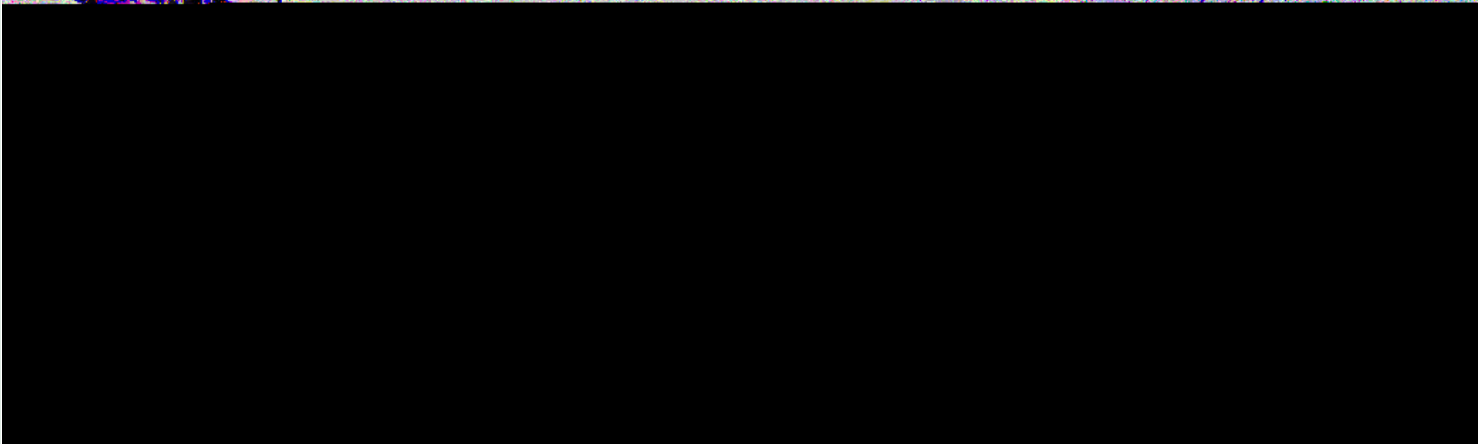


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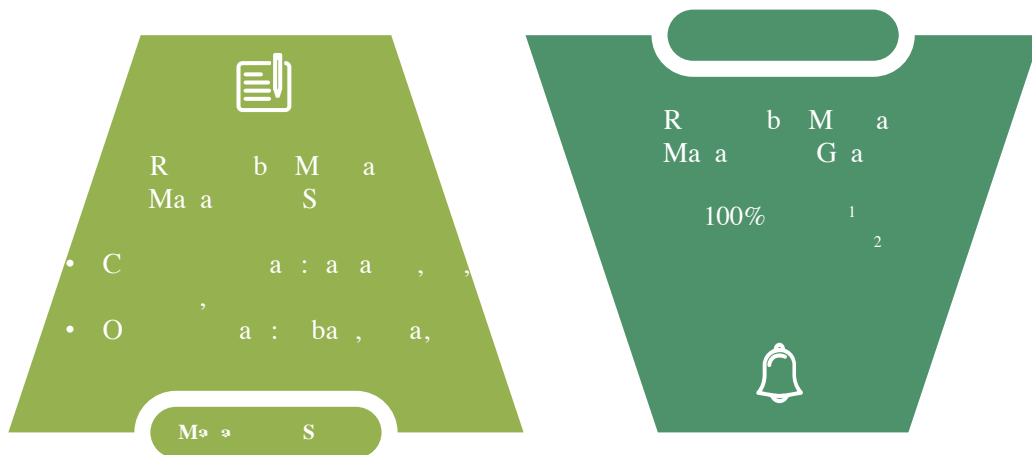
01

Minerals such as tantalum, tin, tungsten, gold (collectively referred to as "3TG"), cobalt and mica are widely used in electronic products and are also the main minerals illegally mined in conflict affected and high-risk areas. The illegal mining of rare metal minerals by armed groups has caused serious human rights and environmental issues, and the trade in minerals has also provided financial support for ongoing armed conflicts, leading to long-term inst

and standards of conflict minerals and apply them to the mineral value chain management of conflict minerals.

Relevant International and Domestic Conventions and Initiatives We Refer to:

- RBA: Responsible Minerals Initiative
- US SEC: Dodd-Frank Act, Section 1502
- EU: Conflict Minerals Regulation
- OECD: Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas
- IPC: International Responsible Business Practices
- EICC/GRSI: Global Reporting Initiative
- ESMA: European Securities and Markets Authority
- CCCMC: China Conflict Minerals Consortium



Luxshare Precision Responsible Mineral Management Plan

03

Luxshare Precision’s responsible minerals management program aims to ensure that the mineral value chain is traceable and conflict-free, and plans to carry out due diligence and reasonable country of origin traceability. We refer to the Organization for Economic Co-operation and Development (OECD) guidelines to plan and implement responsible minerals management procedures in detail.



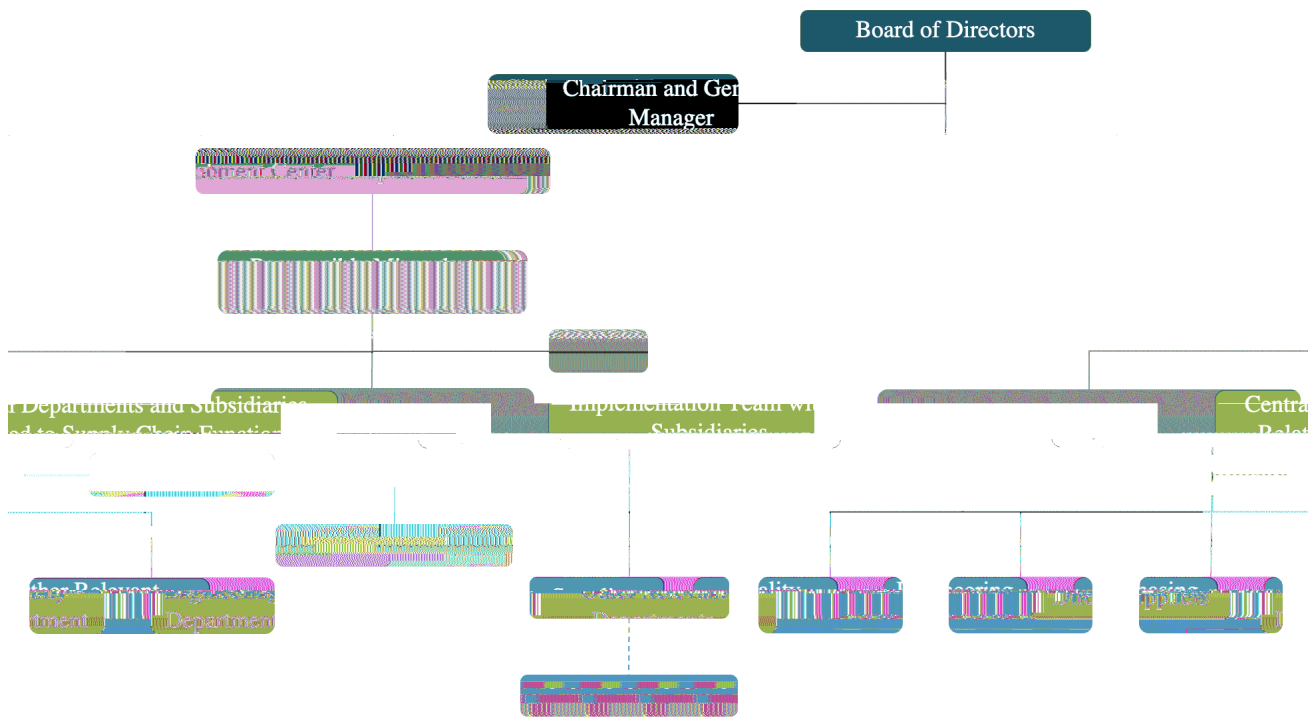
Sound Responsible Mineral Management

Professional Management and Executive Team

Luxshare Precision carries out responsible mineral management work in a systematic manner. Under the supervision and guidance of the Board of Directors, the Sustainable Development Center as the supervision institute, collaborates with subsidiary executive teams and mineral value chain suppliers to jointly promote responsible mineral management. We disseminate our conflict mineral management and best practices to direct suppliers and even the entire value chain, ensuring that the mineral supply chain is traceable and conflict free.

The Sustainable Development Center has established a responsible mineral management working group, responsible for the overall formulation, management, and

implementation of management policies and standards, regularly reviewing the progress and achievement of goals, and reporting to the Board of Directors. The subsidiary's executive team is composed of members with relevant capacities and experiences, responsible for implementing responsible mineral management processes in collaboration with relevant parties, including conducting supply chain due diligence and risk identification and mitigation.



Luxshare Precision Responsible Mineral Management Organizational Structure

Fair, Transparent and Rigorous Management Policies and Processes

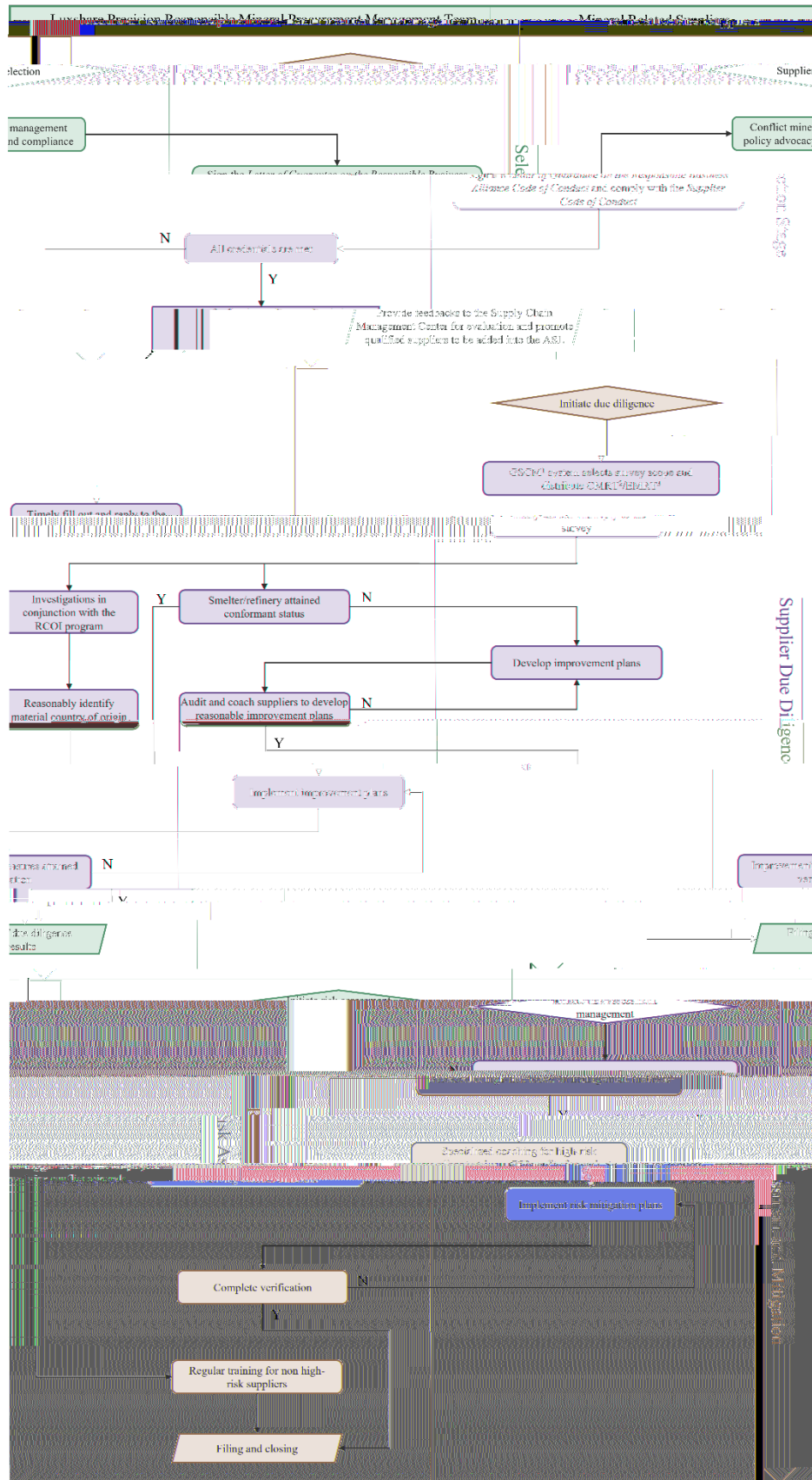
Luxshare Precision adheres to international standards and initiatives such as RBA guidelines and OECD guidelines, formulates conflict minerals policies, clarifies the Company's concerns about potential environmental and labor human rights issues in the mineral supply chain, and firmly executes the position of responsible mineral procurement to avoid mineral trade exacerbating environmental and human rights issues. We require suppliers to comply with RBA guidelines and only purchase materials from suppliers who are responsible for the environment and society. All suppliers should purchase materials from SORs that have passed RMAP certification

and meet conflict free requirements. SORs that have not passed RMAP certification or do not meet customer requirements must be removed from the supply chain.

Our conflict minerals policy has been publicly announced on our official website, for more detailed information, please refer to the link below.

<https://www.luxshare-ict.com/sustainability/our-initiatives/responsible-procurement.html>

We also formulate and regularly update the *C M M* *M* to standardize job responsibilities, work content, and processes; during the supplier selection stage, suppliers are required to sign the *L C* *R B A C C* and comply with the *C C* to ensure effective communication and compliance with our conflict mineral management requirements.



Luxshare Precision Supply Chain Responsible Mineral Management Process

Full Process Traceability Electronic Platform

Luxshare Precision has developed and gradually improved its green supply chain compliance management (GSCM) system, launched a conflict mineral management module, **and achieved full material traceability**. In addition, we regularly update and maintain the conflict minerals requirements both internally and externally to help suppliers timely understand and grasp the latest information on conflict minerals.

GSCM Conflict Minerals Module

stakeholders to report any issues, concerns, or violations related to the conflict minerals procedures through public channels. The report can be conducted anonymously and kept confidential to the maximum extent permitted by law. The Company promises to take all friendly feedback seriously and conduct in-depth investigations and provide feedback in a project-based manner.

Email: MineralsReporting@luxshare-ict.com

Supply Chain Risk Identification and Assessment

Luxshare Precision does not directly purchase mineral materials, which makes our risk identification of the supply chain more challenging. The Company adopt a RCOI program to reasonably and appropriately trace and investigate the origin of minerals used in our products, identify whether mineral materials originate from conflict affected and high-risk areas, or come from recycled materials and waste, in order to evaluate and control the potential risks of mineral materials that are crucial to the performance of our products.

We conduct due diligence on direct suppliers and require them to provide CMRT/EMRT as a reasonable method to obtain and trace mineral supply chain procurement information. We summarize the SOR information involved in the Company's mineral supply chain and compare it with the reasonable origin database provided by RMI to trace the source of mineral materials reasonably. The Company will combine supplier due diligence with reasonable country of origin investigation results to comprehensively evaluate and define supplier's risk levels. We will focus on the presence of non-RMAP-certified SOR in the CMRT/EMRT report, as well as suppliers that reasonable country of origin investigations confirm are at risk.

Risk Mitigation and Response Strategies

Luxshare Precision designs and implements different response strategies based on risk levels. For direct suppliers involved in high-risk situations, we will not immediately cease our cooperative relationship with them. We are willing to provide necessary

information and resources to assist suppliers in taking practical actions to truly alleviate potential conflict mineral risks.

In supply chain due diligence, the GSCM system can automatically compare supplier's CMRT/EMRT reports, identify and alert when finding out SOR that is not RMAP certified. The responsible mineral procurement executive team of the Company will provide targeted guidance to relevant suppliers, help them complete improvement plans within the specified time, continuously follow up, evaluate, review the implementation of improvement actions, and verify that all SOR involved in the supply chain are qualified before closing the case.

In addition, Luxshare Precision considers the existence of high risks related to conflict minerals as one of the situations that trigger internal independent audits. The Company will conduct comprehensive risk identification and audit of suppliers in accordance with the *Luxshare Precision Supplier Code of Conduct* and *A C*, which include conflict mineral evaluation indicators to comprehensively evaluate the implementation of supplier conflict mineral management. The executive team will guide suppliers to complete the rectification of relevant risks and do our best to ensure that our supply chain avoids the use of conflict minerals completely.

We will also seriously deal with suppliers who still cannot meet the requirements after communication and improvement actions, and the inaction of direct suppliers will trigger an upgrade mechanism at the business level.

Supply Chain Due Diligence Practice

As a downstream enterprise in the mineral supply chain, Luxshare Precision recognizes the importance of due diligence in the supply chain, at the same time, we have to admit the complexity of conducting independent third-party audits. Therefore, the Company has established

to the independent third-party audit procedures of RMAP to evaluate whether the SOR involved in the supply chain meet the conflict free requirements. At the same time, we require direct suppliers to establish a management system to conduct due diligence and traceability of conflict minerals for their raw materials, through collaboration with direct suppliers, we indirectly participate in the compliance audit of SOR.

Due Diligence Results Report

Luxshare Precision has established a comprehensive information disclosure mechanism, and use the annual sustainability report as the main medium to summarize and review the progress and results of the conflict minerals due diligence project. We hope to strengthen communication and exchange with stakeholders through detailed information disclosure, while further enhancing our management capabilities for conflict minerals.

04 A &

In 2024, we plan to produce **two special training materials, i.e. the introduction of the Company's conflict minerals management and the operation method of the GSCM system conflict minerals module**, and push the lessons to relevant departments.

05