

# Luxshare Precision Zero Waste to Landfill Periodic Report



Report Preparation: Sustainable Development Center

Reporting Period: 2026 Half-Yearly Progress Report

Reporting Scope: Same as that of Luxshare Sustainability Report 2025

September 2026



# Contents

## 01 Waste Management System Development

|                                |    |
|--------------------------------|----|
| Management Structure           | 03 |
| Management and Control Process | 03 |
| Management Targets             | 03 |

## 02 Implement Zero Waste to Landfill

|                                      |    |
|--------------------------------------|----|
| Enhance Waste Diversion Rate         | 04 |
| Digital Management Platform Upgrade  | 05 |
| Zero Waste to Landfill Certification | 05 |

## 03 Promote Zero Waste to Landfill Concept

|                                        |    |
|----------------------------------------|----|
| Waste Reduction and Recovery Practices | 06 |
| Zero Waste to Landfill Training        | 07 |

## 04 Plans and Outlook

|                             |    |
|-----------------------------|----|
| Next-step Plans and Outlook | 07 |
|-----------------------------|----|



# Waste Management System Development

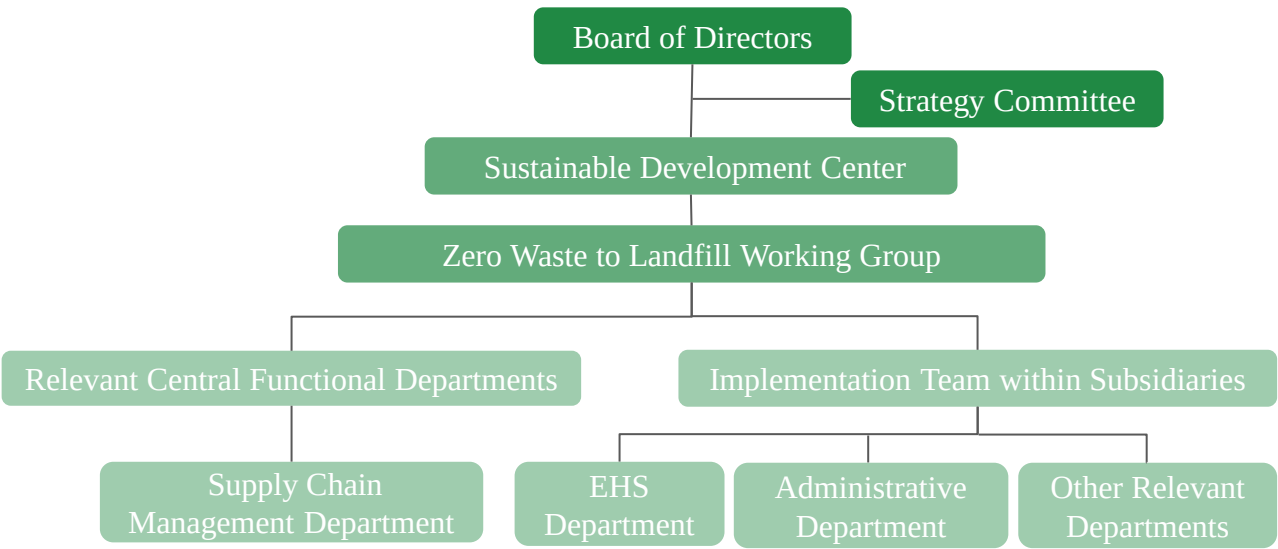
Luxshare Precision Industry Co., Ltd. (hereinafter referred to as "Luxshare Precision," "the Company," or "we") adheres to the waste management principle of "classified collection, centralized storage, and unified disposal." We implement meticulous management of all types of waste generated in production and business operations through the pathway of scientific measurement, whole-process control, and performance-driven management, continuously promote source reduction and resource recycling, and actively practice the circular economy philosophy.

## Management Structure

We have established a three-level sustainability governance structure. The Board of Directors and the Strategy Committee are responsible for coordinating decision-making and oversight on the Company's environmental matters, ensuring the orderly advancement of relevant commitments. The Sustainable Development Center coordinates with internal functions to implement efficient waste management practices.

The Zero Waste to Landfill Working Group develops policies, monitors progress, and reports to the Board of Directors and the Strategy Committee. Central functional departments support waste management efforts across the supply chain, while subsidiary execution teams—including EHS and administrative departments—carry out risk mitigation and waste reduction initiatives.

Waste Management Structure



# Management and Control Process

In compliance with the relevant waste management requirements of the *Ecological Environment Code of the People's Republic of China*, Luxshare Precision has established and strictly implemented the *Waste Control Operating Procedure* to standardize the entire process of waste management, including classification, storage, disposal, and recording.

## Waste Management Procedures

**Classification:** In accordance with national standards such as the GB 34330, solid waste generated during production is identified and classified based on *the National List of Hazardous Wastes* and recyclability, with regular updates

**Storage:** Construct storage facilities in full compliance with GB 18599 and GB 18597. All waste must be stored by category with strict segregation between hazardous and non-hazardous types, in order to prevent secondary pollution of the surrounding environment

**Compliant Disposal:** In accordance with the principles of harmlessness, recycling, and reduction, the solid waste is processed and handled by certified third-parties, strictly following environmental requirements.

**Recording:** Maintain a solid waste ledger via an electronic system to document key management process information

## Management Targets

Luxshare Precision has successfully achieved its phased waste management targets for 2023–2025. To further optimize the Company's waste resource utilization and continuously benchmark against advanced international management practices, we have updated and formulated the next-phase management target of "maintaining an average waste diversion rate of no less than 93% from 2026 to 2030," so as to enhance our waste management performance.

During the Reporting Period, Luxshare Precision:



Average waste diversion rate of subsidiaries

93.7%

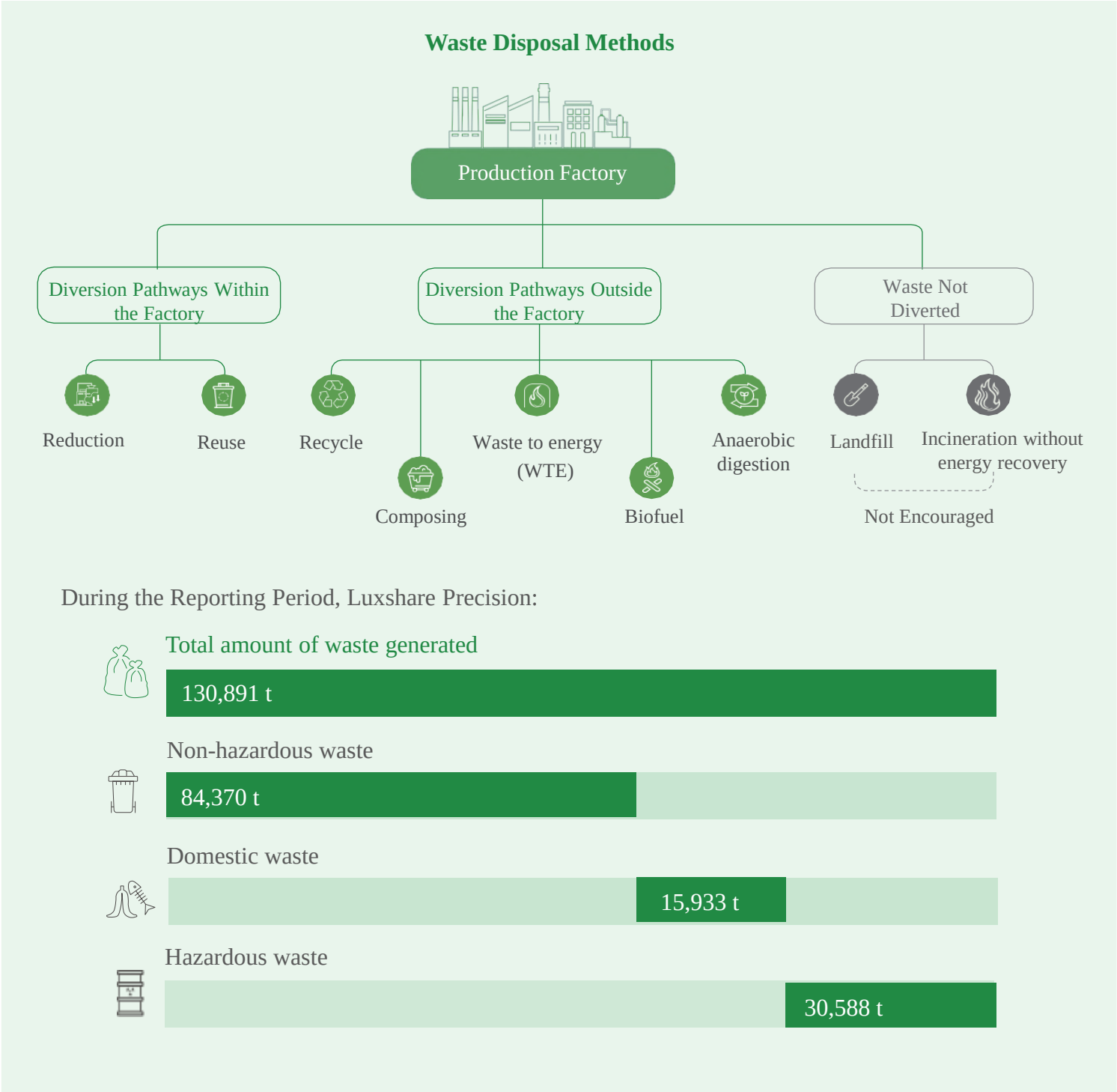
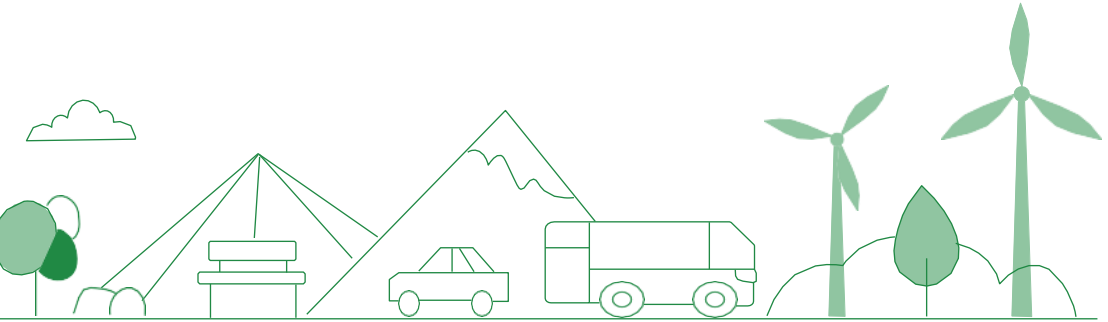
# Implement Zero Waste to Landfill

Luxshare Precision has established the *Zero Waste to Landfill Management Procedure*, in accordance with the UL 2799 Zero Waste to Landfill Validation Standard, and actively implements the zero waste to landfill management concept. We have explored diversified waste recycling models, upgraded our digital management platform, strengthened whole-process data control and decision-making support, and continuously advanced zero waste to landfill certification coverage across subsidiaries, thereby achieving standardized validation and continuous optimization of our management system.

## Enhance Waste Diversion Rate

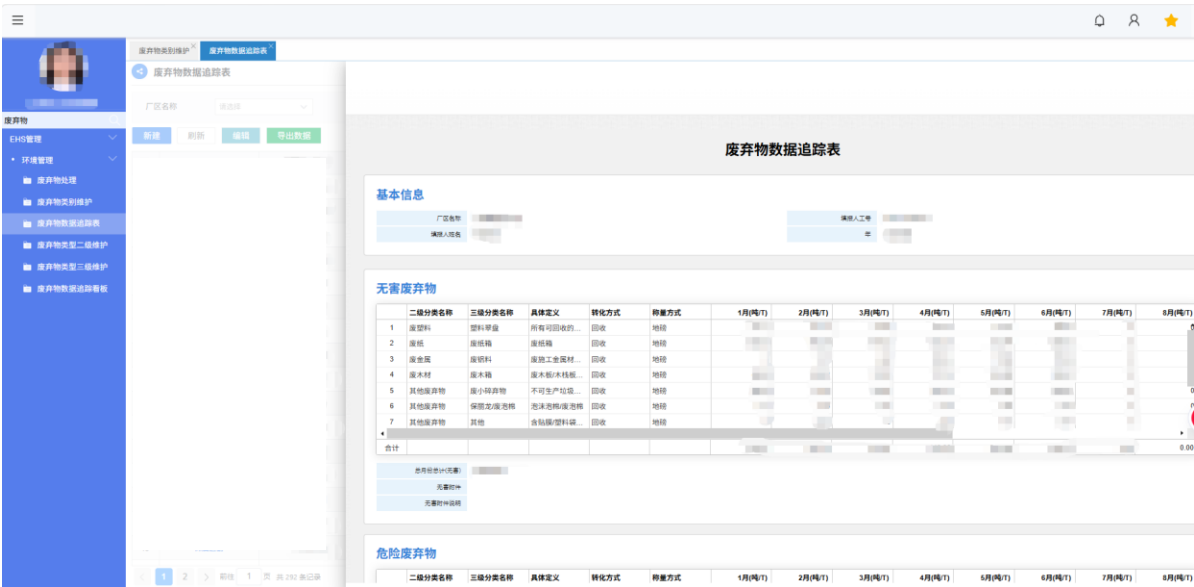
We adopt diversified waste diversion pathways, prioritizing reduction, recycling, reuse, composting, biofuels, and anaerobic digestion, while discouraging landfill and incineration without energy recovery. By establishing an internal-external collaborative mechanism, we focus on promoting the reduction and reuse of materials including plastics, metals, cartons, coils, and pallets, thereby continuously advancing the reduction, recycling, and harmless treatment of waste.

To ensure compliant waste disposal processes and continuously effective diversion pathways, we track the waste disposal and management performance of our subsidiaries on a quarterly basis.



Digital Management Platform Upgrade

Luxshare Precision has built and continues to optimize electronic information management system for waste management with reference to the UL 2799 Zero Waste to Landfill Validation Standard. The system retains waste generation and disposal documentation and automatically calculates the waste diversion rate, ensuring traceable data and efficient, accurate accounting. It is also complemented by manual calibration of statistical methodologies and troubleshooting of abnormal cases to ensure data compliance and reliability.



Waste Management Electronic Information Management System

This year, we launched an upgrade of our waste management dashboard, aiming to achieve real-time presentation and multi-dimensional analysis of waste generation and disposal, and to enhance management transparency and decision-making efficiency. During the Reporting Period, we completed user needs research, dashboard solution design, and technical development coordination, and built the initial page layout. Going forward, we will advance data validation and interface optimization in parallel.

Zero Waste to Landfill Certification

Relying on the electronic information management system, the Company routinely tracks and calculates waste data to improve data accuracy and more scientific decision-making. It also benchmarks against the UL 2799 Zero Waste to Landfill Validation Standard to unify management requirements and implementation criteria. On this basis, through gap analysis, implementation of corrective actions and empowerment, the Company helps subsidiaries identify weaknesses and develop corrective action plans, enhances the understanding and execution capabilities of subsidiary implementation working groups regarding the standard, and drives more subsidiaries to obtain zero waste to landfill certification.



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

Accumulative UL 2799 certified subsidiaries reached **14**



During the Reporting Period, Luxshare Precision:

Number of newly certified subsidiaries under QSGS-CSTC\_ZWL<sup>1</sup> reached **2**



QSGS-CSTC\_ZWL Diamond Level Certification of Luxshare Kunming and Luxcase ICT Kunshan

<sup>1</sup> Q/SGS-CSTC-ZWL is the Zero Waste to Landfill Certification Standard developed by SGS (Société Générale de Surveillance).

## Promote Zero Waste to Landfill Concept

We have deeply integrated the "4R" principles (Reduce, Reuse, Recycle and Replace) into our zero waste to landfill practices, and have embedded these principles across the entire value chain from raw material procurement to end-of-life product disposal. Through a series of training and empowerment initiatives, we have strengthened consensus at the execution level on the zero waste to landfill philosophy and empowered subsidiaries to proactively identify waste reduction opportunities while ensuring compliance.

Luxshare Precision's subsidiaries closely aligning with their respective production processes and waste generation characteristics, proactively identified improvement opportunities around source reduction, packaging material recycling, reuse, and replacement, and innovatively implemented a number of practical projects with tangible results, effectively reducing the total amount of waste entering the disposal process.

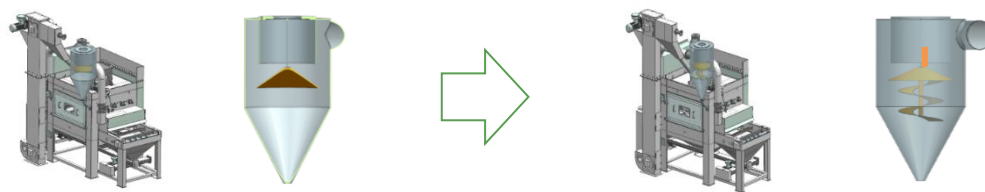
## Waste Reduction and Recovery Practices

Through process improvements and technological upgrades, we systematically reduce waste generation at the source, effectively lowering waste disposal costs and environmental compliance risks while improving resource utilization efficiency.



### Case | Luxcase ICT Yancheng Source Optimization Enables Efficient Sand Separation

The pneumatic separation equipment of the original sand material separator at Luxcase ICT Yancheng was constrained by its pneumatic structure, limiting sand separation efficiency. By improving the internal structure and adding a spiral assembly, the equipment uses centrifugal force from high-speed swirling flow to drive sand along a spiral path and, combined with gravity, achieves efficient separation. During the Reporting Period, this modification reduced waste sand generation at source by over 5 tons, effectively reducing qualified sand loss and improving sorting efficiency.



Pneumatic Separation Equipment Before and After Structural Modification

We promote the use of more environmentally friendly and recyclable materials to replace traditional energy-intensive materials. Through this substitution strategy, we reduce resource consumption while lowering the difficulty and environmental impact of waste disposal.



### Case | Jia Shan Ri Shan Promoted Reusable Straps Replacing Stretch Film

Jia Shan Ri Shan originally used single-use stretch film to secure pallets, which was disposed of as waste after use. After the improvement, the project replaced stretch film with reusable straps for securing pallets, reducing solid waste at the source and cutting stretch film consumption by approximately 3 tons per year.



Stretch Film Before Replacement



Straps After Replacement

We prioritize the internal circulation and reuse of materials within the Company, while collaborating with suppliers to recover and reuse packaging materials. Through this internal-external collaborative model, we minimize the amount of waste sent for final disposal to the greatest extent possible.



### Case | Merry Suzhou Collaborated with Suppliers to Achieve Pallet Reuse

Merry Suzhou collaborated with qualified recycling suppliers to collect and reuse plastic pallets originally used for transporting products, establishing a closed-loop circulation system of "use – recovery – redeployment". This reduces single-use packaging waste while enabling the resource utilization of packaging materials. During the reporting period, Merry Suzhou reused over 145 tons of pallets.



Reused Plastic Pallet



We are committed to promoting waste recycling, regeneration, and resource utilization in production and logistics, and leveraging regeneration technologies to reintegrate waste materials into value chains such as production and logistics.

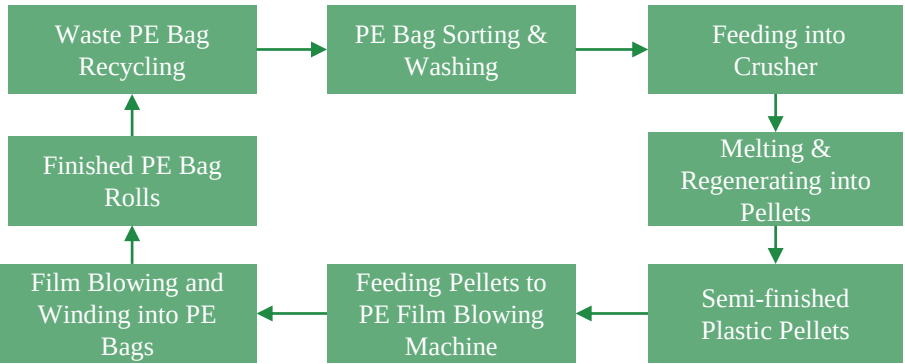


Case | Luxshare Vietnam Advanced the Recycling of Waste Polyethylene (PE) Bags

Luxshare Vietnam collected waste PE bags generated within the factory and delivered them to suppliers to be recycled into regenerated PE bags, which are then used for internal production and logistics packaging, effectively reducing virgin plastic use and achieving resource circulation.



Recycled PE Bags



Zero Waste to Landfill Training

We regularly conduct zero waste to landfill training to enhance the capabilities of the Zero Waste to Landfill working groups and implementation team, helping subsidiaries meet diversion rate targets. For subsidiaries that have potential for improvement in diversion rate, the working groups assist them in developing phased, quantifiable waste reduction measures and provides additional corrective support to ensure accountability and closed-loop rectification.



Case | Luxshare Precision Zero Waste to Landfill Management System Standard Training

In March 2026, the Company held an online training on the zero waste to landfill management system for subsidiaries. Third-party expert lecturers were invited to present on waste management system standards, future trends, and best practices. The training attracted over 100 participants, thereby strengthening their understanding and implementation of certification standards and laying a capability foundation for continued certification rollout.



Training Poster

Plans and Outlook

Next-step Plans and Outlook

To further improve the effectiveness of zero waste to landfill management, in the second half of the year, we will focus on three key areas: implementing waste reduction practices, improving internal and external reuse efficiency, and expanding zero waste to landfill certification coverage.

01 Drive Effective Implementation of Waste Reduction Measures

- Focus on tracking key data and initiatives for waste reduction
- Provide dedicated assistance and experience sharing

02 Explore Internal and External Reuse Potential

- Systematically identify recyclable material categories across production process
- Collaborate with suppliers to explore packaging material recycling mechanisms

03 Accelerate Zero Waste to Landfill Certification Coverage

- Help more subsidiaries to complete certification preparation and on-site audits

Looking ahead, as the Company's industrial footprint continues to expand, we will continuously improve our zero waste to landfill management and leverage digital tools for refined management. While scaling up operations, we will continuously improve environmental compliance performance and resource utilization levels, steadily advancing toward our "zero waste to landfill" goal.

