

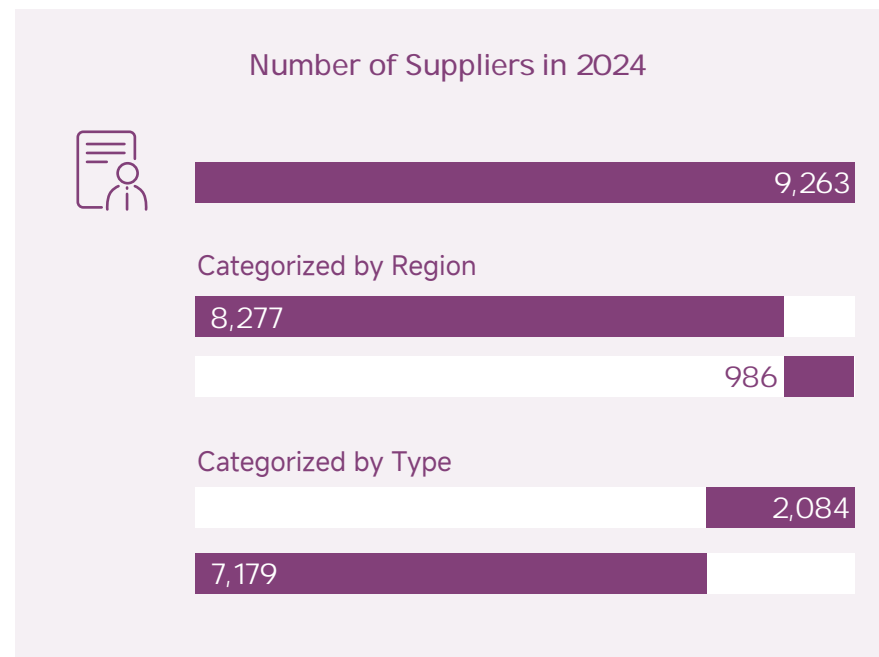
Collaborative Value Creation

Luxshare Precision is committed to developing a supply chain management model that balances environmental, social, and economic benefits. We uphold high-quality, green, and responsible supply chain partnerships, integrating sustainability assessments into procurement decisions and daily supplier management to drive collective industry progress.

Supply Chain Management System

To systematically mitigate supply chain risks and ensure business continuity, we manage suppliers across their entire lifecycle through a three-phase framework "development access, tiered management, and evaluation and audit". In 2024, we enhanced our risk heatmap by implementing origin tracking for critical electronic materials, enabling rapid aggregation and correlation of material origins, specifications, and supplier data. This upgrade strengthens our capacity to identify and mitigate risks posed by natural disasters and geopolitical conflicts.

Additionally, we plan to collaborate with third-party platforms to refine early-warning mechanisms for at-risk suppliers, further mitigating supply chain risks' operational impacts.

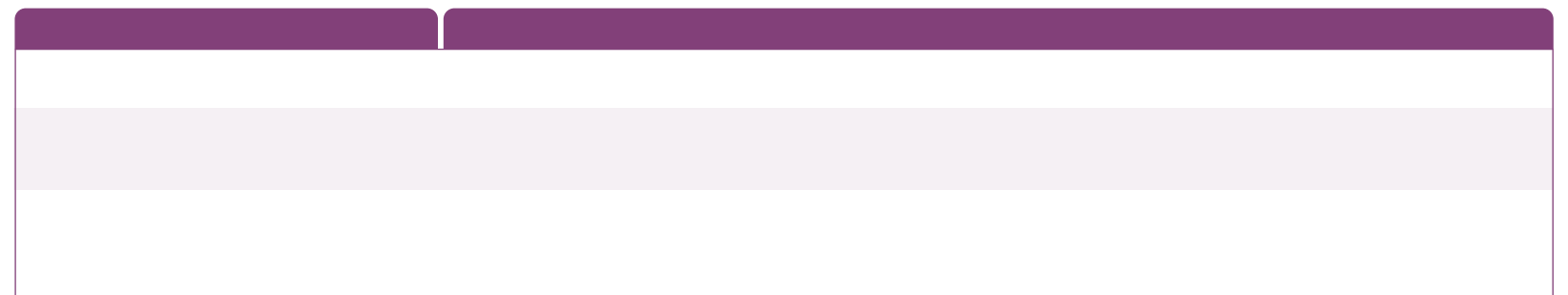


Development Access

Luxshare Precision strictly evaluates supplier qualifications in accordance with the [Supplier Management Policy](#), the [Supplier Selection Process](#), and other procedures by the ISO-certified internal auditors. Furthermore, we implement baseline capability surveys across critical dimensions, including production testing capabilities, technical process competencies, quality control, and environmental compliance management. Suppliers must hold at least **1 quality management system certification** and **1 social responsibility system certification** for



Tiered Management







Targets and Commitments in the *Green and Low-Carbon Commitment*

Gradually increase renewable energy use percentage, transition 100% of Luxshare Precision-associated production to renewable energy by 2030

Annually disclose pollutant release and transfer registers (PRTR) and carbon emissions data via the IPE platform



Supplier 1: Waste Heat Recovery of Air Compressor

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Supplier 2: Transformation of Machine Lighting Strips

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Supplier 3: Application of Air Conditioning Intelligent Control System

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Supplier 4: Installation of Rooftop Photovoltaic Panels

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²³For suppliers newly admitted after 2024, the base year refers to the first year of the transaction happened with Luxshare Precision.