

Operating an Honest and Trustworthy Enterprise

Luxshare Precision upholds an unwavering commitment to the principles of "Integrity and Honesty, Oneness and Fairness, Reliability and Compliance, and Self-discipline" The Company actively cultivates a culture of integrity and transparency, which contributes to creating a fair and honest market environment.

Business Ethics Governance

Luxshare Precision has established a governance framework for business ethics under the oversight of the Chairman of the Board and CEO. The Chairman is accountable to the Board of Directors and receives regular updates from the Discipline Committee.

Based on applicable laws and regulations related to business ethics, including the *Anti-Monopoly Law of the People's Republic of China*, the *Anti-Unfair Competition Law of the People's Republic of China*, the *Anti-Money Laundering Law of the People's Republic of China*, the *Interim Provisions on Prohibiting Commercial Bribery*, and the *Company Law of the People's Republic of China*, Luxshare Precision has established a comprehensive suite of policies and procedures, including the *Luxshare Precision Global Business Conduct and Ethics Guidelines (COC)*, the *Luxshare Precision Supplier Code of Conduct*, the *Ethical Code of Conduct Compliance Management System*, the *Employee Integrity Management System*, and the *Procurement Business Ethics Management System*. Together, these frameworks govern and oversee the ethical business practices of employees, management, suppliers, and partners.

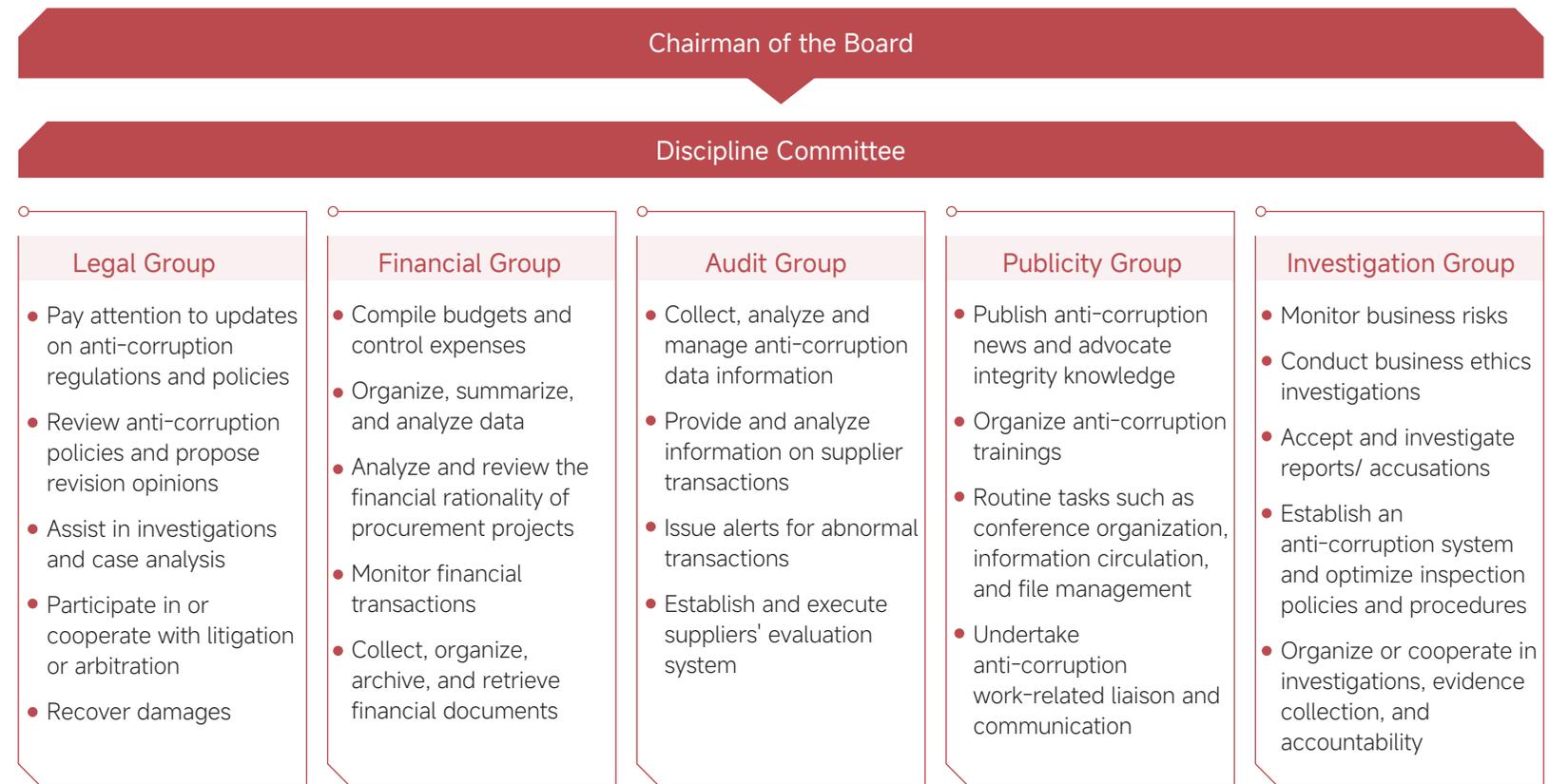
To further enhance corruption risks control, Luxshare Precision conducts regular audits of ethical standards across all operations (BG/BU) once every two years, to safeguard the Company's operational stability. During the Reporting Period, 2 corruption-related incidents involving embezzlement, bribery and abuse of position were confirmed through internal audits. Both cases were resolved in accordance with the Company's established policies, and no material risks were detected.

During the Reporting Period, Luxshare Precision:



Zero litigation cases involving corruption of the Company and its employees

Business Ethics Governance Structure



Reporting Management

The Company encourages employees and stakeholders to report any misconduct. We provide multiple reporting channels and establish rewards for reporting. Upon receiving a report, a specialized investigation team is assembled based on the case's size and nature, while safeguarding the legitimate rights and interests of all parties involved. During the Reporting Period, **handling rate of business ethics related complaints reached 100%**.

Reporting Channels

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

Phone: 0769-38800880

Email: justice@luxshare-ict.com

WeChat: 13144861180

QQ: 3413207068

Whistleblowing Management Flowchart



Whistleblower Protection

Luxshare Precision has adopted a strict "zero tolerance" policy toward discrimination or retaliation of any kind against whistleblowers. The Company has implemented the *Whistleblower Protection and Anti-Retaliation Policy*, aimed at safeguarding the privacy and rights of whistleblowers, avoiding conflicts of interest among investigators and offering legal assistance and additional protective measures, thereby protecting whistleblowers from retaliation.

Whistleblower Protection Measures

<p>Protect the Privacy of Whistleblowers</p> <ul style="list-style-type: none"> Strictly prohibit the unauthorized disclosure of whistleblower-related information Designate specialized Investigator to handle the reports while keeping it confidential 	<p>Avoid Conflicts of Interest among Investigators</p> <ul style="list-style-type: none"> Require investigators to sign the <i>Statement of Discipline Committee and Case Investigation Personnel</i> to ensure they have no conflict of interest with the reported individuals 	<p>Seriously Investigate and Handle Retaliation Incidents</p> <ul style="list-style-type: none"> Report any instances of retaliation promptly to the facilities' top supervisor and the Director of the Discipline Committee once they are identified Provide legal assistance to whistleblowers
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Anti-corruption Cultural Construction

The Company actively conducts comprehensive business ethics training programs covering all employees (include part-time and contractors¹¹), and all suppliers, to foster an organizational integrity culture.

Training on Business Ethics and Cultural Development

<p>Training Support</p> <ul style="list-style-type: none"> 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 	<p>Cultural Promotion</p> <ul style="list-style-type: none"> Send the <i>Integrity Notification Letter</i> to all employees via email every month. Send <i>Luxshare Precision's Commitment on Anti-corruption</i> to suppliers through platform every month and during holidays Regular publish articles to promote awareness through "Integrity Luxshare" Block 	<p>Assessment and Management</p> <ul style="list-style-type: none"> Employees are required to fill out and sign the <i>Employee's Voluntary Declaration</i> and the <i>Employee's Letter of Integrity Commitment</i> Suppliers are required to fill out and sign the <i>Supplier's Voluntary Declaration</i> and the <i>Letter of Integrity Commitment for Supplier</i> Integrate COC into the quarterly training and assessment for employees, and the assessment results will directly affect their performance appraisal and promotion opportunities
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¹¹ In 2024, Luxshare Precision did not employ part-time or contract workers.

Case | Anti-corruption and Integrity Trainings Conducted in Multiple Factories across Vietnam

In November 2024, the Company conducted anti-corruption and integrity training sessions across various manufacturing factories in Vietnam. These sessions engaged over 1,000 key employees, management personnel and those in key roles. The training curriculum covered the company's business ethics management structure, notable case studies, both domestic and international anti-corruption standards, and the organization's anti-corruption policies, among other topics. The primary objective of these sessions was to strengthen the integration of ethical governance principles and cultivate a positive organizational culture that supports anti-corruption initiatives and promotes integrity.



Luxshare Vietnam Organized Anti-corruption and Integrity Training



Luxshare Van Trung Organized Anti-corruption and Integrity Training



Luxshare Nghe An Limited Organized Anti-corruption and Integrity Training

During the Reporting Period, Luxshare Precision:

-  COC exam pass rate achieved **100 %**
-  Completed *Employee's Letter of Integrity Commitment* signing rate of **100 %**
-  Employee anti-corruption training coverage achieved **100 %**
-  Completed *Letter of Integrity Commitment for Supplier* signing rate¹² of **100 %**
-  Total anti-corruption and business ethics-related training hours achieved **286,567 hours**



Anti-unfair Competition

Luxshare Precision steadfastly upholds a fair competitive market environment and adheres to the legal frameworks of the jurisdictions in which it operates, including the *Anti-Unfair Competition Law of the People's Republic of China*, the *U.S. Foreign Corrupt Practices Act*, and the *UK Bribery Act*. The Company aligns with the COC and the *Code of Ethics Operations Procedure*, explicitly prohibits employees from unlawfully obtaining trade secrets or other confidential information from third parties, strictly forbids the dissemination of false or misleading advertisements and maintains a zero-tolerance policy toward any form of illegal activities that disrupt market order, such as colluding with competitors on pricing. These measures collectively aim to promote fair competition and preserve market integrity.

During the Reporting Period, Luxshare Precision:

-  **Zero** litigation case involving anti-unfair competition, anti-trust, or anti-monopoly issue



¹² Including the organizationally equivalent the *Letter of Integrity Commitment* signed between the designated suppliers and the customers.