and Safety

With increasing global awareness of people's health and lifestyle, VTech's product design team has applied innovative designs and functionality elements in developing products that could help customers live with ease and safety. We also work closely with different target customers including parents, seniors and children to design our products in order to address their needs for the enhancement of their well-being.

Complete Blood Count (CBC) Analyser

To address the demand for efficient and accurate diagnostics, we developed a cartridge-based CBC analyser for its customer. This compact device has been granted CLIA-waived status from the U.S. Food and Drug Administration (FDA), enabling CBC testing to be performed beyond traditional hospital settings. Moreover, internal quality control mechanisms are built into the analyser and the test cartridge, allowing reliability checks for every test conducted. These advancements ensure a streamlined testing procedure that requires minimal staff training while delivering rapid and accurate results.



Sustainability Pillars



Products for Children's Learning and Development

VTech believes that children have their unique pace of learning mentally, emotionally and physically. Our ELPs are specially designed to grow with the children through these various stages of learning. Our ELPs guide children throughout the development stages of three key aspects (1) Language & Cognitive (2) Social & Emotional, and (3) Physical & Motor. We recognise that playing is important

for children to learn and develop. Young children could learn how to communicate easily through playing creatively with toys, games and anything they can get hold of. It is a very important channel to develop their language skills and express their feelings. Through creative play, children will also learn to recognise and empathise other people's feeling, to appreciate and respect other people. After consulting our educational expert panel, we have developed a wide range of electronic learning toys that are fun to play with and provide children with many important learning opportunities.

LeapFrog® LeapMove™

LeapFrog® LeapMove™ is a motion-based educational gaming console designed to offer an engaging learning experience that helps children develop more than 20 essential school skills. With a built-in camera motion sensor, children can be detected on entry, displaying them live on the screen or transforming into one of the three charming animated characters to explore the "Enchanted Forest".

The console features 25 preloaded games and adventures with three progressive learning levels that adapt to children's abilities in math, spelling, reading and problem-solving. Beyond sharpening cognitive abilities, the interactive gameplay encourages full-body movement such as jumping, dodging and catching to navigate obstacle courses and solve puzzles, aiming to develop children's motor coordination.



VTech Karaoke Lights Party™



The VTech Karaoke Lights Party™ is a portable multifunctional Bluetooth® speaker designed to spark children's enthusiasm for music and singing. Equipped with two wireless microphones, children can sing along to their favourite tracks or a selection of built-in songs, enhancing the performance with fun voice effects. Apart from solo singing, the speaker features interactive group modes with eight exciting built-in games for up to two players, designed to make singing practices fun and engaging. The 25-pixel button display on the front of the speaker is a unique feature, on which children can play the classic games on the display or unleash their creativity through designing up to 10 unique pixel light arts with the buttons. Alongside a relaxing light display in music mode, children can watch their own pixel art and dance to the rhythm of the music, adding a personalised touch to every karaoke party.



Sustainable Supply Chain



A well-established Supply Chain Management System and a good procurement practice are crucial for our sustainable operations. Including the manufacturers of printed circuit boards (PCBs) and other electronic components, over 83% of our major suppliers are from the local industries in Mainland China. Logistics services providers form the bulk of the downstream suppliers. VTech's Supply Chain Management System monitors the quality of its suppliers as well as their environmental, social and ethical performance to ensure they have complied with our Supplier Code of Conduct and Conflict Minerals Policy. We are committed to managing our supply chain in a socially and environmentally responsible manner and sourcing from approved suppliers who meet VTech's CSR requirements.

Supplier Code of Conduct

To mitigate environmental and social risks, we have established the Supplier Code of Conduct in adherence to the requirements of the RBA Code of Conduct (the Code). The Code covers a wide range of sustainability topics such as labour rights, anti-slavery, health and safety, environment and business ethics etc. VTech requires all suppliers that provide goods and services related to its manufacturing process to align their practices with the standards set out in the Code, and put in place similar requirements for their own suppliers. The Code is reviewed regularly and amended when necessary to remain relevant and compliant with all relevant laws and regulations.

We strongly oppose and have no tolerance for child labour, modern slavery or human trafficking in our supply chain or in any part of our business. Our Modern Slavery and

Transparency in Supply Chains Statement stipulates the suppliers' obligation to align with VTech's policies regarding human rights and labour rights according to International Labour Organisation Conventions on Labour Standards and the 10 UN Global Compact principles. Suppliers shall also take responsibility to minimise their environmental impact including but not limited to emissions, energy consumption, water and waste, through complying with relevant environmental laws and regulations and implementing effective environmental management systems.

For details of our Supplier Code of Conduct, please refer to sustainability.vtech.com/reports_policies

Procurement Policy

We recognise the potential CSR risks along the supply chain that may adversely affect our product quality and safety. Our procurement criteria are based not only upon price, quality, delivery capacity and reputation, but also integrity, social and environmental performance.

All new suppliers need to go through a comprehensive supplier audit to ensure they meet VTech's CSR and quality standards. Prior to placing any orders with any supplier, we engage with them to evaluate the risks they may pose to VTech and request them to provide supporting documents such as ISO 14001 and ISO 45001 certificates, as well as relevant environmental permits. Site visits may be conducted when necessary to ensure full compliance with our requirements. All information is reviewed by our procurement team before engaging the suppliers. All purchases made by the Company are handled by the procurement team in a fair, objective and professional manner. Inspections are carried out on incoming materials, especially for critical safety-related components and materials, to detect any non-compliance issues and implement corrective actions if needed.



VTech's CSR Requirements for Suppliers

Labour

- Freely Chosen Employment
- Child Labour Avoidance and the protection of Young Workers
- Working Hours
- Wages and Benefits
- Humane Treatment
- Non-Discrimination
- Freedom of Association and Collective Bargaining

Health and Safety

- Occupational Safety
- Emergency Preparedness
- Occupational Injury and Illness
- Industrial Hygiene
- Physically Demanding Work
- Machine Safeguarding
- Sanitation, Food, and Housing
- Health and Safety Communication

Environmental

- Environmental Permits and Reporting
- Pollution Prevention, Resource Reduction and Biodiversity
- Hazardous Substances
- Solid Waste
- Air Emissions
- Materials Restrictions
- Water Management
- Energy Consumption and Greenhouse Gas Emissions

Ethical Standards

- Business Integrity
- No Improper Advantage
- Disclosure of Information
- Intellectual Property
- Fair Business, Advertising and Competition
- Protection of Identity
- Responsible Sourcing of Minerals
- Privacy
- Supply Chain Security

Management Systems

- Company commitment
- Management Accountability and Responsibility
- Legal and Customer Requirements
- Risk Assessment and Risk Management
- Improvement Objectives
- Training
- Communication
- Worker Feedback, Participation and Grievance
- Audits and Assessments
- Corrective Action Process
- Documentation and Records
- Supplier Responsibility

Supplier Risk Classification and Monitoring

We regularly monitor and evaluate suppliers' CSR performance according to their risks exposure. Suppliers are classified into three risk levels including low, medium and high, based on a set of criteria including procurement amount, industries with high risks of labour issues and environmental pollution, the locations of operations, as well as third-party certifications of relevant CSR management systems. All suppliers are required to sign the Supplier CSR Agreement, pledging to comply with our Supplier Code of Conduct and Conflict Minerals Policy. Such obligation is also stated in our standard purchasing agreement. Various measures are also implemented to mitigate the supplier's risks depending on our risk level assessment of the relevant suppliers, including submission of supplier CSR self-assessment and CSR audit. Our procurement teams assess the risk level of suppliers and closely monitor their performance periodically. We also identify and monitor CSR risks for critical Tier 2 suppliers through conducting audits.

Following the audit process, suppliers with any areas of non-compliance identified are required to propose corrective actions with an implementation schedule to eliminate the identified deficiencies. We follow up on the corrective actions to ensure that the non-compliance areas have been improved and managed accordingly. VTech reserves the right to terminate business relationship with suppliers with major non-compliances with the Code that are not remedied within a timeframe. Reporting channel is also in place to encourage our stakeholders to report any suspected violations of the practices and conditions covered by the Code. In FY2026, we conducted CSR audits for 135 suppliers, which included all high-risk Tier 1 suppliers and critical Tier 2 suppliers.

Supplier Engagement

We believe that we can achieve a sustainable supply chain by building a long-term relationship with our suppliers based on mutual trust. We have developed a comprehensive supplier management programme to assist suppliers to meet our



CSR requirements, including adopting a supplier scorecard system to assess their performance. We work closely with our suppliers to further improve the manufacturing energy efficiency and social aspect of our upstream suppliers. Trainings are provided to them as a continuous improvement process to facilitate their implementation of any corrective actions. VTech also collaborates with our suppliers to provide a safe, inclusive and sustainable workplace for their employees, and promote ethical sourcing practices with suppliers' commitment to VTech's Code of Conduct.

We invited suppliers to our annual CSR workshops, offering hands-on training and resources to suppliers and providing guidance for them to meet our CSR requirements and achieve continuous improvement in their sustainability performance. Through experience sharing, we encourage them to take action to enhance energy efficiency, reduce carbon footprint of the components used in our products, improve working conditions and protect human rights.



Collaboration with Suppliers For Waste Reduction

We have been collaborating with several suppliers to develop waste reduction plan since FY2021, including collecting and returning containers of Pledge® Furniture Care and polyamide to suppliers for recycling. To reduce the disposal of the flux and glue containers as a hazardous waste, we coordinated with suppliers to reuse the containers by adding inner bags to avoid contamination to the containers. To further promote circularity, we continued to work with suppliers to reduce packaging waste. We partnered with selected vendors to adopt returnable packaging, which includes carton, plastic or wooden boxes. These packaging materials could be used repeatedly by vendors to transport raw materials to our factories, reducing consumption of packaging materials. With this approach, we not only achieved cost savings in packaging but also maximised reuse and recyclability within the supply chain. We also required suppliers to use waterborne paint instead of oil painting for packaging labels to reduce VOCs emissions along the supply chain.



Conflict Minerals Policy

VTech recognises its responsibility to source materials in an ethical and sustainable way throughout its supply chain. This includes minimisation of the negative societal and environmental impacts of mining minerals in conflict-affected and high-risk areas (CAHRAs), including human rights infringements and environmental problems.

VTech does not directly procure minerals from mines, smelters or refiners. We expect suppliers not to procure products that contain tin, tantalum, tungsten, or gold (collectively "3TG"), cobalt and mica originated from CAHRAs, and if such procurement is unavoidable, the involved smelters and refiners shall be compliant under the Responsible Minerals Assurance Process (RMAP) or other relevant standards. We comply with the EU Conflict Minerals Regulations and US Dodd-Frank Wall Street Reform and Consumer Act of 2010. We identify and assess risks on the use of conflict minerals along the supply chain by conducting due diligence work set forth in the Organisation for Economic Co-operation and Development's (OECD) Due Diligence Guidance for Responsible Supply Chains from CAHRAs (the Due Diligence Guidance).

Our Conflict Minerals Policy contains the details of our requirements. VTech actively monitor its suppliers to ensure they do not procure products that contain 3TG, cobalt and mica originated from CAHRAs. VTech requests its suppliers to warrant that all materials and goods supplied to VTech do not and shall not contain 3TG, cobalt or mica originated from CAHRAs, or in case of containing such materials, the relevant smelters and refiners are compliant under RMAP. We expect suppliers to make informed choice about responsibly sourced minerals in their supply chains by using RMAP's third party assessment of smelter and refiner management systems and sourcing practices so as to enable them to source 3TG, cobalt and mica only from smelters and refiners which are validated as conformant.

We require suppliers to perform due diligence which aligns with the Due Diligence Guidance and the Conflict Minerals Reporting Template (CMRT). Our Sustainability Team works with relevant departments including Procurement, Legal & Compliance to closely monitor suppliers' compliance status, and will request additional information and implementation of corrective actions if any risks are identified. Business relationship with suppliers may be discontinued if any violation against the policy is found. Suppliers shall apply the same requirements to their upstream suppliers to ensure alignment and traceability throughout the supply chain and back to the smelters and refiners.

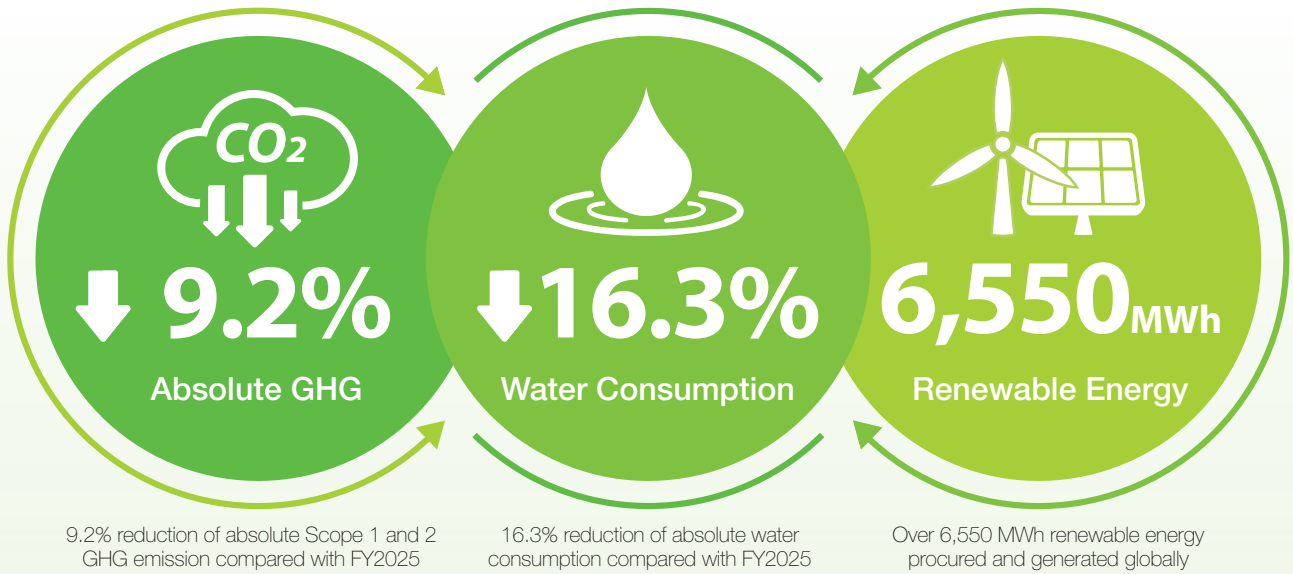
For details of our Conflict Minerals Policy, please refer to sustainability.vtech.com/reports_policies



Sustainability Pillars Environment



VTech has developed “Climate Change Strategy” to assess and address the potential risks and opportunities arising from climate change. It also promotes a culture of innovation and incorporates sustainability concepts in its operation, including high performance production chain, green manufacturing and sustainable logistic practices.



As an environmentally conscious and sustainable company, we are committed to protecting the natural environment and mitigating the potential impacts of climate change and driving towards circular economy. Our culture of innovation also facilitates VTech to strengthen its operational excellence with innovative solutions in the factory operation to continuously improve its productivity, and incorporate sustainability aspects in the business operations in a cost effective manner. Recognising that potential climate-related impacts could present challenges to our business and the community, we have developed a “Climate Change Strategy” to assess, understand, manage and disclose potential climate-related risks and opportunities. This strategy incorporates climate risk assessment into the Group’s risk management framework, establish GHG reduction targets, and allocate resources to develop and implement a climate transition plan.

Environmental Management



At VTech, we established an Environmental Management System based upon the most stringent regulatory requirements and aligned with industry best practices and standards, including ISO 14001. All our existing

Our operations comply with all the relevant environmental, legal and statutory requirements. We continuously review our environmental management system and carbon reduction programmes to manage our GHG emissions in the supply chain and daily operations efficiently and effectively. To ensure that our manufacturing operations consistently follow industry best practices, we have developed a sustainable manufacturing process which includes the programmes for achieving a high performance production chain. We have also established green manufacturing practices across the facilities of all our three business units.

Through adopting a green logistics management approach, and selecting the most eco-friendly transportation mode for delivering incoming materials from suppliers and outgoing products to our customers, we have reduced our Scope 3 Category 4 GHG emissions along our supply chain.

manufacturing sites of our TEL products, ELPs and CMS are certified with the ISO 14001 standard for environmental management, and one of our CMS facilities is certified with ISO 50001 standard for energy management. Regular



internal assessment and external audits are conducted in our manufacturing sites to ensure conformance. We actively identify and address environmental risks and impacts associated with our operations and value chain. We strive to operate efficiently, reduce GHG emission, avoid waste generation, conserve natural resources and turn unavoidable waste into resources.

VTech is committed to protecting the natural environment, mitigating the potential impacts of climate change and driving towards circular economy. Aligning with VTech's 5-year Sustainability Plan, VTech has an Environmental Policy in

place, which outlines the Group's approach for minimising adverse environmental impacts in VTech's operation and along the value chain. The Policy is applicable to all related stakeholders including but not limited to employees, customers, suppliers and business partners. VTech has functional teams comprising individuals from different product lines and departments across the organisation. The Environmental Policy is reviewed annually to ensure that it is relevant and up to date. For details of the environmental policy, please refer to sustainability.vtech.com/reports_policies

VTech Environmental Policy

- Comply with all relevant environmental, legal, and statutory requirements and standards, and keep abreast of changes in environmental regulations and standards related to climate change, air, water, waste, biodiversity and other relevant areas
- Adopt green manufacturing processes by maintaining an Environmental Management System (EMS) at our manufacturing sites following the requirements of ISO 14001
- Identify and monitor significant environmental risks, including the nature, likelihood and impacts of those risks associated with our operations, value chain and product lifecycle, set targets for improvement where appropriate, and review these annually
- Promote a culture of innovation by integrating environmental objectives into our business decisions in a cost-effective manner
- Engage closely with stakeholders, including employees, suppliers, business partners, customers, communities and government authorities, to mitigate potential negative environmental impacts of our business and leverage collaborative opportunities that benefit the environment
- Support international and local climate-related targets and transition plans

Stakeholder Engagement on Environmental Risks and Opportunities

Employees

- Enhance awareness of environmental issues amongst employees and require them to address environmental responsibilities in their daily operations

Suppliers

- Work closely with our suppliers and require them to follow our CSR requirements
- Share our experience to suppliers and business partners to help them achieve continuous improvement in their sustainability performance

Customers

- Share environmental performance data with customers
- Work with customers to fulfill their environmental requirements
- Strive to optimise energy efficiency and reduce the carbon footprint of our products

Investors and Shareholders

- Publicly report environmental data and performance annually
- Update our Climate Change Strategy, including GHG reduction targets and transition plan

Communities

- Support climate change and environmental policies at the locations where we operate

Sustainability Pillars



VTech has continuously worked with government bodies to minimise the environmental impact of our production facilities. Our TEL products manufacturing site has been certified as the “Hong Kong – Guangdong Cleaner Production Excellent Partners” by the Hong Kong Productivity Council and Guangdong Provincial Government in recognition of our positive contribution to improving the air quality and local environment in FY2026 for eleven consecutive years. It has also been recognised as the “Dongguan Environmentally Friendly Enterprise” by the Dongguan, Guangdong Province Environmental Protection Bureau in China in FY2023 for eight years. Moreover, our VOCs purification system was recognised as “Demonstration Project” under the Cleaner Production Partnership Programme of Hong Kong Productivity Council in FY2019. The Dongguan Economy & Information Technology Bureau launched an energy programme to encourage corporate and manufacturers to take the initiative of managing the energy consumptions. Our TEL products manufacturing site has also taken part in this programme since FY2015, along with the implementation of our energy saving and management projects. In return, our TEL production site was rewarded with credit for participation in this programme.

VTech embraces the principle of circular economy to promote resource efficiency. Our goal is to offer durable products

with enhanced energy efficiency and recyclability, while utilising sustainable materials. We are dedicated to integrating sustainable product design and eco-friendly elements into our products while upholding the highest safety and quality standards. We also engage in partnerships to encourage responsible recycling of end-of-life products. For details, please refer to “Product Innovation” section of this report.

Biodiversity

Recognising the importance of healthy ecosystems for both the company and the community, VTech actively supports biodiversity protection. We adhere to applicable laws and regulations, and fulfill customers’ requirements related to biodiversity. While our facilities are not located in ecologically sensitive areas, we consider biodiversity in our annual materiality assessment to evaluate associated risks and opportunities. We implement mitigation measures when necessary to minimise ecological impacts if the operating activities are near ecologically sensitive areas. We promote sustainable forest management and prevent deforestation by utilising natural resources certified by the FSC™ and/ or other equivalent certification programs. We assess impacts on ecosystems and forests via environmental impact assessments in case of any new site expansions and establishment.



Clockwise: Manufacturing Facilities in China, Germany, Malaysia and Mexico.



Climate Change



Climate Change Policy

The Paris Agreement, adopted at the UN Climate Change Conference (COP21) in 2015, addressed the common standards and set ambitious goals to reduce global GHG emissions and mitigate the environmental impacts caused by climate change. The government of the People's Republic of China also announced its carbon pledge of achieving carbon neutrality before 2060. As an environmentally responsible company, we are committed to contributing to GHG reduction and aligning our sustainable growth with both national and international climate change agendas.

VTech recognises that potential climate-related impacts could pose challenges to our business and the community. Our Climate Change Strategy has been developed to prepare for risks while maximising opportunities. We ensure our business strategies align with long-term trajectories of climate change, and remain flexible to adapt to inevitable changes in the business environment. This strategy supports our climate transition plan, enhancing climate adaptation, mitigation and resilience of our operations. Our strategy mainly focuses on:

- Assessing, understanding and managing potential climate-related risks (including the nature, likelihood and magnitude of the effects of those risks) and opportunities for our business operations and the value chain, taking into account the relevant climate scenarios
- Incorporating climate risk assessment into the Group's risk management framework
- Disclosing climate-related risks and opportunities and their management approach following internationally recognised standards
- Establishing GHG reduction targets and seek continuous improvement in GHG reduction
- Allocating resources to develop and implement climate transition plan. Actions including but not limited to building capacity on climate resilience, promoting low-carbon technologies, procuring renewable energy sources, utilising sustainable materials, adopting green manufacturing approach, and optimising logistic practices on product distribution

The Task Force on Climate-related Financial Disclosure (TCFD) was established in 2015 to provide a voluntary reporting framework for companies to consistently report climate risks to investors. Recognising the importance of assessing the climate-related risks and opportunities for a company in combating climate change and supporting the

transition to a low-carbon economy, since FY2020, VTech has disclosed climate-related initiatives using the TCFD's framework. In FY2026, VTech updated its assessment on climate-related risks and opportunities, and estimated the associated financial impacts on its operations and businesses in accordance with the ESG Reporting Code set out in Appendix C2 of the Listing Rules of The Stock Exchange of Hong Kong Limited, and with reference to IRFS S2 Climate-related Disclosure Standard published by the International Sustainability Standards Board (ISSB). These assessments are essential for the Group to develop and implement its climate-related transition plans to address those identified risks and opportunities.

Governance

The Board of Directors of VTech has delegated to the RMSC the authority to perform close oversight on climate-related matters. The RMSC ensures that potential climate risks are identified, monitored, and mitigated. It advises the Board on the Group's assessment of climate-related risks and opportunities, and satisfy itself that the Group's strategy reflects an appropriate consideration of risk appetite. The RMSC held two meetings during the financial year to review the climate change strategy and improvement initiatives, as well as assess the implementation of relevant policies in support of the Group's climate-related goals and targets.

To enhance skills and competency of the Board on climate-related matters, relevant training are provided to Board members regularly. In FY2025, VTech has introduced non-financial KPIs related to sustainability in the remuneration package of its Executive Directors, aiming to reinforce VTech's commitment to sustainability, and align the Group's long-term sustainable goals with the interests of its top management and the entire group of companies.

The RMSC also formed the Sustainability Sub-Committee which has the strategic and operational responsibility to manage climate-related risks and opportunities, and implement the policies and measures to achieve strategic vision and direction approved by RMSC. Comprising key representatives of business units and departments, the Sub-Committee monitors the progress of the climate-related initiatives against the goals and targets across product lines and functions, and reports significant industry climate-related concerns with the RMSC. It also evaluates the nature and extent of the climate-related risks associated with the achievement of the Group's strategic objectives and assess climate-related investments from economic, environmental and social perspectives.

We formulated the five-year Sustainability Plan 2030 to address climate-related risks and opportunities. Approved by the RMSC, the plan ensures our continuous improvement programmes and approaches on sustainability would be carried out effectively and consistently. The RMSC also reviews the effectiveness of VTech's risk management and

Sustainability Pillars



control procedures in identifying and monitoring climate-related risks and reports any significant findings to the Audit Committee.

The Audit Committee assists the Board in fulfilling its overseeing responsibilities for the financial reporting, risk management, evaluation of internal control system and auditing processes. It ensures the internal control system and procedures are effective in mitigating material ESG risks, including climate-related risks.

For the structure, composition and competency of the RMSC and the Sustainability Sub-committee, please refer to “Sustainability Foundation”, “Corporate Governance” section in this report and “Corporate Governance Report” section in our Annual Report 2026.

Strategy

We have identified the climate change risks over the short- (0-1 year), medium- (1-5 years), and long-term (5+ years). While mitigation and adaptation measures are formulated in response to the various risks, some challenges brought by transition risks also present opportunities for us to align our strategies and action towards a positive change.

Our climate transition plan includes both climate transition, mitigation and adaptation activities to manage our climate-related impacts, risks and opportunities. Incorporated into our 5-year Sustainability Plan 2030, the transition plan comprises our efforts and targets aimed at reducing our emissions across the value chain in line with our commitments. It also entails our efforts to engage and collaborate with suppliers and business partners to seize climate change opportunities through designing low carbon products and services through innovation. For more information, please refer to the following sections on our strategic response and initiatives on climate-related risks and opportunities as well as related metrics and targets.

Current and anticipated effects of climate related risks on business model and value chain

VTech has not identified significant current and anticipated effects of climate-related risks and opportunities on its business model. As VTech continues to generate revenue from designing, manufacturing and supplying high innovative and high quality products and offering contracted manufacturing services, climate-related risks and opportunities affect elements of our value chain. More frequent extreme weather events could lead to supply chain disruptions and potential facility damage. Increasing stringent climate-related regulations may also affect our supply chain management, requiring the allocation of additional resources

to ensure supplier’s compliance with relevant environmental regulations. Shifts in customer preferences towards more eco-friendly products may influence our product portfolio in the long-term, resulting in a growing proportion of eco-friendly products offerings.

Current and anticipated effects of climate-related risks and opportunities on financial position, financial performance and cash flow

During FY2026, no effects on assets, liabilities, or financial losses due to climate-related disruptions in production or supply chains were reported. Our assets, primarily manufacturing facilities and warehouses, are located in areas with limited exposure to physical risks such as extreme weather events and sea level rise. We anticipate that the changes on VTech’s financial position will be minor in the long-term. With the Business Continuity Plan (BCP) in place, we consider such risks are manageable.

Climate-related risks and opportunities affecting the Group’s financial performance mainly relate to operating costs and revenue. Climate-related operating costs include emissions surcharge from shipping, procurement of sustainable materials, and eco-labels certification costs etc. These costs collectively represented less than 0.18% of the total revenue. We anticipate an increase in operating expenses for the long term given the possible increase of carbon price, tightened climate-related and emissions-reporting regulations, as well as higher procurement cost for sustainable materials. However, we expect the increase to have insignificant impact on VTech’s financial performance.

The development of eco-friendly products represents a climate-related opportunity that contributes to the Group’s revenue. Revenue generated from eco-friendly products during FY2026 contributed to 3.6% of total revenue. We anticipate growing eco-friendly product sales as customer preferences evolve.

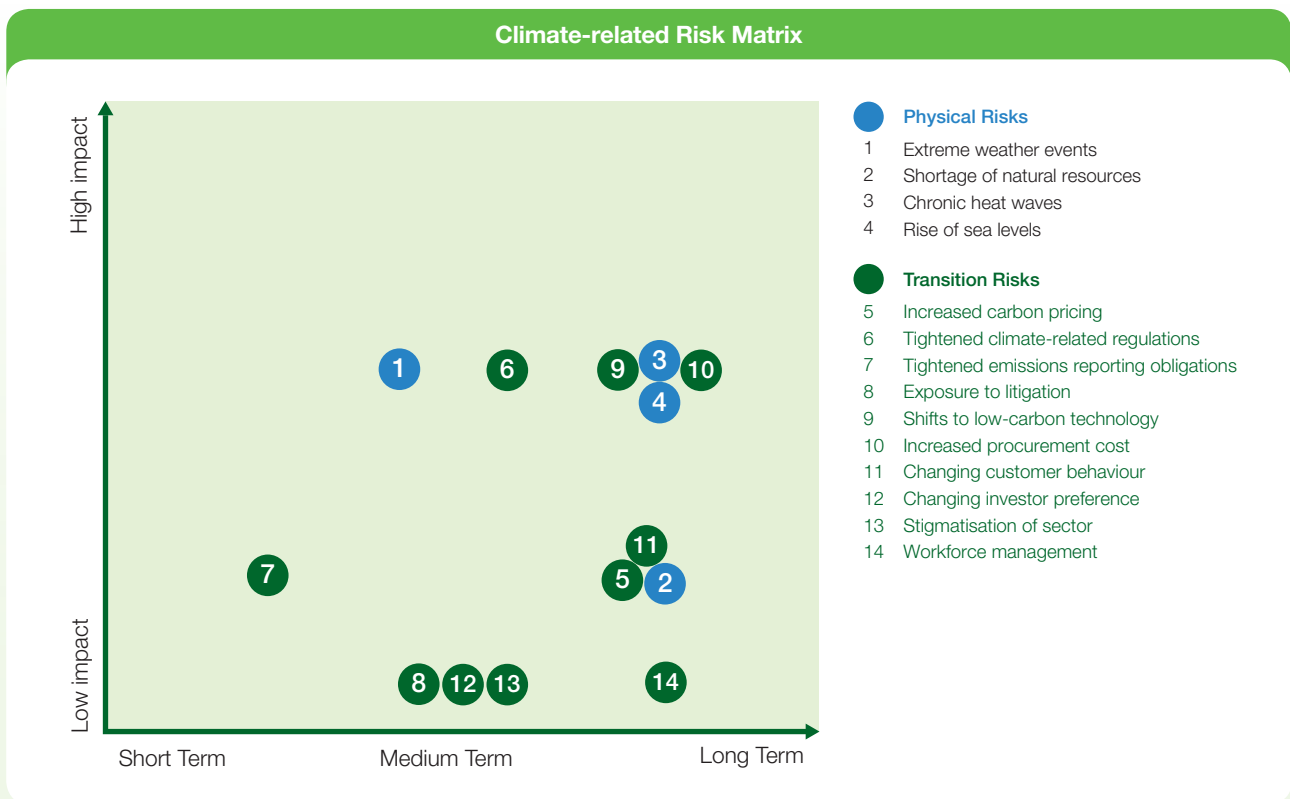
Regarding climate-related capital expenditure and investment projects that may affect the cash flow, they are primarily embedded within our on-going energy efficiency and automation projects, which are financed through internal resources. These projects improve energy efficiency and production efficiency at the same time. We consider financial and non-financial factors while assessing the project feasibility, including estimated energy reduction, estimated savings on energy expenditure and return on investment (ROI). These expenditures form part of the total capital expenditure disclosed in the annual report and therefore not reported separately.



Renewable energy projects implemented during FY2019 to FY2026 have already utilised most of the available rooftop areas at our manufacturing sites. These installations are partly funded by internal resources and partly by the landlord according to local regulations. Therefore, we anticipate that the capital expenditure on renewable energy will remain insignificant in the short, medium and long term. The Group will continue to explore investment opportunities on renewables and roll out renewable energy projects whenever feasible.

VTech did not have other significant climate-related investing or financing activities during FY2026. Capital expenditure on renewable energy and energy efficiency projects accounted for less than 0.1% of total asset value, with estimated savings took up less than 0.1% total asset value. Prior to FY2026, we have invested over USD2,800,000 on renewable energy and energy efficiency projects.

We will continue to monitor emerging climate-related risks and assess their potential impact on our financial position, financial performance and cash flows.



Building Resilience to Physical Risks

Our physical risk assessment has identified that our major assets are located in low-risk geographic areas under the “Business as usual” scenario. Nevertheless, to build capacity to strengthen climate resilience, we develop business continuity plans for each manufacturing site, educate employees on preventive measures, and conduct inspections in areas prone to extreme weather damage to ensure adequate climate change resilience capacity.

Building Resilience to Transition Risks and Capitalising on Opportunities

Under a Paris-aligned scenario, we prepare for stricter regulations, technological shifts, and changing stakeholder expectations. We build resilience by evaluating payback

periods for low-carbon investments, monitoring regulations and carbon pricing, maintaining our carbon inventory, adapting product designs, collaborating with suppliers on sustainable materials, and enhancing data systems for compliance.

We also pursue opportunities. We purchase renewable energy and install solar panels at facilities. We advance automation, lean manufacturing, and machinery upgrades to improve energy efficiency. Through R&D and partnerships, we develop low-carbon products by replacing virgin plastics with recycled, plant-based, or FSC™-certified alternatives in ELPs and TEL products, plus sustainable packaging. We conduct life cycle assessments to reduce product carbon footprints.

Sustainability Pillars



The RMSC reviewed the potential financial impact of the following major climate-related risks and opportunities, with majority of the impact levels remaining broadly the same or lower compared with FY2025.



Impact level increased



Impact level decreased



Impact level remained broadly the same

Risks Description	Potential Financial Impact on Value Chain	Timeframe	Impact level	VTech's Response and initiatives – Risks and Opportunities
Physical Risks				
Acute Risk				
Frequent extreme weather events	Production adversely affected due to facility damage and supply chain disruption, leading to decline in revenue. Additional expenditure on emergency response and insurance premiums, resulting in financial loss.	Medium term	↔ Moderate	Risk Mitigation: The RMSC conducts annual reviews of the Business Continuity Management programme to ensure the adequacy of contingency policies for protecting employees and minimising losses during extreme weather events. To build capacity to strengthen climate resilience, we develop business continuity plans for each manufacturing site, educate employees on preventive measures, and conduct inspections in areas prone to extreme weather damage to ensure adequate climate change resilience capacity. We anticipate insurance premium would be stable as physical damage to our people and assets are minimal.
Chronic Physical Risk				
Chronic heat waves	Significant increase in air conditioning system power consumption in manufacturing sites due to temperature rise, leading to increase in operation cost.	Long term	↔ Moderate	Risk Mitigation: We roll out energy-saving projects at manufacturing sites, include upgrading to magnetic bearing centrifugal chillers, implementing centralised air conditioning systems, and installing variable frequency power-saving systems. In FY2025, one of our sites have installed energy storage system to enhance energy efficiency. Regular maintenance of the rainwater collection system ensures that collection wells and pipes are in good condition without any blockages to minimise flooding.
Shortage of natural resources	Local government power limiting measures or large-scale power outages affect production capacity and supply chain, which may result in reduced revenue.	Long term	↓ Minor	
Rise of sea levels	Potentially lead to flooding in operation sites or those of our suppliers, resulting in capital costs from write-offs and early retirement of existing assets.	Long term	↔ Moderate	We closely monitor operation sites that are highly exposed to chronic physical risks and maintain effective emergency response mechanism. Integrate such risks in case of any new site expansions and establishment.



Risks Description	Potential Financial Impact on Value Chain	Timeframe	Impact level	VTech's Response and initiatives – Risks and Opportunities
Transition Risks				
Technology Risk				
Shifts to low-carbon technology	Uncertain investment returns on transition low carbon solutions for products and manufacturing processes, leading to increase in production costs.	Long term	↓ Moderate	<p>Risk Adaptation: We conduct feasibility study and estimate payback period to make informed decisions on our investment on renewable energy and low carbon solutions for products and manufacturing processes.</p> <p>Opportunities: We continue to explore opportunities on shifting to low carbon or renewable energy sources. We continue to purchase renewable energy and install solar panels to increase renewable energy usage in our production facilities, dormitories and offices.</p> <p>We transform towards high automation and lean manufacturing model to further enhance energy efficiency and reduce resources consumption. We improve production efficiency and reduce energy use by machinery upgrade and production optimisation.</p>
Policy and Legal Risk				
Increased carbon pricing	Increased GHG emissions cost from carbon tax and GHG emissions trading scheme lead to potential passing on of suppliers' cost, such as surcharge from logistics partners. Production cost, product price and profit margins may be affected.	Long term	↔ Minor	<p>Risk Adaptation: We record surcharges paid to our logistics partners through the EU ETS scheme. There is possibility for higher surcharge in the future. We keep abreast of the carbon tax implementation and emissions trading market at the locations where we operate, and continue to develop and maintain our carbon inventory for future assessments.</p>
Tightened climate-related regulations	New climate-related regulatory requirements on emissions, product design, packaging materials and product labels, resulting in increased operation cost. For example taxation on plastic packaging.	Medium to long term	↔ Moderate	<p>Risk Adaptation: We develop adaptive capability to handle updated policy and legal requirements. We keep track of latest regulatory requirements on emissions, product design, packaging materials and product labels. Our product team explore and adopt feasible solutions to modify the product and packaging design accordingly.</p>
Tightened emissions-reporting obligations	More transparent emissions disclosure requirements result in higher compliance cost.	Short to medium term	↔ Minor	<p>Risk Adaptation: With the implementation of IFRS S2 and the Corporate Sustainability Reporting Directive (CSRD), we continue to modify our data collection system according to relevant disclosure requirements. We anticipate consultancy costs will incur due to increasingly stringent reporting obligations in the future.</p>
Exposure to litigation	Increase in compliance cost due to significant fines and penalties from environmental non-compliance imposed in jurisdictions where we operate.	Medium term	↔ Insignificant	<p>Risk Adaptation: We keep abreast of the latest environmental laws and regulations through periodical reviews. We will adjust internal policies and practices when necessary to ensure compliance.</p>



Risks Description	Potential Financial Impact on Value Chain	Timeframe	Impact level	VTech's Response and initiatives – Risks and Opportunities
Transition Risks				
Market Risks				
Increased procurement cost	Increase in production cost due to increased expenditure to replace materials with sustainable alternatives, affecting product price and revenue.	Long term	↓ Moderate	Risk Adaptation: We work with our material suppliers to review current material use and replace materials with sustainable alternatives in a cost-effective manner. We anticipate an annual rise in expenditure on sustainable alternative materials as we develop more products made of sustainable materials.
Changing customer behaviour	Decline in product competitiveness and loss of market share if unable to meet customers' expectations and preferences on green products. Extra cost in obtaining eco-labels and green product certifications to satisfy market needs. Potential cost to purchase carbon credits and Renewable Energy Certificates as the carbon market further matures and participated by industry actors such as retailers and peers.	Long term	↓ Minor	<p>Risk Adaptation: We continue to develop and maintain our carbon inventory. We did not purchase carbon credits for offset but will continue to evaluate the necessity of purchasing carbon credits in the future.</p> <p>Opportunities: Development and expansion of low carbon emission products and services through R&D and innovation and collaboration with suppliers. We will continue to replace fossil-based virgin plastics with sustainable materials such as recycled, reclaimed, recyclable, plant-based plastics, or FSC™-certified wood in our TEL products and ELPs, as well as use sustainable materials product packaging. We also collaborate with customers to develop products with sustainable features. Accelerating the innovation of green products will develop a better competitive position to address consumer preference, which potentially open up new revenue sources. We also conduct life cycle analysis on our key products to explore opportunities to reduce carbon footprint in multiple stages of product life.</p>
Reputation Risks				
Changing investor preference	Reputation damage if unable to meet stakeholder expectations on sustainability performance, leading to reduction in capital availability due to changing investor preferences.	Medium term	↔ Insignificant	Opportunities: We develop a green branding as our long-term business strategy, supported by innovation and R&D. We strengthen sustainability reporting and communication with shareholders and stakeholders on our latest sustainability strategy, VTech Sustainability Plan 2030 with renewed goals and targets.
Stigmatisation of sector	Decrease in revenue due to increased stakeholder concern and their changing perceptions of an organisation's contribution to the transition to a low carbon economy, leading to deteriorating image of the industry.	Medium term	↔ Insignificant	
Workforce management	Increase operational cost from employee attraction and retention as employees are more concerned with companies' environmental performances.	Long term	↔ Insignificant	



Risk Management

We analysed our climate-related risks by adopting climate scenarios during the risk assessment process. Risks exposure level and likelihood of occurrence were evaluated under two scenarios selected with reference to the TCFD recommendations. The business-as-usual scenario was selected to assess the physical risks under high GHG emissions and limited climate action. The Paris-aligned

scenario was selected to help in developing our climate strategy and actions in achieving the Paris ambition of limiting the temperature at well below 2°C above pre-industrial levels. We strive to integrate this analysis into the existing risk management mechanism and continue to evaluate our climate risks periodically in order to reflect the latest development of the Group and the industry as well as government policy changes.

	Business-as-usual Scenario	Paris-aligned Scenario
Model Referenced	IPCC Shared Socioeconomic Pathway SSP5-8.5	International Energy Agency's Net Zero Emissions by 2050 Scenario (NZE)
Rationale	SSP5-8.5 is selected to assess the impact of physical risks under a high-emissions scenario, consistent with a future with limited or no additional policy changes to reduce emissions beyond current trends in a fossil-fueled development pathway. This enables evaluation of our adaptability to severe consequences of climate change.	NZE is selected to assess the impact of transition risks as we shift towards a low-carbon economy aligned with pursuing the Paris Agreement's 1.5°C goal. This enables our strategic planning in contributing to global net-zero commitments.
Assumptions	Environmental regulations are implemented on a regional level. Technological development mainly based on fossil fuels and energy intensive processes in a high-growth, fossil-reliant socioeconomic pathway. Global average temperature increases by 4.4°C by 2100 relative to pre-industrial levels, with high frequency and intensity of extreme weather events. ⁹	All current net zero pledges are achieved in full, with extensive policy efforts, international cooperation, and technological advancement to realise emissions reductions. Stringent environmental laws and accelerated clean energy deployment. Non-nuclear renewables become the dominant sources of energy. Temperature rise peaks at around 1.65°C mid-century before falling back below 1.5°C by 2100. ¹⁰

Metrics and Targets

To ensure that our continuous improvement programmes and approaches on sustainability and climate change are carried out effectively and consistently throughout the Company and in a sustainable manner, we have established our third 5-year Sustainability Plan 2030, which covers FY2026 to FY2030, outlining a wider range of goals and targets on sustainability.

For VTech Sustainability Plan 2030, our GHG reduction target is to reduce total GHG emission per revenue by 5% compared with FY2025 and reduce total absolute GHG emissions by 5% compared with FY2025. Please refer to "Sustainability Plan 2030" section in this report for details. For our performance data, please refer to "Key Performance Data" section in this report.

⁹ We consider the assumptions and potential physical impact (including extreme weather, flooding, heat waves, sea level rise etc.) under the Business-as-usual scenario with reference to IPCC AR6 (2021) and TCFD (2020) Guidance on Risk Management Integration

¹⁰ We consider the assumptions and potential impact of transition risks (including shifts in energy mix, net-zero assumptions, clean technology development of the industry sector etc.) under the Paris-aligned scenario with reference to the International Energy Agency (IEA) World Energy Outlook 2025.

Sustainability Pillars



Green Manufacturing



Air Emission Management

VTech is committed to minimising air pollution within its operation. We control air emissions, including but not limited to Volatile Organic Compounds (VOCs) emissions, through close monitoring according to local regulations and emissions standards.

The Environmental Protection Department of Guangdong Province has strengthened the VOCs emission standards for various manufacturing industries, regulating the local VOCs emissions and encouraging manufacturers to apply more environmentally friendly materials throughout the manufacturing process, aiming to improve regional air quality.

We identify opportunities for emissions reduction including installing VOCs purification system in our manufacturing sites, using the waterborne paint to replace solvent-based paint, and adopting overmolding and inkjet printing technologies in the printing process.

For details of our VOCs management and reduction initiatives, please refer to page 29 in this report.

Energy and Resources Management

Our Resource Efficiency and Conservation Team (RECT) at each manufacturing site has been making significant achievements in monitoring the energy saving progress through the implementation of our resources saving projects. The RECT includes our production floor managers, equipment technicians and internal energy analysts. They ensure our resources are well utilised at the operational level by focusing on the following areas:

On-going Resources Utilisation Measures	
Plan and Monitor the Resources Saving Programmes	<ul style="list-style-type: none"> • Developed and reviewed energy and resources saving projects • Maintained the energy and resources monitoring system • Performed energy and resources usage analysis
Energy Efficiency improvement in Production Chain	<ul style="list-style-type: none"> • Underwent manufacturing resource planning • Adopted high performance production chain and lean manufacturing processes
Enhance Production Efficiency of Machinery	<ul style="list-style-type: none"> • Assessed the energy efficiency and utilisation rate of the machineries • Retired low efficiency machines continuously and introduced energy efficient machines
Improve the Reuse and Recycle Rates of Resources	<ul style="list-style-type: none"> • Promoted internal reuse of materials for production • Continuously improved the waste management programme

Energy Monitoring System

As part of our energy management measures, we continue to use the real-time monitoring system and small zone lighting & timer system to control, measure and monitor the energy consumption patterns on our production floors. By collecting the daily real-time data, we could then plan for a more detailed energy saving projects, as well as optimise our energy resources through different manufacturing processes.

Energy Patrol Team

The RECT has set up the energy patrol team which conducts weekly patrols throughout our manufacturing and dormitories areas, to identify any cases of energy waste. The result of the energy patrol is added as part of the Environment, Health

and Safety (EHS) rewarding scheme so that all merit and demerit points recorded by the energy patrol team will affect the monthly EHS assessment. A monthly summary report will then be sent to the factory operations management and relevant RECT members. Corrective action plan will also be prepared by RECT to address the identified weakness areas with EHS training workshops provided to the relevant employees for improvement.

This approach continues to make a significant contribution in our energy saving programmes. It not only prevents the excessive energy consumption, but also raises the awareness of preserving our valuable resources through employee engagement.



Energy Saving Programmes in Manufacturing Process

As VTech manufacturing facilities mainly consist of assembly and plastic injection plants, electricity is the major energy resource in our production process. Therefore, the majority of

our energy saving projects focus on reducing our electricity consumption. We seek every opportunity to enhance energy efficiency among our manufacturing sites. This includes regular maintenance of facilities and ongoing retrofits of machinery and equipment.

On-going Energy Saving Measures	
Building Energy Efficiency	<ul style="list-style-type: none"> Upgraded oil immersed transformers to more energy-efficient models. Applied thermal insulation foam on the glass window to mitigate heat conduction, convection, and radiation into the assembly factories, which reduces electricity usage for air conditioning.
Chiller and Cooler System	<ul style="list-style-type: none"> Replaced our standard centrifugal chillers with magnetic bearing centrifugal chillers to reduce mechanical friction and energy loss. Adopted centralised air conditioning system and connect the cooling pipelines of multiple buildings, cooling production area separately while using fewer chiller units. Installed variable frequency power-saving systems in air conditioning and air compressor, which adjusts the speed automatically, reducing unnecessary energy usage.
Machinery Upgrade and production optimisation	<ul style="list-style-type: none"> Installed a heat recovery system to collect heat energy generated from air compressor operations. The recovered heat will then be used to boil water for the pre-skimming process after metal stamping. Installed new energy efficient vertical oven in our Surface Mount Technology (SMT) facilities that consumes less energy and requires less time working with full power. Upgraded the plastic moulding process by improving the insulation of heating plate and adopting new model of plastic moulding blowgun with better energy efficiency. Applied hydraulic servo control system in our plastic injection process to enhance energy efficiency compared with the conventional fixed-speed motors. Consolidated our production line by eliminating redundant spaces and optimizing manufacturing procedures.
Renewable Energy	<ul style="list-style-type: none"> Maintained our solar panel coverage area to around 33,000 m². Four of our overseas offices has switched to renewable energy providers for their electricity consumption. Procured and generated about 6,550 MWh of renewable energy globally with the above initiatives.



Sustainability Pillars



Battery Storage System

We installed a battery energy storage system at one of our sites to reduce the load pressure on the power grid during peak hours, enable grid stability and efficient power management. By utilising energy stored during off-peak hours, it helps to alleviate the strain on the electricity grid, and hence reduce electricity costs.

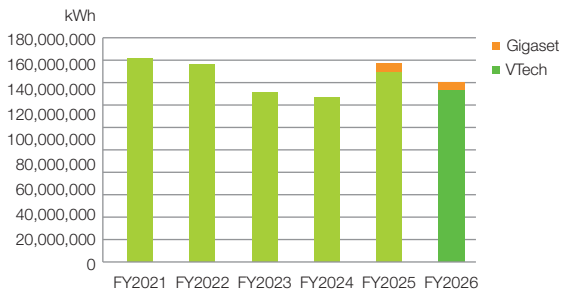


Energy Consumption and GHG Emission

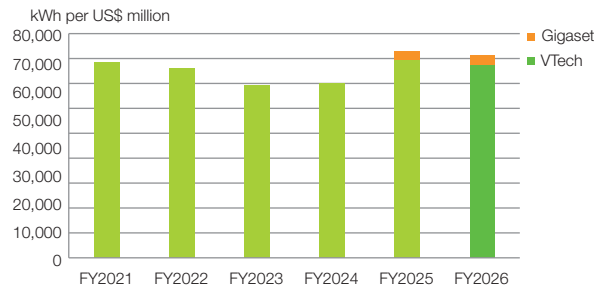
VTech's total electricity consumption per revenue reduced by 2.8% compared with FY2025, while absolute consumption was reduced by 9.5%. We will continue to promote resources

conservation programmes in the living and working areas of our factories, without compromising the provision of a comfortable and pleasant living environment for our employees.

Total Electricity Used



Electricity Used per Revenue



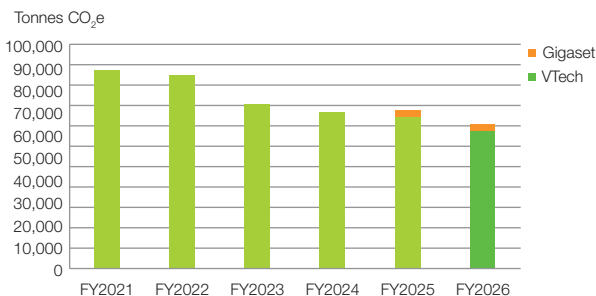
The use of energy is the major contributor of both direct (Scope 1) and indirect (Scope 2) emissions in VTech. With the target of minimising the environmental impacts, our energy conservation programmes and activities have made a notable reduction in the energy consumption and thus the GHG emissions. Direct emissions (Scope 1) only account for 7.0% of our total GHG emissions in the manufacturing sites while the dominance of electricity (Scope 2) for GHG emission is more noticeable in our operations. As a result, most of our energy saving activities are focused on reducing electricity consumption.

was a 2.5% reduction per revenue and 9.2% reduction by absolute amount compared with FY2025.

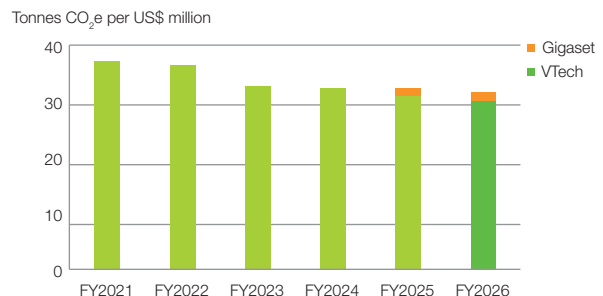
VTech's GHG objectives and targets are set and tracked relative to a base year of FY2025. Our total Scope 1 and Scope 2 emissions were 61,136 tonnes of CO₂e, which

In addition to Scope 1 and Scope 2 emissions, we also collected and disclosed Scope 3 emissions that occurred in our value chain for FY2026. These included Category 1: Purchased Goods and Services; Category 3: Fuel and Energy-Related Activities not included in Scope 1 or Scope 2; Category 4: Upstream Transportation and Distribution; Category 5: Waste generated in operations; and Category 9: Downstream Transportation and Distribution. The total amount of Scope 3 emissions in FY2026 was 829,559 tonnes of CO₂e. We will continue to collect and disclose our Scope 3 emissions data for the other relevant categories in the future reporting periods.

Total Scope 1 and 2 GHG Emission



Scope 1 and 2 GHG Emission per Revenue





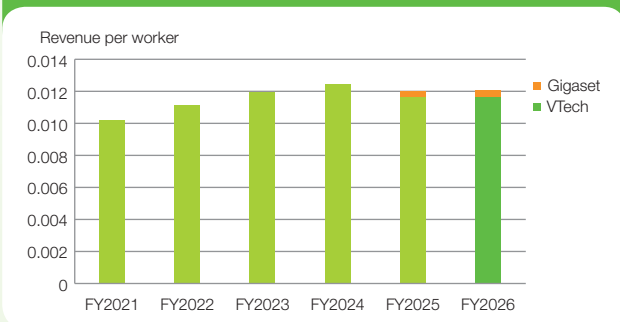
High Performance Production Chain



VTech has developed a high performance production chain to maximise our resources efficiency and improve the productivity while maintaining a green manufacturing and logistics practice. VTech strives to operate its manufacturing processes and facilities in a manner that minimises the impacts to the environment, and ensure that our operations are compliant with all the relevant environmental, legal and regulatory requirements.

Two key principles – “Produce for quality” and “Produce for efficiency” are the main drivers for our manufacturing process improvement. In FY2026, our revenue per worker increased by 0.7% compared with FY2025. We have been implementing the low cost automation and lean manufacturing management to maximise our resources efficiency and improve our productivity without compromising the quality of our product, while aiming to reduce the potential environmental impacts throughout the manufacturing process.

Revenue per Worker



Lean Manufacturing

In order to further improve our production efficiency and flexibility, our manufacturing team has been implementing our lean manufacturing principles. The idea of lean manufacturing is to add value at each production stage while reducing the handling time in each process and increasing the flexibility for production. It shortens the through-put time and minimises the idle time during the process.

Smart SMT Feeder Management System

The smart SMT feeder management system was equipped with advanced sensors and IoT technology for real-time monitoring of the feeder status. The system proactively alerts technicians to any abnormalities, enabling immediate adjustments that minimise throw rate and prevent machine failure. These advancements deliver substantial cost savings and demonstrate our strong commitment to operational excellence in manufacturing.

Semi-automatic Silicone Press Moulding Machine

The semi-automated silicone press moulding machine significantly enhanced production efficiency. By automating precise cutting, weighing, moulding, demoulding, and visual inspection, it reduces waste, defects and manpower requirements while streamlining the operation. As a result, it achieves higher productivity, lower material scrap, reduced labour costs, and consistent, high-quality output.

Transforming Towards Industry 4.0

Industry 4.0 is a paradigm shift that is transforming the manufacturing landscape. At our facility, we have implemented closed-loop control systems with minimal human intervention to achieve greater automation. Our Management Information System (MIS) integrates multiple operational modules and leverages the Internet of Things (IoT) to enable real-time data exchange and analysis. This enhances the decision-making process and facilitates automated execution, enabling swift resolution of production problems, accurate product inspection and error tracing, and optimised production capacity with reduced operational costs. The Manufacturing Execution System (MES) offers automated bug detection and debugging capabilities, ensuring the reliability of the entire production process while reducing the dependency on manual error detection. This feature minimises the likelihood of potential disruptions during manufacturing. Such advancements yield significant cost-saving opportunities and increase our flexibility to provide solutions to exceed customer expectations.

In FY2024, our i4 lab launched a new operation management system that integrates MIS and MES. The newly established ecosystem enables end-to-end data management for customers. It could also extract actionable insights from extensive operational data. These insights empowered us to optimise production efficiency, reduce costs, and make data-driven decisions for continuous improvement. We continued to integrate the existing system with application of MES, and expected to extend to more production lines. As the system further develops, refines and expands, we are steadily progressing towards a digitally-enabled smart factory, elevating our innovative solutions to deliver an enhanced customer experience.

As part of our i4 initiatives, we have deployed an intelligent air conditioning system integrated with infrared sensors. The system continuously monitors indoor ambient temperature and critical machine temperatures, automatically adjusting the air conditioning settings based on predefined parameters set by operators. This setup not only optimises energy consumption but also provides real-time alerts to operators in the event of any abnormal temperature rise in the machines, enhancing both energy efficiency and equipment safety.

Sustainability Pillars



Low Cost Automation

VTech has dedicated its efforts to incorporate Low Cost Automation into the production chain. In order to fulfil the market demand, we have started to introduce our in-house developed mechanical and electrical devices that are “fit for use” since FY2015. These devices have improved our production efficiency and consistency, as well as enhanced the flexibility of the manufacturing process. These include automatic solder dispensers, glue dispensers, screw fastening machines, auto box folding machines, robotic arm for assembly and automatic locator for positioning the components. They not only create less labour intensive working environment, but also make significant improvements in the quality of our products. We continued to phase out old machinery and increase the application scale of these in-house-developed devices to further optimise the manufacturing process.

Automatic Binding Machine

The automatic binding machine, equipped with IoT technology, infrared cameras and robotic arms, was designed to replace manual bookbinding for one of our electronic learning books. The infrared cameras enable real-time visual inspection to detect defects such as misalignments or page errors. This application delivers high accuracy and assembly

speed while reducing manpower requirements. This results in significantly improved product quality, consistency, and overall production efficiency.

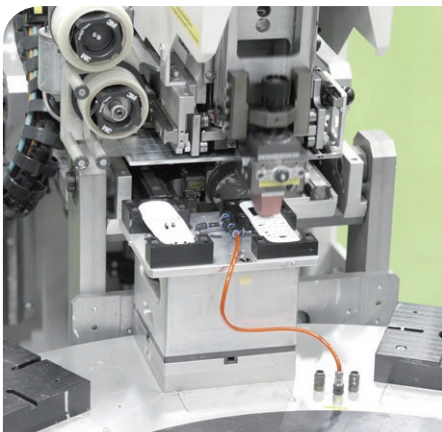
Automatic Mould Cleaner

The automatic mould cleaning machine was introduced to reduce cleaning time and ensure timely maintenance of plastic moulds. This approach saves operational costs, eliminates the need for mould disassembly, and therefore reduces the production downtime. The integration of this machine has improved the overall efficiency of the moulding process.

Real-time Cloud Monitoring System

We continued to shift from manual monitoring to cloud monitoring to evaluate the conditions of our machineries. By adopting the Internet of Things (IoT) technologies, we promptly detect and receive alerts for any abnormalities through the notification system. It enables us to monitor real-time data proactively, eliminating the need of manual checks on machines across the manufacturing sites. This instantaneous monitoring system mitigates potential production and safety risks, facilitates swift responses to malfunctions, and significantly reduces time and costs associated with maintenance.

Lean Manufacturing and Low Cost Automation

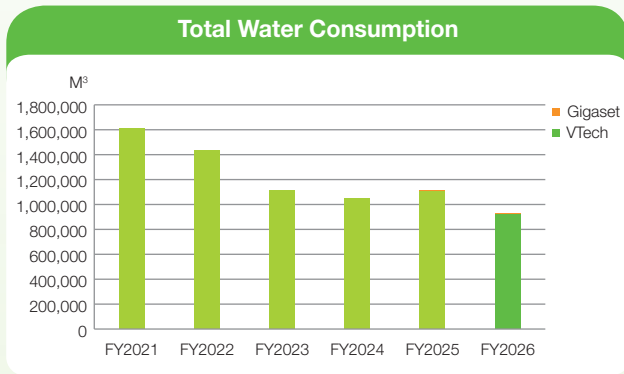




Water



Clean water is a valuable resource, which VTech is committed to conserving. We only use water supplied from municipal sources and do not have any on-site wells or boreholes. None of our factories are operating in the water-stressed regions. The wastewater is mainly generated from employees' living activities. To prevent water pollution, VTech continuously reinforces wastewater treatment by strictly following ISO 14001 and local government requirements, carrying out measurements of required items, in order to meet the wastewater standards. To effectively implement our water conservation policy, we have been carrying out various water saving campaigns at dormitories and manufacturing sites.

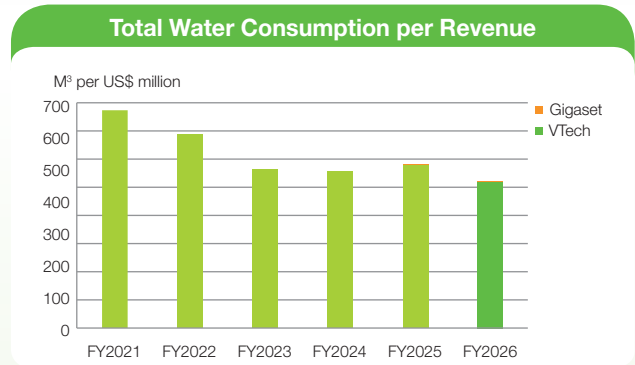


To avoid water loss, we have upgraded our water infrastructures at our manufacturing sites. By installing the anti-sprinkler net and cooling fan control system, it has reduced water splashing out of the cooling tower. Maintenance and repair work for water pipelines are carried out regularly. Infrared sensor taps, water usage controller, low-flow shower heads and flow restrictors have been installed in order to avoid water wastage.

We adopted an automatic vegetable washing machine at one of our canteens. The machine adjusts water pressure to control the amount of water required and automatically filter the water for reuse, which saves freshwater consumption.

Reuse of rainwater and treated wastewater

We have put extensive effort into reusing rainwater, industrial wastewater, and greywater. Rainwater harvesting system has been in place to gather rainwater for greenery and flushing to reduce freshwater consumption. In one of the sites, the rainwater harvesting system was constructed with rain wells, pumps and pipe networks across the site, supplying water for greenery, cleaning and dormitory consumption.



Since FY2014, we have installed a wastewater treatment system to purify the industrial wastewater for reusing. Greywater harvesting system has also been set up to collect water for cooling ovens at canteens. We reuse wastewater in different stages of the manufacturing process, including the cooling of air-conditioning facilities, water curtain spray booth for painting, and washing painting equipment at our metal factory. To facilitate water reuse for multiple purposes, we have increased the volume of rainwater and treated wastewater storage by adding more water tanks.

With the extensive effort in our water saving programmes, we reduced total water consumption per revenue by 10.1% compared with FY2025. Going forward, we will continue to evaluate opportunities to improve water efficiency and management through various innovative water saving projects.



Sustainability Pillars



Material, Waste and Recycling



In support of the transition towards a circular economy, VTech operates the factories with maximum resources efficiency by minimising the materials used throughout the manufacturing process. By keeping track of the materials used, we implement source reduction such as downsizing the PCB rims and adopting compact design for packaging, which avoids waste and utilises recyclable and reusable materials.

Non-hazardous Waste Management

We embrace the 3Rs (Reduce, Reuse, and Recycle) principle for non-hazardous waste management to divert waste from landfill. On-going measures include increasing our internal reuse rate by replacing disposable cardboard boxes and dividers with durable plastic ones, reusing plastic bags and blisters as internal packaging materials. We reused construction waste for building the cargo platform extension and the roof insulation board at the rooftop of canteen, so as to divert construction wastes from landfill.

Recycling centres are established at all our manufacturing sites, where staff collect and compact recyclable materials, including cardboard, plastics and metals. Recyclable materials are recycled and reused internally at material recovery centres before being further handled by licenced recyclers. Concurrently, non-recyclable wastes are collected by municipal authorities. To build awareness and habits of waste reduction, an upcycling campaign was organised for employees to transform waste into decorations or useful gadgets. We also work closely with our suppliers by returning our plastic recyclables to suppliers for reuse. As a result, we could create a close-loop recycling system by increasing the use of recycled materials. We achieved recycling rate of 79.8%. The higher non-hazardous waste per production output in FY2025 was mainly due to the reduction in production output.

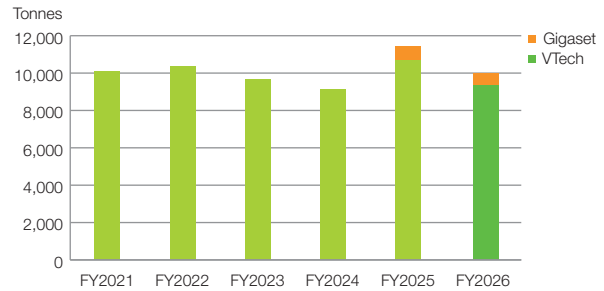
Reduction of Food Waste

We have continued to promote food waste reduction among our workers through supporting the nationwide “Clean Your Plate” Campaign. We have installed automatic rice serving machines in all CMS canteen in China. It allows staff to choose and serve the portion of rice they can finish, and thus prevent food waste.

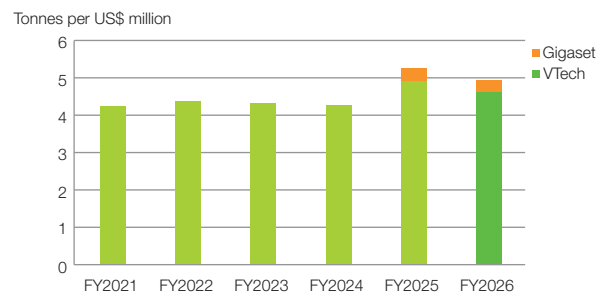
Reduction of Plastic Waste

We have adopted recycled kraft paper and reusable rope as sustainable alternatives to replace plastic wrapping for our ELPs stored in the warehouse. We promote the Bring Your Own Container campaign at the canteen for takeaway, through posters and multimedia platforms. In all canteens of CMS in China, we began to replace plastic lunch boxes with biodegradable boxes to reduce plastic waste.

Total Non-Hazardous Waste Produced



Non-Hazardous Waste per Revenue



Hazardous Waste Management

Our approach in Hazardous Waste Management Scheme is to reduce the environmental impact that is caused by the use of hazardous chemical and to deal with the hazardous substance responsibly by controlling the use of these chemicals and strictly following the Management of Solid Waste Disposal Ordinance released by the Central People’s Government of the People’s Republic of China (PRC Government).

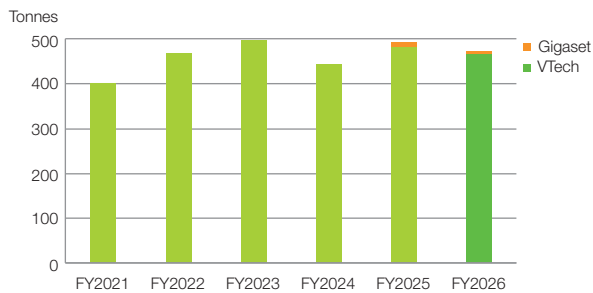
The PRC Government has published the Management of Solid Waste Disposal Ordinance, where all hazardous waste is clearly defined under this ordinance with the reference to a list of hazardous substances and chemicals. To meet our stakeholders’ expectations and our environmental goals, it is critical to ensure that we have the highest degree of safety in treating our hazardous waste, as well as complying with the local industrial solid waste disposal legislation. We strive to achieve our goals by following the best practices:

- Provide clear work instructions and personal protective equipment for employees at all times
- Ensure employees have attended the hazardous waste and chemical management training before getting on board
- Hazardous wastes are stored in rigid and articulated containers that are acid and solvent resistant. Hazardous wastes are also delivered in isolated truck and spark arrested solvent vehicle within the site
- Storage units for storing the hazardous wastes are specially constructed to prevent exposure, spillage, fire and explosion at isolated area within the site

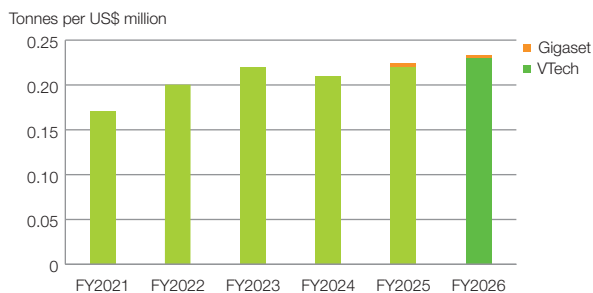


- Hazardous wastes are categorised and stored in corresponding sections within the storage units
- Conduct hazardous waste and chemical spill drill every year
- Hazardous waste will be disposed of and handled by PRC Government authorised hazardous waste disposal companies
- Disposal of wastes with approvals granted by the Environmental Protection Division of local government

Hazardous Waste



Hazardous Waste per Revenue



In FY2026, hazardous wastes generated from our operations including deactivated carbon, PCB breakaway, waste chemicals and containers. Our total hazardous wastes per revenue increased by 3.0% compared with FY2025. It was mainly due to the change of product mix with larger product size, leading to increase of PCB edges generated. Improvement plans on product design were implemented to minimise PCB edges. We will continue to minimise the generation of hazardous waste through reviewing our manufacturing process, upgrading our machinery and reducing the materials used in our products at the design stage.



Sustainable Logistics Practice



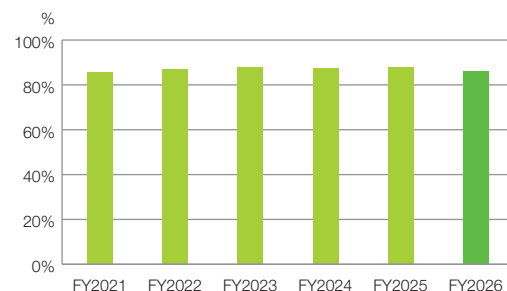
As most of our products are shipped to the major markets in North America and Europe, it is crucial for us to manage our shipping orders in an energy efficient manner so as to reduce the transportation costs and minimise the associated environmental impacts. We also work closely with our suppliers and customers to consolidate and combine the shipping orders for the incoming materials and outgoing products respectively, in order to reduce the frequency of shipments.

For our Continental European operations, our logistic hub in the Netherlands which is managed by our major logistic service provider also helps us to consolidate shipping volume and increase the filling rate of each truck for the delivery of goods within Europe. As for the transportation mode, sea shipment is always our primary option for long distance transportation compared to the air shipment. For the inland goods delivery, we are also increasing the use of rail freight as it is the most cost efficient mode of transport with less environmental impacts compared with shipment by truck.

In recent years, we have implemented the decentralised warehousing strategy to locate our distribution centres in the US and Australia. Originally the only distribution centre of ELPs in the US was located on West Coast, after relocating our distribution centres to both the East and West coasts, we are able to respond to customers demand more efficiently. As for Australia, we previously had only one distribution centre in Melbourne for ELPs. Three more distribution centres in Sydney, Brisbane and Perth were set up. Compared with the previous approach, this strategy has greatly enhanced our logistics efficiency. It not only reduces the time and distance for transporting our products to our customers but also saves a great deal of fuel consumption and thus GHG emission. In FY2021, we relocated the distribution centre in Canada from Vancouver to Toronto as it is closer to the distribution centres of our major distributors. A new distribution centre was established in Spain in FY2022. In FY2024, we have set up a new distribution centre in France to reduce both the time and distance for delivering products to our French customers.

Our logistics team has kept on using our cargo measuring software (CargoWiz) to optimise the loading capacity of each container. In FY2026, we reached an average of 86.2% of loading capacity.

Container Loading Capacity

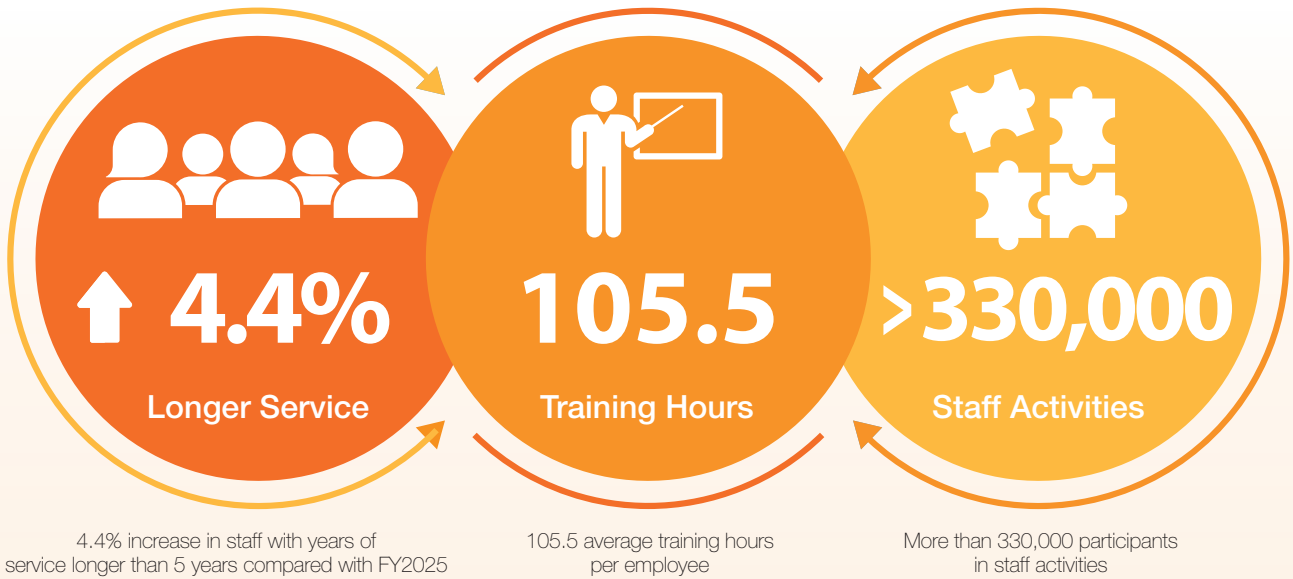




Sustainability Pillars Our People



VTech cares for its employees and aims to provide a safe, inclusive and motivating working environment for its people. It also promotes a culture of integrity with human resources management policies in place to foster a caring atmosphere with mutual respect in the workplace.



VTech aims to provide a safe, inclusive and motivating workplace for our people, and to foster a caring community and promote a culture of integrity in our working environment. We care for our employees and recognise that having good staff relations and a motivated workforce play a vital role in the Company's efficient operations.

All our existing VTech assembly and plastic factories are certified with the Occupational Health and Safety Management System (ISO 45001). Our TEL and CMS

assembly factories are also certified with Social Accountability (SA 8000) certification and ELPs with Ethical Supply Chain Program compliance certification. These external verified certifications validate our compliance with local laws and high quality working conditions.

Our human resources management policy builds on our four key values – “Communication and Staff Relations”, “Advancement in Careers”, “Respect of Labour and Human Rights”, and “Environment for Our People” (CARE).

Communication and Staff Relations

- Enhance our good staff relations through various communication channels and staff activities

Respect of Labour and Human Rights

- Respect the labour and human rights of all our employees with clearly defined human resources management policies, and promote an inclusive culture throughout the company

Advancement in Careers

- Foster a continuous learning environment and encourage employees to develop and advance their careers in VTech

Environment for Our People

- Provide a safe, inclusive and motivating workplace for our employees, foster a caring community and promote a culture of integrity in our working environment



Communication and Staff Relations



To ensure the effectiveness of our workplace management system, we conduct employee satisfaction survey regularly and have cross functional teams and committees at different manufacturing sites to determine goals and targets, discuss new projects, and review project progress on improvement of workplace and employees related issues based on the feedback from our employees.

Staff Communication

Open communications is an important element in achieving effective workplace management system.

We encourage employees to voice their opinions through various communication channels at all levels throughout the Company. We provide suggestion boxes, websites, staff-caring hotline, internal newsletters and communication meeting, where employees can express their concerns and suggestions freely.

Employee engagement surveys and meetings are also conducted in our manufacturing facilities on a regular basis to receive feedback from our employees. All information, opinions and suggestions gathered are followed up by our employee relations team.

Staff Relations

Written and verbal communication are not the only solution for building bridges. VTech believes staff relation could be further strengthened by their participations in staff activities. Our Staff Association continues to offer a variety of activities to the employees with different talents and interests, providing opportunities for them to relax, develop hobbies and bond with colleagues.

Well-being and Creative Activities

We implement health and wellness schemes through well-planned initiatives. To encourage people to stay healthy and fit, we sponsored our employees to participate in various charity sports activities. These included the Hong Kong Streetathon 2025, Kwun Tong Dragon Boat Race 2025, Shatin Dragon Boat Race 2025, Sowers Action Challenging 12 Hours Charity Marathon 2025 and the Standard Chartered Hong Kong Marathon 2026. VTech was awarded the "Bronze Sponsor" in the Sowers Action Challenging 12 Hours Charity Marathon 2025. We also made a donation to St. James' Settlement through Standard Chartered Hong Kong Marathon 2026, and Walk for a Vision 2026 organized by Hong Kong Sanatorium & Hospital and HKSH Village Volunteers in support of our employees who participated in the event.

VTech Staff Activities and Sports Events



Sustainability Pillars



We invited a registered nutritionist to deliver a health talk on managing stress and eating smart. The session helped participants better understand emotional changes associated with stress, provided practical tips for coping with these changes, and offered dietary recommendations to reduce stress levels. We carried on our partnership with the Hong Kong Society for the Blind to organise the Health Massage Day. The event not only boosted employee wellbeing, but also promoted an inclusive society by inviting the visually-impaired masseurs to provide massage services for our colleagues.

We continued to organise a variety of mental wellness activities in FY2026 to relieve work-related stress and create a

pleasant workspace. A certified trainer of stress management conducted a tuning fork workshop, a traditional sound healing method. Precise sound vibrations calm the nervous system, release muscle tension and enable deep relaxation. We also invited a registered counsellor to deliver a positive thinking seminar, equipping participants with practical strategies to manage change, build resilience and maintain optimism. Together, these initiatives supported employees' mental well-being, helped to manage stress, enhance concentration, and strengthen overall workplace morale.

The number of participants in our staff activities was over 330,000 in FY2026.

Supporting Staff to Participate in Ultramarathon Race

We continuously support employees to develop their own interest and chase their aspirations. Aqua Tsang, from our accounting department, has always been pursuing her lifelong dream of running worldwide and competing on an international stage. In August 2025, VTech was delighted to sponsor her participation at one of the most competitive trail ultramarathon race in the world – Ultra Trail Du Mont-Blanc Traces des Ducs de Savoie held in Courmayeur, Italy. With VTech's backup, Aqua could fully focus on her training and achieve her milestone to compete in renowned ultramarathon races across the globe.



Advancement in Careers



The Training and Development (T&D) team of the Human Resources Department at VTech encourages our employees to develop and advance their careers in our Company. We actively promote continuous learning, a culture of integrity and develop a wide range of training programmes for our employees to instill and reinforce the Group's values of acting lawfully, ethically and responsibly.

The T&D team continues to review and identify the training needs of our staff through feedback from annual staff appraisal exercise, evaluate the content and result of training courses and develop training programmes that are not limited to meeting VTech business needs, but also enhancing individuals' knowledge and soft skills.

In FY2026, we organised a series of interactive workshops on essential skill set including project management, team leadership, and presentation skills. We also kept track of emerging trends and organised workshop on Generative AI. The workshops were delivered by qualified and experienced trainers who introduced a variety of practical tools, such as soft skills in project management and tools for project planning, leadership style and change management, as well as tips to deliver an effective and confident presentation. Through exercises, case studies and experience sharing during the workshop, participants were encouraged to apply the skills at work to enhance their communication, performance and productivity. We also provided a variety of training programs in our Mainland China office, including job skill enhancement, moral values, stress management as well as effective communication in the workplace.

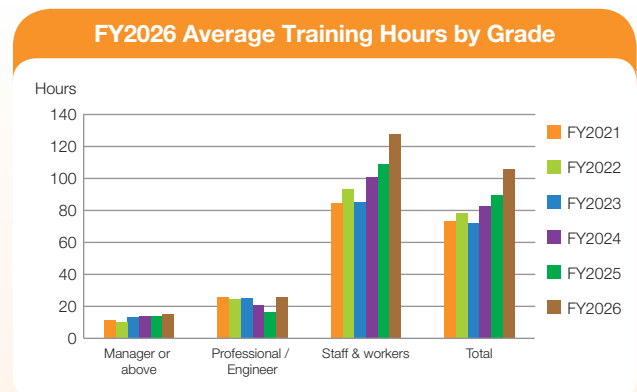
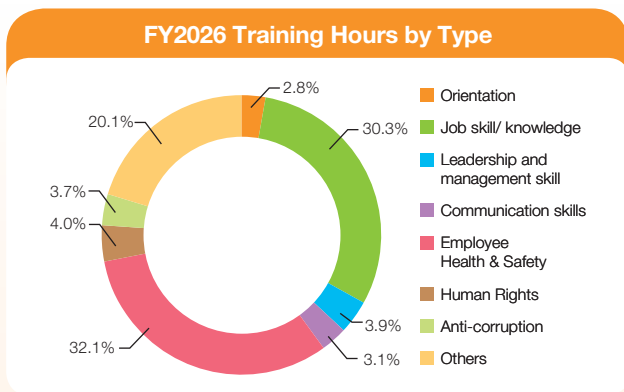


eLearning Platform

In FY2026, we continued to embrace the benefits of digitalisation and launch new online trainings modules covering various topics, including effective influencing skills, so as to enhance staff communication, knowledge and skills. Self-assessment quizzes are also provided for employees after reviewing the online learning materials.

We also subsidise external professional courses for employees, and ensure that the development opportunities

are equally open to staff at all levels. We have continuously adopted the succession plan in manufacturing sites, which allows us to explore the potential talents and provides opportunities to our employees to attend specific management courses and learn valuable technical and management skills from various departments and teams. These training programmes ensure that our future leaders are well prepared to take up the leadership roles in supporting the continuous growth of the Company.



Respect of Labour and Human Rights



Our Commitment

Respect and protection of human rights are the fundamental values of VTech and at the heart of our culture of integrity. VTech has a Human Rights Policy with risk management programme in place for the Group to protect and safeguard the human rights of its stakeholders including its employees, customers, suppliers and the local communities in which it operates. It supports the internationally recognised human rights principles laid out in the International Bills of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work. Our policies and operation are set up and structured with due consideration of the Ten Principles of the UN Global Compact, the UN's Guiding Principles on Business and Human Rights, the OECD's Guidelines for Multinational Enterprises, the RBA Code of Conduct, which are widely observed in global supply chains, and other relevant international standards.

Our human rights policy reaffirms our stance on upholding the fundamental human rights across our operations and our determination in eradicating any unethical practices from our business. We are committed to protect the rights of our stakeholders including employees, suppliers and customers. We respect the rights of all our employees and at the same time, we expect them to meet and maintain high standards of integrity, honesty and behaviour. Expectations to uphold human rights and comply with ethical business practices are set out in VTech's Code of Conduct and internal human resources management policies.

For details of our Human Rights Policy, please refer to: sustainability.vtech.com/reports_policies

Governance and Risk Assessment

The RMSC reviews and monitors the risk management and internal control systems of the Group. The RMSC supported by the Sustainability Team is tasked to assess the effectiveness of the policies and risk management programmes in addressing the risks of human rights in VTech's operation and supply chains. Multiple departments within VTech are responsible for implementing the policies and procedures to address risks and impacts related to human rights protection as well as supporting the Group's and Stakeholders' overall adherence to the human rights policy.

Sustainability Pillars



VTech seeks to avoid causing or contributing to adverse human rights impacts through its own activities and is dedicated to addressing such impacts, if they do occur, in a timely and appropriate manner. We make efforts to prevent or mitigate adverse human rights impacts that are directly related to our operations, products and services through our business relationships. We use an on-going due diligence process to identify, assess, prevent and mitigate potential and actual human rights risks across our businesses and value chain. We conduct human rights risks assessment regularly that covers our major operations including local and overseas manufacturing sites and offices. To minimise negative human rights impacts, we implement risk prevention and mitigation measures according to the risk severity and likelihood identified in the relevant focus area. Such measures are tracked, evaluated and improved when necessary to ensure effectiveness. Progress and results of the due diligence are reported and reviewed by the RMSC from time to time. The table on pages 62-63 presents employee-related human rights risks identified with impact on our employees. For supplier-related human rights risks mitigation measures, please refer to “Sustainable Supply Chain” section of this report. For customer-related human rights risks mitigation measures, please refer to “Business Ethics – Privacy and Data Protection” and “Product Innovation – Responsible Marketing and Labelling” section of this report.

Grievance Mechanisms, Remedy and Engagement

VTech maintains a Whistleblowing Policy to facilitate the report of matters of serious concern by employees and third parties, in confidence and with anonymity, without the fear of any recrimination or victimisation. Multiple communication channels are provided to all parties interested in reporting suspected violations of this Policy. Grievance reports can be submitted through the communication channels stated in the Whistleblowing Policy.

We have established procedures to determine the appropriate mode of investigation and implement any subsequent corrective actions. We will take prompt and necessary steps to mitigate adverse impacts and make appropriate remedies available to the affected stakeholders based on the issues and circumstances identified in our investigation.

Sufficient organisational awareness on human rights is promulgated across the Group, the human rights policy and other related internal policies and procedures are communicated to employees via internal Bulletin Board and trainings. Over 80,000 hours of human-rights-related training were provided to staff during the year. Employee interviews and surveys were also conducted on a regular basis. We seek to engage and collaborate with our stakeholders to prevent, mitigate and address adverse impacts on human rights.

Human Rights Topics	Policies	Risk Mitigation Measures
Freely Chosen Employment	We strongly oppose and have no tolerance for all forms of forced, bonded (including debt bondage) or indentured labour, involuntary or exploitative prison labour, modern slavery or human trafficking. These practices are completely unacceptable to VTech. We are devoted to combating modern slavery and human trafficking, and committed to respecting and treating our employees with dignity. We ensure that the terms of employment are voluntary. Our employees work at VTech of their own free will and are free to leave the Company upon reasonable notice under the related internal regulations. We do not require employees to make deposits or hand over passports as a condition of employment, and work permits are only required if it is so prescribed by the applicable law. We do not accept any physical punishment for employee’s wrongdoing.	Employees have the freedom to leave the Company upon reasonable notice under the relevant regulations. We do not require employees to make deposits or hand over passports as a condition of employment, and work permits are only required if it is so prescribed by the applicable law. We do not accept any physical punishment for employee’s wrongdoing.
Child Labour	We do not use child labour. We comply with all appropriate local and international regulations in relation to the restrictions on the employment of child labour.	We ensure our employees are over minimum working age by conducting identity checks in recruitment process. Suspected cases of child labour will be handled in accordance to local regulations, with an aim to protect the rights of the child concerned.



Human Rights Topics	Policies	Risk Mitigation Measures
Freedom of Association	We respect our employees' freedom of association and the right to join any organisations or professional bodies of their own choices. Since the labour regulations for some of the places that we operate are not fully established, collective bargaining for staff working at those locations could not be comprehensively attained. However, we strive to engage with our employees and understand their needs through multiple communication channels to create direct dialogues with our employees.	We engage with employees regularly, creating direct dialogs to understand their needs through multiple communication channels, including suggestion box, hotline, websites, internal newsletters and communication meetings.
Overtime	Overtime is voluntary and employees are compensated for overtime in accordance with local laws.	We maintain and provide work time records of employees. Adequate rest time is also provided.
Benefits and Wages	The remuneration and benefits (including retirement benefit schemes) for all employees comply with or exceed the minimum legal requirements of the country where employees are employed. We do not make any deductions from wages as a disciplinary measure.	Comprehensive assessments are performed to offer fair, equitable and competitive compensation in line with local market expectations. Pay slips are provided to employees for every pay period to show the basis on which they are paid. We do not make any deductions from wages as disciplinary measure.
Health and Safety	We are committed to providing a healthy, clean and safe workplace for employees, contractors, visitors and the community. We comply with applicable health and safety regulations and standards. We strive to maintain healthy and safe working conditions and manage safety risks via comprehensive occupational health and safety management system.	Proactive hazard identification, risk assessment and control measures are implemented to reduce existing and potential health and safety risks. Comprehensive training programme is provided to build a safety culture at the manufacturing sites. Investigations are carried out to analyse the cause of accidents to prevent reoccurrence.
Equal Opportunity and Non- Discrimination	Our hiring, compensation, training, promotion, termination and retirement policies and practices do not discriminate on basis of ages, genders, marital statuses, medical conditions, races, religions, disabilities, or other factors protected by the laws or regulations in the locations where we operate. Remuneration is determined with reference to individual's performance, qualifications and experience.	We promote equal opportunity employment at all levels. We maintain goals and targets for percentage of women in the workforce and management positions. We provide training to employees on the topics of diversity, equity and inclusion.
Harassment and Abuse	We do not tolerate any physical, sexual, psychological or verbal harassment or abuse towards our employees.	Grievance mechanism is in place for employees to raise their concern on unethical behaviour.

Sustainability Pillars



Workforce Diversity

VTech promotes a culture of integrity with human resources management policies in place to foster a caring atmosphere with mutual respect in the workplace. Building a diverse and inclusive workforce with equal employment opportunities empowers us to deliver innovative products and solutions to our customers, thereby facilitating sustainable business development of the Group. We also have procedures and practices in place throughout the process of attraction, engagement, and retention of talent to ensure that our employment activities are aligned with the applicable laws and regulations.

We take all necessary actions to ensure all employees are treated fairly, equally and with respect and dignity. Any form of discrimination on the basis of race, religion, gender, age, marital and family status, ethnicity, national origin, citizenship, disability, or other factors protected by the laws or regulations in the locations where we operate will not be tolerated in the workplace.

We proactively engage with employees to understand their needs and concerns. Employee satisfaction surveys are conducted regularly to gather and address employees' feedback.

With the dedicated efforts on promoting diversity and inclusiveness in the workplace, VTech was awarded the Equal Opportunity Employer Gold Award by Equal Opportunities Commission under the Equal Opportunity Employer Recognition Scheme. VTech was also the Signatory of The Racial Diversity & Inclusion Charter for Employers, and was recognised as the Mental Health Friendly Supreme Organisation by Department of Health. It also received the Inclusive Organisation Logo under Talent-Wise Employment Charter and Inclusive Organisations Recognition Scheme, the Partner Employer Award by The Hong Kong General Chamber of Small and Medium Business, Silver Award for Racial Equity in Hiring Award and Silver Award for Inclusive Workplace Award from the Equal Opportunities Commission.

For details of our Workforce Diversity Policy, please refer to: www.vtech.com/en/about-us/corporate-governance/

Gender Diversity

VTech believes a diverse and inclusive workforce makes us and the society stronger and more harmonious. We recognise the working contributions of women, and support their career advancement. Aligning with SDG 5 Gender Equality, we are committed to promoting fair work opportunities and supporting their career advancement regardless of gender identity. We also take measurable steps to promote gender

diversity with targets for the workforce and management positions of the Group. VTech has targets to achieve or maintain the percentage of women in the workforce at 40% or above, and percentage of women in management positions at 25% or above. In FY2026, in addition to the gender diversity of its Board of Directors, VTech's global workforce consisted of 41.6% women, with 26.5% of management positions held by women. We regularly review and refine our recruitment and hiring practices to identify areas for improvement in attracting, hiring and retaining diverse talent.

We have organised childcare courses and provided nursery facilities in our manufacturing sites to better support the working mothers in VTech. We create a breastfeeding friendly workplace by offering one-hour lactation break per day for pregnant employees. Breastfeeding room is provided with appropriate facilities. We have launched an online platform for our women employees to share videos about their interests such as dancing, cooking or working out. It provides a communication channel for them to educate and inspire each other.

VTech has engaged with Women in Toys to champion the advancement of women through leadership, networking and educational opportunities. Our France office supports the creation of Women in Toys France. Our employees have participated as the Board of Directors and members of the network. Employees are allowed to go to the various events during the office hours and are reimbursed with the annual subscription.

Racial Diversity

Creating a culture in which colleagues from different backgrounds feel inclusive could result in better staff engagement and retention. A diverse workforce could also bring different viewpoints and perspectives to the company. In FY2026, we continued to provide online training on Racial Diversity and Inclusion, which was part of our Onboarding eLearning Program. The training content included an introduction of the ethnic minorities in Hong Kong and a discussion on how to break through racial barriers to create a cultural friendly working environment. Through the training, participants understand how the unconscious bias and micro-behaviours may affect their interpersonal relationships and learn to respect each other's differences. We also organised a cultural sharing session and invited foreign team members to share the culture of their country of origin. In FY2026, we invited our French colleague to share about French culture, from food and festivals to movies and language. Staff enjoyed cultural interactions through two-way dialogues and had a deeper understanding on other nationalities.



Prohibiting Discrimination and Harassment

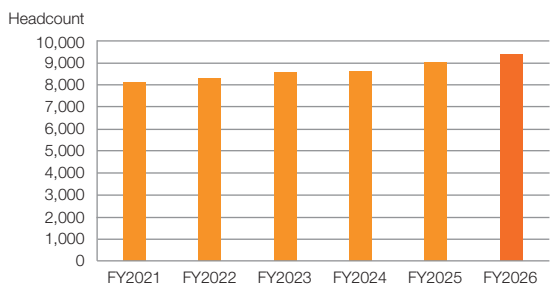
VTech strictly prohibits any kinds of discrimination and harassment, whether physical, verbal, visual or sexual. Employees who witness or believe they have been subjected to discrimination, harassment, or other inappropriate conduct are encouraged to report such conduct immediately to their head of department, Human Resources Department, or the Head of Internal Audit. Employees found to have engaged in discrimination or harassment, will be subject to appropriate disciplinary action, up to and including termination of employment.

Talent Retention

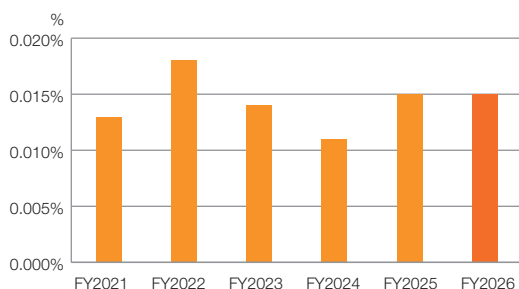
VTech is committed to embracing an equal and supportive working environment for our employees. In VTech, 99.0% of our employees have been recruited by the Company with full time employment contracts. We also conduct annual performance appraisals with transparent performance evaluation system for all employees to assess their performance and communicate the results with them. The appraisal is used as a reference for rewarding our staff accordingly.

In addition, VTech celebrates and shows appreciation of the employee contribution by presenting long service awards to our employees who have completed five years of services. Awards will also be made for each subsequent five-year period of services. In FY2026, 9,393 staff have worked at VTech for more than five years, increase of 4.4% compared with FY2025. The Company also presents "Distinguished Staff Award" and "Distinguished Team Award" for recognition of the outstanding performances and accomplishment achieved by our employees and teams.

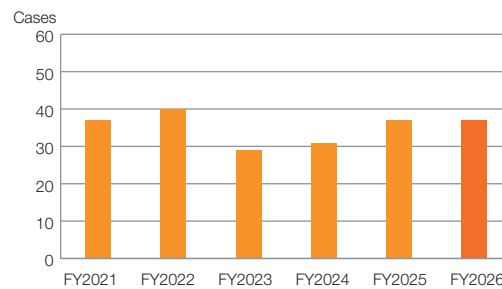
Year of Service Longer than 5 Years



Lost Hour Rate *



No. of Injury Cases



* Lost hours are the total working hours that workers cannot attend work due to injuries occurred inside factory area (including manufacturing facilities, canteens and living areas)
Lost hour rate is calculated as total number of lost hours divided by total working hours

Environment for Our People



We are committed to not only upholding our responsibilities to put occupational health and safety as our top priority, but also committed to protecting our contractors, customers and the general public against health and safety risks. All our existing VTech assembly and plastic factories are certified with the Occupational Health and Safety Management System (ISO 45001). The system comprises a proactive hazard identification and risk assessment, as well as comprehensive control measures for continual improvement on organisational health and safety. In order to further reduce existing and potential risks in our operations, our EHS teams at all our manufacturing sites have conducted regular health and incident investigations to analyse any potential causes or impacts of workplace hazards, as well as monitored our safety practices among the functional teams.

In order to foster and nurture a positive company culture of health and safety, our EHS teams at manufacturing sites have established a comprehensive and intensive training programme to increase the awareness of workplace safety. This programme includes compulsory regular fire drills practices, occupational injury prevention training, fall prevention training, electrical safety training, workplace safety training and tests such as chemical usage, machinery safety and forklift operation.

Our EHS teams are also responsible for building effective and open two-way communication channels for our staff to report work-related hazards and share constructive feedback so that staff are involved and consulted in the health and safety policy establishment.

In FY2026, our overall average health and safety training hours per employee reached 20 hours. In FY2026, our lost hour rate per working hour was 0.016% and we did not have any work-related fatality case. We will continue to provide various health and safety training courses to our employees especially in our manufacturing sites to enhance their awareness and knowledge of occupational health and safety at the workplace.



Health and Safety Measures and Training

To effectively improve our EHS practices and prevent accidents, the EHS teams review the work-related injuries and investigate the root cause of the incidents. Corrective actions are proposed and implemented by responsible person, and monitored periodically by the EHS teams.

In FY2026, safety measures implemented included installing handles in canteen staircases, repainting zebra-crossing lines in factory area and enhancing safety in loading area by installing alert lightings and protective barriers. We continued to implement EHS safety assessment for newly purchased equipment. New equipment has to pass internal assessments on site safety, equipment safety, occupational safety and health, and environmental pollution. Safety hazards that cause potential harm to our staff, property and processes are identified and mitigated prior to work. To prevent safety incidents, we ensure standard operation procedures are strictly followed, adequate personal protective equipment and specific pre-job safety training are provided to workers. Warning labels are displayed in appropriate areas visible to workers. We have enhanced the fire safety system by upgrading the fire water tank system to cloud-based monitoring. Water level, water pressure in fire water tanks and status of water pumps are all connected to the cloud. This has enabled abnormalities in the fire water tank system to be spotted and remedied immediately.

Workers direct involvement is crucial in building a safety culture. To prevent injuries during staff activities, we affixed safety reminders at our factory's sports facilities to remind workers to put safety first. Apart from online training programmes provided at our eLearning platform, we closely engaged our employees on health and safety by organising safety campaigns at our sites in FY2026. In Mainland China, we organised Fire Safety Day Prize Quiz to enhance workers' safety awareness. The quiz included knowledge on daily safety precautions, fire safety and emergency response. In Malaysia, we continued to promote the safety and health awareness campaign. Safety suggestion boxes were placed at the site to encourage workers to make recommendations for improving safety conditions, holding safety short video competitions and exhibitions in which workers took the lead in promoting safety culture to their colleagues with their creative videos and posters. Safety announcements were made regularly via the centralised broadcast system and communication applications, to keep delivering the latest safety information. We also invited local authorities to organise presentations to educate workers on safety protocols and the use of tools. In Mexico, colleagues participated in earthquake simulations to raise safety awareness in case of emergency.

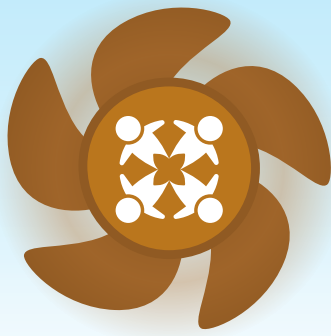




Continuous Improvement in Living Area

The majority of employees in our Mainland China manufacturing facilities are from different provinces of the country. We recognise that to make them feel at home, and have a sense of belonging while they are living in our dormitories are very important for our people. We continue to maintain a supportive, caring and healthy living environment for our employees. We make improvements in their quality of life at the manufacturing sites by providing adequate accommodations, tasty, nutritious food and seasonal cuisines at the canteens, adequate medical facilities and a wide range of leisure and recreational facilities. The CMS R&D Centre was expanded and the New Product Introduction Centre was renovated with CSR ideas in FY2021. The CMS Resource Centre in Malaysia was newly built in FY2024 to provide staff with a modern style of working environment, including a comfortable pantry for staff to take a rest and enjoy their lunch. In FY2026, dormitories of our TEL factory in Mainland China were refurbished to provide better living environment for our workers. New fitness equipment is introduced in the ELP factory to encourage employees to maintain a healthy lifestyle. A new leisure corner was set up in the CMS factory to offer workers more places to relax during leisure time. To continuously promote green living, we continue to expand green spaces in their living area; we set up greenery roofs to utilise the empty space, which cool the building, and offer enjoyable space for staff to gather during leisure time, plant vegetables and sharing the harvest with the team.

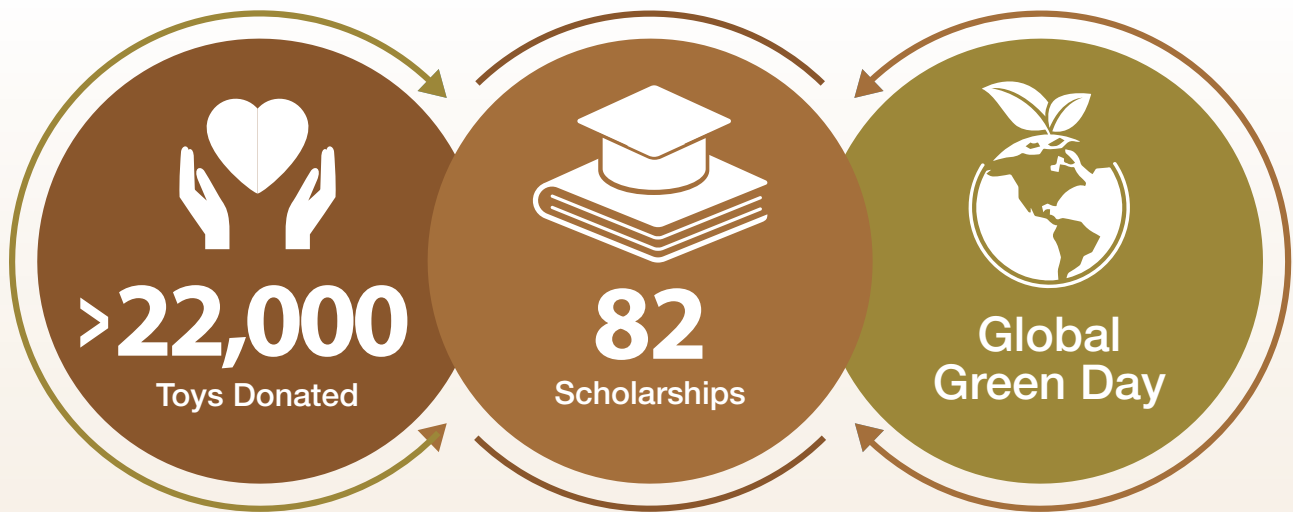




Sustainability Pillars Society



VTech uses its expertise and resources to support the communities in which it operates, focusing on supporting people in need, collaborating with local charities, providing training opportunities for young people, nourishing an innovative environment and developing a healthy and green community. It also promotes a culture of accountability throughout the Company for the communities.



Over 22,000 toys donated to Save the Children through global charitable events since FY2021

82 Scholarship and 45 Sustainability Award recipients since FY2021

Offices in 12 countries/regions participated in the Global Green Day

As a responsible corporate citizen, VTech uses its expertise and resources to support the communities in which it operates in various ways. VTech continues to focus on the following areas for our social programmes.

 <p>Support People in Need</p> <p>Provide helping hands for people</p>	 <p>Collaborate with Local Charities</p> <p>Support local charitable events and the general corporate philanthropy</p>	 <p>Provide Training Opportunities for Young People</p> <p>Attract the best talents to VTech and provide training opportunities for young people</p>	 <p>Nourish an Innovative Environment</p> <p>Sponsor and support the breakthroughs in communications and technologies</p>	 <p>Develop a Healthy and Green Community</p> <p>Foster a healthy and green living environment in the community</p>
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Support People in Need

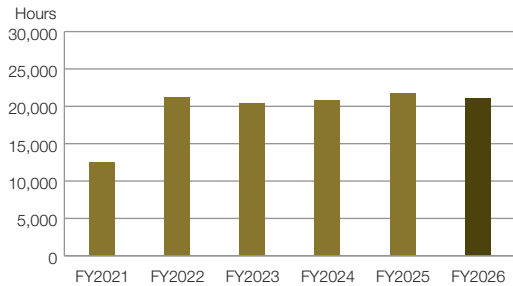


Since the establishment of VTech's voluntary teams in different manufacturing sites and global offices, we have participated in various voluntary events, and created a strong social network to assist and support the people in need. We also encourage our employees and their families to participate in our volunteering activities, bringing positive impact to the families and society.

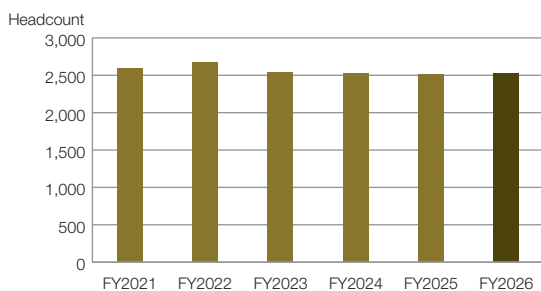
Our Mainland China and Hong Kong voluntary teams frequently participate in various types of voluntary services including visiting elderly homes and children hospital, and assisting crowd control at community events. In FY2026, we recruited 2,524 volunteers and contributed over 21,000 hours in volunteering activities. Besides being recognised as the "Heart to Heart Company" by the Hong Kong Federation of Youth Groups, VTech was the proud recipient of the "Outstanding Caring Award (Enterprise Group)" in the Industry Cares Recognition Scheme presented by Federation of Hong Kong Industries in FY2026 in recognition of our relentless contribution to the Hong Kong community through various charitable activities. In addition, we have been awarded as



Volunteering Hours Contributed



Number of Volunteers



a “Caring Company” by The Hong Kong Council of Social Service for seventeen consecutive years. We were also awarded with the Partner Employer Award 2025 presented by The Hong Kong General Chamber of Small and Medium Business in 2025.

Toy Education Workshop for Paediatric Patients

We partnered with The Hong Kong Federation of Youth Groups and Patient Resource Centre of Hong Kong Children’s Hospital to organise a toy education workshop for paediatric patients. Our devoted team of volunteers spent time engaging child patients in playful sessions with our toys. We aimed to create a supportive environment that brought comfort, encouragement, and moments of joy during their treatment.



Visiting Care and Attention Home for the Elderly

We visited an elderly home in collaboration with Hong Kong Federation of Youth Groups. VTech volunteers interacted with the elderly through recreational games and arts-and-crafts activities, supporting self-expression and social interaction while strengthening the elderly’s sense of connection with the community.



Holiday Pantry Support in the US

Our colleagues in the USA recently supported WINGS Program, Inc., an organization dedicated to providing housing and social services to end domestic violence, by assisting with their holiday pantry. The team handled the full spectrum of logistics, including receiving, unloading, and unpacking donations, as well as sorting, shelving, and labeling inventory. Their efforts kept the pantry well-stocked and organized to support those in need.

Collaborate with Local Charities



VTech collaborates with local charities and organisations to contribute to community well-being. In FY2026, VTech donated 300 toys to support paediatric inpatients across three hospitals in Hong Kong. The Group maintained long-term partnership with organisations including Hong Kong Federation of Youth Group, The Hong Kong Society for the Blind, Greeners Action, Tai Po Baptist Church Social Service, Christian Family Service Centre and Hong Kong Young Women’s Christian Association, supporting a range of community initiatives.

VTech also supported charitable activities globally by sponsoring employees’ participation in charity sports activities and making donations to local causes. VTech was awarded the “Bronze Sponsor” in the Sowers Action Challenging 12 Hours Charity Marathon 2026.

In FY2026, we made charitable and other donations of over USD166,700.



Collaboration with Save the Children

VTech also uses its expertise and resources to support the communities in which it operates. Numerous under-resourced children's living are still endangered by hunger, climate change, natural disasters and regional conflicts across the globe. We have collaborated with Save the Children, an international charitable organisation supporting marginalised and vulnerable children, to organise fundraising and toys donation events across multiple countries for six consecutive years for the fundraising activities held, every dollar donated by our employees was matched by an equivalent donation on the part of the company.



Café Drinks Charity Sale

VTech employees in Malaysia organised a "Buy & Donate" charity event, where colleagues could either craft their own coffee and donate for a good cause, or simply purchase a drink with the donation already included in the price. The initiative successfully raised over HK\$6,000.

Christmas Bake Charity Sale

Our colleagues in the Netherlands organized a Christmas Bake Charity Sale, where they baked and sold festive cookies, gingerbread, and waffles in the office. The event raised over HK\$8,300, with all proceeds donated to Save the Children.

Christmas Jumper Day

Our offices in Australia, France, Germany, Spain, the UK and the US hosted the Christmas Jumper Day. Staff dressed up in their favourite festive attire at the Christmas gathering and make a donation to help transforming children's lives around the world. A total of over HK\$35,000 was donated to the Children's Emergency Fund to support children struggling in humanitarian crisis.

Toy Donation

Under the global toy donation programme, over 3,700 electronic learning toys were donated to children in various countries around the world, including the US, Canada, the UK, the Netherlands, Spain, Australia and Hong Kong. Through the donation of electronic infant, toddler and school grade learning toys, which include, LeapFrog® Magic Adventures™ Microscope, VTech® Write & Learn Creative Center™, VTech® Marble Rush® 3-Point Launch Set, and VTech® KidiZoom® Smartwatch DX4, we hope to enrich children's learning experience out of classroom. In response to the Tai Po blaze in Hong Kong, we also donated over 400 plush toys to kindergarten students, providing comfort and care to the children impacted by this devastating incident.

This year, we continued our toy donation efforts in Mainland China, donating 670 toys through two volunteering events at local schools and community organisations in Guangzhou. Our volunteers distributed the toys and spent time with the children through playtime activities, including storybook reading sessions and mini games, sharing joy while supporting a positive learning experience.





Provide Training Opportunities for Young People



VTech recognises that attracting the best talents is important for the sustainable growth of the Company. We regularly recruit interns from local universities and organise various workshops with schools for young people.

In FY2026, we continued to arrange the IE engineering programme with Dongguan University of Technology. During the programme, participants were rotated among different departments to have better understanding on the factory operation. We provided workplace health and safety courses, theory courses on manufacturing engineering and training on engineering change in process flow, production line management and product design. We provided practical training sessions for the students, helping them to gain better understanding on the concepts of smart manufacturing by putting the theory into practice. We also offered internship opportunities for engineering college students, helping them to gain work experience and develop their job skills.

VTech Internship Programmes



Our 2-year graduate trainee programme provides participants with abundant learning opportunities to gain all-rounded exposure in program management and manufacturing engineering. The customised training curriculum will strengthen their professional development and business acumen. We also offer various internship opportunities for students at our headquarters in Hong Kong, which help students from different backgrounds to make connections with peer groups and explore their interest and abilities through real-life learning experience.

Experience Sharing by the Student

My internship at VTech's Corporate Secretarial Department has been an enriching and rewarding experience. Over the past months, I had the opportunity to assist with various corporate secretarial tasks, ranging from reviewing documents, managing box files records, to supporting compliance processes. These responsibilities sharpened my attention to detail and deepened my understanding of the critical role that accurate record-keeping plays in organizational success.

A significant part of my role involved maintaining an effective filing system, which taught me the importance of organization and precision in managing sensitive corporate records. I took pride in streamlining processes to ensure easy access to critical documents, which enhanced the department's efficiency.

The team's guidance, especially from my supervisor and colleagues, was invaluable in helping me navigate complex tasks and develop professional skills. The collaborative environment at VTech fostered my growth, and I am grateful for the trust placed in me to handle meaningful assignments. This internship has been a cornerstone in my professional development, equipping me with practical skills and a deeper appreciation for corporate governance. I will carry these lessons forward. Thank you for this incredible opportunity. — Bobo Chiu (VCO/CoSec)

Sustainability Pillars



VTech Scholarship Programme

VTech Scholarship Programme was established in FY2018 to support the outstanding local and non-local undergraduates in their career development. In FY2026, we continued to offer the programme which covers the top five universities in Hong Kong. The scholarship was awarded to 12 engineering students from The University of Hong Kong, The Hong Kong University of Science and Technology, The Chinese University of Hong Kong, City University of Hong Kong and The Hong Kong Polytechnic University.



Nourish an Innovative Environment



In order to nourish an innovative environment and stay ahead of the latest trends and developments in the industry, VTech has supported various technology forums and participated in a number of trade associations around the world. We primarily engage as members and collaborate with the others on the industry projects to help develop the industry and technology standards.

VTech Innovation & Sustainability Award

VTech partnered with the School of Energy and Environment of the City University of Hong Kong and Department of Mechanical and Automation Engineering of The Chinese University of Hong Kong to establish the “VTech Innovation & Sustainability Award” to nurture a new generation of young talents in the sustainability field. The participants were required to come up with innovative solutions that contribute to sustainable development. The awardees were selected based on judging criteria in creating positive environmental impact and sustainable value for lives of the people, which is in line with VTech’s sustainability vision. We received inspiring proposals from the students and had valuable discussions on trending topics related to innovation and sustainability.





Develop a Healthy and Green Community



VTech not only dedicates its efforts to minimising the environmental impacts from our operations, but also contributes in different community events to develop and promote a healthy and green lifestyle within VTech and the community. To support a sustainable lifestyle, we had established the organic farm in one of our manufacturing sites a few years ago, where employees could practise their urban farming techniques and enjoy the low carbon living experience during their break time. Moreover, we have continued to sign up the pledge for Earth Hour.

Small changes in our habits around the factories and offices can help us to live a more eco-friendly lifestyle. We believe promoting recycling can have a positive effect on the environment. In FY2026, we continued to partner with the Greener Actions to launch the “Red Packets Reuse and Recycle Program 2026”. To prevent wasting useful materials, we collected used and excess red packets from our employees for upcycling purpose.

VTech Global Green Day

In FY2026, we continued to organise the “Global Green Day” at our Hong Kong headquarters and overseas offices to promote a healthy and green lifestyle in VTech and our communities, as well as to maximise our sustainability efforts and strengthen staff relation.

Hong Kong



The Hong Kong office collaborated with Hong Kong Federation of Youth Groups to host a Natural Terrarium Workshop. Guided by experienced instructors, our colleagues created their own self-sustaining terrarium using ferns and moss. This creative session promoted sustainable living, raising awareness on local biodiversity.

UK

Colleagues in the UK organised a litter-picking event in the local area and donated food to the local food bank, providing essential support for individuals and families in need and reinforcing the spirit of community care.



Mainland China

To promote the awareness of environment protection, we organised the tree planting activity at our manufacturing facilities in Mainland China.



France



Our colleagues in France launched an eco-friendly “Challenge Event” to promote sustainable daily habits in the workplace. Participants were encouraged to take part in activities such as cycling or carpooling to work, practising zero-waste habits and choosing vegetarian meals. Participants earned points for completing the challenges, which could be redeemed for a small plant as a reward. This initiative motivated employees through friendly competitions to incorporate sustainable behaviours into their daily routines, reinforcing our commitment to a greener lifestyle.

Sustainability Pillars



Spain

Our colleagues in Spain hosted a Green & Healthy Drinks Conference, where they learnt to prepare refreshing mocktails with fresh fruits and natural ingredients. The session demonstrated how popular cocktails can be recreated in healthier versions without compromising on flavour. The event concluded with a lively tasting session, encouraging healthier lifestyle choices and promoting responsible consumption.



Poland

Our colleagues in Poland office organised a field game that combined fun activities with zero-waste education. The event featured informative lectures on waste segregation and interactive waste sorting games designed to raise awareness about waste reduction and eco-friendly consumption in an entertaining and memorable way.



The U.S.

Colleagues in the US offices organised green day events including a succulent plants workshop to promote green lifestyles and electronic waste collection campaign to encourage responsible waste management. Used batteries and unwanted electronic appliances were collected and delivered to a recycling centre, ensuring they were diverted from landfills.



Netherlands



In collaboration with the Municipality of Weert, our colleagues in the Netherlands organised a clean-up event in the industrial area near the office. The event contributed to a cleaner and healthier local environment and highlighted our shared responsibility to protect the environment of our community.



Canada

Colleagues in Canada office organised a salad-making workshop where the participants created and customised their own salads using fresh, locally sourced organic ingredients. The event concluded with a fun voting session to select the most creative and delicious salad, inspiring participants to embrace a healthy lifestyle through creativity.



Malaysia

The CMS Malaysia office organised the “Share & Care” Employee Sharing Initiative, a programme designed to give pre-loved items a second life. By exchanging clothing, accessories and footwear that were still in good condition, our colleagues brought the values of sustainability, generosity and community spirit to life. The initiative fostered the culture of sharing and mindful consumption. Any remaining items were responsibly sent to recycling centres.



Germany

The Gigaset office distributed seedballs to colleagues, encouraging them to plant flowers at home and in their personal spaces. Our colleagues also created a dedicated flower garden on-site. This initiative inspired active participation in preserving native insect species and contributes to urban biodiversity by providing essential food sources for wild bees and butterflies. Meanwhile, the Snom office organised a hands-on workshop to craft bee hotels and hosted a “Green Lunch”. These events not only support the survival of native insect species but also promote sustainable practices and a greener lifestyle. Together, these activities encouraged direct contribution to conserving biodiversity through hands-on participation of employee-led initiatives.



Australia

Our colleagues in Australia attended a Bonsai for Beginners workshop which fostered a deeper connection with nature through mindful, long-term plant care. Using native Australian Queensland Bottle Trees, the session highlighted the importance of supporting local ecosystems while introducing the ancient, low-waste practice of bonsai. Participants learned techniques such as pruning, repotting, and shaping, equipping them with the skills to nurture a living plant that can thrive for years and even across generations. The experience promoted sustainability through slow living, environmental awareness, and a lasting relationship with nature.





Key Performance Data

Items	GRI Indicator	HKEX Indicator	FY2021 ¹¹	FY2022	FY2023 ^{11,13}	FY2024	FY2025 ¹⁴	FY2026
Organisation Profile								
Number of countries where VTech operates	2-1		15	14	15	15	19	19
Total number of operations	2-6		27	28	28	28	31	31
Revenue (US\$ million)	2-6		2,372.3	2,370.5	2,241.7	2,145.7	2,177.2	2,027.5
Total debt (US\$ million)	2-6		Nil	Nil	Nil	Nil	Nil	Nil
Total equity (US\$ million)	2-6		731.1	678.8	634.7	645.0	644.4	647.3
Portion of senior management hired from local community ¹	202-2		97%	97%	97%	97%	97%	98%
Proportion of spending on local suppliers	204-1	B5.1	88%	90%	83%	86%	90%	83%
Environmental								
Air Pollutants Emission (kg)								
Nitrogen oxides (NO _x)		A1.1	-	-	10,607	10,473	13,708	10,548
Sulphur oxides (SO _x)		A1.1	-	-	17	18	24	21
Particulate Matter (PM)		A1.1	-	-	839	825	1,113	863
Material Usage								
Material used by weight or volume (1000 Tonnes)	301-1		105.1	105.0	91.4	85.5	98.1	86.1
Energy Consumption (GJ)²								
Total	302-1	A2.1	645,557	632,515	538,523	523,004	619,358	560,206
Diesel	302-1	A2.1	23,431	29,712	20,578	19,960	30,383	24,153
Gasoline	302-1	A2.1	6,550	4,847	5,198	6,162	6,362	6,231
Natural Gas	302-1	A2.1	26,430	27,483	21,949	21,624	33,480	32,830
Electricity ^{1,4}	302-1	A2.1	588,147	570,473	490,798	475,258	549,133	496,992
Energy Use per revenue (GJ per US\$ million)								
Total	302-3	A2.1	272.123	266.828	240.230	243.745	284.475	276.304
Diesel	302-3	A2.1	9.877	12.534	9.180	9.302	13.955	11.913
Gasoline	302-3	A2.1	2.761	2.045	2.319	2.872	2.922	3.073
Natural Gas	302-3	A2.1	11.141	11.594	9.791	10.078	15.378	16.192
Electricity ^{1,4}	302-3	A2.1	248.344	246.655	218.940	221.493	252.220	245.126
Electricity Consumption								
Total Electricity used (kWh) ¹⁴	302-1	A2.1	163,651,836	158,464,471	136,332,731	132,015,949	152,536,664	138,053,291
Renewable energy procured and self-generated (kWh)	302-1	A2.1	145,432	328,286	1,164,070	3,389,543	6,505,796	6,551,724
Electricity sourced from grid (kWh)	302-1	A2.1	163,506,404	158,136,185	135,168,661	128,626,406	146,030,868	131,501,567
Total Electricity used per revenue (kWh per US\$ million) ¹⁴	302-3	A2.1	68,984	66,849	60,817	61,526	70,061	68,090
Water Consumption								
Water consumption ³ (meter cube)	303-1	A2.2	1,613,186	1,431,270	1,110,658	1,051,127	1,111,317	929,923
Water consumption ³ per revenue (meter cube per US\$ million)		A2.2	680.0	603.8	495.5	489.9	510.4	458.7



Items	GRI Indicator	HKEX Indicator	FY2021 ¹¹	FY2022	FY2023 ^{11,13}	FY2024	FY2025 ¹⁴	FY2026
Greenhouse Gas Emission (tonne of CO2e)⁴								
Scope 1	305-1	A1.2	4,462	4,728	3,886	3,604	5,260	4,251
Scope 2 ¹⁵	305-2	A1.2	83,712	81,013	69,336	65,915	62,090	56,885
Total Scope 3 ¹⁰	305-3	A1.2	8,007	16,295	7,538	7,704	46,364	829,559
Scope 3 - Category 1 Purchased Goods and Services	305-3	A1.2	-	-	-	-	-	782,268
Scope 3 - Category 3 Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	305-3	A1.2	-	-	-	-	25,565	22,910
Scope 3 - Category 4 Upstream Transportation and Distribution	305-3	A1.2	-	-	-	-	13,023	14,331
Scope 3 - Category 5 Waste Generated in Operations	305-3	A1.2	-	-	-	-	2,856	2,605
Scope 3 - Category 9 Downstream Transportation and Distribution	305-3	A1.2	-	-	-	-	4,920	7,445
Total Emissions ¹²	305	A1.2	96,181	102,036	80,760	77,224	113,714	890,695
Greenhouse Gas Emission Intensity (tonne of CO2e per USD\$ million)⁴								
Scope 1	305-4	A1.2	1.881	1.995	1.734	1.680	2.416	2.097
Scope 2	305-4	A1.2	35.287	34.175	30.930	30.720	28.518	28.057
Scope 3 ¹⁰	305-4	A1.2	3.375	6.874	3.363	3.591	21.295	409.153
Total emissions intensity ¹⁰	305-4	A1.2	40.543	43.044	36.026	35.990	52.229	439.307
Hazardous Waste								
Total hazardous waste produced (in tonnes)	306-3	A1.3	399.6	449.5	495.2	443.3	491.4	471.3
Total hazardous waste produced per revenue (in tonnes per US\$ million)	306-3	A1.3	0.168	0.190	0.221	0.207	0.226	0.232
Non-hazardous Waste								
Total non-hazardous waste produced (in tonnes)	306-3	A1.4	10,103	10,407	9,684	9,157	11,372	10,048
Non-hazardous waste recycled (in tonnes)	306-4	A1.6	-	-	-	-	9,121	8,020
Non-hazardous waste disposed (in tonnes)	306-5	A1.6	-	-	-	-	2,251	2,029
Recycling rate	306-3		-	-	-	-	80.2%	79.8%
Total non-hazardous waste produced per revenue (in tonnes per US\$ million)	306-3	A1.4	4.259	4.390	4.320	4.268	5.223	4.956
Packaging Materials								
Total packaging material used for finished goods (tonnes)		A2.5	35,411	33,491	28,805	25,861	30,762	27,046
Total packaging material used for finished goods per revenue (tonnes per US\$ million)		A2.5	14.927	14.128	12.849	12.053	14.129	13.340
Environmental Compliance								
Monetary value of significant fines	2-27		0	0	0	0	0	0
Total number of non-monetary sanctions for non-compliance	2-27		0	0	0	0	0	0
Our Workforce¹⁶								
By Gender								
Total	2-7	B1.1	25,351	23,844	21,772	19,924	20,979	19,993
Male	2-7	B1.1	14,867	14,184	12,850	11,569	12,287	11,685
Female	2-7	B1.1	10,484	9,660	8,922	8,355	8,693	8,308
By Age								
30 or below		B1.1	10,780	9,168	6,921	6,057	6,522	5,744
31-50		B1.1	13,470	13,353	13,364	12,281	12,377	11,980
Above 50		B1.1	1,101	1,323	1,487	1,586	2,080	2,269

Key Performance Data



Items		GRI Indicator	HKEX Indicator	FY2021 ¹¹	FY2022	FY2023 ^{11,13}	FY2024	FY2025 ¹⁴	FY2026
By Geographical Location									
Asia Pacific	Male	2-7	B1.1	14,561	13,885	12,499	11,228	11,558	10,926
	Female	2-7	B1.1	10,218	9,396	8,652	8,095	8,311	7,902
North America	Male	2-7	B1.1	167	162	212	202	223	228
	Female	2-7	B1.1	138	138	145	136	153	163
Europe	Male	2-7	B1.1	139	137	139	139	505	531
	Female	2-7	B1.1	128	126	125	124	229	243
By Employment Type									
Average number of full-time staff		2-7	B1.1	25,261	23,794	21,736	19,888	20,907	19,900
Average number of part-time staff		2-7	B1.1	90	50	36	36	72	93
Proportion of full time staff			B1.1	99.6%	99.8%	99.8%	99.8%	99.7%	99.0%
Woman Representation									
Overall		405-1		41%	41%	41%	42%	41%	42%
By function	Management position ²	405-1		25%	25%	26%	27%	25%	26%
	Professional	405-1		37%	37%	38%	38%	37%	37%
	General staff	405-1		40%	41%	43%	43%	41%	41%
	Worker	405-1		43%	42%	42%	44%	44%	44%
Turnover Rate									
Overall			B1.2	6.34%	6.54%	4.69%	3.79%	3.42%	3.62%
By geographical region	Asia Pacific		B1.2	6.47%	6.67%	4.81%	4.19%	3.72%	3.82%
	North America		B1.2	0.57%	0.83%	1.94%	1.97%	3.95%	3.26%
	Europe		B1.2	0.62%	1.20%	0.96%	1.20%	0.18%	0.51%
By gender	Male		B1.2	6.81%	7.25%	5.16%	3.98%	3.48%	3.88%
	Female		B1.2	5.68%	5.49%	4.02%	3.53%	3.34%	3.26%
By age	30 or below		B1.2	10.80%	11.41%	8.61%	8.21%	8.16%	7.93%
	31-50		B1.2	3.21%	3.69%	3.08%	2.48%	1.62%	2.16%
	Above 50		B1.2	0.85%	1.52%	1.32%	1.26%	1.64%	0.86%
Health and Safety									
Injury ⁶ cases		403-2		37	40	29	31	37	37
Lost Hours ⁷		403-2	B2.2	8,766	11,571	7,621	5,428	8,164	7,152
Injury rate per employee ⁸	Overall	403-2		0.001	0.002	0.001	0.001	0.002	0.002
	Male	403-2		0.002	0.002	0.001	0.001	0.002	0.003
	Female	403-2		0.001	0.001	0.001	0.001	0.001	0.001
Work-related fatalities cases			B2.1	0	0	0	0	0	0
Work-related fatalities cases per employee (%)			B2.1	0%	0%	0%	0%	0%	0%
Absentee rate ⁹	Overall	403-2		0.3%	0.4%	0.4%	0.4%	0.4%	0.6%
	Male	403-2		0.2%	0.3%	0.3%	0.3%	0.3%	0.5%
	Female	403-2		0.4%	0.5%	0.4%	0.5%	0.6%	0.7%



Items		GRI Indicator	HKEX Indicator	FY2021 ¹¹	FY2022	FY2023 ^{11,13}	FY2024	FY2025 ¹⁴	FY2026
Training									
Percentage of Employee Trained									
Overall			B3.1	-	96%	97%	98%	97%	97%
By gender	Male		B3.1	-	97%	98%	98%	96%	98%
	Female		B3.1	-	95%	96%	97%	97%	97%
By Function	Management staff		B3.1	-	88%	93%	90%	90%	90%
	Professional/Engineer		B3.1	-	92%	95%	94%	96%	98%
	Staff & workers		B3.1	-	98%	98%	99%	97%	97%
Average Training Hours per Employee									
Overall		404-1	B3.2	73.2	78.1	71.8	82.8	89.4	105.5
By gender	Male	404-1	B3.2	78.5	84.8	71.6	81.7	88.6	97.5
	Female	404-1	B3.2	65.9	70.9	72.1	84.3	90.6	116.7
By Function	Management staff	404-1	B3.2	11.7	10.4	13.6	14.0	13.6	15.1
	Professional/Engineer	404-1	B3.2	25.7	24.3	25.0	20.9	16.3	25.8
	Staff & workers	404-1	B3.2	84.3	93.0	84.9	100.6	108.9	127.7
Compliance									
Product Compliance									
Incidents of non-compliance with regulations on health and safety impact on products		416-2		0	0	0	0	0	0
Incidents of non-compliance with regulations on product and service information and labelling		417-2		0	0	0	0	0	0
Sales of banned products		2-6		0	0	0	0	0	0
Socioeconomic Compliance									
Total monetary value of significant fines		2-27		0	0	0	0	0	0
Total number of non-monetary sanctions		2-27		0	0	0	0	0	0
Cases brought through dispute resolution mechanisms		2-27		0	0	0	0	0	0

Note:

- The location of operation sites.
- Energy value for fuels are obtained from "2006 IPCC Guidelines for National Greenhouse Gas Inventories" published by the Intergovernmental Panel on Climate Change.
- Water consumption data includes water usage data from manufacturing facilities in Mainland China and offices in Mainland China, Malaysia and Mexico, and offices in Mainland China and overseas.
- GHG Calculation Methodology
All emissions are calculated with reference to the methodology set out in the Greenhouse Gas Protocol Corporate Standard and Intergovernmental Panel on Climate Change (IPCC) Guidelines. GHG objectives and targets are set and tracked relative to a base year of FY2020.
Scope 1: Direct GHG emissions come from sources (physical units or processes that release GHG into the atmosphere) that are owned or controlled by the organisation. The GHG emission factors of scope 1 for stationary and mobile combustion sources is based on the "2006 IPCC Guidelines for National Greenhouse Gas Inventories" published by the Intergovernmental Panel on Climate Change.
Scope 2: Indirect GHG emissions that result from the generation of purchased or acquired electricity, heating, cooling and steam consumed by the organisation. GHG emissions factors are referenced from the "2023 China Regional Grid Average Carbon Dioxide Emission Factors" published by the National Center of Climate Change Strategy and International Cooperation (NCRIC) of the People's Republic of China, Sustainability Report 2025 of CLP Holdings Limited, and 2022 Grid Emission Factor (GEF) in Malaysia published by Malaysia Energy Commission, Entwicklung der spezifischen Treibhausgas-Emissionen des deutschen Strommix in den Jahren 1990 - 2023 in Germany by the German Environment Agency, and FACTOR DE EMISIÓN DEL SISTEMA ELÉCTRICO NACIONAL 2024 in Mexico by Government of Mexico.

Scope 3: Indirect GHG emissions not included in energy indirect (Scope 2) GHG emissions that occur outside of the organisation, including both upstream and downstream emissions. In this report, scope 3 emissions includes the following categories.

Scope 3 GHG emissions reported:

Category 1 Purchased Goods and Services

Emissions from the consumption of product-related goods which only include raw materials, components and packaging. Average-data method was applied in the calculation using the weight and quantity of materials purchased. Emissions factors were referenced from Gabi Database. A small portion of the materials were excluded due to their complex composition, which made it challenging to determine the appropriate emission factors. We will continue to strive for comprehensive reporting in the future.

Category 3 Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2

Emission from the generation of purchased electricity and fuels before being consumed by the organisation. Transmission and distribution (T&D) losses associated with the purchased electricity are also accounted in this report. Well-to-tank (WTT) emission factors for electricity and fuel are referenced respectively from the 2021 and 2025 UK Government GHG Conversion Factors for Company Reporting published by the Department for Business, Energy & Industrial Strategy.

Category 4 Upstream Transportation and Distribution

Emissions from transportation of finished goods from VTech to customers in which VTech was responsible for transport costs. Transportation modes include air, sea, road, rail and parcel. Distance-based method was applied in the calculation using the weight, distance and transportation mode. In case of unknown distances for road freights, estimations were made based on road distances between zip codes. Emission factors are referenced from the GaBi Database. Data prior to FY2022 included only the ocean shipment from port of origin to port of destination, transported by contractors engaged by VTech. In FY2022, indirect emissions from air shipment was added to the data reporting boundary. In FY2025, transport of our products from factory to port of origin, from port of destination to warehouses, from warehouses to customers are added to the data boundary. Shipment of raw materials from suppliers to our factories excluded in this report.

Key Performance Data



Category 5 Waste generated in operations

Emissions from third-party disposal and treatment of non-hazardous waste generated in our operations. Emission factors are referenced from the 2025 GHG Emission Factors Hub published by the United States Environmental Protection Agency.

Category 9 Downstream Transportation and Distribution

Emissions from transportation of finished goods from VTech to customers in which customers were responsible for transport costs. Data reported includes the shipment from factory to port of origin and from port of origin to port of destination. Transportation modes include air, sea, road and rail. Emission factors are referenced from the GaBi Database. As the shipments are controlled by the customer, distances for some of the shipments are estimated based on the destination. Shipments from port of destination to customers are excluded in this report, as the information on port of destination and the shipment method are unavailable due to the diverse customer base.

Scope 3 GHG emissions not reported:

Category 2 Capital goods, Category 6 Business travel, Category 7 Employee commuting, Category 10 Processing of sold products, Category 11 Use of sold products, and Category 12 End-of-life treatment of sold products are excluded from this report as we estimated to represent small proportion of total emissions. We are working towards calculating and disclosing emissions data for these categories in future reporting periods.

Category 8 Upstream leased assets, 13 Downstream leased assets, Category 14 Franchises, and Category 15 Investments were not reported as they are not relevant to VTech's business.

- Staff with grade above supervisor level.

- Injury types accounted for include: Vehicle Accident, Falling Object Injury, Machines Entanglement, Cutting Injury, Falling from heights, Collapse Injury, Burnt injury, Chemical injury, Collision injury, Electric shock.
- Total working hours that workers cannot attend work due to injuries in manufacturing operations.
- The frequency of injuries relative to the number of employees. Minor (first-aid level) injuries are included.
- Number of days the employees are absent from work over total hours scheduled to be worked.
- Scope 3 data for FY2021 and FY2025 were restated due to adjustments in calculation methodology and to allow fair comparison of the performance data.
- Certain environmental data for FY2021, FY 2023 and FY2025 was restated due to adjustments in calculation methodology and to allow fair comparison of the performance data.
- Total GHG emissions in FY22 increased by 5,855 tonnes of CO₂e against FY21 which was mainly due to the inclusion of indirect GHG emission of 8,405 tonnes of CO₂e arising from air freight in FY22. The indirect GHG emissions of air freight were not available in FY21 and earlier years.
- The report scope was expanded with the acquisition of our production facilities in Mexico.
- FY2025 data presented in the Key Performance Data Summary includes Gigaset, except Scope 3 emissions and material consumption. This was due to the on-going integration of our data collection system with Gigaset. These omitted data was included in FY2026.
- Scope 2 Indirect GHG emissions data in FY2025 were restated due to update of GHG emission factors in China, Hong Kong and Malaysia.

Associations List

Associations VTech belongs to	Involvement
British Toy & Hobby Association	C
Dutch Toy Association	C
French Toy Association	C
Toy Association Belgium	C
China Toy & Juvenile Products Association	C
Dongguan Toy & Juvenile Products Association	M
Australian Toy Association	M
German Toy Association	M
Spanish Toy Association	M
Toy Industry Association – United States	M
Toy Association – Guangdong, China	M
Toy Industry Association – Shenzhen, China	M
Canadian Toy Association	M
DECT Forum	S
ULE Alliance	S
EcoVadis	M
SD Card Association	M
Wi-Fi Alliance	M
Sedex	M
Hong Kong Opto-Mechatronics Industries Association	M
The Chinese Manufacturers Association of Hong Kong	M
The Hong Kong General Chamber of Commerce	M

M = regular member

C = member of committee

S = strategic participation



Independent Assurance Report

1. Introduction

Hong Kong Quality Assurance Agency (“HKQAA”, “we”, “our”, “us”) was engaged by VTech Holdings Limited (HKSE Stock Code: 303) (“the Company”) to conduct an independent assurance of the sustainability disclosures (“Sustainability Disclosures”) presented in its Sustainability Report 2026 (“the Report”) for the reporting period from 1 April 2025 to 31 March 2026 (“Reporting Period”) and issue this Independent Assurance Report (“Assurance Report”). For the avoidance of doubt, the Appendices listed at the end of this Assurance Report form an integral part of it, though certain Appendices are intended for the Company’s internal use only. Our sustainability assurance activities and this Assurance Report are undertaken based on the assumptions, dependencies, boundaries, limitations, exclusions, roles and responsibilities and independence as set out under Appendix A. A generic version of Appendix A is available for reference on the HKQAA website (www.hkqaa.org) under the navigation path: News & Resources > Guides & Forms > Guidelines > Sustainability Assurance.

The objective of this sustainability assurance service is to provide an independent conclusion, with a limited level of assurance, on whether the Sustainability Disclosures have been prepared in accordance with the following reporting criteria:

- The Environmental, Social and Governance Reporting Code (“ESG Reporting Code”) set out in Appendix C2 of the Main Board Listing Rules of The Stock Exchange of Hong Kong Limited
- The Global Reporting Initiative Sustainability Reporting Standards (“GRI Standards”).

The assurance team also reviewed whether the Sustainability Disclosures have been prepared with reference to the International Sustainability Standards Board (“ISSB”) IFRS S2 Climate-related Disclosures (“IFRS S2”), with our assurance engagement limited to the specific referenced sections as listed in the Report only.

2. Assurance Methodology

HKQAA’s assurance procedure was conducted with reference to the International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information (“ISAE 3000”), issued by the International Auditing and Assurance Standards Board (“IAASB”).

The evidence gathering processes were designed to obtain a limited level of assurance, as set out in the ISAE 3000, using a risk-based approach. Our assurance procedures included, but were not limited to:

- reviewing relevant policies, procedures, relevant documentation and records provided by the Company, including those related to sustainability-related information such as governance, risk identification, and performance metrics;
- interviewing key management and responsible personnel of the Company for reporting and sustainability-related governance;
- conducting analytical reviews of disclosures for plausibility and consistency with relevant external frameworks and internal supporting data;
- selecting representative samples of disclosures, with a focus on materiality and risk, and assessing the underlying evidence for each sample using judgmental sampling;



- evaluating the transparency of disclosed assumptions, dependencies, and boundaries; and
- assessing the completeness of coverage with respect to the requirements of the reporting criteria, including reviewing methodologies used for estimations, sensitivity analyses, and disclosures of uncertainties.

3. Conclusion

Based on the procedures performed, evidence obtained, and subject to the stated assumptions, dependencies, boundaries, limitations, and exclusions, nothing has come to our attention that causes us to believe that the Sustainability Disclosures in the Company's Sustainability Report 2026 for the Reporting Period from 1 April 2025 to 31 March 2026 are not presented, in all material respects, in accordance with the requirements of the ESG Reporting Code and GRI Standards, and with reference to IFRS S2 as stated in the Introduction section of this Assurance Report.

This Assurance Report is made solely for the use of VTech Holdings Limited and the users of its Sustainability Report 2026, and for use in the context and purpose described in the Introduction section of this Assurance Report. We do not accept or assume responsibility for any other purpose or to any other person to whom this Assurance Report is shown or in whose hands it may come. We confirm our independence from the Company in conducting this engagement.

The engagement leader on the assurance engagement resulting in this Assurance Report is KT Ting.

Signed on behalf of Hong Kong Quality Assurance Agency

2 June 2026

Ref: 14991893

Appendix



GRI Content Index

This report was prepared in accordance with the GRI Standards, and Stock Exchange ESG Reporting Code. The General Standard Disclosures, Material Topic Disclosures, and Stock Exchange ESG Reporting Code reference are presented below with either linkage to the reported section(s) or direct answer.

GRI Content Index

Statement of use	VTech has reported in accordance with the GRI Standards in FY2026 (1 April 2025 to 31 March 2026)
GRI 1 used	GRI 1: Foundation 2021

GRI 2: General Disclosures 2021		
GRI Indicator	Description	Location and Notes
The organisational and its reporting practices		
2-1	Organizational details	Page 4, About this Report
2-2	Entities included in the organization's sustainability reporting	VTech Major Subsidiaries
2-3	Reporting period, frequency and contact point	About this Report, Back Cover
2-4	Restatements of information	Pages 79-80
2-5	External assurance	About this Report, Pages 81-82
Activities and workers		
2-6	Activities, value chain and other business relationships	Pages 4, 37-39, About this Report, Key Performance Data
2-7	Employees	Page 4, Key Performance Data
2-8	Workers who are not employees	Workers with employment contracts signed with VTech Group are our employees
Governance		
2-9	Governance structure and composition	Page 5; Annual Report – Corporate Governance Report
2-10	Nomination and selection of the highest governance body	Annual Report – Corporate Governance Report – Nomination Committee Report
2-11	Chair of the highest governance body	Annual Report – Corporate Governance Report
2-12	Role of the highest governance body in overseeing the management of impacts	Pages 5, 9-12
2-13	Delegation of responsibility for managing impacts	Pages 5-12
2-14	Role of the highest governance body in sustainability reporting	Pages 5, 11
2-15	Conflicts of interest	Annual Report - Corporate Governance Report
2-16	Communication of critical concerns	Annual Report - Corporate Governance Report – Risk Management and Sustainability Committee Report
2-17	Collective knowledge of the highest governance body	Annual Report – Corporate Governance Report
2-18	Evaluation of the performance of the highest governance body	Annual Report – Corporate Governance Report
2-19	Remuneration policies	Annual Report – Corporate Governance Report – Remuneration Committee Report
2-20	Process to determine remuneration	Pages 43, 62-63; Annual Report – Corporate Governance Report – Remuneration Committee Report
2-21	Annual total compensation ratio	Not applicable. Although related data is available, making a definitive statement about the compensation ratio at the corporate level is difficult as compensation metrics vary greatly depending on the market trend, geographic location and inflation rate etc. VTech performs comprehensive assessments to ensure fair, equitable and competitive compensation. This includes but not limited to conducting regular salary survey, engaging with external human resources agencies for benchmarking, and reviewing salary policy in a timely manner. With such measures, our compensation packages comply with the local regulations and in line with the local market expectations.



GRI 2: General Disclosures 2021		
GRI Indicator	Description	Location and Notes
Strategy, policies and practices		
2-22	Statement on sustainable development strategy	Pages 2-3
2-23	Policy commitments	Pages 22-27, 35-39, 40-41, 61
2-24	Embedding policy commitments	Pages 35-39, 43-57, 61-65; Annual Report - Corporate Governance Report
2-25	Processes to remediate negative impacts	Pages 9-10, 61-65
2-26	Mechanisms for seeking advice and raising concerns	Pages 25, 62
2-27	Compliance with laws and regulations	Key Performance Data
2-28	Membership associations	Page 80
Stakeholder Engagement		
2-29	Approach to stakeholder engagement	Pages 9-12
2-30	Collective bargaining agreements	Employees covered by collective bargaining agreement is managed and monitored at local level. Only employees in Spain, France and Malaysia are bound by the collective agreement, which account for 10.5% of VTech's employees. Although the majority of VTech's employees are from Hong Kong and China which do not have regulatory requirement with regard to collective bargaining, we maintain clear and open communication channels for our staff to raise concerns on a range of employment issues. Employees can also enjoy the freedom to participate in trade unions if they wish.
Material Topics		
GRI 3: Material Topics 2021		
3-1	Process to determine material topics	Pages 9-11
3-2	List of material topics	Page 12
Economic		
GRI 201: Economic Performance 2016		
3-3	Management of material topics	Page 4
201-1	Direct economic value generated and distributed	Page 4
GRI 204: Procurement practice 2016		
3-3	Management of material topics	Pages 37-39
204-1	Proportion of spending on local suppliers	Key Performance Data
GRI 205: Anti-corruption 2016		
3-3	Management of material topics	Page 26
205-1	Operations assessed for risks related to corruption	Annual Report – Risk Management and Sustainability Committee Report During the risk assessment exercise carried out twice a year, risk owners across all major VTech operations and locations are required to identify and assess risks across various categories and factors, including potential ethical breaches such as corruption.
205-2	Communication and training about anti-corruption policies and procedures	Page 26 Anti-Corruption Policy
205-3	Confirmed incidents of corruption and actions taken	There were no confirmed incidents of corruption, or legal cases regarding corruption brought against the Group or its employees, during the reporting period
Environmental		
GRI 301: Materials 2016		
3-3	Management of material topics	Pages 30-32
301-1	Materials used by weight or volume	Key Performance Data



Material Topics		
GRI Indicator	Description	Location and Notes
GRI 302: Energy 2016		
3-3	Management of material topics	Pages 40-41, 50-52
302-1	Energy consumption with the organisation	Pages 50-52, Key Performance Data
302-2	Energy consumption outside of the organisation	We have identified and disclosed part of our Scope 3 categories that are significant to our operation. We will continue to collect data whenever feasible and disclose energy use from relevant Scope 3 categories in the future.
302-3	Energy intensity	Pages 50-52, Key Performance Data
GRI 303: Water and Effluents 2018		
3-3	Management of material topics	Pages 40-41, 55
303-1	Interactions with water discharged-related impacts	Pages 55, Key Performance Data
303-2	Management of water discharged-related impacts	Pages 55, Key Performance Data
303-5	Water consumption	Pages 55, Key Performance Data
GRI 305: Emissions 2016		
3-3	Management of material topics	Pages 43-52
305-1	Direct (Scope 1) GHG emissions	Key Performance Data
305-2	Energy indirect (Scope 2) GHG emissions	Key Performance Data
305-3	Energy indirect (Scope 3) GHG emissions	Key Performance Data
305-4	GHG emissions intensity	Key Performance Data
GRI 306: Waste 2020		
3-3	Management of material topics	Pages 55-57
306-1	Waste generation and significant waste-related impacts	Pages 55-57
306-2	Management of significant waste-related impacts	Pages 55-57
306-3	Waste generated	Pages 55-57, Key Performance Data
GRI 308: Supplier Environmental Assessment 2016		
3-3	Management of material topics	Pages 37-39
308-1	New suppliers that were screened using environmental criteria	Pages 37-39
308-2	Negative environmental impacts in the supply chain and actions taken	Pages 37-39
Social – Labour and Human Rights Policy		
GRI 402: Labour/Management Relations 2016		
3-3	Management of material topics	Pages 61-65
402-1	Minimum notice periods regarding operational changes	<p>Employees in Spain, France and Malaysia which is accountable for 10.5% of VTech's employee are covered by collective bargaining agreement. Notice period provided to employees and their representative prior to the implementation of significant operational changes is between fifteen days to six months depends on the significance.</p> <p>In our operating sites where are not bound by the collective agreement, we do not have a fixed minimum notice regarding operational change. However, to the extent possible, we do inform our colleagues well in advance the intention and details of the change. Prior to such change, we will conduct briefing for employees to collect their feedback and try to put relevant notice within a month's time.</p>



Material Topics		
GRI Indicator	Description	Location and Notes
GRI 403: Occupational Health and Safety 2018		
3-3	Management of material topics	Pages 65-67
403-1	Occupational health and safety management system	Pages 65-67
403-2	Hazard identification, risk assessment and incident investigation	Pages 65-67
403-3	Occupational health services	Pages 65-67
403-4	Worker participation, consultation, and communication on health and safety	Pages 65-67
403-5	Worker training on occupational health and safety	Pages 65-67
403-6	Promotion of worker health	Pages 59-60, 65-67
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Pages 65-67
403-9	Work-related injuries	Pages 65-67, Key Performance Data
GRI 404: Training and Education 2016		
3-3	Management of material topics	Pages 60-61
404-1	Average hours of training per year per employee	Pages 60-61, Key Performance Data
Social – Product Responsibilities		
GRI 416: Customer Health and Safety 2016		
3-3	Management of material topics	Pages 33-34
416-1	Assessment of the health and safety impacts of product and service categories	Pages 33-34
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Key Performance Data
GRI 417: Marketing and Labeling 2016		
3-3	Management of material topics	Pages 33-35
417-1	Requirements for product and service information and labeling	Page 35
417-2	Incidents of non-compliance concerning product and service information and labeling	Key Performance Data
417-3	Incidents of non-compliance concerning marketing communications	There were no incidents of non-compliance concerning marketing communications during the reporting period.
GRI 418: Customer Privacy 2016		
3-3	Management of material topics	Pages 24-27
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	VTech does not report the number of substantiated complaints or loss of customer data since this information is not rolled up to a global level



Stock Exchange ESG Code Index

Part B: Mandatory Disclosure Requirements

Mandatory Disclosure Requirements	Location and Notes	
Governance Structure	A statement from the board containing the following elements: (i) a disclosure of the board's oversight of ESG issues; (ii) the board's ESG management approach and strategy, including the process used to evaluate, prioritise and manage material ESG-related issues (including risks to the issuer's businesses); and (iii) how the board reviews progress made against ESG-related goals and targets with an explanation of how they relate to the issuer's businesses.	VTech's Sustainability Management Climate Change – Governance
Reporting Principles	Materiality The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; and (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement.	Dialogue and Involvement with our Stakeholders
	Quantitative Information on the standards, methodologies, assumptions and/or calculation tools used, and source of conversion factors used, for the reporting of emissions/energy consumption (where applicable) should be disclosed.	Key Performance Data - Note
	Consistency The issuer should disclose in the ESG report any changes to the methods or KPIs used, or any other relevant factors affecting a meaningful comparison.	Key Performance Data - Note
Reporting Boundary	A narrative explaining the reporting boundaries of the ESG report and describing the process used to identify which entities or operations are included in the ESG report. If there is a change in the scope, the issuer should explain the difference and reason for the change.	Reporting Period and Scope



Part C: “Comply or explain” Provisions

Aspects	Disclosure	Location and Notes	
A. Environmental			
A1. Emission	General Disclosure	<p>Information on:</p> <p>(a) the policies; and</p> <p>(b) compliance with relevant laws and regulations that have a significant impact on the issuer</p> <p>relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.</p> <p><i>Note:</i></p> <ul style="list-style-type: none"> – Air emissions include NOx, SOx, and other pollutants regulated under national laws and regulations. – Greenhouse gases include carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride. – Hazardous wastes are those defined by national regulations. 	Pages 40-41
	KPI A1.1	The types of emissions and respective emissions data.	Page 52, Key Performance Data
	KPI A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Key Performance Data
	KPI A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Page 57, Key Performance Data
	KPI A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility).	Page 56, Key Performance Data
	KPI A1.5	Description of emission target(s) set and steps taken to achieve them.	Pages 18, 49-52
	KPI A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction targets(s) set and steps taken to achieve them.	Pages 19, 55-57



Aspects	Disclosure		Location and Notes
A2. Use of Resources	General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials. <i>Note:</i> – Resources may be used in production, in storage, transportation, in buildings, electronic equipment, etc.	Pages 40-41
	KPI A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility).	Pages 52, Key Performance Data
	KPI A2.2	Water consumption in total and intensity (e.g. per unit of production volume per facility).	Pages 55, Key Performance Data
	KPI A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Pages 19, 49-52
	KPI A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Page 55
	KPI A2.5	Total packaging material used for finished products (in tonnes), and if applicable, with reference to per unit produced.	Key Performance Data
A3. The Environment and Natural Resources	General Disclosure	Policies on minimising the issuer's significant impact on the environment and natural resources.	Pages 40-57
	KPI A3.1	Description of the significant impacts of activities on the environment and natural resources and the actions taken to manage them.	Pages 40-57
A4. Climate Change	General Disclosure	Policies on identification and mitigation of significant climate-related issues which have impacted, and those may impact, the issuer.	Pages 43-49
	KPI A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them.	Pages 43-49
B. Social			
Employment and Labour Practices			
B1. Employment	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Pages 58-59, 61-65
	KPI B1.1	Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region.	Key Performance Data
	KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Key Performance Data
B2. Health and Safety	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Pages 59-60, 65-67
	KPI B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year.	Page 65, Key Performance Data
	KPI B2.2	Lost days due to work injury.	Key Performance Data
	KPI B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored.	Pages 65-67
B3. Development and Training	General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities. <i>Note:</i> – Training refers to vocational training. It may include internal and external courses paid by the employer.	Pages 58, 60-61
	KPI B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Key Performance Data
	KPI B3.2	The average training hours completed per employee by gender and employee category.	Page 61, Key Performance Data



Aspects	Disclosure		Location and Notes
B4. Labour Standards	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour	Pages 61-63
	KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Pages 61-62
	KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Pages 61-63
Operating Practices			
B5. Supply Chain Management	General Disclosure	Policies on managing environmental and social risks of the supply chain.	Pages 37-39
	KPI B5.1	Number of suppliers by geographical region.	83% suppliers are local suppliers
	KPI B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored.	Pages 37-39
	KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Pages 37-39
	KPI B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Pages 37-39
B6. Product Responsibility	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Pages 28-29, 33-35
	KPI B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Key Performance Data
	KPI B6.2	Number of products and service related complaints received and how they are dealt with.	Page 33, 8 products and services related complaints were received during FY2026.
	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Page 27
	KPI B6.4	Description of quality assurance process and recall procedures.	Pages 33-34
	KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Pages 26-27
B7. Anti-corruption	General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Page 26
	KPI B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Zero case in FY2026
	KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Page 26
	KPI B7.3	Description of anti-corruption training provided to directors and staff.	Page 26
Community			
B8. Community Investment	General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	Pages 68-75
	KPI B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport).	Page 68
	KPI B8.2	Resources contributed (e.g. money or time) to the focus area.	Pages 68-69



Part D: Climate-related Disclosures

Core Content	Relevant Paragraph under IFRS S2	Location and Notes
Governance		
19. An issuer shall disclose information about:	6(a)	VTech's Sustainability Management Climate Change – Governance
(a) the governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities. Specifically, the issuer shall identify that body(s) or individual(s) and disclose information about:		
(i) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;	6(a)(ii)	Climate Change – Governance Annual Report 2026: Board Skills and Experience
(ii) how and how often the body(s) or individual(s) is informed about climate related risks and opportunities;	6(a)(iii)	VTech's Sustainability Management Climate Change – Governance
(iii) how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the issuer's strategy, its decisions on major transactions, and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities;	6(a)(iv)	Climate Change – Strategy
(iv) (how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities (see Paragraphs 37 to 40), including whether and how related performance metrics are included in remuneration policies (see Paragraph 35); and	6(a)(v)	Climate Change – Governance
(b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about:	6(b)	VTech's Sustainability Management Climate Change – Governance
(i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	6(b)(i)	
(ii) whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	6(b)(ii)	
Strategy		
Climate-related Risks and Opportunities		
20. An issuer shall disclose information to enable an understanding of climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term. Specifically, the issuer shall:		
(a) describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, its access to finance or cost of capital over the short, medium or long term;	10(a)	Climate Change – Strategy
(b) explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk;	10(b)	
(c) specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	10(c)	
(d) explain how the issuer defines 'short term', 'medium term' and 'long term' and these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	10(d)	



Core Content	Relevant Paragraph under IFRS S2	Location and Notes
Business Model and Value Chain		
21. An issuer shall disclose information that enables an understanding of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain. Specifically, the issuer shall disclose:		
(a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; and	13(a)	Climate Change – Strategy
(b) a description of where in the issuer's business model and value chain climate related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	13(b)	
Strategy and Decision-making		
22. An issuer shall disclose information that enables an understanding of the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the issuer shall disclose:		
(a) information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the issuer shall disclose information about:	14	Climate Change – Strategy
(i) current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities;	14(a)(i)	
(ii) current and anticipated adaptation and mitigation efforts (whether direct or indirect);	14(a)(ii)(iii)	
(iii) any climate-related transition plan the issuer has (including information about key assumptions used in developing its transition plan, and dependencies on which the issuer's transition plan relies), or an appropriate negative statement where the issuer does not have a climate-related transition plan; and	14(a)(iv)	
(iv) how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (in any)), described in accordance with paragraphs 37 to 40; and	14(a)(v)	
(b) information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph 22(a).	14(b)	Climate Change – Strategy
23. An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).	14(c)	FY2026 Targets and Progress Updates



Core Content	Relevant Paragraph under IFRS S2	Location and Notes
Financial Position, Financial Performance and Cash Flows		
Current Financial Effect		
24. An issuer shall disclose qualitative and quantitative information about:		
(a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and	16(a)	Climate Change – Strategy
(b) the climate-related risks and opportunities identified in paragraph 24(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	16(b)	<p>During FY2026, no effects on assets, liabilities, or financial losses due to climate-related disruptions in production or supply chains were reported.</p> <p>Climate-related affecting the Group's financial performance represent less than 0.18% of the total revenue. Climate-related opportunities during contributed to 3.6% of total revenue.</p> <p>Capital expenditure on renewable energy and energy efficiency projects accounted for less than 0.1% of total asset value, with estimated savings took up less than 0.1% total asset value.</p> <p>There is no climate-related risks and opportunities identified for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.</p>
Anticipated Financial Effect		
25. The issuer shall provide qualitative and quantitative disclosures about:		
(a) how the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration: (i) its investment and disposal plans; and (ii) its planned sources of funding to implement its strategy; and	16(c)(i)(ii)	Climate Change – Strategy
(b) how the issuer expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	16(d)	<p>Considering the investment plan and source of funding to implement our climate strategy, we anticipate that the impact of climate-related risks on VTech's financial position will be minor, with estimated financial loss in the long-term at approximately 3% of total asset value.</p> <p>In the long term, we anticipate that the overall impact of climate-related risks on VTech's financial performance will be insignificant, and impact of overall climate-related opportunities will be minor. The estimated financial impact of climate-related risks brought by increase of operating costs to be around 0.21% of revenue by FY2031. The estimated financial impact of climate-related opportunities brought by the increase of eco-friendly products sales to be around 3.9% of the revenue by FY2031.</p> <p>We anticipate that the impact of climate-related risks and opportunities on VTech's cash flow will be insignificant in the short, medium and long-term.</p>



Core Content	Relevant Paragraph under IFRS S2	Location and Notes
Climate Resilience		
26. An issuer shall disclose information that enables an understanding of the resilience of the issuer's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the issuer's identified climate-related risks and opportunities. An issuer shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with an issuer's circumstances. In providing quantitative information, the issuer may disclose a single amount or a range. Specifically, the issuer shall disclose:	22	
(a) the issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of:	22(a)	Climate Change – Strategy
(i) the implications, if any, of the issuer's assessment for its strategy and business model, including how the issuer would need to respond to the effects identified in the climate-related scenario analysis;	22(a)(i)	Uncertainties include actual physical damage, climate-related policy shifts, market conditions, technological advancements, and stakeholder expectations.
(ii) the significant areas of uncertainty considered in the issuer's assessment of its climate resilience; and	22(a)(ii)	
(iii) the issuer's capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term;	22(a)(iii)	
(b) how and when the climate-related scenario analysis was carried out, including:	22(b)	Climate Change – Risk Management
(i) information about the inputs used, including: (1) which climate-related scenarios the issuer used for the analysis and the sources of such scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (4) whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; (5) why the issuer decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) time horizons the issuer used in the analysis; and (7) what scope of operations the issuer used in the analysis (for example, the operation, locations and business units used in the analysis);	22(b)(i)	
(ii) the key assumptions the issuer made in the analysis; and	22(b)(ii)	
(iii) the reporting period in which the climate-related scenario analysis was carried out.	22(b)(iii)	FY2026



Core Content	Relevant Paragraph under IFRS S2	Location and Notes
Risk Management		
27. An issuer shall disclose information about:		
(a) the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about:	25(a)	
(i) the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes);	25(a)(i)	Reporting Period and Scope
(ii) whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks;	25(a)(ii)	Climate Change – Risk Management
(iii) how the issuer assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the issuer considers qualitative factors, quantitative thresholds or other criteria);	25(a)(iii)	Climate Change – Risk Management VTech identified its climate-related risks by the nature, likelihood and magnitude of potential risks. Qualitative factors includes the impact on business operation, and sustainable development of strategic objectives. Quantitative factors includes the percentage of revenue and/or total asset value being affected for the financial year. Thresholds potential financial impact of climate-related risk and opportunities are as follows: Insignificant: <1%; Minor: 1-4%; Moderate: 4-6%; Major: 6-10%; Significant: 10% above.
(iv) whether and how the issuer prioritises climate-related risks relative to other types of risks;	25(a)(iv)	Climate change risks are managed across the Group according to VTech's risk management system. VTech identifies, assesses, and manages climate change risks alongside all other types of risk as part of its group-wide risk management framework and adopts the same set of risk criteria in assessing climate change risks. Please refer to VTech's Annual Report page 82 for our risk management framework.
(v) how the issuer monitors climate-related risks; and	25(a)(v)	Climate Change – Strategy
(vi) whether and how the issuer has changed the processes it uses compared with the previous reporting period;	25(a)(vi)	No changes.
(b) the processes the issuer uses to identify, assess, prioritise and monitor climate-related opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities); and	25(b)	Climate Change – Risks Management Climate Change – Strategy
(c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the issuer's overall risk management process.	25(c)	Annual report – Risk Management Framework



Core Content	Relevant Paragraph under IFRS S2	Location and Notes
Metrics and Targets		
Greenhouse Gas Emissions		
28. An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO2 equivalent, classified as:		
(a) Scope 1 greenhouse gas emissions; (b) Scope 2 greenhouse gas emissions; and (c) Scope 3 greenhouse gas emission.	29(a)(i)	Key Performance Data
29. An issuer shall: (a) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or another exchange on which the issuer is listed to use a different method for measuring greenhouse gas emissions;	29(a)(ii)	Key Performance Data
(b) disclose the approach it uses to measure its greenhouse gas emissions including: (i) the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions; (ii) the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and (iii) any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;	29(a)(iii)	Key Performance Data - Note
(c) for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 28(b), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to enable an understanding of the issuer's Scope 2 greenhouse gas emissions; and	29(a)(v)	Key Performance Data
(d) for Scope 3 greenhouse gas emissions disclosed in accordance with paragraph 28(c), disclose the categories included within the issuer's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).	29(a)(vi)	Key Performance Data – Note We began the process to identify and disclose Scope 3 categories that are significant to VTech operations. We will continue to collect data whenever feasible and disclose relevant Scope 3 categories in the future.
Climate-related Transition Risks		Climate Change – Strategy
30. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	29(b)	Climate Change – Metrics and Targets
Climate-related Physical Risks		We have deployed external climate modelling tools to access the amount and percentage of assets exposed to physical risks. Under the "Business as usual" scenario, by 2050, the total asset value at risk is around 3% of revenue (USD \$14.4 million), which would be considered as a minor risk for VTech.
31. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	29(c)	
Climate-related Opportunities		We quantified our business activities exposed to transition risks and aligned with climate-related opportunities by percentage of revenue. Business activities exposed to transition risks was less than 0.2% of revenue (USD \$3.7 million). Business activities aligned with Climate-related opportunities was around 3.6% of revenue (USD \$72.3 million).
32. An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	29(d)	
Capital Deployment		
33. An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	29(e)	



Core Content	Relevant Paragraph under IFRS S2	Location and Notes
Internal Carbon Price		
34. An issuer shall disclose: <ul style="list-style-type: none"> (a) an explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis); and (b) the price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions; or an appropriate negative statement that the issuer does not apply a carbon price in decision-making. 	29(f)	We currently have not applied an internal carbon price in decision-making, no monetary value per tonne of carbon is assigned.
Remuneration		
35. An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement. This may form part of the disclosure under paragraph 19(a)(iv).	29(g)	Climate Change – Governance Remuneration Policy Percentage of executive management remuneration recognised was determined and implemented internally. We will strive for comprehensive reporting in the future.
Industry-based Metrics		
36. An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry. In determining the industry-based metrics that the issuer discloses, an issuer is encouraged to refer to and consider the applicability of the industry-based metrics associated with disclosure topics described in the IFRS S2 Industry-based Guidance on implementing Climate-related Disclosures and other industry-based disclosure requirements prescribed under other international ESG reporting frameworks.	32	We have referred to and considered the industry-based metrics in the Industry-based Guidance on Implementing IFRS S2. We have disclosed applicable metrics where data is currently available and reliable. We will strive for comprehensive reporting in the future.
Climate-related Targets		
37. An issuer shall disclose (a) the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals, and (b) any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the issuer shall disclose:		
<ul style="list-style-type: none"> (a) the metric used to set the target; (b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives); (c) the part of the issuer to which the target applies (for example, whether the target applies to the issuer in its entirety or only a part of the issuer, such as a specific business unit or geographic region); (d) the period over which the target applies; (e) the base period from which progress is measured; (f) milestones or interim targets (if any); (g) if the target is quantitative, whether the target is an absolute target or an intensity target; and (h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target. 	33	VTech Sustainability Plan 2030



Core Content	Relevant Paragraph under IFRS S2	Location and Notes
38. An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:		
(a) whether the target and the methodology for setting the target has been validated by a third party;	34	The target has not been validated by a third party.
(b) the issuer's processes for reviewing the target;		VTech's Sustainability Management
(c) the metrics used to monitor progress towards reaching the target; and		VTech Sustainability Plan 2030
(d) any revisions to the target and an explanation for those revisions.		No revisions.
39. An issuer shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the issuer's performance.	35	Energy Consumption and Carbon Emission
40. For each greenhouse gas emissions target disclosed in accordance with paragraphs 37 to 39, an issuer shall disclose:		
(a) which greenhouse gases are covered by the target;	36(a)	Carbon dioxide, methane and nitrous oxide
(b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target;	36(b)	VTech Sustainability Plan 2030
(c) whether the target is a gross greenhouse gas emissions target or a net greenhouse gas emissions target. If the issuer discloses a net greenhouse gas emissions target, the issuer is also required to separately disclose its associated gross greenhouse gas emissions target;	36(c)	We considered our target as gross GHG emissions target, as we currently do not have carbon offset plan with GHG offset target in place.
(d) whether the target was derived using a sectoral decarbonisation approach; and	36(d)	Targets were not derived using a sectoral decarbonisation approach. Targets were internally set based on management review and approval, operational feasibility and historical performance.
(e) the issuer's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits, the issuer shall disclose: <ul style="list-style-type: none"> (i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits; (ii) which third-party scheme(s) will verify or certify the carbon credits; (iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and (iv) any other factors necessary to enable an understanding of the credibility and integrity of the carbon credits the issuer plans to use (for example, assumptions regarding the permanence of the carbon offset). 	36(e)	We have not purchased carbon credits to offset our GHG emissions. We will continue to evaluate the necessity of purchasing carbon credits in the future.
Applicability of Cross-industry Metrics and Industry-based Metrics		
41. In preparing disclosures to meet the requirements in paragraphs 21 to 26 and 37 to 38, an issuer shall refer to and consider the applicability of cross-industry metrics (see paragraphs 28 to 35) and (ii) industry-based metrics (see paragraph 36).	NA	We have referred to and considered the industry-based metrics in the Industry-based Guidance on Implementing IFRS S2. We have disclosed applicable metrics where data is currently available and reliable. We will strive for comprehensive reporting in the future.



Certifications in Manufacturing Facilities

TEL Products	
SCAN	Supplier Compliance Audit Network
ISO 9001/TL 9000	Quality Management System
ISO 14001	Environmental Management System
ESCP	Ethical Supply Chain Program
ISO 45001	Occupational Health and Safety Management System
SA 8000	Social Accountability
ELPs	
GSV	Global Security Verification
ISO 9001	Quality Management System
ISO 14001	Environmental Management System
ISO 17025	Laboratory Accreditation Certificate by China National Accreditation Service for Conformity Assessment (CNAS)
ESCP	Ethical Supply Chain Program
ISO 45001	Occupational Health and Safety Management System
BRC Global Standards	BRC Global standards for Consumer Products General Merchandise
CMS	
ISO 9001	Quality Management System
ISO 13485	Medical Devices Quality Management System
ISO 14001	Environmental Management System
ISO 50001	Energy Management System
IATF 16949	Automotive Quality and Management System
ISO 45001	Occupational Health and Safety Management System
SA 8000	Social Accountability
QC 080000	Hazardous Substance Process Management System



Environmental and Safety Standards

TEL Products

Environmental Standards of TEL Products	
RoHS	Restriction of Hazardous Substances in Electrical and Electronic Equipment
Directive 94/62/EC & 2013/2/EU	European Parliament and Council Directive on Packing and Packaging Waste
REACH	Registration, Evaluation, Authorisation and Restriction of Chemicals
WEEE	Waste Electrical and Electronic Equipment
Energy Star® eco-label	Certified Energy Saving Products
Safety Standards of TEL Products	
UL 62368	Safety standards for US Market
EN 62368	Safety standards for European countries
CCC	China Compulsory Certification
UL	Underwriters Laboratories

ELPs

Environmental Standards of ELPs	
RoHS	Restriction of Hazardous Substances in Electrical and Electronic Equipment
Directive 94/62/EC & 2013/2/EU	European Parliament and Council Directive on Packing and Packaging Waste
REACH	Registration, Evaluation, Authorisation and Restriction of Chemicals
WEEE	Waste Electrical and Electronic equipment
CP65	California Proposition 65: Safe Drinking Water and Toxic Enforcement Act
FSC™	Forest Stewardship Council™
GRS	Global Recycle Standard
Safety Standards of ELPs	
CCC	China Compulsory Certification
ASTM-F963	Standard Consumer Safety Specification for Toy Safety
CPSIA	Consumer Product Safety Improvement Act
EN71	European Standard Safety for Toys
ISO 8124	Safety of Toys
CCPSA	Canada Consumer Product Safety Act



CMS

Environmental Standards of CMS Products	
RoHS	Restriction of Hazardous Substances in Electrical and Electronic Equipment
Directive 94/62/EC & 2013/2/EU	European Parliament and Council Directive on Packing and Packaging Waste
REACH	Registration, Evaluation, Authorisation and Restriction of Chemicals
WEEE	Waste Electrical and Electronic equipment
Energy Star® eco-label	Certified Energy Saving Products
CP65	California Proposition 65: Safe Drinking Water and Toxic Enforcement Act
Safety Standards of CMS Products	
CCC	China Compulsory Certification
CE	Conformance European
CQC	China Quality Certification
CSA	Canadian Standards Association
ETL	Electrical Testing Laboratories
GS	German Safety
KC	Korea Certification
UL	Underwriters Laboratories
NEMKO	Norges Elektriske Materiell kontroll
PSE/JQA	Product Safety of Electrical Appliance & Materials from Japan Quality Assurance Organisation
MET	Maryland Electrical Testing
UL 62368	Safety standards for US Market
EN 62368	Safety standards for European countries
KTL	Certificate from Korea Testing Laboratory
ENEC	European Norms Electrical Certification
VDE	Verband Deutscher Elektrotechniker
TUV Rheinland	Technischer Überwachungs-Verein Rheinland
BIS	Bureau of Indian Standards
UKCA	United Kingdom Conformity Assessed
FCC	Federal Communications Commission
NCC	The National Communications Commission
MCMC	Malaysian Communications and Multimedia Commission
NOM	Norma Oficial Mexicana
DLC	DesignLights Consortium
ATEX/IECEX	Equipment intended for use in explosive atmospheres



VTech Major Subsidiaries

Hong Kong

VTech Telecommunications Limited
 VTech Electronics Limited
 VTech Communications Limited
 Perseus Investments Limited
 Valentia Investment Limited
 VTech Finance Limited

People's Republic of China

VTech (Dongguan) Telecommunications Limited
 VTech (Dongguan) Telecommunications Electronics Limited
 VTech (Dongguan) Electronics Limited
 VTech (Dongguan) Communications Limited
 VTech (Dongguan) Plastic Products Co., Ltd.
 VTech (Dongguan) Electronics Industrial Co., Ltd.
 VTech (Qingyuan) Plastic & Electronics Co., Ltd.
 VTech Electronics Industrial (Shenzhen) Co., Ltd.
 VTech Telecommunications (Shenzhen) Limited

Australia

VTech Telecommunications (Australia) Pty Limited
 VTech Electronics (Australia) Pty Limited

Canada

VTech Technologies Canada Ltd.

France

VTech Electronics Europe S.A.S.

Germany

VTech Electronics Europe GmbH
 VTech IAD GmbH
 Snom Technology GmbH
 Gigaset Technologies GmbH

Netherlands

VTech Electronics Europe B.V.

Spain

VTech Electronics Europe, S.L.

United Kingdom

VTech Electronics Europe Plc

United States

VTech Electronics North America, L.L.C.
 VTech Communications, Inc.
 LeapFrog Enterprises, Inc.

Malaysia

VTech Communications (Malaysia) Sdn. Bhd.
 VTech Telecommunications (Malaysia) Sdn. Bhd.

Singapore

VTech Communications Trading (Singapore) Pte. Ltd.

Mexico

VTech Communications (Overseas), Ltd.

Poland

VTech Technologies (Poland) sp. z o.o.

A Chinese translation of the sustainability report is available on sustainability.vtech.com/zh_hk/reports_policies. If there are any discrepancies between the Chinese translation and the English version of this report, the English version shall prevail.

可持續發展報告的中文譯本可於sustainability.vtech.com/zh_hk/reports_policies 下載。本報告之中文譯本與英文本如有任何歧義，概以英文為準。
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