



# 2025

## SUSTAINABILITY REPORT

Committed to Advancing Cutting-Edge Technology,  
Fulfilling the Ambitions of Our Global Partners

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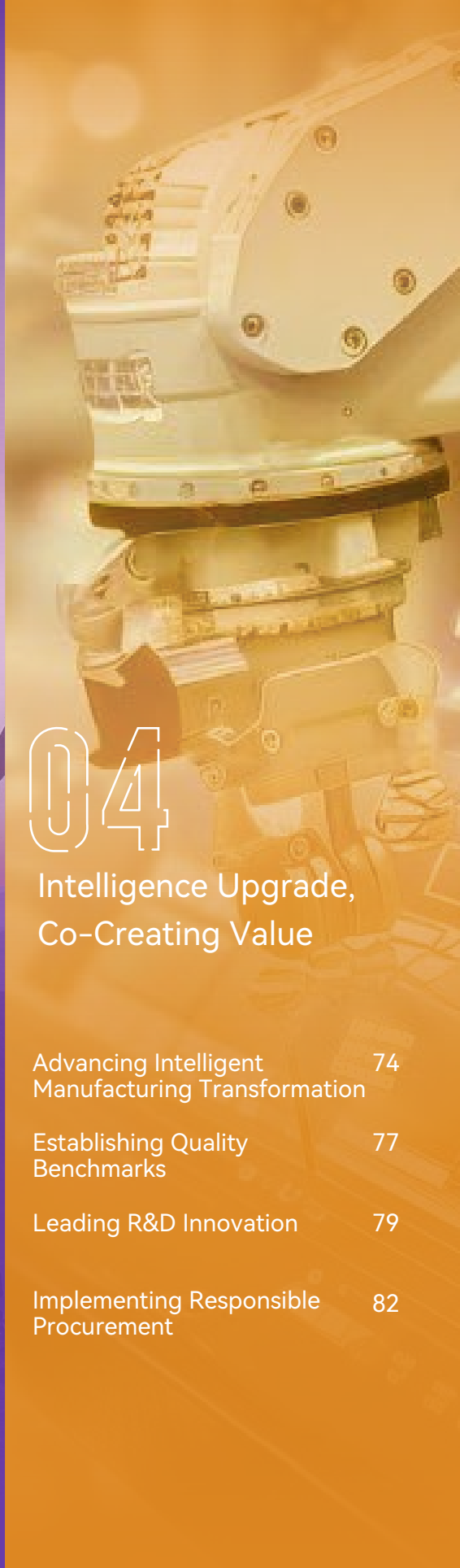
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## About this Report

### | Introduction

This is the seventh consecutive annual sustainability report published by Luxshare Precision Industry Co., Ltd. focusing on the sustainability philosophy upheld by the Company and its subsidiaries, the goals established, the progress in implementing its initiatives, and future plans.

### | Definition of Terms

For the convenience of expression and reading, "Luxshare Precision", "the Company", "we" and "us" in this Report refer to Luxshare Precision Industry Co., Ltd. and its subsidiaries. Unless otherwise specified, the terms used in this Report have the same meanings as those defined in the Company's *2025 Annual Report* (the "Annual Report").

### | Preparation Basis

This Report has been prepared in accordance with the *Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange—Sustainability Report (For Trial Implementation) (Guideline)* and *Appendix C2 to the Main Board Listing Rules—Environmental, Social and Governance Reporting Code (ESG Reporting Code)* issued by *The Stock Exchange of Hong Kong Limited*, and with reference to the GRI Sustainability Reporting Standards (GRI Standards) issued by the Global Sustainability Standards Board (GSSB) and capital market rating considerations such as MSCI. This Report was prepared by identifying important stakeholders, analyzing and arranging material topics, determining the contents of this Report, and summarizing, sorting, and reviewing relevant company information.

### | Reporting Entities and Period

Unless otherwise specified, the business scope and the reporting entities of the policies, statements and materials in this Report are the same as those of the Company's *2025 Annual Report*. The Reporting Period is from January 1, 2025 to December 31, 2025.

### | Reporting Principles

This Report is prepared in accordance with the following principles:

**Materiality:** Identifying ESG issues that are of substantive significance to stakeholders, and assessing the direct and indirect impact of these issues on the Company and its stakeholders.

**Quantification:** Where applicable, this Report provides quantitative information to help stakeholders objectively assess the Company's ESG performance. Quantitative information is accompanied by explanatory notes, where appropriate, to describe its purpose, impact and to provide comparative data.

**Consistency:** Unless otherwise stated in the main text or notes, ESG data disclosed in this Report is prepared using methodologies that are consistent across each reporting period.

### | External Assurance

Luxshare Precision has commissioned TÜV SÜD Certification & Testing (China) Co., Ltd. to conduct an external assurance according to AA1000 Assurance Standard. The assurance statement is provided on page 87 of the Report.

### | Availability of this Report

The Simplified Chinese and English versions of this Report can be accessed on the Company website under the "*Sustainability-Reports and Policies*" section. In case of any inconsistency between the versions, the Simplified Chinese version shall prevail.

## Board of Directors' Statement

The Board of Directors of Luxshare Precision Industry Co., Ltd. fully recognizes the importance of sustainability in enhancing the Company's overall resilience and creating long-term value, ensuring its integration into the Company's development strategy and major decision-making processes. As the highest authority responsible for and making decisions on ESG matters, the Board of Directors assumes full leadership and oversight responsibilities for all ESG issues. Through regular meetings and ad hoc special reports, it listens to feedback regarding concerns raised by stakeholders, takes into account capital market concerns, and continuously evaluates, prioritizes, and manages significant ESG topics. The Board identifies and addresses potential ESG risks in business operations and offers viewpoints and recommendations on matters that may impact the Company's long-term sustainable development.

The Company has established ambitious ESG management goals. The Board regularly reviews progress against these set ESG goals and promptly adjusts business strategies and implementation approaches based on operational realities to ensure alignment with the Company's business strategy.

This report provides a comprehensive disclosure of our progress and achievements in sustainable development in 2025. The Board of Directors is responsible for the authenticity, accuracy, and completeness of the content contained in this Report. After confirmation by the Strategy Committee, this Report was reviewed and approved by the Board of Directors on April 14, 2026.



# Chairman's Statement

## Dear Partners:

Currently, the global economy is being reshaped by overlapping cycles of change, while the industrial landscape is evolving rapidly in the tide of technological revolution. At Luxshare Precision, we remain steadfast in our original aspirations and press ahead with unwavering commitment, building resilience to navigate change and leveraging internal strength to overcome challenges. Over the past year, we remained committed to long-term value creation, working hand in hand with global partners to embed ESG principles into our intelligent, green, collaborative, and innovative business. This has earned us strong recognition from international capital markets and leading rating agencies, further enhancing the presence of Chinese intelligent manufacturing on the global stage.

## | Integrity Fortification, Empowering Efficient Governance

We have comprehensively upgraded our governance structure and policy system, with a focus on enhancing international compliance risk management capabilities. By successfully transitioning our Board's governance structure to a "single-tier" structure, we have established an integrated closed-loop compliance and risk control framework. Upholding integrity as a core value in our business conduct, we continue to solidify the foundation of trust with global partners by building a corporate image characterized by transparency, integrity and compliance.

## | Action Leadership, Pioneering Green Practices

We firmly believe in the global vision of synergistic advancement of green, low-carbon development and economic growth. Guided by a spirit of pragmatic action, we are steadily advancing toward our 1.5°C science-based targets, building a low-carbon action network across the entire value chain, exploring new win-win models for ecological protection, promoting sustainable water stewardship and circular utilization, and continuously increasing investment in clean technology innovation. These efforts have not only enabled us to achieve the highest global recognition in the latest CDP Climate Change and Water Security ratings, but also have deeply embedded green value into our product lifecycle.

## | Employee Empowerment, Fulfilling Shared Dreams

Our success is built on our people and strengthened through unity. We cultivate a global team characterized by cultural inclusivity, collaboration, and mutual trust. We continuously enhance our compensation and benefits systems and streamline career development pathways, striving to ensure that every employee's contribution is respected, valued, rewarded, and empowered. In 2025, we were recognized again as one of Forbes' World's Best Employers and joined the Responsible Business Alliance, extending international high standards of care and responsibility across the entire value chain, working with partners to safeguard employee well-being.

## | Value-driven Approach, Demonstrating Social Responsibility

Gratitude flows like a spring, sustaining all life it touches. We recognize our responsibility to give back to society and are dedicated to painting a beautiful global blueprint with benevolence. Following the unfortunate Tai Po fire in Hong Kong, the Company and I each immediately donated HKD 10 million to support rescue operations and relief efforts, standing together with those affected by the incident to overcome this difficult period. Over the years, Luxshare teams around the world have actively engaged in various local community initiatives, including educational support, elderly care, rural revitalization, and charitable donations, demonstrating our commitment to social responsibility in both breadth and depth.

## | Innovation Breakthrough, Exploring an Intelligent Future

We have anchored our course on "technological self-reliance and innovation", closely following the global waves of technological revolution and industrial transformation, while embracing the challenges and opportunities brought by AI. We have established the AI Research Institute to drive the deep integration of AI applications across our entire production process. By continuously increasing investment in intelligent and flexible automated production systems, we are building a stable, efficient, adaptable, and responsive intelligent manufacturing system that delivers Luxshare Precision's innovation and future vision to the world.

With steadfast determination, we build a solid foundation; with our original aspiration, we embark on a new journey; with innovation, we overcome myriad challenges; and with perseverance, we move toward the future. In the Year of the Horse, Luxshare Precision will continue to move forward with determination, seize the opportunities of the times, and work with global partners to shape a future characterized by intelligence, sustainability, and resilience.



Wang Laichun

Chairman of Luxshare Precision

# About Luxshare Precision

Luxshare Precision Industry Co., Ltd. was established on May 24, 2004, and was successfully listed on the Shenzhen Stock Exchange on September 15, 2010 (Stock Code: 002475). Headquartered in Dongguan City, Guangdong Province, China, the Company has over 200 subsidiaries and over 100 production bases, mainly located in Guangdong, Jiangxi, Jiangsu, Zhejiang, Anhui and other regions of China, as well as in 29 other countries such as Vietnam, Germany, and Mexico. Additionally, the Company has established R&D centers in Shanghai, Dongguan, Shenzhen, Xi'an, the United States and other locations.

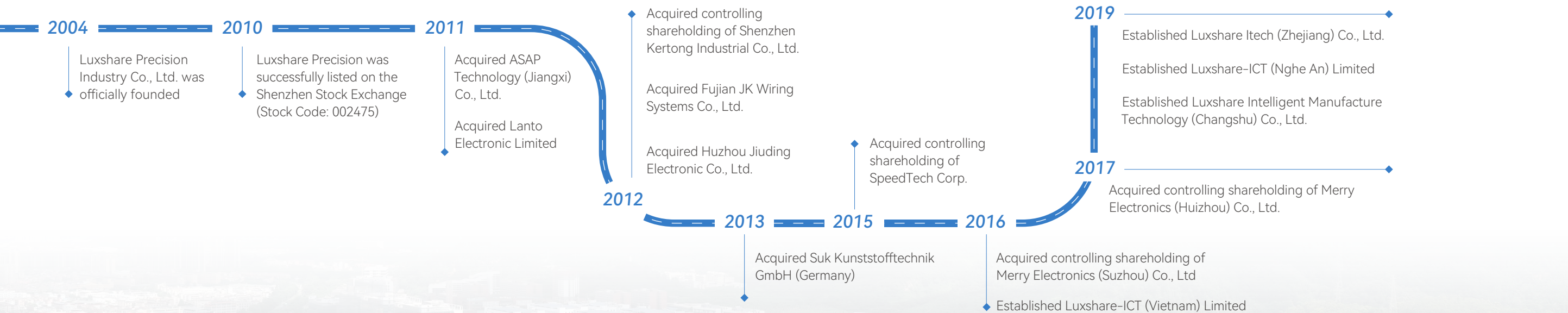
After two decades of accumulation and development, the Company adheres to its corporate mission of "Committed to advancing cutting-edge technology, fulfilling the ambitions of our global partners". Through continuous innovation, the Company has built a collaborative ecosystem with global partners, driving industry progress and sustainable social development. By seizing the vast opportunities presented by clean technology services and products, we aim to create shared value for society. Through internal growth, external expansion, and vertical integration, and driven by an uncompromising pursuit of breadth, depth, and precision, we have established a distinctive full-stack development and intelligent manufacturing platform. We actively participate in every stage of our clients' product lifecycle, from design and R&D to production and after-sales service, and have become a trusted partner empowering top-tier brand customers across global consumer electronics, automotive electronics, communications, and data centers.

For more information regarding the industry and business in which the Company operates, please refer to the *Annual Report*.

Acquired Control of Leoni AG and Leoni Kabel GmbH<sup>1</sup>

Integrated Wingtech Technology Co., Ltd.'s consumer electronics ODM/OEM business

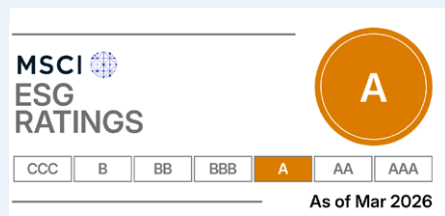
## Corporate Development History



<sup>1</sup> For ease of reference, Leoni AG, Leoni Kabel GmbH, and their subsidiaries are collectively referred to as "Leoni" in this Report

# Honors and Recognition

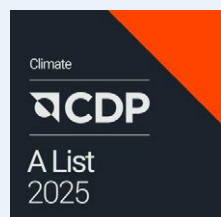
## Ratings and Indices



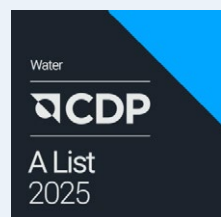
ESG Rating: "A" Level  
MSCI



Sustainability Rating: Silver Medal  
EcoVadis



"A" Rating in Climate Change  
CDP



"A" Rating in Water Security  
CDP



ESG Rating: "AA" Level  
WIND



Ranked 2nd in industry in CATI<sup>2</sup>  
Ranked 3rd in industry in CITI<sup>3</sup>  
Institute of Public & Environmental Affairs (IPE)  
公众环境研究中心

## Awards and Honors



2025 China ESG 50 List  
Forbes China



2024-2025 Forbes China Sustainable Development Industrial Enterprises  
Forbes China



2025 Fortune China ESG Impact List  
Fortune China



2025 Best Practice Cases of Sustainable Development of Listed Companies  
China Association for Public Companies

<sup>2</sup> CATI: Climate Action Transparency Index

<sup>3</sup> CITI: Corporate Information Transparency Index

# Honors and Recognition (Continued)

## Awards and Honors



Listed in "Pioneer 100 China ESG Listed Companies (2025)"  
China Media Group



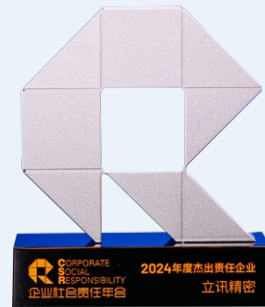
Goldenkey Excellent Solution  
China Sustainability Tribune



Xinhua Credit Jinlan Cup – Top Ten Sustainable Development Practice Achievements  
China Economic Information Service



2025 IPC China ESG Benchmarking Enterprise Award  
Association Connecting Electronics Industries (IPC)



China Corporate Social Responsibility Award – Outstanding Responsible Enterprise (2024)  
Southern Weekly



2025 Social Contribution Award  
StockStar



2025 CLS "Zhiyuan Award" – Environmentally Friendly (E) Pioneer Enterprise Award  
CLS.CN



2025 Corporate ESG "Golden Award" – Best Environmental (E) Responsibility Award  
Sina Finance



3rd China Corporate Carbon Neutrality Performance List – Green Supply Chain Management Award  
China Business Network

# 2025 ESG Highlights

## Foundation Consolidation, Safeguarding Sustainability

Special ESG communications with investors



**19** times

Number of large-scale investor engagement activities



**8** times

Handling rate of business ethics related complaints

**100 %**

Signing rate of *Employee's Letter of Integrity Commitment* or equivalent documents



**100 %**

Signing rate of *Letter of Integrity Commitment for Supplier* or equivalent documents



**100 %**

Total hours of anti-corruption and business ethics training

**483,181** hours

Coverage of employee anti-corruption training



**100 %**

Number of online information security audits and offline inspections of key suppliers



**325** times

Number of internal audits completed



**32** times

## Green Direction, Conserving Ecology

Absolute Scope 1 and 2 emissions reduced by<sup>4</sup>



**25 %**

Scope 3 emissions per CNY of value added reduced by



**19 %**

Energy saved

**158,792** MWh

Total installed capacity of rooftop solar PV power generation



**227** MW

Cumulative number of subsidiaries recognized as national or provincial green factories

**21**

Investment in clean technology R&D

over **500** million RMB

Utilization rate of clean energy



**64 %**

Cumulative number of subsidiaries certified by AWS<sup>5</sup> International Water Stewardship Standard



**6**

Cumulative number of subsidiaries certified by UL 2799 Zero Waste to Landfill



**14**

<sup>4</sup>The 2025 greenhouse gas (GHG) emissions are unverified. The base year is 2022, and Scope 2 GHG emissions are calculated using the market-based method

<sup>5</sup> AWS: Alliance for Water Stewardship

## 2025 ESG Highlights (Continued)

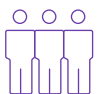
### Employee Cultivation, Advancing Future

Average training time per employee



**28** hours

Coverage of employee training



**100** %

Total expenditure on employee training programs



**24.06** million RMB

Total investment in public welfare and charities



**13.87** million RMB

Number of disabled employees



**3,543**

Decrease of recordable employee injury rate per million hours



**11** % year-on-year

Percentage of employees covered by operations with occupational health and safety management system



**100** %

Total investment in rural revitalization



**5.36** million RMB

### Intelligence Upgrade, Co-Creating Value

Cumulative patents granted



**10,100**

Training sessions and exchange activities related to innovation and R&D to external parties



**16**

CSR<sup>9</sup> audit coverage rate for new suppliers of raw materials



**100** %

Facilitated suppliers in energy conservation of



**56,560** MWh

Number of high-quality patent applications



**149**

Percentage of 3TG<sup>6</sup> materials involved in all products sourced from RMAP<sup>7</sup> conformant SORs<sup>8</sup>



**100** %

Percentage of 3TG materials involved in all products traceable to the country of origin



**100** %

Assisted in removing environmental violation records for



**23** suppliers

<sup>6</sup> 3TG: Tin, Tungsten, Tantalum, Gold

<sup>7</sup> RMAP: Responsible Minerals Assurance Process

<sup>8</sup> SORs: Smelters and Refineries

<sup>9</sup> CSR: Corporate Social Responsibility

## Industry Collaboration

As a leading enterprise in the electronic components industry, Luxshare Precision is actively engaged in industry development by participating in the formulation of industry standards, sharing cutting-edge technological achievements, and organizing professional seminars. **The Company has joined nearly 90 industry associations and professional organizations**, contributing to the standardized and normalized development of the industry.

### Industry Associations Participation<sup>10</sup>



<sup>10</sup> This section only showcases some of the industry associations in which Luxshare Precision has participated

## Overview of System Certifications

### Environment

- ◆ ISO 14001 Environmental Management System
- ◆ ISO 50001 Energy Management System
- ◆ QC 080000 Hazardous Substance Process Management System
- ◆ The AWS International Water Stewardship Standard
- ◆ ISO 14067 Greenhouse Gases – Carbon Footprint of Products
- ◆ UL 2799 Zero Waste to Landfill Validation
- ◆ SONY GP Green Partner Certification
- ◆ ISO 14064 Greenhouse Gas Verification Statement
- ◆ PAS 2060 Carbon Neutrality

### Social

- ◆ ISO 9001 Quality Management System
- ◆ ISO 13485 Medical devices—Quality Management Systems
- ◆ IATF 16949 Automotive Industry Quality Management System
- ◆ TL 9000 The Telecom Quality Management System
- ◆ ISO 45001 Occupational Health and Safety Management System
- ◆ SA 8000 Social Accountability Certification
- ◆ MSD China Certificate of Diverse Supplier<sup>11</sup>
- ◆ ANSI/ESD S20.20 or IEC 61340-5-1 Electrostatic Discharge Control Management System
- ◆ Responsible Business Alliance Validated Assessment Program Certification
- ◆ ISO 17025 General Requirements for the Competence of Testing and Calibration Laboratories
- ◆ ISO 28000 Security Management Systems (Supply Chain)

### Governance

- ◆ ISO/IEC 27001 Information Security Management System
- ◆ ISO 37001 Anti-Bribery Management System
- ◆ ISO 22301 Business Continuity Management System
- ◆ ISO/IEC 27701 Privacy Information Management System
- ◆ GB/T 29490 Enterprise Intellectual Property Compliance Management System
- ◆ China Authorized Economic Operator Certificate
- ◆ Customs-Trade Partnership Against Terrorism (CTPAT)

<sup>11</sup> Including Certificates of Diverse Supplier in two dimensions: bona fide supplier and ethnic minority regions

# 01 Foundation Consolidation, Safeguarding Sustainability

Luxshare Precision has deeply embedded the concept of sustainable development into its overall strategic foundation. The Company continuously refines its ESG management to support the progress of the United Nations Sustainable Development Goals (SDGs), creating long-term value for all stakeholders while ensuring robust business growth. The Company adheres to high standards of business ethics and compliance, enhances integrity governance and risk prevention mechanisms, establishes a comprehensive information security and privacy protection framework, and effectively safeguards the data rights and interests of customers, employees, and partners, thereby solidifying the foundation of trust.

- Corporate Governance and Risk Control
- Information Security and Privacy Protection
- Business Ethics



# Deepening ESG Governance

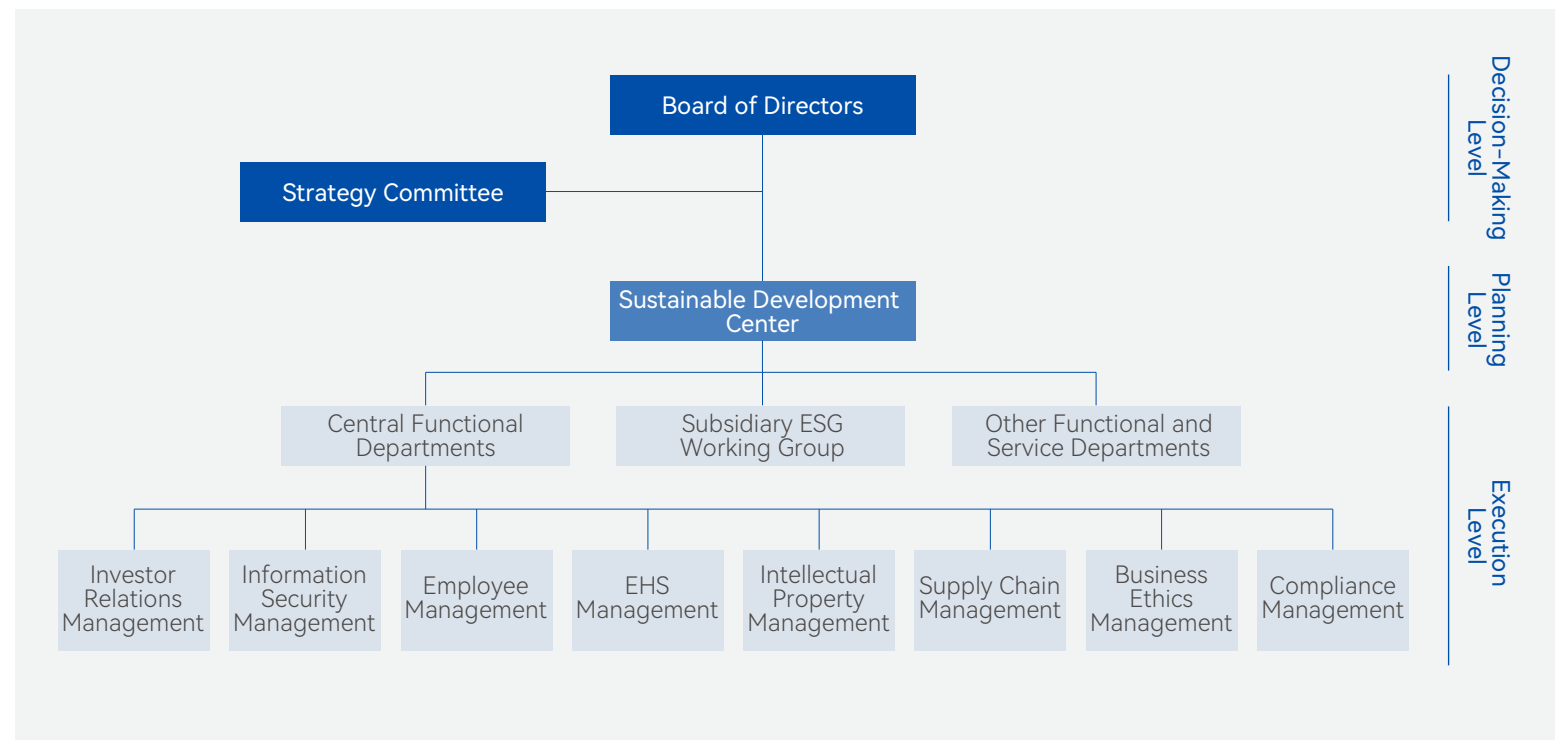
Luxshare Precision has established a clear and efficient sustainability governance structure. The Company continuously deepens ESG awareness and management capabilities across all levels, actively listens to the expectations and concerns of stakeholders, proactively identifies and manages related risks and opportunities, and effectively implements ESG concepts throughout each stage of the value chain through clear management strategies and commitments.

## ESG Management Structure

The Company has established a three-tier sustainability governance structure comprising the Board of Directors and the Strategy Committee, the Sustainable Development Center, and the Sustainability Execution Team. This 'Decision-Planning-Execution' framework ensures that the potential impacts, risks, and opportunities associated with sustainability factors are fully considered in strategic implementation, major decision-making, risk management, and daily operations.

As the highest decision-making body, the Board of Directors listens to ESG-related strategies which are proposed by Sustainable Development Center and reviewed by the Strategy Committee, reviews the Company's ESG goals and progress, deliberates and approves the due diligence results of ESG material topics, and listens to feedback concerning stakeholders' interests through regular meetings and ad hoc special reports. For detailed information regarding the functions of each level of the ESG management structure, please refer to the [Company's official website](#).

Sustainability Governance Structure



# ESG Management Strategy

Luxshare Precision adheres to the philosophy of creating long-term value. Guided by the strategies of "Scientific Governance, Green and Low Carbon, Harmony and Health, and Responsible Procurement", the Company integrates sustainable development concepts into daily operations and steadily advances sustainable development practices.

### ESG Management Strategy

#### Scientific Governance

Continuously improve corporate governance structure, enhance corporate governance, follow the requirements of business ethics, build trust with all stakeholders, boost the long-term value of the Company, and pursue sustainable corporate development and a sustainable business model

- ESG Practices**
- Foundation Consolidation, Safeguarding Sustainability

#### Green and Low Carbon

Implement the national green development strategy, advance green and low-carbon transformation, reduce waste and increase efficiency, promote green and eco-friendly products and services, help achieve scientific carbon goals, seize clean technology opportunities, and drive green and low-carbon development of the whole industry and society

- ESG Practices**
- Green Direction, Conserving Ecology

#### Harmony and Health

Build a harmonious workplace, respect the rights and interests of employees in each operation site, establish smooth communication channels, continuously improve the democratic management system, provide diversified development pathways and a sound occupational health management system for employees, and create a harmonious, democratic, safe and comfortable work environment

- ESG Practices**
- Employee Cultivation, Advancing Future

#### Responsible Procurement

Maintain a mutually beneficial relationship with suppliers based on win-win cooperation and common development. Increase R&D investment to strengthen independent innovation. Establish a sound supply chain social responsibility management system, build a green and responsible value chain, and jointly work for a sustainable future

- ESG Practices**
- Intelligence Upgrade, Co-Creating Value




# Empowerment and Collaboration

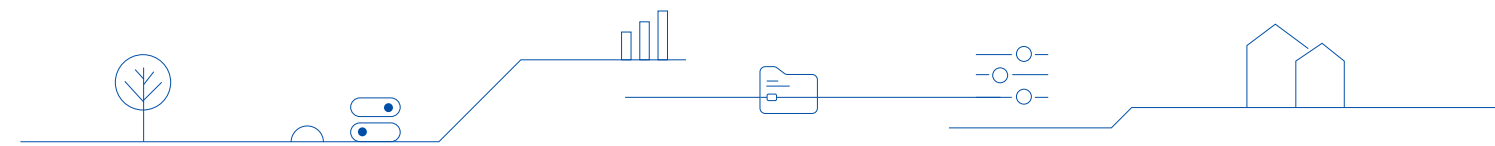
Luxshare Precision regards the integration of internal ESG capacity building with external ecosystem collaboration as key to enhancing the Company's ESG implementation capability and influence. We have established a training empowerment system and set up a special recognition mechanism to drive the advancement of internal ESG understanding and practice. We also actively participate in initiative collaborations to foster industry consensus and co-build capabilities.

## Management Empowerment

The Company aims to achieve "Full Coverage and Targeted Empowerment" by increasing investments in ESG training. The Company continuously expands and enriches course content while delivering training through diverse channels that combine online and offline methods. These efforts strengthen all levels of employees' understanding and recognition of ESG knowledge, laying a solid talent foundation for the realization of SDGs.

### Construction of the ESG Knowledge System

Hierarchy	Target Population	Training Content	Form
 Decision-Making Level	Directors and Senior Executives	Share ESG policy trends and domestic and international standard updates to jointly discuss corporate ESG strategic planning and enhance top-level design capabilities	<ul style="list-style-type: none"> <li>• Special Report</li> <li>• Expert Training</li> <li>• Internal Seminar</li> </ul>
 Business Lines	Core Departments including Business, Procurement, R&D, and Quality	Conduct customized training on ESG concepts and their implications, the Company's current ESG management status and planning, while regularly sharing industry trends and best practices to strengthen ESG implementation capabilities within operational and business scenarios	<ul style="list-style-type: none"> <li>• Practical Course</li> <li>• Information Sharing</li> </ul>
 All Employees	All Employees	Leverage the iSchool online platform to offer courses covering four key modules: ESG fundamentals, ratings and regulations, thematic introductions, and achievement sharing. Additionally, we regularly disseminate ESG introductory micro-courses through internal channels to facilitate knowledge sharing and promote ESG concepts	<ul style="list-style-type: none"> <li>• Standardized Courseware</li> <li>• Introductory Micro-courses</li> </ul>



**Case | Jinxi Factory Include ESG in its 2025 New Employee Training**

In July, the Jinxi Factory included a special session titled "Introduction to Luxshare Precision's Sustainable Development" during its five-day new employee training program. During the session, participants systematically studied the foundational concepts of ESG and gained an in-depth understanding of the Company's ESG governance structure and strategies. They focused on examining the Company's latest practices in ESG governance, green manufacturing, building a diverse and inclusive workplace, and supply chain responsibility management. This training reinforced new employees' alignment with the Company's ESG values and promoted the organic synergy between ESG principles and business functions.



Training session of the Star Training Camp



Sharing Session on Sustainable Development Achievements



Early Access to News



iSchool Course



Dissemination of Sustainability Management Requirements

To incentivize innovative practices in the ESG field, the Company established the inaugural "Luxshare Precision ESG Pioneer Award" in 2025 to recognize subsidiaries that have achieved significant results and actively explored innovation in their ESG initiatives.



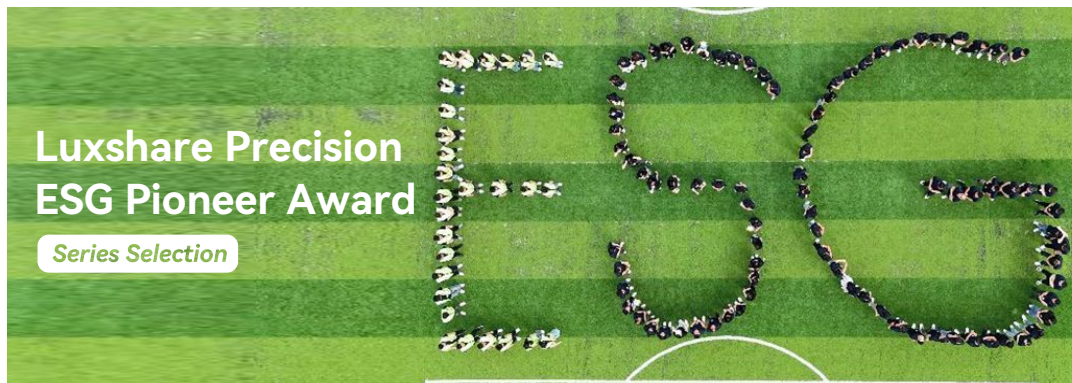
— ESG Star · Luxis Factory —



— ESG Star · Jinxi Factory —



— ESG Star · Luxcase Factory —



Luxshare Precision ESG Pioneer Award

Series Selection



— ESG Star · Changshu Factory —



— ESG Star · Luxshare Xuancheng —

- Rural Revitalization
  - Employee Care
  - Green Products
  - Philanthropy and Public Welfare
  - Energy Conservation and Low Carbon
- Practice Special Award —

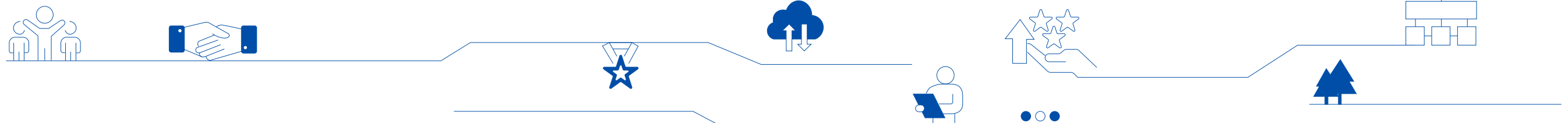
### Initiative for Collaboration

We actively engage in global and local sustainable development initiatives, collaborating with value chain partners, industry organizations, and the broader society to address systemic challenges such as climate change and resource constraints through concrete actions, thereby supporting the SDGs.

This year, the Company, in collaboration with industry organizations, corporate partners, and professional institutions, launched the "Electronics Industry ESG Partnership Initiative" and the "2030 Global Supply Chain Resilience Collaboration Initiative." These initiatives advocate for a collaborative approach to address development challenges, establish a cooperative platform for the electronic manufacturing sector, and jointly enhance the transparency, security, and sustainability of supply chains.



Launch Ceremony of the Electronics Industry ESG Partnership Initiative










# Stakeholder Communication

Based on an in-depth analysis of the Company's business characteristics and value chain, we have **identified 7 core stakeholders** and established regular and diversified communication channels to continuously listen to and actively respond to stakeholders' concerns and expectations regarding ESG issues.

The Company has established open, transparent, and effective remedy procedures. It provides grievance channels, including a **public email (public@luxshare-ict.com)** and a **complaint hotline**, to receive and promptly follow up on negative impact grievances. The Company actively implements remedial measures and accepts oversight from stakeholders regarding the effectiveness of rectification.

## Stakeholder Communications and Topics of Concern

Stakeholders	Government and Regulatory Agencies 	Shareholders and Investors 	Customers 	Suppliers 	Employees 	Community Members 	Partners <sup>12</sup> / Social Media 
Major Concerned Topics	Address Climate Change Energy Management Protection of Employee Rights and Interests Talent Attraction and Retention Occupational Health and Safety Responsible Supply Chain Management Information Security and Privacy Protection Corporate Governance and Risk Control Business Ethics	Address Climate Change Opportunities in Clean Tech Energy Management Protection of Employee Rights and Interests Product Quality and Customer Service Innovative Research and Development Corporate Governance and Risk Control Business Ethics	Address Climate Change Opportunities in Clean Tech Resource Efficiency and Circular Economy Hazardous Substances and Chemicals Management Product Quality and Customer Service Innovative Research and Development Protection of Employee Rights and Interests Information Security and Privacy Protection Business Ethics	Hazardous Substances and Chemicals Management Responsible Supply Chain Management Information Security and Privacy Protection Fair Treatment of SMEs Business Ethics	Talent Attraction and Retention Occupational Health and Safety Protection of Employee Rights and Interests Employee Training and Development	Address Climate Change Resource Efficiency and Circular Economy Pollutant Discharge Control Biodiversity Conservation Community Engagement	Address Climate Change Opportunities in Clean Tech Responsible Supply Chain Management Product Quality and Customer Service Information Security and Privacy Protection
Communication Channels	<ul style="list-style-type: none"> <li>Investigation and Visit</li> <li>Report Presentation</li> <li>Meeting Participation</li> <li>Survey Questionnaire</li> <li>Public Disclosure</li> </ul>	<ul style="list-style-type: none"> <li>Special ESG Communications with Investors</li> <li>Conference Calls, Emails, etc.</li> <li>Survey Questionnaire</li> <li>General Meetings of Shareholders</li> <li>Public Disclosure</li> </ul>	<ul style="list-style-type: none"> <li>On-site Audit</li> <li>Technical Seminar</li> <li>Phone Conferences, Emails, etc.</li> <li>Survey Questionnaire</li> <li>Public Disclosure</li> <li>Customer Satisfaction Survey</li> </ul>	<ul style="list-style-type: none"> <li>Open Tendering</li> <li>Supplier Conference</li> <li>Survey Questionnaire</li> <li>Supplier Management and Review</li> <li>Supplier Training and Empowerment</li> </ul>	<ul style="list-style-type: none"> <li>Employee Symposium</li> <li>Employee Complaints and Appeals</li> <li>Labor Union</li> <li>Employee Engagement and Satisfaction Survey</li> </ul>	<ul style="list-style-type: none"> <li>Complaint Hotline</li> <li>Field Visit</li> <li>Event Participation</li> <li>Public Disclosure</li> </ul>	<ul style="list-style-type: none"> <li>Engagement in Industry Exchange Activities</li> <li>Communication and Interview</li> <li>WeChat Official Account Platform</li> </ul>

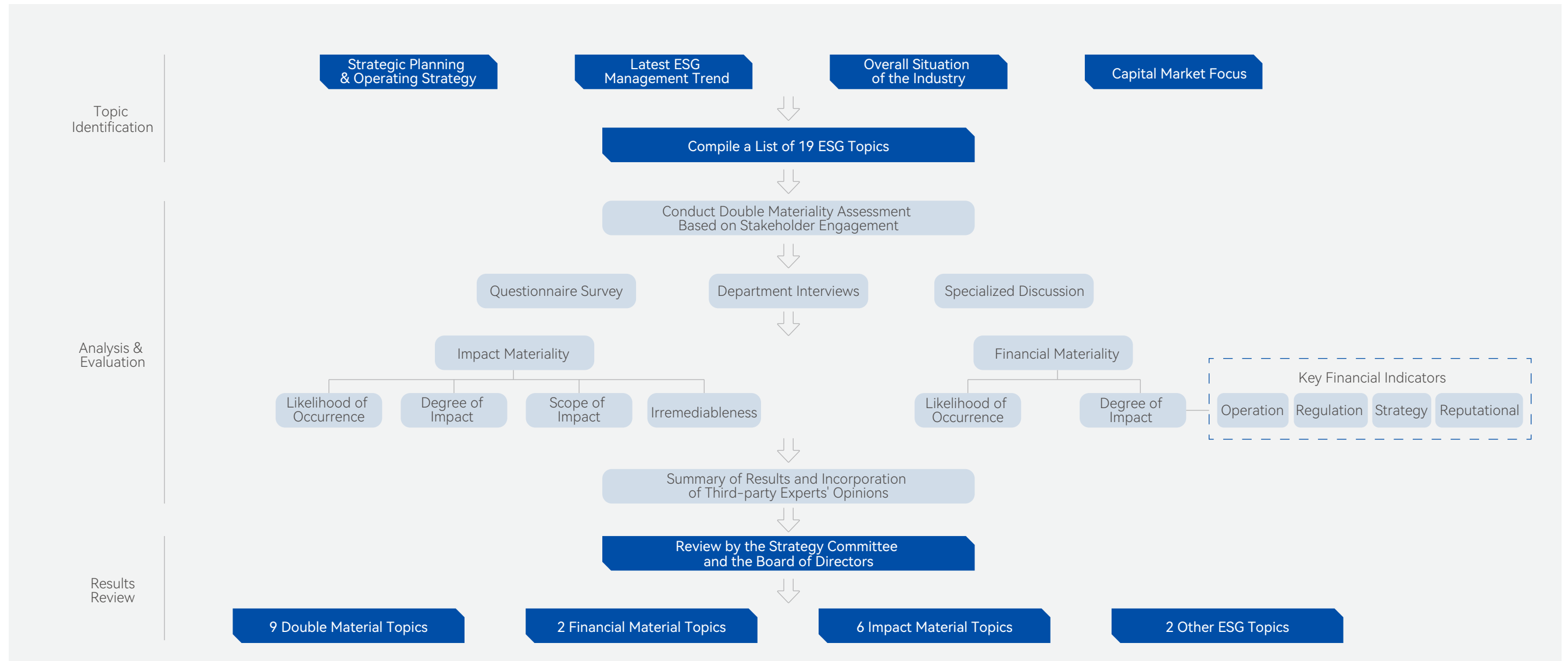
<sup>12</sup> Partners include industry associations and non-governmental organizations

# Material Topics

Luxshare Precision regularly conducts double materiality analysis on ESG topics in accordance with the requirements of the *Guideline*, dynamically iterates the topic list, assesses the financial significance of each topic, and evaluates the impact of the Company's performance on these topics across economic, social, and environmental dimensions to ensure the timeliness and relevance of the analysis.

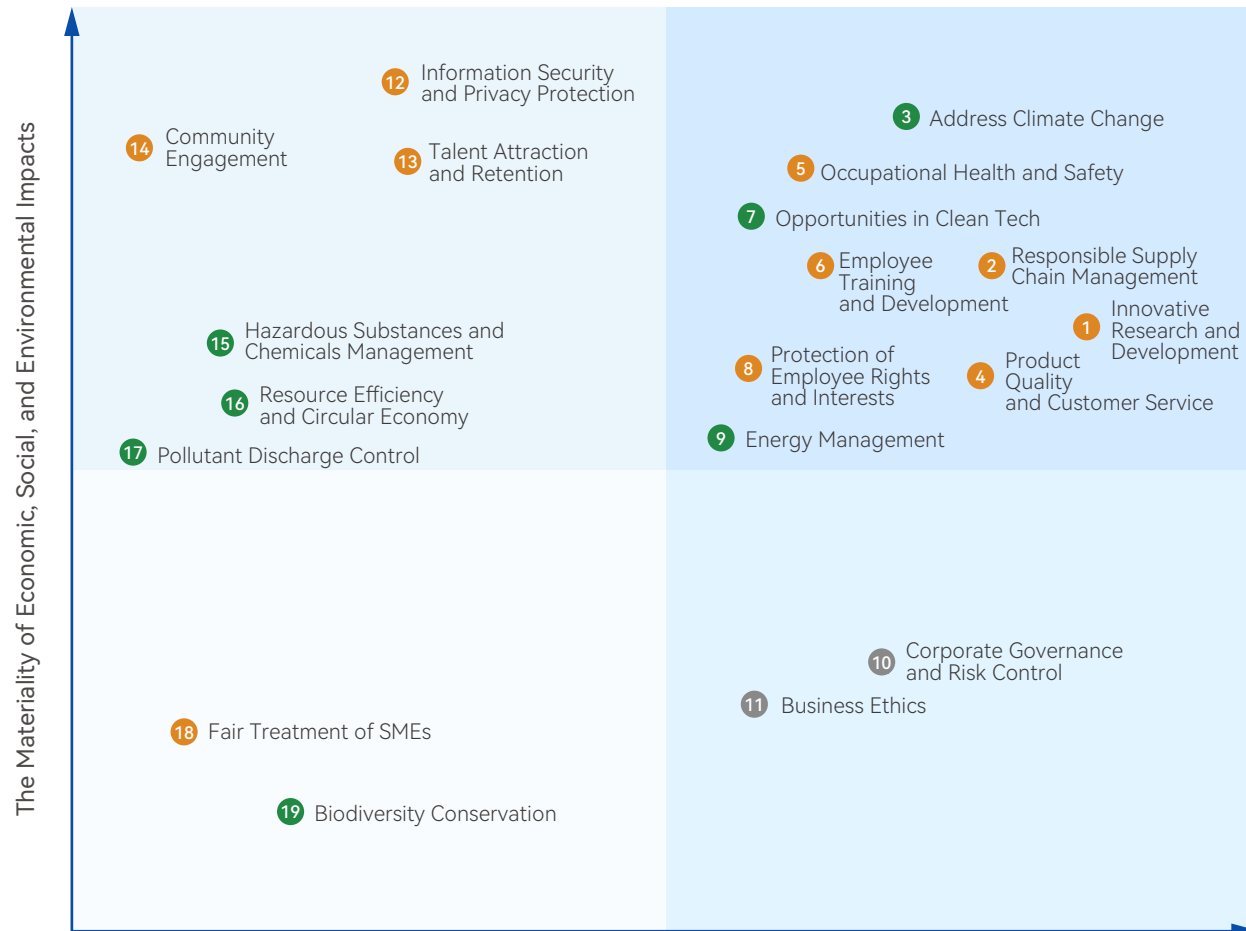
In 2025, the Company incorporated the latest internal and external concerns and trends, focusing on 19 key ESG topics. **Through more than 10 field interviews and dedicated workshops, and by systematically analyzing 1,281 valid responses** from the materiality survey, we assessed the impact materiality and financial materiality of relevant topics and mapped their impacts across the value chain. Following review by the Strategy Committee and the Board of Directors, the analytical findings resulted in an annual double materiality topic matrix and a value chain impact analysis.

Process for Identifying Double Material Topics



## Double Material Topics Assessment

2025 Double Material Topics Matrix



Material Topics Value Chain Impact Analysis

Material Topics	Supply Chain	Production / Operation	Product	Social	Time Scale
1 Innovative Research and Development			✓		◆◆◆
2 Responsible Supply Chain Management	✓				◆◆
3 Address Climate Change	✓	✓	✓	✓	◆◆◆
4 Product Quality and Customer Service			✓		◆◆
5 Occupational Health and Safety		✓			◆
6 Employee Training and Development		✓			◆
7 Opportunities in Clean Tech		✓	✓	✓	◆◆◆
8 Protection of Employee Rights and Interests		✓			◆◆◆
9 Energy Management	✓	✓			◆◆◆
10 Corporate Governance and Risk Control		✓			◆◆
11 Business Ethics	✓	✓			◆◆
12 Information Security and Privacy Protection	✓	✓			◆◆◆
13 Talent Attraction and Retention		✓			◆◆
14 Community Engagement				✓	◆◆◆
15 Hazardous Substances and Chemicals Management	✓	✓	✓		◆◆
16 Resource Efficiency and Circular Economy		✓	✓	✓	◆◆◆
17 Pollutant Discharge Control		✓		✓	◆

Double Materiality  
 Financial Materiality  
 Impact Materiality

◆◆◆ Long-term ◆◆ Medium-term ◆ Short-term

## Risks, Opportunities, and Response Strategies Related to Financial Material Topics



Topics	Risks	Opportunities	Response Strategies
<b>Innovative Research and Development</b>	<ul style="list-style-type: none"> <li>R&amp;D failure leads to losses in early-stage R&amp;D investment</li> </ul>	<ul style="list-style-type: none"> <li>R&amp;D innovation drives the exploration of new business opportunities, enhances competitiveness, and expands revenue growth drivers</li> </ul>	<ul style="list-style-type: none"> <li>Maintain forward-looking investments and leverage incentive mechanisms to drive technological innovation</li> </ul>
<b>Responsible Supply Chain Management</b>	<ul style="list-style-type: none"> <li>Non-compliance in supply chain management leads to increased costs, product recalls, litigation, reputational damage, and a decline in profitability</li> </ul>	<ul style="list-style-type: none"> <li>Ensure the delivery of products and services and enhance customer trust with a stable and compliant supply chain</li> </ul>	<ul style="list-style-type: none"> <li>Establish a full lifecycle management system for suppliers to promote high-quality and green low-carbon transformation of the supply chain</li> </ul>
<b>Address Climate Change</b>	<ul style="list-style-type: none"> <li>Physical risks lead to production stoppages, increased costs, and higher insurance expenditures</li> <li>Transition risks lead to additional operating costs and an increase in raw material expenses</li> </ul>	<ul style="list-style-type: none"> <li>Enhance resource recycling efficiency, reduce production costs, and increase capacity</li> <li>Participate in policy programs to obtain subsidy incentives</li> <li>Utilize low-carbon energy to reduce environmental costs</li> <li>Enhance the low-carbon brand image and strengthen market competitiveness</li> </ul>	<ul style="list-style-type: none"> <li>Identify climate risks and opportunities by assessing their impact on business through scenario analysis</li> <li>Upgrade buildings and facilities to enhance adaptation capacity to extreme weather</li> <li>Deploy low-carbon technologies and energy-saving retrofitting initiatives, and participate in carbon reduction policy programs</li> </ul>
<b>Product Quality and Customer Service</b>	<ul style="list-style-type: none"> <li>Loss of control over product quality leads to recalls, litigation, and a decline in consumer trust</li> <li>Improper customer relationship management leads to reputational damage and a contraction in market share</li> </ul>	<ul style="list-style-type: none"> <li>Stable product quality management helps secure new business opportunities</li> <li>Effective customer relationship management enhances satisfaction and loyalty, driving business growth</li> </ul>	<ul style="list-style-type: none"> <li>Enhance the intelligent manufacturing and quality management systems, and conduct regular quality audits</li> <li>Maintain close communication with customers through surveys and other methods to optimize customer service</li> </ul>
<b>Occupational Health and Safety</b>	<ul style="list-style-type: none"> <li>Work-related injuries and occupational diseases lead to reduced productivity, increased costs, and reputational damage</li> </ul>	<ul style="list-style-type: none"> <li>A healthy and safe working environment promotes operational stability and reduces compliance costs such as insurance premiums</li> </ul>	<ul style="list-style-type: none"> <li>Continuously strengthen the occupational health and safety management system and regularly conduct occupational health and safety training and audits</li> </ul>
<b>Employee Training and Development</b>	<ul style="list-style-type: none"> <li>A mismatched training and promotion system leads to reduced production efficiency and diminished market competitiveness</li> </ul>	<ul style="list-style-type: none"> <li>Stimulate organizational innovation, enhance efficiency, and reduce operating costs</li> </ul>	<ul style="list-style-type: none"> <li>Provide rich training courses and capability development programs for employees at different levels</li> </ul>
<b>Opportunities in Clean Tech</b>	<ul style="list-style-type: none"> <li>The momentum of the global economy's green transformation is weakening</li> </ul>	<ul style="list-style-type: none"> <li>Under the transformation to a low-carbon economy, expand into clean technology growth sectors such as new energy vehicles and AI offers growth opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Actively position the Company in clean technology sectors such as new energy vehicles, renewable energy, and the circular economy</li> </ul>
<b>Protection of Employee Rights and Interests</b>	<ul style="list-style-type: none"> <li>Incidents of rights infringement lead to a decline in the Company's reputation and its ability to attract talent</li> </ul>	<ul style="list-style-type: none"> <li>Safeguarding employee rights and enhancing employee satisfaction contribute to improved work efficiency and reduced staff turnover</li> </ul>	<ul style="list-style-type: none"> <li>Establish a full-process labor risk management mechanism to ensure compliance with regulations regarding employee rights and continuously enhance employee satisfaction and engagement</li> </ul>
<b>Energy Management</b>	<ul style="list-style-type: none"> <li>Inefficient energy management leads to increased operating costs, reduced efficiency, and heightened compliance risks</li> </ul>	<ul style="list-style-type: none"> <li>Efficient energy management reduces costs and enhances economic benefits</li> </ul>	<ul style="list-style-type: none"> <li>Implement an energy management system to monitor energy consumption and advance the low-carbon transformation and energy-saving technical retrofitting</li> </ul>
<b>Corporate Governance and Risk Control</b>	<ul style="list-style-type: none"> <li>Deficiencies in governance structure or non-compliant disclosure may result in regulatory penalties, reputational damage, and increased long-term financing costs</li> </ul>	<ul style="list-style-type: none"> <li>Enhancing organizational resilience can boost investor confidence and market value</li> </ul>	<ul style="list-style-type: none"> <li>Enhance the Company's corporate governance structure, strengthen risk and internal control management, and establish standardized disclosure processes</li> </ul>
<b>Business Ethics</b>	<ul style="list-style-type: none"> <li>Compensation and fines resulting from violations of business ethics, along with increased internal management costs</li> </ul>	<ul style="list-style-type: none"> <li>Practicing business ethics can enhance mutual trust and cooperation with stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Establish codes of conduct for employees and suppliers, and conduct regular business ethics training</li> </ul>

# Target Commitment and Progress

Guided by SDGs, Luxshare Precision adopts a proactive approach to set ESG targets in practice dimensions, steering sustainable development actions across its own operations and supply chain management, product innovation, and social engagement.








## Progress toward 2025 Targets









Dimension	Targets and Commitments	Progress <sup>13</sup>
<b>Governance</b> 	Continue to improve corporate governance and internal control system	Guided by COSO framework, establish three defense lines for risk management and internal control
	Conduct regular stakeholder communication through multiple channels	Conducted 19 special ESG communications with investors
	Percentages of female directors and independent directors in the Board are not less than one third	Female directors accounted for 37.5% Independent directors accounted for 37.5%
	Continuously improve the business ethics standards and maintain accessible whistleblowing channels to complete a 100% handling rate of business ethics related complaints	100% handling rate of business ethics related complaints
	Conduct regular business ethics training and build a culture of honest management	100% employee anti-corruption training coverage, and a total of 483,181 hours of anti-corruption and business ethics training conducted
	Retain 100% signing rate of the <i>Employee's Letter of Integrity Commitment</i> or equivalent documents of conduct requirements	100% signing rate of the <i>Employee's Letter of Integrity Commitment</i> or equivalent documents of conduct requirements
	Strengthen employees' awareness of confidentiality, and training on information security and privacy protection	A total of 614,387 hours of information security training conducted
	Zero major information leak, zero major information system failure and zero business continuity interruption incident	Zero relevant incident occurred

Dimension	Targets and Commitments	Progress
<b>Environment</b> 	Reduce absolute Scope 1 and 2 emissions by 50.4% by 2032 from a 2022 base year	Decreased by 25% compared to the base year
	The Company shall save 250 million kWh of energy cumulatively from 2023 to 2025	Cumulative 500 million kWh energy saved
	The utilization rate of clean energy will reach 30% by 2023, 40% by 2024 and 50% by 2025	64% of clean energy utilization rate
	Engage a third party to conduct wastewater testing at least once a year	100% facilities have met the standards
	Achieve an average waste transformation rate of 85.5% by 2023, 88% by 2024, and 90% by 2025	An average waste transformation rate of 90%
<b>Community Engagement</b> 	Maintain good communication with the local communities where operations are conducted	Actively participated in community activities, and cared for and visited vulnerable groups
	Actively support rural revitalization	5.36 million RMB invested in rural revitalization activities; organized and carried out charitable farming assistance and rural educational activities
	Actively contribute to local community construction	13.87 million RMB invested in public welfare and charitable activities; organized social public welfare activities such as disaster relief and rescue operations and charity sales

<sup>13</sup> To measure progress performance in accordance with the principle of consistency, the progress of certain targets separately lists the status of major entities acquired in 2025






## Target Commitment and Progress (Continued)

Dimension	Targets and Commitments	Progress
<b>Employees</b>      	Value and respect the rights and interests of all employees at home and abroad, to avoid severe discrimination and damage to labor rights and interests	Zero incident of any type of discrimination occurred
	Realize "zero work-related death incident and zero occupational disease incident", and achieve 10% reduction in annual work-related injury incidents of the Company each year compared to the previous year from 2023 to 2025	Zero work-related fatalities occurred, and the number of work-related injuries at Leoni decreased by 27% year-on-year, while other entities within the scope of disclosure collectively decreased by 20% year-on-year
	Create a diverse, inclusive and equitable workplace, provide a competitive remuneration plan for all employees, provide diverse promotion channels	Continue to improve the variable compensation system, equity incentive plan, and dual-channel promotion system that covers all employees
	Keep employee complaint channel open and accessible, actively carry out employee communications, and build a team of employees with high satisfaction and engagement	Conducted an annual employee engagement and satisfaction survey
	100% employees receive on average 20 hours of training annually by 2025	100% employee training coverage, with an average training time of 28 hour per employee
	<b>Products</b> 	Complete the intelligent production and manufacturing system, and gradually promote the industrial intelligent transformation
Strengthen the quality management system and continuously improve product quality		The Company and its major production bases have passed the ISO 9001 Quality Management Systems certification

Dimension	Targets and Commitments	Progress
<b>Products</b>    	Adhere to forward-looking investment in research and development, encouraging the innovation and development of core technologies	1,779 patents were newly added, and the total number of patents reached 10,100
	Continuously increase R&D investment in green products and clean technology, and encourage the R&D and application of patents related to clean technology	More than 500 million RMB was invested in the R&D of green products and clean technology, and 117 patents related to clean technology were obtained
	By means of technology, service, and innovation, maximize customer value and establish long-term, stable, and sustainable cooperative relationships	Continuously conduct customer satisfaction surveys and won more than 10 core customer awards
	Strictly implement the classification control of hazardous substances, and gradually promote replacement and comprehensive reduction	In line with domestic and international policy trends and customer standards, proactive forward-looking management measures were adopted, and promoted the hazardous substances phase-out plan
<b>Supply Chain</b>    	The 3TG materials involved in all products are 100% sourced from RMAP conformant SORs and 100% traceable to their country of origin	The 3TG materials involved in all products are 100% sourced from RMAP conformant SORs and 100% traceable to their country of origin
	Initiate green supply chain initiatives to promote environmental and social responsibility among suppliers	Promoted 397 suppliers to disclose Pollutant Release and Transfer Register (PRTR) information, and assisted 23 suppliers in removing records of environmental violations
	Reduce Scope 3 emissions by 58.1% per CNY of value added by 2032 from a 2022 base year	Reduced by 19% compared to the base year
	Promote suppliers to save 100 million kWh of energy cumulatively from 2023 to 2025	Promoted suppliers to save over 100 million kWh of energy cumulatively

This year, building upon the full achievement of our 2025 interim targets, we further added substance, expanded quantitative coverage, and systematically established a 2030 target framework to continuously advance the Company's sustainable development to a new stage.

2030 Targets and Commitments

Lean Governance	Green Operations	Excellent Products	Responsible Partnership	Harmonious Workplace
 <ul style="list-style-type: none"> <li>Continue to improve corporate governance and internal control system</li> <li>Percentages of female directors and independent directors in the Board are not less than one third</li> <li>Conduct business ethics training for all employees at least twice annually<sup>14</sup></li> <li>Retain 100% signing rate of the <i>Employee's Letter of Integrity Commitment</i> or equivalent documents of conduct requirements</li> <li>Zero major information leak, zero major information system failure and zero business continuity interruption incident</li> <li>Conduct a company-wide audit of ethical standards across all operations once every two years</li> </ul>	 <ul style="list-style-type: none"> <li>Reduce absolute Scope 1 and 2 emissions by 50.4% by 2032 from a 2022 base year</li> <li>From 2026 to 2030, the cumulative new energy savings achieved through annual energy-saving renovations reach 500 million kWh</li> <li>By 2030, water withdrawal per unit of revenue decreases by 7% from a 2025 base year</li> <li>From 2026 to 2030, maintain an average waste transformation rate of no less than 92%</li> <li>Maintain 100% safe treatment of wastewater<sup>15</sup>, ensuring no untreated discharge into surface water or groundwater</li> </ul>	 <ul style="list-style-type: none"> <li>Complete the intelligent production and manufacturing system, and gradually promote the industrial intelligent transformation</li> <li>Strengthen the quality management system and continuously improve product quality</li> <li>By 2030, the number of patents held reaches 19,000</li> <li>Provide no fewer than six training sessions and exchange activities related to innovation and R&amp;D to external parties annually from 2026 to 2030</li> <li>Continuously increase R&amp;D investment in green products and clean technology, and encourage the R&amp;D and application of patents related to clean technology</li> <li>By means of technology, service, and innovation, maximize customer value and establish long-term, stable, and sustainable cooperative relationships</li> <li>Continuously provide products that meet safety standards and ensure consumer safety</li> <li>Strictly implement the classification control of hazardous substances, and gradually promote replacement and comprehensive reduction, and systematically mitigate the environmental impact of products during their use and end-of-life stages</li> </ul>	 <ul style="list-style-type: none"> <li>The 3TG materials involved in all products are 100% sourced from RMAP conformant SORs and 100% traceable to their country of origin</li> <li>Ensure 100% of core suppliers remove environmental violation records within the specified timeframe</li> <li>Reduce Scope 3 emissions by 58.1% per CNY of value added by 2032 from a 2022 base year</li> <li>Assist suppliers in enhancing their environmental and social performance; ensure 100% of key suppliers obtain at least one quality management system certification and one social responsibility system certification</li> <li>From 2026 to 2030, facilitate suppliers to achieve cumulative annual energy savings of 200 million kWh</li> <li>Conduct rural revitalization and public welfare activities annually in 100% of operating sites by 2030</li> </ul>	 <ul style="list-style-type: none"> <li>Value and respect the rights and interests of all employees at home and abroad, to avoid severe discrimination and damage to labor rights and interests</li> <li>Ensure that adequate Water, Sanitation, and Hygiene (WASH) facilities are provided for 100% of employees</li> <li>Maintain a recordable employee injury rate<sup>16</sup> below 0.33‰ from 2026 to 2030</li> <li>Complete diversity training for 100% of indirect employees by 2030</li> <li>Ensure 20% of new hires are young employees aged 18-30 annually from 2026 to 2030</li> <li>Conduct one engagement and satisfaction survey annually across 100% of operational sites by 2030</li> <li>Ensure parental leave is provided to 100% of employees in accordance with local regulations</li> <li>Maintain an average annual training time of no less than 20 hours per employee from 2026 to 2030</li> </ul>

<sup>14</sup> The content covers critical business ethics topics including corruption, conflicts of interest, anti-fraud, anti-money laundering, and anti-competitive behavior

<sup>15</sup> Including self-treatment and discharge to qualified external sewage treatment plants

<sup>16</sup> Recordable Employee Injury Rate = Number of Recordable Employee Injuries / Total Number of Employees × 1000‰



# Consolidating Business Operations

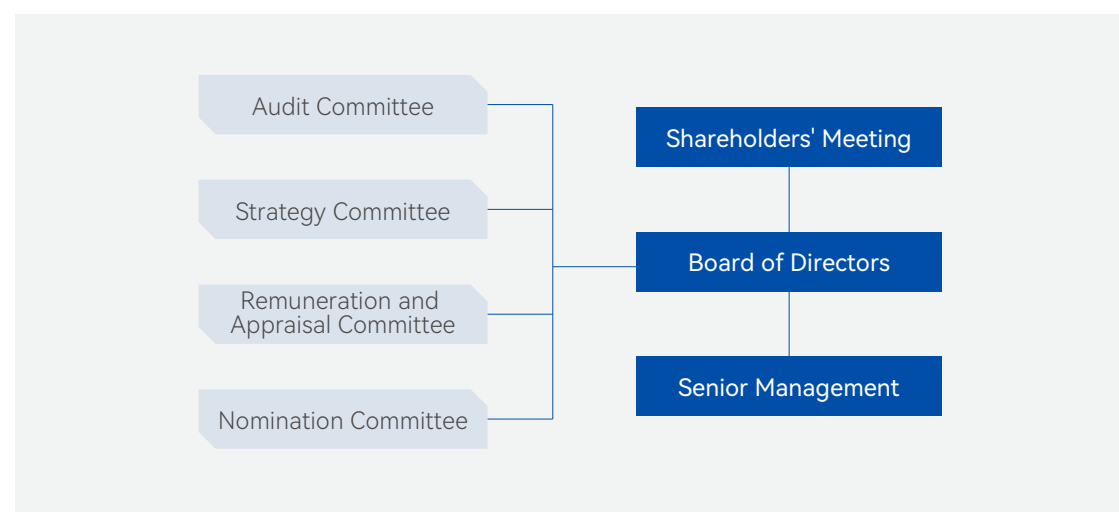
Luxshare Precision consolidates its governance system and strengthens its internal control system to effectively safeguard investors' rights. The Company strictly complies with local laws and regulations in all its global operating locations and proactively fulfills its tax obligations. For details regarding the creation, distribution, retention, and fiscal subsidies received by the Company concerning its economic value, please refer to the *Annual Report*.

## Governance Structure

Luxshare Precision attaches great importance to corporate governance. The Company strictly complies with laws and regulations such as the *Company Law of the People's Republic of China (Company Law)* and relevant guidelines including the *Shenzhen Stock Exchange Self-Regulatory Guidelines for Listed Companies – Main Board Listing Standards*, thereby establishing a governance structure with clear responsibilities and effective operations.

In 2025, to implement the latest requirements of the *Company Law* and other relevant laws, regulations, and supporting regulatory rules, we completed **the transition from a dual-layer structure of 'Board of Directors + Board of Supervisors' to a single-layer governance model with specialized committees under the Board of Directors**. We revised institutional documents such as the *Working Rules for the Audit Committee*, optimized and adjusted the responsibilities of the Board's specialized committees, and ensured an orderly and smooth handover of the original functions of the Board of Supervisors. Through this adjustment, the Company has further strengthened the professional functions of each committee and enhanced the standardization, professionalism, and efficiency of governance operations. For detailed information on the corporate governance structure and the specific responsibilities of each body, please refer to the *Annual Report*.

Corporate Governance Structure



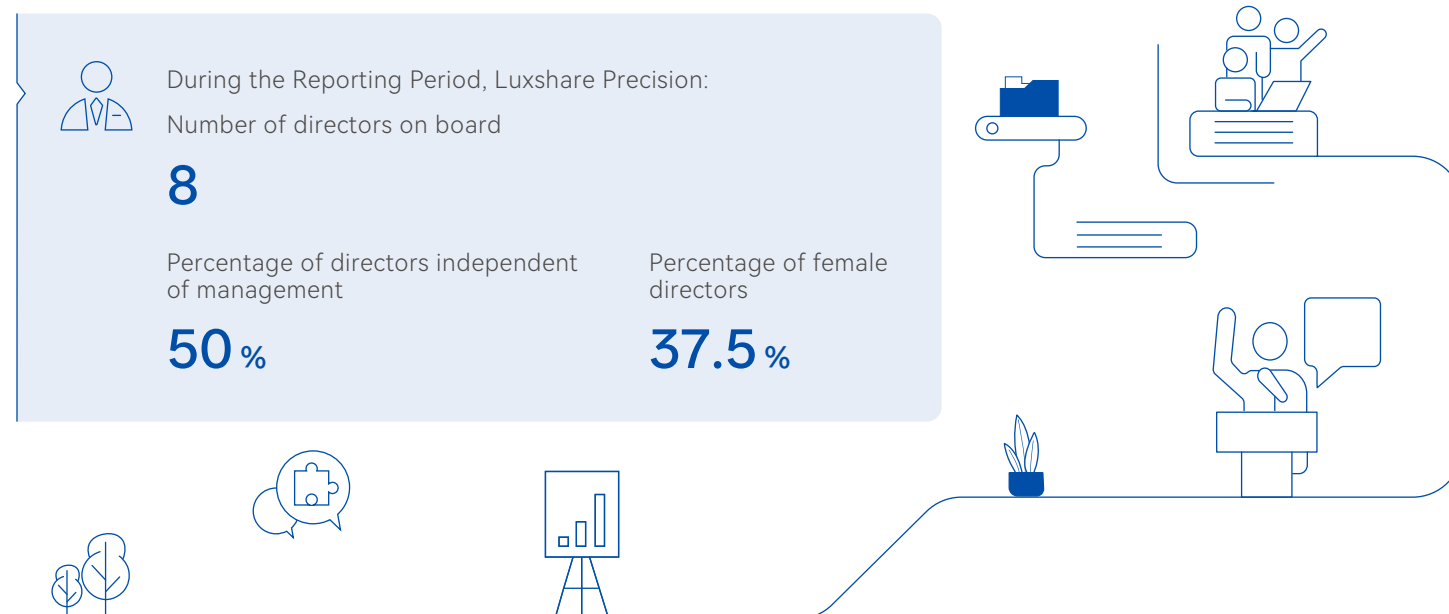
## Board of Directors Operating Mechanism

To ensure continuous and efficient corporate governance, the Luxshare Precision Board strictly convenes meetings in accordance with the *Articles of Association* and relevant rules of procedure. The Board explicitly requires all directors to diligently fulfill their duties and attend meetings in a standardized manner. During the deliberation of the meeting, to safeguard the independence and objectivity of decision-making, the Company strictly implements a related-party transaction recusal mechanism. It is stipulated that for agenda items involving personal related-party relationships of directors, the relevant director shall neither participate in discussions or voting nor exercise voting rights on behalf of others. **During the Reporting Period, the Board of Directors convened a total of 15 meetings.**

In active response to the requirements of the *Company Law* and listing rules, in 2025, we systematically introduced new policies including the *Market Capitalization Management Policy* and the *Policy on Departure Management for Directors and Senior Executives*, comprehensively revised and improved the *Rules of Procedure for Shareholders' Meetings* and the *Rules of Procedure for Board Meetings*. These measures aim to continuously strengthen the governance framework, effectively safeguard the legitimate rights and interests of the Company, investors, and other stakeholders, thereby further enhancing the Company's core competitiveness.

## Board Diversity

Luxshare Precision advocates the concept of board diversity and adheres to the principle of meritocracy. When electing or appointing directors, the Company comprehensively considers factors such as gender, age, nationality, culture, education, expertise, background, experience, and independence, laying a foundation for scientific and effective governance. The Company strictly adheres to the director selection procedures stipulated in the *Company Law* and the *Articles of Association*, ensuring that the number and composition of directors comply with regulatory requirements. To better safeguard employees' rights and promote democratic management, the Company established and elected one employee representative director in 2025 in accordance with relevant regulations. For specific information regarding members of the Board of Directors, please refer to the *Annual Report*.



## Remuneration Management

Luxshare Precision implements a compensation structure for directors and senior management consisting of 'base annual salary + long-term incentives'. The relevant compensation plans, policies, and schemes are studied, reviewed, and formulated by the Board's Remuneration and Appraisal Committee, then submitted to the Shareholders' General Meeting for review and approval, ensuring the scientific nature and rationality of compensation management. The Company has **integrated sustainability-related targets into performance evaluations to promote long-term value co-creation, thereby supporting the realization of its long-term strategy**. For details regarding the remuneration of directors and senior management, please refer to the *Annual Report*.

Furthermore, to safeguard the reasonable rights and interests of shareholders, we have established a Clawback & Malus mechanism that clearly defines applicable scenarios, recoverable amounts, and restrictive conditions. In 2025, the Company further revised relevant policies concerning performance assessment and compensation clawback. Specifically, it refined the performance evaluation criteria, decision-making procedures, and reward-and-punishment schemes for directors and senior management, while also stipulating the operation of the compensation clawback mechanism in scenarios such as advance salary payments. The procedures for determining compensation, the clawback mechanism, and the implementation rules are detailed in the *Articles of Association* and the *Working Rules for the Remuneration and Appraisal Committee*.

## Investor Protection

Luxshare Precision adheres to equality in treating all shareholders. In strict compliance with the *Company Law*, the *Articles of Association*, and the *Rules of Procedure for Shareholders' Meetings*, the Company convenes a shareholders' meeting at least once annually to effectively safeguard the legitimate rights and interests of all shareholders, particularly minority shareholders. **During the Reporting Period, the Company convened 6 shareholders' meetings in total.**

To timely and transparently share information regarding the Company's operations and financial status, foreign investments, industrial layout planning, and sustainable development with domestic and international investors, the Company actively responds to market concerns through various channels, including investor meetings, small-scale exchange sessions, interviews and research visits, ESG-focused strategic discussions, the Investor Relations section on the official website, phone calls and emails, virtual performance briefings, and Easy IR platform.

To further respond to stakeholders' concerns regarding the Company's sustainable development practices, **Luxshare Precision organized 19 special ESG communications with investors during the Reporting Period.** These sessions systematically introduced the Company's ESG targets and progress, continuously enhanced disclosure transparency, and consolidated investor trust.



During the Reporting Period, Luxshare Precision conducted:

Large-scale investor engagement activities

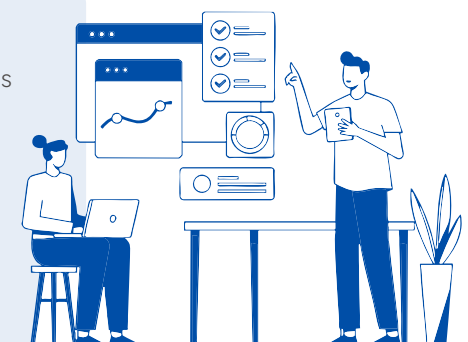
8 times

Inquiries and communications via Easy IR platform

243 times

Small-scale communications via phone, email, etc

538 times

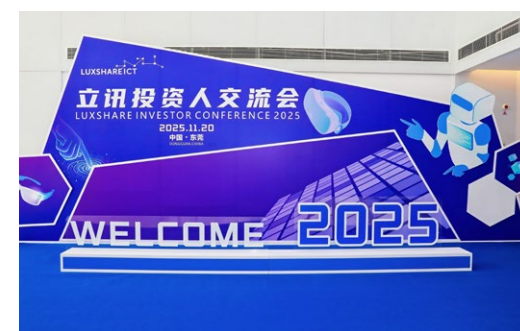


### Case | Luxshare Precision Held its Annual Investor Conference

On November 20, Luxshare Precision held its annual investor conference in Dongguan, attended by over 500 global investors and analysts. At the meeting, the Chairman and core management introduced the Company's strategic layout and technological innovations in fields such as consumer electronics, communications and data centers, automotive electronics, and intelligent manufacturing. Through multimedia videos and other formats, they comprehensively presented the Company's achievements in business layout, global expansion, R&D innovation, ESG practices, public welfare and charity, and employee care. The conference also featured a dedicated ESG zone to comprehensively showcase the Company's long-term commitment and phased achievements in sustainable development, conveying its firm dedication to fulfilling social responsibilities and advancing sustainability.



Message from the Chairman






Investor Meeting



ESG Zone

# Risk Control

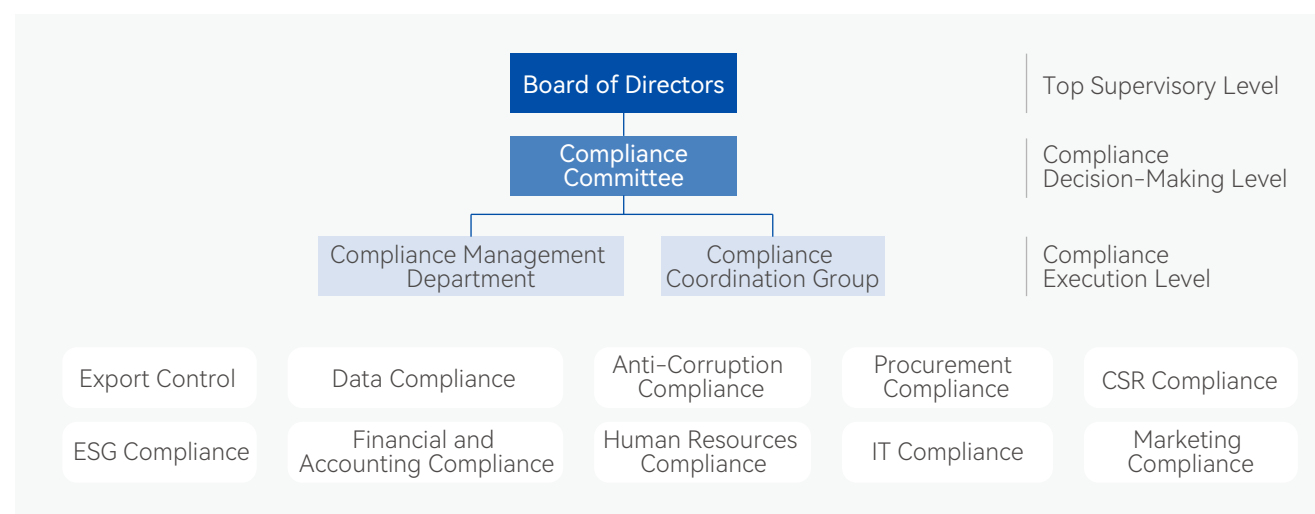
Guided by the COSO framework, the Company has established a three-line defense model for risk management and internal control.

- 
**First Defense Line**  
 BG/BU<sup>17</sup> | Establish internal control measures to assess and mitigate risks inherent in the operational execution of various business processes
- 
**Second Defense Line**  
 Compliance Management Department | Establish a compliance management system, offer guidance on risk management frameworks, compliance strategies, and oversight of emergency drills, and design risk assessment and control measures
- 
**Third Defense Line**  
 Audit Department | Conduct internal audits to independently evaluate the effectiveness of risk management and internal controls across the first and second lines of defense, and oversee the execution of improvement measures

## Compliant Operations

To ensure vertical integration, horizontal coordination, and closed-loop management of compliance governance, Luxshare Precision established a **Compliance Committee** this year. Under the supervision of the Board of Directors, the Committee formulates compliance strategies and overall plans, reviews and approves compliance policies and major compliance initiatives, regularly assesses compliance risks, and oversees the implementation of improvement measures.

### Compliance Governance Structure




<sup>17</sup> BG/BU: Business Group / Business Unit

We strictly comply with laws and regulations in the countries and regions where our business operates, including but not limited to those concerning anti-unfair competition, anti-money laundering, and trade compliance. We actively safeguard a fair market environment to ensure the Company's operational safety and compliance.

### Key Compliance Management Initiatives


Anti-Unfair Competition	
<i>Global Business Conduct and Ethics Guidelines (COC)</i> <i>Code of Ethics Procedures</i>	<ul style="list-style-type: none"> <li>Strictly prohibit obtaining third-party trade secrets through illegal means</li> <li>Prevent the issuance of false or misleading advertisements</li> <li>Prohibit all acts that disrupt market order, such as collusive pricing</li> </ul>
Anti-Money Laundering	
<i>Anti-Money Laundering Management Policy</i>	<ul style="list-style-type: none"> <li>Strictly enforce partner identity verification and tiered management</li> <li>Implement transaction monitoring and reporting mechanisms to standardize information retention</li> <li>Strengthen supervision through specialized training and independent audits to establish closed-loop control</li> </ul>
Trade Compliance	
<i>Export Control and Economic Sanctions Compliance Guidelines</i>	<ul style="list-style-type: none"> <li>Establish a compliance system covering the entire business process from R&amp;D and design to delivery</li> <li>Ensure compliance with regulatory requirements across multiple jurisdictions</li> </ul>



During the Reporting Period, Luxshare Precision:

**0** Litigation case involving anti-unfair competition, anti-trust, or anti-monopoly issue

**0** Material regulatory penalty or litigation case resulting from violations of export control regulations



In 2025, we focused on export compliance, cross-border data transfer, and anti-corruption system construction. We improved policies, strengthened process controls, and conducted specialized training to continuously enhance all employees' compliance awareness and execution capabilities. These efforts aim to effectively manage business risks, maintain market fairness, and lay a solid foundation for the Company's sustainable development.



### Case | Compliance Awareness Training Conducted at the Vietnam Factory

In November, Luxshare Precision conducted compliance training at its Vietnam Factory, covering nearly 4,000 assigned personnel. This training program focused on three key areas: Vietnamese laws and regulations, anti-corruption and anti-bribery, and the corporate code of conduct. Through case studies, participants gained a deeper understanding of practical matters such as contracts, employment, residency, and business operations, ensuring compliance during overseas assignments and mitigating risk.



Compliance Training for Personnel Deployed to Vietnam

## Business Continuity

To ensure stable and continuous operations, Luxshare Precision has established a Business Continuity Management (BCM) system based on emergency response plans for unexpected incidents and business continuity plans, with the goal of "operational stability". **The Company has formulated and implemented the Business Continuity Management Manual in accordance with ISO 22301 standards.** Regular multi-scenario Business Continuity Management (BCM) drills are conducted to ensure the continuous and effective response to potential operational interruption risks.

### BCM Drill



#### Manufacturing Unavailable

- Sudden flood disaster



#### Labor Shortage

- Abnormal staff turnover



#### Information Security

- Internal device network failure
- External operator network outage
- Partial or complete server failure
- Critical data missing



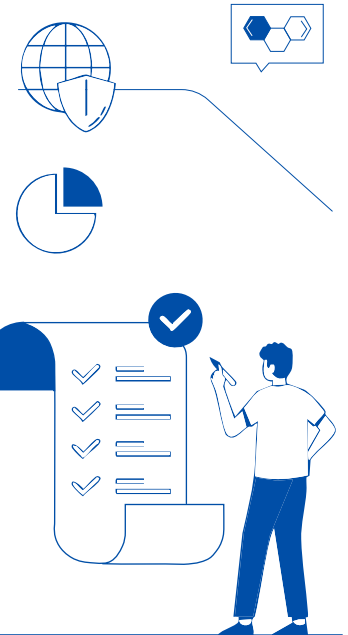
#### Infectious Diseases

- Public health emergency



#### Supply Chain Disruption

- Supplier supply interruption
- Global material shortage
- External unscheduled power outages
- Internal power equipment failure
- Water/gas supply interruption



## Internal Audit

As an independent internal audit function, the Company's Internal Audit Department serves as the core of the third line of defense. Through regular inspections, audit reviews, and special examinations, it **ensures that each BG/BU undergoes at least one comprehensive audit every two years**, while continuously monitoring key risk items such as social responsibility, financial transactions, procurement operations, asset management, sales operations, and information security.

In 2025, the Company established and optimized management policies and operational guidelines for key areas including procurement, supply chain, finance, and intellectual property, while strengthening audit and evaluation mechanisms to comprehensively ensure the effectiveness of internal controls over business processes.



During the Reporting Period, Luxshare Precision:

Internal audit tasks completed

**32** times

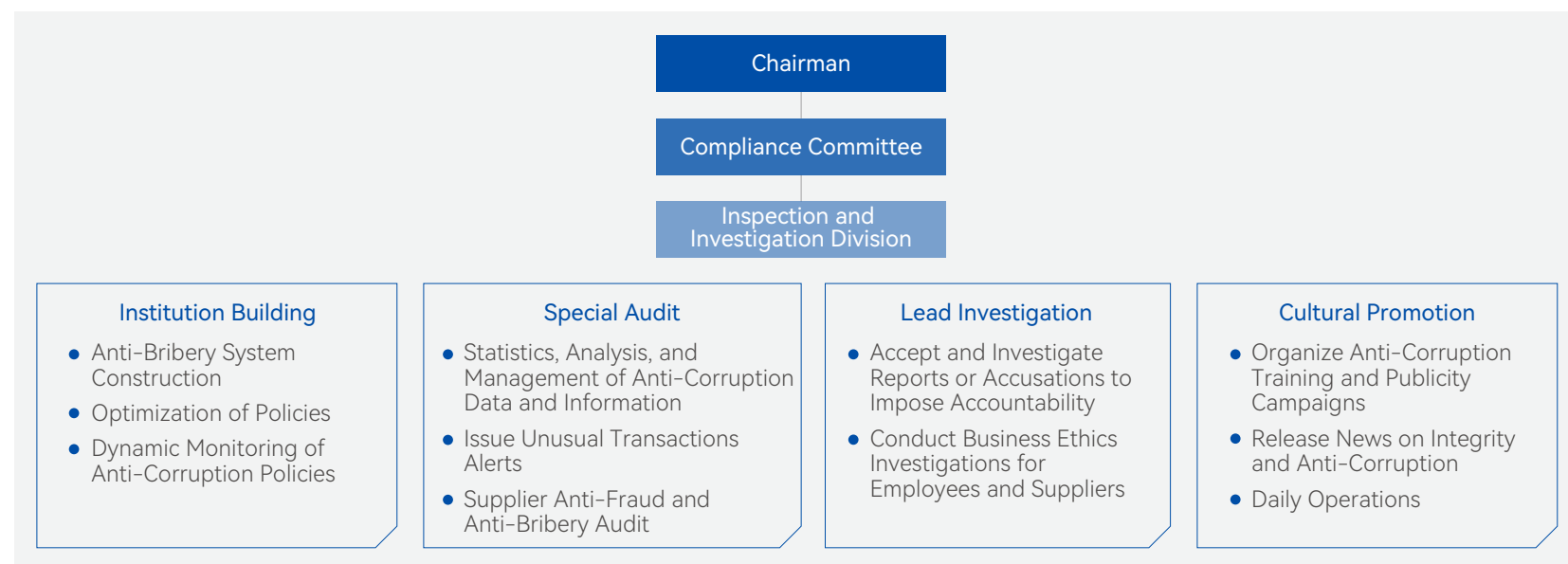
# Building a Foundation of Integrity

Luxshare Precision has always adhered to the anti-fraud and anti-bribery policy of "Integrity, Honesty, and Zero Tolerance for Corruption," integrating the concept of open and transparent integrity into its corporate culture and striving to maintain a credible and orderly market environment. We remain committed to opposing corruption by improving policies, strengthening management, and deepening education to continuously enhance employees' business ethics awareness and contribute to the construction of a good market order.

## Business Ethics Governance

Luxshare Precision firmly opposes any form of corruption. To effectively advance business ethics governance, the Company has established a three-tier business ethics governance structure under the oversight of the Chairman of the Board and CEO.

Business Ethics Governance Structure



The Company strictly complies with business ethics-related laws and regulations, including the *Company Law* and the *Interim Provisions on Prohibiting Commercial Bribery*. It has formulated and implemented a series of policies and procedures, such as the *COC*, *Luxshare Precision Supplier Code of Conduct*, *Code of Ethics Procedure*, *Employee Integrity Management System*, and *Procurement Business Ethics Management System*. In 2025, the Company comprehensively revised the COC to respond to changes in external regulatory requirements. This revision strengthens management over key risk areas including international trade compliance, artificial intelligence (AI) usage, human rights and safety, while standardizing management responsibilities and requirements for gift approval and asset and data utilization. **During the Reporting Period, Luxshare Precision obtained ISO 37001 Anti-Bribery Management System certification.**

To ensure the effective operation of the system, the **Company conducts an audit of ethic standards covering all BGs and BUs every two years** to ensure governance requirements are implemented. In 2025, the Company was involved in one concluded case of corruption, bribery, and embezzlement. The matter was handled in accordance with relevant regulations, posing no significant risk to operations.

# Integrity Culture Development

The Company actively cultivates an integrity culture by conducting **business ethics training for all employees (including part-time staff and contractors) and all suppliers** through various forms. In 2025, the Company conducted 17 offline anti-corruption and integrity training sessions focused on management personnel.

**Business Ethics Training and Culture Building**

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**Training Support**

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- Invite internal and external experts with professional expertise and experience to conduct trainings
- Organize and implement various training and knowledge-sharing programs for all employees, managerial staff, suppliers, and other stakeholder groups in China and international locations
- Arrange and encourage employees to study the most recent information and updates concerning anti-corruption and commercial bribery

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**Cultural Promotion**

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- Send the *Integrity Notification Letter* to all employees via email every month.
- Send *Luxshare Precision's Commitment on Anti-corruption* to suppliers through the platform every month and during holidays
- Regularly publish articles to promote awareness through "Integrity Luxshare" section

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**Assessment and Management**

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- Employees are required to fill out and sign the *Employee's Voluntary Declaration* and the *Employee's Letter of Integrity Commitment*
- Suppliers are required to fill out and sign the *Supplier's Voluntary Declaration* and the *Letter of Integrity Commitment for Supplier*
- Integrate COC into the quarterly training and assessment for employees at major production bases, and the assessment results will directly affect their performance appraisal and promotion opportunities



Case | Luxshare Xuancheng Conducted Anti-Corruption Training

In August, Luxshare Xuancheng organized anti-corruption thematic training for 74 managers to convey the Company's clear stance against corrupt practices. During the training, participants viewed integrity education videos and listened to analyses of typical disciplinary violation cases along with warning education sessions, gaining a deep understanding of the consequences and impacts of such violations. This training further strengthened employees' integrity awareness and legal concepts, conveying the behavioral requirements of 'fearing consequences in one's heart, exercising caution in speech, and stopping actions when necessary'.



Anti-Corruption Training

## Whistleblower Management

We actively encourage employees and stakeholders to report any non-compliant behavior or violations of the ethics code through multiple channels, either in real-name or anonymous form, and have established a corresponding reward mechanism for whistleblowing. Upon receiving a report, the Company will establish a special investigation team based on factors such as the nature of the case and the potential scope of impact to conduct investigations in a professional, efficient, and objective manner. **During the Reporting Period, the handling rate of business ethics related complaints reached 100%.**

**Reporting Channels**

Address : #313 Beihuan Road, Qingxi Town, Dongguan, Guangdong Province, China

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Phone : 0769-38800880

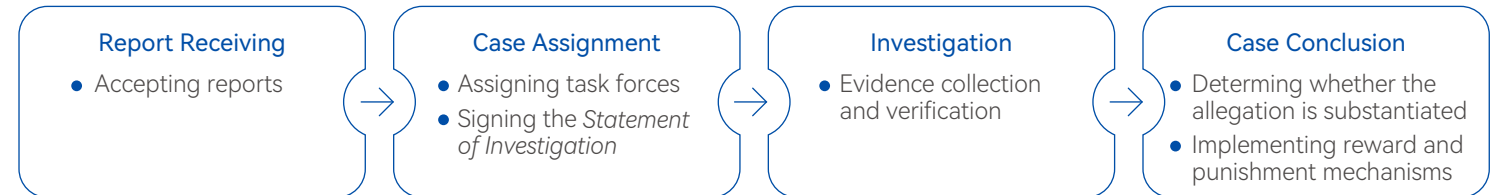
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WeChat : 13144861180

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E-mail : justice@luxshare-ict.com

### Whistleblowing Management Flowchart



To effectively protect the rights of whistleblowers, we have established the *Whistleblower Protection and Anti-Retaliation Policy*. This policy explicitly states that the Company maintains a zero-tolerance stance against any discrimination or retaliation targeting whistleblowers and commits to protecting those who report.

### Whistleblower Protection Measures

Protect the Privacy of Whistleblowers

- Strictly prohibit the unauthorized disclosure of whistleblower-related information
- Designate specialized investigators to handle the reports while keeping them confidential

Avoid Conflicts of Interest of Investigators

- Require investigators to sign the *Statement of Case Investigation Personnel* to ensure they have no conflict of interest with the reported individuals

Seriously Investigate and Handle Retaliation Incidents

- Report any instances of retaliation promptly to the facilities' top supervisor and the Inspection and Investigation Division once they are identified
- Provide legal assistance to whistleblowers



During the Reporting Period, Luxshare Precision:

Total hours of anti-corruption and business ethics training

**483,181** hours

Coverage of employee anti-corruption training

**100 %**

COC exam pass rate

**100 %**

Signing rate of the *Employee's Letter of Integrity Commitment* or equivalent documents

**100 %**

Signing rate of the *Letter of Integrity Commitment* for Supplier or equivalent documents

**100 %**

# Strengthening Cybersecurity Defenses

Luxshare Precision continues to refine its information security and privacy protection management system. Through institutionalized and standardized management, the Company reduces data security and privacy risks, safeguarding the legitimate rights and interests of the Company, its customers, and other relevant stakeholders.

## Information Security Management

We aim to build a compliant, secure, and stable business environment. Relying on the ISO/IEC 27001 information security management system standard, we implement measures including business continuity management, information security audits, data protection management, and security awareness promotion. We conduct a series of training and management activities for employees and suppliers to continuously strengthen the overall robustness of the Company's information security and its ability to resist risks, thereby solidifying the Company's information security defense line.

### Highlights of Information Security Management Measures

#### Business Continuity Management

Conduct multi-dimensional emergency drills for all nodes of critical business operations, including backup recovery, network interruption, critical node server failures, and misconfigurations

#### Information Security Audit

Conduct penetration testing, vulnerability scanning, and information security audits across all facilities, and remediate identified risks


#### Data Protection Management


Continuously implement full coverage of equipment within confidential areas

#### Safety Awareness Promotion

Conduct information security training by integrating current hot topics and utilizing posters and comics to promote information security awareness. Special emphasis is placed on communicating information security management requirements to newly acquired companies

### Information Security Training

- Employees** 
- Information security training for new hires
  - Semi-annual refresher training
  - Regular distribution of information security publicity materials
  - Targeted phishing email security drill
  - Specialized training materials customized for key positions

- Supplier** 
- Ad-hoc information security investigations
  - Regular information security training
  - Online information security audits and offline inspections of key suppliers

# Privacy Protection

Luxshare Precision places high importance on the protection of personal information and customer privacy. Strictly adhering to applicable privacy protection laws and regulations in all operating locations, we are committed to safeguarding customer rights and ensuring the security and compliance of cross-border personal information transfer processes.

## Personal Information Protection

The Company has issued the *Personal Information Protection Policy* and fully implemented the requirements of the *Personal Information Protection Law of the People's Republic of China (PIPL)*, the *General Data Protection Regulation (GDPR)* of the European Union, and other applicable laws and regulations in the jurisdictions where its business operates. The Company has formulated the *Employee Personal Information Protection Statement*, clearly defined retention periods for personal information, and systematically strengthened the management of personal information throughout its entire lifecycle. We established fundamental principles for personal information processing, including "legality, propriety and integrity, minimization of necessity, openness and transparency, data quality, and information security". We constructed a cross-border compliance management system covering processes, contracts, and technical measures. Through multi-channel monitoring and reporting mechanisms, we encourage the proactive submission of security incidents. The Compliance Committee coordinates risk assessment and implements a comprehensive response system. **In 2025, the Company obtained ISO/IEC 27701 privacy information management system certification.**

### Case | Luxshare Precision Conducted Awareness Training on Cross-Border Data Transfer Regulations

In October, Luxshare Precision conducted a specialized training session on "Regulatory Frameworks and Response Measures for Cross-Border Data Transfers between China and Europe." The session provided an in-depth interpretation of the core provisions under the PIPL and GDPR regarding requirements and application scenarios for cross-border personal data transfers. Additionally, through case studies and operational guidelines, the training offered specific analysis of actual data flow processes. This training further clarified the Company's legal liability boundaries regarding cross-border data transfers, enhanced awareness of personal information protection, and effectively improved the Company's compliance governance level in international operations.



During the Reporting Period, Luxshare Precision:

Major information leakage incidents

0

Total hours of employee information security training

614,387 hours

Number of online information security audits and offline inspections of key suppliers

325 times



During the Reporting Period, Luxshare Precision:

Major regulatory penalty or litigation case resulting from violations of personal information protection

0

## Customer Privacy Protection

We strictly comply with applicable laws and regulations, customer requirements, and industry standards by formulating and implementing a series of privacy management policies and data desensitization standards, including the *Commercial Secret Management Procedure* and the *Information Security Management Procedure for Relevant Parties*. Concurrently, we have clarified privacy protection requirements through internal regulations such as COC and the *Employee Handbook*. We primarily rely on regular training and assessments to effectively guide and constrain employee behavior, ensuring strict compliance with these regulations and preventing any leakage of partners' privacy and commercial information.



During the Reporting Period, Luxshare Precision:

Verified complaint involving the infringement of customer privacy, and loss or leakage of customer data

0

### Customer Privacy Protection Initiatives

#### Classified Management

- **Privacy Protection Content**

Define according to customers' requirements or the Company's classification standards

- **Privacy Protection Mark**

According to the determined level of confidentiality and confidentiality period, attach a confidential mark or affix a similar seal for the commercial secret data

- **Desensitization Resources Protection**

Develop desensitization standards according to different businesses, departments, and relevant parties

#### Access Permission

- **Authorization Management**

Require to use standardized and complexity-compliant usernames, passwords or passphrases, and should not be disclosed to any irrelevant or unauthorized personnel

- **Equipment Inspection and Maintenance**

The installation, debugging, and overhaul of computer equipment involving company secrets shall be undertaken by internal professional technical personnel, and other personnel shall not disassemble and overhaul the computer equipment

- **Email Security Management**

Implement two-factor authentication for email and additionally incorporate SMS/password generator dynamic codes into email access permissions

#### Personnel Management

- **Confidential Meeting**

The organizing department shall strictly determine the attending personnel for any confidential meeting. For online meetings, the organizing department shall set up passwords and encrypted links and review attendees beforehand

- **Access Permission Terms**

All parties providing various products or services to the Company that require physical or logical access to the Company's information assets must sign a confidentiality agreement or confidentiality clauses document

- **Privacy Protection Training**

Require employees to complete privacy protection-related trainings and assessments

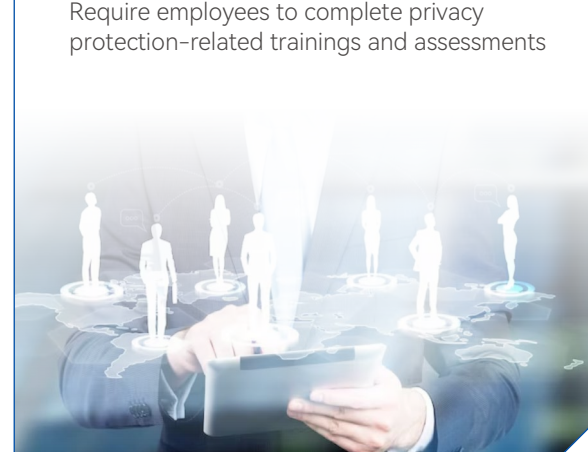
#### Asset Management

- **Confidential Information Management**

Persons involved should properly safeguard confidential materials obtained for official purposes. Individuals must not take them home or to any public place, nor disclose them to outsiders

- **Storage of Confidential Information**

Confidential documents, records, disks, optical discs, or other storage media should be placed in locked file cabinets, safes, or other forms of secure storage facilities when not in use, and the keys are managed by designated personnel



# 02 Green Direction, Conserving Ecology

Luxshare Precision deeply integrates green and low-carbon concepts into its corporate strategy and the entire operational chain, actively fulfilling its environmental responsibilities. The Company proactively identifies and manages climate risks and opportunities. Adhering to the Science Based Targets initiative (SBTi), it establishes emission reduction pathways and leverages digital tools to continuously optimize energy management and utilization. Focusing on strategies for energy conservation, emission reduction, and low-carbon energy structure transformation, the Company is advancing its green and low-carbon transformation in an orderly manner. At the same time, we practice green operations to continuously reduce the environmental impact of our own operational activities, actively implement resource recycling, and deepen our focus on green products to enhance the environmental benefits across the entire product lifecycle.

- Address Climate Change
- Energy Management
- Resource Efficiency and Circular Economy
- Pollutant Discharge Control
- Opportunities in Clean Tech
- Hazardous Substances and Chemicals Management
- Biodiversity Conservation







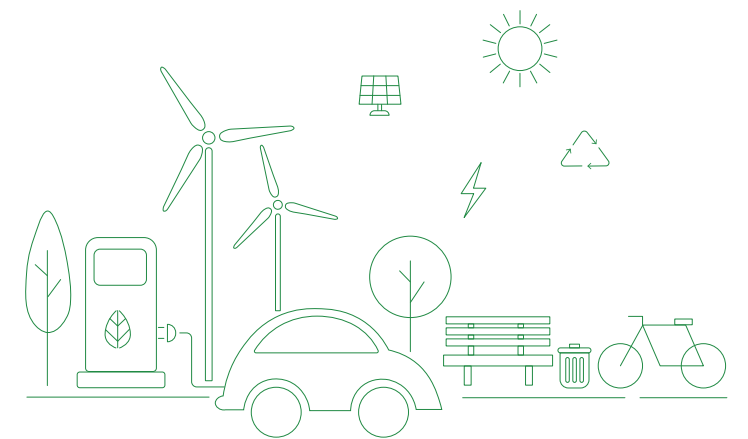
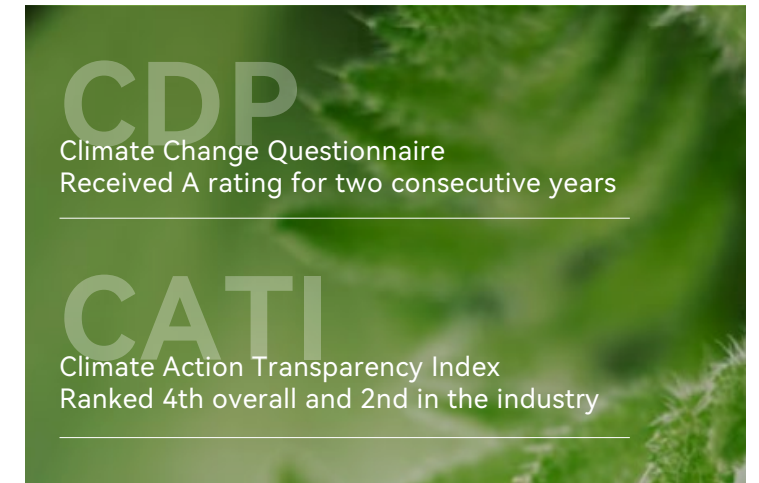
# Addressing Climate Change

Facing increasingly severe climate challenges, Luxshare Precision actively identifies climate risks and opportunities, scientifically sets carbon reduction targets, solidly advances energy conservation and carbon reduction practices, and continuously deepens green and low-carbon concepts to effectively enhance the Company's climate resilience.

## Climate Risks and Opportunities






We actively assess climate-related risks and opportunities throughout our upstream and downstream operations as well as our own business processes. In accordance with the *Recommendations of the Task Force on Climate-related Financial Disclosures (TCFD)*, we disclose our work plans and outcomes across four key pillars: **governance, strategy, risk management, and metrics and targets.**

 <b>Governance</b>	<ul style="list-style-type: none"> <li>Establishing a climate change management framework led and decided by the Board of Directors, reviewed by the Strategy Committee, coordinated and managed by the Sustainable Development Center, and executed by each subsidiary. Conduct at least one annual discussion on climate change related issues to develop plans and track the achievement of climate targets</li> <li>Maintaining regular engagement with external stakeholders and experts specializing in climate change and environment. Through various channels, including the sharing of best practices and standard training related to climate change and environmental matters, we ensure that the Board possesses the requisite capabilities to oversee decision-making regarding climate change-related risks and opportunities</li> <li>Establishing an incentive mechanism linking emission performance to the remuneration of senior management, incorporating the achievement of science-based targets into considerations, motivating the Company's management to integrate emission reduction into operational decisions</li> </ul>
 <b>Strategy</b>	<ul style="list-style-type: none"> <li>Identifying potential climate risks and opportunities within our operations and value chain. By drawing on the Net Zero Emissions (NZE 2050) scenario set by the International Energy Agency (IEA) and the Representative Concentration Pathway (RCP8.5) scenario set by the Intergovernmental Panel on Climate Change (IPCC), we assess the impact of various climate factors on the Company's business, strategy, and financial planning in both current and future operating environments. We proactively formulate climate response strategies to enhance organizational climate resilience and actively seize transformation opportunities</li> </ul>
 <b>Risk Management</b>	<ul style="list-style-type: none"> <li>Integrating current and potential climate risks into the Company's overall risk management framework, and implementing them in the annual work of respective risk management departments</li> <li>The Sustainable Development Center regularly holds special meetings to discuss and analyze the environmental risks and opportunities reported by various risk management departments, formulate risk countermeasures, and submit them to the Strategy Committee under the Board of Directors for final review</li> </ul>
 <b>Metrics and Targets</b>	<ul style="list-style-type: none"> <li>Establishing science-based targets in line with the 1.5°C pathway, which have been formally validated and approved by the SBTi</li> <li>Setting phased climate targets and committing to achieving carbon neutrality no later than 2050</li> </ul>




We continuously assess climate risks. Integrating macroeconomic policies, industry regulations, and compliance requirements, we analyze the primary risks and opportunities facing Luxshare Precision in the short term (1-5 years), medium term (6-10 years), and long term (11-20 years). Referencing the IPCC RCP8.5 Scenario and IEA NZE 2050 Scenario, and considering the likelihood, severity, and impact magnitude of risk events, we identify and evaluate climate-related physical risks, transition risks and opportunities that possess financial materiality.



## Key Climate Risk Responses

Risk Item	Risk Type	Risk Description	Impacted Stages	Time Horizon	Current Financial Impact	Expected Financial Impact	Risk Response Measures
 <b>Increase in raw material costs</b>	Transition Risk - Market	Changes in policies and regulations related to climate change lead to complex fluctuations in raw material procurement, manufacturing, transportation, and the overall supply chain	Upstream Value Chain	Medium-term	Upstream high-emission suppliers (e.g., metal, plastic, and chemical manufacturers) pass additional carbon costs down the supply chain to key raw material prices, thereby increasing production costs	<ul style="list-style-type: none"> <li>When the development of initial green technologies fails to keep pace with the speed of policy transformation, the use of biodegradable and recyclable raw materials increases procurement and operating costs</li> </ul>	<ul style="list-style-type: none"> <li>Screen potential suppliers and reasonably control procurement costs</li> <li>Through supplier communications and surveys, promote energy saving and emission reduction</li> <li>Accelerate the green transformation by introducing new technologies and new materials</li> </ul>
 <b>Carbon pricing mechanism</b>	Transition Risk - Policy	Pricing mechanisms such as carbon trading and carbon taxes impose fees on carbon-emitting enterprises, requiring them to bear the damages caused by their emissions and encouraging them to modify business activities to reduce emission levels	Direct Operations	Long-term	Subsidiaries included in the carbon market trading proactively carried out energy-saving renovations, resulting in increased compliance costs and capital expenditures	<ul style="list-style-type: none"> <li>The government announces an increase in carbon pricing, a tightening of carbon market allowances, or the imposition of a carbon tax, resulting in higher compliance costs</li> <li>Relevant compliance costs may be passed on to raw material and energy costs, thereby increasing operating expenses</li> </ul>	<ul style="list-style-type: none"> <li>Continuously monitor policy developments on carbon pricing in various regions</li> <li>Promote the use of clean energy sources such as rooftop photovoltaics and purchased green electricity to replace traditional fossil fuels, driving the transformation of the energy structure</li> <li>Accelerate the construction of the energy management system and establish a green manufacturing system</li> </ul>
 <b>Transition to low-emission technologies and products</b>	Transition Risk - Technology	Government policies on energy conservation and carbon reduction, coupled with rising market demand for product environmental standards, require the Company to undertake energy-saving retrofitting and innovate low-carbon technologies	Direct Operations	Short-term	Conducted energy-saving retrofit and energy management system optimization projects, resulting in increased capital expenditures	<ul style="list-style-type: none"> <li>Adopting more energy-efficient production equipment and technologies increases capital expenditure</li> <li>The outcomes of investments in new processes or equipment may fall short of expectations, leading to a reduction in operating revenue</li> </ul>	<ul style="list-style-type: none"> <li>Establish energy conservation and consumption reduction targets, advance emission reduction efforts, and improve energy efficiency from both management and technical perspectives</li> <li>Establish a product environmental footprint management mechanism</li> <li>Implement energy efficiency improvement projects</li> </ul>
 <b>Increased concerns and negative feedback from stakeholders</b>	Transition Risk - Reputation	The growing concern of diverse stakeholders regarding the Company's management of climate risks and opportunities has become a key component of the Company's overall evaluation	Direct Operations	Short-term	A dedicated team is established to respond to stakeholders' concerns on climate change, increasing operational costs	<ul style="list-style-type: none"> <li>Failure to effectively address the concerns of stakeholders or to properly manage climate risks may adversely affect the public's overall perception of the Company. In the long term, this could impact the Company's market competitiveness and increase financing costs</li> </ul>	<ul style="list-style-type: none"> <li>Establish a Sustainable Development Center to address sustainable development and climate change issues, actively communicate with stakeholders, and enhance the Company's reputation</li> <li>Disclose policies and information related to climate change to ensure that all relevant stakeholders have access to such information and can monitor and evaluate the Company's performance</li> </ul>
 <b>Changes in consumer behavior</b>	Transition Risk - Market	Customers are increasingly concerned about the actual impacts of climate change and prefer products that are greener and more energy-efficient	Downstream value chain	Medium-term	Market and customer preference for green products reduces demand for traditional products and services, reducing operating revenue	<ul style="list-style-type: none"> <li>Product R&amp;D costs increase due to strong customer preference for green products</li> <li>More customers request the Company to address ecological impacts, promote environmental protection, and implement green operations due to the growing focus of their customers, increasing product sales costs</li> </ul>	<ul style="list-style-type: none"> <li>Conduct regular market research to understand customer needs and market trends, and promptly adjust product strategies</li> <li>Increase R&amp;D investment in energy-saving and low-carbon technologies to develop more efficient and environmentally friendly products</li> <li>Collaborate with suppliers that are green and low-carbon, and adopt production materials with greater environmental benefits</li> </ul>

## Key Climate Risk Responses (Continued)

Risk Item	Risk Type	Risk Description	Impacted Stages	Time Horizon	Current Financial Impact	Expected Financial Impact	Risk Response Measures
<b>Heavy precipitation (rain, hail, snow/ice)</b> 	Physical Risk - Acute	Climate change leads to an increase in the number of days with heavy precipitation and a rise in maximum rainfall intensity, resulting in severe urban waterlogging that threatens the safety of equipment and personnel at facilities located along rivers, lakeshores, coastlines, and low-lying areas	Direct Operations	Short-term	To address extreme weather events (such as Typhoon Ragasa in the Guangdong region), capital expenditures were increased to upgrade flood control and drainage facilities, reinforce factory buildings, upgrade equipment, and establish emergency systems	<ul style="list-style-type: none"> <li>Natural disasters can damage production facilities, increase costs for asset maintenance or replacement, and pose risks of production stoppages or delays</li> </ul>	<ul style="list-style-type: none"> <li>The factory site was selected to avoid areas prone to heavy rainfall. Drainage facilities and submersible pumps were installed in flood-prone areas such as underground parking garages. Rainwater pipes are regularly cleared to ensure unobstructed drainage</li> <li>Establish an emergency organizational structure, formulate and implement emergency response plans, regularly conduct emergency drills, and ensure adequate preparation of emergency supplies</li> <li>Continuously monitor weather forecasts. Upon receiving warnings, activate emergency response plans and implement contingency measures based on the warning level. Proactively reinforce facilities that may be affected</li> <li>Purchase property insurance for the Company's assets (inventory, construction in progress, fixed assets, and buildings)</li> </ul>

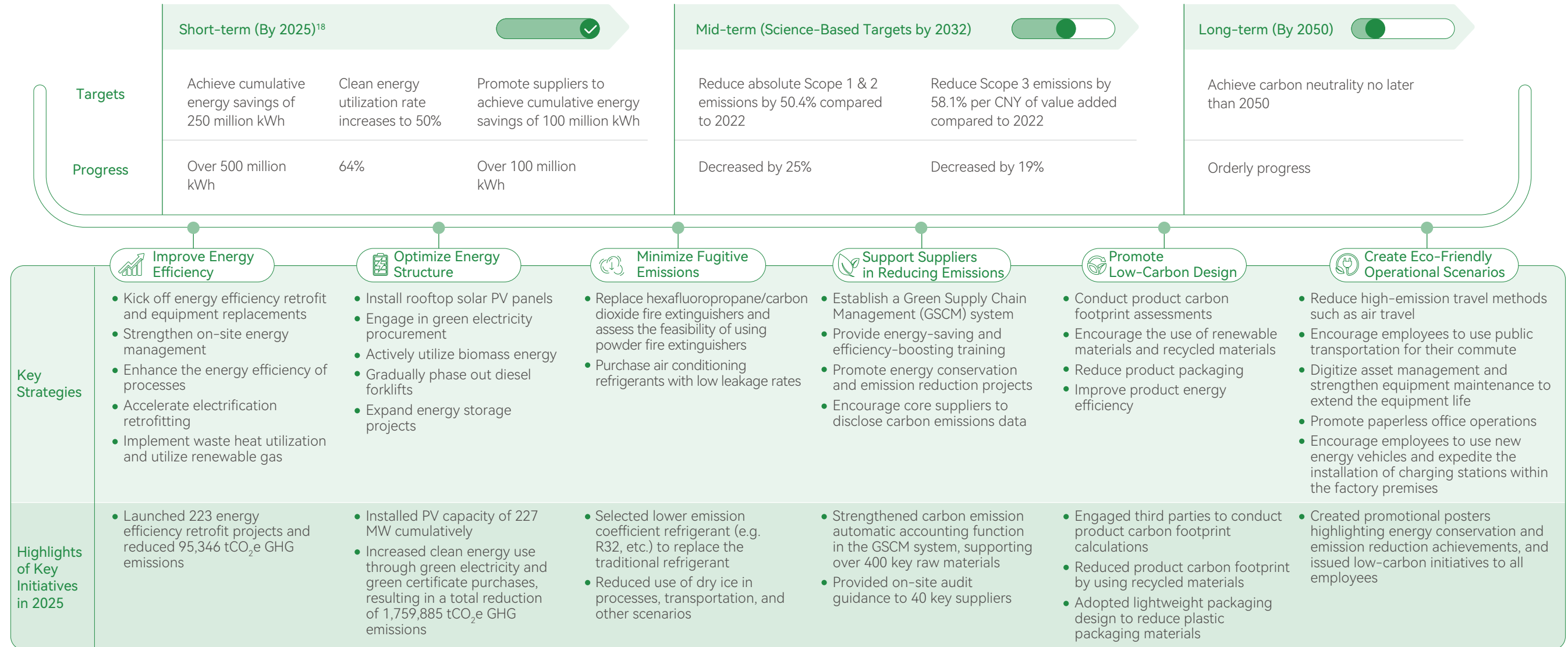
## Key Climate Opportunity Responses

Opportunity Item	Opportunity Type	Opportunity Description	Impacted Stage	Time Horizon	Current Financial Impact	Expected Financial Impact	Opportunity Response Measures
<b>Leverage public-sector incentive mechanisms</b> 	Market	The government is increasing policy support for the green and low-carbon sector, encouraging enterprises to participate in infrastructure construction for key emerging areas and to establish green factories	Direct Operations	Short-term	By establishing Green Factories and Zero-Carbon Factories to align with green policy guidelines, the Company secures relevant subsidies or incentives	<ul style="list-style-type: none"> <li>The Company is advancing the construction of photovoltaic and new energy charging pile projects within the industrial park to promote efficient multi-energy complementarity and reduce energy costs</li> </ul>	<ul style="list-style-type: none"> <li>Continuously monitor the dynamics of government policies on green and low-carbon development</li> <li>Apply for National, Provincial, and Municipal Green Factory and Zero-Carbon Factory certifications</li> </ul>
<b>Develop new products or services</b> 	Products and Services	As the low-carbon green transformation deepens, market demand for clean products and services is increasing	Direct Operations	Medium-term	Increase investment in the research and development of clean products such as new energy vehicles and intelligent equipment to boost revenue from green products	<ul style="list-style-type: none"> <li>Developing a diversified business portfolio in response to the growing market demand for green products can drive revenue growth</li> </ul>	<ul style="list-style-type: none"> <li>Actively position in clean technology product sectors such as new energy vehicles and data center power supplies</li> <li>Continuously invest in the research and development of clean technology products</li> </ul>

# Carbon Targets and Progress

Luxshare Precision has issued the *Carbon Management Commitment and Statement* in response to the long-term goal of the *Paris Agreement* to limit the global average temperature increase to within 1.5°C above pre-industrial levels. The Company continues to optimize decarbonization pathways covering operations and the value chain. Relying on six core carbon neutrality strategies, Luxshare Precision actively carries out emission reduction actions and steadily advances the achievement of science-based targets and phased targets.

## Carbon Neutrality Roadmap



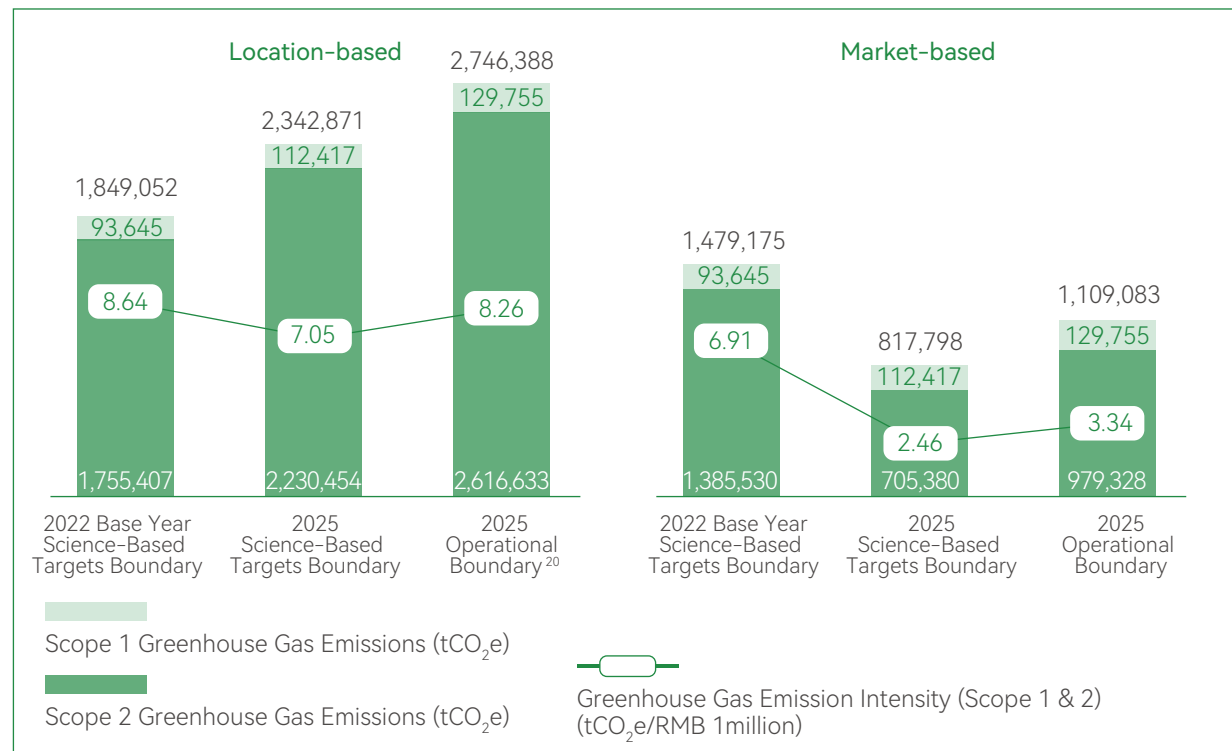
<sup>18</sup> The timeframe is from 2023 to 2025

## Scientific Management of Carbon Data

Annually, in accordance with the ISO 14064 standard, we **conduct a comprehensive inventory and third-party verification of Scope 1, 2, and 3 emissions**. We precisely calculate total GHG emissions and conduct an in-depth analysis of energy consumption structures and carbon footprint characteristics to establish a solid data foundation for the Company's effective carbon management. During the Reporting Period, subsidiaries included in emissions trading have strictly and proactively fulfilled their obligations by declaring carbon emission data and conducting the trading and surrender of carbon allowances in accordance with relevant national and regional requirements, thereby contributing to the construction and effective operation of the carbon emissions trading market. At the same time, the Company is actively building zero-carbon factories through initiatives such as energy conservation and emission reduction projects, expanding clean energy usage, and voluntarily retiring carbon credits. **Its subsidiary, Luxshare Electronic Kunshan, was selected for Suzhou's 2025 List of Enterprises with Outstanding Achievements in Zero-Carbon Factory Development.**

The Company has introduced an internal carbon pricing mechanism. By combining historical data and forecasts of future carbon prices, the Company employs a shadow price to enable subsidiaries to clearly understand carbon emission costs. This economic approach stimulates internal momentum for low-carbon transformation and urges subsidiaries to actively explore new pathways for energy conservation and emission reduction.

### Greenhouse Gas Emissions<sup>19</sup>



<sup>19</sup> The data for 2025 have not been verified

<sup>20</sup> Changes in operational boundaries resulting from business activities such as acquisitions and mergers



Luxshare Precision establishes an electronic information system for carbon data and a GSCM carbon data module. With an embedded emission factor library, the system enables automated calculation of carbon emissions, significantly improving the efficiency of collecting, compiling, and managing carbon emission data for both its own operations and suppliers.

#### Case | Luxshare Precision Upgraded the Carbon Data Platform with Enhanced Visualization

Luxshare Precision refined and optimized the digital carbon data system, and upgraded the data visualization dashboard. This enables the visual presentation and multidimensional analysis of carbon emissions data at both the corporate and subsidiary levels, thereby enhancing carbon data statistical analysis and management. Centered on precise data integration, visual presentation, carbon target tracking, and refined management, the dashboard supports the Company's carbon management in transitioning from "data statistics" to "precision control." It provides a solid data foundation for identifying carbon reduction potential and reviewing phased carbon reduction targets and progress.

#### Schematic of Carbon Data Visualization

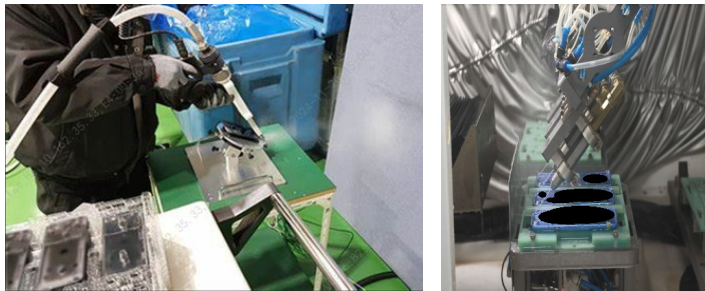
## Continuously Advance Carbon Emission Reduction Construction of Low-Carbon Concepts

Based on energy consumption and carbon emission characteristics, combined with the Company's current operational status and future planning, we identify and analyze the emission reduction potential of key emission sources, and are steadily advancing emission reduction efforts in key areas of Scope 1, 2, and 3. Regarding Scope 1 emissions, we reduce fossil fuel combustion, process-related, and fugitive emissions through production process optimization, manufacturing improvements, and refrigerant substitution. Regarding emission reduction measures for Scope 2 and Scope 3, please refer to the chapters on *Optimizing Energy Utilization* and *Green and Low-Carbon Supply Chain*.



### Case | Luxcase ICT Yancheng Upgraded the Dry Ice Deburring Process

The conventional dry ice deburring process is associated with high energy consumption and carbon emissions resulting from dry ice sublimation. Luxcase ICT Yancheng implemented a production process modification to replace dry ice blasting with water jetting for deburring, significantly reducing dry ice consumption and lowering process fugitive carbon emissions at the source. In 2025, the renovation project cumulatively reduced dry ice consumption and achieved carbon emission reductions exceeding 260 tons, effectively lowering Scope 1 emissions.



Comparison of the Water Jet Process Before and After Improvement



To further deepen the concept of low-carbon development, Luxshare Precision has integrated the construction of a standardized carbon management system into daily operations. **Through systematic internal thematic training, awareness campaigns, and multi-channel external exchanges**, the Company continuously conveys green and low-carbon values to employees, suppliers, and partners. We encourage all parties to work together to implement energy-saving and emission-reduction actions, jointly promoting the green transformation of the value chain.



### Case | Luxshare Precision Conducted Product Carbon Reduction Training

In June, to respond to regulatory policies and market demands while enhancing product competitiveness, the Company deeply integrated carbon reduction concepts throughout the entire product lifecycle. Centered on the "Reduce, Reuse, Recycle" (3R) principles, the Company conducted specialized product carbon reduction training for all subsidiaries, focusing on themes such as low-carbon material selection, design optimization, and energy efficiency improvement. This training aimed to integrate low-carbon concepts into the full lifecycle management of products, improve material utilization rates, increase the proportion of recycled materials used, and reduce product carbon footprints.



Product Carbon Emission Reduction Training Content



### Case | Luxshare Precision Launched Energy Conservation and Carbon Reduction Campaign

In response to the National Energy Conservation Week theme "Energy Efficiency and Enhancement, Leading with Innovation", Luxshare Precision launched energy conservation awareness initiatives. By integrating online knowledge competitions with offline interactive experiences and engaging fun games, the Company promoted energy efficiency, carbon reduction, and circular economy knowledge through an educational yet entertaining approach. These efforts enhanced all employees' environmental awareness and practical skills while disseminating low-carbon concepts across the workforce, injecting practical momentum into building a corporate green culture and implementing Sustainable Development Goals.



Promotion of National Energy Conservation Week



Luxcase Factory "Energy Conservation and Carbon Reduction, Together with You" Thematic Event

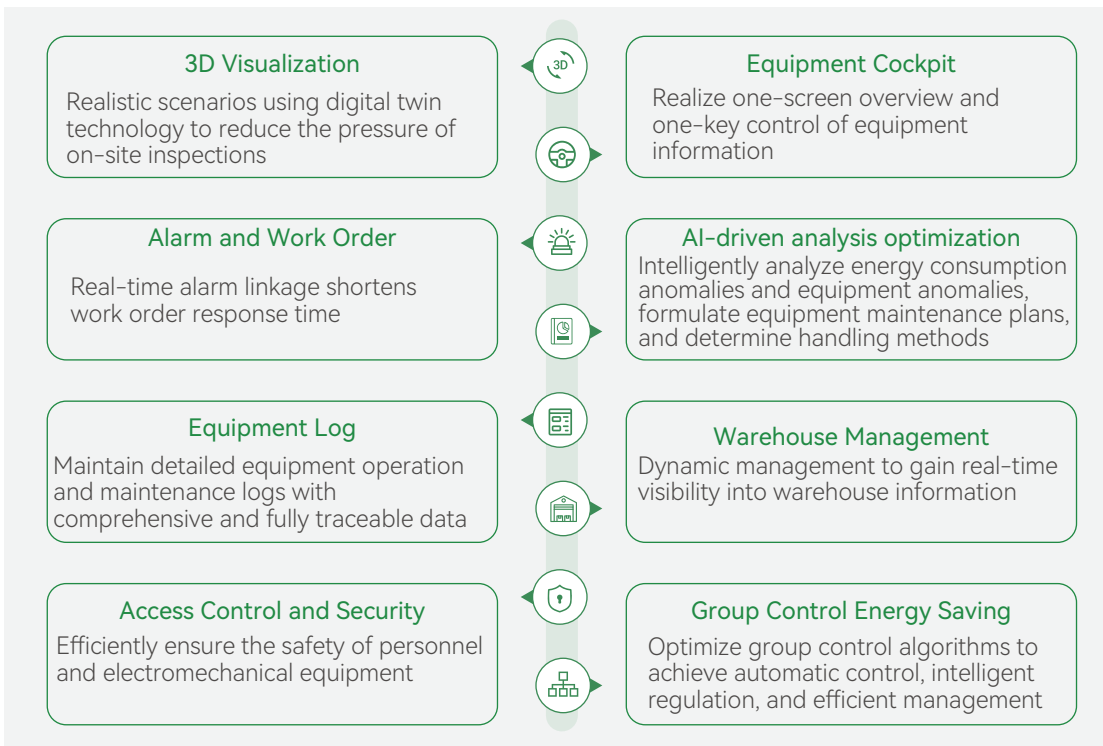
# Optimizing Energy Utilization

We adhere to the energy management principle of "Compliance, Clean Production, Energy Efficiency, and Continuous Improvement." We establish a digital energy management platform, conduct energy efficiency benchmarking and low-carbon technological retrofitting, actively explore the use of clean energy, and progressively enhance overall energy utilization efficiency and operational management levels to drive the transformation of the energy structure towards a low-carbon direction.

## Energy Management

To deepen refined energy management, Luxshare Precision continues to improve its energy management system. Relying on the Intelligent Energy Management (IOE) platform, the Company strengthens the unified monitoring and analysis of energy data across all manufacturing sites. **In 2025, the Company progressively expanded the deployment of the IOE platform, extending its coverage to 9 additional subsidiaries.** The Company continued to optimize platform functionalities, with a focus on enhancing group control energy saving and AI applications. By strengthening real-time monitoring and intelligent analysis of energy data across all sites, the Company improved the efficiency of energy resource allocation and effectively reduced comprehensive energy consumption at each facility.

### IOE Platform Functionality



### Case | Luxshare Precision Accelerated IOE Platform Deployment and Upgrade

Luxshare Precision continues to advance the deployment and functional upgrades of the IOE platform. Through dynamic data collection, intelligent analysis, and real-time monitoring, it has established a digital energy management hub, significantly enhancing energy management efficiency and decision-making precision.

#### Achieve integrated energy management through the equipment cockpit

Luxshare Smart Manufacturing has launched the IOE platform, upgrading from a fragmented ecosystem of multiple systems with single functionalities to a unified digital management platform. Leveraging the equipment cockpit, the platform enables energy monitoring, automatic data alerting, and intelligent analysis of consumption trends across the power supply system, compressed air system, refrigeration station system, vacuum system, nitrogen generation system, water system, and floor systems. This empowers the management team to accurately monitor real-time energy usage dynamics and provides robust data support for energy efficiency optimization.



Luxshare Smart Manufacturing IOE Platform Equipment Cockpit Schematic

#### Leverage group control for energy saving and AI applications to achieve intelligent regulation and diagnosis

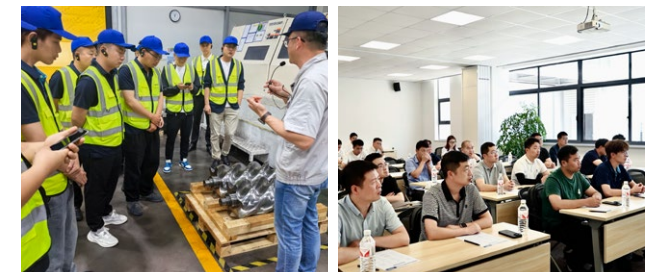
Smart Manufacturing Jiangxi leverages the IOE platform's group control energy-saving and AI application functions to intelligently regulate key energy-consuming equipment such as air compressor stations and central air conditioning systems. By dynamically optimizing equipment operating parameters, it directly reduces energy consumption by over 10%. Moreover, the platform's intelligent diagnostic function effectively reduces invisible losses such as leaks and drips, indirectly reducing energy waste by approximately 10% and enhancing energy utilization efficiency.

The Company actively conducted specialized training programs on energy management for air compressor systems, air conditioning systems, and basic energy-saving projects. Through diverse methods such as on-site instruction and online seminars, the Company enhanced the energy management capabilities of employees in relevant positions.



### Case | Luxshare Precision Conducted Training on Energy Management for Compressed Air Systems

In May, we organized 24 employees from 15 factories to visit the air compressor equipment production base for specialized training on air compressor systems. The training covered cutting-edge air compressor technologies, daily operation and maintenance of air compressors, high-efficiency station solutions for air compressor stations, and the use of the IOE platform. Through practical case studies and strategic discussions, participants mastered methods for equipment energy efficiency diagnosis and operational optimization. This provides strong support for each factory to formulate scientific equipment start-stop combination plans and reduce the overall energy consumption of air compressor stations.



Compressed Air System Energy Management Training

# Energy Efficiency Improvement

Leveraging its technical expertise and operational experience, Luxshare Precision continues to focus on equipment upgrades and process optimization. The Company comprehensively implements various energy efficiency improvement projects across key energy consumption areas, including lighting systems, air conditioning systems, fan systems, and compressed air systems. These initiatives encompass high-efficiency equipment replacement, variable frequency drive optimization, multi-level system pressure management, and waste heat recovery utilization, accelerating the transition towards green and low-carbon development.

## 2025 Energy Efficiency Retrofit Projects

Project Type	Number of Projects (Item)	Annual Power Conservation (kWh)	Annual Greenhouse Gas Emission Reduction (tCO <sub>2</sub> e)
Air Compressor System	75	81,706,800	49,141
Central Air Conditioning	50	34,159,920	20,402
Exhaust Fan in Factories	18	16,030,108	9,586
Life and Office Power Consumption	31	5,348,809	3,254
Production Power Consumption	49	21,545,886	12,963
<b>Total</b>	<b>223</b>	<b>158,791,523</b>	<b>95,346</b>



As of the end of the Reporting Period, Luxshare Precision:  
Number of subsidiaries certified by ISO 50001

**24**



During the Reporting Period, Luxshare Precision:  
Electricity saving rate<sup>21</sup>

**4.62 %**

<sup>21</sup> Electricity Saving Rate = (Electricity saving in the current Reporting Period / Total electricity consumption in the previous Reporting Period) \* 100

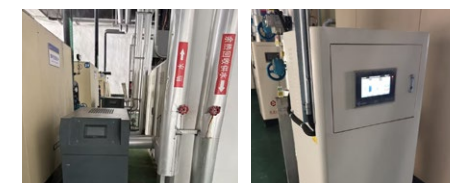


### Case | Luxshare Precision Implemented Multiple Equipment Renovations to Facilitate Energy Conservation and Carbon Reduction

Luxshare Precision significantly improved energy efficiency and reduced energy losses by implementing five categories of energy-saving projects: air compressor system, central air conditioning, exhaust fan in factories, production power consumption, and life and office power consumption.

#### Waste Heat Recovery from Air Compressors

The operation of air compressors generates significant waste heat during the compression process. Luxcase ICT Yancheng has installed a waste heat recovery system for its air compressors to capture high-temperature thermal energy from oil and gas generated during operation. This recovered energy is utilized for heating water in production facilities or dormitories, thereby reducing overall energy consumption. This waste heat recovery project can save approximately 8.3 million kWh of electricity and reduce carbon emissions by approximately 5,000 tons annually.



Luxcase ICT Yancheng Air Compressor Waste Heat Recovery

#### Energy-Saving Retrofit of Air Conditioning Systems

At the mold and die room area in Merry Huizhou, variable frequency air conditioners with Grade 1 energy efficiency replaced the original fixed-frequency units. Annual electricity consumption decreased by 69%, saving approximately 9,800 kWh per year and reducing carbon emissions by about 6 metric tons annually. Moreover, an energy efficiency upgrade was implemented for the cooling tower fans of the central air conditioning system in Building B, raising the energy efficiency rating from Level 3 to Level 1. This initiative is expected to save approximately 1,700 kWh of electricity annually and reduce carbon emissions by approximately 1 metric ton per year.

#### Replacement of Energy-Saving Motors

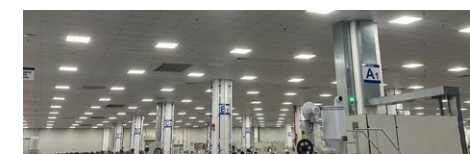
Luxcase ICT Yancheng replaced motor equipment such as water pump motors, exhaust fans, cooling tower fan motors, and air conditioning fans with Class I energy-efficient motors. This initiative exceeds the local Class II energy efficiency standards and is expected to improve overall energy efficiency by approximately 3%.



Luxcase ICT Yancheng Energy-Saving Motor Replacement

#### Retrofit of Workshop Lighting

Addressing the issue of excessive lighting brightness in the cable workshop, Vietnam Luxshare Technology carried out a lighting system retrofit without compromising the required illumination standards. This initiative involved removing 350 redundant light fixtures and optimizing the layout of the lighting equipment. The renovation project achieves an annual electricity savings of over 140,000 kWh and reduces carbon emissions by approximately 90 tons per year, effectively minimizing energy waste.



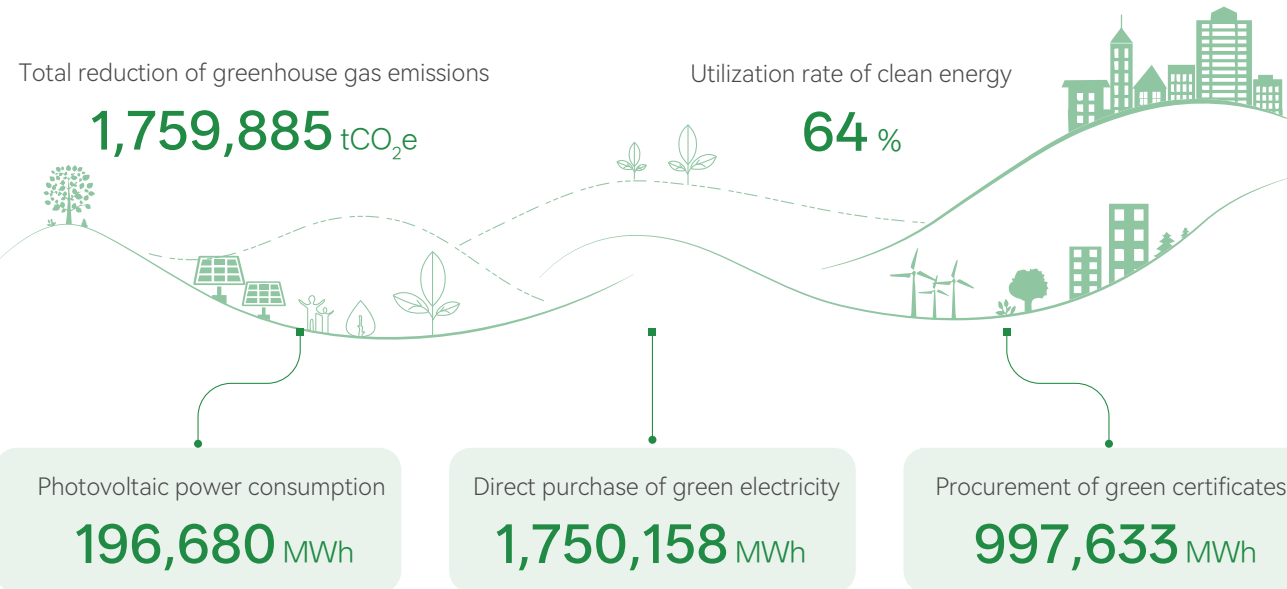
Vietnam Luxshare Technology Workshop Lighting Retrofit

#### Improvement of Automatic Control for Perimeter Street Lighting

Vietnam Luxshare Technology installed light-controlled switches for perimeter streetlights and wall lighting to automatically turn lights on or off based on daily weather changes and ambient brightness, thereby reducing energy waste from illumination.


# Green Energy Application

Promoting the green transformation of the energy structure is a key measure for Luxshare Precision to achieve its carbon neutrality goals. By deploying rooftop photovoltaics, scaling up the use of green electricity, and procuring green certificates, we systematically expanded the scale of clean energy utilization to effectively reduce greenhouse gas emissions. **As of the end of the Reporting Period, our rooftop photovoltaic capacity reached 227 MW, and energy storage installed capacity reached 35 MW.** In addition, Luxshare Precision supported the development of clean energy projects and contributed to building a clean energy system by participating in the Green Energy Fund, obtaining 65,154 MWh of green attributes during the Reporting Period.



**Case | Lanto Kunshan Deployed Integrated Solar-Plus-Storage Projects**

The newly established energy storage project at Lanto Kunshan is equipped with eight energy storage units, boasting an installed capacity of 4MW/16MWh. It dynamically coordinates with rooftop photovoltaic systems based on actual regional grid load and new energy absorption conditions, achieving intelligent energy storage and optimized dispatch. After the system was commissioned, it discharges approximately 4.2 million kWh annually, effectively mitigating grid fluctuations and improving photovoltaic utilization efficiency.



**Energy Storage Power Station**



# Practicing Green Operations

We continue to refine our water resource management system, deepen the resource utilization of waste, systematically reduce atmospheric pollutant emissions during production processes, and solidly advance the construction of a green manufacturing system. At the same time, we actively focus on ecological environmental protection in our operating locations, are committed to maintaining regional ecological balance, and fulfill our corporate ecological responsibilities.

## Green Production

Luxshare Precision strictly complies with national and local environmental protection laws and regulations, including the *Environmental Protection Law of the People's Republic of China*, the *Law of the People's Republic of China on Environmental Impact Assessment*, and the *Law of the People's Republic of China on the Promotion of Clean Production*. The Company continuously improves internal procedural documents such as the *Group-wide Environmental Protection Management Procedure* and the *Management Procedure of Environmental Factor Identification and Assessment*. **It comprehensively advances the standardization, normalization, and refinement of environmental management work**, continues to strengthen the Company's primary accountability for environmental protection.

### Environmental Risk Management System

#### Identification and Assessment of Environmental Factors



- Establish an environmental factor identification program to ensure the comprehensive, correct, and effective identification of environmental factors in the whole process of the Company's activities, products, and services
- Conduct an annual comprehensive environmental factor review and update to ensure the effectiveness of environmental factor identification

#### Environmental Incident Prevention and Handling



- Formulate an environmental emergency plan and conduct regular annual emergency drills for wastewater leakage, accidents at hazardous waste storage facilities, chemical leakage, etc., to enhance the Company's ability to deal with environmental emergencies
- Establish a three-tier response mechanism to immediately carry out emergency rescue activities in the event of an environmental incident and, if necessary, cooperate with external rescue forces and government departments in emergency rescue operations

#### Environmental Monitoring and Auditing



- For key pollutant-discharging entities, internal real-time monitoring system is used to provide early warning of abnormal emissions
- Regularly conduct environmental audits to eliminate potential hazards and follow up on their rectification



As of the end of the Reporting Period, Luxshare Precision and its subsidiaries:

Certified by ISO 14001 reached

**106**



As of the end of the Reporting Period, Luxshare Precision:

Cumulative National Green Supply Chain Factory awarded subsidiaries reached

**2**

Cumulative National, Provincial or Municipal Green Factory awarded subsidiaries reached

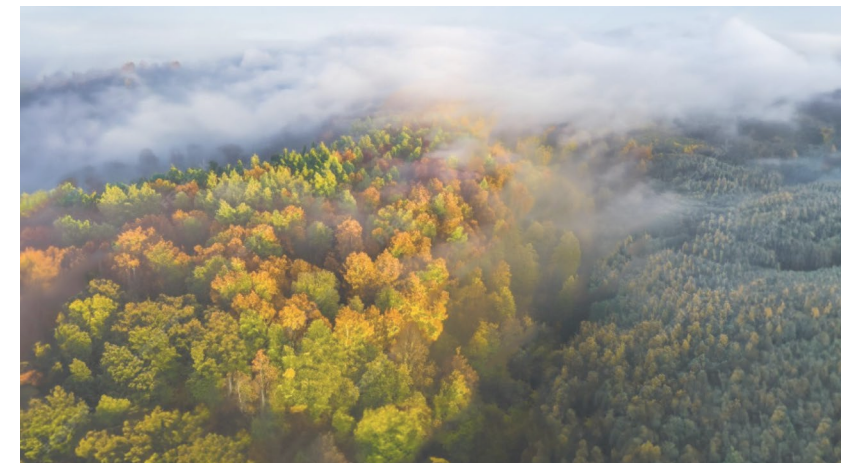
**21**



During the Reporting Period, Luxshare Precision:

Number of subsidiaries newly recognized as Green Factories

**3**



# Environmental Protection

Luxshare Precision places environmental protection at the forefront of its operational management. The Company strictly controls pollutant emissions and minimizes the environmental impact of its operations. We integrate ecological conservation principles into project site selection, daily operations, and long-term development to achieve harmonious coexistence between production activities and ecological preservation.

## Pollutant Emissions

We strictly comply with laws and regulations such as the *Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution*, the *Water Pollution Prevention and Control Law of the People's Republic of China*, and the *Law of the People's Republic of China on the Prevention and Control of Environmental Solid Waste Pollution*. We attach great importance to environmental protection and pollution prevention work. In 2025, the Company updated the *Operational Procedure for Wastewater, Exhaust Gas, Solid Waste, and Noise Control*, further improved the pollutant governance system covering wastewater, exhaust gas, and solid waste, implemented routine monitoring and control measures, and reduced the impact of pollutant emissions on the environment. **During the Reporting Period, the Company received no major administrative penalties or criminal liabilities related to pollutant emissions.**

### Measures for Pollutant Emission Management

#### Wastewater Management

- Real-time monitoring of wastewater discharge is conducted. Each factory is required to undergo at least one annual wastewater discharge assessment by an external agency to ensure that all wastewater is either treated safely on-site or transferred to qualified external wastewater treatment plants for compliant discharge. Direct discharge of untreated wastewater into surface water or groundwater is strictly prohibited
- Strengthen inspections of equipment and pipelines to strictly prevent leakage incidents

#### Waste Gas Management

- Engage third parties to conduct air pollutant emission testing to ensure compliance with national and local emission standards
- Materials used in production are strictly controlled in accordance with legal and regulatory requirements to ensure they do not contain ozone-depleting substances

#### Waste Management

- Waste management activities are conducted in accordance with the principles of "classified collection, centralized storage, and unified disposal"
- Establish the *Waste Control Operating Procedure* and implement compliant management of waste classification, storage, compliant disposal, and record-keeping in accordance with the *National Hazardous Waste Directory*, the *Solid Waste Identification Standard*, and other national standards

Ensuring compliance in the discharge of wastewater, waste gas, and solid waste, Luxshare Precision has optimized the management of emissions throughout the production process and actively strengthened the comprehensive governance of various emission types. Regarding waste gas emissions, the Company implements full-chain control from source generation to end-of-pipe disposal. Through process optimization, upgrades to end-of-pipe governance facilities, and real-time monitoring measures, the Company effectively reduces the generation and emission of waste gas pollutants. Regarding management measures for wastewater and waste, please refer to the chapter on *Water Resource Management* and *Recycling*.

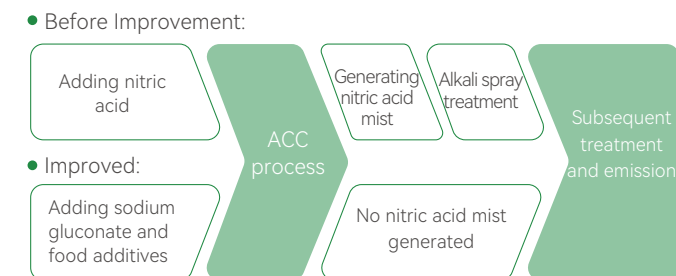


### Case | Luxshare Precision Implemented Waste Gas Source Reduction, Emission Monitoring, and End-of-Pipe Treatment.

The Company effectively reduced waste gas emissions during the production process and ensured compliant discharge by implementing a series of measures, including raw material substitution, monitoring facility upgrades, and end-of-pipe emission treatment process modifications.

#### Adopt the nitric acid substitution process to reduce waste gas generation at the source

Luxcase ICT Yancheng launched a source reduction project for nitric acid mist. The factory replaced the nitric acid added in the original automated chemical cleaning (ACC) process with sodium gluconate and food additives to prevent the generation of nitric acid mist at the source and reduce the pressure on subsequent waste gas treatment.



Luxcase ICT Yancheng Nitric Acid Replacement Process

#### Installation of new exhaust gas monitoring equipment for the spray coating process to enable refined emission monitoring

Luxcase ICT Huangshi has strengthened the refined control of waste gas emissions from the spraying process. Three additional online monitoring devices for total non-methane hydrocarbons in spraying waste gas have been installed to monitor the waste gas data from the end-of-line regenerative thermal oxidizer (RTO) and activated carbon adsorption units of the spraying production line on a 24-hour basis. By continuously monitoring parameters such as RTO flue gas temperature, treatment efficiency, and activated carbon adsorption saturation trends, we ensure that waste gas emission data is transparent and traceable, guaranteeing compliance with emission standards.

#### Upgraded waste gas treatment facilities to reduce end-of-pipe emissions

Huarong Communication upgraded its waste gas governance process from "UV photolysis + first-stage activated carbon" to "water spray + dry filtration + secondary-stage activated carbon", effectively improving waste gas treatment efficiency. Under the same production processes, annual waste gas emissions were reduced by 25%.



Huarong Communication Waste Gas Treatment Facilities and Process Upgrades

## Biodiversity

We integrate ecological protection concepts into all aspects of corporate construction and operation management. Strictly adhering to the *Environmental Protection Law of the People's Republic of China*, the *Convention on Biological Diversity*, and specific ecological protection requirements in domestic and international operating locations, we have established the *Biodiversity Protection Management Procedure* to effectively fulfill our corporate responsibility for ecological environmental protection.

The Company is committed to managing production and operational activities in an environmentally friendly manner. An ecological assessment is conducted during the site selection phase to **ensure that all operational sites comply with ecological protection red line regulations**. In daily operations, we have established a systematic monitoring and maintenance mechanism. We conduct testing of three types of waste, soil monitoring, and rainwater monitoring. We perform regular maintenance on environmental protection facilities to maintain ecological balance within the factory area and its surroundings. Furthermore, we actively promote specialized practices for biodiversity conservation by implementing measures such as nature education and ecological restoration. These initiatives aim to enhance employees' awareness of biodiversity protection, improve the resilience and richness of the ecosystem within our facilities, and achieve synergistic development between production operations and ecological stewardship.



### Case | Luxshare Taiwan Conducted Parent-Child Beach Cleanup Activity

On April 18, Luxshare Taiwan carried out the "2025 Love · Beach" beach cleanup activity on the North Coast, demonstrating its deep concern for the marine environment through concrete actions. This event called on employees to participate alongside their families in activities such as the "Coastal Ecology Mini-Class" and "Shell Hunting", enabling them and their family members to gain a deeper understanding of Taiwan's coastal ecosystem diversity and comprehend the severe threats posed by marine debris to fragile ecosystems. Through hands-on beach cleanup activities, we strive to create a better ocean.



Parent-Child Beach Cleanup Activity



### Case | Luxcase ICT Yancheng Conducted Eco-Creation Specialist Training

From September 10 to 12, Luxcase ICT Yancheng organized employees to participate in a three-day special training on "Ecological Builder." The training systematically covered specific ecological creation technologies and methods, including rainwater harvesting, one-meter vegetable gardens, insect hotels, worm towers, and compost bins. Through on-site practice, participants deepened their understanding of reshaping ecosystem resilience.

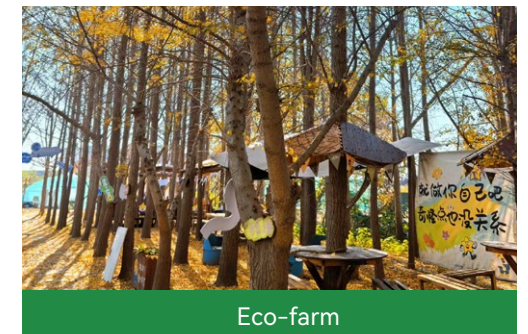


Ecological Builder Training



### Case | Luxcase ICT Yancheng Established an Eco-farm

To uphold the concept of biodiversity protection, Luxcase ICT Yancheng has planned and constructed an ecological farm within its premises. This eco-farm includes leisure areas, fishing zones, agricultural plots, flower gardens, and breeding zones, achieving material circulation within the area and reducing external material inputs. It has formed a complete and functionally complementary biodiversity micro-ecosystem within the factory. The establishment of the ecological farm also provides employees with a platform to connect with nature and experience agricultural practices, thereby demonstrating the value of ecological balance through action.



Eco-farm



# Water Resource Management

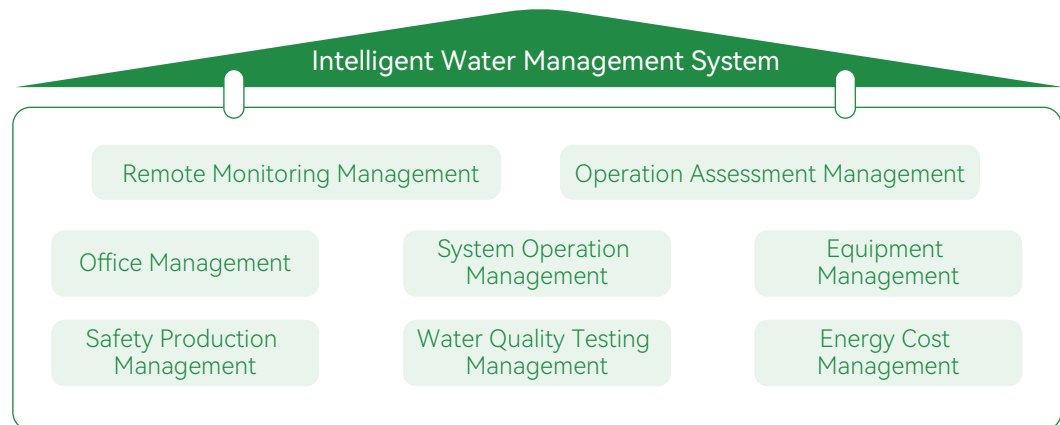
Luxshare Precision attaches great importance to water resource management and continuously improves the full-process management framework covering water resource risk identification, assessment, and control. We strictly comply with regulatory requirements in all operational locations while simultaneously advancing water risk assessment and water conservation planning. By implementing key measures such as source water conservation, reclaimed water reuse, and comprehensive wastewater treatment, we steadily improve the efficiency of integrated water resource utilization and fulfill our primary responsibility for water resource protection.

## Water Risk Management

We strictly comply with the Water Law of the People's Republic of China and the applicable laws, regulations, and policies in the operational locations. We have formulated the Water Management Procedure and the Luxshare Precision Water Management Commitment and Statement to standardize water management activities across all Company sites.

Luxshare Precision systematically identifies enterprise-level water risks and opportunities by utilizing the World Resources Institute's Aqueduct Water Risk Atlas to assess and analyze water risks across all Company operations, then formulates response plans based on risk levels.

The Company has developed an intelligent water management system which has been successfully deployed in selected factories. Through this system, we can remotely monitor key indicators such as water volume and water pressure to achieve integrated monitoring of water usage and drainage data across all areas. Additionally, through equipment inspections and abnormal condition alerts, the system enables rapid diagnosis and resolution of alarms and operational maintenance issues, thereby promoting efficient monitoring, operation, and management of water resources. During the Reporting Period, we further upgraded the monitoring dashboard of the Intelligent Water Management System to support water management analysis and decision-making through more refined methods such as data charts, proportional breakdowns, categorized consumption, and load curves.



# Sustainable Water Management

Luxshare Precision is advancing the construction of its sustainable water management system in accordance with the International Standard for Sustainable Water Management issued by AWS. Each pilot subsidiary systematically carried out data collection and risk-opportunity analysis in accordance with the standard. They established targets across dimensions such as water conservation, reuse, and governance to implement sustainable water stewardship actions, comprehensively enhancing water resource utilization efficiency and risk management capabilities. Furthermore, to internalize this concept and ensure full participation, we have integrated existing management practices with opportunities such as World Water Day to regularly conduct public education on water resource protection and daily water-saving measures. This initiative continuously strengthens employees' awareness of water conservation and promotes the adoption of sustainable water stewardship.

As of the end of the Reporting Period, Luxshare Precision:

- Cumulative AWS certified subsidiaries reached **6**
- Platinum level certified subsidiaries reached **4**

**Case | Luxcase ICT Yancheng Hosted a Water-Saving Smart and Fun Parent-Child Sports Event**

In March, Luxcase ICT Yancheng, in collaboration with the local social work service center and other external organizations, hosted a water-saving themed smart and fun parent-child sports event, attracting 15 families to actively participate. Through engaging interactive games such as "Water Conservation Monopoly" and "Water-Saving Archery", the initiative integrated water conservation concepts into parent-child interaction scenarios. Children acquire knowledge on water resource protection amidst laughter and joy, while parents enhance their environmental awareness through collaborative engagement.

**Smart and Fun Water-Saving Parent-Child Sports Event**



AWS Platinum Level Certification for Luxcase ICT Yancheng

**世界水日知识科普**

03/22 致敬生命之源

- 世界水日由来**  
联合国将每年的3月22日定为“世界水日”，目的是提高国际社会对淡水资源的全面认识和治理，强化对淡水资源的保护，并应对不断加剧的供水紧张状况。
- 世界水日的宗旨**  
唤起公众的节水意识，加强水资源保护，为满足人们日常生活、商业和农业对水资源的需求，联合国长期以来一直致力于解决因水资源需求上升而引起的全球性水危机。
- 节约用水的重要性**  
据统计，“滴水”在1个小时里可以集到3.6公斤水；1个月里可集到2.6吨水。这些水，足可以供给一个人一月生活的所需。
- 节约用水的意义**  
水资源是经济社会发展的基础支撑，节约用水能够提高水资源的利用效率，保障经济社会的可持续发展。

**一日节水小措施**

- 控制水流：洗手时水流开小，搓肥皂时关闭龙头，避免长流水。
- 循环利用：洗手水用于冲马桶、浇花；茶水喝净不浪费，剩水二次利用。
- 设备优化：使用节水型马桶（冲水时区分大小水按钮），安装低流量淋浴头。
- 及时维修：发现漏水管道或龙头立即报修，减少浪费损失。
- 雨水收集：用雨水桶收集雨水，用于浇灌植物或清洗。
- 监督与宣传：对浪费行为及时劝阻，参与节水活动。

可持续发展推进中心 | 绿色与社会责任处宣

World Water Day Knowledge Popularization

## Water Resource Utilization

We monitor and account for production and domestic water supply, drainage, and water balance to track water efficiency and reduce water loss. Each production site continues to advance the retrofitting of water-saving fixtures and fully implements water conservation measures to reduce water consumption. At the same time, the Company actively implements recycling projects such as rainwater collection and reuse, as well as reclaimed water reuse in production, to enhance the level of water resource circulation and continuously improve water use efficiency.



### Case | Vietnam Factory Advanced Water Resource Recycling and Reuse

Vietnam Factory has comprehensively improved water utilization efficiency by implementing targeted technical retrofit projects, including condensate recovery and the reuse of process water from cutting and grinding operations.

#### Recovery of Air-Conditioning Condensate Water

By installing dedicated pipelines in each air conditioning unit, Luxshare Nghe An concentrates condensate water into a recovery system. After sedimentation and filtration to remove impurities, the water is pumped to cooling towers as make-up water, thereby reducing water consumption and wastewater discharge. After improvement, approximately 22,500 tons of condensate water from workshop air conditioning units can be recovered annually.



Luxshare Nghe An Implements Air Conditioning Condensate Water Recovery

#### Reuse of Reclaimed Water from Cutting and Grinding Processes

Luxshare Van Trung added a reclaimed water reuse system for cutting and grinding processes in the facility. Wastewater generated from these processes is collected, treated through a raw water collection pool, filter press, disc filtration system, and ultrafiltration system, then further conveyed to the pure water treatment system for advanced processing before being recycled back to the workshop for production use. Through this upgrade measure, the overall reuse rate of the pure water system increased by approximately 5% compared to 2024, effectively improving water resource utilization efficiency and achieving wastewater resource recovery.



Luxshare Van Trung Recycling Wastewater in Cutting and Grinding Process



### Case | Jia Shan Ri Shan Anode Line Wastewater Reuse

Jia Shan Ri Shan Anode Line Cleaning Wastewater is characterized by high volume and good quality. To prevent resource waste from direct discharge, a special retrofit was implemented to treat general cleaning wastewater through multiple stages including physicochemical sedimentation, sand-carbon filtration, ultrafiltration, single-stage reverse osmosis, and double-stage reverse osmosis. After meeting pure water standards, the treated water is recycled for workshop cleaning processes, achieving closed-loop reuse of reclaimed water. After the retrofit, 1,440 tons of pure water can be reused daily, and nearly 520,000 tons annually. This initiative simultaneously reduces pressure on fresh water consumption and wastewater discharge.



Physicochemical Sedimentation Tank



Ultrafiltration Unit



During the Reporting Period, Luxshare Precision:

The water reuse rate of the main production bases exceeded

**89%**

Subsidiaries generating industrial wastewater

**29**

Subsidiaries achieved zero industrial wastewater discharge

**15**

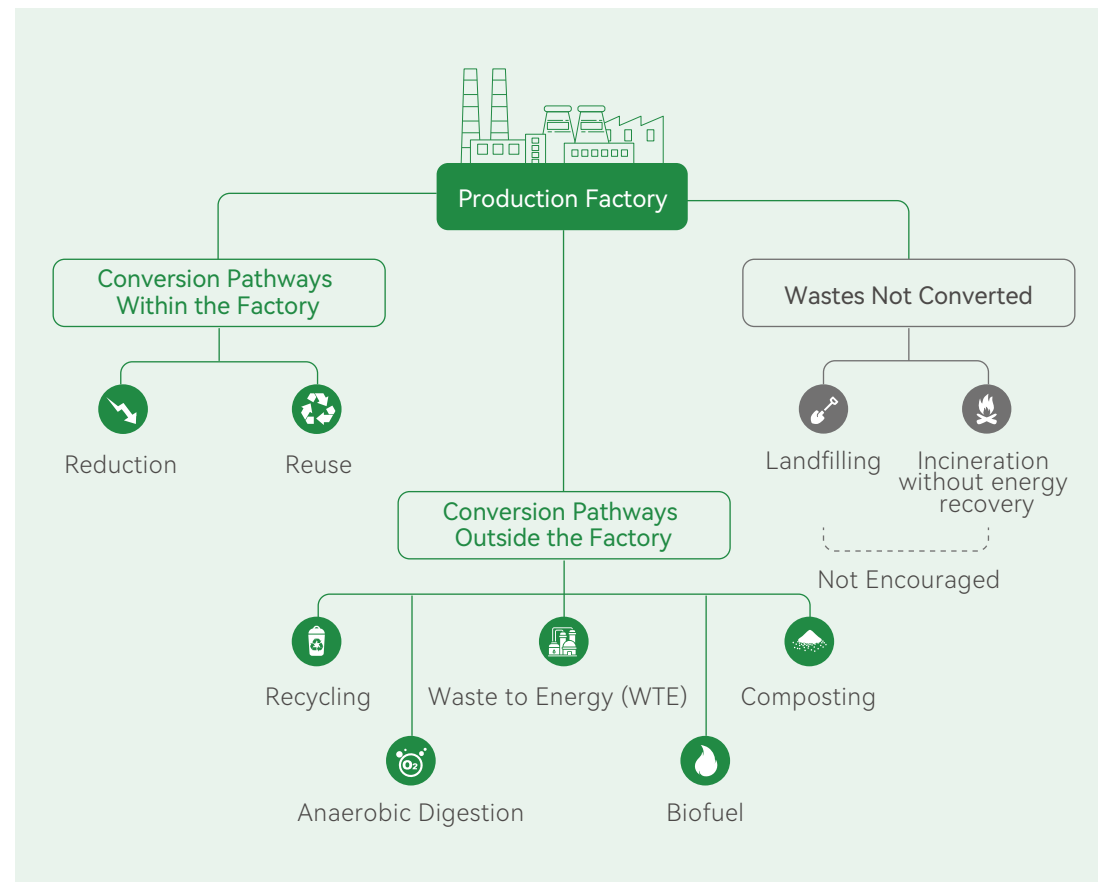
# Recycling

Luxshare Precision has deepened refined waste management, actively promoted waste classification, recycling, and resource-based disposal, and focused on advancing zero-waste-to-landfill practices to reduce the volume of final waste disposal and drive continuous improvement in resource efficiency.

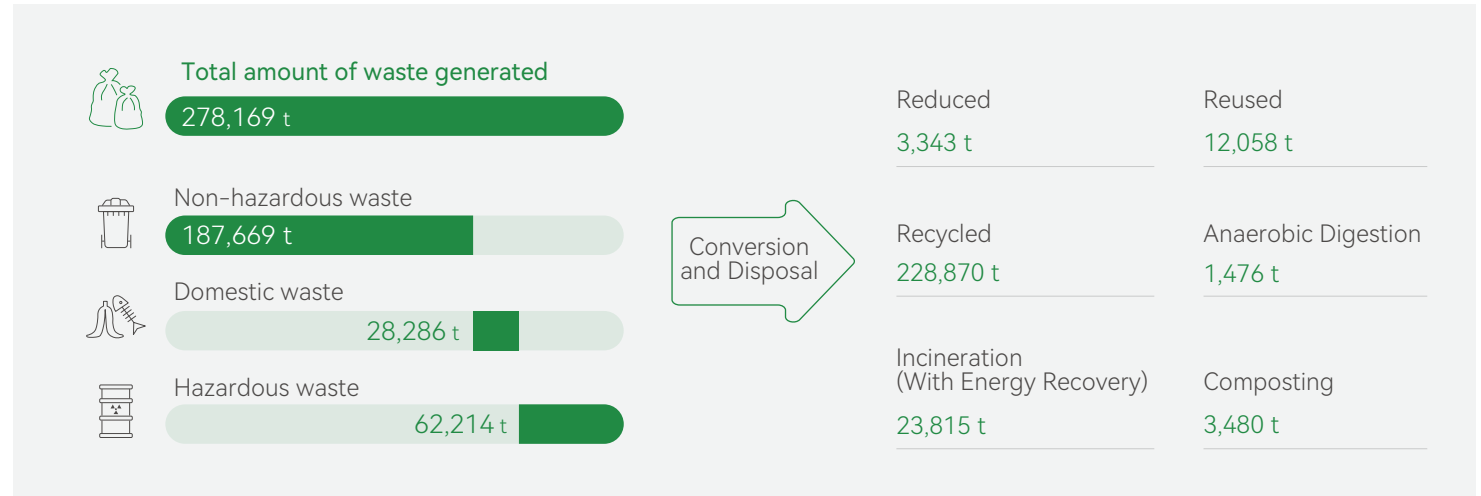
## Zero Waste to Landfill

We actively promote zero landfilling by formulating and refining the *Zero Waste to Landfill Management Procedure*. Aligned with the *UL 2799 Zero Waste to Landfill Validation Standard*, we collaborate with professionally qualified treatment service providers to ensure proper transfer and standardized disposal of waste. Leveraging an electronic information management system, we track the type, weight, conversion, and disposal methods of waste generated by our subsidiaries, continuously advancing waste reduction, resource utilization, and conversion.

### Waste Disposal Methods



### Generation, Conversion, and Disposal of Waste in 2025



**Case | Lanto Bozhou Conducted Tin Dross Recycling**

In 2025, Lanto Bozhou deepened supply chain collaboration by engaging in recycling cooperation with solder wire suppliers. Tin dross generated during the production process was recovered and exchanged for raw material solder wires at a specified ratio. A total of 693 kilograms of tin dross were recovered and replaced throughout the year, achieving resource utilization of waste.

**Case | Time Huizhou Explored the Elimination of Paper Labels**

In 2025, Time Huizhou upgraded the product labels for modified wire products, comprehensively replacing the original paper labels with laser-encased QR code labels. Upon project commissioning, the initiative will better meet information traceability requirements while saving approximately 680,000 paper labels annually, significantly reducing paper material consumption.

Laser QR Code Label

During the Reporting Period, Luxshare Precision:

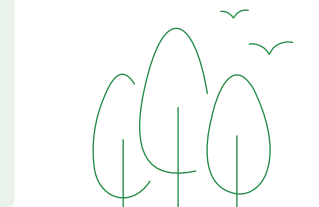
Average waste conversion rate of subsidiaries

# 90.02 %

As of the end of the Reporting Period, Luxshare Precision:

Cumulative UL 2799 certified subsidiaries reached

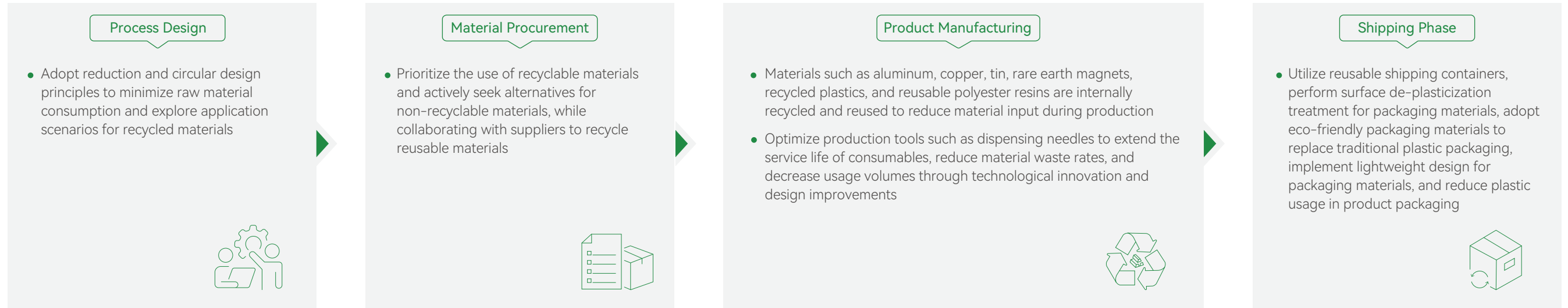
# 14



## Material Resource Utilization

To uphold the concept of a circular economy, Luxshare Precision actively promotes material resource utilization. Adhering strictly to the "4R" principle—Reduce, Reuse, Recycle, and Replace—the Company continuously identifies and expands applications for recycled materials throughout the entire process from product design to shipment, thereby minimizing excessive consumption of raw materials and product packaging.

### Full-Process Control of Materials

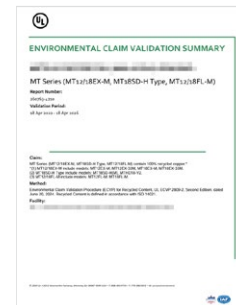


### Case | Luxis Factory Implemented Metal Recycling

Luxis Factory deeply implements the concept of resource recycling by establishing a closed-loop management system for the classification, recovery, and resource utilization of production waste. It actively promotes the application of regenerated metal materials, such as gold, tin, and copper, in products and industrial cycles. By collaborating with suppliers to recycle and reprocess gold wire tails into recycled gold wire raw materials, which are then reintroduced into product manufacturing, the factory increases the proportion of recycled metals applied in its products. At the same time, we have engaged a professional third party to scientifically and professionally dispose of materials such as waste solder paste and waste circuit boards, recycling them into metal powders or high-quality alloys for industry-wide circular utilization. In 2025, the Luxis factory recovered a total of 0.23 kilograms of gold wire tails, 715 kilograms of waste solder paste, and 4,619 kilograms of waste circuit boards, effectively promoting the conversion and utilization of recycled resources.

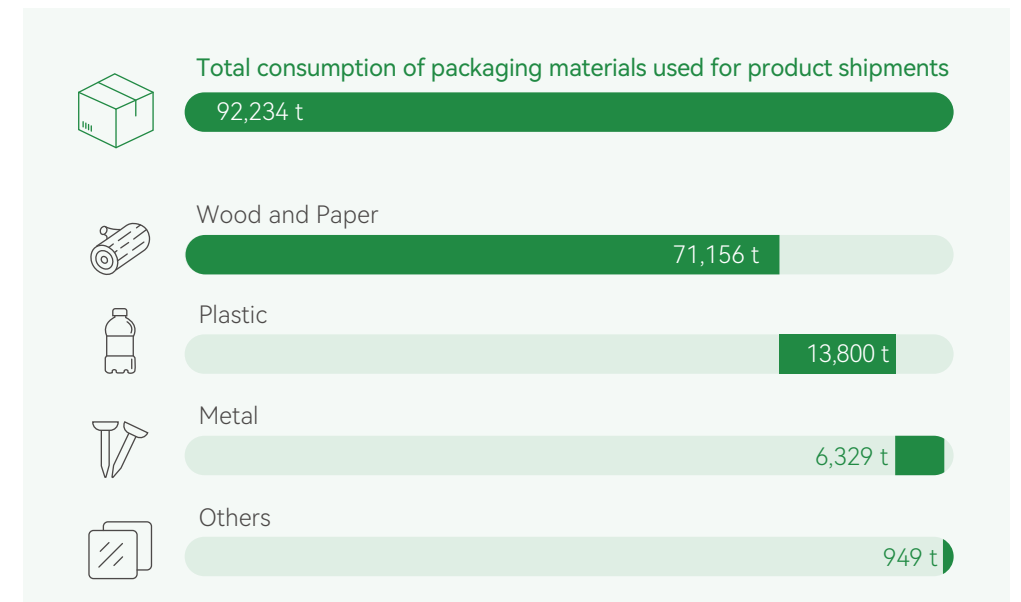


Supplier Gold Recycling Certificate



Supplier Copper Recycling Certificate

### Packaging Material Consumption in 2025





### Case | Leoni LIMEVERSE Cables Adopted Bio-Based PVC<sup>22</sup> and Recycled Copper to Reduce Carbon Footprint

Leoni LIMEVERSE series is a sustainable cable product launched by the Company, focusing on exploring material substitution solutions for the insulation and conductor layers. For cable insulation layers, Leoni's application of bio-based PVC to replace traditional petroleum-based PVC can reduce the carbon footprint of this component by approximately 30% to 50%. On the internal conductor layer, replacing traditional copper with 100% recycled copper reduces the carbon footprint of the conductor portion by approximately 90%. Through material substitution and the utilization of recycled resources, this project effectively promotes the upgrade of cable products toward low-carbon development.

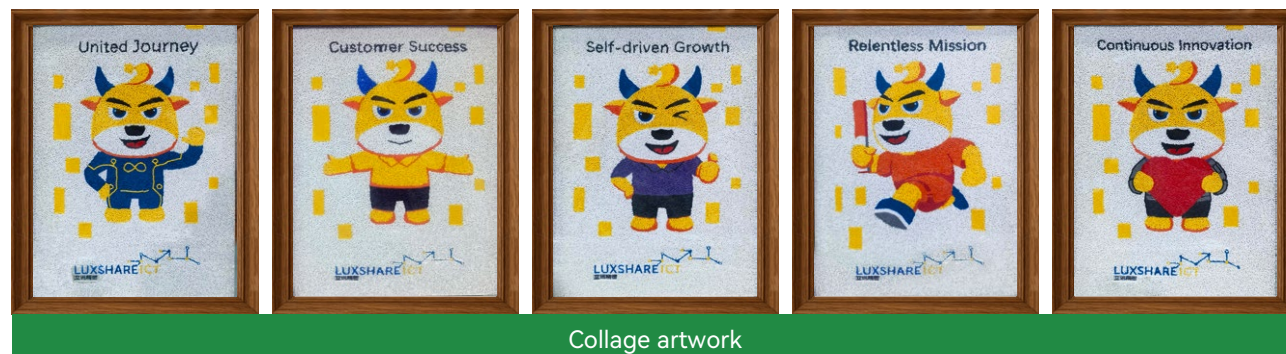


LIMEVERSE Cable



### Case | Luxshare Yancheng Conducted an Employee Art Recycling Activity Using Industrial Waste

Luxshare Yancheng has initiated employee cultural activities, utilizing waste material from the stripping process in automotive harness production as the primary medium for employees to create collage artworks. The initiative encourages employees to unleash their creativity by transforming discarded waste from peeling processes into aesthetically pleasing artworks. This vividly conveys low-carbon and green development concepts while enhancing staff awareness of resource recycling.



Collage artwork

<sup>22</sup> PVC: Polyvinyl Chloride



### Case | Huangshi Zhitong Advanced Packaging Plastics Reduction and Lightweighting

Huangshi Zhitong actively promotes environmental innovation during the product design phase by applying eco-friendly packaging materials and optimizing design structures to advance plastic reduction and lightweighting in packaging.

#### Substitution of Environmentally Friendly Packaging Materials

- Replace biaxially oriented polypropylene (BOPP) with oilproof paper
- Replace traditional plastic packaging with cellulose paper bags and fiber paper protective films
- Replace plastic blister trays with paper-plastic alternatives
- Replace standard BOPP packing tape with kraft paper sealing tape
- Replace the traditional heat-shrink film on color box outer packaging with fiber anti-tamper labels

#### Innovation in Eco-Friendly Packaging Design

- Adopt a mid-box de-plasticization transportation protection packaging solution
- Eliminate SIM ejector pins, adopt lightweight design, and reduce material consumption
- Improve the middle-box sealing method to reduce tape consumption



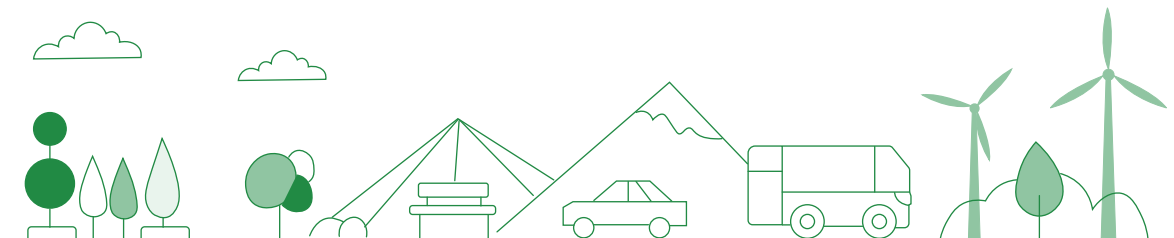
Paper-Plastic



Kraft Paper Sealing Tape



De-plasticization Transport Protective Packaging for Medium Boxes






# Developing Green Products

Luxshare Precision places high importance on the research and development of clean technologies, deeply integrating them into the Company's sustainable development strategy and core business planning. At the same time, we adhere to product design concepts that prioritize resource conservation and environmental friendliness. We systematically advance full-process control of hazardous substances, committed to implementing green manufacturing principles and ecological design standards throughout the product lifecycle.

## Opportunities in Clean Technology

We focus on key clean technology areas including new energy vehicles, energy efficiency optimization, resource recycling, power management, and renewable energy. We have clearly defined our R&D and innovation directions and are systematically advancing the research, development, and commercial application of clean technology products such as **electric vehicle powertrains, high-efficiency data centers, advanced thermal management systems, photovoltaic and energy storage solutions, recycled material cables, and intelligent equipment**. We are committed to providing customers with efficient and energy-saving products and solutions.

### Clean Technology Product Portfolio

Types of Clean Technology	Product Type	Introduction	Product Stage	Revenue Percentage
 <p>Energy Efficiency Improvement</p>	Optimization Technologies and Systems	Develop energy system optimization technologies and products for applications such as fast charging, liquid cooling for data centers, and high-speed interconnection solutions. Achieve intelligent optimization and control of energy systems across multiple scenarios to promote efficient energy utilization	Mass Production	<20%
	Power Management	Develop energy storage systems by adopting advanced power conversion modules to enhance battery power conversion efficiency and reduce electrical losses	Mass Production	<20%
	Industrial Automation Technologies	Launched comprehensive solutions for automated wire harness production and automated transportation via Automated Guided Vehicles (AGV), equipped with functions for automatic command reception and real-time planning to reduce production energy consumption	Mass Production	<20%
	Hybrid or Electric Vehicles	Focus on technologies and solutions dedicated to enhancing the energy efficiency of new energy vehicles, developing products such as electric vehicle powertrains and optimized electric power transmission systems to improve the energy utilization efficiency of electric vehicles	Mass Production	<20%
 <p>Pollution Prevention and Control</p>	Recycling and Reuse	Identify opportunities for the recycling and reuse of waste materials, and develop cable products incorporating eco-friendly materials such as recycled metals and recycled plastics	Mass Production	<20%
 <p>Alternative Energy</p>	Solar Power	Deploy photovoltaic and energy storage inverter products to flexibly provide solutions for differentiated photovoltaic and energy storage application requirements	Mass Production	<20%



During the Reporting Period, Luxshare Precision: Investment in clean technology R&D exceeded

**500** million RMB

Clean technology related patents obtained

**117**



In 2026, Luxshare Precision: Target to increase investment in clean technology R&D to

**530** million RMB

# Green Chemicals

Luxshare Precision fully implements the concept of hazardous substance reduction and full-process management, collaborating with supply chain partners to control chemicals involved in products and processes, thereby reducing related environmental and health risks.

## Lifecycle Management of Hazardous Substances

The Company continuously monitors the latest laws and regulations regarding hazardous substance management in all global regions where its business operates, as well as customers' latest requirements for restricted substances. This includes compliance with the *Restriction of Hazardous Substances in Electrical and Electronic Equipment Directive and its amendments (RoHS)*, the *Waste Electrical and Electronic Equipment Directive*, the *Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) and its Substances of Very High Concern (SVHC) list*, the *Stockholm Convention on Persistent Organic Pollutants*, the *California Safe Drinking Water and Toxic Enforcement Act of 1986*, and *China's Volatile Organic Compounds (VOCs) Emission Standards*. The Company implements comprehensive management of relevant chemicals.

We assess the potential risks associated with all relevant chemicals in our products, fully considering their potential impacts on human health and the environment during product use and disposal. We identify potentially hazardous substances and develop internal response strategies for all substances of very high concern. Through procurement management, **we ensure 100% coverage of all chemicals used in our products** and provide Safety Data Sheets (SDS) to customers upon request. For chemical substances that have not yet been formally incorporated into regulatory frameworks but pose potential environmental and health risks, we implement forward-looking control measures exceeding current regulatory requirements, proactively including them within the Company's restricted and prohibited management scope.

List of Restricted and Prohibited Substances Managed Ahead of Regulatory Requirements

Restricted Substances	CAS Number	Regulatory Requirements	Internal Management Requirements
Medium-chain Chlorinated Paraffins (MCCPs)	85535-85-9	REACH SVHC List	Included in the restricted list
Pigment Violet 29	81-33-4	Toxic Substances Control Act (TSCA) - First Batch of Risk Evaluation Substances	Included in the restricted list
1,1'-(ethane-1,2-diyl)bis[pentabromo-benzene] (DBDPE)	84852-53-9	REACH SVHC List State of Washington Chemicals of High Concern to Children (CHCC)	Included in the restricted list
2,4-Di-tert-butylphenol	96-76-4	Not yet included in the regulatory framework	Listed in the declared list and deployed a phase-out and replacement plan
p-Cresol and DCPD Butylated Products	68610-51-5	REACH CoRAP List	Listed in the declared list and deployed a phase-out and replacement plan
2,6-Di-tert-butyl-p-cresol	128-37-0	REACH CoRAP List	Listed in the declared list and deployed a phase-out and replacement plan
Hydrogenated rosin pentaerythritol ester	64365-17-9	REACH CoRAP List	Listed in the declared list and deployed a phase-out and replacement plan



### Full-Process Management of Hazardous Chemical Substances in Products



#### Product Development

In compliance with the *General Principles for Ecological Design of Products* and the *Management Standards of Restricted Substances of Materials and Finished Products*, and referencing the *Principles of Green Chemistry*, the Company integrates environmental and health impact assessments throughout the entire lifecycle during the feasibility analysis and product design phases. The requirements for hazardous substance management are implemented within product design specifications and subsequent verification processes to minimize hazardous substances at the source.



#### Material Procurement

A comprehensive identification and supervision process has been established. Verified qualified suppliers are required to submit full material composition declarations and test certificates for materials through the Green Products (GP) module of the GSCM system. Specialists are responsible for reviewing these submissions to ensure compliant material inflow.



#### Incoming Material Inspection

Identify the material properties and hazardous substance risk levels of raw and auxiliary materials of different types. Implement a layered and graded inspection management system by establishing corresponding test items and frequencies. Enforce the principle of "no acceptance for non-conforming products" for all inbound shipments to strictly control the incoming quality inspection gate.



#### Process Control

Based on production processes, conduct a risk assessment for equipment, tooling, and auxiliary materials that directly or indirectly contact products. Implement corresponding preventive measures and regularly test auxiliary materials and semi-finished goods to prevent cross-contamination during the manufacturing process.



#### Finished Product Assurance

Conduct spot checks and compliance verification prior to finished goods shipment. Affix environmental labels, issue material composition declarations and test reports in accordance with regulations and customer requirements. Disclose product chemical compositions and potential risks through product labels, client portals, International Material Data System, China Automotive Material Data System, and other third-party platforms.

## Replacement of Hazardous Substances

Luxshare Precision has established the long-term plan to phase out all chemicals of concern. The Company closely monitors dynamic changes in domestic and international laws, regulations, and customer standards, systematically reviewing and optimizing all aspects of restricted substance management. We have formulated and are actively advancing a series of hazardous substance phase-out initiatives, **focusing on the development and implementation of safer alternative materials and production processes** to minimize the use of hazardous substances in our products.

### Schedule and Implementation Progress of Hazardous Substance Phase-out and Replacement Plans

Scheduled Phase-out / Replacement Year	Substance (Substance Group)	Affected Materials/ Products	Progress/Status
2019	Lead and its compounds	Copper Alloy Materials	Full Replacement
2019	Antimony Trioxide	Wire/Cables	Full Replacement
2021	VOCs	Cleaning Agents	Partial Replacement
2022	Decabromodiphenyl Ethane	All Materials	Full Replacement
2022	Triphenyl Phosphate	All Materials	Full Replacement
2022	Tributyl Phosphate	All Materials	Full Replacement
2023	PFBS and PFBS-Related Substances	All Materials	Full Replacement
2023	PFHxA, its Salts and PFHxA-Related Substances	All Materials	Full Replacement
2023	Endocrine Disrupting Chemicals (EDCs)	All Materials	Full Replacement
2025	Per- and Polyfluoroalkyl Substances (PFAS)	All Materials	Partial Replacement <sup>23</sup>
2029	Substances of Concern in Component/Parts Exempted under RoHS Directive	All Materials	Partial Replacement

<sup>23</sup> Immediate phase-out implementation across all new products



**Case | Lanto Kunshan Conducted Hazardous Substance Phase-out for Eco-Friendly Cable Product Advancement**

Lanto Kunshan actively responds to the hazardous substance phase-out plan by conducting a comprehensive screening of hazardous substances in new product materials and initiating the selection process for alternative material solutions for homogeneous materials containing PFAS. Following rigorous technical comparison and feasibility analysis, we have selected PFAS-free materials that meet the requirements for replacement and have completed the comprehensive implementation of these materials.



**Case | Luxshare Xuancheng Advanced the Upgrade of Cleaning Agents, Achieving a Significant Reduction in VOCs Emissions**

Luxshare Xuancheng responded to the Company's ongoing plan to phase out VOCs by upgrading cleaning agents for environmental compliance. The original general solvent-based cleaning agents were replaced with semi-aqueous cleaning agents, resulting in an 86% reduction in VOCs content within the solvents. This process replacement not only further solidifies environmental compliance and risk management but also significantly reduces VOCs emissions at the source of the production process.

## Hazardous Substance Management Requirements of the Supply Chain

As a critical link connecting suppliers and customers, we recognize that conveying clear raw material requirements to suppliers is a vital prerequisite for delivering high-quality green products. To ensure the environmental compliance of procurement materials, **we integrate green product requirements throughout the entire supplier management process. By applying the GSCM system's GP module for full-chain digital management**, we standardize supplier behavior with high standards consistent with Luxshare Precision's own management practices. This initiative drives suppliers to enhance their management of hazardous substances and reduce supply chain risk.

### Hazardous Substances Management Requirements of the Supply Chain



**Entry Conditions**

Require raw material suppliers to sign the *Letter of Guarantee for Environmental Protection* to ensure that raw materials, components, packaging materials, semi-finished products and finished products supplied to Luxshare Precision meet the management requirements of the *Management Standard for Restricted Substances of Materials and Finished Products*



**Change Management**

Timely communicate with and require suppliers to complete self-inspection, feedback and confirm compliance within the prescribed time limit after the *Management Standard for Restricted Substances of Materials and Finished Products* is updated. Moreover, suppliers are required to proactively report any changes related to raw material properties and other relevant aspects. Where applicable, they should also provide relevant information and samples as required, implement supply changes only after approval is obtained



**Regular Audit**

Conduct regular audits related to the control of hazardous substances, check the product ingredient list and third-party hazardous substance testing report, and send it to the Company's internal laboratory for hazardous substance testing to prevent the non-environmentally friendly materials and products from flowing into the Company's product chain



**Replacement or Reduction**

Actively carry out the replacement or reduction of hazardous chemical substances, and phase out hazardous chemical substances or replace them with safer chemical substances as soon as practicable



# 03 Employee Cultivation, Advancing Future

Luxshare Precision regards talent as a precious asset and actively fosters a harmonious workplace environment for employees while prioritizing occupational health and safety. The Company continues to refine its talent attraction mechanisms, responding to employees' expectations for career development with high standards. It continuously optimizes compensation and benefits as well as performance management systems, improves talent development mechanisms, and promotes the mutual growth of employees and the Company. At the same time, while co-creating and sharing a better life with our employees, we are dedicated to giving back to society and building a sustainable future.

- Protection of Employee Rights and Interests
- Occupational Health and Safety
- Talent Attraction and Retention
- Community Engagement
- Employee Training and Development



# Protecting Employee Rights

Luxshare Precision fully respects and safeguards the fundamental rights and interests of its employees, striving to create a diverse and inclusive workplace atmosphere. We provide employees with competitive compensation and comprehensive benefits, enabling them to share in the Company's progress and development while enhancing their sense of fulfillment and well-being.

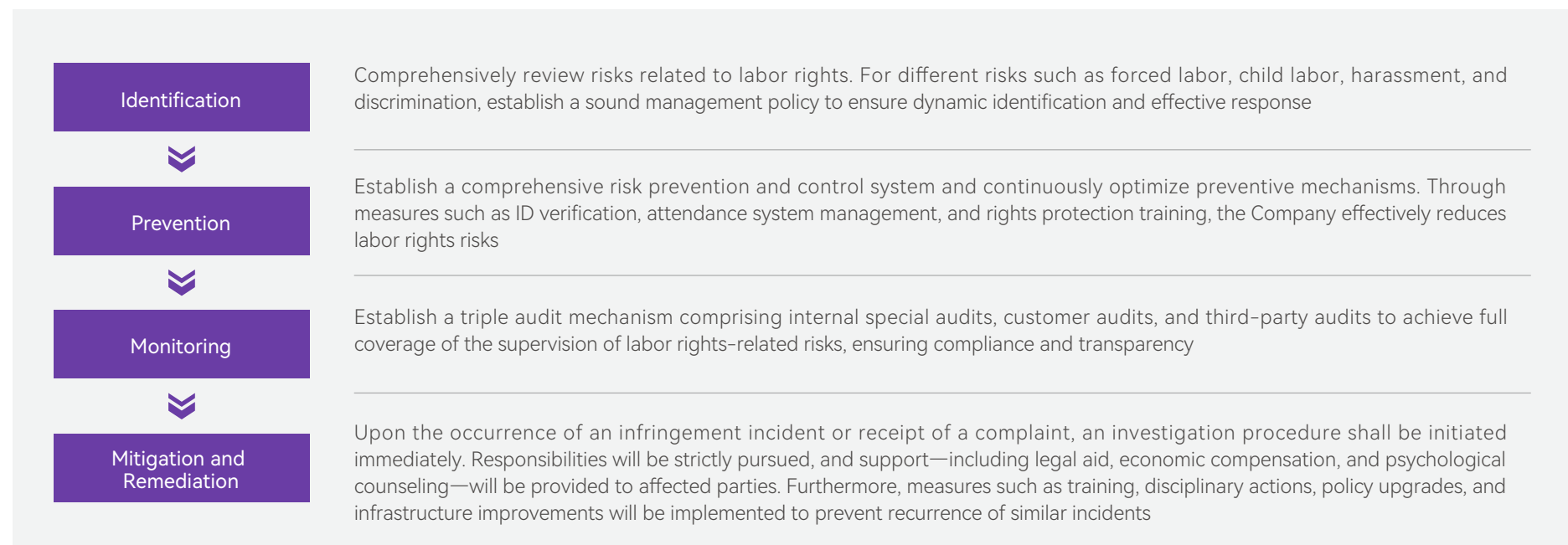


## Labor Rights Management

Luxshare Precision issued the *Statement on Labor Human Rights Protection*, clearly expressing the Company's firm stance on safeguarding workers' rights and adhering to employment standards. In compliance with the laws and regulations of each business location, we uphold the requirements set forth in the *Universal Declaration of Human Rights*, the *UN Guiding Principles on Business and Human Rights*, the *Declaration on Fundamental Principles and Rights at Work*, and the *ILO Core Conventions*. Furthermore, we reference provisions related to labor rights protection in technical conventions such as the *Social Security (Minimum Standards) Convention*, the *Termination of Employment Convention*, and the *Protection of Workers' Claims (Employer's Insolvency) Convention*. We also respond to global initiatives and international standards including the *Responsible Business Alliance (RBA) Code of Conduct*, the *Corporate Responsibility to Respect Human Rights: An Interpretive Guide*, the *Global Sullivan Principles*, and the *Social Accountability 8000 (SA 8000) Standard*, continuously deepening the protection of labor rights across the entire value chain.

We have established a comprehensive labor risk management mechanism covering the entire process of "Identify-Prevent-Monitor-Mitigate and Remedy", in reference to the OECD human rights due diligence mechanism. The Company strictly conducts risk assessments and reviews throughout its entire employment lifecycle, supported by corresponding management mechanisms and audit procedures. **This ensures close monitoring of labor disputes and other infringements on workers' rights, enabling timely detection and proper handling of potential risks and non-compliance incidents.**

### Labor Risk Management Mechanism



## Risk Prevention and Control

Luxshare Precision has formulated and implemented a series of policies and procedures, including the *COC*, *Social Responsibility Management Manual*, *Employee Handbook*, *Personnel Recruitment Management Procedure*, *Freedom to Choose Employment Control Procedure*, *Juvenile Worker Protection Procedure*, *Prohibition of Child Labor and Remedial Management Procedure*, *Working Hours Control Procedure*, *Freedom of Association Procedure*, *Anti-harassment and Anti-abuse Control Procedure*, *Anti-discrimination Control Procedure*, and *DEI (Diversity, Equity & Inclusion) Management Procedure*. These measures clearly regulate workplace behavior while firmly prohibiting child labor, forced labor, discrimination, harassment, and other violations, thereby safeguarding employees' legitimate rights and interests regarding compensation, working hours, freedom of association, and collective bargaining.

In supply chain labor management, Luxshare Precision conducts CSR-specific risk assessments and audits for suppliers to strengthen the prevention and control of labor rights risks, ensuring that the legitimate rights and interests of workers in the supply chain are effectively protected. Details regarding supplier CSR management initiatives and audit status are provided in the *CSR Management* subsection.



### Labor Rights Risk Management Measures

#### Forced Labor

- Employment contracts shall be signed to clearly define employment terms. The collection of deposits or the withholding of identification documents is strictly prohibited. Any instances of forced labor must be investigated immediately, and support shall be provided to affected individuals

#### Freedom of Association and Collective Bargaining

- Safeguard employees' right to freely organize and join labor unions
- Conduct investigations into incidents involving infringements of rights and provide legal support to affected employees

#### Anti-Harassment and Abuse

- Harassment of any kind is strictly prohibited, and violations shall be disciplined in accordance with applicable laws and regulations
- Employees are encouraged to report incidents of harassment; investigations shall be conducted promptly, and necessary support shall be provided to affected individuals

#### Equal Pay for Equal Work

- Strictly adhere to the principle of equal pay for equal work, ensuring fair compensation for employees without discrimination based on gender, age, nationality, or other factors

#### Prevention of Child Labor

- Strictly verify employee ages to ensure legal employment and encourage reporting of illegal child labor practices. Upon discovery, work shall be immediately suspended, a medical examination arranged, the individual escorted to their guardian's care, and assistance provided to complete compulsory education

#### Core Convention

#### Additional

#### Occupational Health and Safety

- Identify and assess occupational risks, implement measures to mitigate hazards, distribute personal protective equipment, promptly address safety incidents, and provide necessary safeguards

#### Anti-Discrimination

- Discriminatory conduct is strictly prohibited. Complaints shall be investigated immediately, and necessary support shall be provided to foster a fair and equitable working environment

#### Employment Termination Protection

- Employees shall not be dismissed without just cause. When termination of employment is strictly necessary, severance pay, allowances, or other separation benefits shall be provided to employees in accordance with the law

#### Responsible Restructuring

- During bankruptcy reorganization, we comply with legal requirements regarding the minimum notice period for operational changes, negotiate with employees, and handle economic compensation and retention matters in accordance with the law. We provide skills enhancement training and assist in re-employment

#### Living Wage System

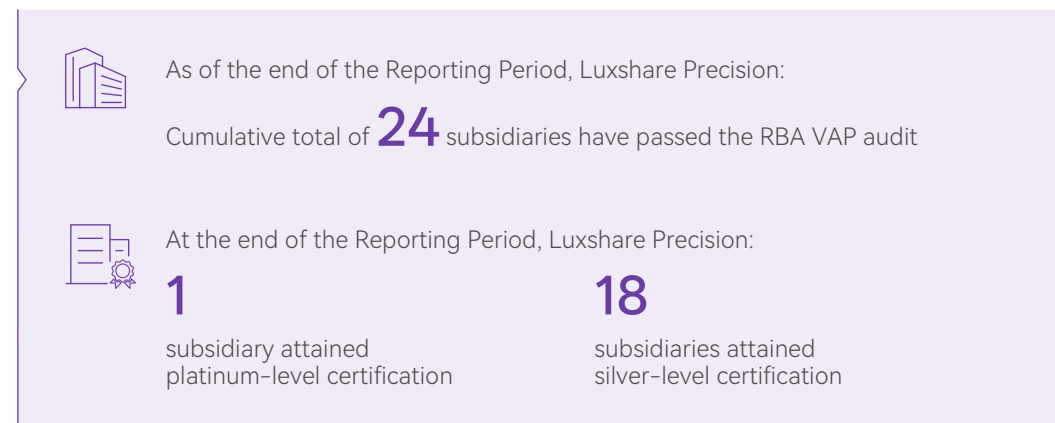
- Provide competitive compensation and ensure timely payment, improve the Company's welfare system, and support employees and their families in maintaining a decent standard of living

#### Overtime Compensation

- Timely payment of overtime wages or allowances
- Non-working hour activities are not mandatory. Overtime and rest periods are reasonably arranged. Working hours are monitored, and any issues identified are corrected immediately. Medical support is provided to affected individuals

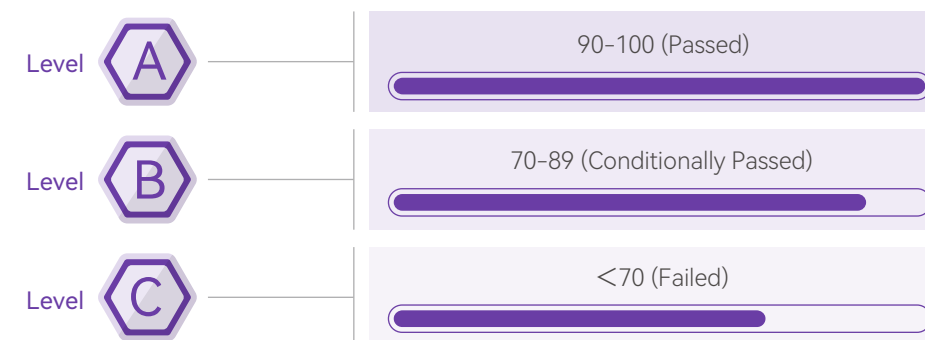
### Supervision and Audit

To ensure the effective implementation of Luxshare Precision's labor management policy, the Company has established a triple-audit mechanism comprising internal specialized audits, customer audits, and external third-party audits. This mechanism provides employees with multi-level channels for rights grievances and ensures that relevant incidents are responded to and properly handled at the earliest opportunity. **As of the end of the Reporting Period, no incidents involving infringement of freedom of association and collective bargaining rights, forced labor, involuntary servitude, child labor, or any form of discrimination were identified within the Company or its supply chain.**



The Company has developed a self-assessment form and specialized labor risk audit standards based on the RBA Code of Conduct. It conducts an annual labor risk assessment covering all subsidiaries and carries out rolling on-site specialized audits to track and verify rectification items until final case closure. In 2025, the Company's labor risk assessment achieved 100%, with specialized audits spanning 19 regions, 33 subsidiaries, and over 170,000 employees.

#### Internal Audit Rating Mechanism



# Diversity, Equality, and Inclusion

Luxshare Precision adheres to the principles of friendship, mutual assistance, equality, and care, firmly prohibits any form of discrimination, and creates an open, inclusive, and equal workplace environment. In 2025, Luxshare Precision and its subsidiary, Luxshare Enshi received certification as a diverse supplier.

## Diversity and Inclusion

The Company conducted a job survey, actively recruited persons with disabilities, and established barrier-free facilities while launching diverse integration activities to create a friendly and convenient work environment, facilitating the realization of personal value for employees with disabilities.

### Diverse Supplier Certification



### Barrier-Free Facilities in the Factory Area



Accessible Ramp



Shared Wheelchairs



Low-position Washbasin



Low-position Door Handle



Low-position Elevator Buttons



Accessible Parking Spaces



### Case | Luxshare Precision Conducted Inclusive Workplace Initiative

To further promote and embed an inclusive culture, Luxshare Precision actively carried out diverse integration activities. More than 25 subsidiaries, including Luxis Beijing, Dongguan Xuntao, Lanto Kunshan, and Smart Manufacturing Changshu, organized events such as tactile paving experiences and sign language learning during periods like National Disability Day and International Day of Persons with Disabilities. These initiatives attracted over 130,000 employees and helped build a more inclusive, belonging-driven, and creative diverse workplace ecosystem for employees with disabilities.



Luxis Beijing "Blind Path Experience"



Dongguan Xuntao "Silent Dialogue"



Lanto Kunshan Diversity Knowledge Competition



Smart Manufacturing Changshu "Confident Growth" Training



At the end of the Reporting Period, Luxshare Precision:

Number of disabled employees

**3,543**



## Empowerment of Women

Luxshare Precision actively upholds the concept of gender equality, focuses on the rights and interests of female employees, works to prevent workplace gender discrimination, and ensures that women enjoy equal opportunities in recruitment, promotion, compensation, and career development. The Company has developed **specialized courses on diversity, respect, and anti-harassment** to strengthen employees' awareness of gender equality and jointly foster a harmonious and healthy work environment.



As of the end of the Reporting Period, Luxshare Precision:

Percentage of female employees in management track

28%



### Case | Luxshare Precision Launched a Series of Activities for International Women's Day to Care for Female Employees

During the Women's Day celebrations, Luxshare Precision organized diverse activities across all manufacturing sites to provide exclusive holiday benefits for female employees, allowing "her power" to shine brilliantly in the warm spring sunshine. These activities not only enriched the cultural life of employees by bringing warmth and care to them but also strengthened the sense of belonging and cohesion among female employees.

#### Mugwort Wellness Hammer Handmade DIY

Huzhou Jiuding organized a DIY experience activity for female employees to make mugwort wellness hammers. This initiative allowed them to enjoy the joy of craftsmanship while alleviating physical and mental stress, and infused their daily work with relaxation and vitality through the hammers they created themselves.



Huzhou Jiuding DIY Mugwort Hammer

#### "Her·Radiance" Hanfu Makeup and Styling Event

Suzhou Luxshare Technology held the "Her·Radiance" event, inviting female employees to participate in Hanfu styling photo check-ins and experience the beauty of traditional classical aesthetics. At the same time, fragrant roses and holiday greetings were presented to over 700 female employees to convey the Company's care for its female workforce.



Suzhou Luxshare Technology "Her·Radiance" Event

#### "Meet Game Fun" Entertaining Activity

Luxshare Suining organized game sessions including ball-throwing across a river, ring toss, and the red-yellow-green challenge. Practical prizes were carefully prepared to attract approximately 600 female employees to participate enthusiastically. During the event, colleagues collaborated closely and enjoyed a relaxed and joyful time together.



Luxshare Suining Entertaining Activity

## Cross-Cultural Integration

The Company promotes a diverse and inclusive workplace culture across its business operations in multiple countries and regions worldwide, ensuring equality and respect for employees' different cultural backgrounds. We conducted cross-cultural communication activities to promote cultural integration and symbiosis, uniting employees from diverse ethnicities and nations. These efforts have fostered deep exchange and collaboration within our global teams, accumulating wisdom that drives the Company's development.



### Case | Luxshare Precision Conducted Cross-Cultural Integration Training for China-Vietnam Teams

In May, Luxshare Precision conducted cross-cultural communication and exchange training for Chinese and Vietnamese employees at its Vietnam factory, an important overseas operational hub. The training explained cultural differences between China and Vietnam regarding management styles, communication habits, and work values. This training consisted of three modules: cultural awareness, tool application, and conflict management. It focuses on cultural differences, cross-cultural communication skills, and the identification and resolution of cross-cultural conflicts to enhance employees' communication etiquette, cross-cultural collaboration, and ability to resolve cross-cultural conflicts.



Cross-cultural Integration Training at the Vietnam Factory



### Case | Leoni Conducted Cross-Cultural Collaboration Training

Starting in November, Leoni conducted a series of cross-cultural collaboration training sessions for over 70 senior managers. Training was conducted through offline seminars and online in-depth workshops. Focusing on themes such as the Chinese socio-economic context, relationship building, communication and negotiation strategies, and leadership differences, the program integrated executive strategic awareness with practical tools. This approach aims to enhance mutual trust and collaboration between the Chinese and German teams while establishing a solid foundation for cultural cooperation.



Leoni Cross-Cultural Collaboration Training

# Compensation and Benefits

Luxshare Precision fully respects and safeguards every employee's right to receive market-competitive compensation. The Company has formulated and implemented the *Salary Management Policy*, **establishing a variable compensation management system for all employees based on a scientific performance-based evaluation mechanism**. We regularly conduct salary adjustments and implement equity incentive plans<sup>24</sup> to institutionalize employees' compensation rights, attract and retain more industry talent, and ensure the stability of our workforce.

## Variable Performance-Based Compensation



Combining our industry characteristics with employee needs, we provide comprehensive non-monetary benefits to all employees. We offer holistic care for employee well-being and are committed to creating a stable, healthy, and harmonious work and living environment.

## Non-Pay Benefits

### Welfare and Insurance

- Social insurance
- Pension insurance
- Medical insurance
- Group commercial insurance
- Group expatriate insurance

### Family Support

- No less than 14 weeks of paid parental leave (including maternity and paternity leave)
- School shuttle bus and after-school care services for employees' children
- Employee children's educational resources support

### Health Care

- Free health clinics
- Annual health check
- Psychological counseling

<sup>24</sup> Incentive targets include eligible management personnel, core technical (business) elites, and grassroots employees



## Case | Luxshare Precision Launched Childcare Program for Employees' Children

Luxshare Precision actively addresses the pain points employees face in balancing work and family life. During the summer vacation, we collaborated with local unions to launch a childcare support program at Luxcase ICT Yancheng and Jiaxing Yongrui, alleviating the pressure on employees regarding child care during their children's holidays. This project offers a comprehensive curriculum for employees' children, encompassing physical movement training, social-emotional development, and artistic enlightenment. It balances the needs of child growth with interest development, effectively alleviating employees' concerns and enabling them to dedicate more energy to their career advancement.



Luxcase ICT Yancheng Love Childcare Class



Jiaxing Yongrui Happy Summer Care Activity



# Building a Vibrant Team

Luxshare Precision places high value on talent pipeline development, building a professional and multi-level workforce. By continuously optimizing the talent cultivation system and leveraging abundant training resources to empower employee growth, the Company also implements diverse communication and care activities to stimulate team vitality. At the same time, we are committed to building a transparent and comprehensive career advancement pathway to ensure that all employees can leverage their strengths and achieve self-fulfillment in roles suited to them.

## Attraction and Development

Upholding the principles of equity, diversity, and inclusion, we have established a multi-dimensional talent attraction network to provide employees with clear and transparent career pathways. This initiative aims to attract more top talents to join and integrate into the Company, becoming employees who align with the Company's culture.

### Talent Attraction

The Company actively expands talent recruitment channels and conducts hiring in accordance with the principles of compliance, openness, transparency, equality, and respect. It continues to build a talent acquisition network comprising autonomous online recruitment, internal referrals, and school-enterprise cooperation, while strategically developing programs such as "Campus Talent Reserve Program" to attract outstanding talents.

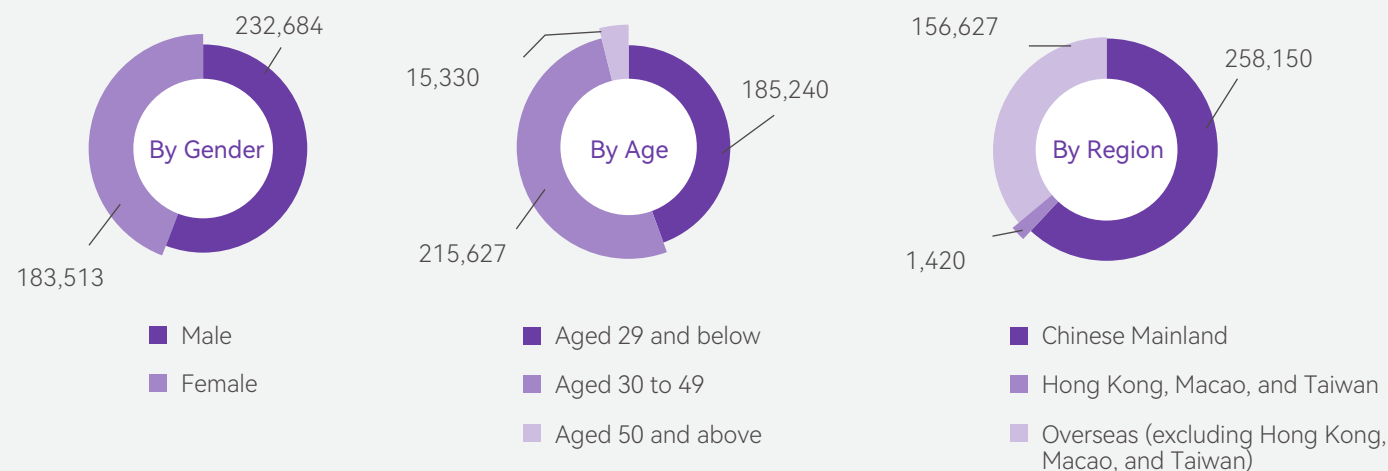
During the Reporting Period, Luxshare Precision:

Newly hired graduates

**3,664**

Distribution of Employees in 2025

Total Number of Employees 416,197



In 2025, Luxshare Precision received multiple domestic and international employer recognitions for its professional and efficient employer brand image, demonstrating the Company's leadership in attracting and retaining talent.

### Outstanding Employer Award



### Case | Dongguan Luxshare Technology Held an Open Day Event

In May, Dongguan Luxshare Technology held an open day event themed "Time Travelers: A Dialogue with the Future," inviting students and faculty from universities across the country for on-site visits. Through digital showroom experiences and visits to intelligent manufacturing workshops, the event enabled participants to directly observe advanced practices in production, R&D, and management, while gaining insight into our innovation layout in frontier fields, talent development systems, and career advancement opportunities.



OPEN DAY

# Promotion and Development

We place high value on employee development within the Company. Aligning with our talent development strategy, the Company provides **dual-channel and diversified career growth pathways for employees**. Based on their individual strengths and operational needs, employees may choose either the professional channel or the management channel to advance their careers. In key areas such as the development of reserve executives, cross-level promotions for mid- and lower-level employees, and promotions for local overseas staff, the Company has established targeted promotion policies to facilitate the rapid growth of outstanding talent.

During the Reporting Period, Luxshare Precision:

Management track promotions  
**1,923** people

Professional track promotions  
**8,235** people

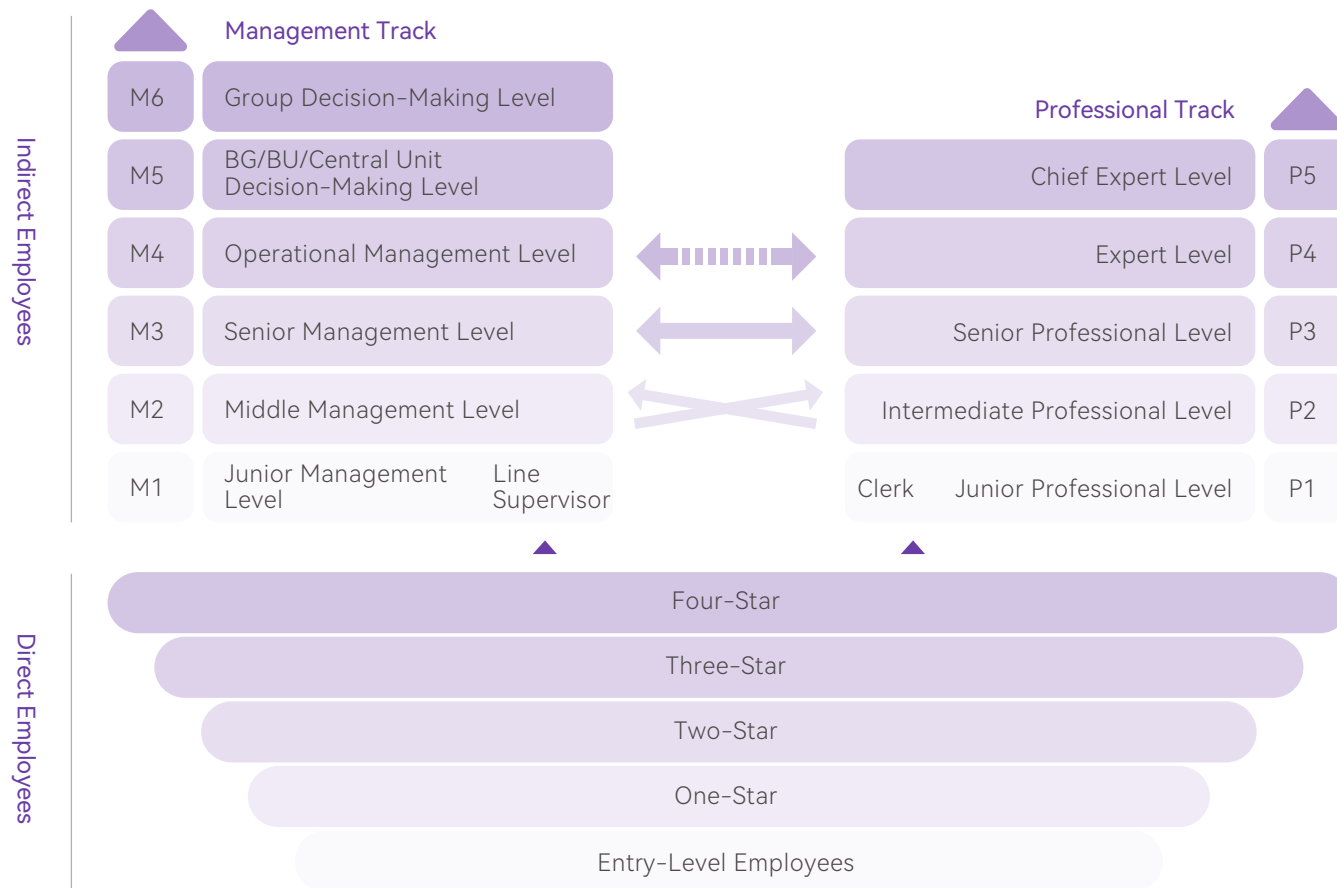


Luxshare Precision has established a systematic new hire integration training program spanning company-level, BG/BU-level, and position-level to facilitate rapid growth for new employees and enhance their understanding of and identification with the Company.

### Comprehensive Overview of New Hire Integration Training

Company-Level Training	BG/BU-Level Training	Position-Level Training
<ul style="list-style-type: none"> <li>Company Compulsory Courses</li> <li>Factory Compulsory Courses</li> <li>Offline Integrated Activities</li> </ul>	<ul style="list-style-type: none"> <li>Introduction to Organizational Structure</li> <li>Product Knowledge Training</li> <li>Product Process</li> </ul>	<ul style="list-style-type: none"> <li>Position-Based Learning Map</li> <li>Position-Based Practical Skills</li> <li>Mentorship</li> </ul>

## Employee Promotion and Development Channels



Dongguan Luxshare Technology Reserve Cadre-Star Training Camp

# Training and Empowerment

Based on the Company's strategy and management development requirements, and considering the diverse needs of different positions and employees' comprehensive capability development, Luxshare Precision has established a talent training and skills enhancement system for all employees (including part-time employees and contractors) to improve their knowledge capabilities and professional competencies.



During the Reporting Period, Luxshare Precision:

Total employee training hours	Total employee training participation
<b>11.54</b> million hours	<b>3.31</b> million person-times
Total employee training expenditure	Employee training coverage
<b>24.06</b> million RMB	<b>100</b> %



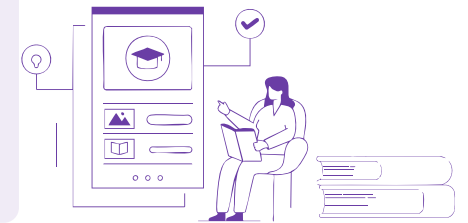
# Academic Advancement

Luxshare Precision provides continuing education and opportunities for academic advancement to all employees (including part-time employees and contractors). We collaborate with external professional institutions to provide employees with opportunities for advanced studies in fields such as accounting, business administration, artificial intelligence, and computer science. We offer tuition subsidies and incentive measures to support employees in obtaining professional skill certifications or advancing their academic qualifications.



During the Reporting Period, Luxshare Precision:

**1,342**  
employees registered in degree programs



Jinxi Factory Degree Improvement Forum



Luxshare Electroacoustic Degree Improvement Forum

## Talent Development System

Leadership Development Path			Professional Development Path			Competency Center	Public Class & Lecture
Senior Management Training	Mentor and Lecturer Training and Certification Program	International Training Program	Key Account Marketing Training Program	New Employee Orientation Training	Cadre-Star Trainee Program	Job Knowledge and Skills Learning Map	Luxshare Lecture Hall Technical Forum
Leadership Training Program			Research and Innovation Training Program				
Reserve Training Program			Project Management Training Program				
Management Advancement Project			Operation Management Training Program				
Management Project			Supply Chain Management Training Program				
Line Supervisor Training Project	Star Class	High Potential Training Program					
			Corporate-University Cooperation Institute				

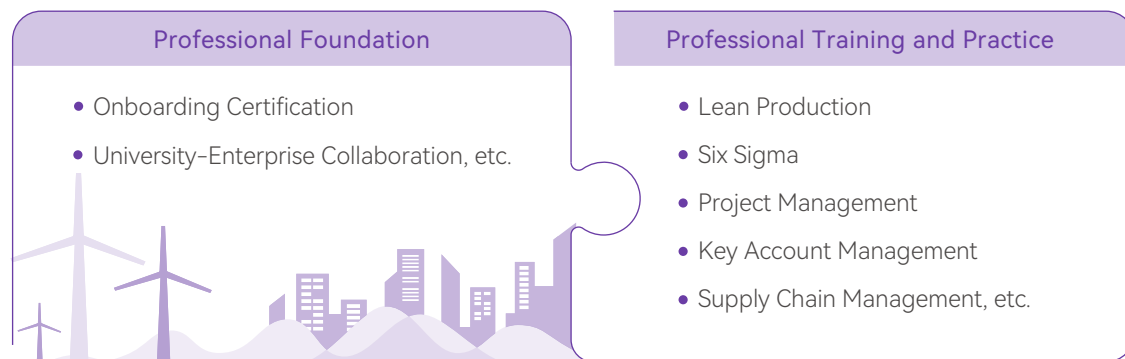
System & Mechanism	Resource Library	Platform Center
Rule of Training Management	Trainer Library	E-learning Platform
Rule of Mentor Management	Course Library	Talent Assessment Platform
Rule of COC Training Assessment Management	Case Library	External Resources Platform



## Specialized Skills Training

The Company provides specialized skills training for all employees (including part-time employees and contractors) based on job competency requirements, supported by comprehensive online and offline learning platforms and resource libraries to facilitate flexible and self-directed learning.

### Specialized Skill Training Module



## Leadership Training

Luxshare Precision regularly conducts talent reviews for high-potential successors to establish a tiered talent development mechanism. Aligned with job requirements and promotion criteria, we deliver leadership training programs across all levels through diversified methods such as workshops, sandbox simulations, and case studies. These programs cover role awareness, professional skills, team communication, and strategic decision-making to cultivate employees' ability to solve practical problems, enhance their management and leadership capabilities, and support career development.

### Leadership Training Topics

Management Track	Training Program	Professional Track	Training Program
M4—M6	<ul style="list-style-type: none"> <li>• Cultural Consensus</li> <li>• Business Strategy and Execution</li> </ul>	P3—P5	<ul style="list-style-type: none"> <li>• Industry Technical Exchange</li> <li>• Enhancement of General Workplace and Professional Skills</li> </ul>
M3	<ul style="list-style-type: none"> <li>• Target Setting and Management</li> <li>• Team Coaching and Development</li> <li>• Team Leadership</li> </ul>		
M2	<ul style="list-style-type: none"> <li>• Cross-Department Communication</li> <li>• From Technology to Management</li> </ul>	P2	<ul style="list-style-type: none"> <li>• Task Planning and Execution</li> <li>• Problem Analysis and Resolution</li> <li>• Efficient Communication</li> </ul>
M1	<ul style="list-style-type: none"> <li>• On-site Management</li> <li>• Conflict Resolution</li> </ul>	P1	<ul style="list-style-type: none"> <li>• Role Transition for New Workplace Entrants</li> <li>• Position Practice</li> </ul>



### Case | Leoni Launched "Dual Study" Employee Skills Training Program

Leoni collaborates with universities to implement a "Dual Study" talent development program, providing students with opportunities to apply theoretical knowledge in practical work settings while completing coursework at the training school and receiving vocational skills training from Leoni. Under the guidance of certified mentors, students acquire professional skills such as machinery operation, product design, social interaction and negotiation, and quantitative analysis through practical training in production workshops or rotational assignments in functional departments, thereby building comprehensive professional competencies.



Production Skills Training



Business Skills Training



### Leadership Training Programs by Factory






## Corporate Culture Training

Luxshare Precision promotes corporate culture and empowerment through a dual-track model combining specialized courses with new media contents, aligned with the Company's mission, vision, and values, across the three stages of "Knowing-Believing-Acting". We embed our corporate culture philosophy into actual business scenarios such as project decision-making and client communication. Through standardized courses, executive perspectives, and sharing of real-life stories, we guide employees to understand the essence of our corporate culture, thereby driving the transition from cultural awareness to actionable guidance.

### Corporate Culture Specialized Course

Learning Channels	Training Formats	Key Courses
 Online	<ul style="list-style-type: none"> <li>iSchool</li> </ul>	<ul style="list-style-type: none"> <li>Corporate Culture Standards Course</li> <li>Message from the Chairman: A Letter to All Employees</li> <li>Corporate Culture Handbook</li> </ul>
 Offline	<ul style="list-style-type: none"> <li>Integration Meetings</li> <li>Seminars</li> <li>Workshops</li> </ul>	<ul style="list-style-type: none"> <li>Cultural Integration Meeting</li> <li>Key Moments in Management Culture Building</li> <li>Cultural Leadership</li> <li>Cultural Leadership in Mergers and Acquisitions Scenarios</li> </ul>

### Corporate Culture New Media Column

 <p><b>Spring Words</b></p> <p>Conveying the Chairman's Core Business Philosophy</p> <p><b>Total Views</b></p> <p>Over <b>1.3</b> million person-times</p>	 <p><b>Luxshare's DNA</b></p> <p>Sharing how cultural principles support key business decisions from the perspective of senior executives</p> <p><b>Total Views</b></p> <p>Over <b>1</b> million person-times</p>	 <p><b>The Luxers</b></p> <p>Sharing the stories and experiences of employees at different levels and in various roles within Luxshare Precision.</p> <p><b>Total Views</b></p> <p>Over <b>1.3</b> million person-times</p>
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### Case | Luxshare Precision Conducted Workshop on "Cultural Leadership in Mergers and Acquisitions Scenarios"

In March, Luxshare Precision held a workshop on "Cultural Leadership in Mergers and Acquisitions Scenarios" at its Jinxi Factory. More than 30 managers from business areas including consumer electronics and automotive electronics attended. The workshop focused on five core challenges in the M&A process: trust building, cultural integration, and team cohesion. Through case analysis, sandbox simulations, and cross-cultural scenario simulations, it enhanced managers' capabilities to guide cultural integration and drive change management, thereby strengthening Luxshare Precision's soft power under its global strategy.



Cultural Leadership Workshop in Mergers and Acquisitions Scenarios

# Care and Communication

Luxshare Precision prioritizes employee well-being by continuously organizing diverse activities and maintaining open channels for democratic communication. The Company strives to enhance employees' sense of happiness and belonging while creating a caring, warm, and respectful work environment.

## Employee Care





We consistently prioritize our employees by **establishing a comprehensive care system that covers all stages of their careers**. Through concrete actions, we deliver the Company's concern and support to our employees, effectively improving their work and life experiences.

### Comprehensive Employee Care Panorama

Onboarding Support	<ul style="list-style-type: none"> <li>Complimentary Accommodation</li> <li>Meal Allowance</li> <li>Free shuttle buses, etc.</li> </ul>	Career Development	<ul style="list-style-type: none"> <li>iSchool</li> <li>Comprehensive Training System for All Employees</li> <li>Dual Career Path</li> <li>Star Classroom, etc.</li> </ul>
Smooth Communication	<ul style="list-style-type: none"> <li>My Voice</li> <li>Employee Symposium</li> <li>Employee Care Center</li> <li>Employee Care Hotline, etc.</li> </ul>	Cultural Entertainment	<ul style="list-style-type: none"> <li>Luxshare Screening Room</li> <li>Luxshare Family Day</li> <li>Employee Birthday Celebration</li> <li>Luxshare Good Voice, etc.</li> </ul>
Health Assurance	<ul style="list-style-type: none"> <li>Health Check-up</li> <li>Psychological Counseling</li> <li>Emotional management, etc.</li> </ul>	Social Connection	<ul style="list-style-type: none"> <li>Social Networking Community</li> <li>Holiday Events</li> <li>Qixi Magpie Bridge Gathering</li> <li>Double 11 matchmaking events, etc.</li> </ul>
Warm Assistance	<ul style="list-style-type: none"> <li>Childcare</li> <li>Subsidies for Employees in Financial Difficulty</li> <li>Children's Love-Assisted Education Program</li> <li>Higher Education Scholarship</li> <li>Visits to employees with disabilities, etc.</li> </ul>	Sports and Fitness	<ul style="list-style-type: none"> <li>Fitness Center</li> <li>Esports Competition</li> <li>Various Ball Sports Competitions</li> <li>Fun Sports Meeting</li> <li>Luxshare Cup Sports Meeting, etc.</li> </ul>
Motivational Engagement	<ul style="list-style-type: none"> <li>Honors System</li> <li>Holiday Gift Package</li> <li>Distribution of Union Benefits</li> <li>Avenue of Stars, etc.</li> </ul>	Respectful Retirement	<ul style="list-style-type: none"> <li>Farewell Ceremony</li> <li>Premium commemorative items, etc.</li> </ul>

In 2025, the Company focused on the theme of 'Continuous Improvement, Building a Harmonious Luxshare Campus' to comprehensively advance the construction of the three-star factories. Focusing on three key areas—smart administrative campuses, upgraded administrative services, and energy management—we have driven subsidiaries to implement improvement projects across more than 400 optimization directions. To ensure the effective implementation of standards, **we conduct 1 to 2 comprehensive audits annually for our subsidiaries by combining on-site inspections with online reviews**. Concurrently, to continuously optimize the employees' work and living environment, the Company leveraged multiple channels—including an employee hotline, satisfaction surveys, job experience ambassador programs, and executive interviews with BG/BU leaders—to precisely identify employee needs and ensure the effective implementation of improvement initiatives, thereby establishing a management closed loop.

### Improvement of Working Environment

Garden Factory Improvement	Infrastructure Improvement
 <p>Smart Manufacturing Jiangxi Garden Factory</p>	 <p>Luxshare Xuancheng Wind and Rain Corridor</p>
Intelligent Factory Improvement	
 <p>Luxshare Smart Manufacturing Inspection and Patrol Robot</p>	 <p>Dongguan Luxshare Technology Outdoor Cleaning Robot</p>

## Employee Activities

Luxshare Precision is committed to building a proactive and collaborative organizational atmosphere. A series of diverse employee activities have been launched to enrich the workplace experience while strengthening emotional connections and value alignment among employees, thereby enhancing the collective cohesion of the workforce.



### Case | Luxshare Precision Held the Sixth Luxshare Cup

In May, Luxshare Precision held the sixth Luxshare Cup, guided by the core concepts of "competition, technology, public welfare, and culture". This Luxshare Cup featured multiple events including football, basketball, badminton, and a women's relay race, attracting participation from over 4,000 employees globally. Beyond the competition venue, we organized a technology market, facilitated agricultural procurement initiatives, and showcased Suzhou's traditional intangible cultural heritage, creating an inclusive event for all employees. The Luxshare Cup event has closely connected employees from diverse cultural backgrounds, effectively enhancing mutual understanding and communication within the global workforce. It lays a solid foundation for cross-cultural team collaboration and fosters a more diverse and cohesive employee base.



Opening Ceremony



Women's Relay Race



Award Ceremony



Suzhou Intangible Cultural Heritage Exhibition



### Case | Luxshare Precision Held Activities to Celebrate Traditional Festivals

On the occasion of various traditional festivals, Luxshare Precision organized a series of vibrant festival activities for employees across multiple domestic and international production sites. These initiatives aim to preserve classic festival culture while enriching employees' festive experiences and encouraging active participation. By integrating local cultural elements with corporate care, the Company deepens employees' cultural identity across domestic and international locations, creates a warm and festive atmosphere, and effectively strengthens the collective cohesion of the workforce.



Huarong Communication "Good Luck Pitch-Pot"



Luxshare Chuzhou Mid-Autumn Festival Riddle Guessing Game



Mexico Luxshare Technology Day of the Dead Celebration



### Case | Luxshare Precision Held Family Day

Luxshare Precision held a Family Day event themed "Together with Family, Together with Love", inviting employees' family members to tour the company's office areas, production sites, and R&D centers to experience the daily work environment firsthand. Each plant site carefully prepared engaging segments including talent showcases, parent-child interactions, and culinary experiences to strengthen emotional bonds among family members. The Family Day event builds a warm bridge connecting the corporate family with employees' families, writing a beautiful chapter of mutual success for both the Company and their families.



Luxshare Dongguan Technology Experience Event



Luxshare ICT Yancheng Role-Playing Activity



Luxshare Dongguan Employees' Children Talent Showcase

### Case | Luxshare Precision Hosted Music and Cultural Event

To promote multicultural exchange among employees and enrich their spiritual and cultural lives, Luxshare Precision has organized cultural activities such as music competitions and music festivals across its manufacturing sites. The Company has established an art exhibition platform to provide creative space and performance opportunities for employees with musical talent. This initiative reflects the Company's commitment to addressing employees' spiritual and cultural needs, fostering a positive and dynamic work environment.



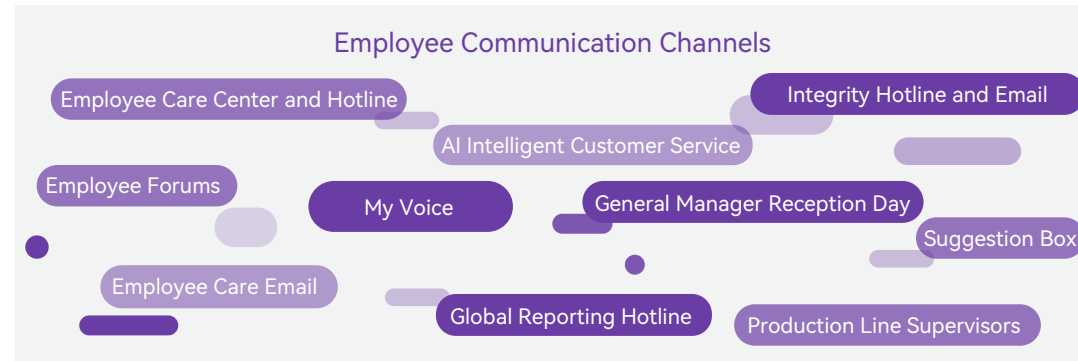
Luxshare Smart Manufacturing Mid-Autumn Festival and National Day Music Gala



Luxshare Nghe An "Luxshare Voice" Concert

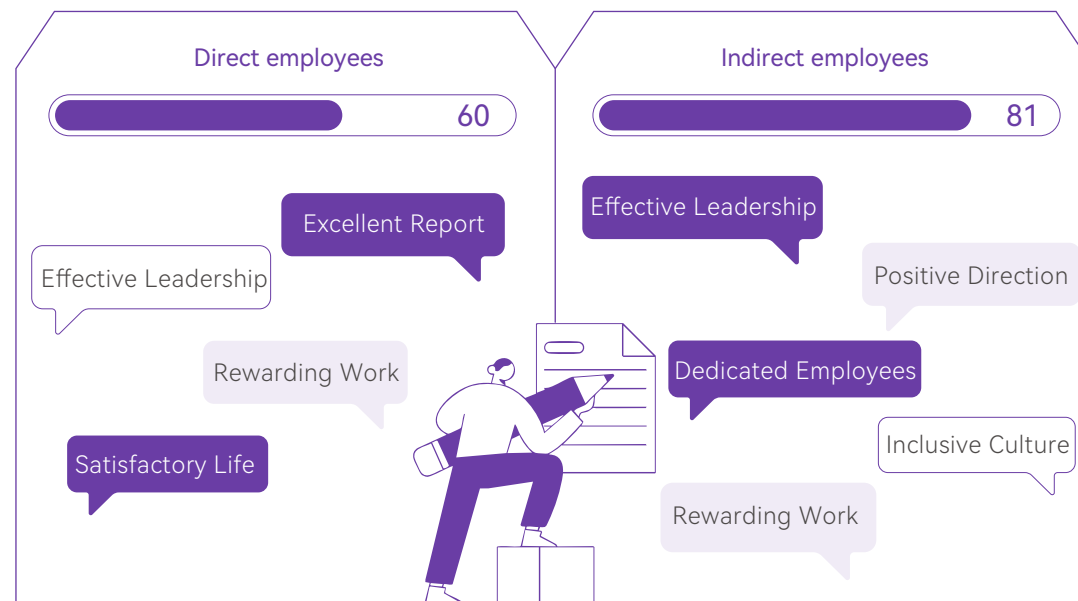
## Employee Communication

We actively build open and inclusive dialogue platforms to continuously listen to and respond to employees' voices regarding professional ethics, physical and mental health, working environment, and work-life balance. We encourage sincere and effective communication between management and employees, striving to achieve resonance between corporate development and employee growth.



Luxshare Precision conducts engagement and satisfaction surveys for all employees annually. This year's coverage reached 100%. Based on the survey results, the Company implemented targeted improvements in dimensions such as the work environment, workplace care, and recognition incentives to stimulate employee motivation and internal drive.

### 2025 Engagement and Satisfaction Survey Results



As of the end of the Reporting Period, Luxshare Precision:

Total labor unions established **60**

During the Reporting Period, Luxshare Precision:

Employee requests and suggestions received **38,284**

Case closure rate<sup>25</sup> **99.10 %**

### Case | Luxshare Precision Chairman's Breakfast Meeting

Throughout the year, we held three Chairman Breakfast Meetings. During the meeting, the Chairman engaged in discussions with high-potential talents and core management representatives from various business segments regarding the Company's development strategy, organizational structure, and technological innovation. He encouraged employees to strengthen their cross-functional learning capabilities and embrace challenges. This close and open mechanism for direct dialogue between senior management and employees deepens staff alignment with the Company's strategy and culture, building a bridge for two-way communication.



Chairman's Breakfast Meeting

<sup>25</sup> The suggested handling period for some cases in December exceeded the reporting statistical time range; therefore, the case closure rate did not reach 100%. All related matters were fully closed by January 2026

# Safeguarding Health and Safety

The Company implements occupational health and safety requirements across all operating locations, establishing a clear structure with robust risk control for its occupational health and safety management system. It provides comprehensive health care for employees and is dedicated to creating a work environment with "zero fatal accidents and zero occupational diseases" to safeguard the physical and mental well-being of its workforce.

## EHS Management System

Luxshare Precision strictly complies with laws and regulations such as the *Work Safety Law of the People's Republic of China* and the *Occupational Disease Prevention and Control Law of the People's Republic of China*. The Company implements an **Environmental, Health, and Safety (EHS) management system covering all employees<sup>26</sup> and workplaces**. It has established a series of policies, including the *Group EHS Manual* and the *Group Occupational Health Management Procedure*, to ensure comprehensive and effective occupational health and safety protection for employees.

The Company oversees all EHS matters through the EHS Management Committee and has established the *Group EHS Management Committee Operation Management Procedure* to supervise EHS heads at each factory in implementing and refining relevant work requirements.



During the Reporting Period, Luxshare Precision:

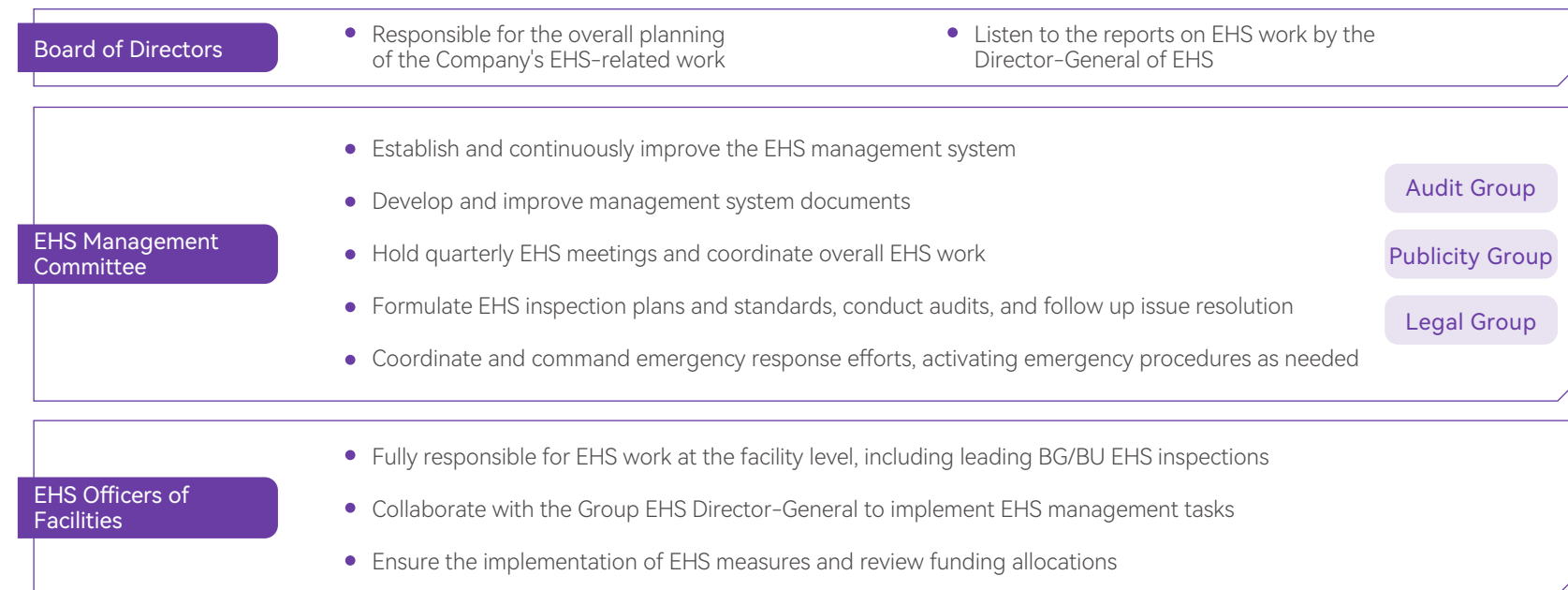
Signing rate of *EHS Management Responsibility Letter* by BG/BU supervisors

**100 %**

Investment in occupational health and safety management

**300 million RMB**

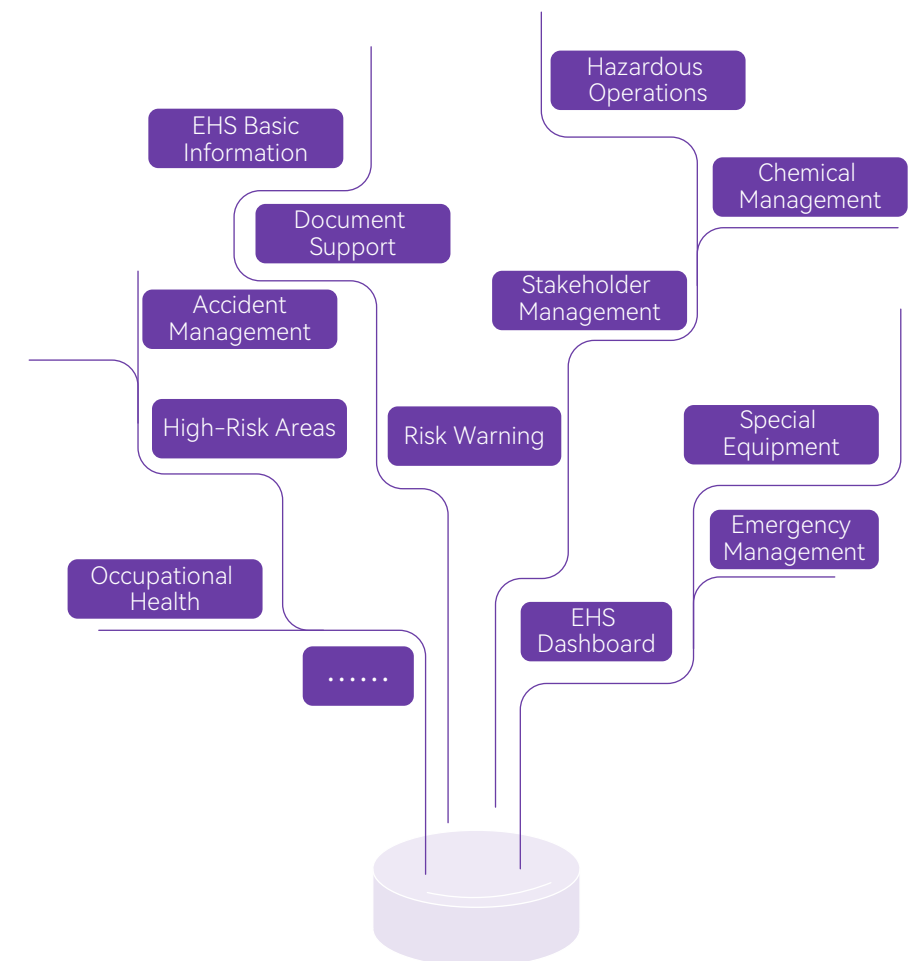
### EHS Management Committee Structure



<sup>26</sup> This includes all employees and other workers working at Luxshare Precision's workplace (such as suppliers and contractors)

Luxshare Precision has established an EHS intelligent management platform to standardize control measures and reporting processes. Leveraging this digital management system, the Company monitors the execution effectiveness of EHS-related work across all manufacturing sites and establishes a standardized assessment mechanism. In 2025, we planned to iterate the core functions of our platform to comprehensively **enhance the data visualization, specialized management, and intelligent emergency response capabilities of the Company's EHS management.**

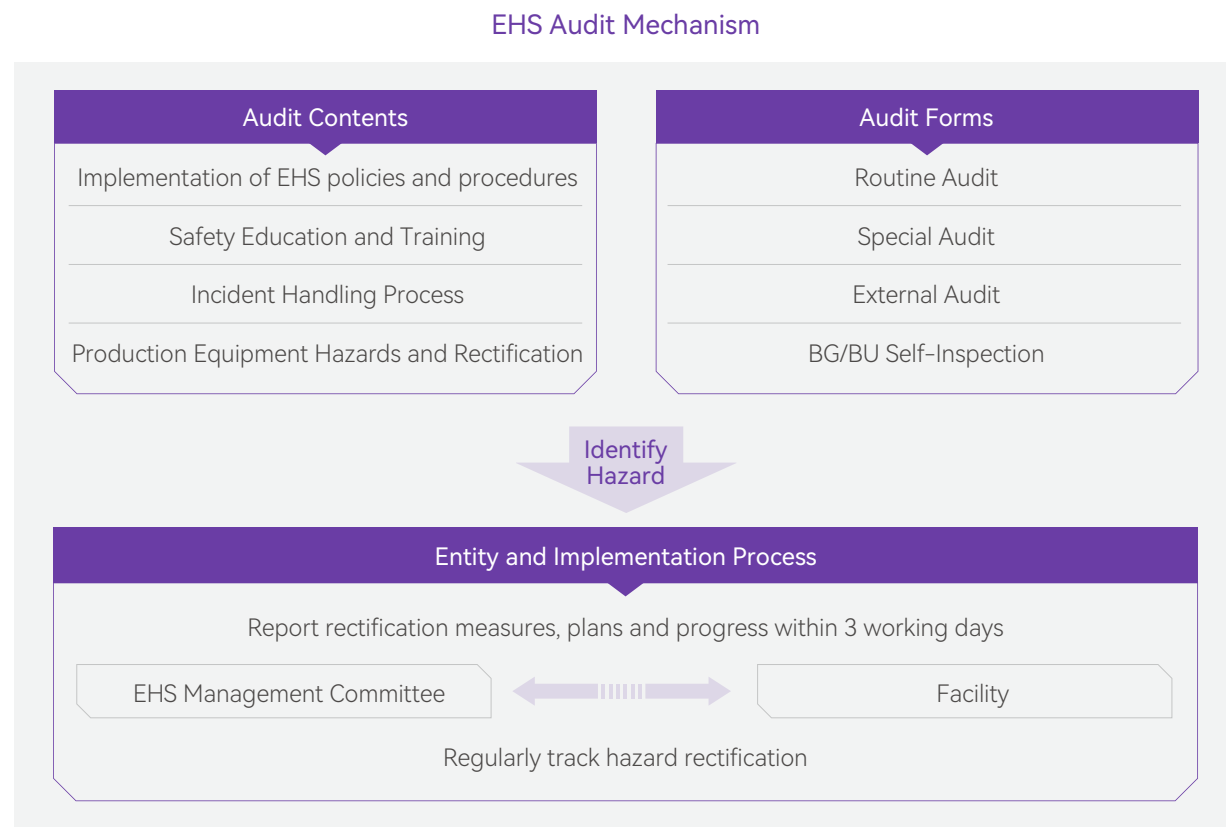
### Iteration Plan for EHS Intelligent Management Platform



# EHS Risk Prevention and Control

Luxshare Precision comprehensively considers multiple factors including safety management, disaster risks, and production layout. In accordance with the requirements of institutional documents such as *Hazard Identification and Risk Evaluation Control Procedure* and *Group EHS Audit Management Measures*, the Company regularly and proactively conducts hazard identification, inspection, and assessment. This enables dynamic monitoring and graded management of potential EHS risks, upon which EHS audits are carried out to prevent related accidents.

We continue to carry out routine audits through a **closed-loop management process of "prevention-process control-continuous improvement"**, further strengthening the Company's EHS risk monitoring capabilities. In 2025, we refined the *Group Occupational Health Management Procedure*, explicitly incorporating EHS audit results into the assessment and annual evaluation of EHS management responsibility letter for BG/BU to solidify management accountability.



During the Reporting Period, Luxshare Precision:

Subsidiaries completed on-site audits	Spot checks conducted	Supervised the completion of
30	30	1,736
		rectifications

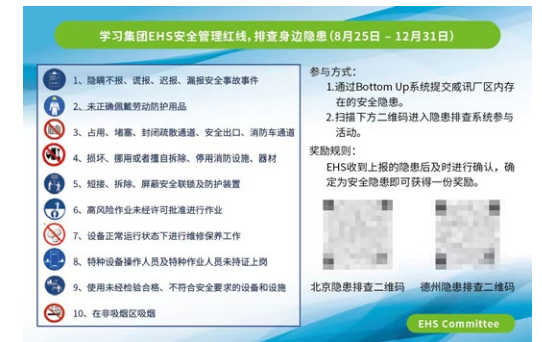


## Case | Luxshare Precision Encourages Employees to Identify and Report Daily Hazards

To enhance safety production awareness and reduce the risk of safety incidents, Luxshare Precision encourages employees to identify potential safety hazards in their vicinity and report them. We call upon our subsidiaries to actively carry out initiatives for reporting potential hazards and near-miss incidents via employee feedback. By collecting such feedback, we identify areas for improvement and implement targeted corrective actions.

### Safety Hazards Reporting

Luxis Factory encourages employees to promptly report on-site safety hazards by scanning a QR code. In 2025, a total of 257 corrective suggestions regarding safety hazards were collected and adopted. To incentivize further employee participation, gifts were awarded to employees whose suggestions were adopted.



Promotion of Luxis Factory Safety Hazard Reporting Initiative

### Near-Miss Incidents Reporting

Leoni enables employees to conveniently report near-miss safety incidents via the Limesurvey platform and promptly analyzing various reports to further facilitate inspections and rectifications.



Leoni LimeSurvey Near-Miss Incident Reporting Platform



Case | Luxshare Precision Prevented Repetitive Strain Injury

To mitigate the risk of health impairment for employees arising from repetitive tasks such as prolonged standing and heavy lifting, Luxshare Precision has implemented targeted preventive measures based on the actual conditions of relevant work processes. These measures aim to control potential health hazards and effectively safeguard employee occupational health and safety.

Acquired Ergonomic Mats

Smart Manufacturing Changshu installed ergonomic mats in the mold processing workshop to effectively alleviate leg fatigue caused by employees operating equipment for extended periods while standing and reduce the potential risk of muscle strain.



Smart Manufacturing Changshu Workshop Ergonomic Mats

Established Physical Therapy Room

Linkz Suzhou established a physical therapy room equipped with professional therapists and rehabilitation facilities to provide personalized physiotherapy services—including massage, cupping, and cervical spine training—to employees in roles such as raw and auxiliary material handling and equipment operation who perform frequent repetitive motions and heavy lifting, thereby preventing health injuries.



Linkz Suzhou Physiotherapy Room

## EHS Training and Drills

Luxshare Precision continues to refine its EHS training system, **targeting all employees, suppliers, and contractors to continuously strengthen safety awareness and professional capability development.** We systematically identified awareness gaps and conducted EHS training on topics such as chemical safety and electrical safety. We regularly carried out emergency drills to foster a work environment where everyone understands safety and prioritizes safety in every task, thereby enhancing our capability to handle EHS incidents.



During the Reporting Period, Luxshare Precision:

Total employee EHS training participations

**1.03** million person-times

Total employee EHS training hours

**1.8** million hours

## Emergency Drill

The Company simulates real-world scenarios to enable employees to familiarize themselves with emergency procedures through practical application. This approach enhances their adaptability and decision-making capabilities when responding to safety incidents, while further strengthening employee awareness regarding the handling of sudden safety events.



Huarong Communication Fire Drill



Merry Huizhou Food Poisoning Drill



Huangshi Zhitong Chemical Spill Drill



Luxshare Smart Manufacturing Shock Accident Drill

## Management Capability Training

We value the enhancement of professionals' EHS management capabilities to comprehensively improve risk prevention and control levels and accident response capabilities. This ensures that all stages in production and operations remain safe and controllable, thereby building a solid safety defense line for the Company's sustainable development.



Case | Luxshare Precision Hosted Special Training Camp for EHS Management Core Employees

In July, Luxshare Precision focused on new trends, strategies, and methods in EHS management for the digital era by hosting a specialized training camp for EHS management backbone personnel. The theme of the camp was "Empowering Safety Management with Corporate Culture and Fortifying the Safety Defense Line through Digital Risk Control". The training program comprises three core modules: theoretical instruction, field visits, and case-based practice. It provides an in-depth analysis of the gaps in safety culture and systemic management loopholes. The curriculum covers the essence of safety culture, its pathways for construction, assessment models, and practical strategies for integration with digitalization. This approach aims to deepen participants' understanding and application capabilities regarding the digital control of EHS risk, while further consolidating consensus on safety culture.



EHS Management Core Training Camp

## Production Safety Training

Luxshare Precision strictly safeguards employees' lives and safety during the production process and regularly organizes production safety training to ensure that every employee can work in a safe and reliable environment.



### Case | Luxshare Xuancheng Conducted Specialized Lockout/Tagout (LOTO) Training

In April, Luxshare Xuancheng conducted a specialized LOTO training session to explain the operational procedures for isolating energy sources of equipment through lockout/tagout. Practical exercises and simulations were performed using energy sources such as electricity, hydraulics, and pneumatics. Fifty-two production technicians, maintenance personnel, and automation and production managers on-site actively engaged in analysis and discussion, sharing practical experience to effectively enhance the management of hazardous energy sources.



LOTO Training



### Case | Luxis Technology Conducted a Series of Production Safety Training Sessions

Luxis Technology conducted training covering safety operations, risk screening, emergency response, and knowledge interpretation. More than 220 key employees participated in training sessions guided by internal experts. They learned safety operating procedures, including the use of machine guarding devices and electrical equipment power-off operations. By combining scenario simulations with online platforms to reinforce theoretical knowledge, they enhanced their ability to perceive production safety risks, improved the accuracy of risk identification, strengthened accident prevention capabilities, and effectively ensured safe production.



Equipment Safety Operation Training



Safety Knowledge Explanation

## Chemical Safety Training

Luxshare Precision attaches great importance to enhancing awareness of chemical safety management and comprehensively improves the level of risk identification, investigation, and control throughout the entire lifecycle of chemical storage, use, transportation, and disposal, thereby strengthening the foundation of chemical safety management.



### Case | Suzhou Luxshare Technology Conducted Chemical Safety Training

Suzhou Luxshare Technology conducted offline chemical safety training covering over 1,400 workshop employees. The training focused on critical knowledge regarding the safety of chemicals throughout their entire lifecycle, including storage, handling, and disposal. Through immersive accident case simulations, it analyzed the root causes behind non-compliant operations and ineffective protective measures, enabling employees to shift from passive compliance to proactive prevention and enhancing their awareness and proficiency in chemical management.



Chemical Safety Training



### Case | Time Huizhou Conducted Training on Chemical Spill Response

Time Huizhou conducted training on chemical spill response, covering knowledge regarding chemical categories involved in operations, their relevant characteristics, and safety risks. Standardized usage of personal protective equipment was also demonstrated on-site. Training also covered the emergency response procedures for chemical leakage incidents and conducted simulation drills to strengthen employees' chemical risk prevention and control capabilities as well as their response capacity.

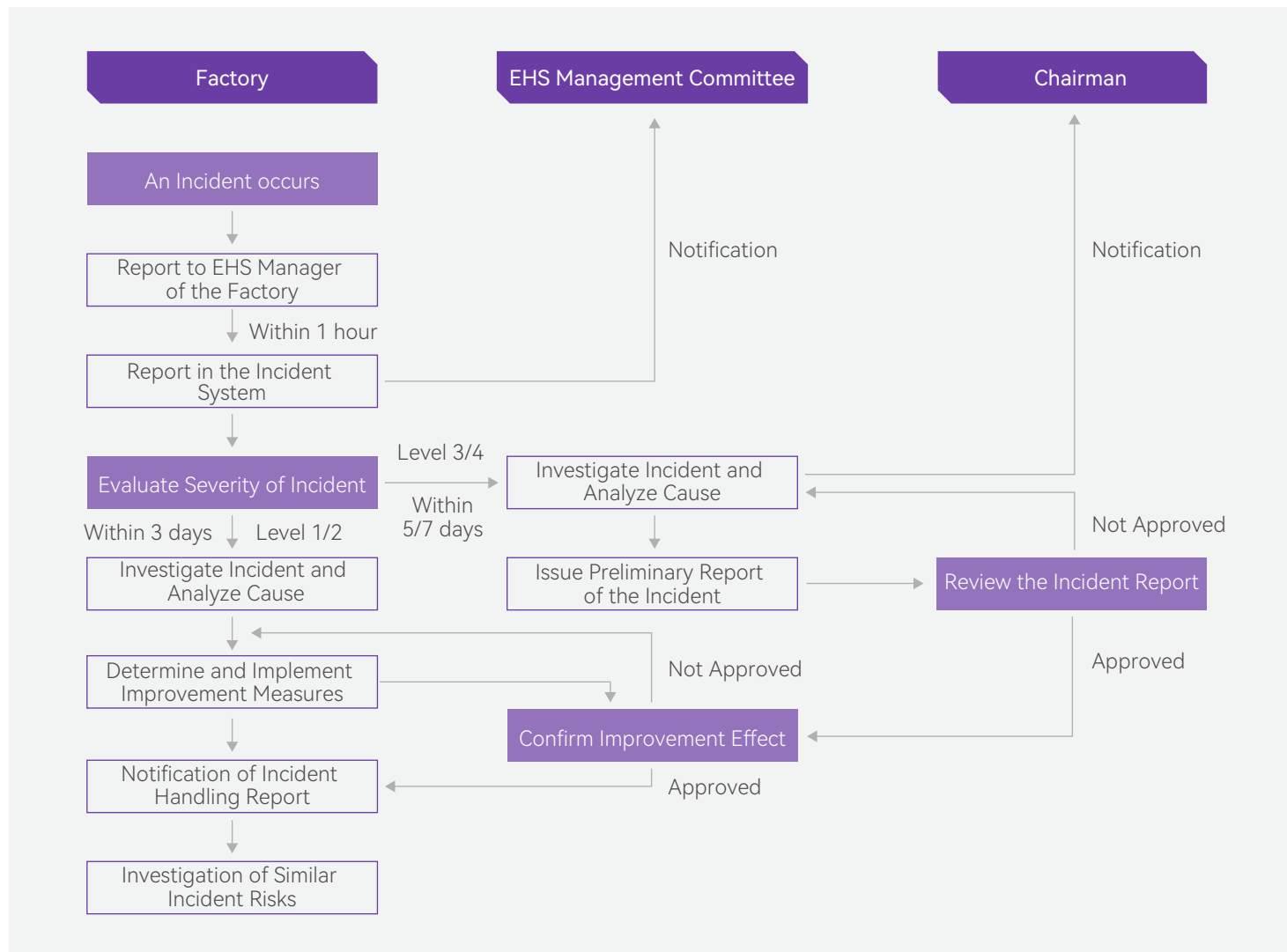


Chemical Spill Response Training

# EHS Incident Response

Luxshare Precision continues to refine the *Group Incident Management Procedure*, **establishing an EHS incident management process with clear responsibilities and defined timelines**. The procedure requires that upon occurrence of any incident, responsible entities must promptly report via the information platform and execute corresponding emergency response measures, investigations, and corrective actions based on the incident classification, thereby forming a closed-loop management system. In 2025, the Company updated its incident classification standards, categorizing incidents into four levels based on economic losses and lost workdays. The update also stipulated corresponding investigation timelines and accountability consequences, thereby refining management requirements for incident investigation and handling.

Incident Investigation and Handling Process



Luxshare Precision has established policies such as the *Health and Hygiene Management Control Procedure* and the *Occupational Injury Management Measures* to implement a comprehensive emergency response process for work-related injuries. This ensures that injury incidents are handled in a timely and standardized manner while providing multi-faceted support and protection for employees.

## Division of Duties in Work-Related Injury Handling

 Incident Department	<ul style="list-style-type: none"> <li>Evacuate and protect employees</li> <li>Report the incident within 1 hour</li> <li>Assist in incident investigation</li> <li>Implement corrective actions</li> </ul>
 Administration	<ul style="list-style-type: none"> <li>Handle occupational injury reports</li> <li>Arrange medical treatment and follow-ups</li> <li>Reimburse medical expenses</li> </ul>
 EHS	<ul style="list-style-type: none"> <li>Handle occupational injury reports</li> <li>Investigate and analyze incidents</li> <li>Track corrective actions</li> <li>Audit safety training</li> </ul>
 HR	<ul style="list-style-type: none"> <li>Handle occupational injury reports</li> <li>File occupational injury claims</li> <li>Update progress on injury handling</li> </ul>
 Employees	<ul style="list-style-type: none"> <li>Report occupational injuries</li> <li>Evacuate from high-risk areas</li> </ul>



During the Reporting Period, Luxshare Precision:

Work-related fatalities took place

0

Recordable work-related injuries per million working hours decreased by

11% year-on-year

# Giving Back to Society

Luxshare Precision adheres to the philosophy of giving back to society and sharing value. The Company actively assumes corporate social responsibility by empowering rural industrial revitalization and talent development, envisioning a prosperous future for rural areas. Furthermore, Luxshare Precision encourages employees to participate in community public welfare activities, assist those in need, and channel small acts of kindness into a better future, continuously creating positive social value.

During the Reporting Period, Luxshare Precision:

Total investment in community engagement

**19.23** million RMB

# Rural Revitalization

We remain deeply committed to the livelihoods of the people. **Through actively participating in and organizing agricultural assistance activities and promoting rural employment**, we strive to improve the living standards of rural residents and work together to paint a vivid picture of rural revitalization.

During the Reporting Period, Luxshare Precision:

Total investment in rural revitalization

**5.36** million RMB



## Case | Luxshare Anhui Established a County-Level Integration of Industry and Education

In July, Luxshare Anhui collaborated with local educational institutions to jointly establish a county-level integration platform for industry and education. Through school-enterprise cooperation, Luxshare Anhui implemented targeted talent cultivation programs and provided corresponding job positions, prioritizing the recruitment of local youth and returnee workers. This initiative created "home-based" employment opportunities for local youth, promoting stable employment and driving economic development in rural areas.



Signing Ceremony for the County-Level Industry -Education Integration Consortium



## Case | Luxshare Precision Conducted Charity Activity to Support Farmers

Luxshare Precision responds to the rural revitalization strategy by initiating farmer-assistance procurement and on-site harvesting activities. These efforts effectively address the challenge of unsold local agricultural products, broaden income channels for farmers, alleviate harvest pressures, and enhance employees' sense of social responsibility while contributing to rural development.

### Procurement of Local Vegetables

In February, Luxcase ICT Yancheng, centered on the theme "Planting Hearts to Assist Farmers, Unveiling Vegetable Fragrance," collaborated with local farmers and the government to conduct agricultural assistance procurement. Through various channels such as internal cafeteria purchases and employee welfare distribution, Luxcase ICT Yancheng accumulated vegetable procurement exceeding 4,500 kilograms, thereby expanding sales channels for local agricultural products.



Luxcase ICT Yancheng's Agricultural Assistance Initiative

### Support the "Vegetable Victory" Campaign

In May, Taihan Precision collaborated with a local organic ecological farm to launch activities themed "Winning the 'Vegetable' Race," including organic vegetable picking, donations, and team competitions. During the event, employees gained in-depth knowledge of organic farming processes and collaborated to complete the harvest. They donated over 70 kilograms of organic vegetables to a social welfare organization serving vulnerable groups, conveying warmth and commitment to doing good.



Taihan Precision supports the "Vegetable Victory" Campaign

### Helping Farmers with Harvesting

In June, Luxshare Enshi organized the "Love Ambassador for Farmers" team to visit local rural areas. The team assisted local farmers in harvesting specialty crops such as tea leaves and high-mountain selenium-rich potatoes, alleviating harvest pressures during peak agricultural seasons. Through these concrete actions, Luxshare Enshi responded to the national call for rural revitalization, building a bridge of compassion between the enterprise and rural communities.



Luxshare Enshi Helping Farmers with Harvesting Event

## Public Welfare and Charity

Luxshare Precision adheres to the principle of remembering one's roots and actively practices social responsibility. Through public welfare donations and various forms of volunteer activities, the Company closely links corporate value with public well-being, demonstrating humanistic warmth and a sense of responsibility beyond commercial value.



During the Reporting Period, Luxshare Precision:

Total investment in public welfare and charities

**13.87** million RMB

### Charitable Donations

We leverage our resources through targeted donations, emergency material relief, and educational support to contribute to building a better society.



#### Case | Mexico Precision Conducts "80 Centavos" Charitable Donation Campaign

Mexico Precision has meticulously planned and continuously advanced the '80 Centavos' public donation program. Approximately 70% of employees voluntarily participate by donating a fixed daily amount of 80 Centavos from their salaries. In 2025, the raised funds were utilized to support four local organizations in their charitable endeavors, thereby cultivating a corporate image characterized by warmth and compassion.

##### Medical Assistance

- Support the Cancer Relief Foundation in providing chemotherapy services for children with cancer.

##### Mental Health

- Supported the psychiatric hospital in providing nearly 700 sessions of psychological and psychiatric treatment to those in need.
- Supported the Children's Hospital in providing over 400 psychological and speech therapy sessions for minors.

##### Elderly Care

- Provided basic living supplies and gas to support over 160 elderly individuals in senior care facilities.
- Organized holiday welfare activities



"80 Centavos" Elderly Care Facility Visit



#### Case | Luxshare Precision Assisted in Firefighting Efforts in Tai Po, Hong Kong

In November, following the unfortunate fire accident in Tai Po, Hong Kong, Luxshare Precision immediately launched support efforts by donating 10 million HKD to the "Support Fund for Wang Fuk Court in Tai Po" established by the Hong Kong Special Administrative Region Government. The funds are designated exclusively for emergency rescue operations for affected residents. We also express our deepest condolences to those who lost their lives in this fire and pay our highest respects to all firefighters and rescue personnel working on the front lines.



Donation for Hong Kong Tai Po Fire



#### Case | Luxshare Hubei's "One Yuan Donation · Warm Macheng" Fundraising Campaign

In November, Luxshare Hubei launched the "One Yuan Donation · Warm Macheng" fundraising campaign to support children from financially disadvantaged families in the mountainous areas of Macheng, Hubei. Employees exchange a symbolic donation of one yuan for food that carries love. The funds raised during the activity were used to procure various supplies, including warm clothing, new schoolbags, and stationery, which were then delivered to the homes of children in need. In the biting cold, this initiative forged a warm bond connecting Luxshare employees with children in mountainous regions, bringing warmth to the children's winter.



"One Yuan Donation · Warm Macheng" Fundraising Event



#### Case | Luxshare Vietnam Conducts Charity Education Support Activity

In August, Luxshare Vietnam in Xinyuan Community, Yen Bai District, Bac Ninh Province, presented new academic year consolation gifts to 50 outstanding students from financially disadvantaged families at Nguyen Hong Middle School and encouraged the students to pursue personal dreams while focusing on their studies and striving for comprehensive development.



Love-Assisted Education Activity

## Volunteer Services

Luxshare Precision is committed to fulfilling its social responsibilities through concrete actions. The Company actively organizes initiatives such as **child welfare programs and volunteer charity sales** to convey warmth to society and promote virtuous conduct.



### Case | Luxshare Xuancheng Conducted Enterprise Study Visit

In May, Luxshare Xuancheng provided a platform for local primary schools to conduct the "Exploring the Charm of Technology, Inspiring Future Dreams" corporate study tour. By guiding students to visit the smart exhibition hall and manufacturing facilities, we opened a window for them to understand modern technology and advanced manufacturing, stimulating their strong interest in exploring science and learning technology, and sowing the seeds of technological innovation in the hearts of children.



Enterprise Study Visit Activity



### Case | Luxshare America Built a Children's Playhouse for Local Families

In August, Luxshare America organized a volunteer activity to build playhouses, providing safe and creative play spaces for children in local families in need. This initiative promotes the physical and mental development of children while supporting the community's affordable housing projects. Employee volunteers cut materials and assembled components to successfully complete the construction of the playhouse, conveying the Company's humanistic warmth and strengthening the bond of mutual support among community members.



Construction of a Children's Playhouse



During the Reporting Period, Luxshare Precision:

Number of volunteers engaged

**2,823** person-times

Total volunteer hours served

**4,680** hours



### Case | Luxshare Precision Conducted a Charity Sale Event

Luxshare Precision conducted various forms of charity sales and donated the funds raised to public welfare organizations, further supporting the creation of a warm and harmonious social environment.

#### 99 Charity Day Football Painting DIY Auction Event

In September, Dachuang Precision jointly organized a painted football DIY charity auction with the local Disabled Persons' Federation. Together with employees with disabilities, they created creative football artworks, fostering understanding while conveying care.



Dachuang Precision Painted Football Charity Auction

#### Christmas Market Bazaar



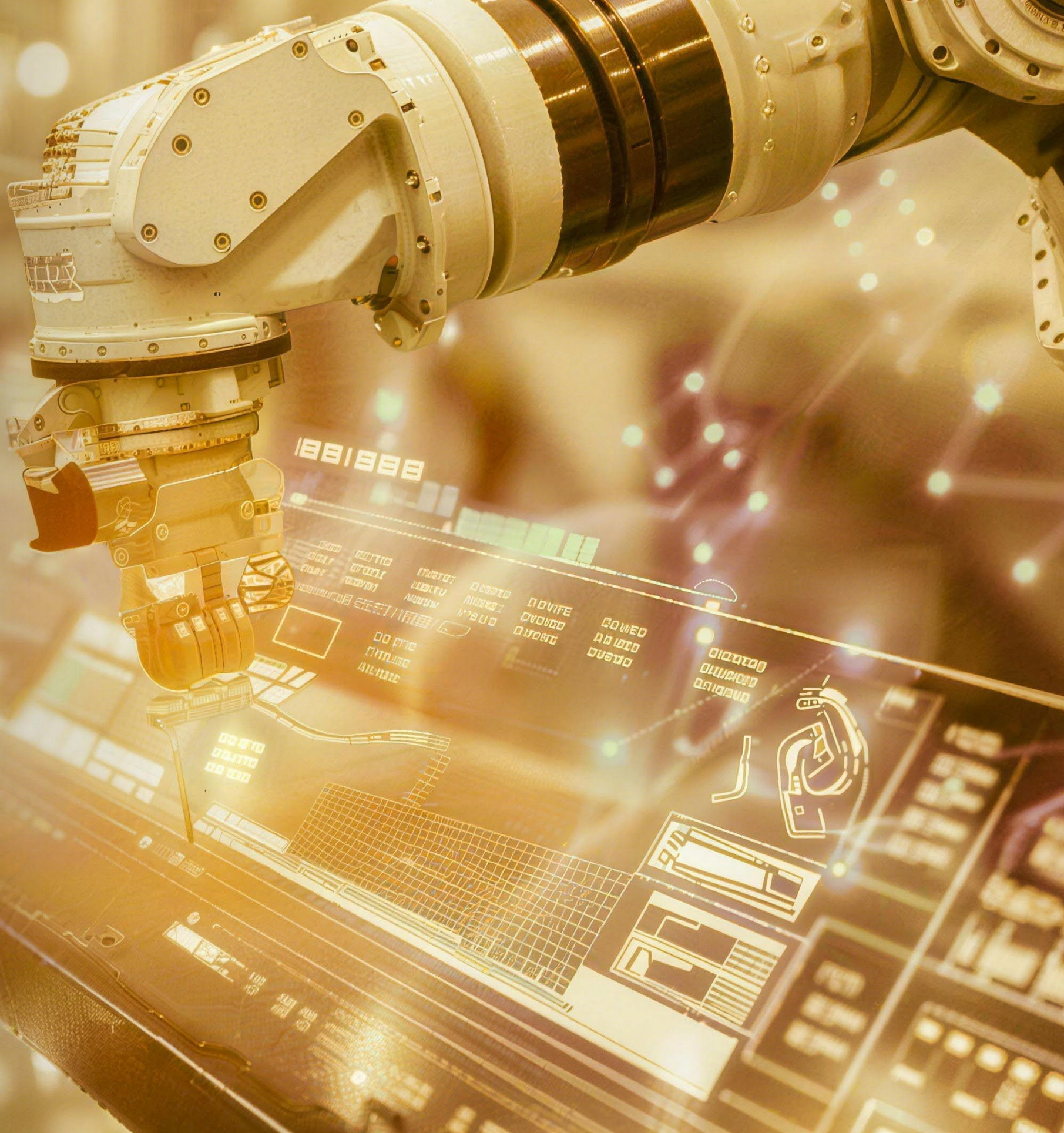
Leoni Christmas Market Bazaar

On Christmas Eve, Leoni collaborated with local woodworking and textile workshops that employ persons with disabilities to create Christmas gifts. These gifts were sold at a charity fair held on Christmas Day, with all proceeds donated to local community organizations to support charitable development.

# 04 Intelligence Upgrade, Co-Creating Value

Luxshare Precision empowers enterprises across various sectors in its role as a trusted partner, adhering to innovation-driven development and the application of innovation outcomes while continuously advancing technological upgrades centered on intelligent manufacturing and AI applications. We closely track industry trends and deeply understand customer needs. Leveraging our advantages in advanced manufacturing and intelligent technologies, we refine product quality to achieve mutual success and long-term win-win outcomes. At the same time, we continue to refine our supply chain management system and collaborate with global partners to build a responsible and sustainable business ecosystem, jointly promoting the green and intelligent development of the industry.

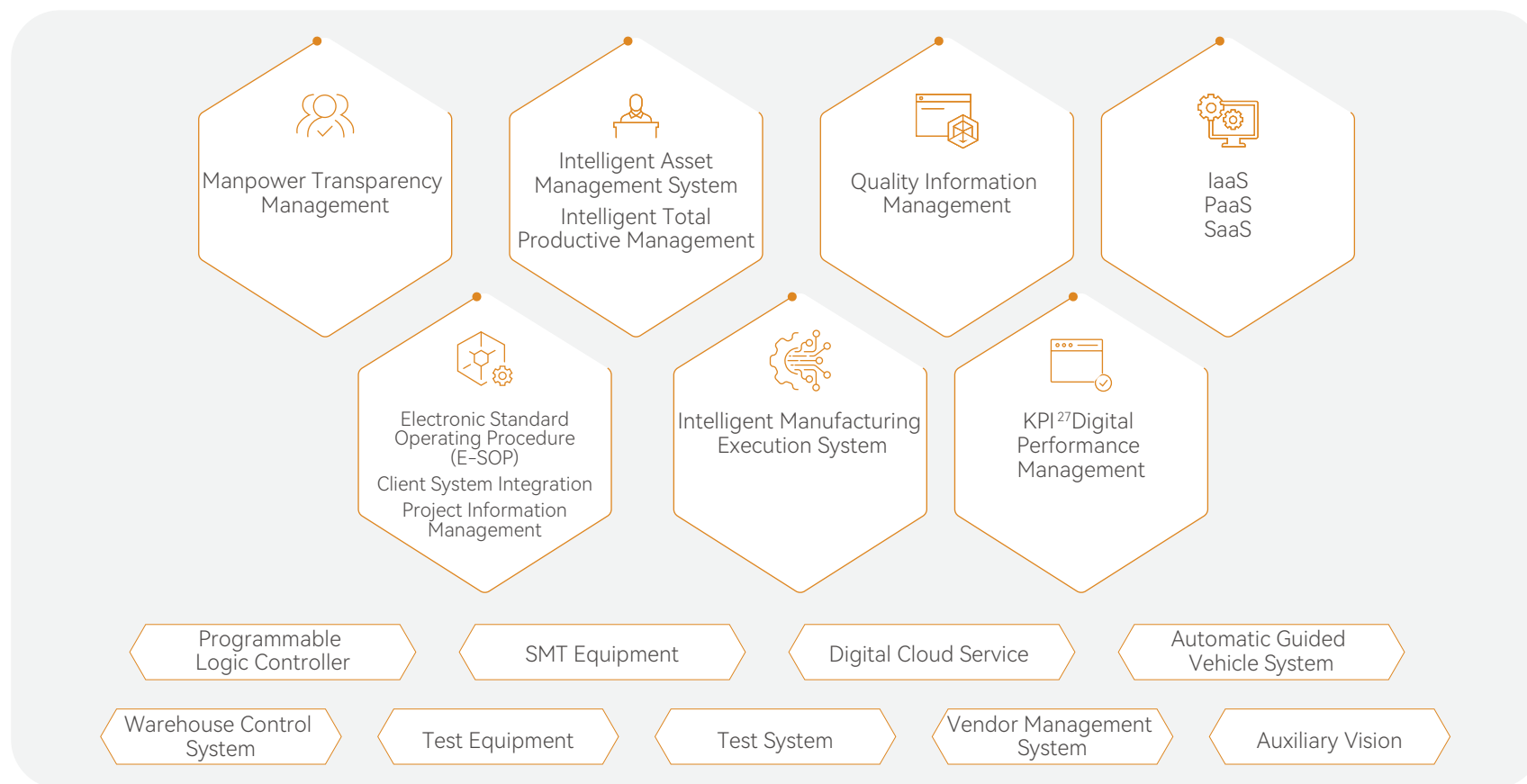
- Product Quality and Customer Service
- Innovative Research and Development
- Responsible Supply Chain Management



# Advancing Intelligent Manufacturing Transformation

Luxshare Precision, as a pioneer in the field of intelligent manufacturing, actively responds to the wave of industrial transformation and continues to advance the implementation of its industry 4.0 strategy. Leveraging a modular Manufacturing Operations Management (MOM) platform, we deeply integrated intelligent manufacturing execution, quality, and asset management systems while deploying AI application technologies such as visual recognition and intelligent analysis. This comprehensive coverage of core production processes leads the Company's transformation.

MOM Platform



In 2023, we launched a five-year intelligent manufacturing plan aimed at building a collaborative management system encompassing platforms, data, and equipment. Luxshare Precision builds a bidirectional intelligent closed loop between hardware devices and system applications, with independent innovation as its core. At the hardware level, we implemented intelligent iteration of production equipment through independently developed automated solutions. At the system level, we leverage an intelligent data foundation integrated with AI technology to fully embed data intelligence into quality control and production operations. In 2025, we leveraged the large-scale implementation of technologies such as **digital twins and machine learning** to advance quality control upstream and enhance collaborative efficiency, establishing a new model of **intelligent manufacturing characterized by dynamic perception and real-time response**.

<sup>27</sup> KPI: Key Performance Indicator

## Five-Year Plan for Intelligent Manufacturing

**2023 - Foundation Building** — Accomplished

- Developed three processes of engineering data, production processes, and production information
- Implemented 32 business processes around 12 production scenarios
- Advanced the application of Digital Twin in production
- Gradually achieved full coverage of the Warehouse Management System

Accomplished — **2024 - Collaborative Upgrade**

- Cooperate in the interconnected operations of materials, manufacturing and supply
- Promoted intelligent application for preventive maintenance and repair, logistics path optimization, etc.

**2025 - Intelligent Deepening** — Accomplished

- Promoted the application of intelligent services such as intelligent decision-making, intelligent scheduling, and quality analysis
- Deeply explored the AI field and applied machine learning in the manufacturing process

— **2026 - Autonomous Iteration**

- Implement the precise distribution and importing of logistics in unmanned workshops
- Focus on completing the full-process unmanned transformation of the pilot standard workshop

**2027 - Ecological Empowerment**

- Empower supplier partners and assist suppliers in conducting lean coaching
- Promote the application of intelligent technologies such as image processing and machine vision

# Intelligent Manufacturing Practices

Luxshare Precision is grounded in an intelligent manufacturing system. By building an intelligent manufacturing application network that covers the entire process from "production-control-digitalization and intelligence," the Company achieves comprehensive integration of production equipment, control management, and digital decision-making. We focus on the deep synergy among equipment, processes, and management. By integrating AI with industrial data analytics, we continuously optimize quality control, energy consumption management, and production scheduling, driving the evolution of manufacturing toward efficient, intelligent, and digital operational models.

## Intelligent Manufacturing Application Network



### Production

- Conveyance System
- Positioning System
- Motion System
- Assembly and Processing System
- Inspection and Testing System
- Validation System
- Rack System



### Control

- Control System
- Environmental Control System
- Safety and Protection System



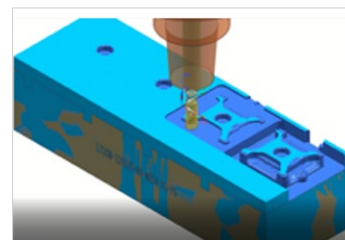
### Digitalization and Intelligence

- Sensing, Traceability and Management System



## Case | Smart Manufacturing Changshu Established an Integrated Intelligent Manufacturing Platform for Mold Processing

Smart Manufacturing Changshu has established an intelligent mold processing management platform. By integrating one-click design and algorithm-driven automatic program generation with its proprietary AGV scheduling system and equipment protocol adaptation, the platform achieves a fully unmanned autonomous closed-loop operation covering raw material preparation, machining production, and measurement inspection. This initiative has constructed a flexible intelligent manufacturing system that spans the entire value chain, from order receipt and design to production scheduling, manufacturing, measurement, and warehousing. This platform significantly addresses challenges in traditional mold manufacturing, including low automation levels, inefficient parameter transmission, and ineffective process collaboration, by providing a reusable intelligent manufacturing integration solution for this application scenario.



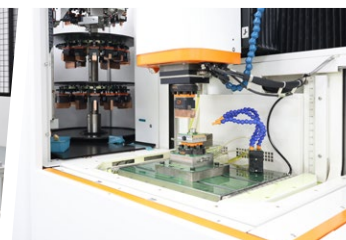
Design Automation



Processing Automation



Measurement Automation



Discharge Semi-Automation



## Case | Luxshare Precision deployed an automated intelligent warehousing and logistics solution

Luxshare Precision has developed an intelligent warehousing and logistics solution covering the entire process from raw materials to finished products for its automotive wiring harness business segment. The complex workflow is decomposed into six core stages: raw material wires, raw material terminals, terminal molds, raw material structural components, semi-finished products, and finished wiring harnesses, with corresponding automated storage and handling solutions planned for each stage. This solution not only achieves full-process material traceability and efficient space utilization but also establishes a standardized intelligent warehousing model that can be rapidly replicated and scaled. It has been deployed across multiple manufacturing sites, providing a referenceable solution for intelligent upgrades in the industry and the warehousing sector.



Luxshare Hubei Raw Material Wire Bin Automatic Picking



Xiexun Xinyu Raw Material Terminal Bin Automatic Picking



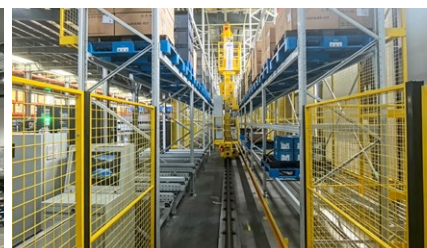
Xiexun Xinyu Terminal Mold Box Bin Automatic Picking



Luxshare Hubei Raw Material Structural Components Bin Automatic Picking



Lanto Bozhou Semi-Finished Harness Overhead Conveyance



Luxshare Hubei Finished Goods Pallet Automatic Stacking

# AI Applications

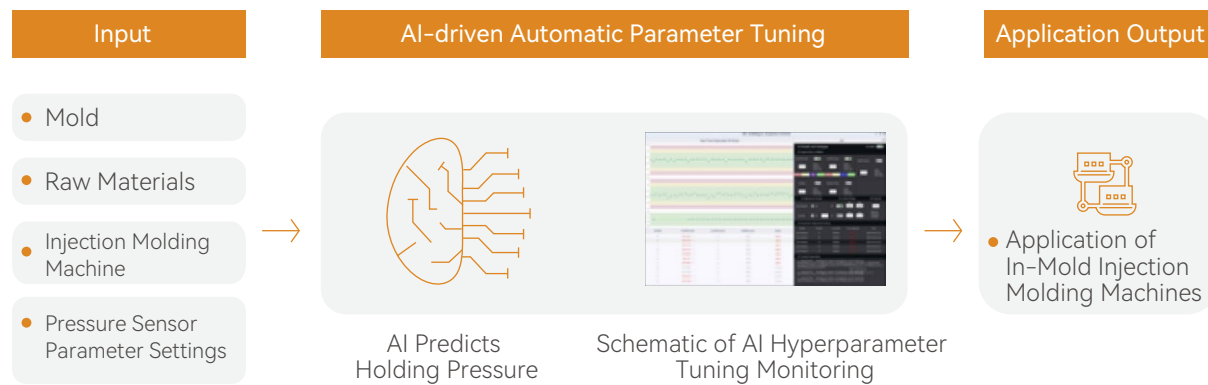
Luxshare Precision has actively deployed AI applications in production and office scenarios. The Company is advancing integrated practices of intelligent manufacturing that cover visual recognition, intelligent analysis, and automated learning. Additionally, it has refined a dual-track 'AI+Human' collaborative model for employee consultation and inquiry services to achieve efficient operations. This year, we successfully deployed solutions involving multiple algorithms and a self-training platform, effectively empowering internal business units to shorten development and delivery cycles while achieving efficiency gains and quality assurance.

## Application of AI Technology in Production



### Case | Luxcase ICT Yancheng Introduced an AI-based Automatic Parameter Tuning Application for the Injection Molding Process

Luxcase ICT Yancheng deployed high-precision pressure sensors to collect internal mold pressure data in real time at the equipment level. By integrating LGBM<sup>28</sup> machine learning algorithms and applying AI, the system enables real-time adjustment of injection molding machine parameters to stabilize internal mold pressure. This system has significantly reduced pressure fluctuations by 88% and lowered the product scrap rate by 25%, enabling real-time correction of anomalies and ensuring continuous process stability. These achievements have driven the injection molding process toward an intelligent adaptive stage.

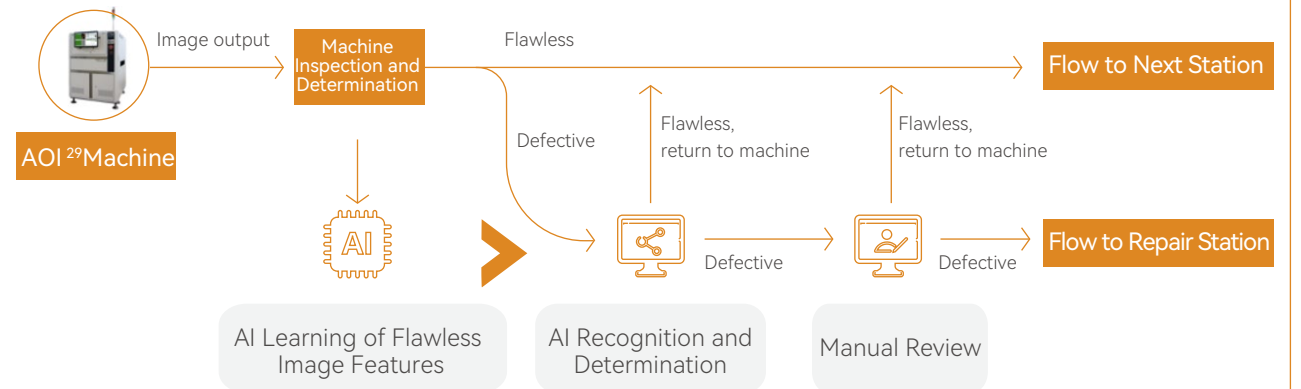


Flowchart of AI Participation in the Injection Molding Process



### Case | Luxis Kunshan Implemented AI Visual Inspection Technology

Luxis Kunshan has introduced AI-powered visual inspection technology in the component defect detection process of Surface Mount Technology (SMT). By leveraging deep learning to analyze feature patterns from flawless finished products, the system enables real-time and precise identification of more than ten types of component defects, including missing components, misalignment, and reverse orientation. This AI application has effectively reduced the workload of manual re-evaluation, significantly improved detection efficiency and accuracy, further ensured product yield, and enhanced the intelligence level of the production line.



AI-Integrated SMT Process Inspection Flowchart

<sup>28</sup> LGBM: A Distributed Gradient Boosting Framework Based on Decision Tree Algorithms

<sup>29</sup> AOI: Automated Optical Inspection



# Establishing Quality Benchmarks

"Enabling Customer Success" lies at the heart of Luxshare Precision's operations, while "Relentless Mission" forms the cornerstone of our trusted partnerships. We continuously create value for our customers through high-quality products, innovative solutions, and exceptional service.

## Lean Quality

The Company has established a comprehensive quality management system and deepened its quality culture to strengthen quality awareness across all employees. By leveraging digital technologies, the Company continuously enhances its product quality control capabilities, forging stable and reliable products with an attitude of striving for perfection.

## Quality Management

Luxshare Precision has established internal policies, including the *Quality Manual* in accordance with the *Product Quality Law of the People's Republic of China* and relevant laws and regulations, as well as customer requirements. The Company continues to optimize its quality management system covering the entire process from research and development to manufacturing and sales. The Company fully considers the product positioning, process characteristics, and sustainable development needs of the plant site to systematically identify quality risks and establish quantifiable, trackable quality management goals. We systematically decomposed key quality objectives—including mass production yield rates, final quality control batch rejection rate—and assigned them to the direct owners of relevant processes. We established an incentive system that links accountability with performance. Concurrently, we conduct regular quality audits based on internal quality standards and continuously monitor the achievement of targets across all production bases to drive the sustained improvement of quality management capabilities. This year, we prioritized **the optimization of intelligent process inspection, automated analysis of quality data, and the construction of a digital quality platform**. These initiatives effectively enhanced the efficiency and consistency of quality control, facilitating full-process quality traceability and improvement.



As of the end of the Reporting Period, Luxshare Precision and its subsidiaries:

Certified by ISO 9001 reached

**88**

Certified by IATF 16949 reached

**67**

Certified by ISO 13485 reached

**16**



### Case | Luxis Beijing Built an Intelligent Common Analysis Platform

The Luxis Beijing Intelligent Common Analysis Platform has established a quality traceability system covering the entire packaging and testing process by integrating multi-source data from manufacturing execution systems, equipment automation systems, enterprise resource planning systems, and machine tools. The platform analyzes the root causes of anomalies through multi-dimensional correlation across time, materials, equipment, and personnel, enabling full lifecycle traceability and localization from raw materials to finished products. Following the platform's implementation, defect troubleshooting and localization time were effectively reduced, the detection rate of root causes for quality anomalies was improved, and the defect rate decreased significantly. This established a digital quality control closed loop driven by the "Plan-Do-Check-Act" cycle.



Schematic of the platform operation interface

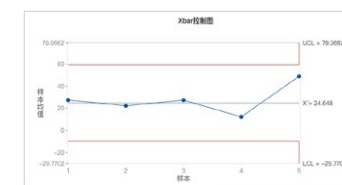


### Case | Qinghuang Factory Established a Full-Process Digital Quality Management System

The core modules of the digital quality system at the Qinghuang factory have been successfully piloted and implemented, establishing a comprehensive digital quality control chain that spans product planning, on-site execution, process management, and continuous improvement. This system integrates multi-source data from the Manufacturing Execution System and Enterprise Resource Planning System to achieve real-time monitoring of production processes and Statistical Process Control analysis. It clearly distinguishes between common cause variation and special cause variation while dynamically displaying key metrics such as yield rates across various process steps. This provides a solid data foundation for mass production decisions and drives the continuous upgrade of the quality management system through digital capabilities.



Real-time Display of First-Pass Yield by Process Step



Schematic of Production Process Fluctuation Analysis

## Quality Culture Development

We continue to deepen the cultivation of employee quality awareness and comprehensively advance quality culture development. The Company organized a series of diverse and in-depth quality improvement activities to strengthen all employees' understanding and execution of quality standards, jointly building a solid defense line for Luxshare Precision's excellence. **During the Reporting Period, Luxshare Precision conducted a total of 566,315 hours of quality training.**



### Case | Luxshare Precision Strengthened Quality Culture Development

The Company conducted specialized skills training and enhanced employees' quality awareness through practical application, case studies, and online-offline initiatives. Through interactive seminars, the Company continuously improved employees' quality sensitivity, providing a solid capability foundation for effectively controlling product quality and ensuring delivery reliability.

Specialized Skills Training



Luxshare Jiangsu IATF 16949 Specialized Training



Luxshare Xuancheng VDA 30 Tool Training



Luxshare Chuzhou Quality Tool Training

Quality Awareness Building



Shantou Luxshare Technology Special Training on Quality Awareness



Jinxin Factory Knowledge Competition



Luxis Beijing Quality Salon

Practical Operational Activities



Luxshare Anhui Product Training



Luxshare Yancheng Raw Material Identification Training

<sup>30</sup> VDA: Verband der Automobilindustrie

## Customer Service

Luxshare Precision has established a customer service and management system spanning pre-sales, during-sales, and post-sales stages. Through proactive communication, rapid response, and research analysis, the Company continuously enhances the customer experience and safeguards customer rights.

The Company leverages both online and offline communication channels to effectively reach global customers. It conducts regular surveys, including monthly evaluations of customer satisfaction metrics and annual customer satisfaction studies, covering key dimensions such as product quality, delivery timelines, service, and pricing. These initiatives enable deep insights into customer needs and expectations, driving continuous improvement in product and service experiences.

Based on customer management policies, including the Handling Procedure for Customer Complaints, and the Customer Satisfaction Management Procedure, we have established a systematic and process-oriented complaint handling mechanism. We set strict response time requirements to ensure rapid response, rigorous analysis, and effective closed-loop resolution upon receipt of complaints, thereby continuously building long-term and stable customer relationships.

In addition, we have established management policies such as the Handling Procedure for Product Sales and Return, to clearly define implementation processes for product recalls, repairs, and transportation. We also stipulate remediation measures for different scenarios to effectively safeguard customers' legitimate rights and interests.



During the Reporting Period, Luxshare Precision:

Product recalls due to health and safety impacts of products and services

0



# Leading R&D Innovation

Luxshare Precision continues to drive innovation and R&D through industry-academia-research collaboration, industry exchanges, and standard-setting initiatives, actively integrating into and co-building the industry's innovation ecosystem. At the same time, we strengthened our patent layout and full-cycle risk prevention and control to ensure the value conversion of technological achievements.

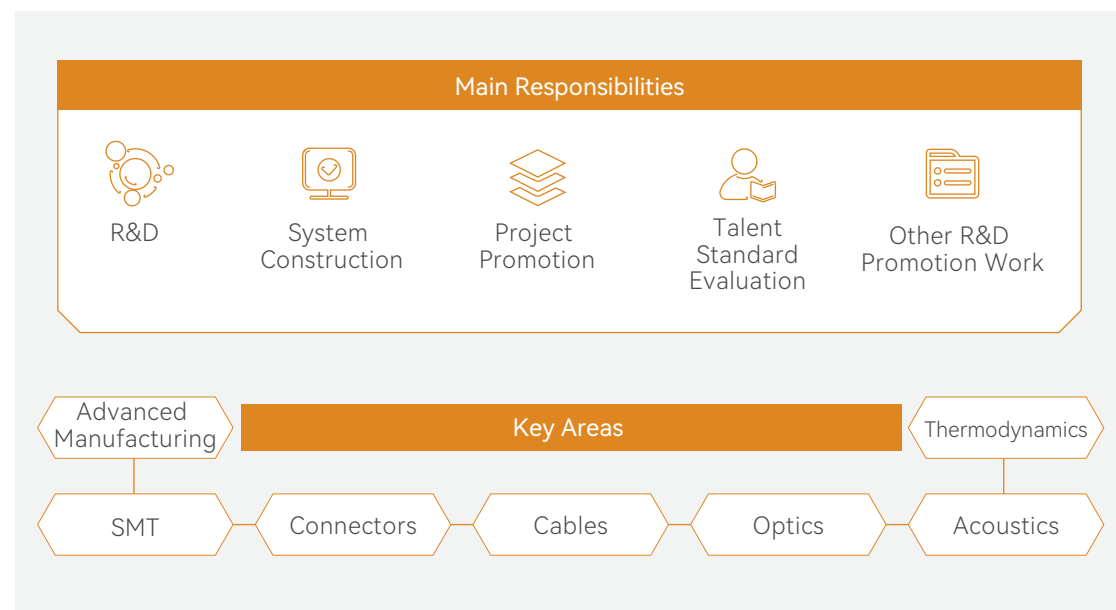
## R&D Innovation

The Company has established and continuously enhanced its innovation and R&D capabilities, **perfected its global R&D network, and strengthened the cultivation of high-value patents.** These efforts have invigorated team innovation and laid a solid foundation for building long-term technological competitiveness and achieving high-quality development.

## Innovation and R&D Management

We have refined our innovation and R&D management by establishing a Technology Committee to coordinate technical resource allocation, drive technology enablement, and build a talent pipeline for innovation and R&D, thereby laying the foundation for the Company's long-term development. Leveraging our global R&D network spanning **Shanghai, Dongguan, Shenzhen, Xi'an, the United States, and Singapore**, we continuously drive platform-based and intelligent innovation in our products and services.

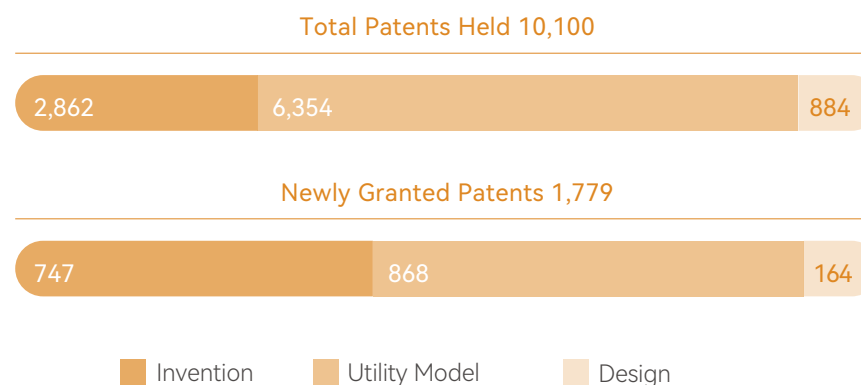
### Technology Committee



# Innovation Patent Cultivation

In accordance with the *Incentive Regulations on Patents and Trade Secrets*, we provide rewards to inventors who file patent applications, publicly recognize teams that demonstrate outstanding performance in patent applications, and offer public recognition and additional rewards to high-performing inventors. These measures aim to stimulate the enthusiasm and innovation drive of our R&D team. Moreover, we implemented internal management measures such as the *High-Value Patent Cultivation Guidelines* to establish a high-value patent cultivation system and form a virtuous mechanism for continuously generating high-quality outcomes.

### Number of Patents Held by the Company in 2025



During the Reporting Period, Luxshare Precision:

Internal reviewed and recognized high-quality patent proposals

**23**

Completed high-quality patent applications

**149**

We continue to strengthen our R&D innovation capabilities by establishing a normalized training mechanism. We have developed a series of courses focusing on patent layout and mining, as well as guidance on patent documentation. Leveraging the iSchool platform, we launched supporting learning resources to provide the R&D team with knowledge support that integrates theory and practice.



### Case | Luxshare Precision Conducted TRIZ Innovation Specialized Training

In May, Luxshare Precision held two sessions of special training on "TRIZ<sup>31</sup> Innovation Methods" at Kunshan Factory, adopted a hybrid online and offline model, engaging over 50 patent personnel from various manufacturing sites. The training focused on core TRIZ tools and provided practical guidance through case studies. A total of 38 trainees passed the assessment and obtained TRIZ Level I certification during this training session. This initiative effectively enhanced the efficiency of patent engineers, enabling them to more keenly identify key innovation points and expand technical solutions. Consequently, they are now better positioned to provide forward-looking patent layout strategies and recommendations for mitigating infringement risk.



TRIZ Training

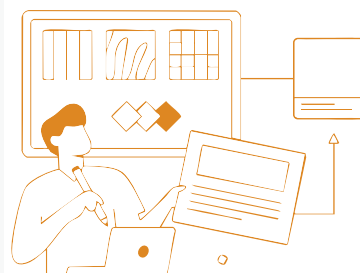
<sup>31</sup> TRIZ: Theory of Inventive Problem Solving

# Exchange and Cooperation

Luxshare Precision has established a comprehensive collaboration network centered on technological innovation, **advancing technical development through industry-academia-research cooperation, industry exchanges, and standard-setting**. In 2025, we collaborated with the Chinese Society for Technical and Vocational Education and multiple institutions to develop an industrial internet talent map based on real-world production scenarios and needs, providing a reference for precisely aligning talent cultivation with industry requirements. We also conduct joint research and establish laboratories in collaboration with multiple universities. We actively participate in industry forums and technical exchange activities and are deeply involved in the development of industry standards for fields such as acoustics, continuously promoting industry norms and ecosystem construction.



Industry Standards to Which We Contributed



## Case | Luxshare Precision Exhibited at the 26th China International Optoelectronic Exposition (CIOE)

In September, Luxshare Precision showcased multiple augmented reality (AR) technology solutions at CIOE, presenting a complete technical pathways that includes single-green and full-color waveguides, heterogeneous dual-core architectures, and intelligent integrated systems. This exhibition highlights our accumulated expertise across dimensions such as optics, acoustics, structural design, and human factors engineering. During the exhibition, we engaged in multi-level dialogues with industry chain partners, research institutions, and industry clients regarding the industrialization trends of AR products, technical challenges, and ecosystem co-construction. This further reinforced Luxshare Precision's role as a key participant in the AR sector, demonstrating the Company's long-term commitment to driving technological integration through open innovation and facilitating the industry's transition to scaled applications.



Participation in the China International Optoelectronic Exposition



## Case | Luxcase ICT Yancheng Co-established a Laboratory with a University

Luxcase ICT Yancheng adopted the pathways of integrating industry, academia, and research to jointly establish the "Yancheng City Key Laboratory for 3C<sup>32</sup> Precision Manufacturing and Surface Technology" with China University of Mining and Technology, and successfully obtained approval as a municipal key laboratory. Leveraging this key laboratory, Luxcase ICT Yancheng successfully applied for industry support projects in collaboration with universities and actively promoted the construction of a provincial key laboratory, further enhancing its core technology breakthrough capabilities and the support level of high-end innovation platforms.



Joint Laboratory Construction and Exchange Cooperation



During the Reporting Period, Luxshare Precision: Training sessions and exchange activities related to innovation and R&D to external parties

16



<sup>32</sup> 3C: Computer, Communication, Consumer Electronics

## Intellectual Property Protection

Luxshare Precision strictly complies with laws and regulations such as the *Patent Law of the People's Republic of China*, the *Copyright Law of the People's Republic of China*, and the *Trademark Law of the People's Republic of China*. The Company has established internal policies including the *Intellectual Property Manual* and the *Intellectual Property Management and Control Procedure*, thereby constructing an intellectual property management system that covers management processes and operational guidelines.

### Intellectual Property Risk Management

We adhere to the principles of intellectual property protection and have comprehensively established **an end-to-end intellectual property risk prevention and control system covering the entire product development lifecycle—from pre-development to post-development**. We also implement a dual-track protection mechanism combining electronic and physical evidence preservation to systematically safeguard the Company's innovative achievements and commercial interests from infringement.

#### Intellectual Property Risk Management Across the Product Lifecycle

##### Pre-development

- Utilize risk analysis maps to accurately pinpoint potential risk areas
- Conduct market patent research to gain insights into the dynamics of industry intellectual property

##### In Development

- Conduct internal risk assessments and timely warnings of intellectual property risks
- Customize intellectual property risk management measures according to the needs of various departments

##### Post-development

- Keep a close eye on market trends and promptly identify and respond to infringement behaviors
- Adhere to the principle of respecting the intellectual property rights of all parties and properly handle potential risks



During the Reporting Period, Luxshare Precision:

Major incident of trademark, patent, or copyright infringement

**0**

Trademark invalidation and opposition handled

**43 cases**

Patent landscape analysis conducted

**12 pieces**



## Intellectual Property Training

The Company enhances employees' awareness of intellectual property protection and their ability to identify and prevent risks through integrated online and offline training. Leveraging the iSchool platform, we have developed specialized courses on trade secret risk and compliance, facilitating employees' self-directed and continuous learning. In 2025, the Company conducted 32 in-person training sessions to further enhance risk awareness and practical capabilities of personnel in key positions and business roles.



### Case | Luxshare Precision Specialized Training on Strengthening Intellectual Property Protection

In July, Luxshare Precision conducted offline intellectual property training at Jinxi Factory. The sessions focused on patent novelty searches, infringement comparisons, and risk response strategies for trade secret liability. Through in-depth interaction with R&D personnel and the presentation of typical cases, the training equipped the R&D team with correct methods for patent searching and infringement assessment. This initiative enhanced their ability to identify infringement risks during technology development and product design while strengthening awareness of intellectual property protection.



Intellectual Property Training

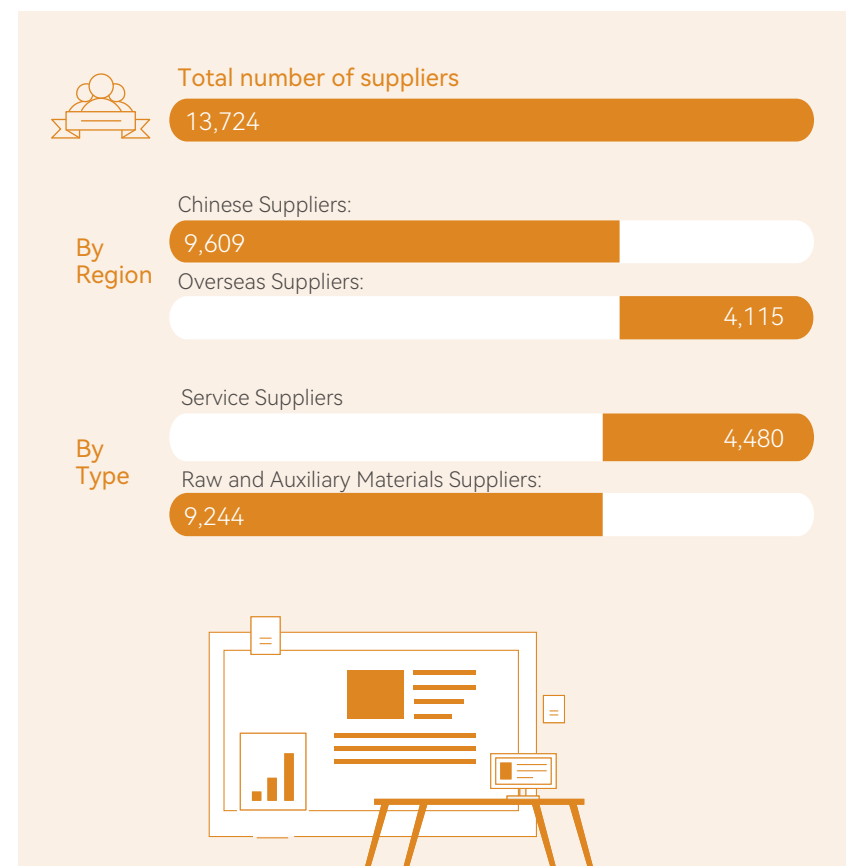
# Implementing Responsible Procurement

Luxshare Precision is committed to collaborating with partners to build a high-quality, green, and sustainable supply chain ecosystem. We have embedded environmental and social responsibility assessments into our management system. We have formulated and implemented internal documents such as the *Supplier Management Operation Procedure*, the *Electronic Material Supplier Admission Mechanism*. Suppliers are managed throughout their entire lifecycle according to three stages: development access, tiered management, and evaluation and audit.

## Access Management

During the supplier onboarding phase, the Company requires suppliers to sign a series of documents, including the *Supplier Code of Conduct Acknowledgment*, the *Letter of Integrity Commitment for Supplier*, and the *Environmental Assurance Letter*, to explicitly commit to complying with Luxshare Precision's business ethics standards and requirements regarding environmental and social aspects. Furthermore, we require that suppliers undergo rigorous qualification reviews conducted by auditors who hold relevant internal auditor certifications. We conducted a baseline survey of supplier capabilities across dimensions including production testing capacity, technical process capability, quality control, and environmental management. Only suppliers possessing **at least one quality management system certification** and **one social responsibility system certification** are eligible to enter the list of potential suppliers.

Number of Suppliers in 2025



Requirements of System Certification for Supplier Admission



# Supervisory Audit

Luxshare Precision effectively identifies and manages risks throughout the entire supply chain through a systematic and hierarchical supplier supervision and audit mechanism, regularly reviews suppliers' CSR performance, and ensures compliance in cooperation and business continuity.

## Risk Management

The Company has established a **supply chain risk prevention and control system covering sourcing, qualification, cooperation, and evaluation**. Leveraging third-party platforms, the Company provides dynamic early warnings for supply disruption risks arising from natural disasters or geopolitical conflicts. We monitor supplier operational risks and establish a risk early warning map to deploy contingency plans promptly, thereby enhancing supply chain resilience and business continuity.

In 2025, the Company further refined its management of production suppliers by establishing policies such as the *Productive Supplier Management Procedure*, *Productive Supplier Admission Audit Mechanism*, and *Productive Supplier Performance Management Policy*. Through risk prevention at the source and evaluation via platform tools, the Company strengthened its overall capability to prevent and control risks within the supply chain.

## Tiered Assessment





Luxshare Precision employs a tiered supplier management mechanism and conducts monthly, quarterly, and annual assessments through its Supplier Relationship Management (SRM) system. We match differentiated cooperation mechanisms to supplier assessment ratings, ensuring supply chain stability and competitiveness while precisely identifying and enhancing supplier capabilities.

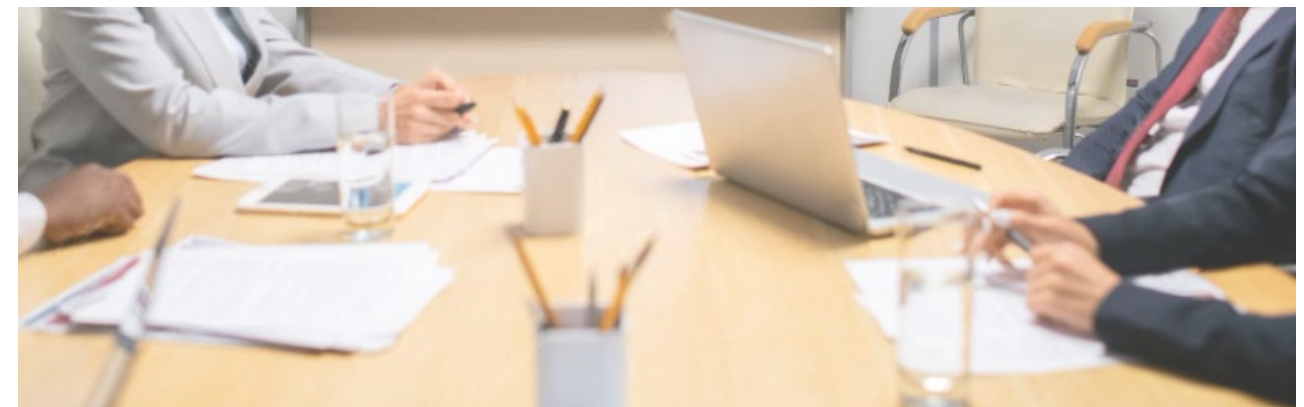
### Tiered Supplier Management Standards

Performance Appraisal Grade	Management Measures
Grade A/B	Long-term partnership, co-research, priority procurement, and more resource support
Grade C	Required to provide an improvement report, with corrective results to be tracked, and may be subject to on-site audits if necessary; Supplier qualification will be revoked if two consecutive audits are failed
Grade D	No contract renewal or new contracts awarded; Required to suspend supply and provided with guidance for improvement; If all improvements are implemented, supply will be allowed and monitored continuously, otherwise, supplier qualification will be revoked

The Company has established a supplier blacklist mechanism. Suppliers found to have breached contracts or maintained adverse records regarding integrity, falsification, or honesty will be verified and subsequently added to the blacklist for appropriate handling. We communicated the handling results via the SRM system to enhance transparency and strengthen the deterrent effect in supply chain management.

### Supplier Blacklist Mechanism Management Standards

Assessment Dimensions	"Blacklist" behavior
 Integrity	Violation of integrity requirements, such as bribing procurement personnel
 Fraudulent Practices	Major fraudulent behavior, such as supplying counterfeit/fake goods, or adulterated materials, cost-cutting corners, through inferior substitutes, and unauthorized material substitution of materials, etc. without approval
 Honesty	Major integrity issues, e.g., breaches, such as malicious bid rigging, bid collusion, non-compliance with violation of procurement contract terms, contracts, and failure to fulfill delivery, etc. obligations
 Others	Suppliers failing two consecutive annual audits with unresolved non-conformances



## CSR Management

We have established the *Supplier Code of Conduct Acknowledgment* based on behavioral standards including the *UN Guiding Principles on Business and Human Rights*, and the *RBA Code of Conduct*. All suppliers are required to sign this agreement and commit to complying with its requirements as well as the laws and regulations of their operating locations. Any violation of these provisions may jeopardize the cooperation between the supplier and the Company, potentially leading to the termination of the cooperative relationship.

The Company conducts supplier CSR risk assessment and audit work based on the *Supplier Audit Checklist*, primarily adopting on-site audits combined with online evaluations. For the identified risks, we supervise their rectification to ensure timely resolution of issues and continuously optimize suppliers' CSR management performance.



During the Reporting Period, Luxshare Precision:

The number of suppliers underwent CSR audits

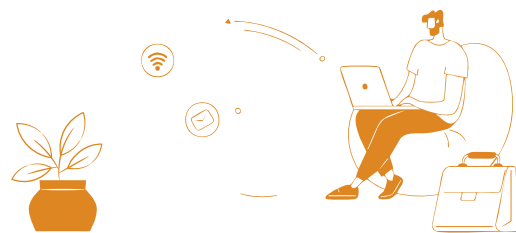
**1,815**

The suppliers that completed on-site CSR audits

**1,025**

The rate of new raw materials suppliers that underwent CSR audits

**100%**



### CSR Risk Audit

Audit Criteria	Labor Management	Occupational Health and Safety Management	Environmental Management	Business Ethics	Management System
Audit Contents	<ul style="list-style-type: none"> <li>Child Labor</li> <li>Forced Labor</li> <li>Discrimination and Disciplinary Measures</li> <li>Free Association and Communication</li> <li>Working Hours and Remuneration</li> <li>Diversity Management</li> </ul>	<ul style="list-style-type: none"> <li>Fire Safety</li> <li>Occupational Safety</li> <li>Equipment Safety and Health</li> <li>Emergency Plan</li> <li>Prevention and Control of Occupational Diseases</li> <li>Industrial Hygiene</li> <li>Public Hygiene, Food, and Accommodation</li> </ul>	<ul style="list-style-type: none"> <li>Environmental Permits and Reports</li> <li>Water Resource Management</li> <li>Air Pollution</li> <li>Waste</li> <li>Noise</li> <li>Energy Conservation and Emission Reduction</li> <li>Hazardous Substances</li> </ul>	<ul style="list-style-type: none"> <li>Business Integrity</li> <li>No Improper Benefits</li> <li>Identity Protection and Anti-retaliation Policy</li> <li>Information Disclosure</li> <li>Intellectual Property Protection</li> <li>Privacy Protection</li> <li>Equal Business, Advertisement Publish and Competition</li> </ul>	<ul style="list-style-type: none"> <li>Management System</li> <li>Regulatory and Client Requirements</li> <li>Supplier Management</li> <li>Responsible Mineral Sourcing</li> <li>Training</li> <li>Communication</li> <li>Employee Feedback, Engagement, and Appeals</li> <li>Corrective Action Process</li> </ul>
Rectification Items Completed	517	709	401	86	632

The Company continuously promotes supplier capability building through various forms, including **one-on-one mentoring, business review meetings, specialized training, thematic workshops, and supplier conferences**. We collaborate with suppliers to identify areas for improvement, enhancing their capabilities in environmental governance, social responsibility fulfillment, and business ethics construction, thereby promoting the overall sustainable development of the supply chain.

### Topics of Supplier Training

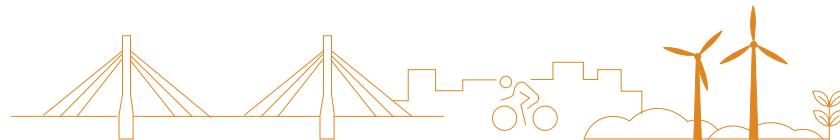


# Sustainable Supply Chain

Luxshare Precision remains committed to its original responsibility by issuing the Supply Chain Green and Low-Carbon Commitment. The Company actively collaborates with supplier partners to share experiences and resources, advances green and low-carbon initiatives, implements responsible mineral sourcing, and jointly builds a sustainable supply chain system.

## Green and Low-Carbon Supply Chain

Leveraging the IPE Blue EcoChain platform, the Company dynamically monitors supply chain environmental performance and continuously tracks the rectification progress of suppliers' environmental violations. It also promotes suppliers to progressively improve their PRTR environmental disclosure. Environmental compliance requirements are extended from tier-one suppliers to tier-two suppliers, establishing a multi-level green supply chain management system. Furthermore, to promote a comprehensive green transformation of the supply chain, we jointly launched with IPE the Zero Carbon Supply Chain Initiative, requiring core suppliers to independently disclose carbon emission data via the IPE platform, thereby systematically enhancing the transparency management level of the supply chain's carbon footprint.



During the Reporting Period, Luxshare Precision utilizes the IPE platform:

Assisted in removing environmental violation records for

**23** suppliers

Promoted to disclose carbon emission for

**374** suppliers

Promoted to disclose PRTR information for

**397** suppliers

We are actively advancing low-carbon management across our supply chain. Through specialized training sessions and on-site guidance, we guide suppliers to strengthen carbon emission management, implement energy conservation and emission reduction projects, and encourage them to conduct carbon inventories. During the Reporting Period, Luxshare Precision provided on-site green and low-carbon related training for 40 suppliers, and facilitated 125 core suppliers to obtain ISO 14064 verification.



### Case | Selected Cases of Suppliers' Energy Conservation and Emission Reduction



**Supplier 1**  
Optimization of Specific Power for Air Compressors

To lower the specific power for air compressors, ten measures were implemented, including host upgrades, variable frequency drive retrofits, and network leak governance. These initiatives achieved a comprehensive electricity savings rate of 18.7%, an annual energy saving of approximately 1.1 million kWh, and a reduction in carbon emissions of about 660 tons.



**Supplier 2**  
Optimization of High-Efficiency Chilled Water Plant

Optimized equipment selection for high efficiency, network simulation design, intelligent control, and night-time cold storage and discharge strategies. The project achieved an annual increase in operational energy efficiency, with annual electricity savings of approximately 18 million kWh and annual carbon emission reductions of approximately 10,700 tons.



**Supplier 3**  
Rooftop Photovoltaic Installation

Completed a rooftop photovoltaic project with a total installed capacity of 12.64 MW, generating approximately 12 million kWh annually and reducing carbon emissions by approximately 7,400 tons per year.



**Supplier 4**  
Electric Furnace Electrification Retrofit Project

Completed the electrification retrofit of the natural gas tilting melting furnace and integrated rooftop photovoltaic green power within the plant area, effectively increasing the proportion of renewable energy used in production processes while reducing reliance on fossil fuels and carbon emission intensity.



### Case | Luxshare Precision Empowered Suppliers in Carbon Management

In March, we organized an online "Supply Chain Organizational Carbon Methodology Seminar" to explain the basic framework and methodology for carbon emission accounting. Approximately 250 suppliers participated. In the following April, we specifically organized a "Greenhouse Gas Accounting for Supply Chain Enterprises Seminar", providing concrete accounting tools and practical guidance to 84 suppliers. These two online activities assisted suppliers in systematically building carbon management capabilities, providing support for achieving carbon data transparency and implementing emission reduction targets across the supply chain.



Supply Chain Organizational Carbon Methodology Seminar



Greenhouse Gas Accounting for Supply Chain Enterprises Seminar



During the Reporting Period, Luxshare Precision: Facilitated suppliers in energy conservation of

**56,560** MWh

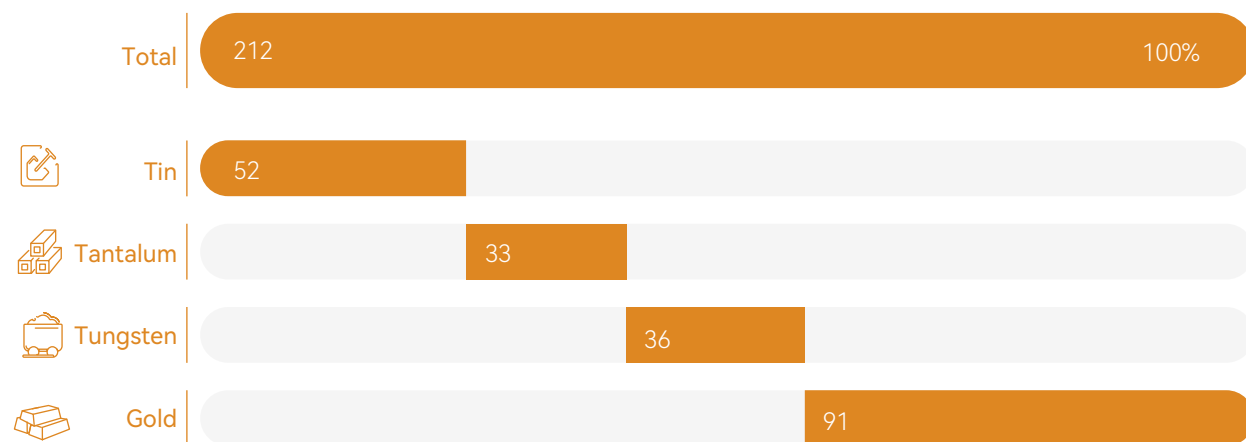


## Responsible Mineral Sourcing

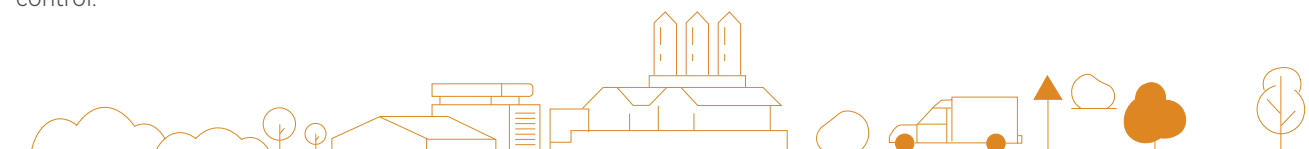
Luxshare Precision does not directly participate in the procurement and use of mineral ores. However, materials and components essential to our production may potentially contain mineral components such as 3TG, cobalt, and mica. We have joined the **Responsible Minerals Initiative (RMI) launched by the Responsible Business Alliance (RBA)**, committing to adhere to international guidelines such as the OECD Due Diligence Guidance and extending responsible sourcing requirements across our entire supply chain. The Company has formulated and implemented the *Conflict Minerals Management Measures*, systematically establishing management processes covering minerals such as tin, tantalum, tungsten, gold, cobalt, and mica. We require all suppliers to strictly comply with the RBA Code of Conduct and ensure that 3TG minerals are sourced exclusively from smelters and refiners certified under the Responsible Minerals Assurance Process (RMAP). For detailed information regarding management processes, please refer to the *Conflict Minerals Periodic Report*.

The Company utilizes the Conflict Minerals Reporting Template (CMRT) and the Extended Minerals Reporting Template (EMRT), developed by RMI, to conduct due diligence on suppliers potentially involved in 3TG, cobalt, and mica. In 2025, the Company initiated CMRT surveys with 3,418 suppliers potentially involved in 3TG, achieving a 100% response rate. Additionally, EMRT surveys were launched for 3,063 suppliers potentially involved in cobalt and mica, with a response rate approaching 100%.

2025 3TG SORs Certified as Conformant by RMAP in Supply Chain



We continue to conduct country-of-origin investigations, tracing and analyzing the sources of 3TG in our supply chain by integrating the Reasonable Country of Origin Inquiry (RCOI) tool with RMAP audit results. By comparing smelter information provided by suppliers with database records, we determined the country distribution of the 212 SORs involved in the supply chain and further identified the potential countries of origin for 3TG minerals. At the same time, we assist suppliers in establishing responsible mineral management systems that comply with the Company's requirements through online coaching and collaboration, continuously strengthening their capabilities for source risk identification and control.



### Potential Countries of Origin

Mineral	Potential Countries of Origin
Tin sourced from	<ul style="list-style-type: none"> <li>Australia</li> <li>China</li> <li>Laos</li> <li>Malaysia</li> <li>Mongolia</li> <li>Namibia</li> <li>Peru</li> <li>Portugal</li> <li>Spain</li> <li>Vietnam etc.</li> </ul>
Tantalum sourced from	<ul style="list-style-type: none"> <li>Australia</li> <li>China</li> <li>France</li> <li>Madagascar</li> <li>Sierra Leone</li> <li>Spain</li> <li>Thailand etc.</li> </ul>
Tungsten sourced from	<ul style="list-style-type: none"> <li>Australia</li> <li>Brazil</li> <li>China</li> <li>Malaysia</li> <li>Mongolia</li> <li>Portugal</li> <li>Spain</li> <li>Thailand</li> <li>the United Kingdom</li> <li>the United States etc.</li> </ul>
Gold sourced from	<ul style="list-style-type: none"> <li>Benin</li> <li>Canada</li> <li>Chile</li> <li>Guyana</li> <li>Papua New Guinea</li> <li>the Philippines</li> <li>Sweden</li> <li>Uzbekistan</li> <li>Japan etc.</li> </ul>

Based on due diligence and RCOI investigation results, the Company conducts risk level assessments for its suppliers. For high-risk suppliers, the Company requires them to complete RMAP certification for non-compliant SORs within the specified timeframe or remove them from the supply chain. Moreover, the Company provides specialized guidance and conducts social responsibility audits that include conflict mineral evaluation criteria. It continuously tracks, assesses, and verifies their SORs certification and mineral traceability processes until all SORs in the supply chain meet the required standards, at which point the case is closed. For suppliers that are not high-risk, the Company enhances their conflict minerals management capabilities and awareness through regular training.



As of the end of the Reporting Period, Luxshare Precision:

Percentage of 3TG materials involved in all products sourced from RMAP conformant SORs

100 %

Percentage of 3TG materials involved in all products traceable to the country of origin

100 %



# Appendix

## Assurance Report

### Independent Verification Statement



Verification Statement: EIV2 110548 0005 Rev. 00

#### To the management and stakeholders of Luxshare Precision Industry Co., Ltd.,

TÜV SÜD Certification and Testing (China) Co., Ltd. (hereinafter referred to as "TÜV SÜD") has been engaged by Luxshare Precision Industry Co., Ltd. (hereinafter referred to as "Luxshare Precision" or "the Company") to perform an independent third-party verification on its 2025 Sustainability Report (hereinafter referred to as "the Report"). During this verification, TÜV SÜD's verification team strictly abided by the contract signed with Luxshare Precision and provided verification regarding the Report in accordance with the provisions agreed by both parties and within the authorized scope stipulated in the contract.

This Independent Verification Statement is based on all the data and information collected by Luxshare Precision and provided to TÜV SÜD. The scope of verification is limited to the given data and information. Luxshare Precision shall be held accountable for the authenticity and completeness of the provided data and information (contains assumptions, projections, and/or historical facts).

#### Scope of Verification

Time frame of this verification:

- The Report contains the data disclosed by Luxshare Precision during the reporting period from 01/01/2025 to 31/12/2025 including environmental, social and governance data and information, methods for management of material issues, actions/measures and the Company's sustainability performance during the reporting period.

Physical boundary of this verification:

- The on-site verification sampling took place at below listed location: No.399, Baisheng Road, Jinxi Town, Kunshan City, Jiangsu Province, China.

Scope of data and information for the verification:

- The scope of verification is limited to the data and information of Luxshare Precision and all companies under its operational control covered by the Report.
- The preparation basis of the Report: Prepared in accordance with the *Self-Regulatory Guidelines No. 17 for Companies Listed on Shenzhen Stock Exchange—Sustainability Report (For Trial Implementation)* and the *Appendix C2 to the Main Board Listing Rules—Environmental, Social and Governance Reporting Code* issued by The Stock Exchange of Hong Kong Limited.

The following data and information are beyond the scope of this verification:

- Any relevant data and information beyond the reporting period;
- The data and information of Luxshare Precision's suppliers, partners and other third parties; and
- The financial data and information disclosed in the Report that have been audited by an independent third party are not verified again herein.

#### Limitations

- The verification process is conducted in the above scope. Sampling and verification are adopted for the data and information in the Report by TÜV SÜD, and only the stakeholders within the Company are interviewed; and
- The Company's standpoint, opinions, forward-looking statements and predictive information as well as the historical data and information before 01/01/2025 are beyond the scope of this verification.
- The verification conclusions are based on the analysis of the data and information collected by TÜV SÜD and may not identify all problems and conditions, nor constitute any guarantee of the credibility or status of the subject of verification.

#### Verification Methodology

This verification process was conducted by TÜV SÜD's expert team with extensive experience in environmental, social and governance and other relevant areas and drew the conclusions thereof. The verification conforms to the following requirements:

- AA1000 Assurance Standard v3, Type1, Moderate Assurance
- Sustainability Report Verification Operation Rule (CCB\_EIV\_GR\_002E Rev04)

In order to perform adequate verification in accordance with the contract and relevant assurance standards, and provide reliable verification for the conclusions, the verification team conducted the following activities:

- Preliminary investigation of the relevant information before on-site verification;
- Confirmation of the presence of the topics with high level of materiality and performance in the Report;
- On-site verification review of all supporting documents, data and other information provided by Luxshare Precision; tracing and verification of key performance information;
- Special interview with the representative of Luxshare Precision's management; and held interviews with the employees related to collection, compilation and reporting of the disclosed information; and
- Other procedures deemed necessary by the verification team.

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TÜV SÜD Certification and Testing (China) Co., Ltd.  
Floor 1-4, Building B, No.37, Tuanjie Road(Middle), Xishan Economic and Technological Development Zone, Wuxi, Jiangsu, P.R. China



### Independent Verification Statement



Verification Statement: EIV2 110548 0005 Rev. 00

#### Verification Conclusions

According to the verification, we believe that the data and information presented in Luxshare Precision's report are objective, factual and reliable, without systematic problems.

The verification team has drawn the following conclusions on this Report :

<b>Inclusivity</b>	Luxshare Precision has identified the internal and external stakeholders, such as government and regulatory authorities, shareholders and investors, customers, employees, suppliers, community members, partners/media, etc., and established a stakeholder communication mechanism including investor meetings and ESG special dialogues, to collect the demands of stakeholders on a regular basis.
<b>Materiality</b>	Luxshare Precision has established the identification and prioritization process of material topics determination, identified the sustainability topics highly relevant to the industry, assessed the priority of them based on dual-materiality evaluations, and disclosed the governance structure, management approach as well as sustainability performance in corporate operation, therefore the Report's adherence to materiality principle is guaranteed.
<b>Responsiveness</b>	Luxshare Precision has disclosed the management approach and performance of high material topics that stakeholders concern, such as innovation and R&D, responsible supply chain management, climate change response, product quality and customer service, occupational health and safety, employee training and development, opportunities in clean tech, protection of employee rights and interests, energy management, etc., and has established a communication mechanism, to fully respond to the demands and expectations of stakeholders.
<b>Impact</b>	Luxshare Precision's Board of Directors and Strategy Committee monitor and guide the Company's efforts in the areas of environmental, social and governance. The Company has implemented a process of impact assessment on high material topics including climate change response, based on a comprehensive and balanced understanding, measuring the impact on stakeholders and the organization itself, and disclosing the relevant impact.

#### Recommendations on Continuous Improvement

- It is recommended that the Company continues to measure and disclose their impact in a comprehensive and balanced way on sustainability topics relevant to them in the future.

#### Statement on Independence and Verification Capability

TÜV SÜD is a trusted partner of choice for safety, security and sustainability solutions. It specializes in testing, certification, auditing and advisory services. Since 1866, the company has remained committed to its purpose of enabling progress by protecting people, the environment and assets from technology-related risks. Today, TÜV SÜD is present in over 1,000 locations worldwide with its headquarters in Munich, Germany. Through expert teams represented by more than 28,000 employees, it adds value to customers and partners by enabling market access and managing risks. By anticipating technological developments and facilitating change, TÜV SÜD inspires trust in a physical and digital world to create a safer and more sustainable future.

TÜV SÜD Certification and Testing (China) Co., Ltd is one of TÜV SÜD's global branches and has an expert team whose members have professional background and rich industrial experiences.

TÜV SÜD and Luxshare Precision are two entities independent of each other and both TÜV SÜD and Luxshare Precision and their branches or stakeholders have no conflict of interest. No member of the verification team has business relationship with the Company. The verification is completely neutral. All the data and information in the Report are provided by Luxshare Precision. TÜV SÜD has not been involved in preparation and drafting of the Report, except for the verification itself and issuance of this Independent Verification Statement.

Signature:

On Behalf of TÜV SÜD Certification and Testing (China) Co., Ltd.



Wenjun Zhu

TÜV SÜD Certification and Testing (China) Co., Ltd. Technical Certifier  
Shanghai, China, 31/03/2026

Note: In case of any inconsistency or discrepancy, the simplified Chinese version "Independent Verification Statement" of this verification statement shall prevail, while the English translation are used for reference only.

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TÜV SÜD Certification and Testing (China) Co., Ltd.  
Floor 1-4, Building B, No.37, Tuanjie Road(Middle), Xishan Economic and Technological Development Zone, Wuxi, Jiangsu, P.R. China



# Key Performance Data<sup>33</sup>

## Environmental Performance Table

Indicators	Unit	2025	2024	2023
<i>Guideline - Article 30 (1) / HKEX A1.1 The types of emissions and respective emissions data / GRI 305-7 Nitrogen Oxides (NOx), Sulfur Oxides (SOx), and other significant air emissions</i>				
Total exhaust gas emissions	t	316.24	288.62	314.24
Boiler exhaust gas	t	13.12	6.32	9.65
Kitchen fume	t	17.09	8.30	4.14
Industrial exhaust gas	t	261.75	272.70	298.95
Nitrogen Oxides (NOx) emissions	t	21.21	35.20	40.33
Sulfur Oxides (SOx) emissions	t	2.20	6.20	10.09
Persistent organic pollutants (POPs) emissions	t	0.00	0.90	1.40
VOCs emissions (including non-methane hydrocarbon)	t	197.46	68.00	70.71
Sulfuretted hydrogen emissions	t	0.19	0.00	0.00
Particulate matter emissions	t	36.50	150.20	162.50
Tin and its compounds emissions	t	4.19	12.20	13.92
Other exhaust gas emissions	t	24.28	1.30	1.50
<i>GRI 303-4 Water discharge<sup>34</sup></i>				
Total water discharge	ML	34,291.12	27,200.68	22,379.95
Total discharge to surface water	ML	0.00	0.00	0.00
Total discharge to groundwater	ML	21.07	0.00	0.00
Total discharge to seawater	ML	0.00	0.00	0.00
Total discharge to third-party organizations	ML	34,270.05	27,200.68	22,379.95
Total industrial wastewater	ML	9,154.52	8,905.67	6,328.26
Total domestic wastewater	ML	25,136.60	18,295.01	16,051.69
Total discharge in areas under water resources stress	ML	5,207.69	3,086.88	1,680.95
<i>Guideline - Article 30 (5)</i>				
Times of administrative penalties related to the wastewater discharge of the Company	Times	0	0	0
<i>Guideline - Article 31 (1) / HKEX A1.3 Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility) / HKEX A1.4 Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)</i>				

<sup>33</sup> According to the latest requirements of the *Guideline* and the *ESG Reporting Code*, some indicators are newly disclosed or have changed disclosure standards, and data for 2024 and 2023 cannot be traced

<sup>34</sup> The unit conversion for water discharge is 1 ML = 1,000 tons

Indicators	Unit	2025	2024	2023
Total waste generated	t	278,169.45	187,344.21	153,009.79
Hazardous waste generated	t	62,214.31	48,768.96	24,081.94
Non-hazardous waste generated	t	187,669.36	123,007.14	114,618.42
Domestic waste generated	t	28,285.78	15,568.11	14,309.43
Emission intensity of waste per unit of business revenue	t/ million RMB	0.84	0.70	0.66
Emission intensity of hazardous waste per unit of business revenue	t/ million RMB	0.19	0.18	0.10
Emission intensity of non-hazardous waste per unit of business revenue	t/ million RMB	0.56	0.46	0.50
Emission intensity of domestic waste per unit of business revenue	t/ million RMB	0.09	0.06	0.06
<i>Guideline - Article 31 (2) / GRI 306-5 Waste directed to disposal</i>				
Total amount of waste directed to disposal	t	32,285.92	32,309.52	27,254.62
Total amount of hazardous waste directed to disposal	t	6,885.74	2,782.42	1,395.95
Amount of hazardous waste directed to disposal by incineration (with energy recovery)	t	5,114.70	2,193.94	1,031.08
Amount of hazardous waste directed to disposal by incineration (without energy recovery)	t	435.99	0.00	0.00
Amount of hazardous waste directed to disposal by landfill	t	196.13	0.00	0.00
Amount of hazardous waste directed to disposal by other disposal methods	t	1,138.92	588.48	364.87
Total amount of non-hazardous waste directed to disposal	t	13,841.31	25,055.84	20,821.92
Amount of non-hazardous waste directed to disposal by incineration (with energy recovery)	t	9,512.62	7,096.44	5,573.83
Amount of non-hazardous waste directed to disposal by incineration (without energy recovery)	t	1,993.04	0.00	0.00
Amount of non-hazardous waste directed to disposal by landfill	t	131.17	0.00	0.00
Amount of non-hazardous waste directed to disposal by other disposal methods	t	2,204.48	17,959.40	15,248.09
Total amount of domestic waste directed to disposal	t	11,558.87	4,471.26	5,036.75
Amount of domestic waste directed to disposal by incineration (with energy recovery)	t	9,187.53	4,471.26	5,036.75
Amount of domestic waste directed to disposal by incineration (without energy recovery)	t	211.04	0.00	0.00
Amount of domestic waste directed to disposal by landfill	t	2,160.30	0.00	0.00
Amount of domestic waste directed to disposal by other disposal methods	t	0.00	0.00	0.00

## Environmental Performance Table (Continued)

Indicators	Unit	2025	2024	2023
<i>Guideline - Article 35 / HKEX 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) / GRI 302-1 Energy consumption within the organization<sup>35,36</sup></i>				
Total energy consumption	MWh	5,053,944.59	3,713,673.50	2,821,165.02
Direct energy consumption	MWh	532,895.28	367,052.45	288,228.49
Non-renewable energy consumption	MWh	324,262.88	223,575.10	209,165.88
Gasoline	MWh	9,383.15	4,362.17	4,542.32
Diesel oil	MWh	12,044.54	6,641.04	6,143.46
Liquefied petroleum gas	MWh	3,404.73	249.06	216.09
Natural gas	MWh	298,857.04	212,322.83	198,264.01
Propane	MWh	287.14	0.00	0.00
Fuel oil	MWh	286.28	0.00	0.00
Renewable energy consumption	MWh	208,632.40	143,477.35	79,062.61
Biomass energy (ethanol gasoline)	MWh	588.38	656.26	406.46
Biomass energy (wood pellets)	MWh	2,272.28	0.00	0.00
Geothermal energy	MWh	9,091.43	0.00	0.00
PV power consumption	MWh	196,680.31	142,821.09	78,656.15
Indirect energy consumption	MWh	4,521,049.31	3,346,621.05	2,532,936.53
Purchased electricity	MWh	4,430,045.73	3,290,655.64	2,497,635.19
Purchased steam	MWh	91,003.58	55,965.41	35,301.34
Total installed photovoltaic capacity <sup>37</sup>	MW	227.05	149.89	85.29
Purchased green electricity	MWh	1,750,158.48	1,603,209.65	755,796.54
Purchased green certificates	MWh	997,633	686,839	788,326
Percentage of clean energy use	%	63.64	70.86	62.99
<i>HKEX 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) / GRI 302-3 Energy intensity</i>				
Energy consumption intensity per unit of revenue	MWh/ million RMB	15.21	13.82	12.17
Electricity consumption intensity per unit of revenue	MWh/ million RMB	13.92	12.77	11.11
<i>GRI 302-4 Reduction of energy consumption</i>				
Annual electricity savings	MWh	158,791.52	209,435.36	143,893.50

<sup>35</sup> The Company's primary energy consumption sources include natural gas, gasoline, diesel, liquefied petroleum gas, photovoltaic power generation, geothermal energy, purchased electricity, and purchased steam

<sup>36</sup> Data of the energy consumption in 2025 is based on electricity and fuel consumption using conversion factors provided by the General Rules for Calculation of Comprehensive Energy Consumption (GB/T 2589-2020). The energy consumption unit is converted to 1 MWh = 0.1229 tons of standard coal. The data regarding energy consumption and clean energy usage has not been verified

<sup>37</sup> The installed photovoltaic capacity is the total installed rooftop photovoltaic capacity of the Company at the end of the corresponding fiscal year

Indicators	Unit	2025	2024	2023
<i>GRI 303-3 Water withdrawal<sup>38</sup></i>				
Total water withdrawal	ML	37,646.86	29,286.30	24,574.18
Surface water	ML	0.00	0.00	0.00
Groundwater (renewable)	ML	130.90	43.93	2.52
Groundwater (non-renewable)	ML	0.00	0.00	0.00
Seawater	ML	0.00	0.00	0.00
Extracted/entrained water/generated water	ML	0.00	0.00	0.00
Third-party water sources	ML	37,515.96	29,242.37	24,571.66
Total water withdrawals in areas under water resources stress	ML	5,916.96	3,590.19	1,912.00
<i>Guideline - Article 36 / HKEX A2.2 Water consumption in total and intensity (e.g. per unit of production volume, per facility) / GRI 303-5 Water consumption</i>				
Total water consumption	ML	3,355.74	2,085.62	2,194.23
Total water consumption in areas under water resources stress	ML	709.27	503.31	231.05
Water consumption intensity per unit of business revenue	ML/ million RMB	0.01	0.01	0.01
<i>Guideline - Article 37 / HKEX A2.5 Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced</i>				
Total consumption of packaging materials used for product shipments	t	92,234.38	/	/
Consumption of wood and paper packaging materials	t	71,155.92	/	/
Consumption of plastic packaging materials	t	13,800.22	/	/
Consumption of metal packaging materials	t	6,329.45	/	/
Consumption of other packaging materials	t	948.79	/	/
Packaging material consumption intensity per unit of business revenue	t/ million RMB	0.28	/	/
<i>Guideline - Article 37 / GRI 306-4 Waste diverted from disposal</i>				
Total amount of waste recovered	t	245,883.53	155,034.68	125,755.17
Amount of hazardous waste recovered	t	55,328.57	45,986.53	22,685.99
Amount of hazardous waste transferred for reuse	t	72.66	263.19	691.47
Amount of hazardous waste transferred for recycling	t	55,255.91	45,723.34	21,994.52
Amount of hazardous waste transferred to other recovery operations	t	0.00	0.00	0.00
Amount of non-hazardous waste recovered	t	173,828.05	97,951.30	93,796.50
Amount of non-hazardous waste transferred for reuse	t	11,791.42	14,329.88	26,727.55
Amount of non-hazardous waste transferred for recycling	t	162,036.63	83,621.42	67,068.95

<sup>38</sup> The unit conversion for water withdrawal and consumption is 1 ML = 1,000 tons

## Environmental Performance Table (Continued)

Indicators	Unit	2025	2024	2023
Amount of non-hazardous waste transferred to other recovery operations	t	0.00	0.00	0.00
Amount of domestic waste recovered	t	16,726.91	11,096.85	9,272.68
Amount of domestic waste transferred for reuse	t	193.65	184.87	194.63
Amount of domestic waste transferred for recycling	t	16,533.26	10,911.98	9,078.05
Amount of domestic waste transferred to other recovery operations	t	0.00	0.00	0.00
Waste diversion rate	%	98.16	100.00	100.00
<i>Guideline - Article 24 / HKEX Part D: Climate-related Disclosures / GRI 305-1 Direct (Scope 1) GHG emissions / GRI 305-2 Energy indirect (Scope 2) GHG emissions / GRI 305-3 Other indirect (Scope 3) GHG emissions<sup>39,40,41</sup></i>				
Total Scope 1 Greenhouse Gas emissions	tCO <sub>2</sub> e	129,755.16	81,369.54	64,857.33
Total CO <sub>2</sub> emissions	tCO <sub>2</sub> e	69,357.71	49,947.47	44,799.78
Total CH <sub>4</sub> emissions	tCO <sub>2</sub> e	22,833.29	24,641.17	16,921.49
Total N <sub>2</sub> O emissions	tCO <sub>2</sub> e	149.23	118.39	104.85
Total HFCs emissions	tCO <sub>2</sub> e	37,414.93	6,662.51	3,031.21
Total PFCs emissions	tCO <sub>2</sub> e	0.00	0.00	0.00
Total SF <sub>6</sub> emissions	tCO <sub>2</sub> e	0.00	0.00	0.00
Total NF <sub>3</sub> emissions	tCO <sub>2</sub> e	0.00	0.00	0.00
Biogenic CO <sub>2</sub> emissions	tCO <sub>2</sub> e	851.24	167.08	103.28
Total Scope 2 Greenhouse Gas emissions (Location-based)	tCO <sub>2</sub> e	2,616,632.92	2,086,738.39	1,571,530.89
Total Scope 2 Greenhouse Gas emissions (Market-based)	tCO <sub>2</sub> e	979,328.29	649,157.52	610,143.44
Total Scope 3 Greenhouse Gas emissions	tCO <sub>2</sub> e	8,168,377.70	5,576,961.35	5,902,547.87
Category 1: Purchased goods and services	tCO <sub>2</sub> e	1,819,560.13	1,403,740.91	2,014,192.98
Category 2: Capital goods	tCO <sub>2</sub> e	76,631.67	82,341.12	135,396.76
Category 3: Fuel and energy-related activities (excluded in Scope 1 or Scope 2)	tCO <sub>2</sub> e	392,214.83	391,967.87	380,364.66
Category 4: Upstream transportation and distribution	tCO <sub>2</sub> e	475,102.23	382,534.23	736,135.72
Category 5: Waste generated in operations	tCO <sub>2</sub> e	13,637.39	4,753.81	29,255.51
Category 6: Business travel	tCO <sub>2</sub> e	19,251.85	11,509.44	8,077.61

<sup>39</sup> The greenhouse gas data for FY2024 is updated to certified data, and the greenhouse gas emission intensity is updated accordingly

<sup>40</sup> Based on the nature of the Company's business, greenhouse gas emissions primarily originate from purchased municipal electricity, purchased steam, and the combustion of fossil fuels. The greenhouse gas inventory includes carbon dioxide, methane, nitrous oxide, and hydrofluorocarbons. The greenhouse gas emission data are presented in terms of CO<sub>2</sub> equivalent. The calculation of greenhouse gas emissions in 2025 is based on the *General Rules for Calculation of Comprehensive Energy Consumption (GB/T 2589-2020)* issued by the State Administration of Market Supervision and Administration and the Standardization Administration of the People's Republic of China, the *Sixth Assessment Report issued by IPCC*; the *IPCC 2006 National Greenhouse Gas Inventories Guidelines*; the *Provincial Greenhouse Gas Emission Inventory Guidelines (Trial)*; as well as the corresponding grid emission factors from operational locations including Chinese Mainland, Taiwan, Vietnam, Mexico, Romania, Serbia, Morocco, and Germany

<sup>41</sup> A portion of Scope 3 greenhouse gas emissions are calculated based on the 2025 UK Government GHG Conversion Factors for Company Reporting issued by the UK Department for Energy Security and Net Zero (DESNZ) and the ecoinvent database

Indicators	Unit	2025	2024	2023
Category 7: Employee commuting	tCO <sub>2</sub> e	100,335.82	38,369.81	50,030.14
Category 8: Upstream leased assets	tCO <sub>2</sub> e	52,667.66	76,867.49	67,043.61
Category 9: Downstream transportation and distribution	tCO <sub>2</sub> e	201,422.07	54,877.67	104,323.11
Category 10: Processing of sold products	tCO <sub>2</sub> e	512,435.58	264,394.77	277,885.69
Category 11: Use of sold products	tCO <sub>2</sub> e	4,343,820.24	2,404,273.31	1,985,053.44
Category 12: End-of-life treatment of sold products	tCO <sub>2</sub> e	85,301.95	400,658.10	17,461.22
Category 13: Downstream leased assets	tCO <sub>2</sub> e	47,136.46	36,001.63	30,389.13
Category 14: Franchises	tCO <sub>2</sub> e	/	/	/
Category 15: Investments	tCO <sub>2</sub> e	28,859.82	24,671.19	66,938.29
Total Greenhouse Gas Emissions (Location-based)	tCO <sub>2</sub> e	10,914,765.78	7,745,069.28	7,538,936.09
Total Greenhouse Gas Emissions (Market-based)	tCO <sub>2</sub> e	9,277,461.15	6,307,488.41	6,577,548.64
Total Scope 1 & 2 Greenhouse Gas emissions (Location-based)	tCO <sub>2</sub> e	2,746,388.08	2,168,107.93	1,636,388.22
Total Scope 1 & 2 Greenhouse Gas emissions (Market-based)	tCO <sub>2</sub> e	1,109,083.45	730,527.06	675,000.77
Scope 1 Greenhouse Gas emission intensity per unit of business revenue	tCO <sub>2</sub> e/ million RMB	0.39	0.30	0.28
Scope 2 Greenhouse Gas emission intensity per unit of business revenue (Location-based)	tCO <sub>2</sub> e/ million RMB	7.87	7.76	6.78
Scope 2 Greenhouse Gas emission intensity per unit of business revenue (Market-based)	tCO <sub>2</sub> e/ million RMB	2.95	2.42	2.63
Scope 1 & 2 Greenhouse Gas emission intensity per unit of business revenue (Location-based)	tCO <sub>2</sub> e/ million RMB	8.26	8.07	7.06
Scope 1 & 2 Greenhouse Gas emission intensity per unit of business revenue (Market-based)	tCO <sub>2</sub> e/ million RMB	3.34	2.72	2.91
Carbon credits utilized <sup>42</sup>	tCO <sub>2</sub> e	1,017	315	/
<i>HKEX Part D: Climate-related Disclosures / GRI 201-2 Financial implications and other risks and opportunities due to climate change</i>				
Investment in Clean Technology	million RMB	Over 500	Over 400	Over 300
Investment goal in Clean Technology in next year	million RMB	Over 530	Over 470	Over 320
Property all risks insurance coverage	10,000 RMB	12,592,533.05	7,705,891.14	5,794,000.00
Annual premiums for property all risks insurance	10,000 RMB	2,182.90	1,595.48	699.10
<i>Guideline - Article 27 / GRI 305-5 Reduction of GHG emissions</i>				
Total reduction of greenhouse gas emissions	tCO <sub>2</sub> e	1,855,230.37	1,658,578.86	1,100,074.21
Total greenhouse gas emissions reduction achieved through clean energy use	tCO <sub>2</sub> e	1,759,884.58	1,527,649.78	1,010,382.41
Total greenhouse gas emission reduction achieved through energy conservation and emission reduction measures	tCO <sub>2</sub> e	95,345.79	130,929.08	89,691.80

<sup>42</sup> In 2025, the Company's carbon credits were sourced from the Verified Carbon Standard (VCS) and the Clean Development Mechanism (CDM)

## Social Performance Table

Indicators	Unit	2025	2024	2023
<i>Guideline - Article 39 (3) / Guidelines Article 40 / HKEX B8.2 Resources contributed (e.g. money or time) to the focus area</i>				
Total investment in social engagement	10,000 RMB	1923.36	1,375.87	1,263.00
Investment amount in public welfare and charity	10,000 RMB	1387.32	340.61	/
Investment amount in rural revitalization	10,000 RMB	536.04	1,035.26	/
Number of volunteers engaged	Person-times	2,823	3,747	/
Total volunteer hours served	Hours	4,679.50	1,715.00	/
<i>Guideline - Article 42 (3)</i>				
Number of patents held	Number	10,100	7,164	6,202
Number of invention patents held	Number	2,862	1,603	1,142
Number of utility model patents held	Number	6,354	4,903	4,491
Number of appearance design patents held	Number	884	658	569
Number of new patents obtained	Number	1,779	1,381	1,527
Number of new invention patents obtained	Number	747	456	376
Number of new utility model patents obtained	Number	868	792	982
Number of new appearance design patents obtained	Number	164	133	169
Number of patent applications	Number	2,739	2,312	2,385
Number of applications for invention patents	Number	1,397	1,295	1,224
Number of applications for utility model patents	Number	1,098	868	966
Number of applications for design patents	Number	244	149	195
<i>Guideline - Article 48 (2) / HKEX B6.2 Number of products and service related complaints received and how they are dealt with / GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data</i>				
Substantiated complaints concerning breaches of customer privacy and losses of customer data	Case	0	0	0
Number of incidents concerning breaches of customer privacy and losses of customer data	Case	0	0	0
Major information security incidents	Case	0	0	0
Monetary amount of major information security incidents involved (including fines and amounts involved in the case)	Million RMB	0.00	0.00	0.00
Monetary amount of customer privacy breaches incidents involved (including fines and amounts involved in the case)	Million RMB	0.00	0.00	0.00
<i>Guideline - Article 50 (I) / HKEX B1.1 Total workforce by gender, employment type (for example, full- or part-time), age group and geographical region / GRI 2-7 Employees / GRI 405-1 Diversity of governance bodies and employees</i>				
Total number of employees	Person	416,197	278,103	232,585
Employees aged 29 or below	Person	185,240	135,693	112,074
Employees between 30 and 49	Person	215,627	139,560	118,379

Indicators	Unit	2025	2024	2023
Employees aged 50 or above	Person	15,330	2,850	2,132
Male employees	Person	232,684	163,436	132,253
Female employees	Person	183,513	114,667	100,332
Employees from Chinese Mainland	Person	258,150	215,861	183,649
Employees from Hong Kong, Macao and Taiwan regions	Person	1,420	1,358	1,319
Overseas employees (excluding employees from Hong Kong, Macao and Taiwan regions)	Person	156,627	60,884	47,617
Total number of direct labor	Person	312,540	209,282	168,403
Total number of indirect labor	Person	103,657	68,821	64,182
Total number of full-time employees	Person	414,452	278,103	232,585
Total number of part-time employees	Person	1,745	0	0
Total number of fresh graduate employees	Person	3,664	1,648	/
Percentage of female employees in management track	%	28.42	28.30	27.90
<i>Guideline - Article 50 (I) / HKEX B1.2 Employee Turnover Rate by gender, age Group, and geographical region / GRI 401-1 New employee hires and employee Turnover<sup>43</sup></i>				
Turnover Rate	%	33.09	/	/
Turnover rate of employees aged 29 and below	%	30.23	/	/
Turnover rate of employees aged between 30 and 49	%	35.90	/	/
Turnover rate of employees aged 50 or above	%	13.86	/	/
Turnover rate of male employees	%	34.51	/	/
Turnover rate of female employees	%	31.04	/	/
Turnover rate of employees from Chinese Mainland	%	31.96	/	/
Turnover rate of employees from Hong Kong, Macao, and Taiwan regions	%	14.68	/	/
Turnover rate of employees (excluding employees from Hong Kong, Macao and Taiwan regions)	%	36.89	/	/
<i>Guideline - Article 50(3) / HKEX B3.1 The percentage of employees trained by gender and employee category (e.g. senior management, middle management).</i>				
Annual coverage of employees trained	%	100.00	100.00	100.00
Percentage of male employees trained	%	100.00	100.00	100.00
Percentage of female employees trained	%	100.00	100.00	100.00
Percentage of direct employees trained	%	100.00	100.00	100.00
Percentage of indirect employees trained	%	100.00	100.00	100.00

<sup>43</sup> Turnover rate of employees is calculated by: Number of turnover employees / (Number of employees at the end of the year + Number of turnover employees)

## Social Performance Table (Continued)

Indicators	Unit	2025	2024	2023
<i>Guideline - Article 50 (3) / HKEX B3.2 The average training hours completed per employee by gender and employee category / GRI 404-1 Average hours of training per year per employee</i>				
Total training hours undertaken by employees	Hours	11,537,705.42	5,723,138.94	5,240,496.97
Total training hours for male employees	Hours	6,733,630.17	3,374,762.82	2,941,306.72
Total training hours for female employees	Hours	4,804,075.25	2,348,376.12	2,299,190.25
Total training hours for direct employees	Hours	8,330,690.00	2,571,932.50	2,971,557.00
Total training hours for indirect employees	Hours	3,207,015.42	3,151,206.44	2,268,939.97
Total training person-times undertaken by employees	Person-times	3,309,151	3,080,707	3,853,949
Average employee training hours	Hours	27.72	20.58	22.53
Average male employee training hours	Hours	28.94	20.65	22.24
Average female employee training hours	Hours	26.18	20.48	22.92
Average direct labor training hours	Hours	26.65	12.29	17.65
Average indirect labor training hours	Hours	30.94	45.79	35.35
<i>Guideline - Article 50 (1) / GRI 402 Labor/Management Relations / GRI 404-3 Percentage of employees receiving regular performance and career development reviews</i>				
Number of labor unions established	Unions	60	40	39
Percentage of indirect labor receiving regular performance and career development reviews	%	100.00	100.00	100.00
Percentage of male indirect labor receiving regular performance and career development reviews	%	100.00	100.00	100.00
Percentage of female indirect labor receiving regular performance and career development reviews	%	100.00	100.00	100.00
<i>Guideline - Article 50 (1) / GRI 406-1 Incidents of discrimination and corrective actions taken</i>				
Number of severe discrimination incidents	Case	0	0	0
<i>Guideline - Article 53 (2) - Stakeholder Engagement</i>				
ESG special investor engagement activities held	Times	19	26	17
Large-scale investor engagement activities held	Event	8	5	6
Small-scale communications by phone, email, etc. conducted	Times	538	417	428
Inquiries and communications via Easy IR platform completed	Times	243	151	203
<i>Guideline - Article 50 (2) / HKEX B2.1 Number and rate of work-related fatalities occurred in each of the past three years including the reporting year / GRI 403-9 Work-related injuries</i>				
Total working hours	Million Hours	748.65	558.43	463.31
Number of fatalities due to work-related injuries	Times	0	0	0
Rate of fatalities due to million-hour work-related injuries	Times/ Million hours	0.00	0.00	0.00
Rate of recorded employee fatalities	%	0.00	0.00	0.00

Indicators	Unit	2025	2024	2023
Number of serious injuries due to work-related injuries	Times	0	0	0
Rate of million-hour work-related injuries with serious consequences	Times/ Million hours	0.00	0.00	0.00
Rate of recorded employee serious injury	%	0.00	0.00	0.00
Number of employee work-related injuries excluding the aforementioned fatalities and serious injuries	Times	131	110	145
Number of recorded employee injuries	Times	131	110	145
Rate of recorded work-related injuries per million working hours	Times/ Million hours	0.17	0.20	0.31
Rate of recorded employee injuries	%	0.31	0.40	0.62
<i>HKEX B2.2 Lost days due to work injury</i>				
Lost days due to work injury	Days	6,361.00	/	/
<i>HKEX B5.1 Number of suppliers by geographical region / GRI 2-6 Activities, value chain and other business relationships</i>				
Total number of suppliers in the database	Supplier	13,724	9,263	9,524
Overseas suppliers	Supplier	4,115	986	1,667
Chinese suppliers	Supplier	9,609	8,277	7,857
Service suppliers	Supplier	4,480	2,084	2,143
Raw and auxiliary suppliers	Supplier	9,244	7,179	7,381
<i>HKEX B5.2 Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, and how they are implemented and monitored / GRI 308-1 New suppliers that were screened using environmental criteria / GRI 308-2 Negative environmental impacts in the supply chain and actions taken / GRI 414-1 New suppliers that were screened using social criteria / GRI 414-2 Negative social impacts in the supply chain and actions taken</i>				
Number of new suppliers	Supplier	1,613	995	1,405
Percentage of new suppliers subject to CSR audit	%	100.00	100.00	100.00
Number of suppliers completing CSR audit	Supplier	1,815	1,436	1,624
Number of suppliers completing audit on-site	Supplier	1,025	678	527
Number of suppliers having significant, actual and potential negative environmental and social impacts confirmed	Supplier	0	0	0
Number of suppliers agreeing to improvements after assessments	Supplier	0	0	0
Percentage of suppliers agreeing to improvements after assessments	%	0.00	0.00	0.00
Number of suppliers terminating relationships after assessments	Supplier	0	0	0
Percentage of suppliers terminating relationships after assessments	%	0.00	0.00	0.00
<i>Guideline - Article 47 / HKEX B6.1 Percentage of total products sold or shipped subject to recalls for safety and health reasons</i>				
Number of total products sold or shipped subject to recalls for safety and health reasons	Case	0	0	0

## Social Performance Table (Continued)

Indicators	Unit	2025	2024	2023
Percentage of total products sold or shipped subject to recalls for safety and health reasons	%	0.00	0.00	0.00
HKEX 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/ GRI 205-3 Confirmed incidents of corruption and actions taken				
Times of corruption whistleblowing received	Event	68	24	16
Total number of confirmed incidents of corruption	Event	5	2	4
Number of the confirmed events (among which the employees were fired or disciplined due to the corruption)	Event	5	2	4
Number of the confirmed events (where the contract with business partners was terminated or not renewed due to the violations related to corruption)	Event	1	0	1
Confirmed legal actions involving company and employee corruption	Event	1	0	0
Corruption litigation concluded involving the Company and employees	Event	1	0	0
Compensation amount of corruption litigation concluded involving the Company and employees	RMB	58,000.00	0.00	0.00
HKEX B7.2 Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored / HKEX B7.3 Description of anti-corruption training provided to directors and staff. / GRI 205-2 Communication and training about anti-corruption policies and procedures				
Total number of employees receiving anti-corruption trainings	Person	416,197	278,103	232,585
Coverage of employees receiving anti-corruption trainings	%	100.00	100.00	100.00
Number of Directors receiving anti-corruption trainings	Person	8	7	/
Percentage of Directors from Chinese Mainland trained	%	75.00	71.43	/
Percentage of Directors from Hong Kong, Macao and Taiwan region trained	%	25.00	28.57	/
Percentage of Directors from Overseas (excluding Hong Kong, Macao and Taiwan regions) trained	%	0.00	0.00	/
Number of management employees <sup>44</sup> receiving anti-corruption trainings	Person	13,731	11,211	/
Percentage of management employees from Chinese Mainland trained	%	82.11	84.79	/
Percentage of management employees from Hong Kong, Macao and Taiwan region trained	%	2.34	2.95	/
Percentage of management employees from Overseas (excluding Hong Kong, Macao and Taiwan regions) trained	%	15.55	12.26	/
Number of general employees receiving anti-corruption trainings	Person	402,463	266,889	/
Percentage of general employees from Chinese Mainland trained	%	76.71	77.47	/
Percentage of general employees from Hong Kong, Macao and Taiwan region trained	%	0.36	0.39	/
Percentage of general employees from Overseas (excluding Hong Kong, Macao and Taiwan regions) trained	%	22.93	22.14	/

<sup>44</sup>The number of management employees excludes three directors holding senior management positions

Indicators	Unit	2025	2024	2023
Percentage of direct employees receiving anti-corruption trainings	%	75.09	75.25	72.41
Percentage of indirect employees receiving anti-corruption trainings	%	24.91	24.75	27.59
Total number of employees receiving anti-corruption trainings	Person-times	765,132	596,690	633,223
Total hours of anti-corruption trainings	Hours	483,180.78	286,567.30	293,076.36
COC exam pass rate	%	100.00	100.00	100.00
Number of employees signed the <i>Employee's Letter of Integrity Commitment</i> or acknowledged equivalent behavioral requirements with equal legal effect	Person	416,197	278,103	232,585
Percentage of subsidiaries that conducted internal risk assessments for integrity and anti-corruption this year	%	100.00	100.00	100.00
Number of Directors signed the <i>Employee's Letter of Integrity Commitment</i> or acknowledged equivalent behavioral requirements with equal legal effect	Person	8	7	/
Percentage of Directors from Chinese Mainland signed	%	75.00	71.43	/
Percentage of Directors from Hong Kong, Macao and Taiwan region signed	%	25.00	28.57	/
Percentage of Directors from Overseas (excluding Hong Kong, Macao and Taiwan regions) signed	%	0.00	0.00	/
Number of management employees signed the <i>Employee's Letter of Integrity Commitment</i> or acknowledged equivalent behavioral requirements with equal legal effect	Person	13,731	11,211	/
Percentage of management employees from Chinese Mainland signed	%	82.11	84.79	/
Percentage of management employees from Hong Kong, Macao and Taiwan region signed	%	2.34	2.95	/
Percentage of management employees from Overseas (excluding Hong Kong, Macao and Taiwan regions) signed	%	15.55	12.26	/
Number of general employees signed the <i>Employee's Letter of Integrity Commitment</i> or acknowledged equivalent behavioral requirements with equal legal effect	Person	402,463	266,889	232,573
Percentage of general employees from Chinese Mainland signed	%	76.71	77.47	/
Percentage of general employees from Hong Kong, Macao and Taiwan region signed	%	0.36	0.39	/
Percentage of general employees from Overseas (excluding Hong Kong, Macao and Taiwan regions) signed	%	22.93	22.14	/
Percentage of direct employees signed the <i>Employee's Letter of Integrity Commitment</i> or acknowledged equivalent behavioral requirements with equal legal effect	%	75.09	75.25	72.41
Percentage of indirect employees signed the <i>Employee's Letter of Integrity Commitment</i> or acknowledged equivalent behavioral requirements with equal legal effect	%	24.91	24.75	27.59
Percentage of suppliers signed the <i>Letter of Integrity Commitment for Supplier</i> or acknowledged equivalent behavioral requirements with equal legal effect	%	100.00	100.00	98.95

## Social Performance Table (Continued)

Indicators	Unit	2025	2024	2023
Percentage of suppliers from Chinese Mainland signed	%	63.06	77.75	83.60
Percentage of suppliers from Hong Kong, Macao and Taiwan region signed	%	6.96	11.61	9.02
Percentage of suppliers from Overseas (excluding Hong Kong, Macao and Taiwan regions) signed	%	29.98	10.64	7.38
Percentage of service suppliers signed	%	32.64	22.50	22.51
Percentage of raw and auxiliary suppliers signed	%	67.36	77.50	77.49
GRI 403-8 Workers covered by an occupational health and safety management system				
Number of employees in the operational sites with occupational health and safety management system	Person	416,197	278,103	232,585
Percentage of employees in the operational sites with occupational health and safety management system	%	100.00	100.00	100.00
Number of employees in the operational sites with occupational health and safety management system having passed internal audit	Person	416,197	278,103	232,585
Percentage of employees in the operational sites with occupational health and safety management system having passed internal audit	%	100.00	100.00	100.00
Number of employees in the operational sites with occupational health and safety management system having passed external audit	Person	386,811	251,626	195,405
Percentage of employees in the operational sites with occupational health and safety management system having passed external audit	%	92.94	90.48	84.01
GRI 2-9 Governance structure and composition				
Total Number of Directors within the Board	Person	8	7	7
Independent Directors	Person	3	3	3
Non-independent Directors	Person	5	4	4
GRI 2-28 Membership associations				
Total number of important associations participated in	Association	88	74	53
GRI 201-1 Direct economic value generated and distributed				
Amount of operating revenue	million RMB	332,344.44	268,794.74	231,905.46
Operating revenue growth compared with the previous year	%	23.64	15.91	8.35
Guideline - Article 56 (2) / GRI 206-1: Legal actions for anti-competitive behavior, anti-trust, and monopoly practices				
Confirmed anti-unfair competition, anti-trust and anti-monopoly lawsuit	Event	0	0	0
Concluded anti-unfair competition, anti-trust, or anti-monopoly lawsuit involving the Company	Event	0	0	0
Compensation amount of concluded anti-unfair competition, anti-trust, or anti-monopoly lawsuit involving the Company	RMB	0.00	0.00	0.00
GRI 404-2 Programs for upgrading employee skills and transition assistance programs				
Total training expenditure	10,000 RMB	2,406.20	1070.77	1095.34

Indicators	Unit	2025	2024	2023
Number of employees enrolling in academic education	Person	1,342	857	1,635
Total number of internally certified instructors	Person	2,627	1,135	1,163
GRI 405-1 Diversity of governance bodies and employees				
Number of male Directors	Person	5	4	4
Number of female Directors	Person	3	3	3
Percentage of male Directors	%	62.50	57.14	57.14
Percentage of female Directors	%	37.50	42.86	42.86
Number of Directors with risk management background	Person	0	0	0
Number of Directors with industry management background	Person	5	4	4
Number of Directors with legal, financial, or accounting background	Person	3	3	3
Number of Directors aged 29 or below	Person	0	0	0
Number of Directors between 30 and 49	Person	4	3	2
Number of Directors aged 50 or above	Person	4	4	5
Percentage of Directors aged 29 or below	%	0.00	0.00	0.00
Percentage of Directors between 30 and 49	%	50.00	42.86	28.57
Percentage of Directors aged 50 or above	%	50.00	57.14	71.43
Percentage of employees aged 29 or below	%	44.51	48.80	48.18
Percentage of employees between 30 and 49	%	51.81	50.18	50.90
Percentage of employees aged 50 or above	%	3.68	1.02	0.92
Percentage of disabled employees	%	0.85	0.55	0.26
GRI 401-3 Parental leave				
Number of male employees that were entitled to parental leave	Person	232,684	163,436	132,253
Number of male employees that took parental leave	Person	18,578	6,397	4,791
Number of female employees that were entitled to parental leave	Person	183,513	114,667	100,332
Number of female employees that took parental leave	Person	21,635	5,404	3,708
Guideline - Article 50 (2) / GRI 403-5 Worker training on occupational health and safety				
Total hours of EHS training	Hours	1,795,544.41	1,774,670.85	2,151,601.17
Total number of employees receiving EHS training	Person	416,197	278,103	232,585
Total person-times of employee receiving EHS training	Person-times	1,025,344	921,416	925,624
Total hours of Board of Directors members receiving EHS training	Hours	16.00	14.00	14.00
Total number of Board of Directors members receiving EHS training	Person	8	7	7
Total person-times of Board of Directors members receiving EHS training	Person-times	8	7	7

## Summary of Honors<sup>45</sup>

the Company Name	Name of Honor	Level
Lanto Electronic Limited	2025 China Top 500 Private Manufacturing Enterprises	National Level
Luxshare iTech (Zhejiang) Co., Ltd.	2025 China Top 500 Private Manufacturing Enterprises	National Level
Luxshare iTech (Zhejiang) Co., Ltd.	Green Factory	National-level
Luxcase Precision Technology (Yancheng) Co., Ltd.	2025 China Top 500 Private Manufacturing Enterprises	National Level
Luxcase Precision Technology (Yancheng) Co., Ltd.	2025 China Private Enterprise Top 500	National Level
Luxcase Precision Technology (Yancheng) Co., Ltd.	Green Factory	National Level
Jiangxi Luxshare Intelligent Manufacture Co., Ltd.	Green Factory	National Level
Luxshare Electronic Technology (Kunshan) Ltd.	Green Factory	National-level
Luxshare Electronic Technology (Kunshan) Ltd.	Green Supply Chain	National-level
Luxshare Precision Industry (Enshi) Co., Ltd.	2025 5G Factory	National-level
Luxshare Precision Industry (Enshi) Co., Ltd.	Green Factory	National Level
Luxshare Precision Industry (Chuzhou) Co., Ltd.	Green Factory	National Level
Luxshare Precision Industry (Chuzhou) Co., Ltd.	Green Supply Chain	National-level
Rida Intelligent Manufacture Technology (Rugao) Co., Ltd.	2025 5G Factory	National Level
Ri Ming Computer Accessory (Shanghai) Co., Ltd.	Green Factory	National Level
Rishan Computer Accessory (Jiashan) Co., Ltd.	2025 China Top 500 Private Manufacturing Enterprises	National Level
Rishan Computer Accessory (Jiashan) Co., Ltd.	Green Factory	Provincial
Xuancheng Luxshare Precision Industrial Co., Ltd.	Green Factory	National-level
Bozhou Lanto Electronic Limited	Green Factory	National Level
Huzhou Jiuding Electronic Co., Ltd.	Green Factory	National Level
Linkz Industries (Suzhou) Limited	Green Factory	National Level
LEONI Cable S.A. de C.V.	Safe and Healthy Work Environments Distinction	National Level
LEONI Slovakia spol. s.r.o.	Safe Enterprise	National Level
Bozhou Lanto Electronic Limited	2025 Advanced Intelligent Factory in Anhui Province	Provincial
Bozhou Lanto Electronic Limited	2025 Anhui Province Data Enterprises	Provincial
ASAP Technology (Jiangxi) Co., Ltd.	2025 Jiangxi Province Advanced Intelligent Factory	Provincial
ASAP Technology (Jiangxi) Co., Ltd.	2025 First Batch of "Digital and Intelligent Factory" Enterprises	Provincial
ASAP Technology (Jiangxi) Co., Ltd.	Green Factory	Provincial
Huzhou Jiuding Electronic Co., Ltd.	2025 Zhejiang Province Advanced Intelligent Factory	Provincial

<sup>45</sup> Not all honors of the Company are listed here

the Company Name	Name of Honor	Level
Huzhou Jiuding Electronic Co., Ltd.	Zhejiang Province Key Enterprise Research Institute	Provincial
ASAP Electronics (Jiangxi) Co., Ltd.	Jiangxi Province 2025 Batch 2 "Small Lighthouse"	Provincial
Lanto Electronic Limited	2025 Jiangsu Province Advanced Intelligent Factory	Provincial
Lanto Electronic Limited	Green Factory	Provincial
LuxPC Union (Jiashan) Co., Ltd.	Zhejiang Provincial Digital Workshop	Provincial
Luxshare Precision Industry (Chuzhou) Co., Ltd.	2025 Anhui Province Top 100 Private Manufacturing Enterprises	Provincial
Luxshare Precision Industry (Hubei) Co., Ltd.	Specialized and New Small and Medium-sized Enterprises in Hubei Province	Provincial
Luxshare Precision Industry (Hubei) Co., Ltd.	2025 Hubei Province Advanced Intelligent Factory	Provincial
Luxshare Precision Industry (Hubei) Co., Ltd.	Green Factory	Provincial
Luxshare Precision Industry (Jiangsu) Co., Ltd.	2025 Jiangsu Province Advanced Intelligent Factory	Provincial
Luxshare Precision Industry (Yancheng) Co., Ltd.	2025 Jiangsu Province Advanced Intelligent Factory	Provincial
Luxshare Precision Accessory (Suzhou) Ltd.	2025 Jiangsu Province Advanced Intelligent Factory	Provincial
Luxshare Precision Accessory (Suzhou) Ltd.	Green Factory	Provincial
Luxshare Energy (Jiangxi) Co., Ltd.	2025 Batch 2 "Digital and Intelligent Factory" Enterprises	Provincial
Luxshare iTech (Zhejiang) Co., Ltd.	2025 Zhejiang Province Advanced Intelligent Factory	Provincial
Luxshare iTech (Zhejiang) Co., Ltd.	2025 Zhejiang Province Chief Data Officer Pilot Enterprise	Provincial
Luxshare iTech (Zhejiang) Co., Ltd.	List of Pilot Enterprises for the Implementation of National Standards on Enterprise Data Management in Zhejiang Province (2025) - Third Batch	Provincial
Rida Intelligent Manufacture Technology (Rugao) Co., Ltd.	2025 Jiangsu Province Advanced Intelligent Factory	Provincial
Rishan Computer Accessory (Jiashan) Co., Ltd.	2025 Zhejiang Province Future Factory Pilot Enterprises	Provincial
XieXun Electronic (Ji'an) Co., Ltd.	2025 First Batch of 'Digital and Intelligent Factory' Enterprises	Provincial
XieXun Electronic (Ji'an) Co., Ltd.	Green Factory	Provincial
Xinyu XieXun Electronic Co., Ltd.	2025 Batch 2 "Digital and Intelligent Factory" Enterprises	Provincial
Xinyu XieXun Electronic Co., Ltd.	Green Factory	Provincial
LEONI Cable S.A. de C.V.	The Company Committed to Human Rights Distinction	Provincial
Luxshare Electronic Technology (Kunshan) Ltd.	Enterprises with Outstanding Performance in the Construction of Zero-Carbon Factories in Suzhou City, 2025	Municipal
Luxis Beijing Co., Ltd.	2025 Beijing Advanced Intelligent Factory (Batch 2)	Municipal
Luxshare Precision Industry (Jiangsu) Co., Ltd.	Green Factory	Municipal
Luxshare Intelligent Manufacture Technology (Changshu) Co., Ltd.	Green Factory	City-level
Merry Electronics (Huizhou) Co., Ltd.	Green Factory	Municipal

# Indexes of Standards

## Shenzhen Stock Sustainability Report Guidelines Content Index

Disclosure Requirements	Corresponding Articles	Disclosure Location or Explanation
Sustainability Disclosure Framework	Articles 11 to 19	Deepening ESG Governance The financial impact of ESG-related risks and opportunities on the current and next fiscal year cannot be quantified at this time and is disclosed in a qualitative manner. In the future, we will gradually strengthen the quantitative disclosure of financial impacts.
Climate Response	Articles 21 to 28	Deepening ESG Governance    Addressing Climate Change Optimizing Energy Utilization    Key Performance Data Developing Green Products
Pollutant Discharge	Article 30	Practicing Green Operations    Key Performance Data
Waste Disposal	Article 31	Practicing Green Operations    Key Performance Data
Ecosystem and Biodiversity Protection	Article 32	Practicing Green Operations
Environmental Compliance Management	Article 33	Practicing Green Operations    Key Performance Data
Energy Utilization	Article 35	Deepening ESG Governance    Addressing Climate Change Optimizing Energy Utilization    Key Performance Data
Water Resource Utilization	Article 36	Practicing Green Operations    Key Performance Data
Circular Economy	Article 37	Practicing Green Operations    Key Performance Data
Rural Revitalization	Article 39	Giving Back to Society Key Performance Data
Social Contribution	Article 40	Giving Back to Society Key Performance Data
Innovation	Article 42	Deepening ESG Governance    Leading R&D Innovation Developing Green Products Advancing Intelligent Manufacturing Transformation Key Performance Data <i>Annual Report - Section III</i>

Disclosure Requirements	Corresponding Articles	Disclosure Location or Explanation
Ethics of Science and Technology	Article 43	Not applicable. The Company's core business does not involve scientific research, technology development, or other activities in technology ethics-sensitive fields such as life sciences and artificial intelligence (AI).
Supply Chain Security	Article 45	Deepening ESG Governance    Key Performance Data Developing Green Products Implementing Responsible Procurement
Equal Treatment of SMEs	Article 46	Luxshare Precision treats small and medium-sized enterprises equally. During the reporting period, there were no significant overdue payment incidents.
Product and Service Safety and Quality	Article 47	Deepening ESG Governance    Key Performance Data Establishing a Benchmark for Quality
Data Security and Customer Privacy	Article 48	Strengthening Cybersecurity Defenses Key Performance Data
Employees	Article 50	Deepening ESG Governance    Protecting Employee Rights Building a Vibrant Team    Safeguarding Health and Safety Key Performance Data <i>Annual Report, Section VIII</i> Article 50 (2) Work-related injury insurance is not applicable as the Company does not operate in high-risk industries stipulated under the work-related injury insurance regulations.
Due Diligence	Article 52	Deepening ESG Governance Implementing Responsible Procurement Key Performance Data
Stakeholder Engagement	Article 53	Deepening ESG Governance Consolidating Business Operations Key Performance Data
Anti-Commercial Bribery and Anti-Corruption	Article 55	Deepening ESG Governance Building a Foundation of Integrity Key Performance Data
Fair Competition	Article 56	Deepening ESG Governance Consolidating Business Operations Key Performance Data

## HKEX ESG Reporting Code Content Index

### Part B: Mandatory Disclosure Requirements

General Disclosures and KPIs	Reference
Governance Structure	
13. 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.	Board of Directors' Statement Deepening ESG Governance
Reporting Principles	
14. A description of, or an explanation on, the application of the following Reporting Principles in the preparation of the ESG report: Materiality: The ESG report should disclose: (i) the process to identify and the criteria for the selection of material ESG factors; (ii) if a stakeholder engagement is conducted, a description of significant stakeholders identified, and the process and results of the issuer's stakeholder engagement. 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. 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.	About this Report Deepening ESG Governance Key Performance Data
Reporting Boundary	
15. 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.	About this Report

### Part C: "Comply or Explain" Provisions

General Disclosures and KPIs	Reference	
A. Environmental		
Aspect A1 Emissions	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 air emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Addressing Climate Change Practicing Green Operations
	KPI A1.1    The types of emissions and respective emissions data.	Key Performance Data
	KPI A1.2    Repealed on 1 January 2025	-

General Disclosures and KPIs	Reference	
Aspect A1 Emissions (Continued)	KPI A1.3    Total hazardous waste produced (in tonnes) and, where appropriate, Intensity.	Practicing Green Operations Key Performance Data
	KPI A1.4    Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity.	Practicing Green Operations Key Performance Data
	KPI A1.5    Description of emissions target(s) set and steps taken to achieve them.	Deepening ESG Governance Addressing Climate Change Optimizing Energy Utilization Practicing Green Operations
	KPI A1.6    Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Deepening ESG Governance Practicing Green Operations
Aspect A2 Use of Resources	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	Optimizing Energy Utilization Practicing Green Operations
	KPI A2.1    Direct and/or indirect energy consumption by type in total (kWh in '000s) and intensity.	Key Performance Data
	KPI A2.2    Water consumption in total and intensity.	Key Performance Data
	KPI A2.3    Description of energy use efficiency initiatives and results achieved.	Deepening ESG Governance Optimizing Energy Utilization
	KPI A2.4    Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency initiatives and results achieved.	Deepening ESG Governance Practicing Green Operations
	KPI A2.5    Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced.	Practicing Green Operations Key Performance Data
Aspect A3 Environment and Natural Resources	General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources.	Practicing Green Operations
	KPI A3.1    Practicing Green Operations	Practicing Green Operations

## HKEX ESG Reporting Code Content Index (Continued)

General Disclosures and KPIs		Reference	
B. Social			
Employment and Labour Practices			
Aspect 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.		Protecting Employee Rights Building a Vibrant Team
	KPI B1.1	Total workforce by gender, employment type, age group and geographical region.	Building a Vibrant Team Key Performance Data
	KPI B1.2	Employee turnover rate by gender, age group and geographical region.	Key Performance Data
Aspect 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.		Safeguarding Health and Safety
	KPI B2.1	Number and rate of work-related fatalities.	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, how they are implemented and monitored.	Safeguarding Health and Safety
Aspect B3 Development and Training	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.		Building a Vibrant Team
	KPI B3.1	The percentage of employees trained by gender and employee category.	Key Performance Data
	KPI B3.2	The average training hours completed per employee by gender and employee category.	Key Performance Data
Aspect 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.		Protecting Employee Rights
	KPI B4.1	Description of measures to review employment practices to avoid child and forced labour.	Protecting Employee Rights
	KPI B4.2	Description of steps taken to eliminate such practices when discovered.	Protecting Employee Rights
Operating Practices			

General Disclosures and KPIs		Reference	
Aspect B5 Supply Chain Management	General Disclosure Policies on managing environmental and social risks of the supply chain.		Implementing Responsible Procurement
	KPI B5.1	Number of suppliers by geographical region.	Implementing Responsible Procurement Key Performance Data
	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.	Implementing Responsible Procurement Key Performance Data
	KPI B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Implementing Responsible Procurement
Aspect 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.		Strengthening Cybersecurity Defenses Establishing a Benchmark for Quality Leading R&D Innovation
	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.	Establishing Quality Benchmarks Key Performance Data
	KPI B6.3	Description of practices relating to observing and protecting intellectual property rights.	Leading R&D Innovation
	KPI B6.4	Description of quality assurance process and recall procedures.	Establishing Quality Benchmarks
	KPI B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Strengthening Cybersecurity Defenses
Aspect 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.		Consolidating Business Operations Building a Foundation of Integrity
	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.	Building a Foundation of Integrity Key Performance Data
	KPI B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Building a Foundation of Integrity
	KPI B7.3	Description of anti-corruption training provided to directors and staff.	Building a Foundation of Integrity Key Performance Data

## HKEX ESG Reporting Code Content Index (Continued)

General Disclosures and KPIs		Reference
Community		
Aspect 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.	Giving Back to Society
	KPI B8.1 Focus areas of contribution.	Giving Back to Society
	KPI B8.2 Resources contributed to the focus area.	Giving Back to Society Key Performance Data

### Part D: Climate-Related Disclosures

Climate-Related Disclosures		Reference
(I) Governance		
19.(a) An issuer shall disclose information about: 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.		Deepening ESG Governance Addressing Climate Change
(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.	Addressing Climate Change
(ii)	how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities.	Addressing Climate Change
(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.	Addressing Climate Change
(iv)	body(s) or individual(s) and disclose information about: how the body(s) or individual(s) oversees the setting of, and monitors progress towards, targets related to climate-related risks and opportunities, including whether and how related performance metrics are included in remuneration policies.	Addressing Climate Change
19.(b) An issuer shall disclose information about management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.		Addressing Climate Change
(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	Addressing Climate Change
(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.	Addressing Climate Change
(II) Strategy		
Climate-related risks and opportunities		
20.(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		Addressing Climate Change
20.(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.		Addressing Climate Change

Climate-Related Disclosures		Reference
20.(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.		Addressing Climate Change
20.(d) Explain how the issuer defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.		Addressing Climate Change
Business model and value chain		
21.(a) a description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain.		Addressing Climate Change
21.(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)		Addressing Climate Change
Strategy and decision-making		
22.(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.		Addressing Climate Change
(i)	current and anticipated changes to the issuer's business model, including its resource allocation, to address climate-related risks and opportunities	Addressing Climate Change
(ii)	current and anticipated adaptation and mitigation efforts (whether direct or indirect);	Addressing Climate Change
(ii)	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;	Addressing Climate Change
(iv)	how the issuer plans to achieve any climate-related targets (including any greenhouse gas emissions targets (if any)), described in accordance with paragraphs 37 to 40; and	Addressing Climate Change Sustainable Supply Chain
22.(b) Information about how the issuer is resourcing, and plans to resource, the activities disclosed in accordance with paragraph above.		Addressing Climate Change Sustainable Supply Chain
23. An issuer shall disclose information about the progress of plans disclosed in previous reporting periods in accordance with paragraph 22(a).		Addressing Climate Change Sustainable Supply Chain
Financial position, financial performance and cash flows		
Current financial effects		
24.(a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period; and		Addressing Climate Change
24.(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.		Luxshare Precision has fully identified risks and opportunities related to climate change; however, none are expected to have a material impact on the carrying amounts of assets and liabilities in the relevant financial statements for the next reporting year.
Anticipated financial effects		
25.(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:		Addressing Climate Change

## HKEX ESG Reporting Code Content Index (Continued)

Climate-Related Disclosures		Reference
(i)	Addressing Climate Change	Addressing Climate Change
(ii)	Addressing Climate Change	Addressing Climate Change
25.(b) how the issuer expects its financial performance and cash flow to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.		Addressing Climate Change
Climate resilience		
26.(a) The issuer shall disclose the issuer's assessment of its climate resilience as at the reporting date, which shall enable an understanding of:		Addressing Climate Change
(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.	Addressing Climate Change
(ii)	the significant areas of uncertainty considered in the issuer's assessment of its climate resilience.	Addressing Climate Change
(iii)	the issuer's capacity to adjust, or adapt its strategy and business model to climate change over the short, medium or long term;	Addressing Climate Change
26.(b) how and when the climate-related scenario analysis was carried out, including:		Addressing Climate Change
(i)	information about the inputs used, including:	Addressing Climate Change
(1)	which climate-related scenarios the issuer used for the analysis and the sources of such scenarios.	Addressing Climate Change
(2)	whether the analysis included a diverse range of climate-related scenarios.	Addressing Climate Change
(3)	whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks.	Addressing Climate Change
(4)	whether the issuer used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change.	Addressing 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.	Addressing Climate Change
(6)	time horizons the issuer used in the analysis.	Addressing Climate Change
(7)	what scope of operations the issuer used in the analysis (for example, the operation locations and business units used in the analysis)	Addressing Climate Change
(ii)	the key assumptions the issuer made in the analysis.	Addressing Climate Change
(iii)	the reporting period in which the climate-related scenario analysis was carried out.	Addressing Climate Change
(III) Risk management		
27.(a) An issuer shall disclose information about the processes and related policies it uses to identify, assess, prioritise and monitor climate-related risks, including information about:		Addressing Climate Change
(i)	the inputs and parameters the issuer uses (for example, information about data sources and the scope of operations covered in the processes);	Addressing Climate Change
(ii)	whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related risks;	Addressing Climate Change

Climate-Related Disclosures		Reference
(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);	Addressing Climate Change
(iv)	whether and how the issuer prioritises climate-related risks relative to other types of risks	Addressing Climate Change
(v)	how the issuer monitors climate-related risks	Addressing Climate Change
(vi)	whether and how the issuer has changed the processes it uses compared with the previous reporting period	Addressing Climate Change
27.(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).		Addressing Climate Change
27.(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.		Addressing Climate Change
(IV) 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 CO <sub>2</sub> equivalent, classified as:		Addressing Climate Change Key Performance Data
(i)	Scope 1 greenhouse gas emissions	Addressing Climate Change Key Performance Data
(ii)	Scope 2 greenhouse gas emissions; and	Addressing Climate Change Key Performance Data
(iii)	Scope 3 greenhouse gas emissions.	Key Performance Data
29.(a) An issuer shall 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;		Key Performance Data
29.(b) disclose the approach it uses to measure its greenhouse gas emissions including:		Key Performance Data
(i)	the measurement approach, inputs and assumptions the issuer uses to measure its greenhouse gas emissions.	Key Performance Data
(ii)	the reason why the issuer has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions.	Key Performance Data
(iii)	any changes the issuer made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes	Key Performance Data
29.(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.		Key Performance Data
29.(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 described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).		Key Performance Data
Climate-related transition risks		

## HKEX ESG Reporting Code Content Index (Continued)

Climate-Related Disclosures	Reference
30. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	Luxshare Precision has identified the potential impacts of climate-related risks and opportunities and continues to invest in its operations and supply chain management to advance energy conservation, emission reduction, and resource efficiency improvement. We are refining the relevant methodologies this year to calculate capital expenditures, financing, or investment amounts for climate risk and opportunities.
Climate-related physical risks	
31. An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	
Climate-related opportunities	
32. An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	
Capital deployment	
33. An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	
Internal carbon prices	
34.(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	Addressing Climate Change
34.(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.	Luxshare Precision has implemented carbon pricing and proactively carried out energy-saving renovation projects to reduce carbon emission intensity. Currently, the relevant data are primarily used for internal carbon performance assessment and will not be disclosed at this time.
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).	Addressing Climate Change
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.	Key Performance Data
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:	Deepening ESG Governance Addressing Climate Change
37.(a) the metric used to set the target;	Deepening ESG Governance Addressing Climate Change

Climate-Related Disclosures	Reference
37.(b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);	Addressing Climate Change
37.(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);	Deepening ESG Governance Addressing Climate Change
37.(d) the period over which the target applies;	Deepening ESG Governance Addressing Climate Change
37.(e) the base period from which progress is measured;	Deepening ESG Governance Addressing Climate Change
37.(f) milestones or interim targets (if any);	Deepening ESG Governance Addressing Climate Change
37.(g) if the target is quantitative, whether the target is an absolute target or an intensity target; and	Deepening ESG Governance Addressing Climate Change
37.(h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	Addressing Climate Change
38. An issuer shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:	Addressing Climate Change
38.(a) whether the target and the methodology for setting the target has been validated by a third party;	Addressing Climate Change
38.(b) the issuer's processes for reviewing the target;	Addressing Climate Change
38.(c) the metrics used to monitor progress towards reaching the target; and	Addressing Climate Change
38.(d) any revisions to the target and an explanation for those revisions.	Luxshare Precision did not revise its climate-related targets this year.
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.	Addressing Climate Change
40. For each greenhouse gas emission targets disclosed in accordance with paragraphs 37 to 39, an issuer shall disclose:	Addressing Climate Change
40.(a) which greenhouse gases are covered by the target;	Deepening ESG Governance Addressing Climate Change
40.(b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target;	Deepening ESG Governance Addressing Climate Change
40.(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;	Deepening ESG Governance Addressing Climate Change
40.(d) whether the target was derived using a sectoral decarbonisation approach; and	The target setting did not adopt the sectoral decarbonization approach
40.(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:	Luxshare Precision currently has no explicit plans to utilize carbon credits to offset greenhouse gas emissions in order to achieve its carbon targets.
(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 technology 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).	

## GRI Content Index

<b>Instructions for Use</b>	Luxshare Precision Industry Co., Ltd. has reported the information cited in this GRI content index for the period from January 1, 2025 to December 31, 2025 with reference to the GRI Standards.
<b>GRI 1 used</b>	GRI 1: Foundation 2021

GRI Standards	Disclosure Item	Location
2-1	Organizational details	Company Profile
2-2	Entities included in the organization's sustainability Reporting	About this Report
2-3	Reporting period, frequency, and contact point	About this Report Feedback Form
2-4	Restatement of information	Addressing Climate Change Key Performance Data
2-5	External assurance	About this Report Assurance Report
2-6	Activities, value chain, and other business relationships	Company Profile Implementing Responsible Procurement Key Performance Data
2-7	Employees	Building a Vibrant Team Key Performance Data
2-8	Workers who are not employees	2-8-a, 2-8-b, 2-8-c omitted Insufficient / Incomplete Information The Company respects all employees regardless of their employment forms. However, due to incomplete data statistics, a full disclosure cannot be provided at this time.
2-9	Governance structure and composition	Deepening ESG Governance Consolidating Business Operations Key Performance Data <i>Annual Report, Section Four</i>
2-10	Nomination and selection of the highest governance body	Consolidating Business Operations
2-11	Chair of the highest governance body	Consolidating Business Operations <i>Annual Report, Section Four</i>
2-12	Role of the highest governance body in overseeing the management of impacts	Board of Directors' Statement Deepening ESG Governance
2-13	Delegation of responsibility for managing impacts	Deepening ESG Governance Board of Directors' Statement
2-14	Role of the highest governance body in sustainability reporting	Board of Directors' Statement Deepening ESG Governance
2-15	Conflict of interest	Consolidating Business Operations

GRI Standards	Disclosure Item	Location
2-16	Communication of critical concerns	Consolidating Business Operations
2-17	Collective knowledge of the highest governance body	Deepening ESG Governance
2-18	Evaluation of the performance of the highest governance body	Consolidating Business Operations
2-19	Remuneration policies	Consolidating Business Operations
2-20	Process to determine remuneration	Consolidating Business Operations
2-21	Annual total compensation ratio	2-21-a, 2-21-b, 2-21-c omitted Confidentiality Restrictions The Company actively promotes employee compensation equity; details are omitted to protect employee privacy.
2-22	Statement on sustainable development strategy	Board of Directors' Statement
2-23	Policy commitments	Deepening ESG Governance Consolidating Business Operations Building a Foundation of Integrity Developing Green Products Protecting Employee Rights Implementing Responsible Procurement
2-24	Embedding policy commitments	Deepening ESG Governance Consolidating Business Operations Building a Foundation of Integrity Developing Green Products Protecting Employee Rights Implementing Responsible Procurement
2-25	Processes to remediate negative impacts	Deepening ESG Governance
2-26	Mechanisms for seeking advice and raising concerns	Deepening ESG Governance
2-27	Compliance with laws and regulations	Consolidating Business Operations Building a Foundation of Integrity
2-28	Membership associations	Industry Collaboration Key Performance Data
2-29	Approach to stakeholder engagement	Deepening ESG Governance

GRI Standards	Disclosure Item	Location
2-30	Collective bargaining agreement	2-30-a, 2-30-b omitted Insufficient / Incomplete Information The Company complies with relevant laws and regulations to safeguard the legitimate rights and interests of employees. Due to difficulties in accurately collecting data, a complete disclosure cannot be provided.
3-1	Process for determining material topics	Deepening ESG Governance
3-2	List of material topics	Deepening ESG Governance
3-3	Management of material topics	Deepening ESG Governance Consolidating Business Operations Strengthening Cybersecurity Defenses Addressing Climate Change Optimizing Energy Utilization Practicing Green Operations Developing Green Products Protecting Employee Rights Building a Vibrant Team Safeguarding Health and Safety Giving Back to Society Establishing Quality Benchmarks Leading R&D Innovation Implementing Responsible Procurement
201-1	Direct economic value generated and distributed	Key Performance Data
201-2	Financial implications and other risks and opportunities due to climate change	Addressing Climate Change Key Performance Data
201-3	Defined benefit plan obligations and other retirement plans	Protecting Employee Rights Building a Vibrant Team
201-4	Fiscal subsidies provided by the government	Consolidating Business Operations
205-1	Operations assessed for risks related to corruption	Building a Foundation of Integrity Key Performance Data
205-2	Communication and training about anti-corruption policies and procedures	Building a Foundation of Integrity Key Performance Data
205-3	Confirmed incidents of corruption and actions taken	Building a Foundation of Integrity Key Performance Data
206-1	Legal actions regarding anti-competitive behavior and anti-trust and monopoly practice	Consolidating Business Operations Key Performance Data
207-1	Approach to tax	Consolidating Business Operations

## GRI Content Index (Continued)

GRI Standards	Disclosure Item	Location
207-4	Country-by-country reporting	Consolidating Business Operations
301-1	Weight or volume of materials used	Practicing Green Operations Key Performance Data
302-1	Energy consumption within the organization	Optimizing Energy Utilization Key Performance Data
302-3	Energy intensity	Key Performance Data
302-4	Reduction of energy consumption	Optimizing Energy Utilization Key Performance Data
303-1	Interactions with water as a shared resource	Practicing Green Operations
303-2	Management of water discharge-related impacts	Practicing Green Operations
303-3	Water withdrawal	Key Performance Data
303-4	Water discharge	Key Performance Data
303-5	Water consumption	Key Performance Data
305-1	Direct (Scope 1) greenhouse gas emissions	Addressing Climate Change Key Performance Data
305-2	Energy indirect (Scope 2) GHG emissions	Addressing Climate Change Key Performance Data
305-3	Other indirect (Scope 3) GHG emissions	Key Performance Data
305-4	GHG emission intensity	Addressing Climate Change Key Performance Data
305-5	Reduction of GHG emissions	Addressing Climate Change Key Performance Data
305-6	Emissions of ozone-depleting substances (ODS)	Practicing Green Operations
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Key Performance Data
306-1	Waste generation and significant waste-related impacts	Practicing Green Operations
306-2	Management of significant waste-related impacts	Practicing Green Operations
306-3	Waste generated	Practicing Green Operations Key Performance Data
306-4	Waste diverted from disposal	Practicing Green Operations Key Performance Data
306-5	Waste directed to disposal	Practicing Green Operations Key Performance Data

GRI Standards	Disclosure Item	Location
308-1	New suppliers that were screened using environmental criteria	Implementing Responsible Procurement Key Performance Data
308-2	Negative environmental impacts in the supply chain and actions taken	Implementing Responsible Procurement Key Performance Data
401-1	New employee hires and employee turnover	Protecting Employee Rights Key Performance Data
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Protecting Employee Rights
401-3	Parental leave	Protecting Employee Rights Key Performance Data
402-1	Minimum notice period regarding operational changes	Safeguarding Employee Rights
403-1	Occupational health and safety management system	Safeguarding Health and Safety
403-2	Hazard identification, risk assessment, and accident investigation	Safeguarding Health and Safety
403-3	Occupational health services	Safeguarding Health and Safety
403-4	Worker participation, consultation, and communication on occupational health and safety	Safeguarding Health and Safety
403-5	Worker training on occupational health and safety	Safeguarding Health and Safety Key Performance Data
403-6	Promotion of worker health	Safeguarding Health and Safety
403-7	Prevention and mitigation of occupational health and safety impacts directly related to business relationships	Safeguarding Health and Safety
403-8	Workers covered by the occupational health and safety management system	Safeguarding Health and Safety Key Performance Data
403-9	Work-related injury	Safeguarding Health and Safety Key Performance Data
403-10	Work-related health issues	Developing Green Products Safeguarding Health and Safety Key Performance Data
404-1	Average hours of training per year per employee	Building a Vibrant Team Key Performance Data

GRI Standards	Disclosure Item	Location
404-2	Programs for upgrading employee skills and transition assistance programs	Building a Vibrant Team Key Performance Data
404-3	Percentage of employees receiving regular performance and career development reviews	Building a Vibrant Team Key Performance Data
405-1	Diversity of the governance body and employees	Consolidating Business Operations Protecting Employee Rights Key Performance Data
405-2	Ratio of basic salary and remuneration of women to men	The Company upholds the principle of equal pay for equal work and is committed to creating an equitable and diverse workplace.
406-1	Incidents of discrimination and corrective actions taken	Protecting Employee Rights Building a Vibrant Team Key Performance Data
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Protecting Employee Rights Implementing Responsible Procurement
408-1	Operations and suppliers at significant risk for incidents of child labor	Protecting Employee Rights Implementing Responsible Procurement
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Protecting Employee Rights Implementing Responsible Procurement
413-1	Operating sites with local community engagement, impact assessments, and development plans	Giving Back to Society
414-1	Negative social impacts in the supply chain and actions taken	Implementing Responsible Procurement Key Performance Data
414-2	Negative social impacts of the supply chain and actions taken	Implementing Responsible Procurement Key Performance Data
416-1	Assessment of the health and safety impacts of product and service categories	Developing Green Products Establishing Quality Benchmarks
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Developing Green Products Establishing Quality Benchmarks
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Strengthening Cybersecurity Defenses Key Performance Data

## Feedback Form

### Dear Readers:

Thank you for reading the 2025 Sustainability Report of Luxshare Precision Industry Co., Ltd. We sincerely hope you will share your opinions and suggestions to help us further improve the content of the report.

Your evaluation of this report (please mark a checkmark ✓ in the corresponding box):

### Evaluation Content

① Does this report contain the information you are concerned about?

Strongly Agree  Agree  Neutral  Disagree  Strongly Disagree

④ Which section of the report interests you most? (Please specify)

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② Do you think the content layout and design style of this report is conducive to reading?

Strongly Agree  Agree  Neutral  Disagree  Strongly Disagree

⑤ Is there any information you wish to obtain that was not included in the report? (Please specify)

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③ Will you continue to pay attention to Luxshare Precision's future sustainability report?

Strongly Agree  Agree  Neutral  Disagree  Strongly Disagree

⑥ What suggestions do you have for our future sustainability report? (Please specify)

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### Your Contact Information (Optional)

Name:

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Telephone:

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Email:

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### You may contact us through the following channels:

Telephone: 0769-87892475

Email: public@luxshare-ict.com

Luxshare Precision will strictly keep your personal information confidential and will not use it for commercial purposes.