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Intelligent Innovation, Resilient Value Chain

Hon Hai Technology Group (Foxconn) upholds "Intelligent Innovation, Resilient Value Chain" as its core strategy, carrying sustainability thinking from front-end R&D to back-end supply chain management, and working hand in hand with value chain partners to build an industrial ecosystem that combines innovation, resilience, and green competitiveness.

- **Global patent portfolio continued to expand:** In 2025, **2,528** new patents were granted, bringing the global cumulative total of valid patents to **25,479**, and Foxconn was recognized as one of Clarivate's "Top 100 Global Innovators" for the **ninth** consecutive year.
- **R&D investment accounted for 1.5% of net revenue:** In 2025, the Group's total R&D investment reached NT**\$121.7** billion, accounting for **1.5%** of net revenue; of this, low-carbon technology-related types accounted for **8.3%**, continuing to support the low-carbon transition.°
- **Supply chain green electricity transition ahead of schedule:** As of the end of 2025, a cumulative total of **56** suppliers had committed to manufacturing Foxconn products with **100%** renewable energy, exceeding the original target of **45**. In 2025, green electricity usage across the supply chain reached **450** million kWh, resulting in approximately **240,000** tons of CO₂e reduction.
- **Green supply chain development continued to deepen:** The Group continued to collaborate with the IPE (Institute of Public and Environmental Affairs), driving **364** suppliers to report PRTR data in 2025, of which **186** disclosed for the second consecutive year. In the 2025 IPE Green Supply Chain CITI/CATI Index evaluation, the Group ranked first in the electronics industry.
- **Supply chain ESG audit coverage and depth continued to improve:** In 2025, a total of **870** suppliers underwent document reviews and second- and third-party on-site audits—an increase of approximately 80% in coverage scale compared with the **483** suppliers audited in 2024. A total of **14,137** findings were identified, with an overall improvement completion rate of **98%** for the related audit findings.
- **Significant results in advancing supply chain RBA VAP audits:** In 2025, a total of **95** suppliers completed third-party RBA VAP audits, an increase of more than **111%** over the **45** in 2024, exceeding the original annual target of more than **60** ahead of schedule. Over the past three years, the improvement rate for VAP-non-compliant suppliers has remained at **100%**.
- **Conflict minerals management maintained a high level of compliance:** In 2025, due diligence was completed for **2,375** suppliers, with a **100%** response rate; **100%** of the **282** smelters and refiners involved in the supply chain passed third-party RMAP certification.

Material Topics

Innovation and Business Model Resilience

Sustainable Supply Chain Management

SDG Alignment



Management Goals

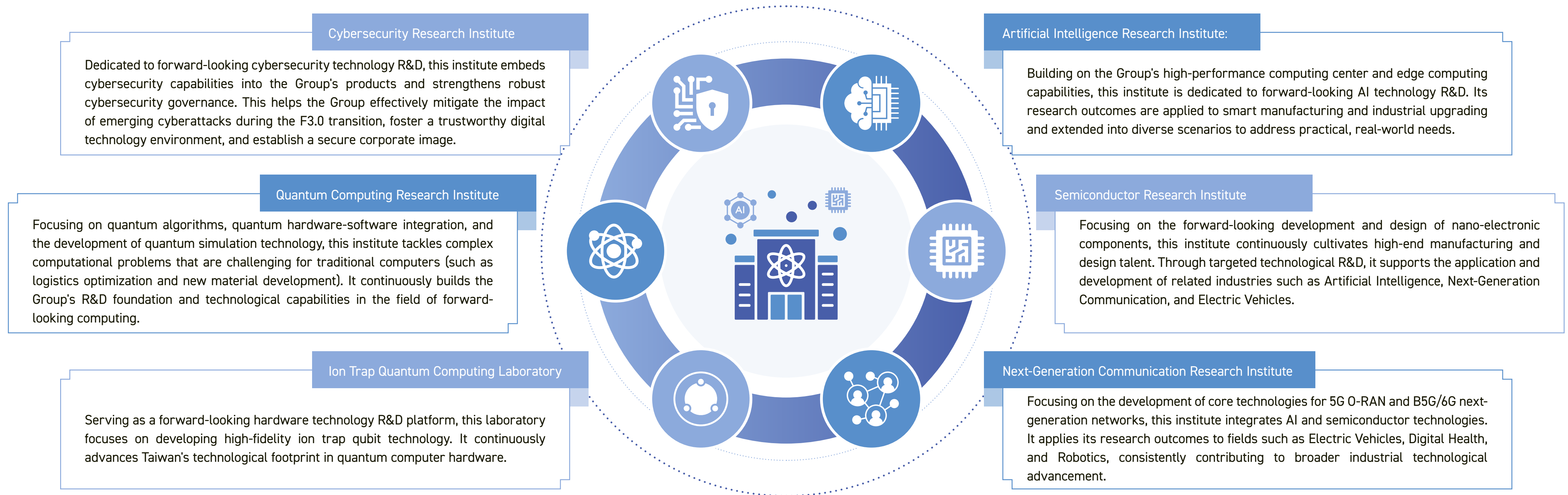
Material Topic	Management Indicator	2025 Goal	2025 Performance	Achievement Status	2030 Long-Term Goal
 Innovation and Business Model Resilience	R&D Investment	Continue advancing R&D and technological deployment under the "3+3+3" strategy, while maintaining a high level of R&D investment intensity.	The Group's total R&D investment reached NT\$121.7 billion, a 5% increase over 2024.	Achieved	Incorporate AI into sustainability technology innovation goals by 2030.
	AI Innovation	Continue to expand AI infrastructure and "3+3+3" technology applications, supporting AI as the second growth engine.	In 2025, the number of newly granted patents reached 2,528.	Ongoing	Achieve a cumulative 500% growth in global patent applications.
 Supply Chain Management	Supplier Screening	Achieve a 100% Full Material Declaration ratio for specific electronics suppliers on the Supplier ESG Digital Management Platform.	In 2025, the Full Material Declaration ratio for specific electronics suppliers on the Supplier ESG Digital Management Platform reached 100%.	Achieved	Launch 100% sustainability assessments for Tier-1 suppliers to identify carbon hotspots, environmental risks, and more.
	Supplier Audits	- Implement ESG performance evaluations (covering green products, zero waste, labor and human rights, and net-zero carbon) for specific suppliers, raising coverage to 100%. - Achieve a 90% three-year audit coverage rate for specific mechanical suppliers. - Encourage >60 suppliers to complete third-party RBA VAP audits.	- In 2025, the Group's performance evaluation coverage for electronics and mechanical suppliers was 100%. - In 2025, the three-year audit coverage rate for specific mechanical suppliers was 97%. - In 2025, the Group drove 95 suppliers to complete third-party RBA VAP audits.	Exceeded	100% of key suppliers complete ESG ratings.
	Supplier Environmental Requirements	The number of key electronics suppliers committed to using 100% renewable electricity to manufacture Foxconn products exceeds 45.	As of the end of 2025, a cumulative total of 56 suppliers had committed to using 100% green electricity to manufacture Foxconn products.	Exceeded	150 suppliers manufacture Foxconn products with 100% green electricity.
		The number of electronics suppliers obtaining Zero Waste to Landfill certification has reached 25.	In 2025, the number of specific electronics suppliers obtaining Zero Waste to Landfill certification reached 26.	Exceeded	
	Supplier Social Requirements	The number of labor and human rights audits of electronics and mechanical suppliers reaches 50.	In 2025, the number of labor and human rights audits of electronics and mechanical suppliers reached 629.	Exceeded	
	Conflict Minerals	Achieve a 100% response rate for conflict minerals surveys among specific suppliers, ensuring that no illegal conflict minerals are used.	In 2025, conflict minerals due diligence was completed for 2,375 suppliers through the system platform, with a 100% response rate, and no instances of illegal minerals originating from conflict-affected or high-risk areas were found among suppliers that had not passed third-party RMAP certification.	Achieved	Achieve 100% coverage of conflict minerals surveys among key suppliers.
	Local Procurement Ratio	Continue to increase the Group's local procurement ratio.	In 2025, the Group's local procurement ratio was 58%, with local procurement ratios in Taiwan and mainland China exceeding 80%.	Ongoing	Achieve a localized procurement ratio of >80% for equipment-related materials.

Innovation and Business Model Resilience

Overview of Technology Innovation Strategy

In a rapidly shifting global technological and geopolitical-economic environment, Foxconn Technology Group continues to draw on technological innovation as a key foundation for strengthening its business model resilience and underpinning sustainable development. To accelerate its "Foxconn 3.0" transformation strategy, the Group established the Foxconn Research Institute as a key platform to drive technological R&D, forward-looking research, and industrial applications. On this basis, the Group is steadily advancing its shift from a manufacturing-oriented model toward one driven by technology and R&D.

The Foxconn Research Institute centers on the Group's "3+3+3" strategy, which integrates the three major future industries (Electric Vehicles, Digital Health, and Robotics) with the three core technologies (Artificial Intelligence, Semiconductors, and Next-Generation Communication) and applies them across the three major smart platforms (Smart Manufacturing, Smart Electric Vehicles, and Smart Cities). The Institute comprises five research institutes and one forward-looking laboratory under its jurisdiction. Each is staffed with a substantial team of R&D professionals dedicated to forward-looking technological R&D and innovative application development, continuously reinforcing the Group's technological foundation and R&D capacity:



Foxconn's commitment to innovation is reflected not only in its technological and commercial strategies but also in tangible societal contributions and talent empowerment within the communities where it operates. By establishing R&D platforms and promoting related initiatives, the Group continues to create positive impacts on both society and the economy, including the creation of local high-end employment opportunities. The establishment of the Foxconn Research Institute helps expand the Group's R&D capacity and increase local high-end R&D positions. By recruiting top-tier R&D talent and building advanced research platforms, the Group offers Taiwanese technology talent opportunities to participate in forward-looking research, thereby promoting the retention and dynamic exchange of high-level professionals.

R&D Investment

Foxconn regards R&D investment as a critical driver of long-term value creation. Through systematic resource allocation, we ensure that technological innovation remains closely aligned with our commercial objectives. In FY2025, the Group's total research and development (R&D) investment reached NTD 121.7 billion, accounting for 1.5% of annual net revenue. In the same year, Foxconn was also named to the "World's 50 Smartest Companies," ranking 33rd—a testament to the results the Group has achieved through its ongoing investment in technological R&D and business model transformation.

Systematic R&D investment, driving technological innovation and business transformation

In 2025, Foxconn continued to strengthen R&D resource allocation to support forward-looking technology deployment and the implementation of the "3+3" strategy



Investment reached
NT\$ 121.7 billion

Total R&D investment reached NT\$121.7 billion. Through systematic resource allocation, it drives technological innovation and commercial value



R&D Investment Intensity
Percentage / Dashboard
1.5 %

R&D investment to annual net revenue ratio, demonstrating the Group's continued focus on R&D as a long-term value investment

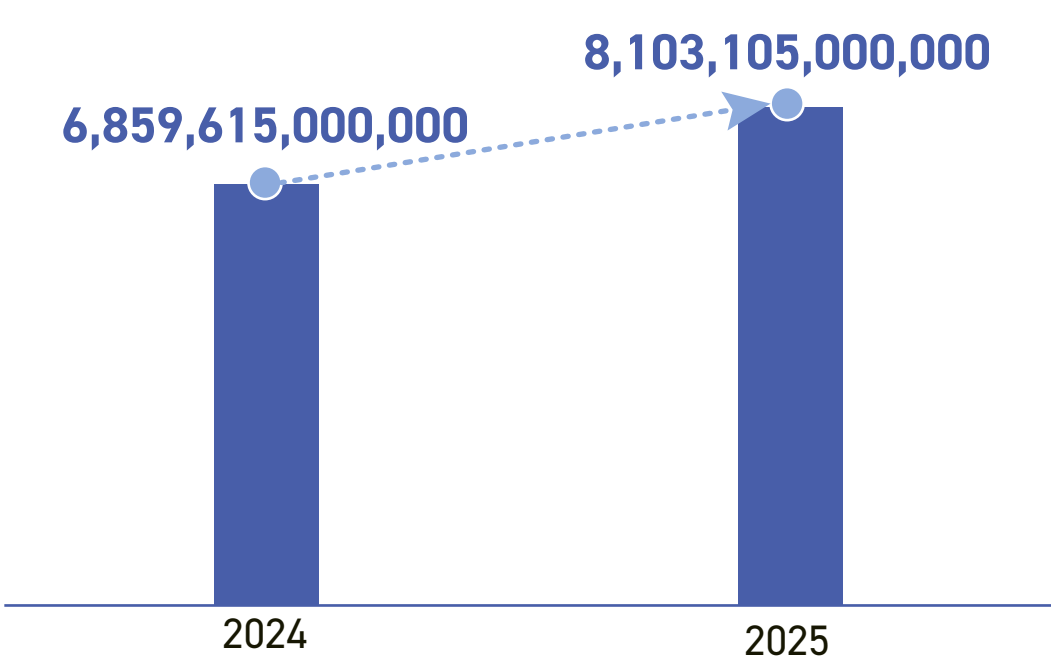


Globally Recognized for
Innovation, Named to
World's 50 Smartest Companies

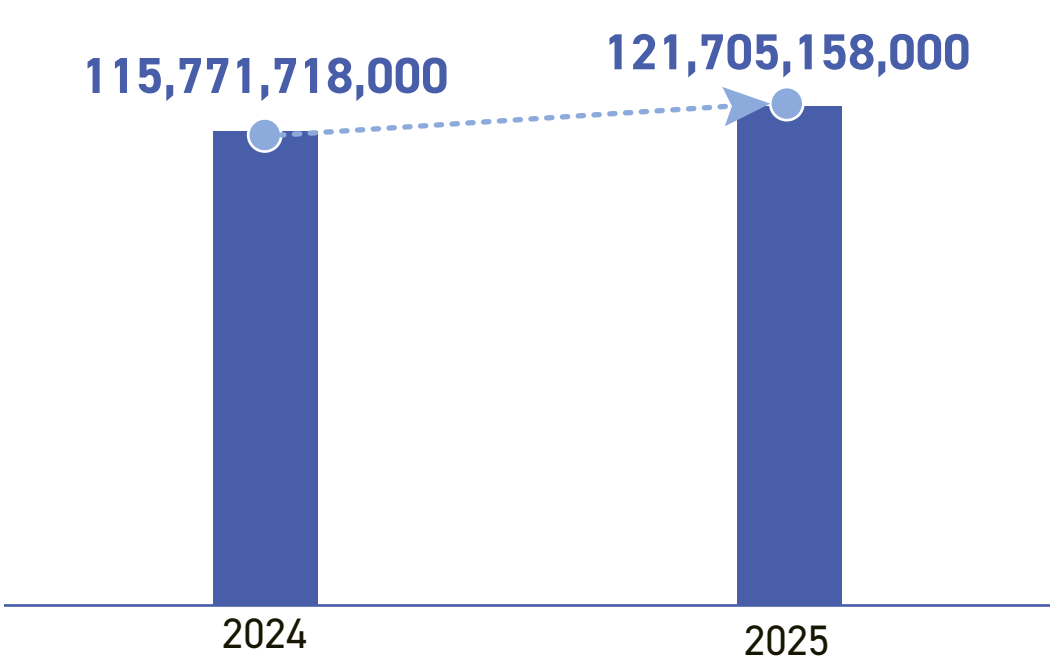
Demonstrating the results of technological R&D and business model transformation

2025 Group R&D Expenses Overview

Total Revenue



R&D Expenses



Unit: NTD



In terms of patent management, the Group pursues a global patent strategy that balances quality and scale, leveraging a high-quality patent portfolio to support technological development, product applications, and operational strategy. In 2025, the number of newly granted patents reached **2,528**.

As of the end of 2025, Foxconn Group's cumulative global active patents reached **25,479**. Among these, R&D innovation related to low-carbon technology represents a core strategic direction that the Group continues to advance. This area delivered fruitful patent results in 2025, as detailed in the table below. The Group has also been recognized as a Clarivate "Top 100 Global Innovator" for **9 consecutive years**, demonstrating Foxconn's sustained achievements in R&D investment, patent management, and the development of innovation capabilities.

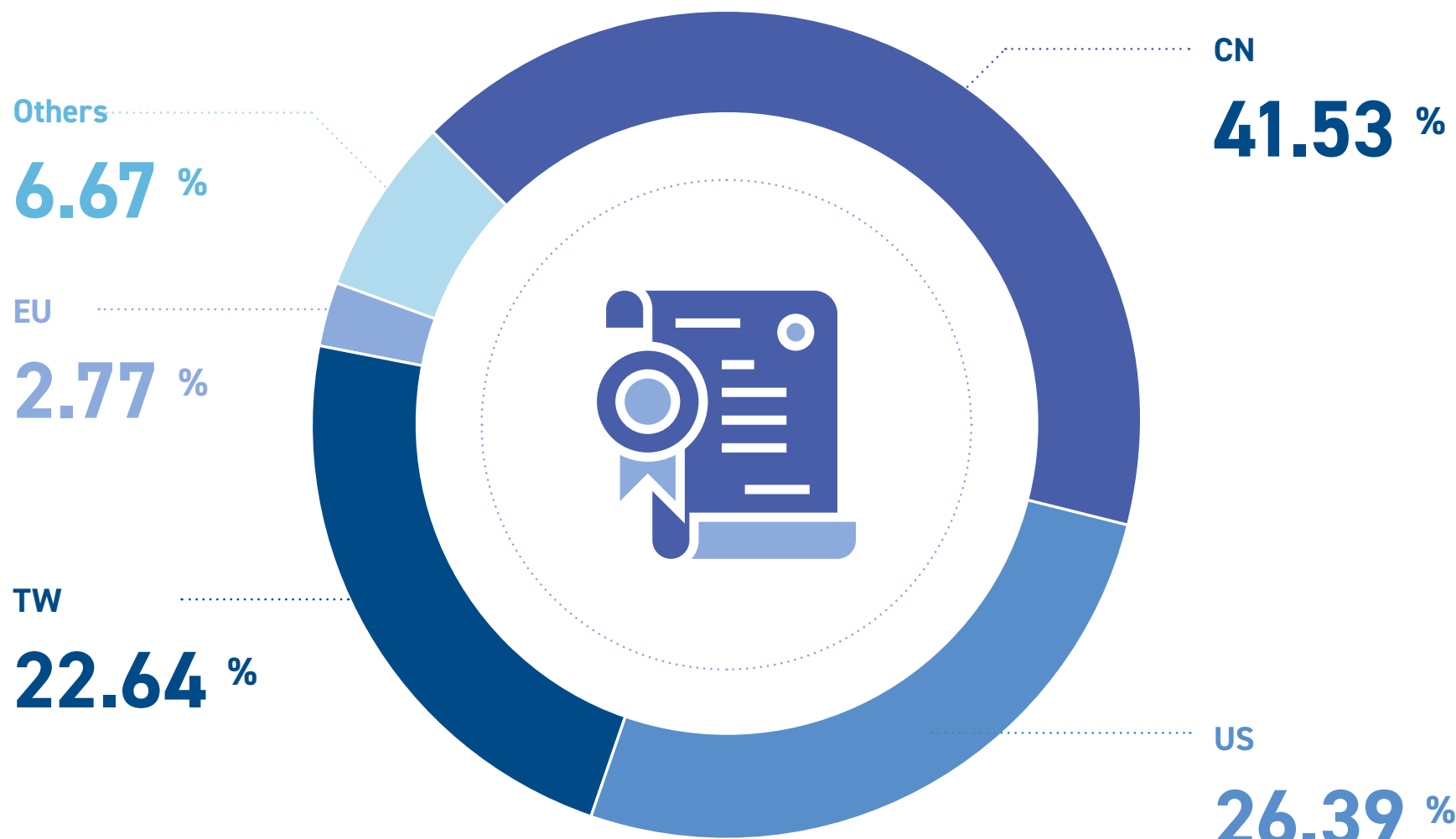
Distribution of Foxconn's Low-Carbon Technology Related Patents by Category

Patent Category	New Patents in 2025	Cumulative Active Patents
Energy Saving and Energy Management	78	1,265
Industrial Automation	70	597
Process/Workflow Optimization	44	617
Pollution Prevention and Environmental Protection	18	245
Total	210	2,724

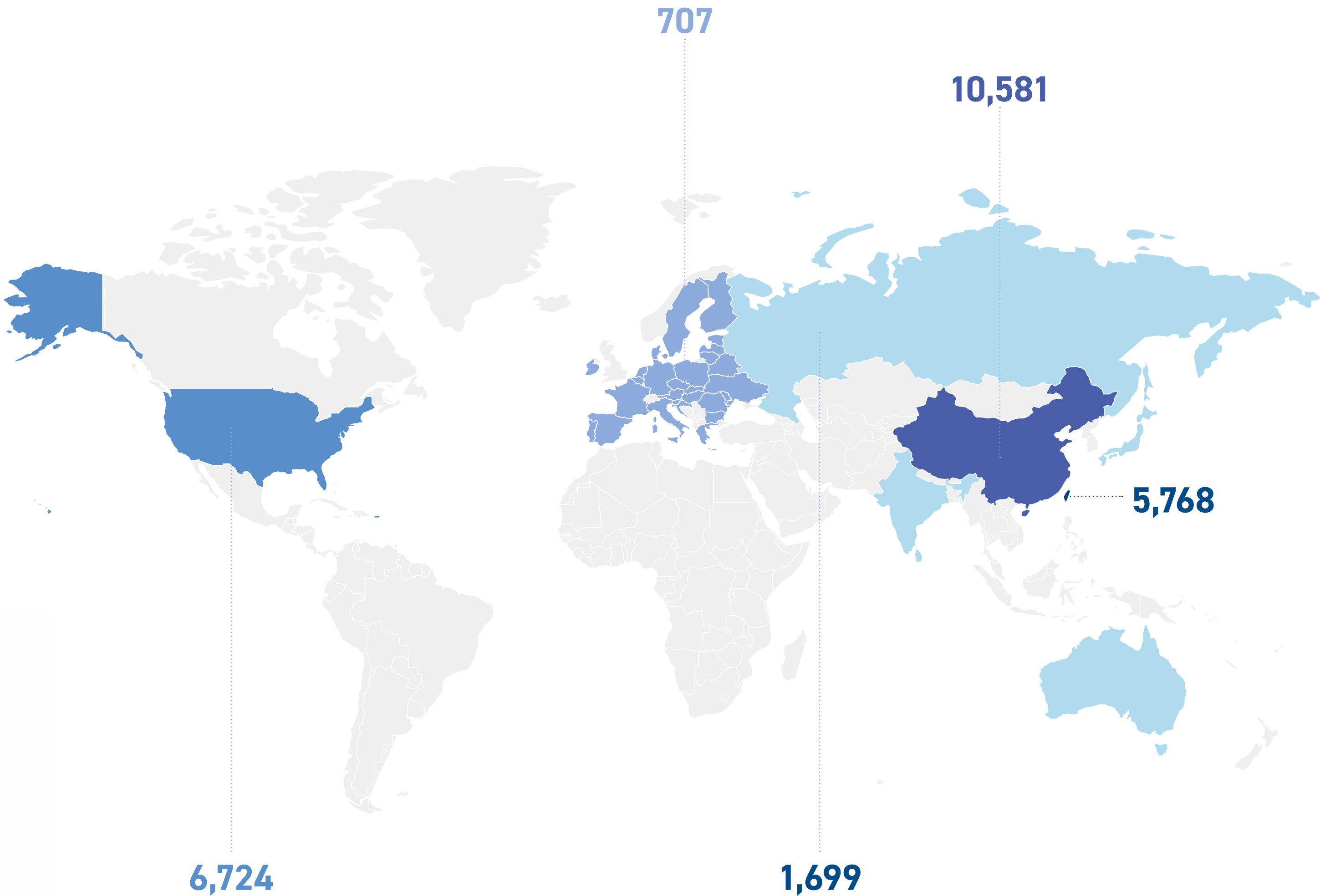
Note. Due to adjustments in statistical methods, the number of cumulative active patents differs from the figure disclosed last year.

Global Map of Foxconn Group's Patent Distribution

● CN ● TW ● US ● EU ● Others



As the patent distribution shows, Foxconn's intellectual property layout centers on core global markets and high-tech industrial hubs. Geographically, our patents are primarily concentrated in significant markets such as the United States, Taiwan, Japan, mainland China, and Europe, supporting the technological footprint and Freedom to Operate (FTO) space of the Group's global supply chain. Technologically, in addition to continuously consolidating our existing Information and Communication Technology (ICT) hardware patents, newly added patents in recent years have gradually expanded into fields aligned with the "3+3+3" strategy. The primary directions of this layout include Electric Vehicle (EV) systems, AI applications, advanced semiconductor processes, and next-generation communication architectures, reflecting the Group's R&D direction of continuously driving technological transformation and expanding into diverse application domains.



Artificial Intelligence Innovation Deployment and Intelligent Operations Empowerment

The Group's AI Honors

Earning Authoritative International
Recognition and Establishing Global
Innovation Leadership

Leveraging its outstanding artificial intelligence R&D and application capabilities, the Group was successfully included in the Clarivate "Top 100 AI Organizations" list and has consistently maintained its position as a "Top 100 Global Innovator." Within the international AI invention landscape, the Group has also been recognized as a top-tier global "Deployer." This distinguished recognition fully demonstrates that the Group possesses not only abundant innovative energy but also the robust capability to scale AI technology and translate it into tangible industrial impact.

The Group's AI Deployment

Forward-Looking Patent and IP Strategy,
Empowering Operations and Smart
Manufacturing Upgrading

Echoing global AI patent trends highlighted by the Intellectual Property Office of the Ministry of Economic Affairs, the Group continues to deepen its high-intensity invention efforts in key fields such as core hardware, machine learning, and system deployment. This proactive approach builds a solid intellectual property moat and a protective technological umbrella. As a pioneer in AI application deployment, the Group is committed to transforming innovative patents into operational advantages across our products, services, and workflows. In capital-intensive manufacturing environments, we have comprehensively introduced smart AI modules, significantly optimized resource allocation and production efficiency while accelerating the sustainable upgrade of smart manufacturing.

The Group's AI Risk Control

Strictly Upholding Technological Security
and Explainability, Building a Highly
Resilient Defense System

While actively advancing digital innovation, the Group recognizes that the security and explainability of technology are critical to achieving sustainable operations. In response to the large-scale application and deployment of AI technology, we have established a rigorous performance measurement and risk control mechanism. By implementing strict AI governance principles, we ensure that all system deployments maintain a high degree of regulatory compliance. We are committed to creating a trustworthy, secure, transparent, and defensible smart operational system for both the Group's internal operations and our global value-chain partners.



Outstanding
achievements



Core Patent Layout X
Smart Manufacturing Empowerment



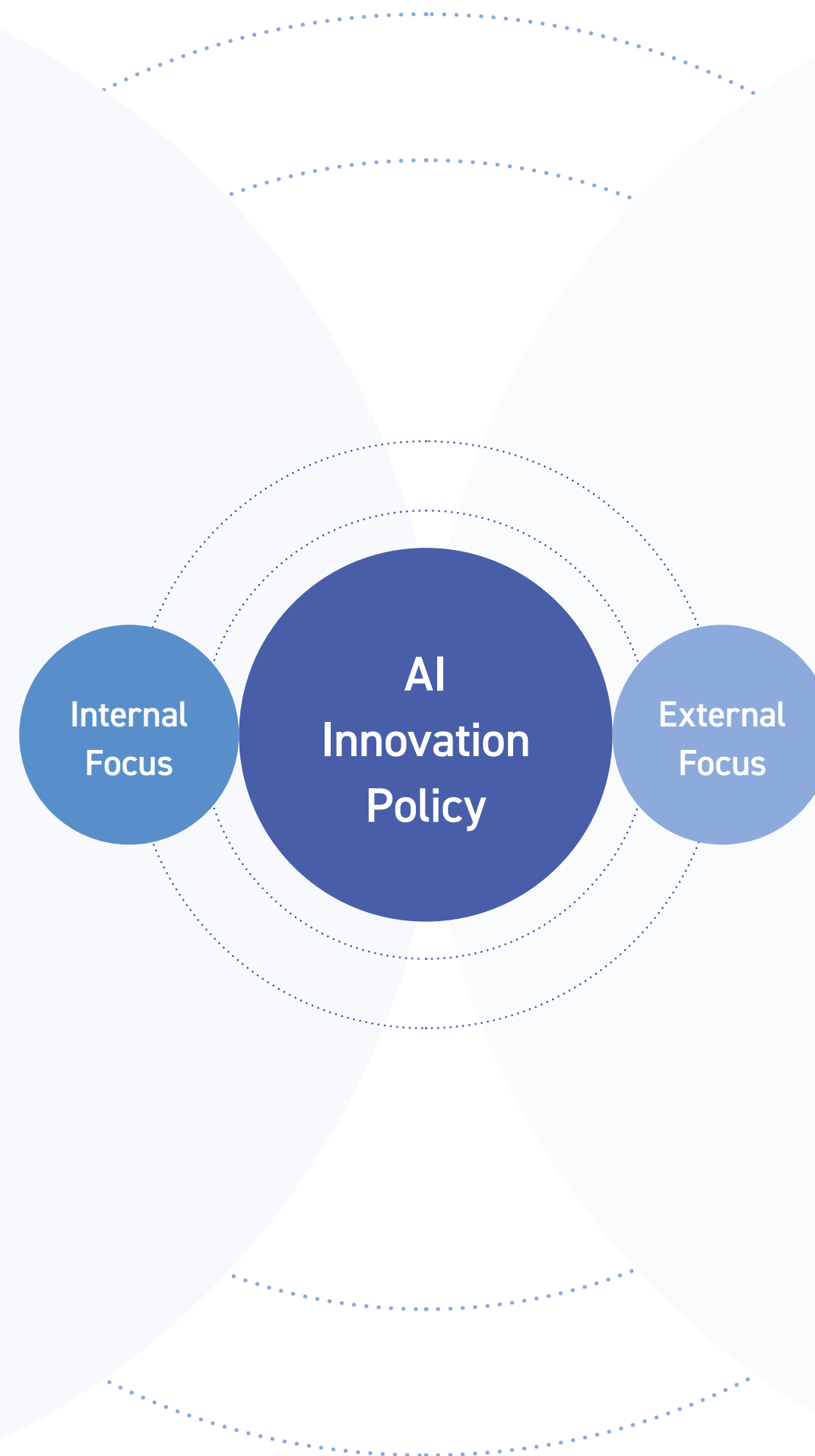
High-resilience defense and compliance

AI Innovation

In response to global trends in artificial intelligence development, Foxconn Technology Group continues to invest in AI-related technologies and infrastructure to drive technological innovation and digital transformation. Internally, the Group deepens its top-down AI strategy to transform its organizational culture and operational models, enabling AI to enhance daily operational efficiency and reinforce the value of our people. Externally, we are building AI infrastructure and an industrial ecosystem, collaborating with partners to co-create sustainable value and empower diverse industries through AI.

Deepening Top-Down AI Strategy Promotion to Facilitate Organizational Culture and Operational Model Transformation

- **Senior Management Promotion and Standardized Deployment:** Foxconn positions AI as a long-term strategic direction and core capability of the Group. Driven personally by the Chairman, we begin with small-scale pilot programs and, leveraging the Group's discipline and standardization advantages, rapidly replicate and scale mature solutions for global deployment.
- **Structural Transformation of Decision-Making Models:** Our corporate culture is evolving from a past reliance on personal intuition—an "experience-only" approach—toward a rational decision-making model grounded in "experience + data + AI." We advocate an approach to "advance with nimble yet thoughtful steps, and keep flexibility for timely adjustment and correction," thereby reducing testing costs and controlling risks. In parallel, we are redefining the role of IT, shifting it from mere "functional deployment" to the delivery of "value services."
- **Knowledge Inheritance and Core Business Empowerment:** Foxconn is committed to transforming expert experience into reusable, long-term corporate intelligence, enabling all employees to "stand on the shoulders of masters" to enhance efficiency. Specific examples include:
 - ▶ **AI Intelligent Advisor for Tax and Investment Structures:** Using Retrieval-Augmented Generation (RAG) technology, this system parses the complex tax systems and regulations of various countries. It provides preliminary recommendations on investment structures for up to 1,100 multinational legal entities, saving 83% of the time required for decision preparation and analysis. This transforms finance and tax personnel from mere executors into strategic decision-makers, elevating knowledge from personal experience into corporate intellectual assets.
 - ▶ **AI Cybersecurity Brain:** Faced with a complex, heterogeneous environment spanning multiple countries, clouds, and campuses, Foxconn does not rely on standalone, off-the-shelf tools. Instead, we developed an AI Cybersecurity Brain that understands the Group's operational context. It integrates cross-regional signals to enhance the efficiency of risk assessment and the operational resilience of our joint defense. This innovation has shortened average response times from hours to minutes, automatically filtering out over 90% of false positives and noise. Furthermore, it empowers entry-level analysts with expert-level capabilities, enabling them to focus more effectively on addressing genuine threats.



Constructing AI Infrastructure and an Industrial Ecosystem, Collaborating with Partners to Co-create Sustainable Value

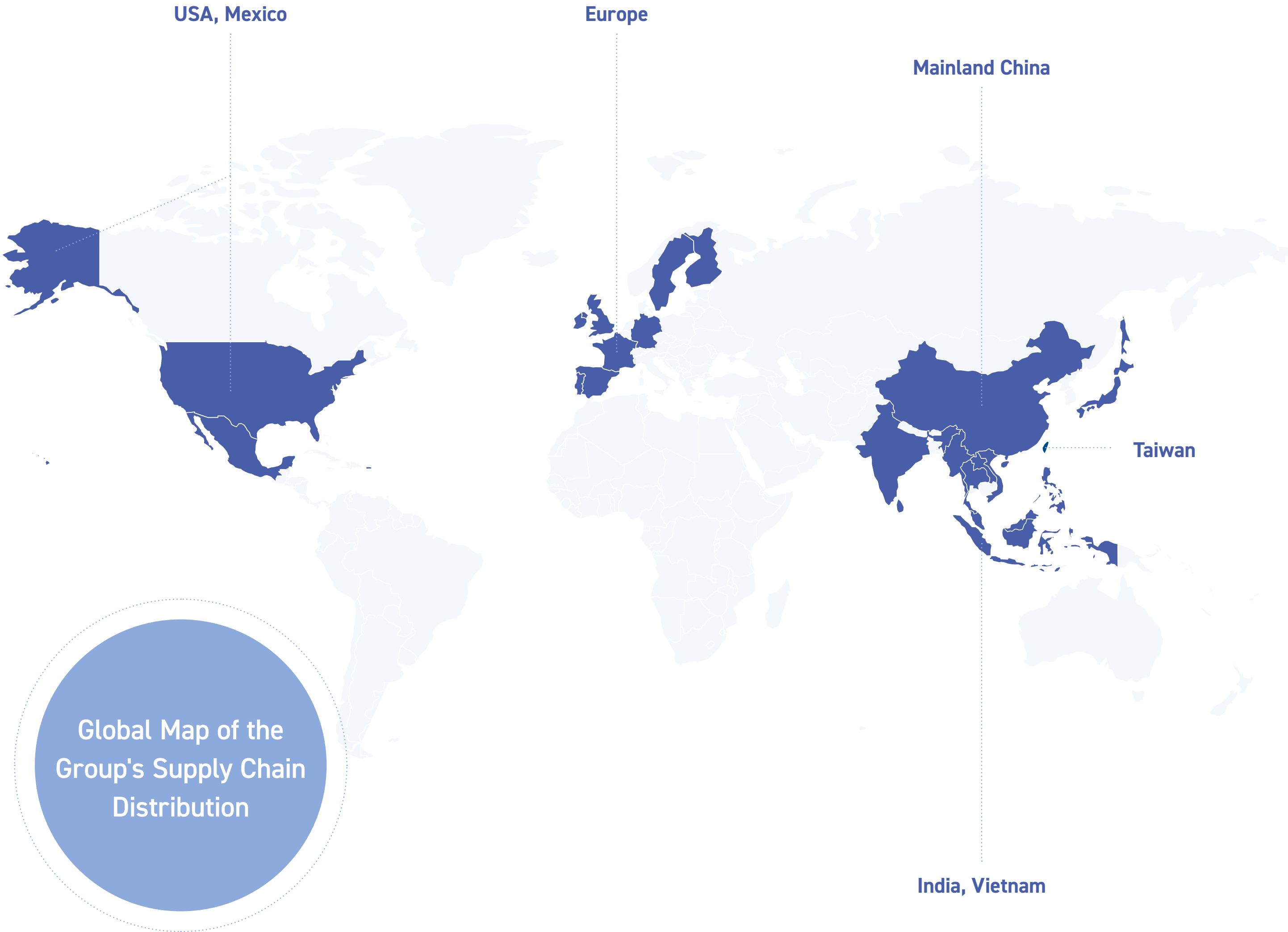
- **Hardware—From AI Servers to AI Data Centers:** We are deeply engaged in the development and mass production of new-generation AI server platforms. We provide comprehensive, vertically integrated solutions—spanning design, key components, modules, and liquid cooling systems through to full system assembly—while continuously extending downstream into AI data center construction services.
- **Software and Applications—Large Language Models (LLMs) and AI Systems:** We independently develop LLMs and AI systems, focusing on core application scenarios such as smart manufacturing, smart electric vehicles and autonomous driving, and smart health. In parallel, we are establishing a supercomputing center in Taiwan. Acting as a cloud partner, we provide computing power services—from GPU computing power and supply chain integration through to computing power operations and AI model applications—offering end-to-end AI factory solutions. This accelerates the industrial AI transformation process, shortens the distance from computing power to commercial value, and positions the Group as a vital participant in sovereign AI infrastructure.
- **Artificial Intelligence Research Institute:** As one of the five major institutes under the Foxconn Research Institute, it focuses on technological developments for the next 3 to 7 years, supporting the Group's "3+3+3" industry strategy and F3.0 smart transformation. Two major innovative research highlights include:
 - ▶ **ModeSeq (Multi-modal Trajectory Prediction Model):** This new technology combines multi-modal data—including visual, semantic, and dynamic trajectory information—to accurately predict pedestrian and vehicle behavior, significantly enhancing the safety and stability of autonomous driving systems.
 - ▶ **FoxBrain:** The first LLM with high-level reasoning capabilities in the Traditional Chinese domain. Integrating manufacturing know-how, it establishes an AI Agent platform used for anomaly detection and decision-making support on the manufacturing floor. It also serves as the foundational model for Foxconn's three major smart platforms: Smart Manufacturing, Smart Electric Vehicles, and Smart Cities.
- **Open Co-creation Mechanism:** We leverage the best practices of external strategic partners and organize activities such as AI hackathons to inspire innovation and cultivate an external AI ecosystem culture centered on sharing and co-creation.

Responsible AI Governance

To ensure that AI technology creates value while safeguarding social equity and data privacy, Foxconn is actively developing and refining its AI Management System (AIMS):



Sustainable Supply Chain Management



Foxconn Technology Group has built a global electronics manufacturing services supply chain network that spans key operational regions across Asia (including Taiwan, mainland China, India, and Vietnam), the Americas, and Europe, enabling us to meet the service needs of customers worldwide.

The structural framework of the Group's industrial value chain primarily encompasses three major segments:



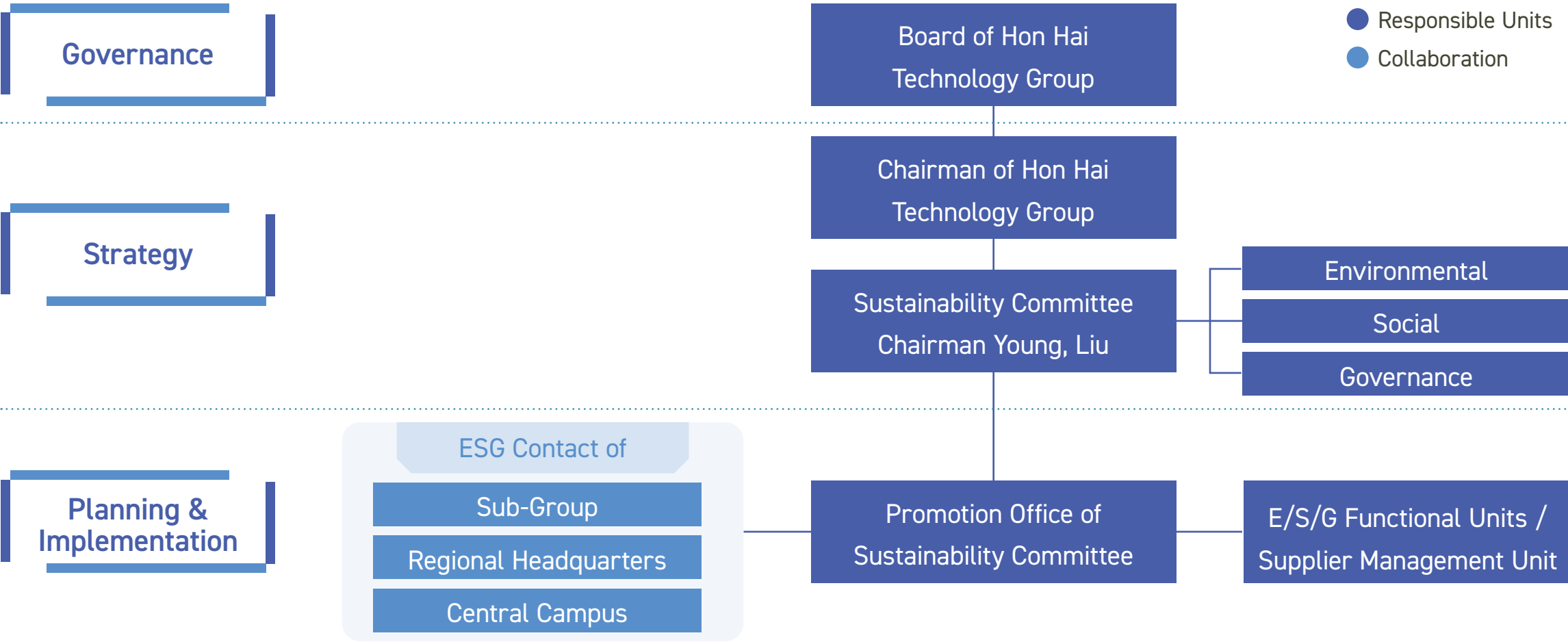
Supplier Governance

Foxconn Technology Group is committed to building a robust supply chain governance system, which serves as a vital foundation for fulfilling our sustainability commitments and strengthening operational resilience. The Board of Directors serves as the highest decision-making body for sustainable supply chain management and, through the Sustainability Committee under its jurisdiction, oversees the implementation of the supplier ESG management mechanism. On an annual basis, the Sustainability Committee reports to the Board on supply chain sustainability performance and future development plans for its review and evaluation. Any material sustainability issues involving the supply chain must be submitted to the Board for deliberation before implementation, ensuring that supply chain strategies remain aligned with the Group’s overall operational direction.

To further strengthen sustainable governance, Foxconn established the Sustainability Committee, chaired by Chairman Young Liu, through which the Board of Directors supervises the implementation of supplier ESG management. In terms of target setting and attainment, the Group achieved 100% of its 7 long-term supply chain ESG metrics for 2021–2025. To sustain this momentum, the Group released its “2026–2030 Long-Term Sustainability Goals” in 2026, comprising 34 long-term goals for 2030, of which 3 relate specifically to supplier ESG management. These goals serve as an important basis for advancing sustainable supply chain development, ensuring that all strategies and actions are implemented in an orderly manner and continuously refined.

In terms of execution, the Group manages suppliers for its respective business groups through the “Global Procurement Division” and “Business Group_HH Purchasing – Semiconductor Supply Chain Management.” In addition to overseeing supplier selection and management, these units ensure that all procurement activities comply with Environmental, Social, and Governance (ESG) standards and provide professional guidance to the supplier ESG management teams within the business groups. Through measures such as the Supplier ESG Digital Management Platform, revisions to the Supplier Code of Conduct, supplier evaluations, audits, performance assessments, and ESG training for suppliers and procurement personnel, the Group addresses key issues including green products, human rights protection, environmental and social responsibility, conflict minerals management, and net-zero emissions. Through these efforts, we work hand in hand with our supply chain partners to elevate overall sustainability performance.

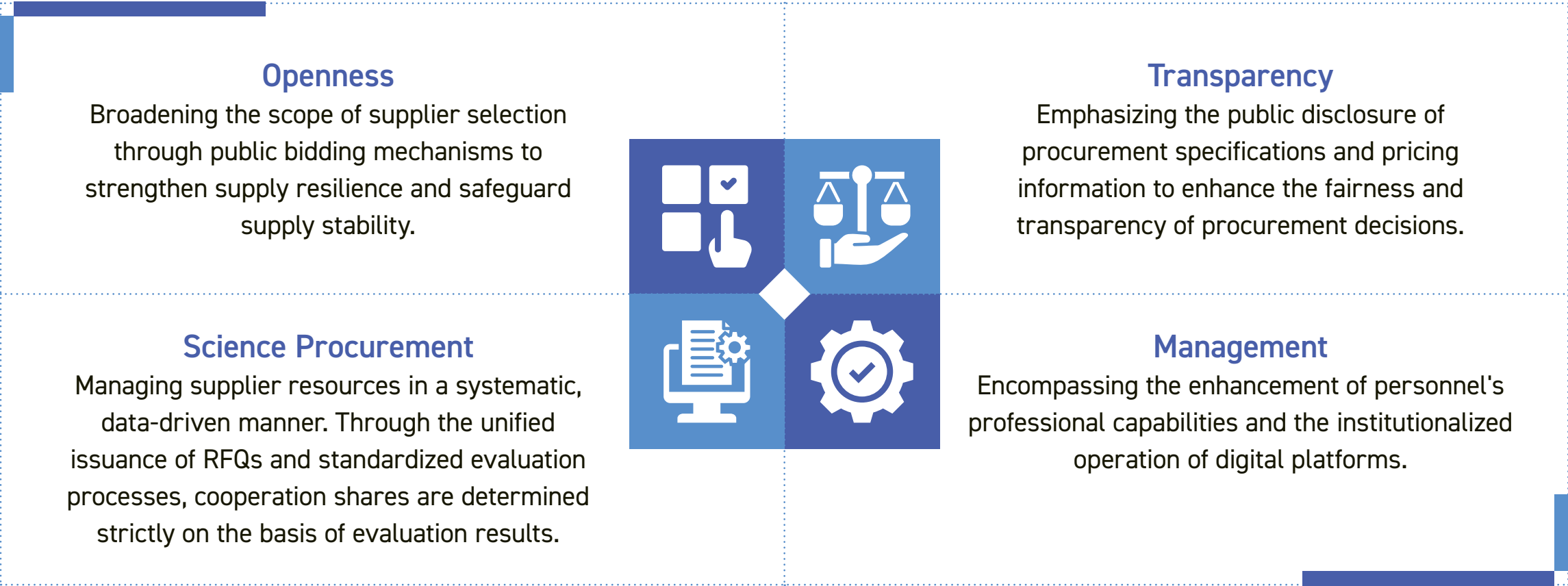
Foxconn Supply Chain Governance Framework



Supply Chain Management Strategy and Framework

Procurement 2.0 Strategy

In 2024, the Group introduced the Procurement 2.0 Strategy, comprehensively upgrading its procurement operating model around the four core principles of “Openness, Transparency, Science Procurement, and Management.”



Taking staffing service providers as an example, the management strategy for the Taiwan region in 2025 has gradually shifted from the previous “price and supply capacity orientation” to a model focused on “compliance risk management, supplier quality grading, and sustainable cooperation.” By strengthening supplier qualification screening, periodic compliance audits, evaluation and grading, corrective actions, and exit mechanisms, and by linking evaluation results to contract renewals and business volume allocation, the Group continuously optimizes its supplier structure, reduces labor risks, and enhances the efficiency of labor procurement management.

Building a Green Supply Chain

The Group continues to advance the development of a green supply chain in collaboration with the Institute of Public and Environmental Affairs (IPE). Through the Blue Map, we dynamically monitor suppliers’ environmental compliance performance across direct, indirect, chemical, and raw material suppliers, while guiding and driving suppliers with environmental violation records to carry out corrective actions and publicly disclose the results.

In 2025, the Group drove 42 non-compliant suppliers to complete GCA (Green Choice Alliance) audit verification and remove their IPE regulatory records. We also guided **11 large suppliers** in establishing supply chain environmental management mechanisms and invited suppliers to participate in **5 training** and empowerment programs organized by the IPE to enhance their environmental management capabilities. At the same time, the Group drove suppliers to disclose Pollutant Release and Transfer Register (PRTR) data—including water consumption and discharge as well as waste generation and transfer volumes—on the IPE platform, requiring year-on-year reductions. In 2025, a total of **364 suppliers** were driven to report PRTR data, of which 186 disclosed for two consecutive years. Through public oversight, compliance monitoring, capability building, and data disclosure, the Group has established a closed-loop green supply chain management system spanning the entire chain, **ranking first in the electronics industry** in the 2025 IPE Green Supply Chain CITI Index.

Supplier Code of Conduct

To guide the value chain toward continuous sustainable development, Foxconn Technology Group draws on international practices to regularly review and update its Supplier Code of Conduct. In 2025, building on our existing management foundation, the Group further strengthened the following requirements:

- **Climate Action and Science-Based Environmental Protection:** Building on our ongoing requirement for suppliers to reduce carbon emissions and waste, we further strengthened the protection of natural capital by explicitly incorporating the "protection of biodiversity, a commitment to zero deforestation, and the implementation of land conservation" into the Code.
- **Social Responsibility and Compliance Governance:** Beyond deepening the protection of labor and human rights, we added requirements on anti-corruption, avoidance of conflicts of interest, and the prohibition of anti-competitive conduct, ensuring that suppliers engage in fair dealing within a compliant framework.
- **Data-Driven Procurement Decision-Making:** We explicitly affirmed that the Group will rely on objective ESG data governance to implement a performance-oriented supplier management mechanism.

For the complete regulations and implementation details of the Foxconn Supplier Social and Environmental Responsibility Code of Conduct, please refer to the [Public Policy Document](#).



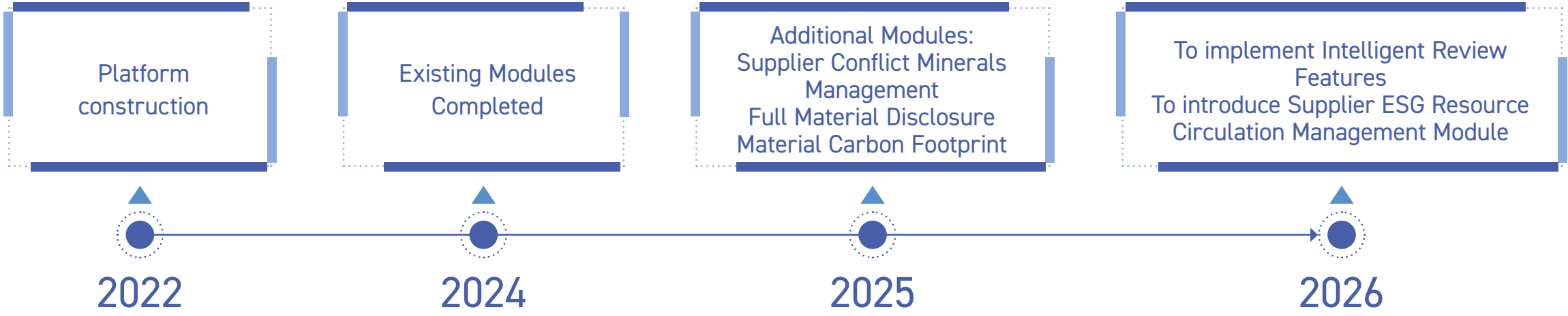
Supplier Management Process

To ensure the effective implementation of the Supplier Code of Conduct, the Group has established a full-lifecycle supplier management mechanism that systematically integrates ESG standards into the procurement decision-making process through the following four major phases:



Supplier Digital Management

Given the vast scale and operational complexity of Foxconn's supply chain, the Group has, since 2022, established the Supplier ESG Digital Management Platform to strengthen ESG management across its supply chain. By 2024, the platform had completed modules including supplier ESG digital rating, dashboards, greenhouse gas inventory, ESG due diligence, training and assessment, product RoHS compliance declaration, and renewable electricity procurement verification. In 2025, we newly completed the Supplier Conflict Minerals Management, Full Material Declaration, and Material Carbon Footprint modules, with the related data to be integrated with the systems of the Group's various ESG-related units. Going forward, we will continue to monitor ESG regulatory and policy developments to expand and upgrade our Supplier ESG Digital Management Platform in response to evolving governance needs. For instance, in 2026, we plan to implement intelligent review features and introduce a new Supplier ESG resource circulation management module.



To enhance information transparency and traceability while improving management efficiency and decision-making quality, the Group progressively strengthens precision supply chain management through digital tools and systematic planning, thereby creating long-term value for the enterprise, society, and the environment. To effectively advance supply chain ESG management, the Group has formulated a three-phase digital sustainable supply chain implementation plan based on its corporate goals and external requirements:



New Supplier Cooperation Assessment

To bring sustainability management requirements forward to the supplier admission stage, the Group continues to strengthen its mechanisms for the sustainable screening and contract management of new suppliers. In 2024, the Group completed the revision of the "Environmental Protection and Social Responsibility Undertaking" for Suppliers (ESU 2.0), incorporating the latest international requirements for sustainable supply chains into the new contract clauses to serve as the fundamental norms for supplier cooperation. To help suppliers fully understand and implement the core requirements of ESU 2.0, the Group comprehensively rolled out interpretation training courses in 2025 and drove suppliers to complete the signing of the new undertaking. As of the end of 2025, **1,492 suppliers** had completed ESU 2.0 sign-ups, and we aim to achieve a signing rate of at least **85%** in 2026.

At the same time, through document reviews and on-site or online audits, the Group assesses whether new suppliers meet sustainable admission criteria across the environmental, social, and governance dimensions. Only those whose comprehensive scores meet the required standard may be included in the Approved Vendor List (AVL). In 2025, a total of **203 new suppliers** passed the sustainability screening criteria, laying the foundation for subsequent supply chain tiered management and the screening of significant suppliers.

2025 Group New Supplier Sustainability Screening Criteria

Dimension	Item	Detailed Requirement
 E	Environmental Management Compliance	No environmental violations in the past three years, or violations are rectified (no environmental regulatory records on the IPE platform).
	Environmental Approval Documents and Licenses	Legally obtain Environmental Impact Assessment (EIA) feedback, approval documents, and discharge permits from government environmental protection departments.
	Waste Compliance	Hand over hazardous waste to qualified service vendors for disposal.
	Greenhouse Gases (GHG)	Suppliers with annual carbon emissions exceeding 3,000 tons must conduct greenhouse gas inventories in accordance with ISO 14064.
	System Certification	Establish an environmental management system in accordance with the ISO 14001 standard.
 S	Conflict Minerals	Submit a qualified conflict minerals due diligence report.
	Wage Payment	Pay wages and overtime pay to employees in accordance with the law.
	Social Insurance	Purchase social insurance for all employees in accordance with the law.
	Working Hours	Employee working hours comply with the RBA Code of Conduct regulations.
	System Certification	Establish an occupational health and safety management system in accordance with the ISO 45001 standard.
 G	Ethics	Establish ethical policies and procedures.
	Audit and Corrective Action	Accept audits and improve audit findings on schedule.
	Financial Statements	Provide balance sheets, income statements, and cash flow statements.
	Supply Chain Management	Communicate Foxconn's requirements to upstream suppliers and supervise their implementation.

Supplier Sustainability Performance Evaluation

Significant Supplier Screening Principles

To enhance supply chain management efficiency and appropriately allocate guidance resources, Foxconn has established its Significant Supplier Screening Principles with reference to the Dow Jones Best-in-Class Indices (DJBIC). Beyond procurement amount, the screening comprehensively considers four major dimensions spanning ESG performance and business relevance, and further overlays three overarching risk assessments to identify the supply chain partners requiring prioritized management.

Across these four core evaluation dimensions, the Group systematically reviews suppliers' overall performance. The Environmental dimension focuses on greenhouse gas reduction, circular waste management, and compliance with environmental regulations. The Social dimension focuses on labor and human rights, the establishment of safe occupational health and safety environments, and hazardous substance management. The Governance dimension emphasizes business continuity management and ethical corporate management. The Business dimension evaluates the share of procurement amount, supplier scale, and the substitutability of key components in order to gauge the extent of a supplier's impact on the Group's operations.

To further strengthen risk management, the Group cross-evaluates the four major dimensions with three specific risk categories—country-specific, industry-specific, and product-specific—to proactively identify potential risks and elevate supply chain resilience.



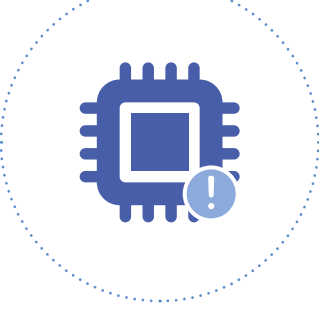
Country-Specific Risk

- Continuously monitor whether supplier production sites are located in regions with geopolitical conflicts or other high-risk areas.



Sector-Specific Risk

- Dynamically review whether overall market capacity poses a risk of supply disruption due to competition or resource concentration.



Commodity-Specific Risk

- Conduct project-based assessments targeting human rights issues in labor-intensive industries, as well as environmental regulatory and waste management challenges associated with highly polluting manufacturing processes.

In FY2025, 100% of new suppliers participated in the screening mechanism described above. Through this mechanism, a total of 365 significant suppliers (including 341 Tier 1 and 24 Tier 2) were identified during the year. Among them, procurement from Tier 1 significant suppliers accounted for more than 80% of the Group's total procurement amount, indicating that the Group has concentrated its primary procurement resources and sustainability management focus on key partners.



2021-2025 Long-Term Supply Chain ESG Metrics

100 % Achieved



Disclosure of PRTR Data for Two Consecutive Years

186 Suppliers



Succeeded Promotion of Upstream Supply Chain Environmental Management Implementation

11 Large Suppliers



New Suppliers Passing our Sustainability Screening in 2025

203 Suppliers



Procurement from Tier 1 Significant Suppliers

Over 80 %



Significant Suppliers Audited

300



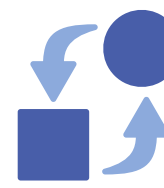
Audit Coverage Increased

by Approximately 80 %



Report of PRTR Data

364 Suppliers



IPE Non-Compliance Corrective Actions Completion

42 Suppliers



ESU 2.0 Signature

1,492 Suppliers



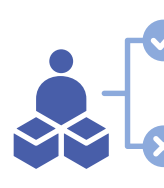
Significant Suppliers

365



Suppliers Audited

870



Audit Findings Identified

14,137



Improvement Completion Rate

98 %

Supplier ESG Performance Rating

Since 2022, Foxconn has implemented comprehensive ESG performance evaluations for its major suppliers. With reference to international standards and customer requirements, we have built an evaluation system encompassing four core dimensions: Net-Zero Emissions, Zero Waste, Green Products, and Labor and Human Rights.

Supplier ESG Performance Evaluation Indicators



Supplier Risk Management

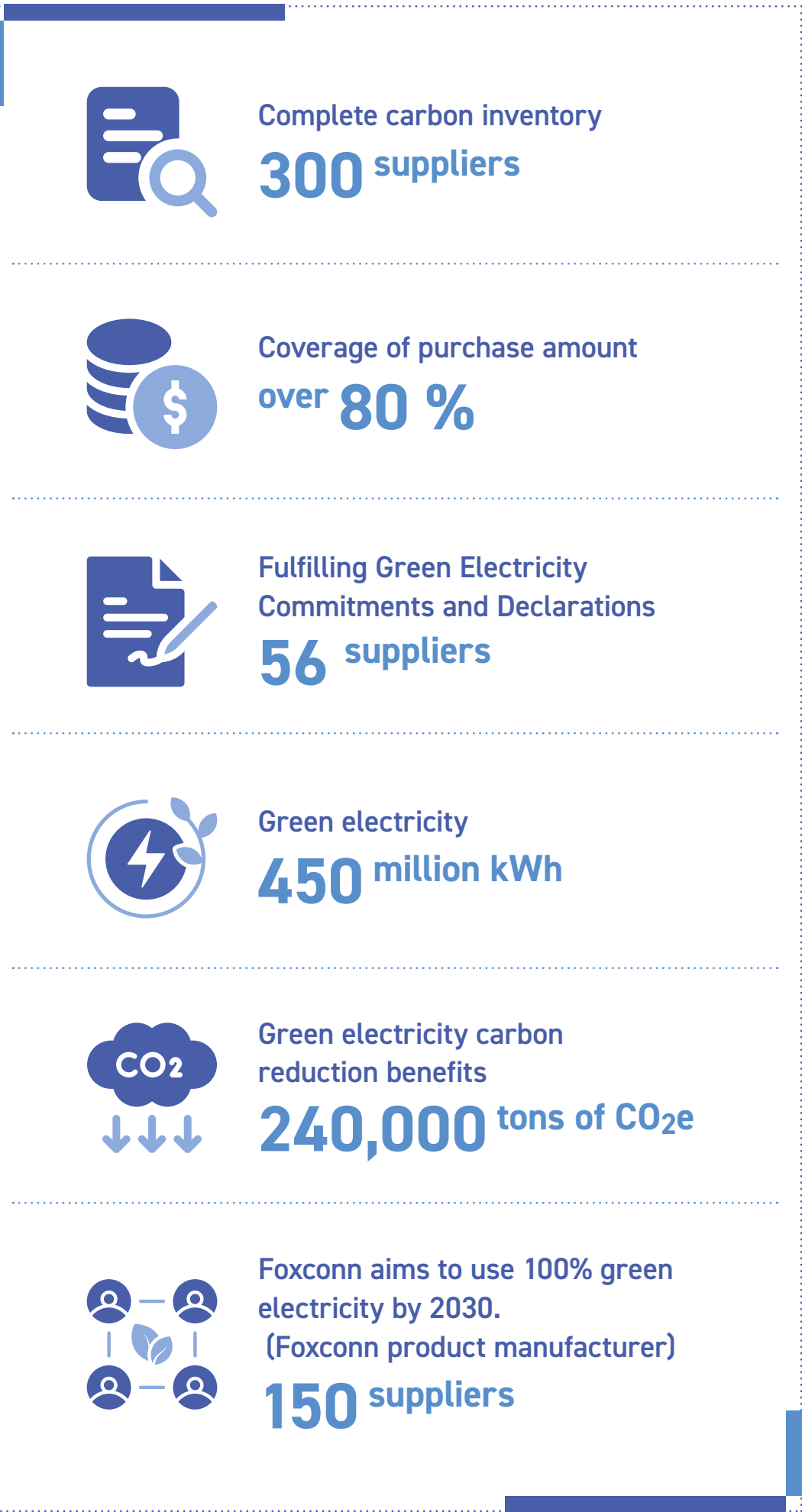
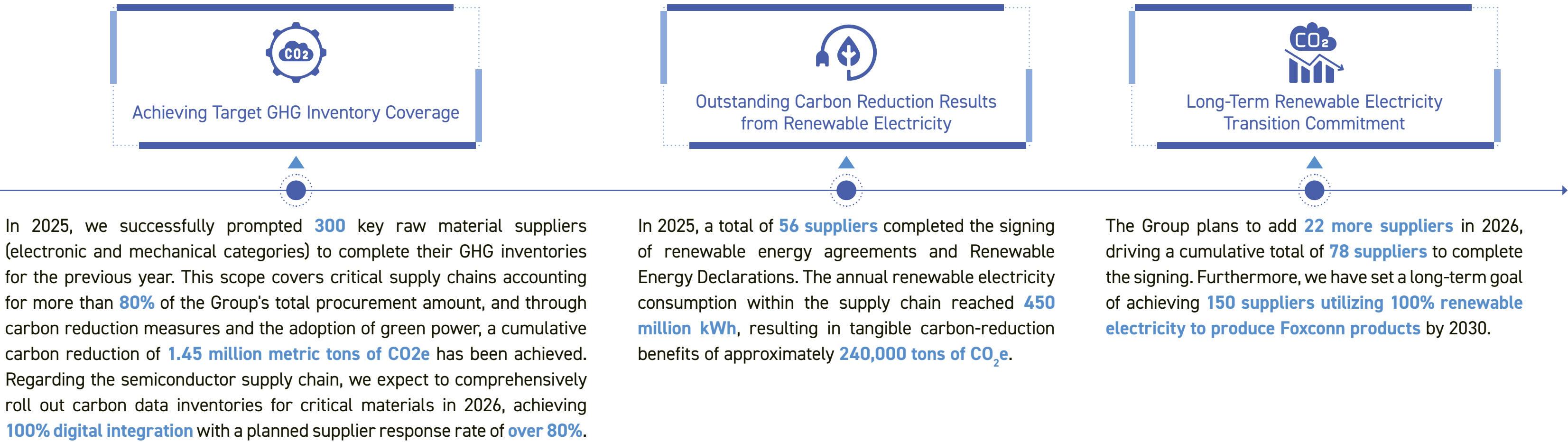
Environmental Dimension: Supplier Greenhouse Gas Inventory and Renewable Electricity Promotion Project

Foxconn Technology Group is committed to strengthening the climate resilience of its supply chain and actively supporting the Group's Scope 3 carbon reduction pathway. To this end, we continuously advance supply chain environmental audits and low-carbon transition projects. The core objective is to establish an accurate and transparent baseline for supply chain greenhouse gas (GHG) emissions, while helping small and medium-sized enterprise (SME) suppliers overcome the specialized technical barriers they encounter during the GHG inventory process. Structural analysis of these inventories shows that over 90% of suppliers' carbon emissions originate from purchased electricity. Accordingly, the Group has prioritized the adoption of renewable electricity to reduce electricity-related carbon emissions at the source, comprehensively enhancing the consistency and completeness of supply chain carbon management. For further details on Foxconn's actions regarding supplier GHG emissions, low-carbon initiatives, and environmental impact management, please refer to Chapter 3 of the 2025 Supplier Responsibility Report, "Environmental and Climate-related Practices."

In terms of specific execution, the Group adopts a multi-pronged approach encompassing digital empowerment, standard-setting, and renewable electricity initiatives. First, we continuously optimize the "Supplier Carbon Management System," launched in 2008, which requires key raw material suppliers to disclose their GHG emissions data annually and to upload supporting documents, including ISO 14064 verification statements, GHG inventories, inventory reports, and renewable electricity certificates. These documents are then reviewed by system administrators to ensure data authenticity. The system also features a built-in, authoritative industry carbon emissions database that proactively assists SMEs in identifying emission sources and automatically calculating annual GHG emissions. In the energy-intensive semiconductor supply chain, the Group launched a dedicated GHG inventory program in 2025, prioritizing critical material suppliers that have already obtained ISO 14064-1 certification. In addition, we newly formulated the Greenhouse Gas Management Regulations for the Semiconductor Supply Chain to standardize carbon management across key materials, including Integrated Circuit (IC) manufacturing.

In the context of the energy transition, the Group has required key suppliers to sign the Renewable Energy Agreement in phases since 2022, encouraging them to install solar power generation systems or procure renewable electricity. To ensure the authenticity and traceability of renewable electricity usage, the Group further requires suppliers to sign the Renewable Energy Declaration. This explicitly mandates that the procured renewable electricity be 100% dedicated to producing Foxconn products, thereby eliminating any double-counting.

Through the systematic management and initiatives mentioned above, the Group achieved significant quantitative results in supply chain GHG inventories and renewable electricity adoption in 2025:

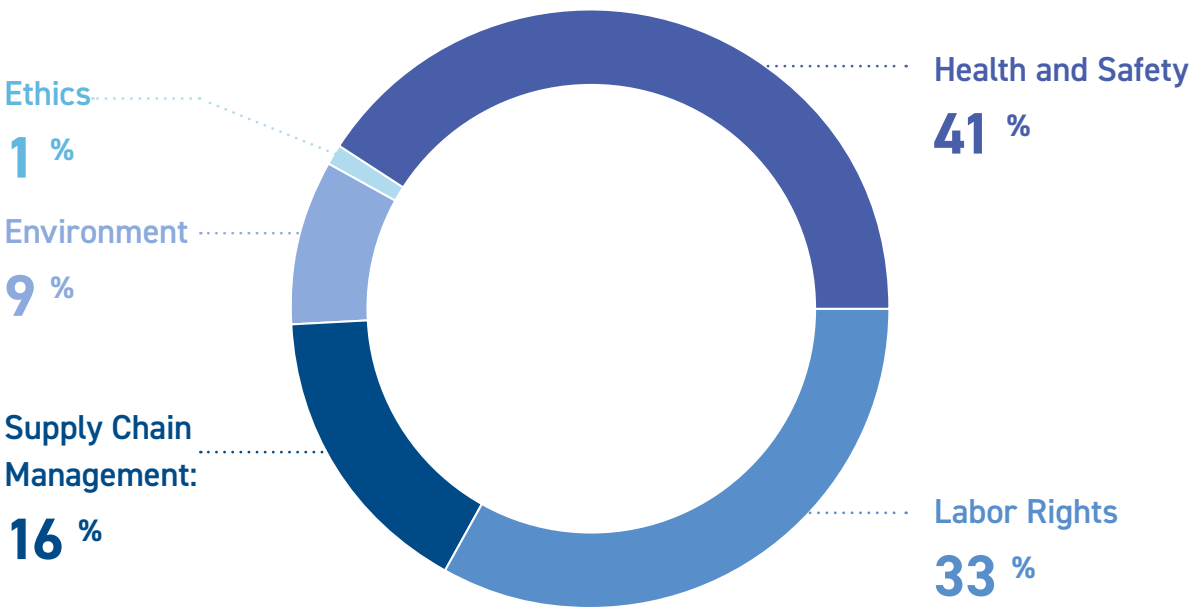


Social Dimension: Supplier Social and Environmental Responsibility (SER) Audits

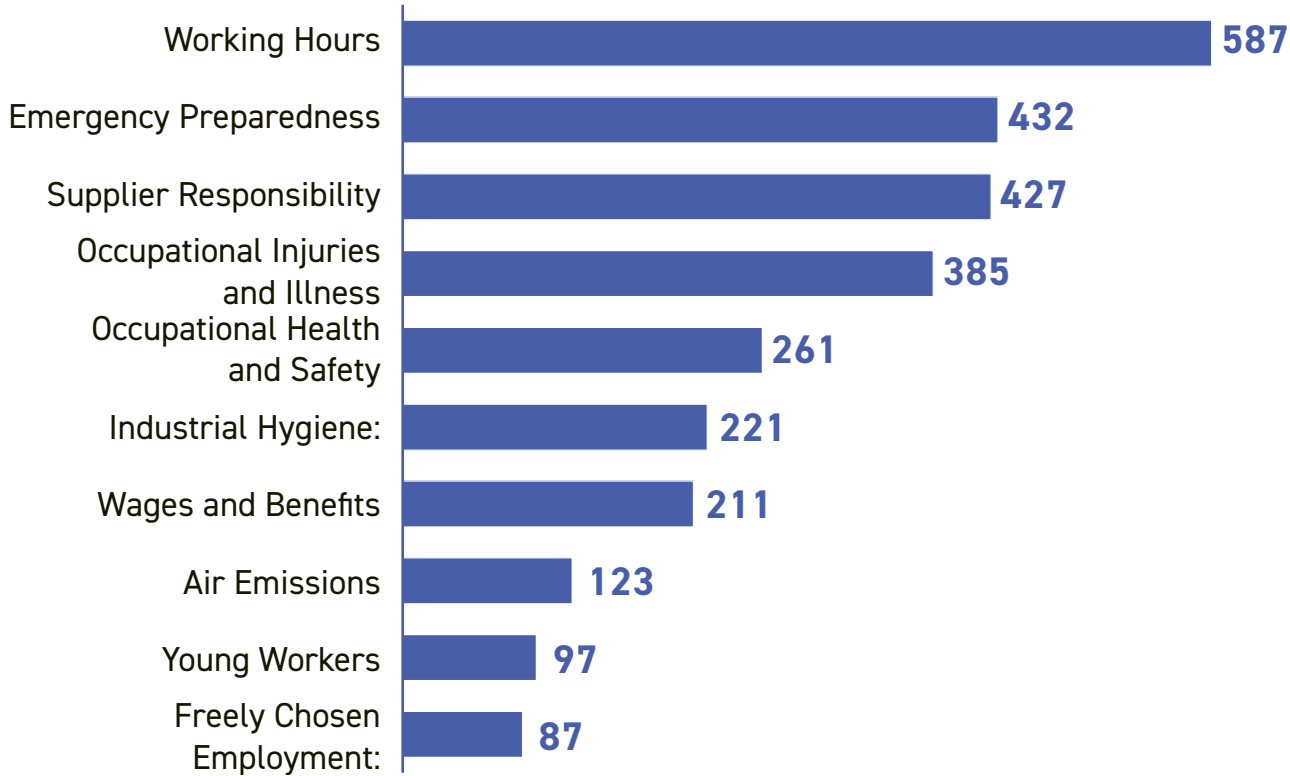
To ensure that audit standards align with international norms, Foxconn continues to deepen its "Supplier RBA VAP Audit Project." Through this project, the Group conducts on-site inspections of suppliers across five core dimensions: Labor and Human Rights, Health and Safety, Environment, Ethics, and Supply Chain Management. For further details on Foxconn's actions regarding the protection of supplier employee human rights and supply chain human rights due diligence, please refer to Chapter 2 of the 2025 Supplier Responsibility Report, "Promoting the Implementation of Human Rights Values."

In 2025, we completed Social and Environmental Responsibility (SER) audits for a total of 629 suppliers, identifying 3,751 findings. No zero-tolerance findings, such as the use of child labor or forced labor, were identified. The distribution of the audit findings was as follows: Health and Safety 41%, Labor 33%, Supply Chain Management 16%, Environment 9%, and Ethics 1%.

Supply Chain SER Audit Results



Supplier Social and Environmental Responsibility Audit Results



Social and Environmental Responsibility (SER) audits

629 suppliers



No zero-tolerance findings

0



Deficiencies

3,751



Improvement Rate

82 %

Regarding the audit findings identified during the SER audits, the Group continuously follows up and assists suppliers with their improvements. As of April 10, 2026, we have guided suppliers to successfully complete the remediation of 3,075 findings, achieving an improvement rate of 82%. We will continue to drive suppliers to finalize their improvements, aiming to achieve a 100% improvement rate. For the action plans addressing the top five finding items, please refer to the Table of SER Audit Supplier Improvement Plans.

SER Audit Supplier Improvement Plans

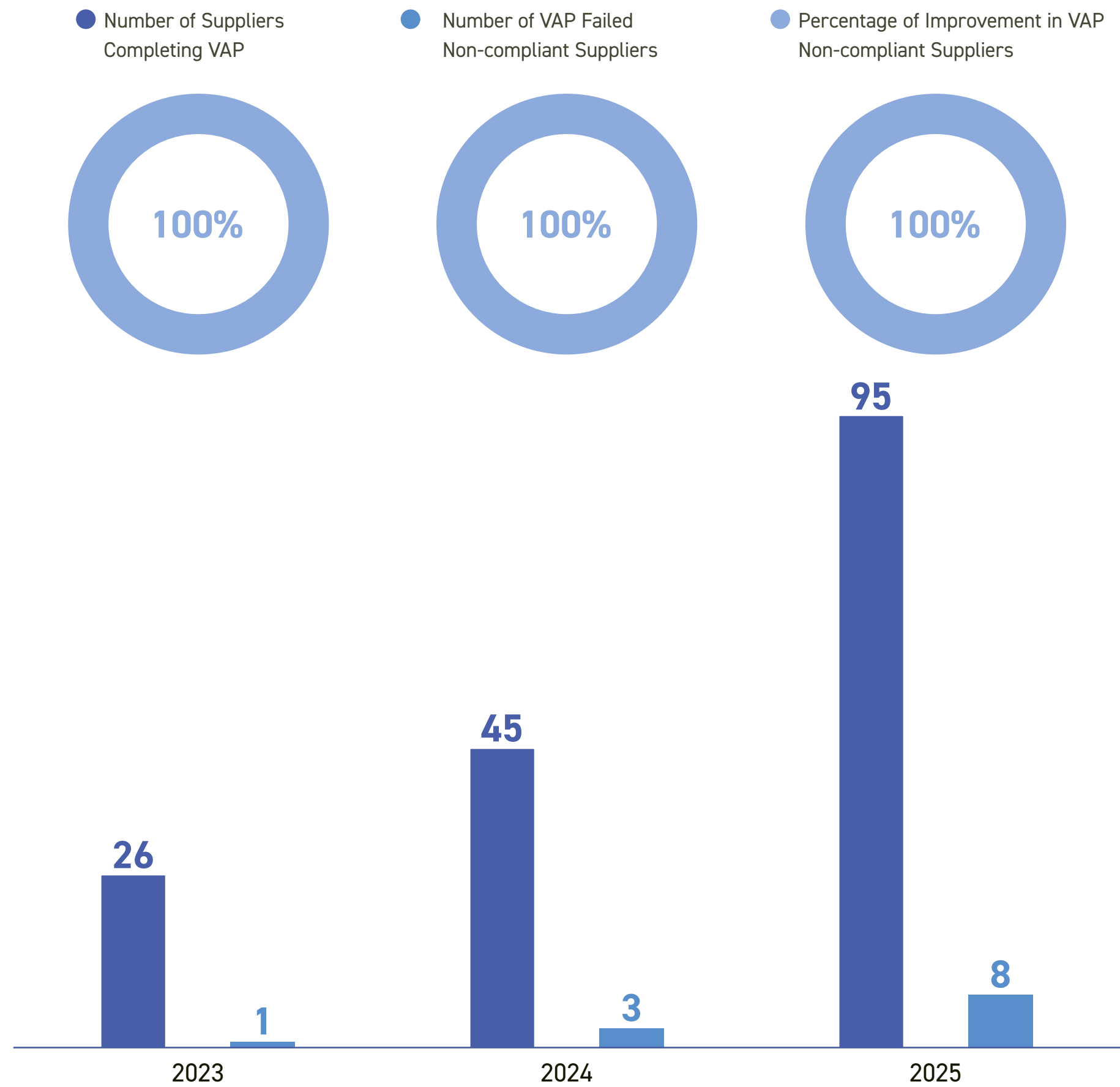
Classification of audit findings	Major audit findings found	CAPs (Corrective Action Plans)
Working Hours	Weekly working hours exceed 60 hours	Recruit more employees to enhance production capacity
	Working continuously for 7 or more days	Implement automation to reduce manual operations
	No overtime control mechanism	Establish working hour alerts and improve overtime approval
Emergency Preparedness	Fire safety equipment are inadequately maintained	Commission a professional organization for the regular maintenance, servicing, and inspection of fire safety facilities
	Not all personnel have participated in the fire evacuation drill	Develop a fire evacuation drill plan and organize regular drills for all company employees
Supplier Responsibility	Failure to communicate RBA requirements to upstream suppliers	Formulate the RBA Commitment Letter and promote the signing thereof by suppliers
	Audit scope did not cover the RBA Code of Conduct	CSR clauses have been added to the audit checklist, and RBA audits are conducted on suppliers with requirements for improvement
Occupational Injuries and Illness	The factory has no first aid personnel	Arrange for employees to learn first aid knowledge and obtain a first aid certificate
	The management of the first aid kit is not standardized	The first aid kit is managed by a designated person and is checked regularly
Occupational Health and Safety	Employees exposed to health and safety hazards did not wear protective equipment correctly	Conduct employee training, strengthen supervision, and incorporate it into assessments
	Employees have not been provided with the correct personal protective equipment	Identify occupational hazard factors and distribute the correct protective equipment

As a member of the Responsible Business Alliance (RBA), Foxconn has integrated the RBA Code of Conduct into its own management regulations. Referring to the latest version of the code, we formulated the Supplier Social and Environmental Code of Conduct, extending responsible business practices to the entire supply chain and continuously elevating suppliers' sustainable governance capabilities.

To strengthen supply chain responsibility management, the Group encourages suppliers to execute the RBA Validated Assessment Program (VAP) through third-party organizations. Suppliers who have completed an RBA VAP audit within the past two years and provided the report to the Group are exempt from duplicate audits. For suppliers who pass the audit, their labor and human rights performance scores are appropriately elevated based on their rating results to encourage the continuous refinement of their ESG performance.

From 2023 to 2025, 26, 45, and 95 suppliers, respectively, completed third-party RBA VAP audits and shared their audit reports with the Group. In 2025, the Group originally set a target to drive over 60 suppliers to undergo this audit; ultimately, this goal was achieved ahead of schedule and exceeded. This reflects the continuously rising emphasis placed on responsible governance issues by our supply chain partners. As of the end of 2025, among all audited Tier 1 suppliers, the proportion of suppliers failing to meet RBA VAP requirements was 8.42%. All associated audit findings have been incorporated into the improvement tracking mechanism, resulting in an overall improvement rate of 100%, demonstrating the execution effectiveness of the Group's supply chain risk management and continuous improvement.

RBA VAP Audit Results Over the Past Three Years

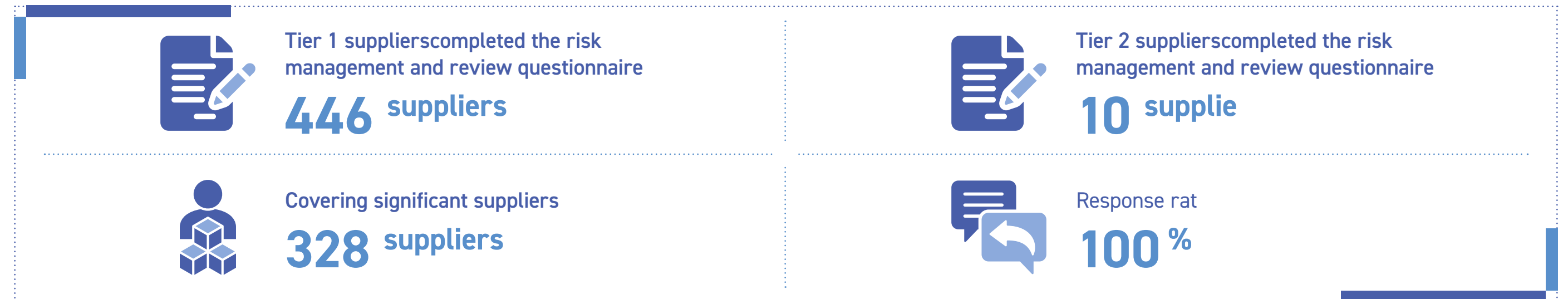


2025 Foxconn Supplier Risk Management Project

Risk management is a critical area to which Foxconn attaches great importance. In accordance with the Supplier Risk Management Regulations, the Group continuously identifies high-risk suppliers and conducts regular audits based on the Supplier Code of Conduct. To enhance the effectiveness of supply chain risk identification and management, the Group draws on the evaluation principles of the ISO 20400 Sustainable Procurement Guidance to analyze the sustainability risks faced by different procurement categories. Building on the risk issues established in 2023, we have made targeted refinements, prioritizing human rights, labor practices, the environment, fair operating practices, and consumer issues, followed by corporate governance and community involvement and development.

In 2025, the Group further optimized its supplier risk management and review questionnaires. Considering the broad range of industries encompassed by Foxconn's supply chain, and to more precisely grasp the current ESG management status and potential risks of different categories of suppliers, the Group designed two differentiated questionnaires for the first time in 2025 based on supplier characteristics: the "Semiconductor Materials, Electronics and Mechanical Component Suppliers Questionnaire" and the "Staffing Service Providers Questionnaire." The results from these questionnaires—combined with supplier self-assessments, document reviews, on-site audits, and third-party verification results—serve as the basis for supplier risk rating and annual evaluations.

During the year, a total of 446 Tier 1 suppliers and 10 Tier 2 suppliers completed the risk management and review questionnaire, covering 328 significant suppliers and achieving a response rate of 100%. For suppliers whose evaluations fell short of the standards or that presented material potential risks, the Group required them to submit improvement plans within a specified timeframe. We continuously follow up through guidance, re-inspections, and performance tracking mechanisms to ensure that risk identification results are effectively translated into improvement actions.



Given the increasing frequency of extreme weather events, the Group established the "e-SCRM Supply Chain Risk Management Platform." This platform consolidates information such as the campuses served by suppliers, their latitude and longitude coordinates, and Group procurement items to monitor global natural disasters—such as earthquakes and typhoons—in real time. When a disaster occurs, the platform automatically assesses affected areas, analyzes data alongside supplier information, and instantly notifies the personnel in charge at each campus. This helps rapidly grasp information on potentially affected suppliers and procured materials, enabling proactive initiation of response measures.

To further strengthen supply chain risk management capabilities, the Group continues to drive upgrades to the e-SCRM system. We are progressively introducing management mechanisms encompassing risk identification, analysis, assessment, response, monitoring, and early warning. Furthermore, we are building a comprehensive supplier risk control framework that integrates component, supply, and ESG risks. This aims to mitigate the risk of supply chain disruptions and fortify the execution resilience of our Business Continuity Management (BCM).

Capability Building and Supplier Development

Foxconn Technology Group believes that supply chain resilience and sustainability performance depend not only on compliance management but also on continuous training and investment in resources to drive the collective advancement of the entire value chain. To this end, the Group has established a "Supplier Sustainability Empowerment Framework" that, through the following three core approaches, helps suppliers progressively advance from foundational awareness to concrete management and execution capabilities:



- **Education and Training:** We regularly organize professional training covering core ESG issues such as labor and human rights, environmental governance, and business ethics. Beyond regulatory advocacy, these sessions also feature practical industry case studies. Through systematic knowledge empowerment, we help suppliers keep pace with the latest developments in international regulations and customer requirements, while fostering the exchange of experience among industry peers.
- **Sustainability Capability Building:** Upholding the principle of placing equal emphasis on auditing and guidance, we bring in expert consultant teams to provide one-on-one guidance during regular ESG on-site inspections. This helps suppliers identify operational management gaps and establish institutionalized sustainability management systems. In parallel, we hold interactive, hands-on workshops from time to time to guide our partners in advancing concrete sustainability action plans.
- **Strategic Cooperation Projects:** Focusing on critical issues such as Net-Zero Emissions, zero-waste manufacturing, and responsible mineral sourcing, we engage in technical exchange and resource sharing with suppliers. This helps value chain partners progressively respond to transition demands and build a common foundation for carbon reduction strategies and sustainability directions.

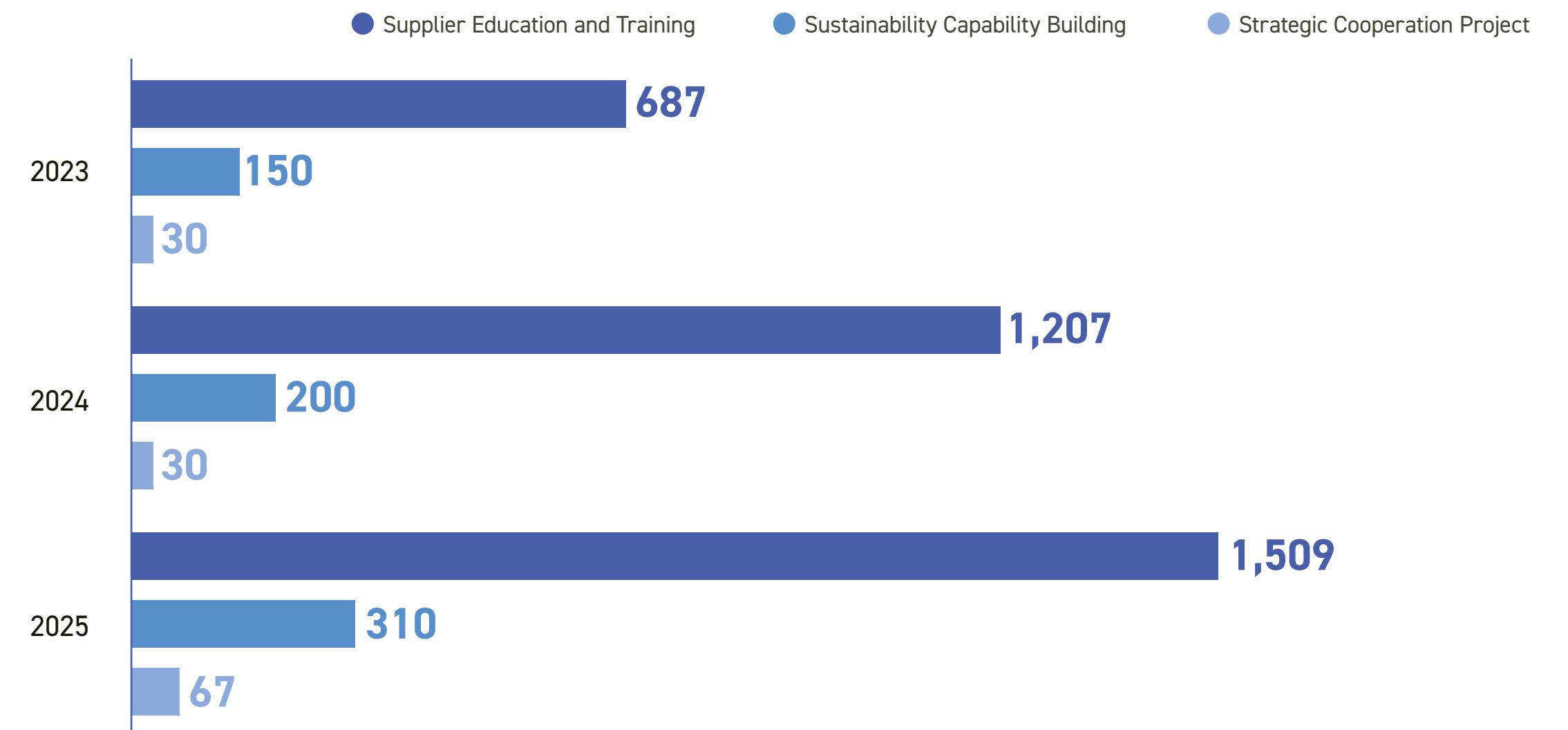

Education and training
1,509 suppliers


Sustainable Capability Building
310 suppliers


Strategic Cooperation Project
67 suppliers



2025 Group Supplier Capability Building Overview



Internal Procurement Personnel Educational Training

To strengthen the effective implementation of the supplier ESG program, Foxconn provides systematic education and training for internal procurement and related personnel. Through diverse formats, including online learning platforms and in-person courses, we help employees master supplier ESG management requirements, evaluation and capability-building processes, and practical approaches to key issues. In 2025, course content covered topics including the RBA Code of Conduct, supplier ESG management, renewable electricity promotion, circular recycled materials, and UL 2809, continuously enhancing the procurement team's professional capabilities and execution consistency in sustainable supplier management. The Group has also integrated ESG performance into the appraisal mechanism for procurement personnel, further reinforcing accountability and management effectiveness.

Education and Training

To lay a solid foundation for sustainable supplier management, the Group regularly conducts professional training on core ESG issues, including labor and human rights, environmental governance, and business ethics. Through systematic knowledge-building, we help suppliers stay abreast of international regulations and Foxconn's sustainability management requirements while promoting the exchange of benchmarking experiences. In 2025, the Group focused on advancing the following two major training programs:

Specialized Training for Staffing Service Providers

In 2025, the Group leveraged the Supplier ESG Digital Management Platform's educational training module to drive online learning and assessment, ensuring both training quality and effectiveness. The course content included the Supplier Code of Conduct (CoC), the RBA Code of Conduct, an introduction to forced labor, DEI (Diversity, Equity, and Inclusion) concepts, the 12 safety red lines, and business ethics. This continuously elevates suppliers' management capabilities across dimensions such as labor rights and occupational safety, while encouraging the extension of relevant training to upstream supply chains.

Targeting staffing service providers, the Group organized specialized training for labor dispatch companies in the mainland China region on July 19 and July 26, 2025. Conducted concurrently in both online and offline formats, the event recorded a total of **97 companies** and **866 participants**, achieving an overall assessment pass rate of **87.53%**. The course covered Recruitment Process Management Practice, Labor Dispute Handling & Resolution, Group Dispatched Worker Discipline Policy & Interpretation, and Five Social Insurance and Housing Provident Fund Operational Practice, aiming to strengthen the professional capabilities and compliance awareness of dispatch company personnel.

Supplier Carbon and Waste Reduction Promotion Conference

To fortify the foundation of carbon management within the semiconductor supply chain, Foxconn released the Greenhouse Gas Management Regulations for the Semiconductor Supply Chain in 2025 and developed a greenhouse gas inventory module within the ESG management platform. These actions continuously enhance the systematic nature and transparency of supply chain carbon data management. To assist key suppliers in implementing relevant requirements, the Group organized 1 specialized education and training session for critical material suppliers in the Integrated Circuit (IC) manufacturing industry. Through system introduction, operational training, and practical guidance, we assisted suppliers in progressively establishing consistent, compliant, and traceable carbon management operational processes.

- **Providing Technical Support and System Implementation Training:** The training content covered platform reporting procedures, data field logic, inventory boundary setting, and fundamental data management requirements. Through modular teaching and operational guidelines, we enhanced suppliers' carbon data reporting capabilities and inventory consistency.
- **Facilitating Experience Exchange and Standard Alignment:** The training conveyed the core requirements of the Greenhouse Gas Management Regulations for the Semiconductor Supply Chain. It helped suppliers understand greenhouse gas inventory methodologies, data quality management, and future carbon-reduction directions, laying the groundwork for subsequent benchmark exchanges, performance comparisons, and the promotion of low-carbon transitions.

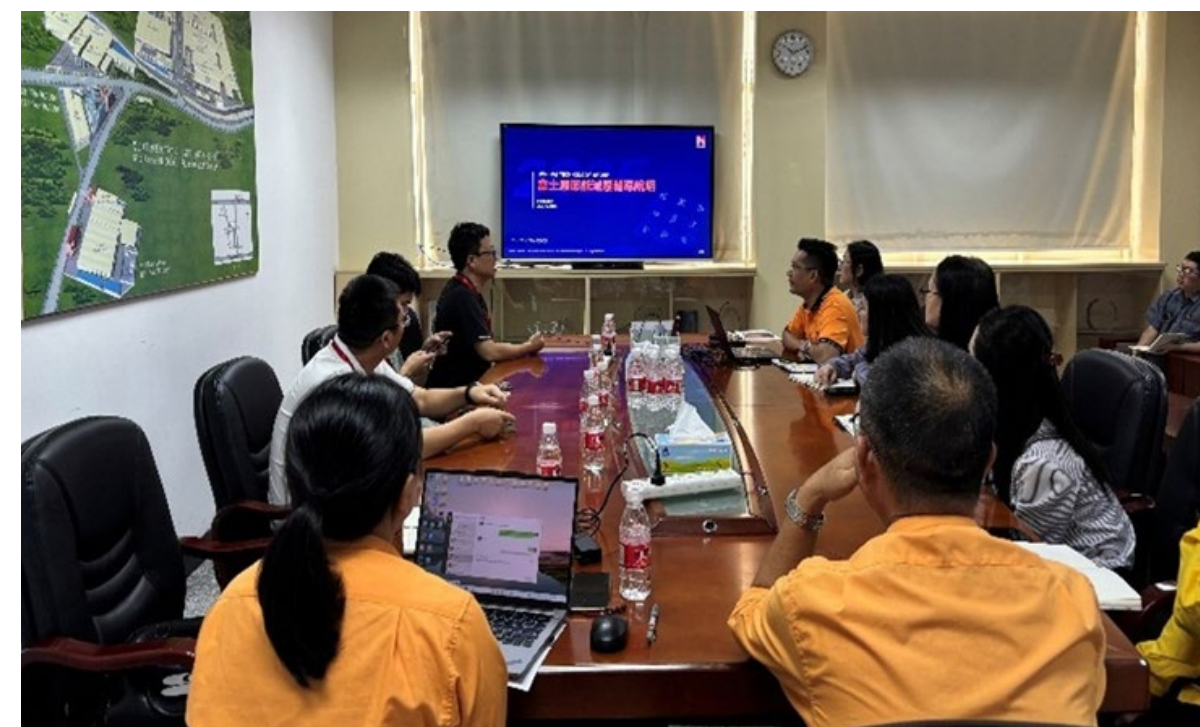
Supplier Sustainability Capability Building

The Group continuously optimizes its internally developed "Supplier Sustainability Performance Evaluation System," conducting a comprehensive monthly ESG assessment of 300 significant suppliers, covering management policies, system establishment, KPI achievement rates, and sub-tier supplier management. Through this digital platform, suppliers can monitor their performance in real time and benchmark their ESG performance against industry peers. The system ranks suppliers within the same key procurement category, enabling partners to clearly identify their position and sustainability gaps in the industry. In addition, the Group hosts an annual event that invites ESG-outstanding suppliers to share their experiences, elevating the overall supply chain's capabilities through benchmarking and learning.

For suppliers identified during evaluations as having management gaps or an urgent need for transition, Foxconn not only points out the deficiencies but also proactively provides guidance and support for improvement, ranging from remote instruction to on-site diagnostics. We organize guidance teams composed of internal experts and external consultants to launch in-depth technical support programs tailored to the specific pain points of different suppliers, helping them fundamentally enhance their ESG performance and operational strength.

In terms of climate action, the Group continues to expand the depth and breadth of its dedicated guidance on carbon and waste reduction. In 2025, expert teams provided intensive on-site technical support to **10 key suppliers**, precisely diagnosing energy consumption in plant equipment and manufacturing processes. During the year, the guidance teams put forward a total of 79 technical recommendations for energy conservation and waste reduction. Following the suppliers' adoption and implementation of these improvements, an estimated annual carbon reduction of **11,349 tons of CO₂e** can be achieved. By continuously tracking actual carbon-reduction performance, the Group can accurately gauge the current status of supply chain emissions and the gap toward the 2050 Net-Zero goal, dynamically adjusting future technical support resources and carbon-reduction pathways accordingly.

Given the high energy consumption and high technological thresholds characteristic of the semiconductor industry, the Group designed a tailored technical support program specifically for semiconductor suppliers. In the second quarter of 2025, we led the industry in establishing the "Semiconductor Supplier Greenhouse Gas Inventory Standards." In the third quarter, we officially launched the dedicated "Semiconductor Supplier ESG Greenhouse Gas Management Platform." During 2025, we completed the 2024 Scope 1 and Scope 2 GHG inventories for semiconductor suppliers. We conducted 1 session of system operation and inventory training for key material suppliers in the Integrated Circuit (IC) manufacturing industry. This progressively establishes systematic carbon management workflows and enhances suppliers' carbon data reporting capabilities, inventory consistency, and compliance.



Strategic Cooperation Projects

Foxconn X Commonwealth Sustainable Value Chain Partner Project

Jointly launched by Foxconn Group and the CommonWealth Sustainability team in 2025, this project aims to help supply chain partners deepen their ESG awareness through four main pillars: "Capacity Building, Evaluation, Recognition, and Publicity." Its core objectives are to strengthen the supply chain's overall ESG performance and competitiveness, enhance supply chain operational resilience, and, through knowledge sharing and professional support, create long-term, sustainable value for the entire industrial ecosystem.

Supplier Participation

The project adopts an elite seed cultivation model, precisely targeting key partners:

- **Seed Capability Building:** We invited 37 key seed suppliers (including benchmark enterprises such as Yageo, Darfon Electronics, and Shin Zu Shing) to participate deeply, serving as core pioneers in driving the supply chain's sustainable transition.

Project Content

During the execution of the project, the Group comprehensively empowered suppliers through integrated online/offline training and rigorous evaluation mechanisms:

- **Integrated Online/Offline Capability-Building Courses:** We held physical offline sustainability workshops in Taiwan and required participating suppliers to complete 27 professional ESG courses through the "Sustainability Online Academy," ensuring the content was highly relevant to practical applications.
- **Sharing of Practical Experience and Knowledge:** Foxconn proactively shared its sustainable supply chain management practices and promotion experiences, providing concrete execution directions. Concurrently, in collaboration with partners (such as STMicroelectronics), we promoted the concept of the "Handprint" (the carbon-reduction benefits achieved during the product's use phase), emphasizing the balance between meeting end-customer demands and enhancing transparency.
- **Third-Party ESG Evaluation:** Foxconn Group and the CommonWealth team jointly conducted a supply chain ESG evaluation to review the effectiveness of the suppliers' sustainability practices objectively.

Project Outcomes

This project successfully drove suppliers from mere awareness to concrete practice. Specific quantitative and qualitative highlights include:

- **Benchmark Recognition and Dissemination:** Following rigorous evaluations, the **3 most outstanding suppliers** were selected and awarded the "Sustainability Co-creation Progress Award." They were publicly recognized at the Group's Sustainability Awards Ceremony as benchmark examples.
- **Fortifying Sustainability Management Capacity:** All **37 participating suppliers completed the 27 training courses**. Substantive feedback from suppliers indicated that the project effectively helped them develop a comprehensive understanding of ESG trends. Furthermore, the practical promotion methods used by large enterprises served as an extremely high benchmark for their internal planning.
- **Expanding Carbon Reduction Impact:** The project successfully extended carbon reduction thinking from individual enterprises to the entire value chain. By embracing "open knowledge sharing" and "pragmatic problem-solving," we realized the "Handprint" carbon reduction benefits of semiconductors and electronic solutions, significantly strengthening the sustainability of the industrial ecosystem.



Foxconn Low-Carbon Supply Chain Transformation Promotion Plan

In response to the Ministry of Economic Affairs' policies, this project drives an industry-wide "Large Enterprises Leading Small and Medium Enterprises" low-carbon supply chain transformation plan, creating a benchmark demonstration model for low-carbon collaboration. By leveraging the influence of a core enterprise, the project helps the supply chain build carbon management capabilities and establish carbon-reduction pathways, thereby enhancing the carbon-reduction resilience and industrial competitiveness of the entire value chain and laying a solid foundation for extending this low-carbon cooperation model to the global supply chain in the future.

Supplier Participation

The project adopted a tiered promotion strategy, leveraging a "hen guiding the chicks" ripple effect to expand carbon management coverage progressively:

- **Deep Participation:** We invited **7** Tier 1 key suppliers to invest in carbon reduction actions jointly.
- **Broad Dissemination:** We successfully drove **30** Tier 2 suppliers to complete their carbon inventory data collection.

Project Content

During the execution of the project, the Group assisted suppliers in their transition preparations through a dual approach of "Capacity Building" and "On-Site Diagnostics":

- **Educational Training and In-Depth Guidance:** We organized a total of 5 internal and external educational training courses and **6 carbon reduction guidance meetings**. The content covered practical carbon inventory procedures, ISO series standards, and key issues such as CBAM (Carbon Border Adjustment Mechanism). This simultaneously strengthened both the carbon-reduction awareness and the inventory capabilities of both Group employees and suppliers.
- **On-Site Diagnostics and Technical Exchange:** We arranged 12 supplier on-site plant visit activities. Through on-site exchanges, technical diagnostics, and project measurements, we conducted energy conservation assessments targeting key equipment and high-energy-consuming areas, helping suppliers clearly define carbon-reduction goals and pathways for promotion.

Project Outcomes

This project was successfully completed in March 2025. Over its two years of implementation, it demonstrated the outstanding effectiveness of the "Large Enterprises Leading Small and Medium Enterprises" model in achieving supply chain carbon reduction. Specific quantitative highlights include:

- **Implementation of Diverse Carbon Reduction Projects:** A total of **25 carbon reduction projects** were completed. The improvement measures comprehensively covered diverse dimensions, including manufacturing process optimization, plant facility improvements, equipment replacement, and green energy investments.
- **Outstanding Carbon Reduction Performance:** The project cumulatively created carbon reductions of up to **16,381.47 tons of CO₂e**, concretely practicing the sustainability commitment of a green supply chain.



Rewarding High Performers and Phasing Out Low Performers

To strengthen the effectiveness of sustainable supply chain management, Foxconn has established an ESG performance evaluation mechanism covering four major dimensions—Net-Zero Emissions, Zero Waste, Green Products, and Labor and Human Rights—for significant suppliers that account for over 80% of the Group's procurement amount, requiring these suppliers to complete monthly self-assessments on the ESG management platform. Based on their performance and the characteristics of key commodities, the Group prioritizes identifying suppliers with potential for improvement, driving them to continuously enhance their sustainability management capabilities and execution effectiveness.

At year-end, the Group distinguishes between ESG-outstanding and underperforming suppliers based on annual performance results and links these evaluations to subsequent management of cooperation. For ESG-outstanding suppliers, the Group provides positive recognition through reward mechanisms. Conversely, for suppliers lagging in performance with limited improvement, the Group initiates guidance and improvement requirements and adjusts procurement amounts as appropriate. Suppliers that fail to cooperate will be placed on the list of underperforming suppliers and subject to restricted cooperation, thereby continuously optimizing the overall resilience and sustainable competitiveness of the supply chain.

Outstanding Supplier Project — Foxconn Sustainability Awards

On April 2, 2026, the Group held the "Foxconn Sustainability Awards Ceremony and Sustainability Summit Roundtable Forum." During the event, we recognized **10 ESG-outstanding suppliers** with the Gold Award of the "Sustainable Supply Chain Excellence Award." We invited senior executives from **3 outstanding suppliers** to participate in the "Collaboratively Building a Sustainable Value Chain—Sharing Best Practices of Supplier ESG" roundtable forum. During the forum, suppliers shared ESG best-practice cases and discussed common challenges and response strategies regarding ESG requirements across different markets. These strategies included establishing consistent management systems aligned with international standards such as ISO, making appropriate adjustments to regional characteristics, and leveraging customers' high standards to drive continuous improvement—thereby encouraging the supply chain to proactively advance toward higher sustainability standards. The overall event received high praise and positive feedback from suppliers, who felt it facilitated the exchange of experience and enhanced their sustainability management capabilities.



Conflict Minerals

Conflict Minerals Governance

Foxconn Technology Group strictly complies with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and continuously promotes responsible mineral sourcing. We strictly prohibit the direct or indirect procurement of conflict minerals—such as tantalum, tin, tungsten, and gold (3TG)—mined from the Democratic Republic of the Congo and its surrounding high-risk areas. Furthermore, we are dedicated to ensuring that the sources of critical metals in our products are legal, transparent, and traceable, and require our supply chain to prioritize the use of RMAP-compliant smelters and refiners that have passed RMAP (Responsible Minerals Assurance Process) or equivalent international certifications.

To ensure the effective implementation of our responsible sourcing policy, the Group has established a top-down, cross-departmental framework for conflict minerals governance, with clearly defined roles and responsibilities. At the highest supervisory level, the Sustainability Committee oversees the Group-wide conflict minerals management strategy and the effectiveness of its execution. The Supplier Compliance and ESG Management Department serves as the core dedicated team driving this initiative, responsible for formulating policy standards, establishing management systems, and regularly conducting ESG and mineral traceability training for relevant procurement personnel. Meanwhile, the Procurement Department collaborates with this dedicated team to conduct supplier due diligence and to collect and review suppliers' conflict minerals reports.

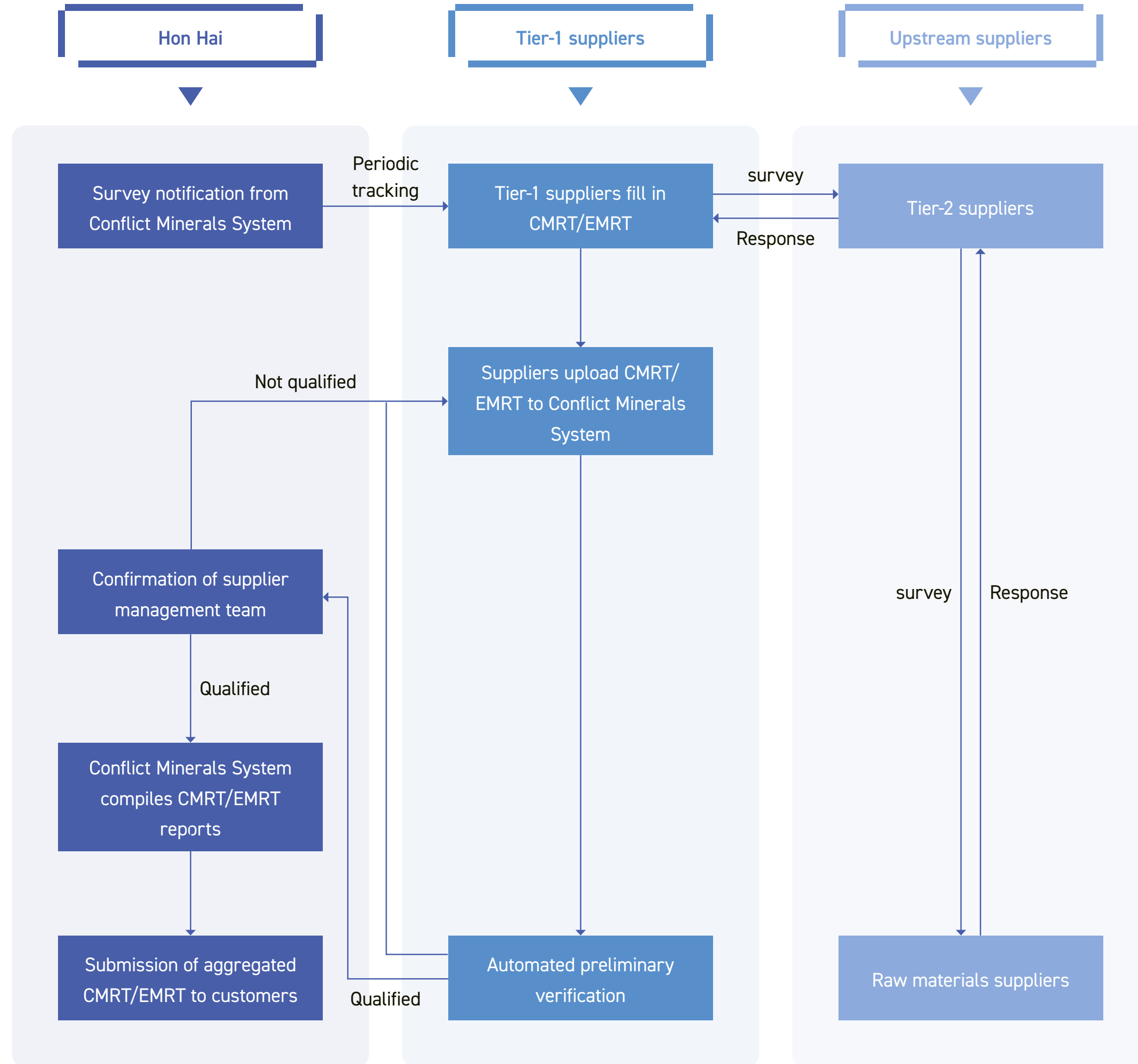
Under this framework, Foxconn integrates responsible mineral sourcing into routine supplier management and contract clauses. We formulated the Responsible Minerals Sourcing Statement and the Supplier Responsible Mineral Sourcing Management Process, incorporating conflict-free mineral requirements into all formal commercial agreements and supplier procurement contracts. All partners are required to sign the "Environmental Protection and Social Responsibility Undertaking" for Suppliers (ESU 2.0), and conflict mineral traceability and compliance performance have become critical inspection items for both new supplier admission certification and the annual audits of existing suppliers.

Conflict Minerals Grievance Mechanism

To further enhance the efficiency and transparency of supply chain traceability, the Group has introduced digital management tools and established a dedicated supervision and grievance mechanism for conflict minerals. The Group independently developed the "Conflict Minerals Management System," which its Business Groups and subsidiaries use to collect, audit, and consolidate supplier due diligence reports, thereby ensuring long-term data preservation and traceability. At the same time, the Group established a dedicated conflict minerals grievance channel, encouraging employees, suppliers, non-governmental organizations (NGOs), and the general public to submit reports and feedback through the contact windows on our official website and the Supplier ESG Digital Management Platform. For all grievance cases, the Group initiates independent investigations and takes the necessary corrective and preventive measures.

Conflict Minerals Due Diligence

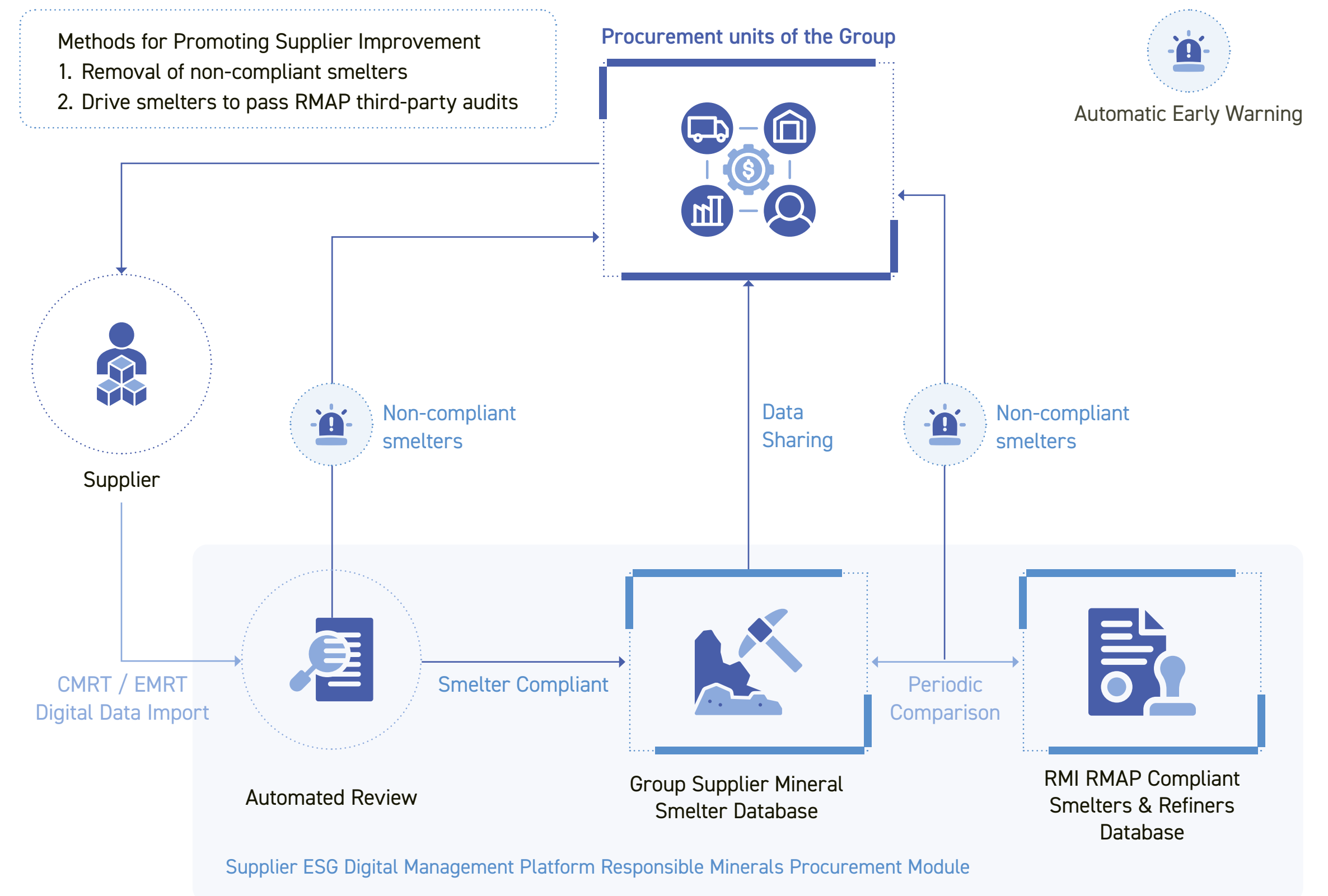
Foxconn Conflict Minerals Due Diligence Flowchart



The high-end electronic products manufactured by Foxconn comprise complex electronic and mechanical components. To achieve specific functionalities, some of these components inevitably require critical minerals such as 3TG (tantalum, tin, tungsten, and gold), as well as cobalt and mica. To precisely control risks at the source, the Group's Component Engineering Department has established a dedicated "Critical Minerals Usage List" based on rigorous material grading and classification standards, systematically identifying the potential conflict mineral risks across various product lines and suppliers.

Once the risk scope is defined, Foxconn has built a rigorous mineral traceability system, extending its management focus to the minerals' true country of origin. As a formal member of the Responsible Minerals Initiative (RMI), the Group annually uses the Conflict Minerals Reporting Template (CMRT) and the Extended Minerals Reporting Template (EMRT), developed by the RMI, to conduct comprehensive due diligence on suppliers involved in the sourcing of critical minerals. This is combined with the RMI's Reasonable Country of Origin Inquiry (RCOI) database to trace mineral origins, identifying whether critical minerals originate from the Democratic Republic of the Congo and its nine surrounding nations, or from other conflict-affected and high-risk areas.

Automatic Early Warning and Improvement Mechanism for Non-Compliant Mineral Smelters



Conflict Minerals Project: Third-Party Audit Verification

Within the mineral supply chain, although Foxconn is positioned as a downstream enterprise and does not directly procure raw materials from smelters or refiners, we still convey the "conflict-free minerals" management requirements upstream through our procurement regulations. We require Tier 1 suppliers to ensure that the 3TG, cobalt, mica, and other minerals contained in their products are sourced entirely from RMAP-conformant smelters and refiners that have passed independent third-party audit verification. The Group also cross-references the smelter lists reported by suppliers against the official RMI RMAP-conformant list, one by one, to ensure that conflict-free requirements are implemented.

Furthermore, to ensure the effectiveness and transparency of our own management mechanisms, Foxconn's global Business Groups and campuses regularly undergo third-party RBA VAP on-site audits commissioned by our customers. External auditors verify the design and execution effectiveness of the Group's conflict minerals supply chain policies across its various campuses, objectively ensuring that the sources of critical minerals in Foxconn products comply with the OECD Due Diligence Guidance and internationally recognized standards.

Building on the aforementioned traceability and audit mechanisms, the Group continued to leverage its digital platform to conduct large-scale conflict minerals due diligence in 2025 and consistently disclosed the relevant compliance outcomes. During the year, we distributed survey questionnaires to a total of 2,375 suppliers (covering over 90% of the Group's procurement amount) and achieved a 100% response rate. At the same time, we cumulatively secured formal, signed conflict-free mineral commitment documents from 1,835 suppliers, achieving a 100% signing rate.



Supplier Questionnaires Distributed

2,375 suppliers



Group Procurement Spend Coverage

Over 90%



Response Rate

100 %



Cumulative Suppliers Signing Conflict-Free Minerals Commitment

1,835 suppliers



Signing Completion Rate

100 %



Foxconn Group's 2025 Conflict Minerals Due Diligence Results

	3TG	Cobalt, Mica
Number of Suppliers Investigated	2,375	2,165
Number of Suppliers Responded	2,375	2,165
Response Rate	100%	100%

Results of the Conflict Minerals Due Diligence in the Past Three Years

	2023	2024	2025
Number of Suppliers Investigated	1,975	2,166	2,375
Number of Suppliers Responded	1,975	2,166	2,375
Response Rate	100%	100%	100%

The survey results indicate that, as of the end of 2025, no illegal minerals sourced from conflict-affected or high-risk areas without third-party RMAP certification were found in the products delivered by the Group's supply chain. During the year, the Group's supply chain involved a total of 282 smelters or refiners of 3TG, cobalt, and mica, 100% of which, after cross-reference, were listed on the RMI RMAP-conformant list. Their geographic distribution is primarily concentrated in Asia.

(Continued from the previous page)
 Conflict Minerals Project: Third-Party Audit Verification

2025 Group Conflict Mineral Smelter and Refiner RMAP Certification Results

Certification Status	Tantalum	Tin	Tungsten	Gold	Cobalt	Mica
Conformant	35	54	41	94	55	3
Active	0	0	0	0	0	0
Not conformant	0	0	0	0	0	0
Total	35	54	41	94	55	3

2025 Group Smelter Distribution by Region

Area	Tantalum	Tin	Tungsten	Gold	Cobalt	Mica	Total
Asia	22	29	31	49	33	3	167
Africa	1	3	0	5	13	0	22
Europe	3	5	4	23	6	0	41
North America	6	4	5	11	2	0	28
Australia	0	1	0	1	1	0	3
South America	3	12	1	5	0	0	21
Total	35	54	41	94	55	3	282

To further respond to international sustainability assessments' demands for transparency in financial and operational exposure, the products delivered by the Group in 2025 did not contain minerals from conflict-affected or other high-risk areas. Consequently, the revenue from such products accounted for 0% of the Group's total revenue.

To ensure the compliance and operational resilience of the mineral supply chain management, Foxconn has built a comprehensive risk mitigation and remediation mechanism targeting identified potential or actual conflict mineral risks. This mechanism encompasses source management, time-bound corrections, disciplinary actions, and capacity building, and specifically includes:



Source Management and Performance Linkage Mechanism
 New suppliers are required to sign the "Environmental Protection and Social Responsibility Undertaking" for Suppliers (ESU 2.0) and submit standard-compliant Conflict Minerals Reporting Template (CMRT) and Extended Minerals Reporting Template (EMRT) reports. Concurrently, the degree of implementation regarding conflict-free minerals is incorporated into their annual ESG performance evaluations.



Smelter Risk Remediation and Time-Bound Phase-Out Plan
 For high-risk smelters and refiners or those that have not yet obtained RMAP certification, we require suppliers to prompt them to achieve third-party certification or eliminate them from the supply chain within a specified timeframe. Those who fail to complete improvements by the deadline will face frozen trading privileges or penalties for downgrades.



On-Site Audits and Supply Chain Penetration Management
 Through regular social and environmental responsibility on-site audits, we inspect suppliers' mineral traceability procedures and the historical track record of their due diligence execution upstream. If management loopholes or compliance deficiencies are discovered, we will initiate project-based guidance and require time-bound improvements.



Industry Initiative Collaboration and Joint Promotion
 We actively participate in RMI regional expert meetings. Through cross-enterprise experience exchange and intelligence sharing, we instantly grasp the latest global dynamics in the smelter industry. Furthermore, we collaborate with industry peers and the RMI platform to jointly push high-risk smelters to undergo RMAP audits.



Compliance Training and Capacity Building
 We continuously organize dedicated online training and practical sharing sessions, focusing on international conflict mineral regulatory trends, the Group's responsible sourcing policies, and the correct logic for completing CMRT/EMRT forms.

Looking ahead, Foxconn will continue to deepen its sustainable supply chain vision of being "Green, Resilient, and Co-prosperous." Through rigorous risk governance, in-depth technical support, and transparent traceability mechanisms, we will work hand in hand with global value chain partners to collectively address transition challenges. We will drive the supply chain to implement low-carbon manufacturing and human rights protection, building a highly resilient and sustainable industrial cooperation system.

Local Procurement

Global Local
Procurement Rate

58 %

Local Procurement Ratio
in Taiwan & Mainland China

$\geq$ 80 %

In the face of a rapidly changing global political and economic landscape, Foxconn views local procurement as an important strategy to strengthen supply chain resilience. Provided that quality and commercial terms are comparable, the Group actively prioritizes building long-term cooperative relationships with suppliers located near each of its production campuses. In 2025, Foxconn Group's local procurement ratio reached 58%, with local procurement ratios in both the Taiwan and mainland China regions exceeding 80%.

Advancing local procurement not only helps shorten material lead times and enhance the Group's operational agility in the face of market fluctuations, but also substantially reduces greenhouse gas emissions from long-distance cross-border transportation, thereby putting green logistics into practice. At the same time, by expanding the scale of local procurement, the Group drives the development of industrial clusters in its operating locations and supports the creation of local employment opportunities and supply chain collaboration networks, continuously fostering economic development and enhancing supply chain resilience in the regions where it operates.

Note. In 2025, the Group's local procurement ratio in Vietnam was relatively low, resulting in a decline from 2024. The Group will progressively raise the local procurement ratio at its Vietnam campuses.