LUXVISIONS
Innovation Limited

Luxvisions Innovation Technology Corp. Limited

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LUXVISIONS
Innovation Limited

2024 SUSTAINABILITY REPORT

To become the most trusted solution provider for global clients

Contents

About This Report 01

President's Message 03

About Luxvisions Innovation 05

Indicator Index 67

Feedback Form 68

立足创新 景领未来
高效务实 热情承诺

Steady Operations and Resilience Demonstration 07

Implementing ESG Management 09

Optimizing Corporate Governance 15

Enhancing Integrity Building 17

Safeguarding Information Security 20

Carbon Reduction and Green Development 24

Climate Change Response 25

Resource Management Strengthening 27

Waste and Emission Management 31

Promoting Green Manufacturing 33

Quality Craftsmanship and Intelligent Future Shaping 38

Improving Product Quality 39

Encouraging Innovation and R&D 41

Providing Quality Services 46

Optimizing Procurement Management 47

Employee Advancement and Shared Progress 52

Commitment to Equal Employment 53

Occupational Health and Safety 57

Supporting Career Development 61

Employee Care and Welfare 66

About This Report

This is the second annual sustainability report released by Luxvisions Innovation Technology Corp. Limited. It reveals our sustainability philosophy, practices and key performance in economic, environmental, and social aspects. We hope you can learn more about us through this report and provide us with your valuable suggestions.

Time Frame

January 1, 2024 – December 31, 2024. To enhance report comparability and forward-lookingness, some content is moderately extended to previous and following years.

Report Scope

Luxvisions Innovation Technology Corp. Limited. and its subsidiaries. Among them, the data materials are aggregated from the Guangzhou plant, Shangrao plant, and Vietnam plant, while the case materials include all subsidiaries such as the Guangzhou plant, Shangrao plant, Vietnam plant, and Dongguan Cowell.

Reference Standards

- United Nations Sustainable Development Goals (SDGs)
- Global Sustainability Standards Board (GSSB) Sustainability Reporting Standards (GRI Standards)
- ISO26000 Social Responsibility Guide

Data Sources

The data and cases in this report originate from official company documents, statistical reports, or other public materials. Unless specified, all monetary amounts are in Chinese yuan.

Naming Conventions

For ease of expression and reading, “Luxvisions Innovation” “the Company” “LVI” or “we” are used to refer to Luxvisions Innovation Technology Corp. Limited. and its subsidiaries in this report.

Report Availability

This report is available in both Chinese and English. In case of discrepancies in understanding, the Chinese version shall prevail. The report is published electronically for all stakeholders. You can read or download the electronic version on the official website of Luxvisions Innovation Technology Corp. Limited. (https://www.luxvisions-inno.com/cn-index.html).

President's Message

In 2024, a year marked by both challenges and opportunities, the global economic landscape has undergone profound adjustments, and waves of industrial transformation have surged forward. Relying on its unwavering strategic resolve and the relentless efforts of all its employees, Luxvisions Innovation has navigated steadily through the complex and ever-changing market environment, achieving remarkable results.

We have always adhered to our mission of "To deliver leading technologies and fulfill the dreams of our global partners". We actively respond to the national call for technological innovation and green development, and deeply integrate into the global industrial chain. With technological innovation as our core driver, we strive to achieve a harmonious unity of economic and social value.

In steady operations, we have demonstrated resilience.

We have established an ESG management system, refined our governance structure, and advanced integrity and compliance as well as data security protection. We have built a comprehensive internal control and risk prevention system. Through optimizing governance and enhancing internal control management, we strictly ensure compliant operations and continuously improve our governance level to guarantee efficient company functioning. Meanwhile, we have strengthened integrity building by advancing anti-corruption supervision and risk prevention, and fostered a mutually trusting and win-win ecosystem. We have also reinforced our information security management system to create secure and reliable value for our clients.

In reducing carbon emissions and energy consumption, we practice green development.

We actively respond to climate change by deeply integrating energy conservation, emission reduction, and environmental goals into our operations and production processes. We formulate strategic initiatives aligned with our company's development trajectory. Starting with optimizing resource utilization, we enhance energy efficiency and reduce water waste through innovative measures, while advancing material recycling and reuse. We rigorously manage waste, wastewater, and emissions to minimize the environmental footprint of our production. Simultaneously, we promote cleaner production by adopting advanced technologies to increase the use of recycled materials and reduce hazardous chemicals, achieving a virtuous cycle between economic growth and environmental protection—a holistic commitment to green development.

In crafting excellence, we innovate for a brighter future.

We have focused on intelligent manufacturing, with AI as the core engine to drive the company's digital transformation. We have restructured the entire value chain and established a new industrial paradigm driven by data and algorithms. In product quality, we have built a full-process quality management system, integrated quality awareness into every link, and created greater value for our clients. In supply chain management, we have established a transparent and efficient system, strictly implemented responsible mineral procurement, and promoted the green transformation of the industrial chain. This has enabled long-term and stable cooperation with our suppliers and clients, jointly advancing sustainable development.

In empowering employees, we forge shared prosperity and progress.

We have always regarded our employees as our core asset. We strictly abide by labor laws, sign standardized contracts, and lay a solid foundation for protecting employee rights. We have established a competitive compensation and benefits system, which, in the form of performance-based bonuses, stimulates employee potential. We have also refined our training and development system to provide employees with a ladder for growth and achieve the integration of individual and corporate value. Furthermore, we pay attention to employees' physical and mental well-being, organize diverse cultural activities, and offer life-related support to create a warm workplace atmosphere. This empowers our employees and paves the way for a future of shared progress.

Looking ahead, despite the challenges that lie ahead, we are brimming with confidence. Luxvisions Innovation will continue to focus on our main responsibilities and adhere to the philosophy of sustainable development. Guided by technological innovation, we will accurately seize market opportunities and steadily expand our business. We will continue to create greater value for our clients, bring more returns to our shareholders, offer broader development opportunities for our employees, and make greater contributions to society. Together with all parties, we will paint a beautiful picture of a promising future!

Michael Meng
President of Luxvisions Innovation

About Luxvisions Innovation

Company Overview

Founded in 2018, Luxvisions Innovation Technology Corp. Limited. is a high-tech intelligent manufacturing company specializing in consumer electronics, automotive, AIoT, and medical fields. It has now become one of the top three camera module companies in the world and its products are widely used in precision optics areas such as smartphones, laptops, new energy vehicles, AR/VR, display modules, and medical devices. The company mainly serves well-known global brands across various fields.

With nearly 10,000 employees, including over 10% R&D personnel, the company's main production bases are located in Guangzhou, Dongguan, and Shangrao. It also has R&D centers in South Korea and Taiwan, China, equipped with professional R&D teams to achieve independent research and development. The company's scaled production and automation capabilities are leading in the industry. It will continue to advance R&D investment, management reform, operational innovation, and quality system building to rapidly achieve scaled expansion and production capacity enhancement. With a strong R&D team, the company successfully developed and mass-produced the industry's first triple-camera module for smartphones in 2020, continuously driving the development of precision optics products. It is also the only company in the world capable of supplying camera modules for smartphones to two major mobile phone system camps and is a key supplier of smartphone camera modules for several global well-known brands.

In the future, with the mission of "To deliver leading technologies and fulfill the dreams of our global partners" the company aims to become the most trusted solution provider for global clients and a leader in the global precision optics industry. Targeting the R&D, production, and application of AIoT smart IoT, AR/VR, 3D displays, automotive markets, and emerging display modules, the company will leverage group-wide resources and focus on continuous technological advancement. With the goal of vertical integration of key components, it aspires to become a world-class leader in image technology integration and a reliable all-around optical solution supplier worthy of deep-seated client trust. Amid the trend of interconnectedness and convergence, Luxvisions Innovation is set to embrace even broader growth opportunities.

Group Culture and Values

Mission

Committed to advancing cutting-edge technology, fulfilling the ambitions of our global partners.

Vision

Become the most trusted solution provider for global customers.

Core Values

Customer Success
Enabling customer success is enabling our success

Relentless Mission
If there's a way, we pursue it. If there's no way, we create one

Continuous Innovation
Make innovation a habit and instinct

United Journey
Working side by side because of the trust and full support from partners

Self-driven Growth
Growth is a prerequisite for self-realization and value creation

Development Milestones

2006
Global launch of VGA CSP/ COB camera modules.

2010
Global launch of 5-million-pixel dual-mode camera modules.

2013
Global launch of OIS/CL AF camera modules.

2014
Global launch of 8-million-pixel dual-mode camera modules.

2018
- Mr. Wang Laixi acquired the camera module business division of Lite-On Electronics and established Guangzhou Luxvisions Innovation Technology Corp. Limited.
- Began supplying camera module products for Android strategic clients in the smartphone sector and for well-known global brand strategic clients in the laptop camera module sector.

2020
Acquired Cowell Optics and began supplying camera module products for international strategic clients in the smartphone sector.

2021
Established Dongguan Shiyuan Photoelectric Technology Co., Ltd., later renamed as LuxColight Optic Electronics (Dongguan) Co.,Ltd.

2022
Jointly established Dongguan Luxsense innovation eletronics Co., Ltd. with Suteng Photonics.

2023
Acquisition of Lite-On Electronics (Guangzhou) Co., Ltd.' Printer Division.

2024
Established the ESG Promotion Center to comprehensively advance sustainability initiatives.

Steady Operations and Resilience Demonstration

Scientific and standardized operational management is a vital guarantee for sustainable corporate development. Luxvisions Innovation has established an ESG management system, refined its corporate governance structure, advanced integrity and compliance building, and strengthened data security protection. These systematic measures have established a comprehensive internal control and risk prevention system. They enhance the company's core competitiveness and operational efficiency while boosting its resilience and risk-resistance capabilities, providing a solid foundation for high-quality and sustainable development.

Respond to the United Nations Sustainable Development Goals:

Implementing ESG Management

The company has established a standardized ESG management system. By integrating internal and external resources, it has gradually enhanced the sustainability capabilities of various business segments. In daily operations, we value communication with all parties, identify key issues, and promptly monitor ESG-related risks and opportunities. We implement sustainable development requirements across all levels of corporate operations.

ESG Management Framework

We have established a well-defined sustainability governance framework. Internally, the ESG Promotion Center has been set up, forming a three-tier management system covering the decision-making, planning, and execution levels. Externally, we collaborate with sustainability experts to provide professional technical guidance and support for the company's ESG initiatives. Through internal-external collaboration mechanisms, we effectively advance ESG strategies, comprehensively improve ESG performance, and co-create sustainable development value with stakeholders.

Decision-making Level

The General Manager and the Management Committee are responsible for overseeing the decision-making and supervision of sustainability-related affairs. They regularly listen to reports from the ESG task force, review sustainability reports, major ESG matters, key plans and policies, and approve material ESG topics. This ensures that the sustainability philosophy is highly aligned with the company's core values.

Management Level

The ESG Promotion Center has been established to formulate the company's mid-to-long term sustainability development plan. It manages key substantive topics, sets goals, and oversees implementation. It benchmarks against industry best practices and devises specialized ESG improvement plans. The ESG Promotion Center regularly reports to the Management Committee and the General Manager to ensure the effective implementation of sustainability strategies within the company.

Execution Level

The executive level consists of various subsidiaries and departments, responsible for implementing the company's ESG-related initiatives in alignment with their respective operational realities. They regularly report execution progress and outcomes to the ESG Promotion Center, ensuring that sustainable development principles are integrated throughout all operational processes. This layer enhances employee awareness, fosters full participation, and drives the steady achievement of ESG objectives through continuous improvement.

Stakeholder Communication

We place great emphasis on the opinions and feedback of stakeholders. We maintain smooth communication through diverse channels such as a public email and a complaint hotline (020-66615999). Stakeholders can raise concerns about potential negative impacts of our business at any time. We assign dedicated staff to respond promptly and establish contact. Through preventive measures, self-remedy, or collaboration, we actively address issues. The entire process is subject to comprehensive supervision and review until the complaint is satisfactorily resolved and recognized. We also continuously track the effectiveness of remedies and regularly update stakeholders on progress to ensure the effectiveness and transparency of the remedy process.

We fully understand the significant role and influence of every stakeholder on the company's development. Guided by national macro-policies and relevant standards and regulations, we combine the company's business characteristics and operational realities to systematically identify eight core categories of stakeholders. By continuously optimizing diverse communication mechanisms, we ensure that the concerns and expectations of all parties are effectively integrated into the company's strategic decision-making and operational management.

Stakeholder Types	Key Focus Issues	Communication Channels
Government and regulatory agencies	Environmental Management Systems、Emissions Management、Water Resource Management、 Energy Management、Climate Change Response、Employee Rights Protection、Corporate Governance, Business Ethics、Information Security and Privacy Protection	● Under supervision ● Ad-hoc communication and reporting ● Participation in relevant meetings ● Survey questionnaires
Shareholders and investors	Corporate Governance、Sustainability Management、Shareholder Rights Protection、Risk Management、Environmental Management Systems、Energy Management、Climate Change Response、Clean Technology Opportunities、Renewable Energy Use、Technological Innovation	● Multi-channel information disclosure ● Shareholders' meetings ● Conference calls, email, etc. ● Survey questionnaires
Clients	Supply Chain Management、Product Quality、Hazardous Substance Management、Information Security and Privacy Protection、Client Service	● Client satisfaction surveys ● Routine client communication and regular meetings ● Periodic client audits ● Survey questionnaires
Suppliers	Circular Economy、Supply Chain Management, Conflict Mineral Procurement、Business Ethics、Information Security and Privacy Protection	● Supplier meetings ● On-site audits ● Supplier training
Employees	Employee Rights Protection、Employee Training and Development、Occupational Health and Safety、Employee Care、Information Security and Privacy Protection、Chemical Safety Management	● Employee satisfaction surveys ● Employee feedback ● Employee activities and training ● Employee communication meetings

Stakeholder Types	Key Focus Issues	Communication Channels
Industry partners	Industry Development、Business Ethics、Information Technology Development、Automation Development、Echnological Innovation	● Industry exchange meetings ● Routine business ● Routine business communication visits ● Multi-channel information disclosure
Community members	Environmental Management Systems、Emissions Management、Water Resource Management、Climate Change Response、Social Engagement	● Multi-channel information disclosure ● Complaint hotline ● Survey questionnaires ● Volunteer activities
Public media	Environmental Management Systems、Emissions Management、Water Resource Management、Climate Change Response、Renewable Energy Use、Circular Economy、Social Engagement、Sustainability Management	● Multi-channel information disclosure ● Communication interviews ● Survey questionnaire

Identification of Material Topics

We have updated our assessment methodology in line with the latest international disclosure standards and conducted a dual materiality assessment for the first time. Building on our previous impact-based materiality assessment, we have incorporated a financial perspective. We have fully integrated the views of multiple departments and stakeholders to comprehensively analyze the impact of ESG topics on the company's finances as well as on the economy, environment, and society. In this report, we have prioritized 25 material topics for key responses.

Dual Materiality Assessment Methodology

01 Topic Identification

By comprehensively considering the latest ESG regulatory requirements and trends, the company's development plan, industry-wide conditions, and capital market attention, we have analyzed and identified 25 potential material topics to form a topic repository.

02 Research and Communication

From the perspectives of sustainability impact and financial impact, we have conducted a special survey.

The sustainability impact survey invites stakeholders to score the positive and negative impacts of each topic on the company's sustainability development through external survey questionnaires.

The financial impact survey invites company management and finance-related colleagues to score the positive and negative impacts of each topic on the company's finances through internal research interviews.

03 Assessment and Analysis

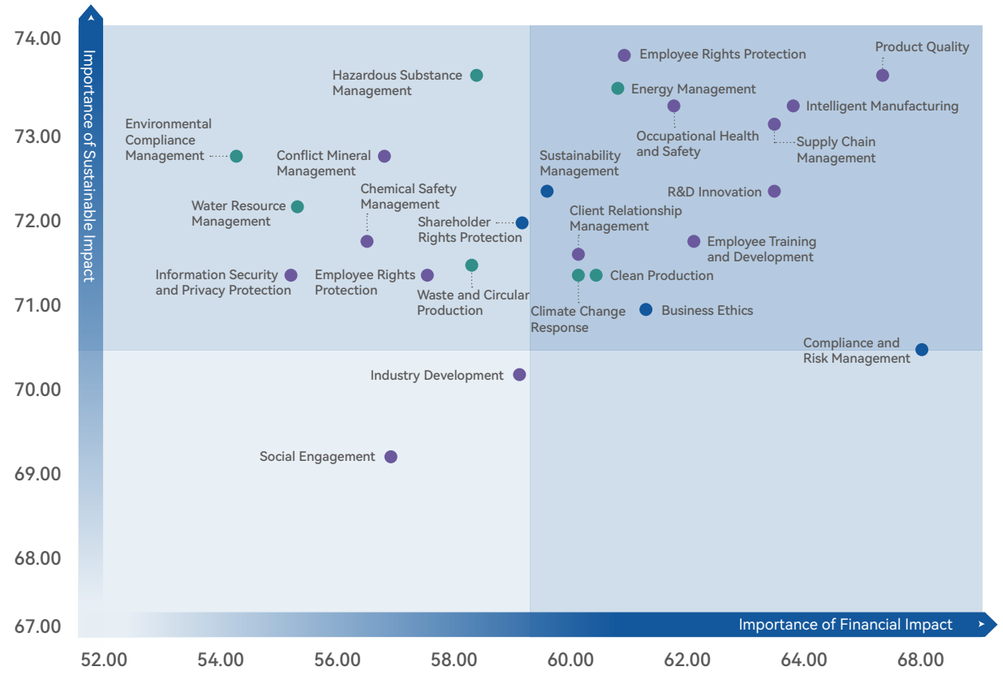
Based on the internal and external research data from Step 2 and expert guidance, we conduct a comprehensive assessment and analysis to form the 2024 Dual Materiality Topic Matrix and determine the company's annual material topics.

04 Review and Confirmation

After review and confirmation, the final dual materiality topics are determined. Guided by the analysis results, we conduct targeted disclosures and practice improvements.

Luxvisions Innovation's ESG Materiality Topic Repository

Environmental Topics	Environmental Compliance Management	Climate Change Response	Energy Management
	Water Resource Management	Waste and Circular Production	Hazardous Substance Management
	Clean Production		
Social Topics	Product Quality	R&D Innovation	Client Relationship Management
	Intelligent Manufacturing	Information Security and Privacy Protection	Supply Chain Management
	Conflict Mineral Management	Employee Rights Protection	Occupational Health and Safety
	Employee Training and Development	Employee Support and Care	Chemical Safety Management
	Industry Development	Social Engagement	
Governance Topics	Employee Training and Development	Business Ethics	Compliance and Risk Management
	Industry Development		



Luxvisions Innovation's 2024 Dual Materiality Topic Matrix

CSR Management

We continuously enhance our CSR performance by systematically comparing with the company's social responsibility management guidelines. We comprehensively optimize the five core areas including labor rights, health and safety, environmental protection, business ethics, and management systems. We improve the employee rights protection system, upgrade the EHS (environment, health, and safety) management system, establish a more transparent business ethics supervision mechanism and supply chain ESG risk control mechanism, and guide the social responsibility management towards a higher level by following the ISO26000 standard.

Optimizing Corporate Governance

The company strictly complies with national laws and regulations, continuously refines its institutional system, clarifies the authority and responsibility positioning of corporate governance, and establishes a comprehensive governance system. By strictly implementing compliant operations and internal control management, we enhance our governance level and ensure lawful and efficient operations.

Law-based and Compliant Operations

We place great emphasis on corporate compliance management and continuously enhance our law-based and compliant operational management level. We integrate compliance management into the company's management systems, workflows, business processes, and daily management practices. We ensure that compliance management is thorough, in-depth, and comprehensive, integrated with internal comprehensive controls, safeguarding the company's sustainable development.

Law-based Corporate Management

Strictly abide by the Advertising Law of the People's Republic of China, the Anti-Unfair Competition Law and other relevant Chinese laws and regulations, as well as anti-monopoly regulations in business locations. Through the "Business Ethics Code" explicitly prohibit the following behaviors: illegally obtaining competitors' trade secrets (via means such as intrusion, theft, eavesdropping, or bribery), publishing false or misleading advertisements, and concluding price-fixing agreements with peers. We are fully committed to maintaining a fair and just market environment. Since its establishment, the company has never been involved in unfair competition or illegal infringement incidents.

Compliant Tax Payment

trictly comply with national tax policies and pay taxes in accordance with the prescribed tax rates, types, and calculation methods. Establish a comprehensive tax management system, including tax declaration, payment, and invoice management. Regularly conduct tax self-checks to promptly identify and resolve issues, ensuring tax compliance.

Anti-Unfair Competition

Strictly abide by national laws and regulations such as the "Company Law of the People's Republic of China" establish a professional legal team, continuously refine management systems, and regularly conduct legal knowledge training to enhance employees' legal awareness. Consciously integrate law-based requirements into all aspects of corporate development, strengthen law-based decision-making, advance compliance management, and improve legal supervision.

Enhancing Internal Control Managemen

The company always regards internal control management as the cornerstone of stable operations. Adhering to the principles of comprehensiveness, checks and balances, adaptability, and cost-effectiveness, we have established an internal control system covering all business processes, functional departments, and employees. By clarifying authority and responsibility allocation, we ensure that all levels effectively perform their duties in risk management, decision-making, execution, and supervision. Through dynamic identification and precise assessment of risks in environmental, social, and governance dimensions, we preemptively identify potential risks and develop differentiated response strategies to keep risks within acceptable limits.

Internal Control Management Processes and Systems

Internal Environment of the Organization	Corporate Culture Values Development Strategy New Technologies, New Equipment	Analysis Table of Internal Environmental Factors of the Organization
External Environment of the Organization	Laws, Regulations, Environment, and Countermeasures Economic Environment New Technological Changes Political Environment	Analysis Table of External Environmental Factors of the Organization
Clients Suppliers Employees	Internal External Employees Community Government Third Parties	Analysis Table of Related Parties' Demands

Risk Identification and Assessment

Strategic Formulation with Risk Consideration: In the strategic formulation stage, we fully consider the internal and external environment and the needs of stakeholders, covering cultural, technological, product, and quality-related strategic directions.

Key Elements for Internal and External Environment Assessment

Internal Environment: Assess elements such as product types, R&D capabilities, production management, corporate philosophy, and employee status
External Environment: Monitor factors such as client requirements, laws and regulations, market competition, socioeconomic, and the natural environment.

Stakeholder Demand Collection and Application: Through regular communication meetings (e.g., client QBR meetings, supplier conferences, employee communication sessions), daily interactions (telephone, email, etc.), and immediate feedback (product/service requirements, complaints, etc.), we comprehensively collect internal and external stakeholder demands, forming a demand response table to provide a basis for risk identification.
Key Area Risk Identification: Based on a full-life-cycle perspective, we conduct risk identification for environmental, health and safety, and information security systems, with a focus on controlling environmental factors and hazards in the production process.

Risk Identification and Reassessment Mechanism

Trigger Conditions: Clearly define conditions such as significant market fluctuations, strategic goal adjustments, major client complaints, environmental penalties, and revisions to management system standards as triggers for risk reassessment.
Regular Assessment: Conduct at least one comprehensive risk assessment annually.

Risk Analysis and Grading: By comprehensively considering factors such as product/service compliance, client satisfaction, and adherence to laws and regulations, we conduct quantitative risk assessment through "severity" and "possibility" to classify risk levels and provide support for precise response.

Risk Response and Management

Diversified Response Strategies: Develop diversified response strategies for risks of different levels, including risk avoidance, active assumption, elimination of risk sources, risk reduction, consequence transformation, risk sharing, and retention of low-risk scenarios.

Implementation of Control Measures: After determining response strategies, implement control measures through system refinement, technological upgrades, and staff training. Meanwhile, integrating effective measures into management system documentation.

Execution Supervision: Each business unit designates a specialist to monitor the progress of measure implementation, ensuring risks are manageable.

Special Issue Management: For major environmental factors, hazards, and compliance-related issues, implement special management in accordance with established procedures and regularly verify the effectiveness of measures.

Knowledge Sharing Mechanism: Establish a knowledge sharing mechanism to upload documents such as environmental monitoring lists, stakeholder requirement lists, and risk assessment tables to the management system, promoting experience exchange and knowledge transfer.

Daily Meeting Management: Daily meetings are an important part of risk management. Through weekly meetings, morning meetings, and high-level executive meetings, risk dynamics are promptly communicated to ensure the efficient operation of the risk management system.

Enhancing Integrity Building

The company always adheres to the principles of integrity-based operations, honest dealings, and fair transactions. It strictly complies with anti-corruption and anti-bribery laws and regulations and requires all employees to act in accordance with ethical and honest principles and fair transaction standards in all business dealings.

Anti-Corruption Governance

In accordance with laws and regulations and actual business conditions, the company has established a disciplinary committee and formulated policies such as the "LUXVISIONS Global Business Conduct and Ethics Guidelines" the "Business Ethics Code" and the "Employee Handbook". We continuously advance the construction of anti-corruption supervision and risk prevention systems, committed to building a trustworthy and mutually beneficial industry ecosystem and promoting sustainable development.

No litigation cases involving company-or employee-related corruption occurred during the reporting period.

Company-Level Measures

The company adheres to the highest standards of ethical and honest norms in all commercial activities. It consciously complies with relevant laws, regulations, and rules regarding fair transactions, integrity, and anti-corruption. It conducts self-inspections of integrity and compliance twice a year.

We prohibit any and all forms of bribery, money laundering, corruption, extortion, embezzlement, solicitation of improper benefits, and other unethical behaviors to ensure the company meets the requirements for integrity-based operations（including commitments to not offer, provide, give, or accept any form of bribes）.

In business dealings with client companies, we adhere to the principle of integrity, ensuring that we do not provide products or materials that do not meet the agreed-upon quality and technical standards. We guarantee that all documents, data, statements, and oral communications provided to client companies are truthful and accurate. We strictly honor commitments made to clients, signed contracts, agreements, and memorandums, and deliver products and/or services on time, with quality and quantity assured. We offer reasonable quotations, avoid fraud, make no false statements, and do not seek excessive profits. We intentionally conceal no quality issues of products or services and prohibit any form of commercial fraud.

Employee-Level Measures

Employees are required to consciously abide by the company's business ethics code and proactively report any violations of ethical standards or related personnel.

Employees must not solicit or accept any form of improper benefits from clients or any transaction counterparts of Luxvisions Innovation (including third parties, suppliers, service providers, distributors, financial and funding-related entities, or investment and cooperative enterprises), such as kickbacks, commissions, entertainments, or improper gifts.

During business meetings, visits, and other exchange activities with suppliers or clients, employees may exchange gifts as a courtesy, with a value not exceeding RMB 500. Gifts exceeding RMB 500 must not be given or accepted. If acceptance is unavoidable, prior approval from the department supervisor or the company's CSR manager representative is required.

Anti-Corruption Reporting Management

We publicize complaint and reporting channels through the OA system, WeChat official accounts, case-study notifications, holiday reminders, and integrity-related training documents to ensure that every employee and business partner is aware of the reporting options. For reported issues, we promptly address them and implement measures to plug management loopholes.

The HR department has assigned dedicated personnel to receive, handle, and process corruption-and bribery-related complaints. Individuals providing effective reporting information will be rewarded in accordance with the company's reporting reward standards. We encourage employees, business partners, and the public to report illegal and non-compliant behaviors and join hands to create a clean and upright business environment.

Through institutionalized measures, we ensure the safety and reliability of reporting channels and safeguard the legitimate rights of whistleblowers to maintain the company's integrity-based operating environment. We have established a comprehensive whistleblower protection system and strictly enforce confidentiality principles: All clue verifications are conducted anonymously; without the whistleblower's written consent, their identity information and the content of the report must not be disclosed; case materials are transported using regular envelopes to avoid dedicated ones that may reveal the source; and the reward distribution process for whistleblowers is kept strictly confidential.

Reporting and Complaint Channels

Whistleblower Emai
Justice@ luxvisions-inno.com

Whistleblower Hotline
13688847351

Integrity Culture Building

To enhance the commercial ethics and compliance awareness of employees and business partners, we have established a systematic and comprehensive training program. Training is conducted at different levels based on employee hierarchy and partnership relations, focusing on areas such as identifying corruption forms, anti-fraud strategies, integrity and compliance standards, and ethical self-discipline. Through diverse formats such as integrity training, anti-corruption meetings, case-study notifications, and policy interpretation, we continuously improve the compliance awareness and risk-prevention capabilities of all stakeholders.

We have systematically advanced the education system for integrity-based operations, incorporating the "LUXVISIONS Global Business Conduct and Ethics Guidelines" into quarterly compulsory training and implementing assessments. Assessment results are directly linked to employee performance evaluation and promotion. Annual specialized anti-corruption training is conducted for key-position personnel such as quality management, procurement, and sales. The training covers case studies of corruption, company punishment policies, integrity reward programs, and reporting channels, continuously strengthening the awareness of integrity-based operations among all employees.

Total training hours for anti-corruption and business ethics **20,592** hours

Sign-up Rate for the "Employee Integrity Pledge" and "Code of Conduct Commitment Letter" **100%**

Coverage Rate for Anti-Corruption Training Among Employees **100%**

Pass Rate for the COC (Code of Conduct and Code of Ethics) Assessment **100%**

Case

Upholding Integrity Boundaries and Promoting Clean and Upright Conduct" Training Program

In March 2024, the company's disciplinary committee organized an anti-corruption training program themed "Upholding Integrity Boundaries and Promoting Clean and Upright Conduct." The training systematically promoted the company's anti-corruption behavior standards and work principles. Through case-study analysis, it comprehensively showcased the achievements of the anti-corruption system. It also publicized channels for anti-corruption declarations and summarized the annual anti-corruption efforts. A total of 85 staff members participated in the training. Through warning-based education and exam-driven learning, a 100% pass rate was achieved, effectively enhancing the awareness of clean and upright conduct and the ability to resist corruption among all employees.

Safeguarding Information Security

In today's highly digitalized era, information security has become a key cornerstone for enterprises to move forward steadily. The company has strengthened its information security management system comprehensively, using hardware deployment, software control, strict background checks, permission management, and regular security training to build a defense line. These measures jointly construct a full-process information security guarantee from production to delivery, continuously creating secure and reliable value for clients.

Information Security Management

Information security is an integral part of the company's ESG governance system. To fully protect data assets, maintain client privacy rights, and prevent network risks, the company has established a systematic information security management system. We strictly comply with laws and regulations such as the "Cybersecurity Law" and the "Data Security Law" and have formulated and implemented a series of institutional documents, including the "Information Security Management Standards" the "Information System Emergency Response Plan" the "Information Security Incident Management Procedure" and the "Information Security Penalty Operation Measures" This builds a protective mechanism covering the entire life cycle of data.

Information Security Management Policy

Full-staff participation、prevention-oriented、equal emphasis on management and technology、comprehensive prevention

Information Security Management Policies

Focusing on five dimensions-physical security、network security、personnel security、product security, and information transmission-we use technological support、management empowerment、supervision and improvement、and a combination of rewards and punishments to ensure the information security of the company and its clients.

ISO27001Information Security Management System Certification Certificates

Guangzhou Plant

Shangrao Plant

Information Security Management System

Graded Management	Asset Management	Access Permissions	Privacy Protection
Confidential Document Management、Confidential Document Storage	Authorization Management、Equipment Maintenance	Internal Employee Permission Management、Third-Party Access Clauses、Privacy Protection Training	Privacy Protection Content、Privacy Protection Marking、High-Sensitivity Document Protection

No information leakage incidents occurred during the reporting period.

Information Security Training

We deeply understand that employees are the first line of defense for information security. Therefore, we have established a systematic and multi-level information security training and publicity system to ensure that both management and frontline employees fully comprehend the importance of information security. This strengthens employees' awareness and sense of responsibility for information security from the source.

Tiered Training Mechanism

We have designed differentiated training programs for employees in different positions and hierarchical levels. Information confidentiality courses are included as a core component of new-employee orientation, covering the company's confidentiality management system, information security laws and regulations, Client Non-Disclosure Agreement(NDA), and the serious consequences of non-compliance. For current employees, we organize specialized re-training annually to update the latest information security requirements and reinforce compliance-related operational standards. For key sensitive positions such as R&D, production, and logistics, we implement a stricter access-training mechanism.

Relevant personnel must pass the specialized assessment on "Key Position Information Security Confidentiality Requirements" to fully grasp the information security control points specific to their roles. For instance, R&D personnel are required to focus on learning the full-life-cycle management standards for technological documents, while logistics inspection personnel must master the inspection standards for confidential materials and emergency response procedures.

Diversified Publicity Approaches

In daily management, we use morning meetings and other formats to periodically promote information security requirements, forming a regular publicity mechanism. We also integrate information security system promotion with warning education. In conspicuous locations such as personnel and logistics entrances and exits, we post information security publicity materials, including prohibited actions, violation cases, and information security reward-and-punishment-based management diagrams with dimensions no smaller than 80cm x 60cm, to enhance the warning effect.

Total Participants in Information Security Training	Total Duration of Information Security Training	Coverage Rate for Information Security Training
8,266	**24,452** Hours	**100%**

Privacy Protection Management

We strictly adhere to our commitment to information security and privacy protection, comprehensively covering the personal information and commercial data security of suppliers, clients, users, and employees. Throughout the entire life cycle of information management-from collection, storage, processing, transmission to sharing-we strictly comply with domestic and international privacy protection and information security laws and regulations to ensure compliant operations.

Graded Control of Sensitive Information

Human Resources Data: Sensitive employee records, including personnel files, are securely stored in a dedicated filing room equipped with an access control system. The room is managed under a "dual-personnel, dual-lock" mechanism, requiring approval from three levels of authorization for any document retrieval.

Supply Chain Audit Data: Supplier employee information collected by the CSR audit team is encrypted and stored on a dedicated server. Access logs are retained for a minimum of three years. **Paper Document Management:** Confidential documents, such as payslips, are secured under a "lock-upon-use" principle. Discarded documents must be shredded and logged for disposal records.

Trade Secret Protection

We explicitly regulate employee behavior in the protection of trade secrets. During and after employment, employees must not disclose or deliver the company's (including affiliated entities) or other entities' trade secrets to any third party. For trade secrets encountered in the course of work, employees must not reference, use, plagiarize, steal, or infringe upon them without written authorization from the original rights holder. Employees are required to exercise a high degree of caution and take reasonable and effective measures to maintain the confidentiality of trade secrets. Without the company's written permission, employees must not disclose, deliver, or use the company's trade secrets for non-work- related purposes or provide them to non-essential personnel or third parties, nor shall they use them for purposes unrelated to their duties.

No complaints related to the infringement of client or employee privacy, or the loss or leakage of client data, were substantiated during the reporting period.

Carbon Reduction and Green Development

Luxvisions Innovation consistently prioritizes environmental management as a core pillar of its operational strategy, actively establishing a comprehensive and science-based climate risk management system.

In daily operations, we adopt a clear energy-saving and carbon-reduction orientation, implementing multi-dimensional environmental initiatives spanning from production process optimization to efficient energy utilization.Through sustained investment and innovation, we continuously reduce carbon emissions, translating our commitment to corporate environmental responsibility into tangible actions. By setting a benchmark for green development within the industry, we contribute to the realization of a sustainable future.

Respond to the United Nations Sustainable Development Goals:

Climate Change Response

We place high importance on climate-related risks and opportunities across our upstream and downstream supply chain and in our own operations. From four core dimensions- "governance structure" "strategic planning" "risk management" and "target and indicator setting" -we have established a systematic response framework. With a firm belief in sustainable development, we actively respond to global climate initiatives, set ambitious carbon reduction targets, and implement them. While vigorously investing in our own energy-saving and emission-reduction efforts, we also support our supply chain partners in moving toward a green and low-carbon future.

Governance Structure

We have established a carbon neutrality task force led by senior management, coordinated by the Sustainability Promotion Center, and supported by close collaboration from various departments. This team is fully responsible for the planning, execution, and supervision of climate-related affairs to ensure steady progress toward our goals.

General Manager
Oversees sustainability-related matters, manages the identification, analysis, and control of climate risks, supervises the implementation of climate-related work across departments, and regularly reports progress to senior management.
Execution Level
The ESG Promotion Center, EHS Department, and Factory Affairs Department work together to implement carbon management and specific carbon reduction tasks. They develop plans, drive projects, and monitor data to ensure the achievement of carbon reduction targets.

Strategic Planning

We closely align with our business realities and deeply analyze relevant policies and regulations to accurately identify dynamic changes in climate-related risks and opportunities. We have actively promoted low-carbon initiatives such as energy-saving renovations, rooftop solar installations, and direct procurement of green electricity. We are also in the process of setting science-based targets in line with the SBTi framework. In the future, we will continue to conduct greenhouse gas inventories for our supply chain and adopt multiple measures to promote the low-carbon transformation of our energy structure, fully supporting the achievement of carbon neutrality goals.

Risk Management

Each risk management department regularly comprehensively reviews, screens, and scientifically assesses current while potential climate-related risks, devising feasible response measures based on risk types. Management prioritizes high-priority and urgent risks for disposal, ensuring efficient climate-change-related risk management.

Targets and Indicators

Guangzhou Plant Carbon Reduction Target

By 2030, reduce absolute Scope 1 and 2 GHG emissions by 40,000 tons of CO_2 equivalent compared to 2023, representing a 28% reduction.

CO_2 ↓ 28%

Shangrao Plant Carbon Reduction Target

By 2030, reduce Scope 1 and 2 GHG emissions by 20,100 tons of CO_2 equivalent compared to 2023, representing a 25% reduction.

CO_2 ↓ 25%

In response to national "dual-carbon" goals, we lead with a 2050 carbon neutrality target, combining baseline carbon inventory results with our business development plan. We are committed to fulfilling our climate commitments and steadily advancing toward a carbon-neutral future.

Environmental Management System

We uphold a strong sense of responsibility toward the environment and strictly adhere to national laws and regulations such as the "Environmental Protection Tax Law of the People's Republic of China" and the "Soil Pollution Prevention and Control Law of the People's Republic of China" We integrate environmental protection responsibilities into every aspect of our operations. On this basis, we have developed a series of targeted environmental management procedures, including the "Environmental Factor and Hazard Identification and Evaluation Procedure" and the "Hidden Danger Investigation and Management Procedure" achieving standardized, systematic, and institutionalized environmental management.

ISO14001 Environmental Management System Certification Certificates

Guangzhou Plant | Vietnam plant | Shangrao Plant | Dongguan Cowell

Greenhouse Gas Emissions

The company places great emphasis on greenhouse gas reduction and considers it a core strategic task. By establishing a refined smart energy management system, advancing equipment energy-saving renovations, and increasing the application of clean energy, we have effectively reduced carbon emission intensity and steadily promoted the company's low-carbon development.

Guangzhou Plant Greenhouse Gas Emission Data

Scope 1:

2,805.52 CO2e

Scope 2:

(Location-based) **49,381.13** tCO2e

(Market-based) **29,949.56** tCO2e

Shangrao Plant Greenhouse Gas Emission Data

Location-based: Scope 1:

497.43 CO2e

Scope 2:

(Location-based) **14,473.94** tCO2e

(Market-based) **9,971.78** tCO2e

Resource Management Strengthening

The company prioritizes resource management as a core component of its sustainable development strategy. To achieve this, we have launched comprehensive initiatives to systematically optimize production operations and increase technological innovation investment. We are actively promoting green production models to reduce energy consumption, improve material utilization rates, and vigorously advancing the widespread application of renewable energy to decrease reliance on traditional energy sources. Additionally, we focus on water resource recycling to achieve efficient resource management and sustainable utilization.

Energy Management

In the field of energy management, the company places great emphasis on the integration of system construction and technological innovation. On one hand, to effectively control the entire energy management process, including energy storage, conversion, transmission, and end-use, the company has established a series of stringent systems, such as the "Energy Operation Management Procedure" the "Energy Review Management Procedure" the "Energy Monitoring and Measurement Management Procedure" and the "Energy Baseline and Energy Performance Parameter Management Procedure" These systems provide clear guidelines for energy management, enabling the company to enhance energy efficiency, reduce production energy consumption, cut energy costs, and achieve its set energy goals and indicators.

On the other hand, we combine energy management with smart park development and advance the construction of the IOE Smart Energy Management Platform. This platform enables scenario-based automatic regulation, prolongs equipment lifespan, and saves energy. It also provides visualization reports to assist maintenance personnel in quickly identifying equipment issues. Real-time collection of electrostatic data ensures workshop safety and quality. The platform displays input-output ratios, yield rates, and reasons for defects, along with trend charts, helping managers grasp production dynamics and supporting decision-making.

Luxvisions Innovation National Headquarter Factory Energy Management System

Renewable Energy Utilization

In pursuit of our carbon-neutrality goal, the application of renewable energy is a core initiative. We are fully aware of the urgency and significance of green development. We are actively promoting rooftop photovoltaic projects to convert sunlight into clean electricity, engaging in direct procurement of green electricity, and participating in green certificate purchases. Through these measures, we are continuously increasing the proportion of clean energy and reducing carbon dioxide emissions. We are committed to fulfilling our environmental responsibilities and building a green and sustainable future.

Renewable Energy Utilization Target:
Achieve 50% by 2025 and 100% by 2030

2025 Completion Rate **50%**

2030 Completion Rate **100%**

2024 Completed **40%**

Total photovoltaic power generation	Direct green electricity procurement	Green certificate procurement
737,058 kWh	**8,135,000** kWh	**60,770,000** kWh

Case

Guangzhou Plant Distributed Photovoltaic Power Generation Project

To actively practice the concept of energy-saving and environmental protection and promote green and sustainable corporate development, the Guangzhou Plant has scientifically established a solar photovoltaic system on its vacant rooftop areas. In 2024, our self-built photovoltaic power generation project was put into operation, cumulatively replacing 737,058.4 kWh of grid electricity throughout the year. Based on this calculation, it is equivalent to saving approximately 90 tce and achieving a greenhouse gas reduction of approximately 650 tCO2e. In the future, Luxvisions will continue to increase investment and steadily expand the coverage of photovoltaic systems, contributing to the construction of green and low-carbon plants and supporting the industry's green transformation.

Low-Carbon Energy-Saving Renovations

We place great emphasis on resource conservation and environmental protection. We have formulated and implemented the "Resource Conservation Procedure" to achieve effective resource utilization and pollution prevention. We regularly advance energy-saving renovation projects in workshops, deeply exploring energy-saving potential in production processes. By recovering and utilizing waste heat, we have implemented special energy-saving renovation projects for central air conditioning water-cooled units. We actively adopt advanced equipment to reduce energy consumption and promote green production. Through a combination of management strategies and technological innovation, we have significantly improved resource utilization efficiency and reduced energy consumption, effectively controlling greenhouse gas emissions and laying a solid foundation for building a low-carbon and environmentally friendly green production system.

Waste Heat Recovery Project

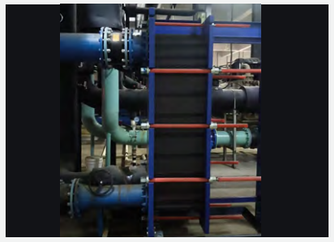
The project adopts full-heat recovery from air compressors and water chillers, converting waste heat into heating for industrial park cleanrooms in winter and providing hot water for employee dormitories. The total waste heat recovery is 17,743,670.73 kJ/h.

Variable Frequency Control Technology

The project adjusts energy use demand precisely through variable frequency drives to achieve energy savings. Effective reduction in equipment power consumption is realized by applying variable frequency motors to the water supply system, central air conditioning system, and compressed air system. The energy saved is equivalent to 232.43 tons of standard coal.

Cooling Water Replaces Ice Water

In winter, when outdoor temperatures are low, cooling water can reach below 10°C, meeting the cooling requirements of air conditioning systems. By installing a heat exchanger between ice water and cooling water to directly cool air conditioning system water, electricity savings of 166,477 kWh were achieved in 2024.



Air Supply System Retrofit

The post-treatment facilities of the air supply system's micro-hot adsorption dryer waste approximately 12%-15% of air. By replacing it with a zero-air-consumption drum-adsorption dryer, electricity savings of 69,674 kWh were achieved in 2024.

Water Resource Management

In response to environmental protection calls, we have formulated the "Resource Conservation Procedure" to enhance employees' water conservation awareness and elevate the company's water resource management to new heights. We aim to build a water-saving enterprise and contribute to water resource protection. By strengthening water conservation awareness and creating a company-wide participation atmosphere, strictly maintaining facilities to eliminate water waste, optimizing irrigation for landscaping with precise water control, and promoting water recycling to maximize water resource value, we are working toward our goals.

We are continuously exploring new water resource recycling technologies and methods to improve wastewater reuse rates and gradually move toward the goal of zero wastewater discharge, minimizing the impact on surrounding water bodies and achieving a win-win situation between corporate development and environmental protection.

Annual water conservation target:
Reduce water consumption per unit of output by 10%.

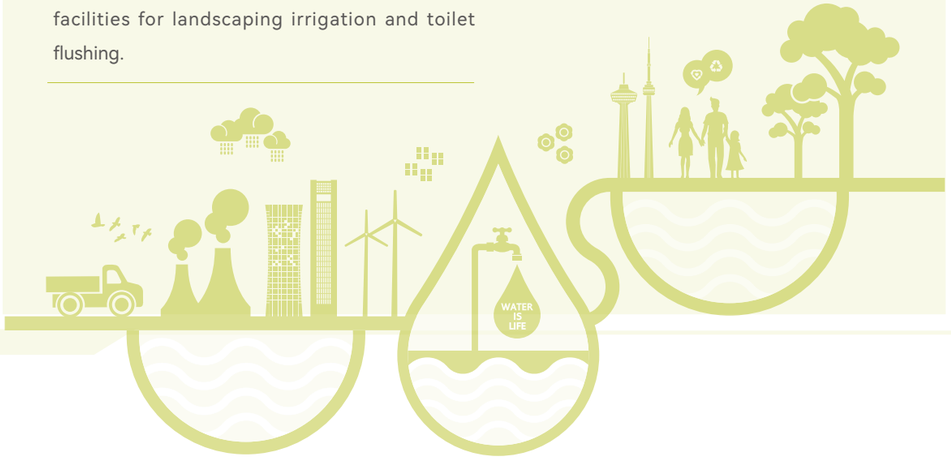
10%

Due to the company being in a growth phase, the target has been adjusted to an intensity-based objective.

Case

Multi-Pronged Water-Saving Measures to Reduce Water Resource Consumption

The Guangzhou plant has reduced water consumption by implementing water conservation measures, including selecting water pumps that meet the energy-saving evaluation values specified in the national standard Energy Efficiency Limits and Energy-Saving Evaluation Values for Clean Water Centrifugal Pumps (GB19762-2007), installing water-saving fixtures in water-using areas, and recycling concentrated water generated from purified water production facilities for landscaping irrigation and toilet flushing.



Waste and Emission Management

Guided by the lifecycle environmental management approach, the company has established a comprehensive pollution prevention system covering the entire production process. By employing a three-tier collaborative mechanism of "source control-process optimization-end-of-pipe treatment" and continuously increasing investment in pollution prevention technologies and projects, the company promotes the efficient circulation of resources. Through the establishment of a systematic environmental management system, the company drives the industry's transition to low-carbon and circular development.

Waste Management

We strictly abide by the "Solid Waste Pollution Environment Prevention and Control Law of the People's Republic of China" and have formulated the "Dangerous Waste and Hazardous Chemicals Operation Standards" A full-chain management system of "Source Classification-Centralized Control-Compliant Disposal" has been built, with the core concepts of "Reduction, Resource Utilization, and Harmlessness" Through organizational structure optimization, target-responsibility decomposition, and comprehensive supervision, the company advances pollution prevention work from the decision-making level to the execution level, achieving systemic management of hazardous waste from generation to disposal.

Waste Full-Process Management Procedure

Source Classification
In line with national standards such as the "National Catalogue of Hazardous Wastes" and the "Solid Waste Identification Standards," a "Double-Post Verification" mechanism of initial classification by production teams and re-verification by EHS specialists is implemented for solid wastes generated during production.

Centralized Control
Storage facilities are constructed in accordance with standards such as the "Pollution Control Standards for Storage of General Industrial Solid Wastes" and the "Pollution Control Standards for Storage of Hazardous Wastes" with the implementation of the "five-prevention" measures (preventing dispersion, loss, leakage, rain exposure, and explosions).

Compliant Disposal
Solid wastes are strictly handed over to third parties with proper qualifications for treatment in line with environmental requirements.

Detailed Recording
A solid waste ledger is established to record information such as waste categories, generation volumes, transportation methods, and treatment approaches.

The annual waste reduction target is to decrease waste emissions per unit of output value by 5%

5%

Due to the company being in a growth phase, the target has been adjusted to an intensity-based objective.

Total waste generated	Non-hazardous waste generated	Hazardous waste generated
2,579.69 tons	2,426.60 tons	111.09 tons

Zero Waste Landfill

Comprehensive management of waste generated during production operations, from generation to classification, storage, and compliant disposal. Monitoring and analysis of waste data across plants to identify areas for improvement in waste disposal methods. Efforts are made to reduce direct incineration and landfill of waste, gradually improving the group's overall resource utilization rate.

We actively promotes the reduction and internal reuse of materials such as trays, while encouraging waste treatment service providers to recycle and reuse recoverable waste and adopt energy-recovery incineration for non-recoverable waste, driving the reduction, resource utilization, and harmlessness of waste.

Classification	Weighing	Reuse	Transport

Wastewater Management

In compliance with the "Water Pollution Prevention and Control Law of the People's Republic of China" and other relevant laws and regulations, the company has established the "Waste Gas, Noise, and Wastewater Management Procedure" to standardize wastewater management in all production plants, ensuring that discharge water meets national and local standards.

To reduce wastewater and pollutant emissions, the company adopts a two-pronged approach: First, it develops advanced wastewater treatment technologies and installs specialized treatment systems, aiming for a 100% reuse rate; second, it strengthens daily supervision, with each plant undergoing at least one annual wastewater discharge monitoring conducted by external institutions to continuously track the application and effectiveness of wastewater treatment technologies and facilities.

Waste Gas Management

In adherence to the " Law of the People's Republic of China on the Prevention and Control of Atmospheric Pollution" and other national laws and regulations, the company conducts regular environmental monitoring and inspections across its plants annually. This ensures compliant emissions of atmospheric pollutants such as nitrogen oxides, sulfur oxides, and particulate matter. Measures such as VOCs activated carbon adsorption retrofitting and the promotion of electric forklifts are implemented to reduce waste gas pollutant emissions during production operations, fulfilling its sustainable development commitments through technological innovation and responsible governance.

Promoting Green Manufacturing

Amid global environmental trends, the company actively practices green development by establishing a lifecycle management system for hazardous substances, exercising strict control from source to disposal. It promotes the full-process management of circular materials to achieve resource circulation and intensifies the application of clean technologies to enhance green manufacturing levels. Collaborating with all parties, the company strives to create a sustainable future.

Hazardous Substance Process Management

The company continuously tracks the latest domestic and international laws and regulations related to hazardous substance management, as well as clients' requirements for restricted substances, such as the Stockholm Convention and China's GB/T 26572 " Requirements of Concentration Limits for Certain Restricted Substances in Electrical and Electronic Products " A universal "Technical Standard for Environmentally Controlled Hazardous Substances" has been developed to ensure suppliers effectively manage hazardous substances in products, in line with international regulations and client requirements.

No HSF environmental incidents or client complaints occurred during the reporting period.

QC080000 Certification for the Process Control Management System of Hazardous Substances in Electrical and Electronic Components and Products

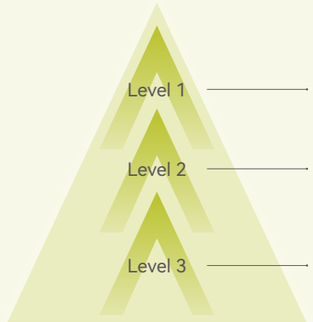
Guangzhou Yonghe Plant | Guangzhou Guangbao Plant | Shangrao Plant | Vietnam Plant

Full-Process Management of Product Hazardous Chemicals

To meet international environmental regulations and clients' stringent requirements for hazardous substances, the company has established a full-process management system for hazardous chemicals throughout the product lifecycle. This system standardizes the procurement of raw materials, auxiliaries, semi-finished products, finished products, and packaging materials. Benchmarked against international conventions and strictly adhere to global environmental regulations such as REACH and RoHS, the system incorporates client requirements.

By establishing a dynamically updated Mandatory Classification and Labelling List, implementing supplier grading management, and exercising source control, a traceable material information database is built. This ensures compliance with environmental standards from raw material procurement through production to product delivery, continuously reducing the impact of hazardous substances on the ecosystem and human health. The company provides safe and reliable green product solutions to clients, promoting sustainable supply chain development.

Management Grading



- Level 1: Substances or uses exceeding control limits must be immediately prohibited.
- Level 2: Substances or uses scheduled for prohibition after a designated period. Upon reaching or exceeding the specified date, they become "Level 1".
- Level 3: Purchased materials containing or intentionally adding these substances, and exceeding limits, require reporting. If alternative solutions exist, they will be phased out after a designated period and transition to "Level 2" prohibition.

If alternatives, new materials, or technologies meeting the standard are identified, the use of such substances in purchased materials will be transitioned to "Level 2" and prohibited after the specified period.

To effectively manage hazardous substances, ensure environmental compliance of products, and meet client standards, we have clearly defined the roles and responsibilities of each department. All departments collaborate to guarantee the effective implementation of hazardous substance management.

Business Department	Collect and communicate client standards, coordinate conflicts.
System Management Department	Develop, maintain standards, conduct comparisons, and audit supplier documents.
R&D Department	Plan HSF specifications in technical documentation.
Procurement Department	Promote standards to suppliers, handle non-conforming materials.
Supply Chain Management Department	Guide, evaluate suppliers, and address non-conformities.
Incoming Material Inspection Department	Strictly inspect incoming materials and report non-conformities.

Hazardous Substance Reduction and Outcomes

Focusing on reducing and phasing out hazardous substances, the company aims to eliminate all substances of concern as a long-term goal. It closely monitors domestic and international regulatory developments, precisely aligns with mainstream client standards, and explores optimization potential in restricted substance management. A well-designed reduction and phase-out plan is implemented to seek environmentally friendly and safe alternatives, minimizing and eventually eliminating the use of hazardous substances.

Additionally, the company conducts in-depth assessments of the hazards of substances used in production and operations, actively advancing their reduction and substitution.

Green Product Design Control

As sustainable development becomes a global priority, the company recognizes green production as an inevitable trend in industry evolution and a key path for fulfilling environmental responsibilities and enhancing social image. It fully implements lifecycle energy consumption control, adheres to low-carbon emission reduction and eco-friendliness, and deeply explores green technologies, collaborating to build a green future.

Green Design Material Selection and Management

Material Selection: R&D combines product characteristics with environmental requirements to choose low-energy, pollution-free, recyclable, reusable, and biodegradable materials.

Material Management: Relevant departments collaborate to standardize lead-free component marking and classification. Useful parts of scrapped products are recovered, and useless parts are processed.

Product Disassemble Design

R&D starts with processing, assembly, and disposal to make products easy to manufacture/assemble and disassemble, confirms component functions, optimizes combinations, follows green assembly and disassembly principles, simplifies design, and reduces disassembly costs.

Product Recyclability Design

R&D considers recyclability from the initial stage, clarifies material marking requirements, adopts recycling processes, reviews recycling rates, conducts economic assessments of recycling costs, optimizes high-cost parts, and ensures safe structural design to reduce recycling costs.

Green Product Cost Analysis

R&D considers recyclability in the design phase, conducts multi-factor cost analysis, including cost differences across countries, aiming for products that are both "green" and cost-effective.

Green Design Database Management

R&D establishes a database containing environmental and economic data for product lifecycles to support green design.

Green Design Projects

Theme	Green Design Material Selection and Management	Innovation Highlights	Cost Reduction through Design Optimization	Projects	We have set an 8% annual cost-reduction target aligned with low-carbon and eco-friendly principles. By adopting new materials and technologies—such as replacing 0201 capacitors with 0402 variants—and leveraging AI and big data algorithms to compensate for raw material specification variances, we reduce costs, enhance product competitiveness, improve raw material utilization, and minimize waste.
			Lens UV Adhesive		Our product now uses UV-only curing instead of the traditional UV + thermosetting dual-curing adhesive process. This innovation eliminates one oven-baking step during production, significantly reducing energy consumption.
Theme	Green Product Cost Analysis	Innovation Highlights	EEPROM Cancellation	Projects	By removing the EEPROM component and reducing the number of ICs used in production, we directly lower energy consumption during manufacturing, achieving energy savings while ensuring product functionality remains intact. This optimization enhances both cost efficiency and energy utilization.
			Enhancement of Test Efficiency		We advocate the DFSS methodology to drive continuous improvement in test efficiency, aiming for 5%~10% annual enhancement. This approach boosts production efficiency, strengthens product competitiveness, and reduces energy waste during testing.
			FOV Upward and Downward Calibration Merged into One Station		Our product integrates FOV upward and downward calibration into a single station. Previously, separate machines were required for upward and downward calibration, but this consolidation saves production space and improves equipment utilization.
			BG Silk-Screening White Space		The product adopts BG silk-screening with reserved white space, facilitating first-article inspection after High-Density Mounting (HDM). This design reduces the need for holder disassembly during measurements, lowering the first-article scrap rate of the module.

Circular Materials

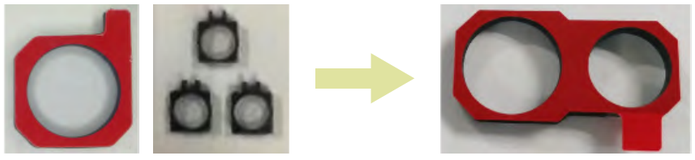
We adhere to sustainable development principles, regarding resource efficiency and ecological protection as central to our growth. We actively implement the 4R principle, reducing material consumption across the product lifecycle—from design and procurement to manufacturing and reuse. This fosters harmony between the enterprise and the environment.

Tray Washing and Reuse Project

In production, trays are critical for material handling and are frequently used. Often discarded as waste, this practice not only wastes resources but also raises disposal costs and environmental risks. Our company has initiated tray washing and reuse projects. Through professional cleaning processes, trays are rejuvenated for reuse, achieving resource recycling.protection, this circular material approach minimizes waste, aligning with sustainable development.

Optimization of Protection Film Usage

We have upgraded protection film materials from foam to silicone, then to hollow + small-piece designs, and finally to a single-film solution. This evolution enhances material efficiency and reduces consumption. By ensuring product protection, this circular material approach minimizes waste, aligning with sustainable development.



Quality Craftsmanship and Intelligent Future Shaping

On the journey of high-quality development, Luxvisions Innovation employs systematic strategic layouts to elevate performance comprehensively. Focusing on product quality with stringent standards throughout the production process; relying on innovation and R&D to pool talent and technological resources to tackle industry challenges; delivering premium services to build an end-to-end client experience system; and optimizing procurement management to refine supply chain collaboration mechanisms. These four core initiatives work synergistically to strengthen the company's competitive foundation and shape new advantages for sustainable development.

Respond to the United Nations Sustainable Development Goals:

Improving Product Quality

Quality is the lifeline of an enterprise in the market and the foundation of sustainable development. The company consistently regards quality management as a key component of its core competitiveness. Through the philosophy of full-staff participation and continuous improvement, quality awareness is deeply embedded in every work process.

Quality Management System

We always regard product quality as the core pillar of sustainable development. By implementing a full-process quality management system across R&D, production, and services, we ensure every product meets high standards of environmental friendliness and reliability. Leveraging intelligent detection technologies and closed-loop improvement mechanisms, we fulfill our commitment to clients with exceptional quality.

Quality Vision: Quality-based, innovation-driven, setting new benchmarks for optoelectronic industry quality.

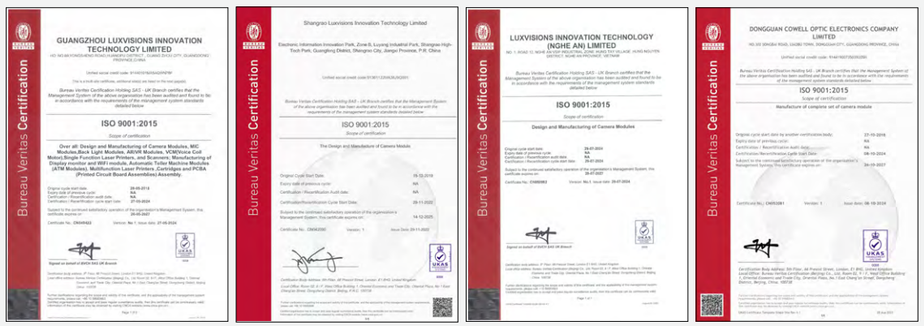
Quality Strategy: Zero-defect design quality, supply chain quality collaboration, dual-driven innovation and digitalization, full-process quality management.

Quality Policy: Client-first, technology-driven, continuous improvement, full-staff participation.

Quality Objectives: Zero-defect quality, on-time delivery, complete client satisfaction.

Deepening the quality management system, our plants have successfully obtained multiple authoritative certifications related to product quality. From ISO 9001 International Quality Management System Certification to industry-specific quality management standards, the company adopts systematic, standardized, and regulated management models. Covering product R&D, manufacturing, and quality testing, the company enhances product quality through rigorous controls and continuous improvements. This wins client trust and market recognition, demonstrating excellence and commitment in the field of quality management.

ISO 9001 International Quality Management System Certification Certificates



Guangzhou Plant | Shangrao Plant | Vietnam Plant | Dongguan Cowell

ANSI ESDS20.20 Electrostatic Protection Standards Certification Certificates

Guangzhou Yonghe Plant | Shangrao Plant

IATF16949 Automotive Industry Quality Management System Certification Certificate

Guangzhou Yonghe Plant | Guangzhou Guangbao Plant

Quality Culture Building

The company actively advocates the principle of "doing it right the first time" establishing client-need-oriented quality standards. Through systematic training, assessment, and incentive mechanisms, we promote the implementation of quality culture and deepen its development. This enables us to win client trust with exceptional quality and lay a solid foundation for the company's long-term high-quality growth.

■ Quality Review Monthly Meetings

Quality Review Monthly Meetings serve as a regular working mechanism, systematically addressing quality management. Monthly reflections on quality-related issues and shortcomings involve dynamic categorization of frequent problems to precisely identify improvement priorities. For cross-departmental quality challenges, communication and collaboration are strengthened to drive joint optimization. Leveraging data-driven models, quantitative indicators objectively assess quality conditions. Closed-loop management ensures effective connections in problem identification, analysis, rectification, and acceptance. Periodic summaries of achievements continuously refine the quality management system, solidifying the foundation for quality enhancement.

■ Quality Knowledge Training Lectures

Quality Knowledge Training Lectures, supported by the "i-School" online learning platform, systematically disseminate quality management knowledge. Course content covers quality management system frameworks, quality tools, and other professional topics, while fostering quality awareness among all staff to shape the company's quality culture. Departments designate quality knowledge training as a mandatory course, organizing regular learning sessions to deepen employees' understanding of quality concepts and standards, thereby strengthening the company's quality talent base and management system.

Number of personnel trained in quality control	Total training hours for quality control
4,661	**9,866** hours

Improvement Proposals

A comprehensive improvement proposal mechanism is established to actively encourage all employees to take the initiative in suggesting improvements for various work processes. Employees can submit proposals focusing on process optimization and quality control, contributing ideas for company development. A dedicated team evaluates proposals from dimensions such as feasibility and innovation, regularly selects outstanding proposals, and rewards the proposers, thereby stimulating employee participation and supporting continuous company improvement and growth.

Quality Promotion

Quality promotion is conducted through diverse formats. Quality-themed slogans are displayed in office and production areas to create a strong quality-conscious environment. A dedicated exhibition area showcases quality-related cases to vividly convey quality concepts. Regular meetings share successful experiences and lessons learned in quality management, promoting reflection and learning among all staff. Additionally, quality-themed short videos are produced to popularize quality knowledge in an engaging manner, reinforcing employees' quality awareness across multiple dimensions and embedding quality culture deeply within the organization.

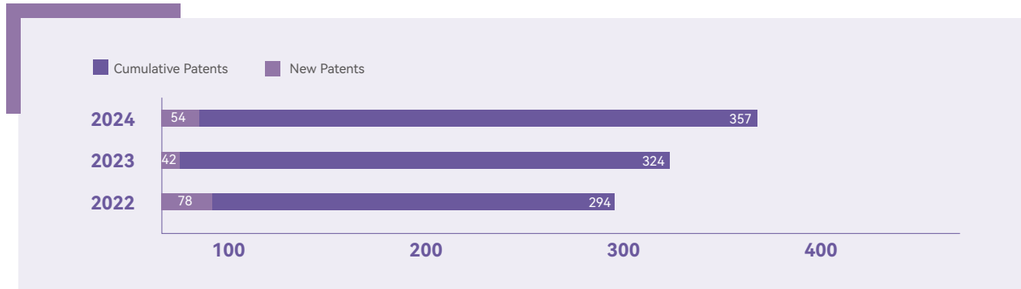
Encouraging Innovation and R&D

The company places high importance on and actively fosters technological innovation, continuously increasing R&D investment. It provides a favorable innovation environment for R&D personnel and recruits outstanding scientific talent. By establishing and refining innovation incentive systems and building R&D platforms. We actively advances intelligent manufacturing by leveraging industrial internet technologies to deeply integrate automated production lines with digital management systems. Through its self-developed intelligent scheduling algorithms and equipment health monitoring systems, it achieves significant improvements in production efficiency.

Innovation and R&D Mechanism

Innovation and R&D are driven by technological breakthroughs, grounded in market demands and industry trends. The company has established an innovation and R&D system covering the entire process. By integrating internal and external quality resources and converge professional talent wisdom, it continuously focuses on key technological areas. With a forward-looking R&D strategy, it drives product iteration and process innovation, empowering high-quality company development through innovation results.

It has formulated the "Patent Proposal Operation and Reward Measures" to encourage employees' innovation and patent awareness, promoting innovation outcomes to obtain patents. This enhances market competitiveness, safeguards legitimate intellectual property rights and interests of the company and employees.



Intellectual Property Protection

We strictly adhere to the "Patent Law of the People's Republic of China" the "Copyright Law of the People's Republic of China" the "Trademark Law of the People's Republic of China" and other relevant laws and regulations. We continuously improve our intellectual property protection system and respect the intellectual property rights of all parties. With a dedicated intellectual property team responsible for management, we conduct regular internal risk assessments and hold intellectual property training sessions. These measures effectively control potential intellectual property infringement risks at the source and enhance employees' awareness of intellectual property protection.

Case

Patent Knowledge Education and Training

To strengthen patent work and enhance employees' patent literacy, the company organized patent knowledge training on April 22, 2024. The course covered patent basics, patent review discussions, patent proposal procedures, and preliminary judgments of infringement. The aim was to deepen employees' understanding of patents, clarify the internal patent proposal process, and improve the quantity and quality of patent proposals. This initiative supports the company's patent layout and drives innovative development.

Promoting Intelligent Manufacturing

In the wave of digital transformation, we use AI technology as a core driver to deeply integrate automation and intelligent technologies, crafting a future-oriented intelligent manufacturing system. Leveraging the core technological advantages of the Luxshare Group in robotics, we have not only achieved intelligent upgrades in production equipment but also established a digital twin system covering the entire process. This makes our intelligent manufacturing practices a vital pillar for achieving ESG strategies.

Intelligent Automation

Gradually building a comprehensive intelligent automation system and steadily advancing to high-end equipment capabilities. By enhancing process automation coverage, promoting standardization of machine tools and equipment, and unifying process systems, we achieve energy-saving, emission reduction, improved production efficiency, and process quality assurance. This also strengthens the flexible switching capability of production lines across different projects, supporting the achievement of the company's ESG goals through practical actions.

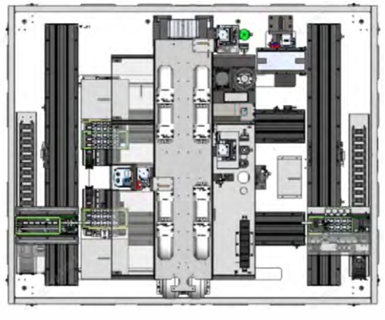
Automation coverage reaches **86%**

Optical Active Alignment Equipment-Dual Cluster AA

Successfully developed industry-leading dual cluster active alignment equipment. Utilizing self-developed dual cluster AA algorithms and three sets of 6-axis precision control systems, combined with 3D line scanning and machine vision technologies, it enables synchronous online high-precision calibration of dual Lens camera modules.

Sensor/IR Particle Detection and Removal Equipment

Using high-pixel cameras and multi-spectrum light source technologies, it achieves comprehensive detection of the Sensor surface and upper/lower surfaces of IR materials, accurately identifying Particles as small as 1×1μm. The equipment offers excellent compatibility, capable of single-machine operation with external automatic material warehouses or direct connection to automated production lines. Product traceability is achieved through Carrier Board QR code scanning, with detection data uploaded to the MES system in real-time based on the Carrier Board layout. It integrates intelligent PP functions for automatic Particle removal and re-inspection.



Soldering and Placement AOI Integrated Machine

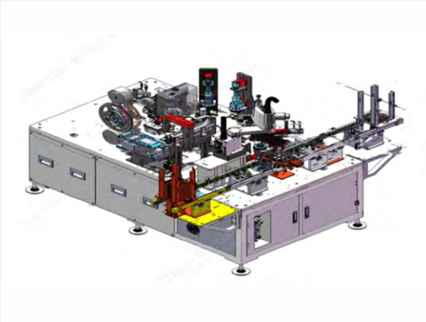
Employs innovative laser solder ball welding technology to achieve clean welding without flux, residue, or spatter. The integrated design supports Tray-based processes and online operations, capable of multi-Pin and multi-surface welding. It also incorporates AOI intelligent detection functions to effectively prevent batch abnormalities.

6-Face Appearance AOI

Utilizes AI deep learning algorithms to enable fully automatic six-face detection of camera modules. It accurately identifies over 20 defects, including LENS, VACoatting, and VA surfaces, with a misjudgment rate below 2% and zero missed detections. The equipment supports module QR code scanning and real-time MES data uploads. Its non-contact design prevents secondary damage, and its modular structure facilitates quick adjustments. It can be connected to automated lines or operate as a standalone machine.

LVA Multi-Functional PP

The equipment adopts a full-automation design, enabling full-process traceability through single-piece product QR code scanning. All detection data is uploaded to the MES system in real-time. Innovative automatic film-tearing technology precisely completes VA film removal, blade opening and closing, and VCM film attachment processes. It also features an intelligent PP cleaning system for automatic Particle removal and re-inspection.

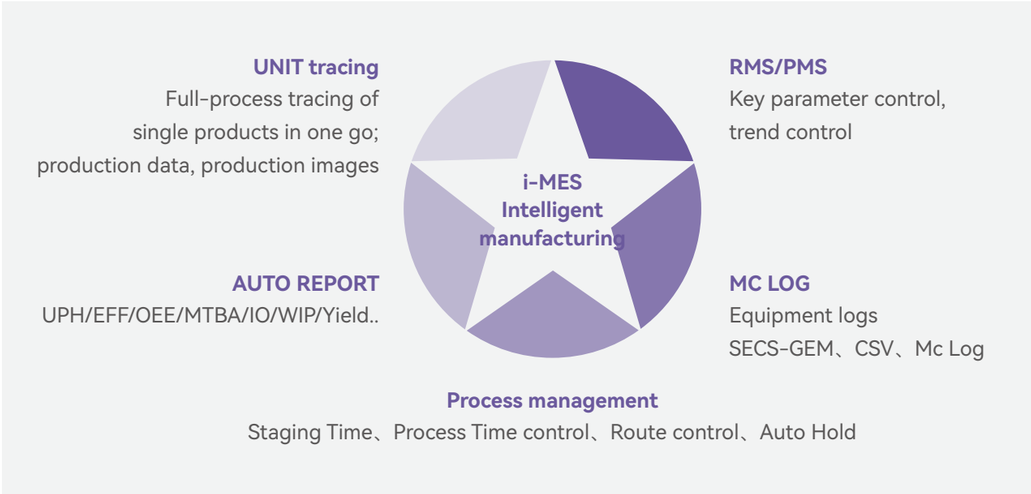


Peeling and Detection Integrated Machine

Innovatively developed a machine integrating peeling, height measurement, concentricity detection, and AOI. Using 3D line-scanning technology, it achieves 0.006mm measurement accuracy and, with a self-developed vision system, reaches 0.005mm concentricity detection precision. The equipment supports batch loading via magazines and Tray-based unloading, and achieved single-piece product data traceability with the MES system.

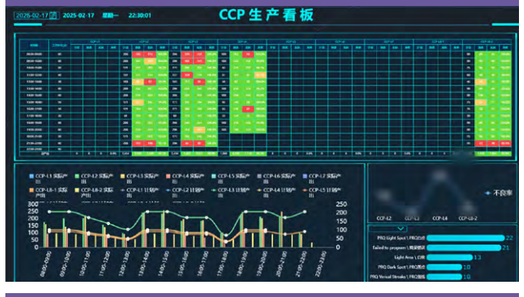
Intelligent Manufacturing System

We actively promote the transformation to intelligent manufacturing and have successfully established the i-MES Intelligent Manufacturing Management Platform. Five core functional modules have been fully launched: full-process product traceability system, intelligent process control platform, standardized equipment formula management system, automated log recording and analysis, and visualized production reporting platform. These significantly enhance production operation efficiency.



Personnel Electrostatic Protection Management System

CCP Product Line Real-Time Production Dashboard



IMG Workshop Production Data Dashboard

Smart Screen Product Line Real-Time Production Dashboard

Providing Quality Services

The company always prioritizes client value, aiming to "build a full-process service system and enhance client experience." Through institutionalized and standardized service mechanisms and data-driven management, we continuously optimize client service quality.

Improving Service Mechanisms

We have established the "Client Service Operation Procedure" to standardize client-related processes, ensuring timely and accurate internal communication and execution of client-specific requirements to achieve client satisfaction. This includes clear guidance and specific requirements for client service information processing, handling of specific client requirements, order processing, service assurance, complaint handling, client-supplied product control, after-sales service, and client satisfaction surveys.

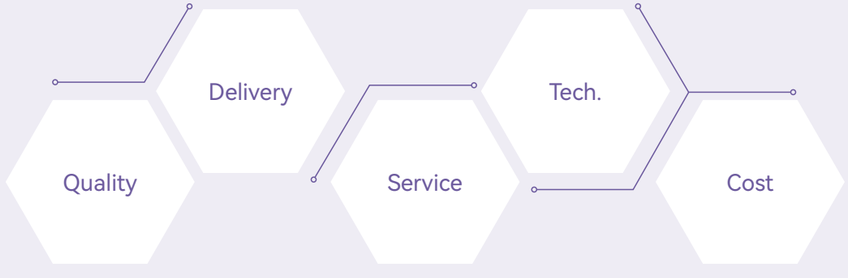
For client complaint handling, we have specified time limits for processing. When clients complain about quality issues or intend to return products, the quality assurance department, through the business department, communicates with clients to understand the detailed quality issues. After determining that the quality issue is the company's responsibility, the company accepts the client's complaint and seeks the most acceptable resolution method through negotiation with the client.

We have established a comprehensive after-sales service process. When internal company inspections identify quality issues in products sent to clients, relevant departments promptly notify the clients. For severe quality issues that cannot be simply corrected, after negotiation with the client, the batch of products should be returned, and the company communicates with the client to meet other client requirements. For minor quality issues, the company negotiates with the client for resolutions such as on-site improvement, discounted sales, compensation, or other preferential treatments.

Client Satisfaction

We regularly conduct annual client satisfaction surveys, designing the QDCST Client Satisfaction Evaluation System. We invite client contact points to evaluate, score, and provide suggestions on the company's annual collaboration. Based on the client satisfaction evaluation results, relevant departments conduct statistical analyses. Through horizontal and vertical comparisons, an annual client service report is formed. Improvement measures are developed for areas needing enhancement and client suggestions, with responsible departments tasked to address them within a specified timeframe. These measures are confirmed during the company's management review meeting.

QDCST Client Satisfaction Evaluation System



Optimizing Procurement Management

The company places great importance on long-term partnerships with suppliers, adhering to the principles of integrity, mutual benefit, and shared development. We continuously refine our supplier management system to ensure product quality while fully respecting and safeguarding suppliers' legitimate rights. This fosters supplier growth and progress, contributing to the construction of a sustainable supply chain.

Full-Process Supplier Management

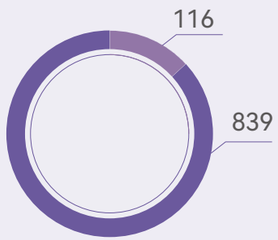
We have established and improved a series of practical and effective management systems and operating procedures, including the "Supplier Management Operation Procedure" and the "Supplier Audit Operation Standards" The company follows three stages of development access, graded management, and evaluation/audit to manage suppliers throughout their lifecycle, ensuring efficient supply chain operations. Additionally, we strengthen communication and collaboration with suppliers, jointly engaging in technological innovation, cost control, and quality management activities to achieve coordinated and mutually beneficial supply chain development.

Number of Suppliers: 955

By Region

China Suppliers

Overseas Suppliers



Development and Import Evaluation

Formulate the annual new supplier onboarding evaluation plan, and conduct rigorous qualification reviews of suppliers by selecting an audit team with extensive industry experience and professional certifications, in strict compliance with the access requirements clearly stipulated in institutional documents such as the "New Supplier Onboarding Procedure".

During the audit process, the audit team maintains close communication with suppliers, thoroughly publicizing the company's supplier management standards, product quality and environmental standards, social responsibilities , carbon reduction goals, and other multi-dimensional standards. Potential suppliers are required to sign a series of documents, including the "CoC Letter for Supplier Environmental Control Substance Assurance" "Confidentiality Agreement" "Social Responsibility Agreement" "Behavioral Commitment Letter" and "Export Control Declaration Letter"

The company actively tracks the implementation status of supplier improvement measures and sets clear rectification deadlines. This is an important measure to ensure supply chain stability, enhance product quality, optimize supplier management, and fulfill social responsibilities, with significant value for the company's sustainable development.

Graded Management

Quarterly performance evaluations are used to continuously manage suppliers selected based on evaluation principles, ensuring product and service quality and supply chain stability. Comprehensive scoring is conducted across multiple dimensions, including technical capability, quality capability, delivery and supply capability, cost-leadership capability, environmental protection, and business ethics, with ratings of A, B, C, and D assigned.

Traffic light-based performance management is implemented according to the ratings to clearly differentiate levels for targeted control, improving management efficiency. This approach ensures supply quality through specific measures, incentivizes suppliers to improve with rewards and penalties, restricts red-light suppliers to mitigate supply chain risks, and provides guidance to build stable cooperation and achieve mutual benefits.

Evaluation and Audit

A combination of online and offline methods is employed annually to conduct supplier audits, including QSA, QPA, HSF and information security and PCN audits, with irregular audits also performed. The audit dimensions align with those of the entry-review to regularly assess whether qualified suppliers meet compliance requirements. For audit-identified improvement points, suppliers are urged to complete corrections within the system-specified timeframe. In cases of non-compliance, re-planning or extensions are required. System-based management strengthens audit work efficiency, ensuring records are traceable and promoting the standardization and informatization of the company's annual supplier audit process.

Supplier Training

We value supplier capability building and employ various communication methods, such as one-on-one solution discussions, quarterly delivery progress reviews, specialized training for high-end equipment manufacturing, automation upgrade workshops, and annual supplier development seminars. These initiatives help identify efficiency improvement points and explore strategies for optimizing intelligent production in collaboration with suppliers.

96 supplier training sessions organized, with a cumulative participation of **1,149** personnel.

Supplier Regular Training

Building a Green Supply Chain

To accelerate the company's green transformation and forge green core competitiveness, the development of a green supply chain system has become a cornerstone of the company's green strategy. We are committed to imparting the concept of green and low-carbon development to suppliers, collaborating to reduce pollution and carbon emissions, and minimizing the environmental impact of the entire value chain.

Supplier ESG Management

Through a systematic evaluation system, refined cooperation mechanisms, and deep-seated collaborative models, we manage and oversee suppliers across dimensions such as environmental compliance and social responsibility fulfillment. This promotes green transformation, shared responsibility, and transparent governance across the supply chain, building a more resilient and sustainable industrial ecosystem with suppliers. Together, we embark on a journey toward high-quality development.

Social Responsibility Audit

The company places great importance on environmental and social responsibility management within the supply chain. Suppliers are required to strictly adhere to the framework of the "United Nations Guiding Principles on Business and Human Rights," and all applicable laws and regulations. The "Enterprise Social Responsibility Agreement" is distributed to all suppliers. Through comprehensive measures such as regular training and on-site audits, we ensure 100% understanding and compliance with environmental and social responsibility requirements by suppliers. Should any violations of management regulations be discovered, cooperation will be affected based on the severity of the case, with the most severe instances resulting in the termination of the business relationship.

The annual CSR evaluation audit adopts an online system for management, which helps the company's supplier CSR management work achieve informatization and standardization. While ensuring the security and confidentiality of the audit process and maintaining traceability, it also achieves the goal of cost reduction and efficiency improvement.

Environmental and Low-Carbon Management

To strengthen environmental management of suppliers and enhance the green and low-carbon level of the supply chain, a greenhouse gas emission quantification mechanism has been introduced into the supplier audit process. The company regularly verifies the greenhouse gas emission data of new suppliers during the basic information review phase, sets clear emission reduction targets, and dynamically tracks performance. Energy-saving retrofits and the adoption of clean energy are promoted to drive emission reductions, with the effectiveness of greenhouse gas management incorporated into the evaluation system. Suppliers with a total evaluation score or environmental and safety module score below 70 points will be classified as non-approved suppliers, encouraging suppliers to comprehensively improve their zero-carbon management capabilities.

Conflict Minerals Management

In order to fulfill our corporate social responsibility and ethical obligations, we have established and implemented a strict conflict minerals management system, aiming to ensure that our products and supply chain do not involve or contribute to human rights violations in regions globally affected by conflicts and at high risk.

Systematic Management Mechanism

Establish a systematic and conflict-free mineral management mechanism, with a dedicated team responsible for maintaining the conflict-free mineral policy, communicating the relevant requirements of the "Dodd-Frank Wall Street Reform and Consumer Protection Act" to suppliers, collecting, reviewing and organizing the materials provided by suppliers; requiring the signing of the "LVI CoC + Letter Supplier Environmental Controlled Substance Assurance Document"; giving priority to the use of conflict-free mineral raw materials in the design process; ensuring the compliance of purchased materials during procurement and assisting in tracking the information in the form.

Due Diligence

Strictly implement the supply chain mineral component review mechanism, conduct a comprehensive screening of suppliers that may involve 3TG (tantalum, tin, tungsten, gold) and cobalt minerals. We have established a conflict mineral management process in accordance with the company's "Conflict-Free Minerals Operations Standards" policy. For suppliers that do not meet the requirements, we will actively communicate to urge them to make corrections or replace with qualified smelters; if the assessment confirms that they cannot complete the corrections, their supply qualifications will be suspended until they meet the requirements.

Employee Advancement and Shared Progress

Luxvisions Innovation places great emphasis on employee management and development. In recruitment, we strictly adhere to regulations, safeguard employee rights, and uphold fair principles in talent selection and employment. A labor risk management mechanism has been established to eliminate all forms of improper labor practices. Meanwhile, democratic communication channels are built, employee well-being is prioritized, occupational health and safety are emphasized, diversified career development paths are created, and a variety of employee care activities are organized. These efforts comprehensively foster a high-quality workplace environment, promoting mutual growth between the enterprise and its employees.

Respond to the United Nations Sustainable Development Goals:

Commitment to Equal Employment

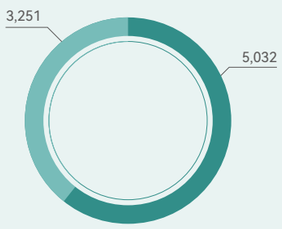
The company prioritizes employee rights protection, strictly abiding by domestic and international laws and regulations, and actively implementing international labor conventions and initiatives. Through institutionalized rights protection and human-centered management practices, we strive to create a fair starting point for every employee, offer competitive growth opportunities, and ensure unimpeded participation channels, aligning individual value with corporate development.

Adhering to the principles of "openness, fairness, and impartiality" in recruitment and retention, the company selects and employs talent suited to its needs. Recruitment methods are transparent, with equal opportunities provided through various channels such as talent markets (e.g., large-scale job fairs), online recruitment, and campus recruitment. The "New Talent Program" targets fresh graduates both domestically and internationally, featuring online and offline presentations, live streams, and job fairs, attracting numerous students to submit resumes and join the company.

Employee Distribution in 2024

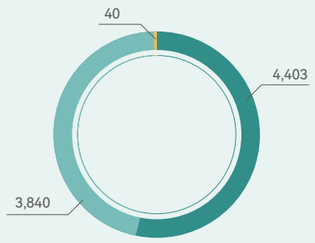
Number of Employees 8,283

Gender Distribution



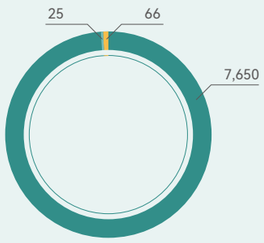
- Male
- Female

Age Distribution



- 29years and below
- 30 to 49 years
- 50 years and above

Regional Distribution



- Mainland China
- Hong Kong, Macau, and Taiwan
- Overseas (excluding Hong Kong, Macau, and Taiwan)

Human Rights Protection

The company has established sustainable labor management methods, including the "Procedures for Identifying, Assessing, and Controlling Labor Ethics Risks" and the "Social Responsibility Risk Monitoring and Control Measures" A labor management mechanism of "Identification—Evaluation—Monitoring—Control" has been built. Regular monitoring of social responsibility performance ensures effective control of the social responsibility management system, with corresponding control measures formulated.

As of the end of the reporting period, **no incidents** involving violations of freedom of association and collective bargaining rights, forced labor, illegal enslavement, child labor, or any fo rm of discrimination were found in the company's operations or supply chain.

Number of employees participating in human rights training
8,266

Total hours of human rights training
26,783

Forced Labor

The company legally signs and provides written employment agreements in the employees' native language, with clear terms and conditions. It strictly prohibits the withholding of documents, collection of deposits, and resolutely eliminates the transportation, harboring, recruitment, transfer, or receipt of illegal labor through threats, coercion, abduction, or deception. Except for controlled areas in the workplace, unreasonable restrictions on employees' freedom of movement are prohibited, ensuring their right to freely leave their job positionor terminate employment.

Anti-Harassment, Abuse, and Freedom of Association

All forms of harassment are banned. The "Recruitment and Employment Management Measures" explicitly require that all employees be treated with dignity. The company prohibits sexual harassment, physical punishment, humiliation, assault, illegal search, or detention, as well as forced labor through threats of violence or illegal restrictions on personal freedom. It also forbids violation commanding or forcing employees to undertake hazardous operations, as well as psychological or physiological coercion and verbal abuse.

Preventing Child Labor

To eradicate child labor, the company adopts a multi-pronged approach: setting age limits in the personnel system, strictly verifying original ID cards and conducting facial recognition checks during interviews, and regularly monitoring the performance of the social responsibility management system to assess the implementation of child-labor-free policies. Additionally, the "Emergency Response Measures for Child Labor" have been established, stipulating immediate work stoppage, investigation of causes, health checks, and repatriation to guardians, along with wage settlement and economic compensation. For those previously rejected due to underage status, priority is given to re-employment upon reaching 16 years of age.

Working Hours and Overtime Compensation

The company protects employees' legal rights. Employees have the right to attend work according to local government laws and industry standard hours, enjoy reasonable leave and vacation rights, and receive appropriate overtime pay. Through attendance systems and department-submitted "Shift Application Forms" as required by the Human Resources Department, the company monitors employees' working hours. It also stipulates that after six days of work, employees must have at least one day of rest, and strictly prohibits departments from arranging overtime or night shifts for pregnant women over seven months.

Anti-Discrimination

Upholding the principles of "openness, fairness, and impartiality" in recruitment and employment, the company prohibits discrimination based on nationality/province of origin, race, religion, skin color, age (excluding child labor), gender, disability, trade union membership, or political orientation. The "Human Treatment and Non-Discrimination Management Measures" ensure all employees are treated with respect and dignity. Employees or applicants encountering discrimination or inhumane treatment in the workplace may file anonymous complaints to senior human resources management through grievance channels.

Diversity and Inclusion

The company regards Diversity, Equity, and Inclusion (DEI) as the cornerstone of sustainable innovation. It establishes a discrimination-free workplace during recruitment and employment through systems, management, and grievance mechanisms. Special attention is given to vulnerable employee groups, with measures such as assigning day-shift desk jobs and providing lower bunks for colleagues with mobility difficulties, offering convenience in both work and daily life.

Employee Support

The company strictly complies with national and regional laws and regulations regarding employee-related expenses in its areas of operation. For employees eligible for local government subsidies, the company actively provides support to facilitate the application process, fulfilling its obligations in this regard. It also assists employees in participating in re-employment training.

Employee Well-Being

Compensation and benefits are among the core elements that employees focus on most directly. In terms of compensation, we adopt a model of "Basic Salary + Supervisor Allowance + Overtime Pay + Professional Allowance" In terms of benefits, we strictly implement statutory welfare to provide employees with solid protection. Our supplementary benefits are distinctive, covering multiple dimensions such as health care, career growth, and honor incentives.

The company continues to refine a competitive and motivational compensation system, adhering to the principle of "Equal Pay For Equal Work" On the basis of not falling below the statutory minimum wage standards of each operational area, the company references market survey results and salary trends in the same industry to formulate the "Salary Grade Table" for each position level.

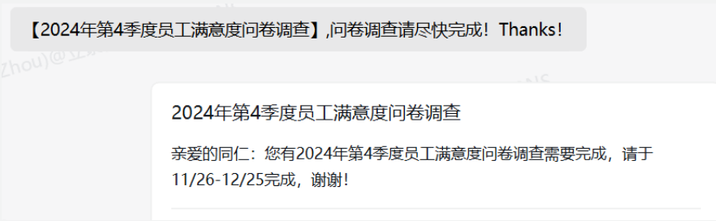
Democratic Communication

Effective communication and feedback are crucial for building a harmonious workplace. The company's "Communication Management Measures" establish a transparent and efficient communication system. Online platforms such as complaint hotlines, enterprise WeChat, emails, and questionnaires allow employees to provide feedback at any time. Offline methods include administrative service platforms, seminars, departmental meetings, and cross-departmental communication sessions, enabling the company to actively address internal matters and proactively collect and respond to external stakeholders' concerns. This maximizes the listen of employees' voices and enhances corporate cohesion.

Employee Service Center

Employee Seminars

Questionnaire Surveys



Harmonious Workplace

Constructing a harmonious workplace requires unimpeded communication channels and efficient feedback mechanisms. The company has established diversified communication platforms, encouraging employees to provide feedback on their concerns and suggestions both online and offline, either anonymously or publicly.

Employee Engagement and Satisfaction

Employee engagement and satisfaction surveys are key tools for understanding employee needs and optimizing the workplace ecosystem. The company conducts comprehensive surveys for all staff every six months, covering areas such as administrative services, compensation and benefits, career development, and leadership management. In-depth data analysis and mining precisely identify focal issues and potential needs of employees. In 2024, over 7,000 valid responses were collected through online questionnaires, showing a steady increase in employee engagement and satisfaction compared to 2023.

Grievance Protection

The "Grievance Management Measures" establish a stringent and comprehensive protection mechanism for grievance-raisers. It mandates that grievance-raisers, handlers, and other relevant personnel have obligations to accept inquiries, provide factual information, and maintain confidentiality. Discrimination, coercion, or other adverse actions against grievance-raisers are prohibited. Fair and impartial handling with detailed investigations is emphasized.

Occupational Health and Safety

Occupational health and safety are fundamental requirements for corporate compliance. The company has always placed occupational health and safety at a strategic level of importance, building a comprehensive EHS (Environment, Health, and Safety) management system. It is committed to creating a safe, healthy, and harmonious working environment for employees.

Occupational Health and Safety

The company has established a full-chain EHS management system and formed an EHS Management Committee to fully implement the "Work Safety Law of the People's Republic of China" and the "Law on Prevention and Control of Occupational Diseases of the People's Republic of China" The EHS management system is continuously improved. Through the deep integration of monthly safety meetings, the committee's executive network covers department-level EHS officers and full-time EHS staff, ensuring the effective communication and implementation of internal policies and measures. This lays a solid safety foundation for the company's high-quality development.

The company has established an ISO45001 Occupational Health and Safety Management System, strictly complying with laws and regulations related to working conditions. It is dedicated to creating a safe and healthy working and living environment for employees. To this end, the company has equipped comprehensive fire protection facilities and implemented a series of appropriate protective measures to prevent employees from being injured or exposed to hazardous working environments. Regular safety and health training is provided to employees, along with suitable personal protective equipment.

The company has assigned personnel with first-aid certificates to workshops. In the event of incidents harmful to occupational health and safety, these first-aiders can promptly provide medical assistance to employees.

ISO45001 Occupational Health and Safety Management System Certification Certificates

Guangzhou Plant

Shangrao Plant

Vietnam Plant

Dongguan Cowell

EHS Risk Management

The company has established the "Procedures for Identification and Evaluation of Environmental Factors and Hazard Sources" and the "Procedures for Hidden Danger Investigation and Management" Comprehensive identification and evaluation of environmental factors and hazard sources are conducted at least once a year. During the evaluation process, key considerations include waste gas emissions, wastewater discharges, waste management, land pollution, raw material usage, natural resource utilization, whether the area is environmentally sensitive, community impacts, and the effects of changes in activities, products, or services on environmental factors. Various EHS (Environment, Health, and Safety) accident risks are graded to achieve dynamic risk management.

For identified EHS risk sources, we strengthen employees' awareness of occupational health and safety risks and enhance their risk-response capabilities through activities such as safety drills.

Eyewash Station Usage Training

Exhaust Gas Emergency Drill

Chemical Spill Emergency Response Drill

Fire Emergency Drill

Work Injury Management

We have established a comprehensive health and safety assurance system covering prevention, response, and treatment. Supported by the "Work-related Accident and Near-miss Management Regulations," we have set up a three-tier emergency response network of "workshop-plant-designated hospital." This ensures standardized closed-loop management of work-related accidents from on-site handling to medical treatment.

EHS Accident Management Process

The "OHSAS Incident Reporting and Handling Procedure" requires clear implementation of accident handling responsibilities for plant managers in each plant to ensure timely response and effective control of emergencies. After an incident occurs, the responsible personnel must immediately report to local government regulatory authorities within the specified timeframe based on the incident severity level.

EHS Training Management

We have established a dual-track EHS education and empowerment system of "Online + Offline." Leveraging the online "i-School" smart learning platform, we have integrated EHS resources. The platform now achieves full digital control of the "Learning-Practicing-Testing-Evaluating-Managing" process. Driven by a digital course library and scenario-based practical training, it focuses on high-frequency risk scenarios to enhance overall staff safety awareness and risk prevention capabilities.

Total EHS training hours
70,723

Participants
25,917

Three-level EHS Management Training

To clarify responsibilities and enhance EHS management capabilities, we have implemented three-level training (Plant, Workshop, Team) as the cornerstone of safety management. This training progresses from regulatory awareness to practical job skills, achieving a transformation from "Awareness-Knowledge-Skills".

Plant level	Workshop level	Team level

Production Safety Training

We incorporate occupational health and safety into daily operations through regular general and targeted training. This builds up staff safety knowledge and improves their ability to respond to safety incidents.

Contractor EHS Training

The company ensures that contractors fully comprehend and comply with national and local EHS (Environment, Health, and Safety) regulations, as well as the company's EHS policies. We aim to embed safety requirements into contractors' employees' muscle memory and behavioral instincts through consistent practice. In 2024, all factory sites will conduct specialized training and examinations for all contractor personnel entering the premises for construction work.

786 contractor personnel participated in EHS training during the reporting period.

Chemical Safety

We have established a series of management systems, including the "Hazardous Chemicals Management Procedure" "Hazardous Waste and Exhaust Chemicals Operation Standards" and "Chemical Spill Emergency Operation Standards". These ensure safety throughout the lifecycle of chemicals, from procurement to disposal, preventing accidents and ensuring employee safety and health. We also promote green chemical projects, strengthen source control, and implement closed-loop management to ensure compliance. Collaborating with suppliers, we seek safer and more environmentally friendly chemicals to support company stability.

Procurement Managemen

Departments must submit purchase requests for hazardous chemicals. Procurement is only conducted with qualified vendors providing material safety data sheets. New chemicals are purchased only after EHS approval, ensuring source safety.

Transportation Management

During transport, measures must be taken to prevent collisions and leaks of hazardous chemicals. Extremely dangerous chemicals require multi-layer sealed packaging. Strict adherence to operating instructions is mandatory, prohibiting inversion and exposure to sunlight. Raw materials are directly delivered to and inspected in temporary storage areas to ensure transport safety.

Storage and Usage Management

After inspection, chemicals are stored in designated temporary areas with assigned responsible persons who have undergone EHS training. Chemicals are stored separately by category, with records of incoming, usage, and inventory quantities. Daily inspections are conducted, and storage facilities must meet safety regulations, ensuring ventilation and protection from light. Personal protective equipment is provided to ensure storage safety.

Waste Chemical Management

Waste chemicals are sorted and stored in designated hazardous waste warehouses, which are fireproof, ventilated, and protected from sunlight. Qualified entities are contracted for disposal, and dumping is strictly prohibited. Warehouse floors are leak-proof, equipped with spill containment channels, and waste is stored on pallets off the ground to ensure proper handling.

Emergency Handling

In case of an emergency, immediate action is taken in accordance with the "Emergency Preparedness and Response Procedure" to ensure rapid response, minimize losses, and safeguard personnel and environmental stability.

Supervision and Inspection

Daily inspections of chemical storage areas and explosion-proof cabinets are mandatory, with comprehensive monthly inspections by the EHS department. This ensures system implementation, timely issue resolution, and continuous compliance of chemical management to mitigate safety risks.

Supporting Career Development

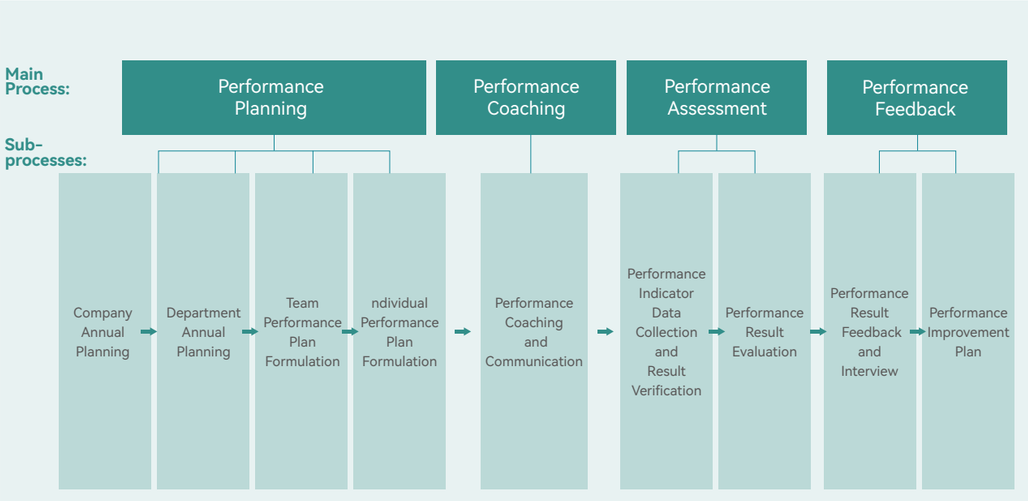
Talent development is the core driver for businesses to maintain a competitive edge and achieve sustainable growth. Recognizing this, we have established a comprehensive, multi-level talent development and training system. This system provides employees with ample opportunities for growth and learning, empowering them to enhance their capabilities and contribute to the company's future.

Career Advancement

We offer employees a dual-track career development path in management and specialization. New employees can choose from three tracks: their current profession, a related field, or other management functions. This allows employees to select the best growth path based on their interests and potential. Our fair and transparent promotion process unleashes employee potential, achieving a win-win between personal and company development.

Performance Appraisal

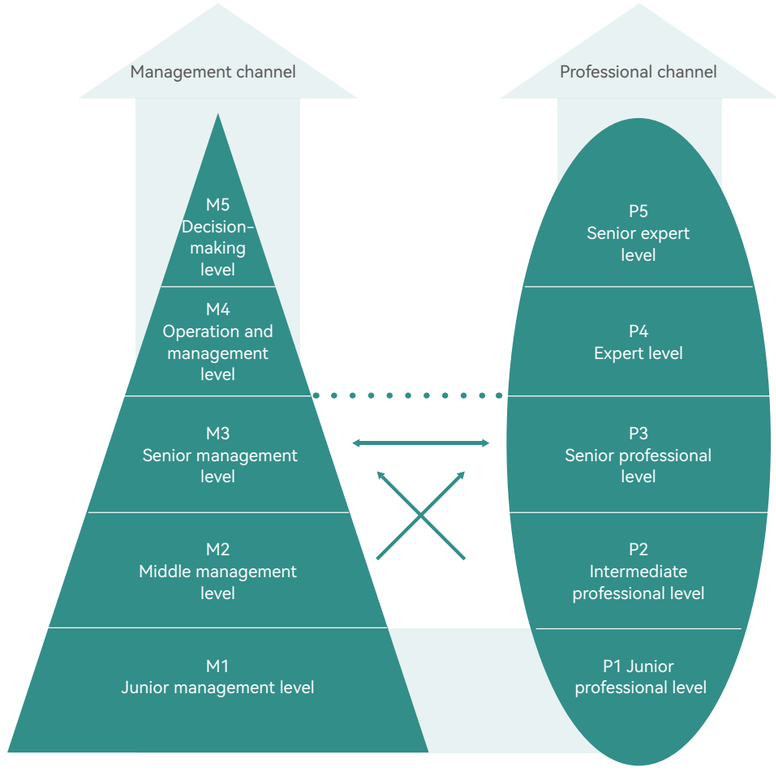
We have established a scientific and motivating performance management system. Performance indicators are set across four dimensions: finance, client service, internal operations, and personal growth, following the SMART principle and primarily presented in KPI form. Annual performance assessments are based on employees' objective work performance and development. Results undergo validation, feedback, and an appeal period to ensure fairness and objectivity.



Performance Assessment Flowchart

Promotion System

We have developed a dual-track promotion system, including management and professional tracks. The management track offers advancement opportunities for those with leadership potential, while the professional track allows technically skilled employees to deepen their expertise. This system aims to unlock employee potential, provide growth platforms for diverse talents, and promote joint development between the company and its employees.



Promotion System

Honor System

We define the height of our enterprise through "human precision"—treating every employee's value creation as a guiding star that illuminates the path of our industry. Through initiatives like the "Annual Outstanding Employee Recognition Program", we celebrate exceptional employees who contribute to the company's success, ensuring they share in the fruits of our collective achievements.

2024 Annual Outstanding Employee Recognition Ceremony

Development Training

To provide employees with opportunities for skill enhancement and self-actualization, we continuously improve our employee training system. This system includes talent succession planning and professional capability development, ensuring employees receive targeted training at different career stages.

Employee Training System

Our scientifically designed and comprehensive training system aligns with the company's strategic goals. It integrates employee job requirements and career plans into a systematic training program.

We offer over 500 diverse courses, covering job essentials, professional skills, management skills, and general knowledge. In addition to offline courses, our online learning platforms "i-School" and DCS System allow employees to choose their learning time freely.

Training expenditure	Total training hours	Average training hours per person
141,500 yuan	112,301	19 hours

New Talent Training

We have designed a tailored training program for newly recruited graduates, aligning their career growth with the company's development. Recognizing the importance of on-site professional training for skill enhancement and valuing the training experience, we combine structured professional training with seminar sessions.

Case

Guangzhou Plant's New Talent Training Camp

To sustain the company's rapid and sustainable growth, we have launched the Talent Pipeline Program, which aims to establish a solid talent pool and support the seamless integration of fresh graduates into the corporate environment, facilitating their transition from academic life to professional roles. The Fresh Graduate Leadership Training Camp at the Guangzhou Plant has progressed smoothly, delivering 87 management trainees to the organization. The program consists of three sequential training phases: an orientation and role transition phase involving onboarding ceremonies and workshops to adapt to the corporate identity, a production floor internshipfor hands-on operational experience, and position-specific learning through departmental rotations and skill development. Spanning three months, the curriculum includes 16 courses designed to accelerate professional growth. As of now, 72 trainees have remained in the program, achieving an 83% retention rate, and two trainees have been recognized with the "Rising Star Breakthrough Award" for exceptional performance, underscoring the program's success in cultivating future talent.

Leadership Training

We believe exceptional leadership is key to driving innovation and strategy implementation. Using the "i-School" digital platform, we create a full-cycle growth loop from "Awareness Awakening" To "Practical Refinement" Empowering Managers and High-Potential Talents To Become Guiding "Stars" For Their Teams.

Educational Advancement Training

To cultivate talent and meet employees' educational needs for career and title advancement, we collaborate with multiple institutions to offer educational advancement programs. Through tuition incentives and priority promotion principles, we encourage participation, support employee growth, and facilitate personal development.

Skill Enhancement Training

We provide various skill enhancement programs and encourage employees to obtain external skill certifications. During the reporting period, we conducted skill enhancement training for roles like ME engineers, combining theory and practice, and supported employees in skill level certification to bolster their career development.

ME Engineer Training Camp

Shangrao Luxvisions Co-organizes the Second Shangrao Municipal Skills Competition

Advancing Industry-Academia Cooperation

Adhering to an open and collaborative approach, we actively forge close partnerships with multiple universities and institutions in the surrounding area. Through in-depth communication and collaboration with these educational bodies, we closely align with educational trends and market demands to ensure that our talent development programs remain at the forefront of academic standards. We provide students with comprehensive professional training, delivered by our in-house technical experts who impart the latest industry knowledge and skills. As a result, students not only significantly enhance their professional expertise and knowledge base but also gain profound insights into our corporate culture and operational model, laying a solid foundation for their seamless integration into the company after graduation.

By leveraging resource sharing and complementary strengths with our partner institutions, we offer students broader development opportunities while simultaneously building a robust talent pipeline for our enterprise, effectively driving innovation and growth. Looking ahead, we will continue to deepen university-enterprise cooperation, continuously refine our talent cultivation models, and contribute greater corporate strength to societal development.

Luxvisions Industry-Academia Cooperation Model

Build a Industry-Academia Cooperation Ecosystem

Joint research platform	Teaching-production	Industry-Academia	Targeted talent delivery
Research projects Laboratories Directed research projects	Industry-Academia mutual course delivery Teaching practice Training bases	Industry-Academia high-level exchange activities Challenge competition Organization/title sponsorship	Intern-targeted cultivation Fresh graduate delivery and employment

Luxvisions Industry-Academia Cooperation Construction:
Based on the dual loops of talent introduction & cultivation, and technology output

Building Research Platforms Together

Opening Ceremony of the Honors Program for Vietnam Vinh University

Employee Care and Welfare

Employee care reflects our corporate culture. We attend to every detail, offering diverse welfare programs and activities to create a fulfilling workplace experience.

Employee Benefits

We have broken through traditional welfare frameworks to establish a dual-track system of "Rigid Safeguards + Flexible Empowerment", transforming compliance-based benefits into a cornerstone for employee growth and translating diverse care into a catalyst for innovation.

The company provides all employees with legally mandated insurance coverage, including social security, pension, and medical insurance, as well as paid leave such as parental leave. Beyond statutory requirements, we offer annual health check-ups, traditional Chinese medicine experiences, and group travel to enhance employee well-being through multifaceted care. Adhering to the philosophy that "health is the primary productivity", we have built a three-dimensional employee health ecosystem integrating precision health monitoring, fun-driven vitality enhancement, and holistic wellness management. Through comprehensive, lifecycle-oriented health initiatives, we empower employees to meet workplace challenges with robust physical health and a positive mindset, fostering a mutually beneficial journey of personal growth and organizational development.

Festival gifts

Traditional Chinese medicine experiences

March 8th free clinics

Employee tours

Mental health care

Employee health check-ups

Employee Activities

We believe employees are our most precious asset, and their happiness and sense of belonging directly impact the company's vitality and growth. We meticulously organize a variety of engaging activities to enrich employees' leisure time and allow them to shine in our corporate family.

Through competitive events, employees unwind and embrace teamwork. Collective birthday celebrations foster care and connection. Looking ahead, we will continue to innovate, bringing more exciting experiences and building an ideal home for growth.

Fishing competition

Billiards tournament

Sports competition

Group birthday party

Indicator Index

Report Content	GRI standards Alignment	SDGs Alignment
About This Report	2-2、2-3	16 PEACE, JUSTICE AND STRONG INSTITUTIONS; 17 PARTNERSHIPS FOR THE GOALS
President's Message	2-11、2-22、2-23、2-27	
About Luxvisions Innovation	2-1、2-6、2-9	
Steady Operations and Resilience Demonstration		
Implementing ESG Management	2-14、2-16、2-22、2-24、2-29、3-1、3-2、3-3	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 16 PEACE, JUSTICE AND STRONG INSTITUTIONS
Optimizing Corporate Governance	2-10、2-12、2-27	
Enhancing Integrity Building	2-23、2-24、205-2、205-3、205-1、205-2、206-1	
Safeguarding Information Security	418-1	
Carbon Reduction and Green Development		
Climate Change Response	201-2、305-1、305-2、305-3	12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 13 CLIMATE ACTION
Resource Management Strengthening	302-1、302-2、302-3、302-4	
Waste and Emission Management	306-1、306-2、306-3、306-4、306-5	
Promoting Green Manufacturing	2-23、2-24、201-2、403-10、416-1	
Quality Craftsmanship and Intelligent Future Shaping		
Improving Product Quality	403-2、416-1	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE; 12 RESPONSIBLE CONSUMPTION AND PRODUCTION; 17 PARTNERSHIPS FOR THE GOALS
Encouraging Innovation and R&D	103-2、203-1、203-2	
Providing Quality Services	417-1、418-1	
Optimizing Procurement Management	308-1、414-1、414-2	
Employee Advancement and Shared Progress		
Commitment to Equal Employment	2-23、2-24、402-1、402-2、405-1、406-1、407-1、408-1、409-1	1 NO POVERTY; 3 GOOD HEALTH AND WELL-BEING; 5 GENDER EQUALITY; 8 DECENT WORK AND ECONOMIC GROWTH; 10 REDUCED INEQUALITIES; 11 SUSTAINABLE CITIES AND COMMUNITIES
Occupational Health and Safety	403-1、403-2、403-3、403-4、403-5、403-7、403-8、403-9、403-10	
Supporting Career Development	3-3、404-2	
Employee Care and Welfare	2-7、201-3、403-6	
Indicator Index	102-53	
Feedback Form	102-55	

Feedback Form

Dear Reader,

Thank you for taking the time to read our report. We acknowledge that no document is perfect and welcome your feedback to help us improve our reporting and ESG performance. Your support is greatly appreciated!

1.Which stakeholder category best describes you ?

☐ Client ☐ Government ☐ Employee ☐ Supplier ☐ Environmental Organization/NGO ☐ Welfare Group

☐ Media ☐ Public ☐ Other

2.How would you rate our report overall ?

☐ Excellent ☐ Good ☐ Average ☐ Poor ☐ Very Poor

3.How would you rate the following aspects of our report:

Information Disclosure

☐ Excellent ☐ Good ☐ Average ☐ Poor ☐ Very Poor

Layout Design

☐ Excellent ☐ Good ☐ Average ☐ Poor ☐ Very Poor

Readability

☐ Excellent ☐ Good ☐ Average ☐ Poor ☐ Very Poor

4.Which section of the report interests you the most ?

_____

5.Are there any additional topics you believe should be included in our report ?

_____

6.Do you have any other suggestions or comments regarding our report or work ?

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