

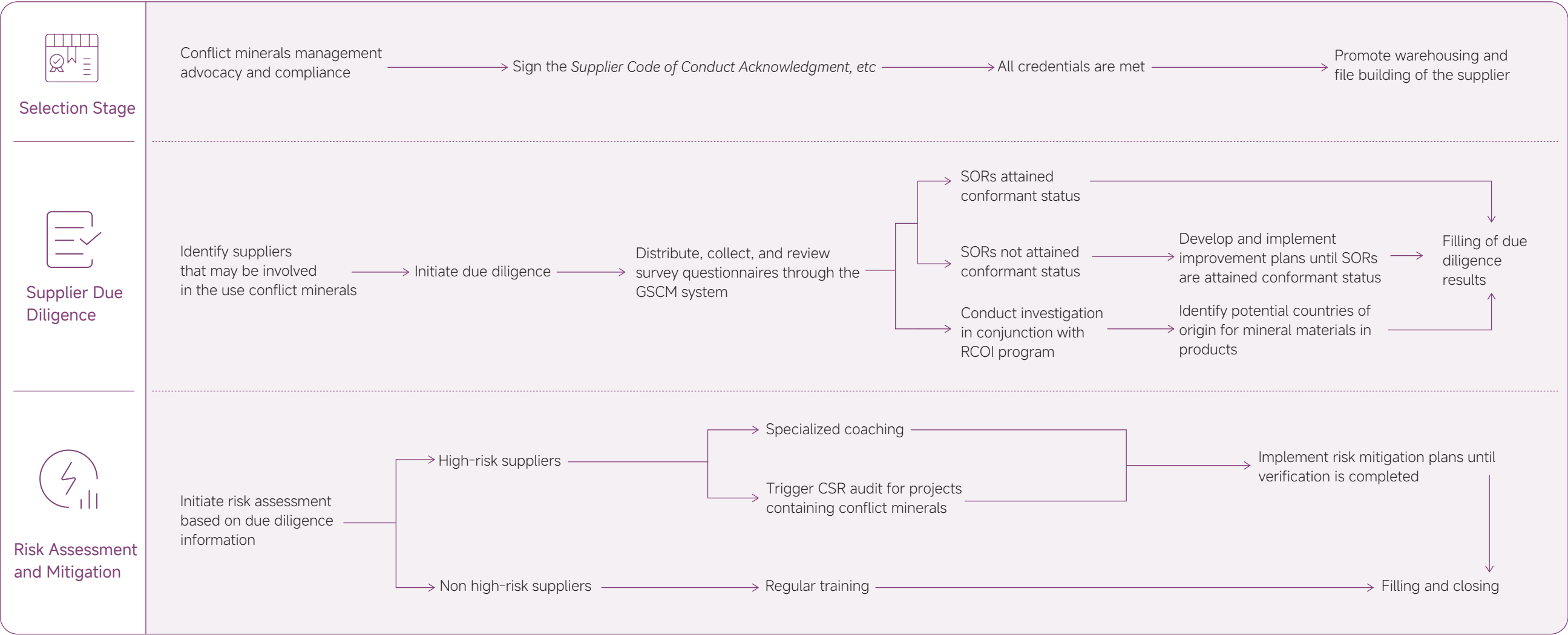
# Responsible Minerals Sourcing

Luxshare Precision does not directly engage in the procurement and use of mineral ores. However, the materials and components necessary for our production may potentially contain mineral components such as 3TG, cobalt, and mica. We have joined the Responsible Minerals Initiative (RMI) initiated by the RBA and committed to adhering to international guidelines such as the OECD Due Diligence Guidance to ensure that all materials used in our products come from socially and environmentally responsible procurement channels.

## Systematic Management Mechanism

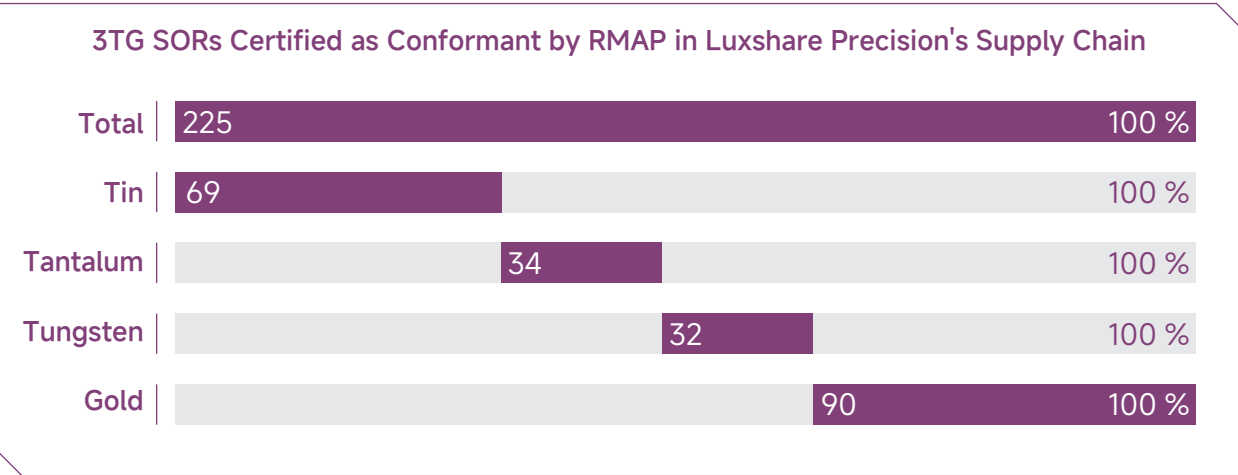
We regularly update our management systems, including the *Conflict Minerals Management Measures*, defining the workflow for managing conflict minerals like 3TG and cobalt from three dimensions: supplier qualification, due diligence, risk assessment and mitigation. We require all suppliers to comply with the RBA Code of Conduct, ensuring that 3TG minerals are sourced only from SORs certified as conformant by RMAP.

### Conflict Minerals Management Process



Due Diligence

Luxshare Precision adopted the Conflict Minerals Reporting Template (CMRT) and the Extended Minerals Reporting Template (EMRT) provided by RMI to conduct due diligence on suppliers involving 3TG, cobalt, and mica. In 2024, we initiated CMRT surveys for 2,051 suppliers involving 3TG, achieving a 100% response rate; we also initiated EMRT surveys for 1,033 suppliers involving cobalt and mica, with a nearly 100% response rate. **By the end of the Reporting Period, 100% of the 3TG raw materials involved in all our products came from SORs certified as conformant by RMAP.**



We continue to carry out RCOI work, strengthening the identification and management of source risks, and helping suppliers establish responsible mineral management procedures that meet the standards of Luxshare Precision. By combining the RMAP certification audit results with the RCOI tools provided by RMI, we conduct investigations on 3TG in the supply chain. By comparing the aggregated SORs information with the RCOI database, we have identified the country location of the 225 SORs that provide 3TG to the Company's suppliers, and recognized the **potential countries of origin** for 3TG minerals in Luxshare Precision's supply chain, as shown in the figure on the right.



Risk Management

Based on due diligence and RCOI investigation results, we accurately assess and define the risk levels of our suppliers. For high-risk suppliers, we require them to either complete RMAP certification for non-compliant SORs within a specified timeframe or remove them from the supply chain. In the meantime, we provide specialized guidance and further carry out CSR audits that include conflict minerals evaluation indicators. We continuously follow up, assess, and audit suppliers' progress in SORs certification and mineral traceability until all SORs involved in the supply chain are verified as compliant before closing the case. For non high-risk suppliers, we will conduct regular educational training to continuously improve their conflict minerals management capabilities and awareness.