Luxshare Precision
Labor ManagementPeriodic Report

Report Preparation：Sustainable Development Center

Reporting Period： 2025 Half-Yearly Progress Report

Reporting Scope：Same as that of Luxshare Sustainability Report 2024

September2025

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Labor ManagementFramework

The Company's labor management system is aligned with RBA[1] standards. Through internal and external audits, it forms a closed loop of "design-implementation-self correction-validation," systematically safeguarding labor rights and driving sustainable supply chain development.

Labor ManagementStructure

We built a labor management structure led by the Board and Strategy Committee, with the Sustainable Development Center as the hub driving labor rights protection across the value chain.

Compliant Employment Management

We have built an end-to-end compliance system covering recruitment to employment, extended to our supply chain. Through policies against forced and child labor, standardized procedures, and digital tools such as e-contracts, we build a fair, transparent, and compliant talent management system.

Contract Compliance

We offer contracts in multiple languages, including Chinese, English, Vietnamese, and Spanish etc., clearly stating salary, working hours, and social insurance, ensuring employees understand them fully.

Fair and Transparent Recruitment

We uphold fairness and transparency as core principles in talent acquisition. Through partnerships with universities, standardized job criteria, publicly advertised openings, non-discriminatory screening procedures, and internal oversight mechanisms, we ensure an equitable and compliant recruitment process.

2022 2024, Luxshare Precision:

Percentage of suppliers signing contracts with ESG clauses

100%

Employee Communication and Grievance

Luxshare Precision offers anonymous reporting channels including an internal app, the platform, a hotline, and email for prompt and fair complaint handling. The Company also conducts regular satisfaction surveys to gather feedback systematically. Insights from the analysis help improve the work environment and policies, creating a closed-loop management system.

Communication Channels

The Company maintains a comprehensive employee communication network through multiple internal channels. These allow staff to share feedback openly, embodying our culture of openness and inclusiveness. These mechanisms are more than ways to raise concerns they form a foundation for a secure and trusted workplace where every employee feels heard, respected, and protected.

Employee Communication Channels

Online		Offline	
AI Support Instant answers to common questions	Voice Hotline Open feedback channel	Seminars Foster dialogue & teamwork	Mailbox Unified feedback platform
Service Platform Integrated services & self-help	Anti-Retaliation Hotline Ensures safe reporting	Care Center Comprehensive support hub	Workshop Channels Accessible & multi-tier communication

During the Reporting Period, Luxshare Precision:

Employee requests and suggestions received
10,368 entries

Closure rate[3]
98%

Employee Satisfaction Survey

Luxshare Precision conducts regular employee satisfaction surveys using fully anonymous surveys to ensure confidential and objective feedback, providing a secure channel for all employees. The process categorizes employees as direct or indirect based on their roles, to gather targeted insights and identify specific management needs.

Employee Satisfaction Survey Process

Q1 Planning and Design → Q2 Project Initiation → Q3 Review and Inspection → Q4 Improvement Enhancement

In Q2 2025, we completed the employee satisfaction survey. Data shows a rise in overall satisfaction from the previous survey, along with valuable feedback. We will analyze the results and create targeted plans to improve management and the employee experience.

2025 Employee Satisfaction Survey Results

Valid direct employee questionnaires: 193,650, with a satisfaction score of 64.56 points, representing a year-on-year increase of 2.19 points

Survey Scope

Good Leadership | Good Rewards | Good Work | Good Life

Valid questionnaires from indirect employees: 55,080, with a satisfaction score of 83.69 points, representing a year-on-year increase of 2.81 points

Survey Scope

Good Leadership | Good Direction | Good Work | Good Culture | Good Employees

[3] Closure Rate: Some requests and suggestions remain under tracking and improvement as of the reporting period

Occupational Health and Safety

We

EHS ManagementFramework

Luxshare Precision considers EHS a core pillar of sustainable development, aiming to create a accident, zero workplace. More than a compliance requirement, it is a strategic foundation that enhances long-term competitiveness. Through its systematic EHS management, the Company reduces operational risks, protects employee well-being, fulfills social responsibility, and improves efficiency. Luxshare has established EHS audit protocols and a closed-loop management system based on process control, and continuous to strengthen risk prevention.

EHS Committee Structure

Decision-Making Level Board of Directors	Responsible for overall planning of the Company's EHS-related work Listen to the reports on EHS work by the Director-General of EHS
Planning Level EHS Management Committee	
Execution Level EHS Officers of Facilities	

During the Reporting Period, Luxshare Precision:

EHS on-site audit Safety

11 sites

t on Level

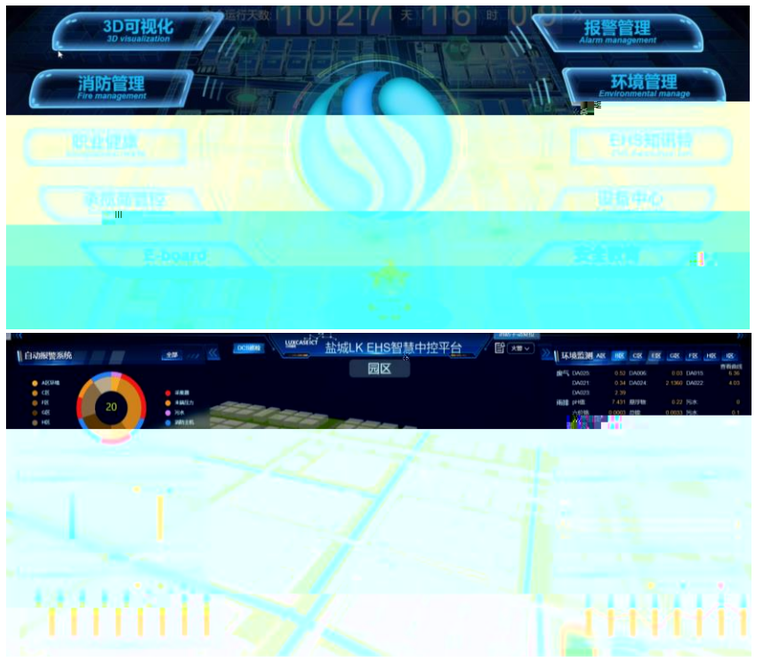
o

Technology-driven Risk Defense

Luxshare Precision actively leverages technological innovation to empower EHS system development. By utilizing advanced technologies such as intelligent monitoring, IoT sensing, and big data analytics, the Company comprehensively enhances the precision, real-time responsiveness, and reliability of environmental, health, and safety management. This fortifies safety defenses, enabling risks to be identified, prevented, and controlled, and continuously builds a smarter, safer production and operational environment.

Case |LuxcaseICT Yancheng DeployedEHS Smart Control Platform

Luxcase ICT Yancheng has built an EHS smart platform that collects critical facility data including fire alarms, equipment status, and maintenance records via sensors and analytics. It integrates data across systems such as fire safety, occupational health, and supplier management. Through mobile, computer, and large-screen dashboards, the platform enables real-time monitoring and smart alerts, effectively reducing safety risks and improving management efficiency.



EHS Smart Central Control Platform

Routine Health Management

We leverages an occupational hazard prevention and control system to strictly enforce the issuance of *Occupational Hazard Notification Letters*, achieving routine management of occupational disease prevention and health promotion.

Occupational Health Position Management Mechanism

Occupational Health Position Management System

During the Reporting Period, Luxshare Precision:

Occupational health examination coverage rate for employees in hazardous positions
100%

Emergency Response Practice

Luxshare Precision has established a comprehensive emergency management system covering the entire process.Through practical drill mechanisms, it enhances response speed and handling capabilities for emergencies such as fires and chemical spills. This system implements a closed-loop management process from "monitoring and early warning" to "emergency plan activation," "rapid response," and "efficient rescue" ensuring comprehensive protection of personnel safety and asset stability while fortifying safety defenses.

During the Reporting Period, Luxshare Precision:

Comprehensive drills
232 times

Participants
237,649 person-times

Luxshare Xuancheng Fire Emergency Drill

Dongguan Leader Food Poisoning Emergency Drill

Jia Shan Ri Shan Computer Fire Emergency Drill

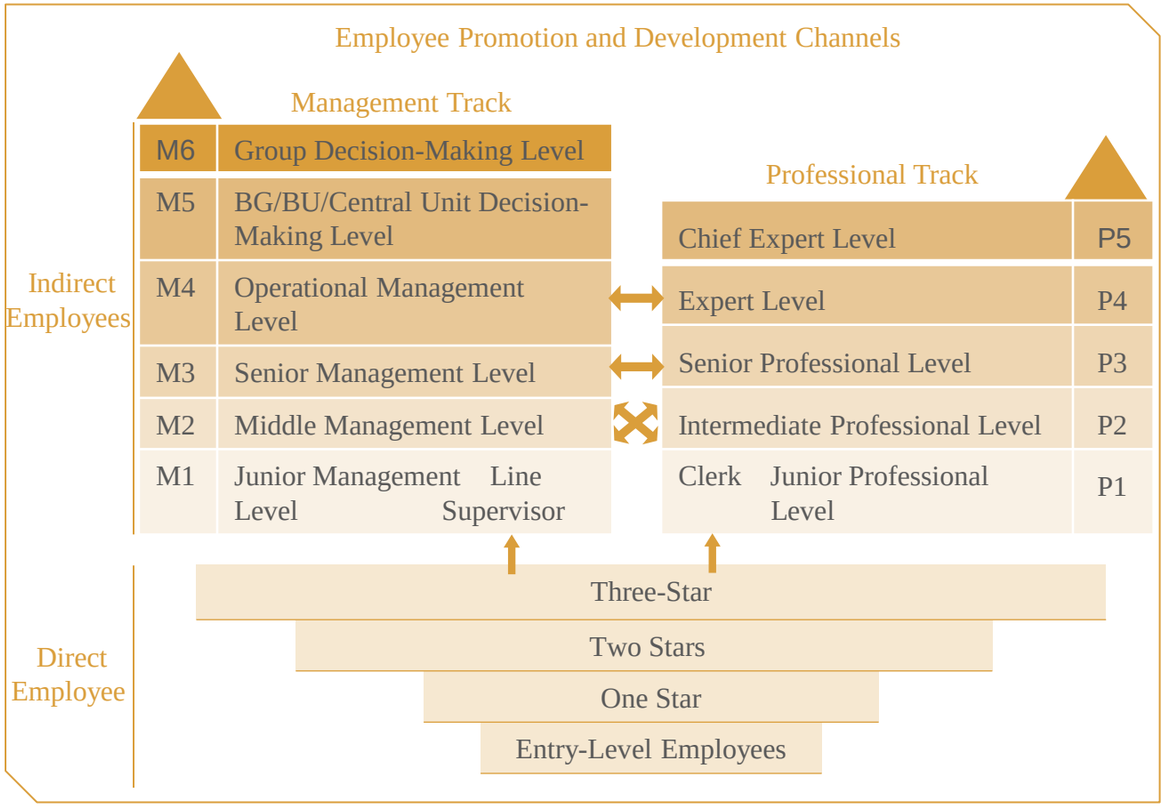
Luxis Beijing Nighttime Fire Emergency Drill

Employee Training and Development

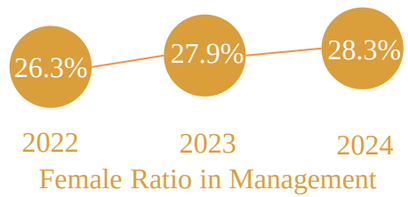
Luxshare Precision has established a comprehensive training system and dual career development pathways covering the entire employee lifecycle. Through systematic training and clear promotion mechanisms, we empower employees to grow alongside the Company.

EmployeePromotion and Development

We have established a comprehensive dual-channel promotion system aimed at providing employees with diverse career growth paths. Employees can choose to develop in either professional or management tracks based on their personal capabilities and career plans..



We provide equal promotion opportunities without discrimination based on race, social class, nationality, religion, disability, gender, age, union membership, or political affiliation.



Female Ratio in Management

Training Management System

Luxshare Precision's training system features "full-cycle coverage, tiered empowerment, and diverse adaptability," deeply integrating manufacturing needs with employee development pathways.

Category	Training Content		
Leadership Development Path	M5 Senior Management Training M4 Leadership Training Program M4 Reserve Training Program M3 Management Advancement Project	M3 Reserve Training Project M2 Training Project M1 Line Supervisor Training Project P3 P4 High Potential Training Program	
Professional Development Path	Key Account Marketing Training Program Research and Innovation Training Program Project Management Training Program Operation Management Training Program	Supply Chain Management Training Program Human Resource Management Training Program Corporate-University Cooperation Institute New Employee Orientation Training Cadre-Star Trainee Program	
Competency Center	Job Knowledge and Skills Learning Map	Public Class & Lecture	Luxshare Lecture Hall Technical Forum

The Company places talent development and organizational capability at the core of its strategy, empowering employees through systematic, professional, and diverse training programs. During the reporting period, the average training time per employee reached 24.92 hours.

Luxshare Jiangsu 16949 Quality Management System Specialized Training

Luxshare Precision's First Intermediate Certified Safety Engineer Engineer Exam Preparation Training

Luxshare Vietnam 2025 Leadership Training Program Opening Ceremony

EmployeeCare

Guided by our "people-oriented" philosophy, we have built a holistic employee care system that supports employees throughout their entire lifecycle. By integrating institutional safeguards, resource investment, and cultural development, we ensure every employee receives respect and full support in their career development, continuously strengthening a warm and cohesive organizational culture.

The Company consistently prioritizes employees' physical and mental well-being. By the end of the reporting period, we had established 57 counseling rooms, staffed with 378 professional consultants and 262 internal mental health volunteers. Employees receive

Case| "One Dream, One Luxshare": The Luxshare Cup Global Dream Relay

The 6th Luxshare Cup successfully concluded on May 23 after 11 days of events. With an innovative nine-month trophy relay across 28 domestic and international locations, the tournament engaged many employees and teams globally. Blending competition, technology, charity, and culture in a hybrid online-offline format, it reinforced the "One Luxshare" vision and the values of unity and collaboration. The energy and teamwork generated by the games carried over into daily operations, motivating all employees to collectively drive Luxshare Precision toward a better future.

Global Relay Launch Ceremony

Opening Ceremony

Fun Tournament

Soccer Championship Awards Ceremony

Badminton Championship Awards Ceremony

Closing Ceremony

Employee Incentive Mechanism

Luxshare Precision has built a multi-faceted employee care system that combines material and non-material incentives and covers both essential and developmental benefits. This approach supports the shared growth of both talent and the organization.

Multi -tiered Equity Incentive Mechanism

Long-term equity incentives are offered to core technical and management staff. During the reporting period, 3,106 recipients were granted a total of 176,631,740 stock options, enabling them to share in the long-term value.

Diversified Non-Monetary Incentive System

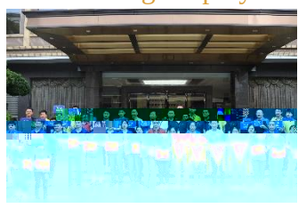
Luxshare Precision builds a diversified non-material incentive system to motivate employees. We enhance the honor system with various awards to benchmark and inspire excellence. We empower talent growth through dual career paths in management and technical roles, enhancing capabilities. We cultivate collaboration by fostering an open, trusting environment, enabling efficient innovation.

The Company has established awards such as "Star of Excellence" and "Outstanding Employee." During the reporting period, subsidiaries used transparent selection methods to recognize and motivate high-performing employees and key contributors.

Jiangxi Province Outstanding Employees

Luxshare Vietnam Outstanding Individuals

Luxshare Vietnam Quality Pioneer



Luxshare ReChuan Excellence Star

Luxshare Vietnam Self-Driven Growth Award

Luxshare Suzhou Component Star