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Implement Strict Waste Management

Luxshare Precision Industry Company Limited (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 waste generated during operations, strictly complying with relevant regulations, including the *Law of the People's Republic of China on Prevention and Control of Environmental Pollution by Solid Waste*, to ensure proper transfer and disposal of waste.

Waste Management Structure

We have established a three-level sustainability governance structure. The Board of Directors and the Strategy Committee provide oversight to ensure environmental commitments and targets are met. The Sustainable Development Center coordinates with internal units to implement

Waste Management Process

Luxshare Precision has established and implemented the *Waste Control Operating Procedure* to standardize the entire process of waste management, including classification, storage, disposal, and recording.

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.

Classification of Solid Waste

Waste Type	Recyclable	Non-recyclable
Non-hazardous Waste	Category A	Category B
Hazardous Waste	Category C1	Category C2

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.

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



Zero Waste to Landfill Certification

We actively promote our subsidiaries to implement zero waste to landfill management practices in accordance with UL 2799 standard and obtain third-party external certifications. We encourage subsidiaries to convert over 90% of waste into resources, reducing landfill and incineration rates to below 10% to align with the core requirements of UL 2799.

Practice Zero Waste to Landfill Concept

We follow the waste management hierarchy—reduce, reuse, recycle, recover energy²—applying multiple conversion pathways to build a circular economy that improves resource efficiency.

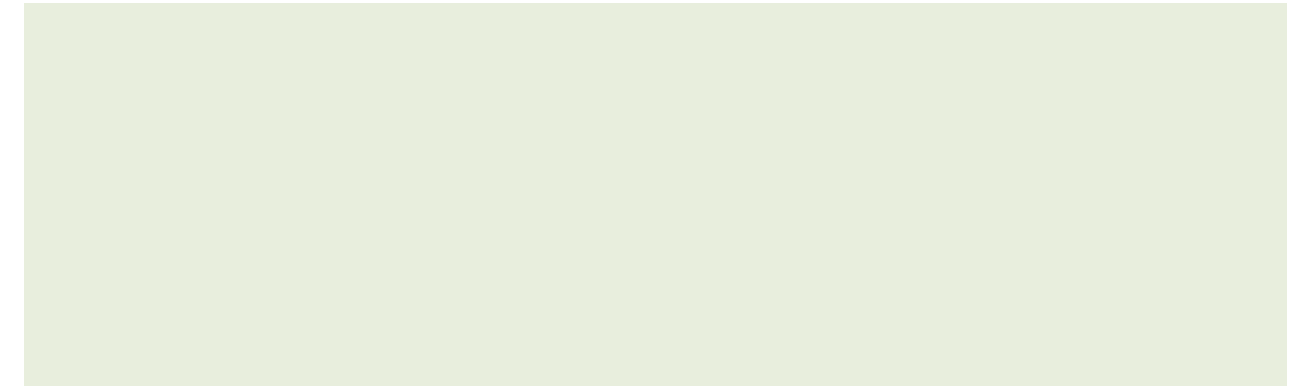
For production waste, our priority is on-site conservation through reduction and resource recovery to achieve "zero waste leaving the factory." The remaining waste is processed off-site via recycling and energy recovery. Residual waste is subject to strictly regulated disposal.

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Advance towards Zero Waste to Landfill

In H1 2025, we audited 15 subsidiaries, assessing waste management in production and operational zones. Factories, cafeterias, and waste storage areas were inspected, focusing on the implementations of sorting, storage, labeling, and disposal standards. Key data was digitally collected to drive ongoing environmental improvements.



Raise Waste Conversion Rate

We set annual waste conversion rate targets for 2023–2025, and both the 2023 and 2024 goals are achieved. During the reporting period, the Company actively pursued reduction, recycling, reuse, and other methods. After three years of innovation, the average conversion rate exceeded 90% six months ahead of plan in H1 2025, laying a strong foundation for

