A C C

Climate Risks and Oppo r unities

governance,

strategy, risk management, and metrics and targets



Governance

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Strategy

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Risk Management

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Metrics and Targets

Key Climate Risk Responses

Risk Item	Risk Type	Risk Description	Impacted Stages	Time Horizon	Current Financial Impact	Expected Financial Impact	Risk Response Measures
Increase in raw material costs						•	• • •
Carbon pricing mechanism						• • •	• • •
Transition to low-emission technologies and products						• • •	• • •
Increased concerns and negative feedback from stakeholders						•	• •
Changes in consumer behavior						• •	• • •

Key Climate Risk Responses (Continued)

Heavy precipitation (rain, hail, snow/ice)					•	•	
						•	
						•	
						•	

Oppo r unity Item	Oppo r unity Type	Oppo r unity Description	Impacted Stage	Time Horizon	Current Financial Impact	Expected Financial Impact	Oppo r unity Response Measures
Leverage public-sector incentive mechanisms					•	•	
						•	
Develop new products or se r ices					•	•	
						•	

Carbon Targets and Progress

Carbon Management Commitment and Statement

Carbon Neutrality Roadmap

	Sho r -term (By 2025)[18]		
Targets			
Progress			

	Improve Energy E f ciency	Optimize Energy Structure	Minimize Fugitive Emissions	Suppo r Suppliers in Reducing Emissions	Promote Low-Carbon Design	Create Eco-Friendly Operational Scenarios
Key Strategies	•					
Highlights of Key Initiatives in 2025	•					

conduct a comprehensive inventor and third-party verification of Scope 1, 2, and 3 emissions

Its subsidiar, Luxshare Electronic Kunshan, was selected for Suzhou's 2025 List of Enterprises with Outstanding Achievements in Zero-Carbon Factor Development

Continuously Advance Carbon Emission Reduction

Construction of Low-Carbon Concepts

Through systematic internal thematic training, awareness campaigns, and multi-channel external exchanges

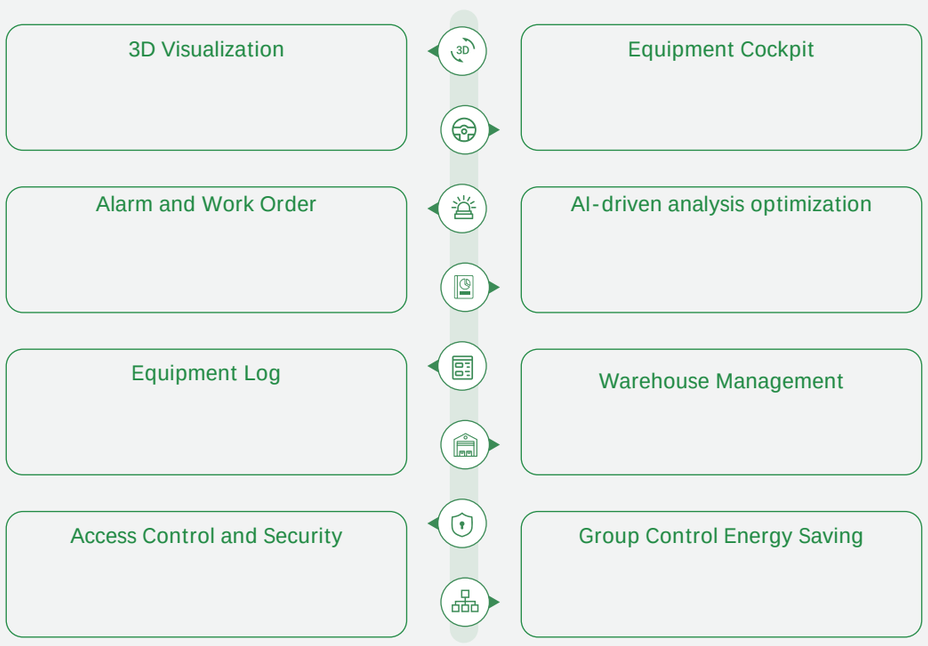
Case Luxshare Precision Conducted Product Carbon Reduction Training

E

Energy Management

In 2025, the Company progressively expanded the deployment of the IOE platform, extending its coverage to 9 additional subsidiaries

IOE Platform Functionality



Case Luxshare Precision Accelerated IOE Platform Deployment and Upgrade

Achieve integrated energy management through the equipment cockpit



Luxshare Sma r Manufacturing IOE Platform Equipment Cockpit Schematic

Leverage group control for energy saving and AI applications to achieve intelligent regulation and diagnosis

Case Luxshare Precision Conducted Training on Energy Management for Compressed Air Systems



Compressed Air System Energy Management Training