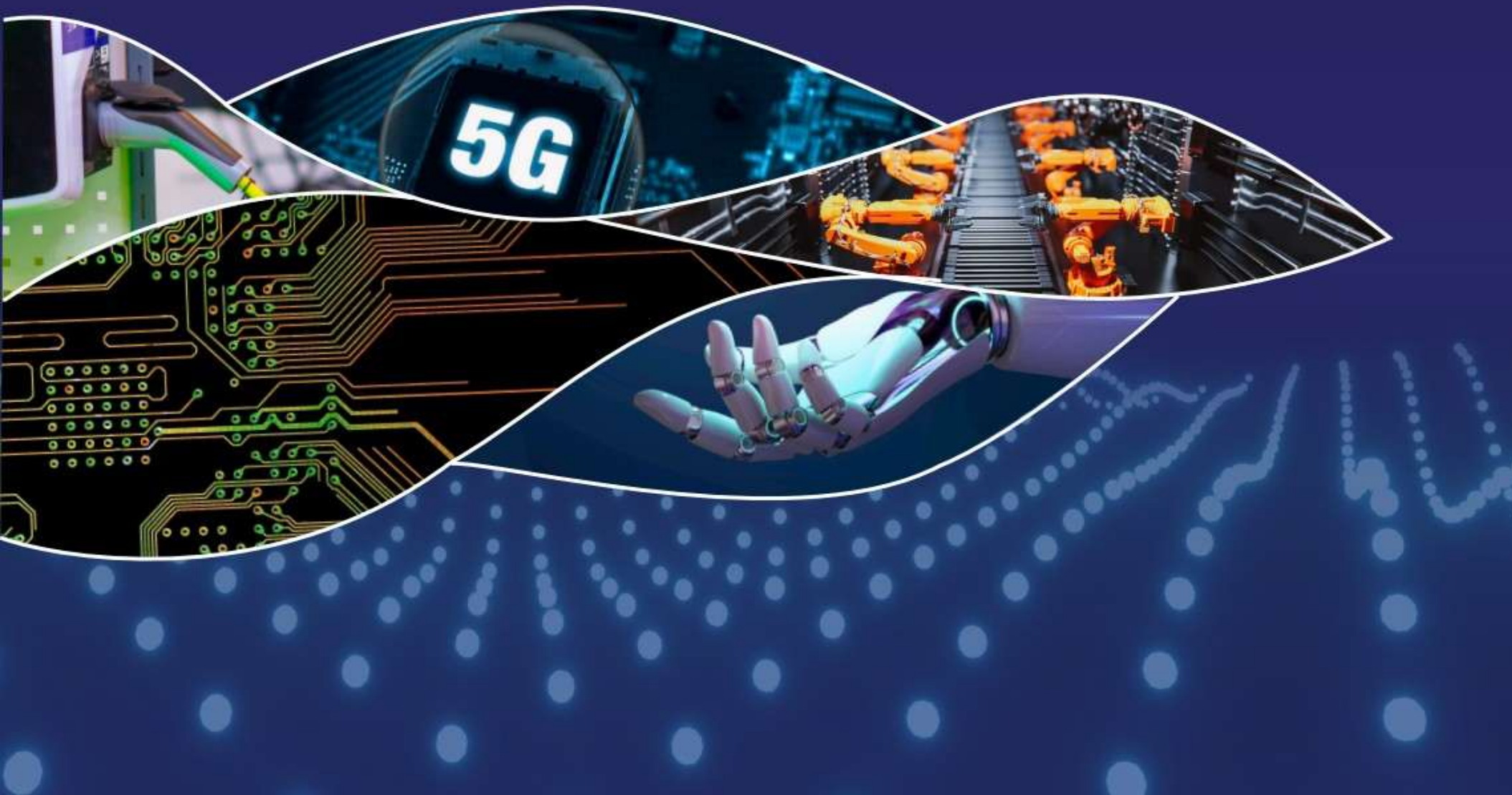


2024

Sustainability Report



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Preface

About this report

Hon Hai Precision Industry Co., Ltd. (hereinafter referred to as “the Group” “the Company” or “Hon Hai”) published its first “2008 Corporate Social Responsibility Report” in 2009 and renamed it the “Sustainability Report” in 2022. As a leading corporate citizen, we are committed to implementing sustainable actions in response to the United Nations Sustainable Development Goals. We also disclose information on the Group’s financial and non-financial performance in sustainability governance to our stakeholders, demonstrating our commitment to sustainable development.

1

Reporting Principles

This report follows the standards of Global Reporting Initiative (GRI) (2021) while being compiled. Disclosures were also made in accordance with the International Financial Reporting Standards Foundation (IFRS Foundation)’s Sustainability Accounting Standards (SASB Standards) and the Financial Stability Board (FSB)’s Taskforce on Climate-Related Financial Disclosures (TCFD) framework. This report collects and researches important domestic and international economic, environmental, and social (including human rights) issues, as well as stakeholder concerns. It uses double materiality analysis to understand stakeholder concerns, conducts interviews with various departments to understand implementation effectiveness, and focus the disclosure on these issues. The relevant information for this report is collected by each department and reviewed by department heads before being submitted to the Hon Hai Sustainability Committee for information consolidation, compilation, and

2

Report Scope

2024 Sustainability Report (hereinafter referred to as the Report) covers the period from January 1, 2024 to December 31, 2024* and covers Hon Hai Precision Industry Co., Ltd. (also known as Foxconn Technology Group) as well as its directly or indirectly controlled legal entities, enterprises, or any form of business organization (i.e., “affiliated entities”), covering the information based on the operations, production, and sales locations of its subsidiaries as reflected in the consolidated income statement. This includes key operating locations in Taiwan, Mainland China, Vietnam, India, Europe, and the Americas, as well as the ABCES business units and subsidiaries such as Fii, FIT, and FIH.

3

Reporting cycle

This year, Hon Hai has issued the report for the 17th time, and will continue to issue this report every year in the future.

Current release:
Released in September 2025

Last released version:
August 2024

Expected next release:
August 2026

4

External assurance

To enhance information transparency and reliability, Hon Hai has conducted assurance work using the AA1000AS v3(2020) standard through AFNOR Asia Ltd., an international third-party certification organization, confirming that it meets the Type 2 Medium Assurance Level. Details are disclosed in the “Third-Party Assurance Statement.”

Feedback



If you have any feedback on the report, please contact us using the following information:

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* To enable all stakeholders concerned with Hon Hai’s sustainable development to advance their sustainable initiatives, some information will be disclosed until June 30, 2025, with explanations provided.

Letter from Chairman

Sustainability is our most profound and sincere commitment to the Earth. In the face of rapid changes in the global economy and technology, Hon Hai has always firmly adhered to the concept of “sustainable operation = EPS + ESG” and has collaborated with the top partners globally to create a bright future together.

We are honored to have been selected for the first time in the 2025 S&P Global Sustainability Yearbook, and have been awarded the “Industry Mover” honor for our outstanding performance in Environmental, Social and Governance (ESG). Looking ahead to the next three years, the company is expected to continue developing steadily in the ICT field and maintain its leading position. AI is Hon Hai’s second growth engine and core driving force, while electric vehicles are the third. Under the three growth engines, we continue to strengthen smart manufacturing and intelligent technology research and development, and strive to build an efficient and environmentally friendly production system. By integrating artificial intelligence, big data and automation, we optimize production processes, improve product quality and energy efficiency.

At the same time, we actively promote cross-sectoral innovation cooperation. In 2024, we continued to increase R&D investment, with 1,921 patents approved and R&D funds reaching NTD 115.77 billion. We also accelerated the transformation and application of technologies to ensure our competitiveness in the global market.

Green solutions and circular economy are our unwavering development strategies. We combine innovative technologies with renewable energy to inject strong momentum into sustainable development. Last year, the proportion of renewable-powered electricity used by the group increased to 67.38%, demonstrating our firm commitment to low-carbon transformation. In addition, Hon Hai officially joined the RE100 initiative in July 2024, committing to using 100% renewable electricity by 2040. Our net zero emissions target has also been approved by SBTi (Science Based Targets initiative), marking an important milestone in responding to climate change with scientific methods.

We firmly believe that people-oriented and inclusive diversity are the foundation of a company’s sustainable development and competitiveness. We are committed to creating a diverse, inclusive, happy and equal workplace environment where every employee can work with peace of mind, realize their self-worth, and grow together with the company. To achieve this vision, the group has actively promoted inclusive diversity policies, and the proportion of female managers in all dimensions has increased to over 30%. In 2024, we invested heavily in talent development, with a total training hour of 46.15 million and a total cost of NTD 23.67 million. The average training hours per employee reached 60.3 hours, demonstrating our high regard and long-term commitment to employee growth. At the same time, to further improve the human resource governance mechanism, we have formulated the “Measures for Important Employee Event Personnel Evaluation” to ensure that all major personnel decisions are transparent and fair. In our global layout, we continue to promote standardized dispatch management, fully implement the principles of “zero-fee employment” and “equal pay for equal work” and explicitly prohibit the transfer of contracts to protect labor rights and demonstrate our firm commitment to fairness, justice and human rights.

In 2024, Hon Hai was once again awarded the “Best Company to Work for in Asia” by HR Asia and simultaneously won four Brandon Hall Excellence Awards in the United States, covering learning technology, diversity and equality, leadership development and strategic support. This fully demonstrates our high commitment to talent development and organizational governance, and also confirms that the people-oriented sustainable concept has been internalized into the corporate culture and continues to expand its positive influence.

Sound governance is the cornerstone of a company’s stable development and an important force to win external trust. We continuously refine our risk management system. The Board of Directors has approved the “Risk Management Policy”, and the Audit and Risk Committee leads the promotion of risk governance. We build a flexible and forward-looking management system, enhance information flow and cross-departmental collaboration efficiency,

further strengthen the organization's response capabilities and decision-making quality, and inject solid momentum into the company's long-term development.

In terms of the supply chain, we actively promote responsible management. Through audits and cooperation, we strengthen suppliers' practices in environmental protection and labor rights, and continuously deepen carbon inventory and emission reduction. Together, we create a low-carbon and resilient supply system. In 2024, the group completed the identification, assessment, and response framework for conflict minerals in the supply chain and conducted due diligence on 2,166 suppliers. Additionally, 36 suppliers have completed green electricity usage declarations, collectively using approximately 169 million kilowatt-hours of green electricity and reducing carbon emissions by about 96,000 tons, demonstrating the supply chain's proactive role in the energy transition.

In community engagement, we combine corporate resources with local needs to promote public welfare, education, and care programs, deepen connections with the community, and work with all sectors to create an inclusive and progressive living environment. In 2024, the total volunteer service hours reached 189,000, and the total investment in society exceeded NTD 96 million. In 2025, Hon Hai will release new long-term ESG goals, determining the medium and long-term sustainable development direction for the next five years, covering circular economy layout, low-carbon energy application, social integration development, and sustainable value chain, and striving to integrate ESG spirit into every decision and daily operation.

We sincerely thank every colleague for their efforts and perseverance in their respective positions with the spirit of "integrity, diligence, and agility", and also thank the trust and support from the industry, partners, and stakeholders, which enable Hon Hai to continuously move forward and progress.

Sustainability is not an endpoint but a long-term journey. Under the spirit of "sharing, cooperation, and mutual prosperity", Hon Hai will continue to act with a global perspective and local actions, join hands with partners to build a resilient future, and forge a low-carbon, inclusive, and sustainable path that belongs to us.



Hon Hai Precision Industry Co., Ltd.
Young Liu, Chairman
September 2025

刘扬伟

Company Overview

Hon Hai Precision Industry Co., Ltd. (TWSE: 2317), founded in Taiwan in 1974, has gradually developed into a high-tech service company with a foundation in molds. It ranks first globally in the electronics manufacturing services (EMS) sector, holding over 40% market share. Its product offerings cover four major categories: consumer electronics, cloud networking products, computer terminals, and components, among others. Its global employee headcount reaches a seasonal peak of 726,048, and its consolidated revenue in 2024 is projected to be NTD \$ 6.86 trillion.

With Taiwan as its core, Hon Hai's business scope spans three continents and operations worldwide, including in Mainland China, India, Japan, Vietnam, Malaysia, Singapore, the Czech Republic, Hungary, Slovakia, the United States, Brazil, and Mexico. Currently, Hon Hai operates 233 locations in 24 countries and regions, 141 of which are manufacturing bases. Hon Hai continuously enhances its R&D, design, and engineering services, gradually establishing an international presence centered in Asia and extending globally. Throughout its development, Hon Hai has established a strategy of "Two-site R&D, Three-region Design and Manufacturing, Global Assembly and Delivery". "Two-site R&D" refers to Greater China and the United States as two key strategic hubs; "Three-region Design and Manufacturing" focuses on establishing at least two manufacturing bases in Asia, the Americas, and Europe respectively, centered in

24 Countries 233 Campus / Offices



Hon Hai Business Map

Mainland China; "Global Assembly and Delivery" involves assembly procedure in global scope, ensuring delivery of the right products, at the right time, with the right quality, and in the right quantity, to the customer's designated location. Hon Hai currently has over 200 subsidiaries and representative offices across Asia, the Americas, and Europe.



Note: with regards to the governmental subsidies to the group, please refer to page 77 of Hon Hai 2024Q4 financial report

In addition to its continued commitment to precision manufacturing, the Group continues to strive for innovation and change, transforming its previously labor-intensive structure into one that is primarily brainpower-intensive. Specifically, this involves embarking on three seemingly distinct yet integrated paths: optimizing the current F1.0 aperture, digitally transforming to F2.0, and upgrading to F3.0. The Group is steadily moving forward toward its goal of “good, and even better.”

- Regarding the optimization of F1.0's current status, the Group publicly announced and implemented four key priorities in 2019: “Division of labor, sharing, promoting benefits, and eliminating disadvantages.” This aligns with the principle of “strengthening the central management and enriching local areas”, establishing clear divisions of labor between the central management and subsidiaries, as well as between the central management and sub-groups. The Group is also fully committed to promoting an internal information superhighway for the real-time sharing of information and insights. Furthermore, the Group has implemented systematic mechanisms within its procurement processes to eliminate potential drawbacks caused by human nature, reduce unnecessary costs, and increase shareholder profits, ultimately achieving the goal of “promoting benefits and eliminating disadvantages.”
- In terms of its F2.0 digital transformation, the Group is leveraging digital technology to make its overall operations more efficient. For example, it has optimized its website platform to facilitate efficient communication with the general public and enhance the experience for both legal entities and investors. It has also established a supply chain management platform, allowing upstream manufacturers and customers to clearly understand the status of order execution. This allows the company to strengthen supplier management through clear digital performance, while also enabling the company to more flexibly and quickly meet changing customer needs. Furthermore, the company has begun establishing various big data databases, enabling each management unit to make decisions based on objective data rather than subjective human input, forming an automated intelligent decision-making process and improving the speed and quality of decision-making. Furthermore, both production and performance management will utilize digital and intelligent methods to “improve quality, increase efficiency, reduce costs, and reduce inventory”, ultimately maximizing the Group's profitability.
- Regarding F3.0, The Group will leverage new technologies and investment in new industries. The group will invest in three key industries: electric vehicles, digital health, and robotics, as well as three emerging technology areas: artificial intelligence, semiconductors, and next-generation communications. This “3+3” strategy is at the core of Hon Hai development strategy. For example, in the electric vehicle market, Hon Hai boasts a strong global supply chain system, key component manufacturing, mechanical design and development, and system integration services, positioning it as a “vertically integrated service provider” and “intelligent platform service provider.” Going forward, Hon Hai will focus on developing new technologies and sharing models to drive the sustainable development of its automotive platform ecosystem.

Awards in 2024

Evaluation and Awards

	Included in the S&P Global Sustainability Yearbook for the first time and received the Industry's Most Improved Award (Only dedicated to the enterprise which achieved most CSA score increase and entered top 15% in the industry)
	MSCI ESG Rating : BB
	SUSTAINALYTICS ESG Rating: Low Risk
	CDP Rating: Climate Change B Water A- Supply Chain A
	Taiwan Stock Exchange Corporate Governance Center Corporate governance assessment: Top 6% to 20% by 2024
	Certified RBA Factory of Choice – One Star (Hengyang/Wuhan/Chongqing Campus)
	Red Dot Winner – Hon Hai Sustainable Monitoring Platform

Brandon Hall Excellence Awards

Best Learning Technology Implementation (Gold)



Best Governance of DEI and Belonging (Silver)



Best Learning Program Supporting a Change Transformation Business Strategy (Silver)



Best Leadership Development Program (Silver)



IR Magazine

Best in sector: Technology



Best use of technology including AI



Best IR Officer



TCSA - Sustainability Outstanding Person Award



TCSA - Sustainability Report Platinum Award



GCSA Sustainability Individual KPI Awards - information Security Leadership Award & Sustainable Supply Chain Leadership Award



GCSA Global Sustainability Report Bronze Award



APSAA Asia Pacific Sustainability Action Award (Silver)



TAISE - Taiwan Biodiversity Awards (Bronze)



Ragan Corporate Social Responsibility and Diversity Award



Institute of Public and Environmental Affairs (IPE)

No.1 in Greater China in the Green Supply Chain Initiative (CITI)



No.1 in Greater China in the Corporate Climate Action Initiative (CATI)

Global Electronics Association (Originally IPC)

Asia Electronics Industry Outstanding Contribution Award



ESG Benchmark Enterprise Award



HR Asia

Best Corporates to Work for in Asia



Business Sustainability, Beneficial Partners

Hon Hai Technology Group, with its core vision of “Enabling smart living through technology, fostering sustainable development with dedication, and forging a better future together”, is strengthening its sustainable corporate culture, responding to international sustainability initiatives, and deeply integrating ESG concepts into its global operations strategy. We firmly believe in the business philosophy of “Sustainable Management = EPS + ESG”, driving industrial transformation through technological innovation. Integrating our core values of “Integrity, Diligence, Agility, Sharing, Collaboration, and Co-prosperity”, we strive to build a sustainable ecosystem that is economically efficient, environmentally friendly, and socially inclusive. Based on the “3+3” development strategy (Three Core Industries: Electric Vehicles, Digital Health, Robotics; Three Key Technologies: Artificial Intelligence, Semiconductors, Next-Generation Communication), the Group promotes three core platforms—Smart Manufacturing, Smart Electric Vehicles, and Smart Cities—to realize the green transformation of the technology manufacturing and service industry.

Key Topics in this Section

- 1 Sustainable Operation Vision and Strategy
- 2 Stakeholder Identification, Communication and Responsibilities
- 3 Double Materiality Assessment
- 4 2024 Sustainability Performance, Goals, and Progress



Sustainable Operation Vision and Strategy

Relevance of Sustainability Issues to Operational Strategy

Hon Hai positions sustainable development as the core engine driving industrial transformation, achieving symbiosis between the Group's economic growth and its environmental and social value. The relevance of sustainability issues to the Group's operational strategy is reflected in two aspects:

Integration of Strategic Industrial Deployment and Sustainable Development Goals:

The Group's industrial choices are sustainability-oriented, with the three future industries focusing on high-growth, low-carbon emission, and social demand fields; we put sustainability at the core of our technology R&D, with the three core technologies directly aligning with carbon reduction and resource efficiency goals.

- **Electric Vehicles:** Using an open platform to lower R&D barriers in the industry, promoting low-carbon transportation, and independently developing Model A/B/C/D/E/T/U vehicles.
- **Digital Health:** Combining precision manufacturing with AI and big data to develop remote medical equipment, addressing the needs of an aging society.
- **Robotics:** Industrial robots optimize process energy consumption; service robots assist in sectors facing labor shortages.
- **Semiconductors:** Automotive SiC (silicon carbide) components replace traditional silicon-based chips, significantly improving power conversion efficiency and reducing energy loss.
- **Artificial Intelligence (AI):** Breaking through the efficiency and cost bottlenecks of traditional manufacturing through smart manufacturing, achieving leaps in both efficiency and carbon reduction.

- **Next-Generation Communication:** Developing B5G/6G technologies to bridge the urban-rural digital gaps.

Embedded Sustainability Mechanisms in Policy and Operational Strategy:

Guided by the business philosophy of "Sustainable Management = EPS + ESG", Hon Hai, while pursuing maximum earnings per share (EPS), utilizes ESG as a strategic factor driving the company's core competitiveness. It has established six pillars of its sustainability strategy: green solutions, circular economy, diversity and inclusion, win-win and shared prosperity, and inclusive governance. These form a sustainable development framework covering the entire value chain, and through a systematic embedded sustainability mechanism, the concept of sustainability is integrated into every aspect of the Group's decision-making and operations.

- **Establishing a sustainable development governance structure:** Hon Hai has established a three-tiered sustainable development governance structure to ensure the deep integration of ESG, incorporating ESG performance into the support and oversight responsibilities of the board of directors. The Sustainability Committee oversees the formulation of the group's sustainable development goals and the implementation of policies, while business groups, regional headquarters, and functional units are responsible for the breakdown and planning of sustainable development goals.
- **ESG target management:** Back in 2022, the Group systematically formulated 32 long-term goals covering the three major areas of environment, society and governance, and adopted the PDCA (Plan-Do-Check-Act) mechanism to track the progress of each goal, verify and improve relevant operational measures to ensure the effective implementation of each goal.
- **Institutionalizing Sustainability Commitments:** Developing a series of group commitments and policies for various significant sustainability issues to promote the implementation of sustainable operations. Formulating a group code of conduct and responsibility standards as the highest guiding principles for promoting corporate sustainability, establishing the company's operating guidelines centered on integrity governance, respect for human rights, and sustainable compliance. Developing a supplier code of conduct as the core basis for responsible supply chain management, jointly

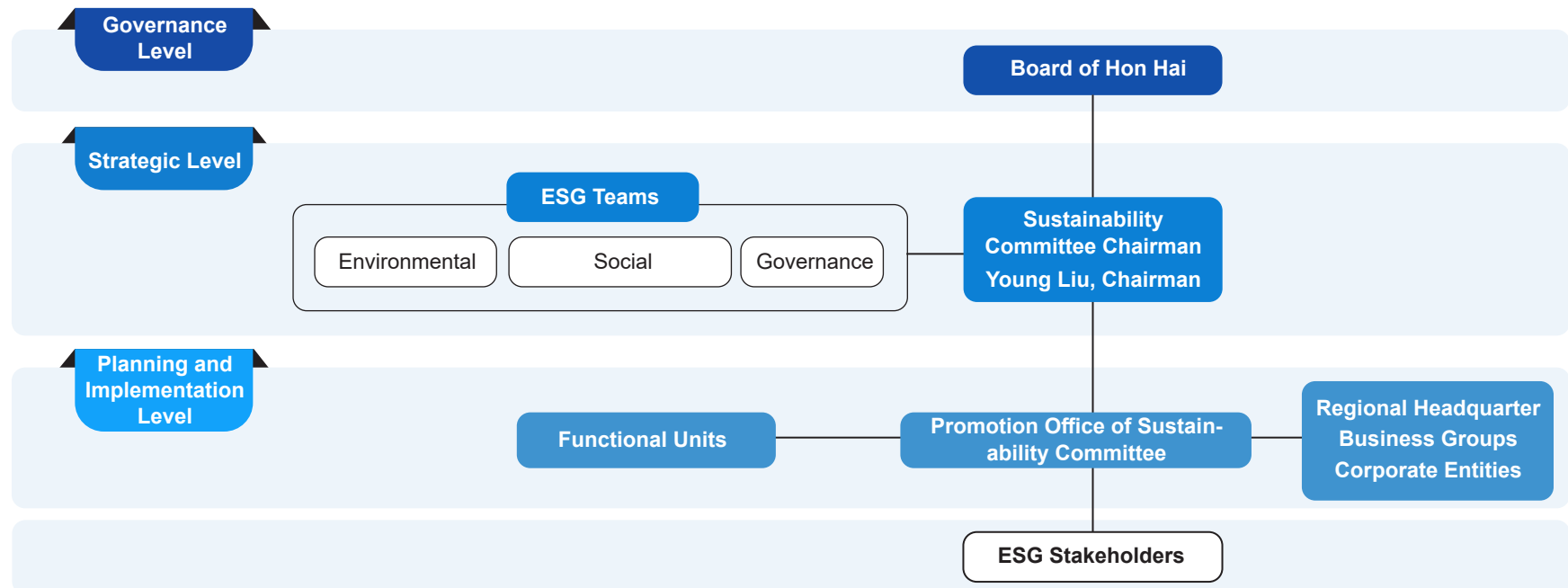
implementing sustainable development commitments. Developing a series of ESG-related policies, including an environmental management manual, energy management commitments, and a privacy policy.

Sustainability Governance Organization

Hon Hai officially established its Corporate Social Responsibility (CSR) Committee in 2007 and renamed it the Sustainability Committee in 2021. This committee serves as the company's highest-level sustainability decision-making body. Chaired by the Chairman, the committee works with senior executives from various fields to review the company's operational strategies and capabilities and develop mid- to long-term sustainability plans. The Sustainability Committee serves as a cross-departmental communication platform, integrating vertical and horizontal communication.

The company has established ESG teams, which, through monthly meetings, identify sustainability issues relevant to the company's operations and stakeholders' concerns, formulates strategies and work guidelines, plans and implements plans, and tracks implementation results to ensure that the sustainable development strategy is implemented in daily management.

The Sustainability Committee regularly reports to the Board of Directors on sustainability implementation results and future work plans on a quarterly basis. The committee's proposals include: (1) identifying sustainability issues requiring attention and developing action plans; (2) revising goals and policies related to sustainability issues; and (3) monitoring the implementation of sustainability initiatives and evaluating their performance. The Board of Directors also assesses the likelihood of success of strategies and the progress of implementation, and will urge adjustments when necessary.



Sustainability Policies

Hon Hai upholds its commitment to long-term sustainable development, clearly sets ESG goals, promotes and implements action strategies, and actively responds to intensifying sustainability risks and opportunities. We continuously deepen the ESG Digital Intelligent Management Platform and governance foundation, systematically advance action plans, practice responsible operation, and create sustainable value.

The Code of Conduct serves as the core foundation for regulating the business conduct of Hon Hai's factories and employees worldwide, and also serves as the fundamental guideline for managing relationships with various stakeholders. Where local laws differ or conflict with this Code, we will act in accordance with the law while adhering to higher standards to ensure that our operations comply with legal, ethical, and professional standards, safeguarding the company's assets, interests, and brand reputation.

This Code is based on the human rights enshrined in the Universal Declaration of Human Rights and the International Labor Organization's Declaration on Fundamental Principles and Rights at Work, and was developed with reference to international standards such as ISO 45001 (Occupational Health and Safety Management System) and ISO 14001 (Environmental Management System). To enhance the implementation of this Code, we have also developed a supplementary "Responsibility Standard", detailing implementation requirements for various topics across policies and systems, training and communication, operational management, and documentation. For more details, please refer to the "Code of Conduct" and "Responsibility Standard."



Code of
Conduct



Standards of
Responsibility

We have established a comprehensive audit and benchmarking system and are developing plans to verify the implementation of current training and the Code of Conduct. The Code of Conduct policy implementation process includes an extensive audit methodology to assess the performance of our global sites, resulting in a standardized scoring system and benchmarks for tracking improvements and comparing them with other companies. We ensure compliance with business practices at our global sites through self-assessment audits, group-level audits, and third-party audits. In 2024, besides conducting comprehensive internal audits, Hon Hai proactively completed RBA VAP third-party audits at 58 sites.

All systems include channels for complaints and suggestions, along with a comprehensive whistleblower protection mechanism and a streamlined complaints process, ensuring that employees and stakeholders can confidently report issues and provide suggestions. We encourage honest reporting of unusual situations and are committed to maintaining the strict confidentiality of the whistleblower's identity to prevent any form of retaliation or adverse treatment, thereby promoting continuous improvement and transparent governance within the organization.

Sustainability Culture

To deepen its sustainable corporate culture, Hon Hai Group integrates ESG into daily operations and employee behavior through systematic mechanisms. These initiatives include internal initiatives like "sustainability training", "sustainability awards", and "sustainability theme months". Each month, the Group focuses on specific topics, while incorporating promotional materials, practical exercises, and cross-departmental collaboration to ensure sustainability is fully embedded from top to bottom and from the inside out. This culture not only strengthens employee awareness and engagement but also drives supply chain partners to co-create a sustainable ecosystem, laying the foundation for the company's long-term competitiveness.

Promoting Sustainability Culture

Implementation method	2024 Achievements and Mechanism	Cultural connotation goals
Sustainability Award	The Hon Hai Sustainability Award attracted 1,168 entries (a 400% year-over-year increase). The award also included specific environmental, social, and governance awards, recognizing 88 innovative cases. Suppliers were also invited to participate for the first time, expanding the competition to encompass the entire supply chain.	Encouraging ESG innovative practices
Theme Month	Focusing on a single topic each month (such as Resource Conservation Month, Safety Month, Health Month, etc.), combined with practical exercises and cross-departmental workshops, a total of 42 global action meetings have been held.	Translating sustainability awareness into daily actions
Training system	The annual training for the three major courses on environment, society and governance has exceeded 86 million training sessions, and ESG credit certification is required for promotion. Environmental: 538 courses (6.82 million participants) – Topics: Climate Change, Energy Management, Biodiversity. Social: 1,724 courses (43.4 million participants) – Topics: Labor Rights, Diversity and Inclusion, Community Engagement Governance: 578 courses (35.9 million participants) – Topics: Anti-Corruption, Risk Management, Supply Chain Governance Code of Conduct: Mandatory for all employees (100% completion rate).	Internalize integrity, compliance and sustainable thinking
Digital Communication	Distribute sustainability information through the ESG app (reaching 188,000 people annually): • Video news (58 pieces), ESG App special issue (18 issues, 15,791 views). • Internal comics/ “Hongqiao” publication (combining culture and ESG) sharing best practices. • Community news (7,691 pieces), video promotions (1,720 pieces)	Create immersive communication scenarios, strengthen concept penetration, and establish a transparent and interactive sustainable dialogue channel

Hon Hai Sustainability Award – Driving Innovation and Ecosystem Prosperity

The Group established the “Hon Hai Sustainability Award” in 2023. Embracing the Chairman’s core philosophy of “Sustainable Management = EPS + ESG”, the award emphasizes the need for companies to balance profitability (EPS) with environmental, social, and governance (ESG) responsibilities. This award aims to identify innovative sustainability practices within global sites and, by recognizing individuals and teams, deeply integrate ESG into the organizational DNA.

On April 11, 2025, Hon Hai Precision Industry Co., Ltd. held its second “Hon Hai Sustainability Award” ceremony, recognizing outstanding ESG performance across its subsidiaries, business groups, and supply chain partners in 2024. This year, supply chain participation was opened for the first time, and four new awards were added: “Environmental/Social/Governance/Sustainability

Promotion Special Award”, ensuring recognition across diverse practices.

This year’s competition attracted 1,168 entries from around the world, a fourfold increase compared to last year. After rigorous and professional review by the selection committee, 290 outstanding entries were shortlisted, ultimately resulting in 88 winners. This award mechanism not only identifies potential ESG role models within the group but also extends it to upstream and downstream partners, demonstrating the vision of a sustainable ecosystem of “inclusive progress.

During the ceremony, the Chairman of Hon Hai Precision Industry Co., Ltd. expressed his sincere congratulations to all the finalists and winners, and announced that 2025 will be an important milestone in the Group’s first phase long-term ESG goals. He also announced that the second phase of sustainable development goals for 2026 to 2030 will be set and announced in the future.

Hon Hai 2025 Sustainability Award Ceremony



■ Responding to Sustainable Development Initiatives

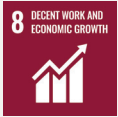
(1) Implementation of the United Nations Sustainable Development Goals (SDGs)

Based on the business philosophy of “Sustainable Management = EPS + ESG”, the Group has identified key SDGs projects and applied six specific ESG strategies to address SDG goals and promote collaborative actions across the value chain:

Group’s Commitment to the SDGs

SDGs core goals	Detailed goals	Corresponding ESG strategy	Key actions and outcomes
	1.4 By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microcredit.	Win-win Strategy	Actively initiate diverse community service activities, such as community giveback and diverse education, to improve the living standards of surrounding communities and maintain health and safety. The service hours reached 189,690 hours in 2024.
	3.9 By 2030, substantially reduce the number of deaths and diseases from hazardous chemicals, air, water, soil and other pollution.	Green Solutions Healthy Workplace Safety Adherence	Global sites fully implement the Chemical Management Policy, Air Management Commitment, Hazardous Substances and Materials Management Regulations, and Waste Management Commitment.
	4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.	Employee Satisfaction	Seven consecutive years, with a total of NT\$330 million distributed over seven years, benefiting 10,177 people.
	4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations.	Win-win Strategy	Starting from 2020, we sponsor the Chia-Mei Light & Salt Project every year; in 2024, we donated NT\$495,600 to continue the Diversified Learning Certificate Scholarship Program for junior high school dropouts.
	4.a Build and upgrade education facilities that are child-, disability- and gender-sensitive and provide safe, violence-free, inclusive and effective learning environments for all.		- The Starlight Project, in its third year, serve 396 disadvantaged students in 2024. - We have supported the Yuan'ai Chuanglu Academy in Taichung City for four consecutive years, providing full-day residential education for 12 high-care girls from elementary school to junior high school.

SDGs core goals	Detailed goals	Corresponding ESG strategy	Key actions and outcomes
 5 GENDER EQUALITY	5.1 Eliminate all forms of discrimination against women and girls everywhere.	Corporate Governance Diversity and inclusion	Promote diversity and gender equality, with the proportion of female directors reaching 33.33% (As of June 30, 2025).
 6 CLEAN WATER AND SANITATION	6.3 By 2030, improve water quality by reducing pollution, eliminating dumping, minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater, and substantially increasing recycling and safe reuse globally. 6.4 By 2030, significantly increase water use efficiency across all industries, ensure sustainable freshwater supply and recycling to address water scarcity and significantly reduce the number of people affected by water projects.	Circular Economy	- The Zhengzhou campus has passed AWS's highest level Platinum certification. - Actively implementing wastewater recycling projects, we reuse treated domestic wastewater in production processes and for environmental landscaping. The amount of recycled water reached 10.62 million tons, accounting for 12.8% of our total water consumption. - Provide clean drinking water to all employees.
 7 AFFORDABLE AND CLEAN ENERGY	7.2 By 2030, substantially increase the share of renewable energy in the global energy mix. 7.3 By 2030, double the global rate of improvement in energy efficiency. 7.a By 2030, enhance international cooperation to promote access to clean energy research and technology, including renewable energy, energy efficiency, and advanced and cleaner fossil fuel technologies, and foster investment in energy infrastructure and clean energy technologies.	Green Solutions	- The Group announced its support for the RE100 initiative, pledging that all of its global factories will use renewable electricity by 2040. - In 2024, the total installed capacity of renewable energy reached 332.90 MW, with green electricity accounting for 67.38%. - In 2024, the Group implemented a total of 1,864 energy-saving renovation projects in mainland China, with a total investment of nearly NT\$2.48 billion, saving 566 million kWh of energy and reducing carbon emissions by 303,990 tCO₂e, with energy-saving benefits reaching nearly NT\$1.79 billion. - In 2024, we collaborated with Xuzhi Capital to jointly establish a green energy asset investment company with a total capital of RMB 2 billion, targeting green power generation projects. The ultimate goal is to obtain 2 billion kWh of green electricity rights annually, equivalent to the electricity demand of 490,000 households in Taiwan.

SDGs core goals	Detailed goals	Corresponding ESG strategy	Key actions and outcomes
	8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including focusing on the development of high value-added and labor-intensive industries. 8.4 By 2030, progressively improve the resource efficiency of global consumption and production and strive to decouple economic growth from environmental degradation in accordance with the 10-Year Framework of Programs on Sustainable Consumption and Production Patterns, with developed countries taking the lead in this regard. 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value. 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.	Smart Innovation Healthy Workplace Diversity and Inclusion	- In addition to continuing its commitment to precision manufacturing, the Group strives for innovation and change, aiming to transform its original labor-intensive structure into one that is primarily brainpower-intensive. The Group is pursuing three paths: optimizing the current F1.0 aperture, digitally transforming to F2.0, and upgrading to F3.0. - Incorporate employment equality, respect for human rights, employee diversity, prohibition of child labor and prohibition of forced labor into talent recruitment principles and work. - Regardless of any factors, we provide all male and female employees, including those with disabilities, with corresponding salary and benefits and fair promotion opportunities.
	9.4 By 2030, all countries, taking actions according to their capabilities, should upgrade their infrastructure and improve their industry to make it more sustainable, increase resource efficiency and increase the use of clean and environmentally friendly technologies and industrial processes.	Green Solutions Business Sustainability	In 2024, the Group added 22 new lighthouse factories, bringing the total to 92. It is also the only company in the world with 7 WEF-certified lighthouse factories and 1 sustainable lighthouse factory.
	10.3 Ensure equal opportunity and reduce inequalities, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action. 10.4 Adopt appropriate policies, particularly fiscal, wage and social protection policies, and progressively achieve greater equality.	Employee Satisfaction	The Group upholds the principles of fairness and diversity, striving to create a workplace free of discrimination. We adhere to the principle of equal treatment in all human resources matters, including recruitment, promotion, performance evaluation, salary distribution, and training and development.

SDGs core goals	Detailed goals	Corresponding ESG strategy	Key actions and outcomes
 11 SUSTAINABLE CITIES AND COMMUNITIES	11.2 By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, paying special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons. 11.6 By 2030, reduce the adverse impact of cities on the environment, including by paying particular attention to air quality, urban governance and waste management.	Business Sustainability Green Solutions	- The Group's "3+3" development strategy is the cornerstone for promoting three major platforms: smart manufacturing, smart electric vehicles, and smart cities. - Global sites fully implement the Chemical Management Policy, Air Management Commitment, Hazardous Substances and Materials Management Regulations, Waste Management Commitment, etc.
 12 RESPONSIBLE CONSUMPTION AND PRODUCTION	12.2 By 2030, achieve the sustainable management and efficient use of natural resources. 12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release into the atmosphere, water and soil in order to minimize their adverse impacts on human health and the environment. 12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse. 12.6 Encourage companies, in particular large and multinational corporations, to adopt sustainable practices and integrate sustainability information into their reporting cycles. 12.7 Promote sustainable public procurement practices in accordance with national policies and priorities.	Circular Economy Beneficial Partners	- Global sites fully implement the Chemical Management Policy, Air Management Commitment, Hazardous Substances and Materials Management Regulations, Waste Management Commitment, etc. - By the end of 2024, the Group had obtained a total of 35 UL 2799 "Zero Waste to Landfill" certifications around the world, including China, Vietnam, the Czech Republic and Mexico. - All suppliers are required to strictly comply with local environmental regulations, launch green procurement policies, and establish a comprehensive RoHS 10 substance self-assessment procedure, prohibiting the discharge of untreated hazardous materials and supplies.
 13 CLIMATE ACTION	13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries. 13.3 Strengthen education and awareness raising on climate change mitigation, adaptation, impact reduction and early warning, and enhance the capacity of people and institutions in this regard.	Green Solutions Beneficial Partners	- In April 2024, the Group's net zero target was officially approved by SBTi. - In 2024, the Group led 200 suppliers to complete carbon inventories, reducing carbon emissions by 1.02 million tons of CO₂e, and 36 suppliers signed the "Renewable Energy Commitment Letter".

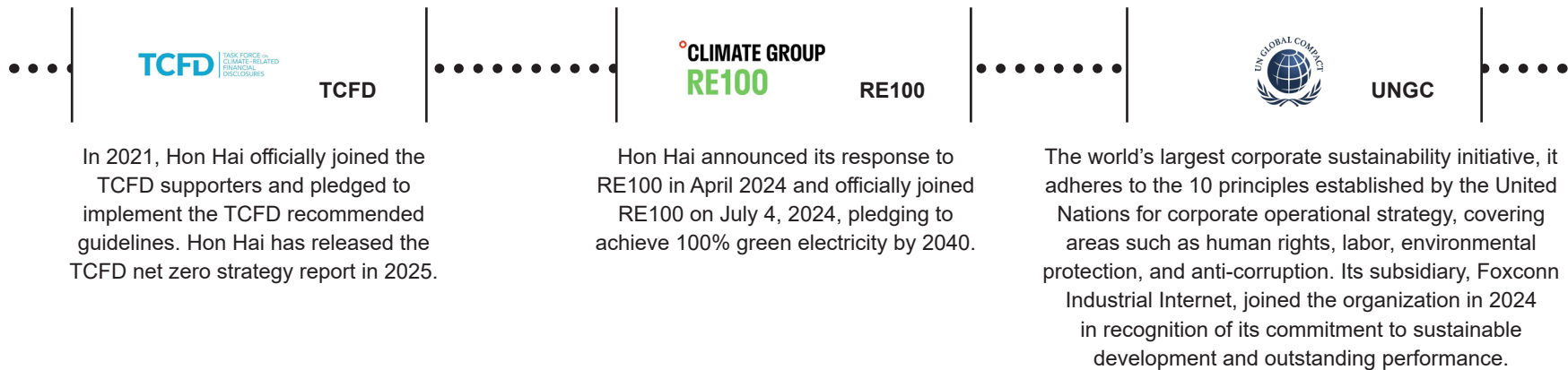
SDGs core goals	Detailed goals	Corresponding ESG strategy	Key actions and outcomes
	14.2 By 2020, sustainably manage and protect marine and coastal ecosystems, including by building resilience to disasters, to avoid significant negative impacts, and take action for their restoration, in order to ensure healthy and productive oceans.	Circular Economy	The “Sustainable Ocean - Circular Resources” project, a collaboration between the industry and academia of the National Taiwan Ocean University, promotes the recycling of waste building materials into fish reefs and algae reefs, restores the seabed ecosystem to enhance biodiversity, and transforms land-based waste into useful marine resources.
	16.2 End abuse, exploitation, trafficking and all forms of violence against and torture of children. 16.5 Substantially reduce corruption and bribery in all their forms 16.b. Promote and enforce non-discriminatory laws and policies for sustainable development.	Business Sustainability Employee Satisfaction Corporate Governance	- Hon Hai has formulated relevant regulations such as the “Code of Conduct” “Responsibility Standards” and “Human Rights Chapter” pledging to respect human rights and not discriminate against employees based on gender, age, nationality, place of birth, ethnicity, language, physical or mental disability, marital status, pregnancy, sexual orientation, religion, political party affiliation, or union membership. Child labor is also prohibited. - We must eliminate corruption, discrimination, and unfair practices in the procurement process, strictly prohibit suppliers from using child labor, forced labor, or prison labor, and strictly adhere to fair operating principles.

(2) Sustainability Initiative



Hon Hai will continue to strengthen climate change governance, take action on greenhouse gas emissions, and disclose information in accordance with the Recommendations on Climate-related Financial Disclosures (TCFD). Ultimately, the Group’s greenhouse gas emissions across its value chain will be aligned with the goals of the Paris Climate Agreement and achieve net zero greenhouse gas emissions by 2050.

In April 2023, Hon Hai passed the SBTi’s “Short-Term Goal” verification; and in April 2024, it passed the SBTi’s “Net Zero Goal” verification, becoming the third company in Taiwan’s high-tech hardware equipment industry and the seventh company in Taiwan to have its Net Zero Goal approved by SBTi.



(3) Industry /Public Associations

type	name	Role	name	Role
Industry Initiatives/ Associations / Alliances	TEEMA (Taiwan Electrical and Electronic Manufacturers' Association)	Supervisor	The Third Wednesday Association	Director
	TAMI (Taiwan Association of Machinery Industry)	Director	Monte Jade Science and Technology Association of Taiwan	Founding Member
	TTVMA (Taiwan Transportation Vehicle Manufactures Association)	Member	Intelligent Transportation Society of Taiwan	Member
	TMDIA (Taiwan Mold and Die Industry Association)	Founding Member	Satellite Industry Association (SIA)	Member
	TCA (Taipei Computer Association)	Director	Low-Earth Orbit Satellite Industry Association	Member
	Cross-Strait CEO Summit	Member	Taiwan Trademark Association	Member
	Alliance for 5G Industry Innovation and Development	Expert Advisory Group	Open Invention Network	Member
	SZMA (Shenzhen Machinery Industry Association)	Director	Guangdong Die and Mould Industry Association	Director
	Hubei Province Mold Industry Association	Vice President		
	Responsible Business Alliance	Regular Member	Taiwan Net Zero Emissions Association	Founding members and directors
Sustainable ESG	Commonwealth Society	Member	American Chamber of Commerce	Member
Technical Standards	Global Electronics Association (formerly IPC)	Member	Linux Foundation	Silver Member
	Alliance for OpenUSD	Member	AutoSAR	Strategic Partners
Patent Alliance	Open Invention Network	Member	LOT Network	Member

Stakeholder Identification, Communication and Responsibilities

The Group follows the AA1000 Stakeholder Engagement Standard (AA1000 SES) to identify stakeholders and major topics, thereby understanding their core concerns in the environmental, economic and social aspects and responding to their demands and expectations. The Sustainability Committee identified seven key stakeholder groups based on the principles of “financial materiality” and “impact materiality”: employees, customers, shareholders/investors, suppliers/contractors, government agencies, non-governmental organizations, and the media. To deepen communication effectiveness, the Group has established multiple channels to systematically listen to the voices of all parties, understand expectations, and gain professional insights. The results and progress of communication implementation were submitted to the Board of Directors for review on May 14, 2024, and work will be submitted to the Board of Directors every quarter in 2025. The following details the communication mechanism and practical results of each stakeholder:

Methods for Stakeholder Engagement

Category of stakeholders	Communication channels and frequency	Importance to the Group	Focus on issues	Response method
Employees	- Labor-management meeting (quarterly) - Staff seminars (quarterly) - Internal feedback platform - employee hotline, mailbox, Apps (instant) - Satisfaction survey (annual) - Engagement Survey (every two years)	The core of global operations manpower directly impacts productivity and cultural cohesion	Talent attraction and retention, occupational health and safety, employee rights and diversity and equality	- Recruit people with physical and mental disabilities, and set up relief funds for employees in special difficulties, employee mutual aid funds, and condolence funds for employees' families, etc. - The Group has established a barrier-free communication system and set up a 24-hour hotline for employees to express their opinions or provide suggestions. It has also established a spiritual haven and employee care center to relieve employees' psychological stress and promote their healthy growth.
Investors	- Shareholders' meeting (annual) - Corporate briefing (annual) - Investor meetings / investment forums (irregular)	Trust in the capital market is key	Corporate governance and financial performance, integrity management and regulatory compliance, customer privacy, and innovative research and development	ESG implementation status to shareholders/ investors through shareholders' meetings, legal briefings and other meetings.
Clients	- Business visits/audits (based on project requirements) - ESG quarterly and annual events - Irregular official correspondence, emails, phone calls, and meetings	Revenue sources and technical cooperation core drive product innovation	Corporate governance and financial performance, innovation and research and development, occupational health and safety, and customer privacy	ESG management status of the company and its suppliers to customers. Provide fast, convenient, efficient, high-quality, economical and innovative products and services.

Category of stakeholders	Communication channels and frequency	Importance to the Group	Focus on issues	Response method
Suppliers	- RBA VAP third-party audit (annual) - Supplier Annual Conference - Supplier Management Platform	The supply chain provides important raw materials for the Group's product development and is key to ESG risk management.	Integrity management and regulatory compliance, corporate governance and financial performance, customer privacy, and supplier management	- We hold annual supplier conferences and irregular ESG audits to convey the Group's supply chain requirements to suppliers. - Establish an ESG management platform to facilitate suppliers' online learning. Learn about RBA regulations and the Group's CSR/ESG requirements.
Government Agencies	- Irregular correspondence, emails and telephone communications - Participate in policy seminars and symposiums - Consultation and communication on drafting of industry standards	Regulatory compliance is the basis for operating permits	Employee rights and diversity, customer privacy, integrity and compliance, talent attraction and retention	Communicate with local government agencies through visits, meetings and official documents to reflect the impact of relevant policy changes and provide suggestions.
Non-governmental organizations (NGOs)	- Issue-based collaborative projects (e.g. green energy initiatives) - Sustainability Committee Dialogue Meeting	Monitor social and environmental issues, shaping corporate reputation	Biodiversity, occupational health and safety, business integrity and compliance with regulations, Energy and Greenhouse Gas Management	- Participate in international ESG forums and discuss ESG issues with NGOs. - Participate in relevant activities promoted by NGOs, such as CDP, Climate Action 100+, etc. - with NGOs to promote relevant environmental issues (such as RoHS, WEEE, etc.).
Media	- Global News Release Distribution System (Instant) - Press conferences and media interviews (irregular)	Public information transmission media, influencing social cognition	Occupational health and safety, customer privacy,	- The Group presents its current financial status and future developments through irregular media interviews and press releases, which are then published on the Group's official website. - Integrate media concerns and reports and comments, and report to the group's management team as a reference for improving group operations.

Double Materiality Assessment

Overview of Double Materiality Assessment

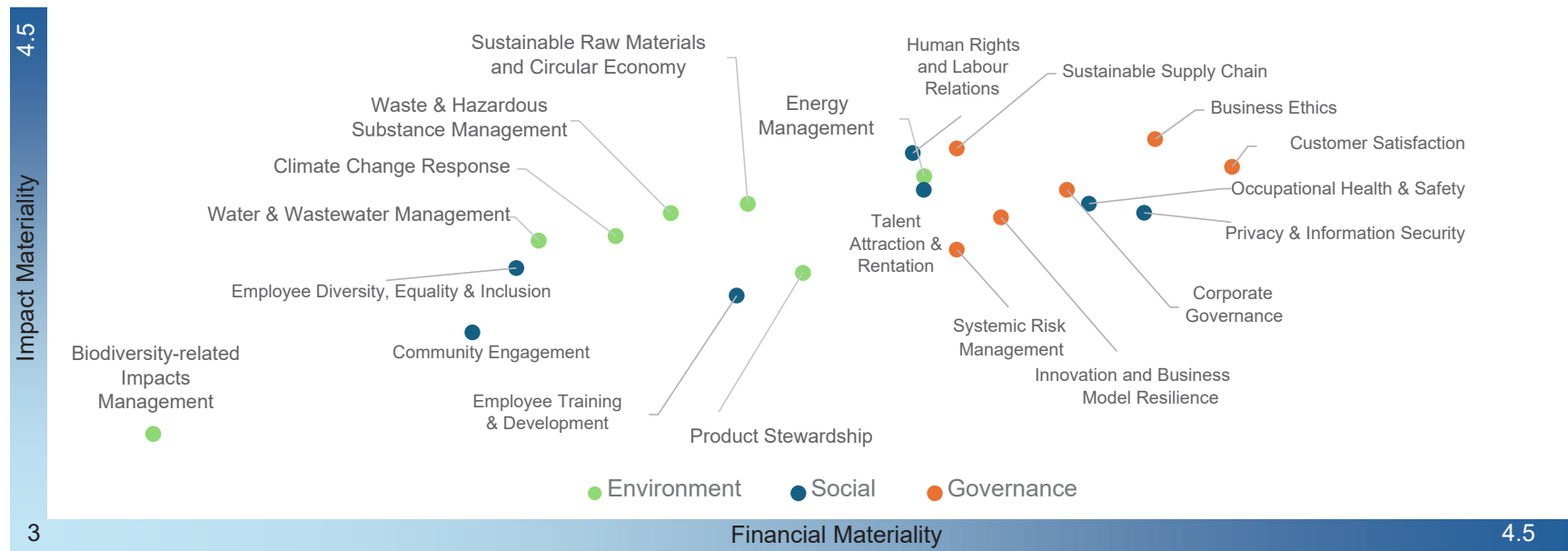
Double Materiality Assessment Steps

Stage	Step	Specific operations
1: Identify major issues	1.1 Identification of Sustainability Issues	In identifying sustainability issues, Hon Hai benchmarked its performance against international standards to ensure comprehensiveness in its selection of material issues. These standards include the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB). Hon Hai also referenced the sustainability practices of leading peers in the electronics manufacturing services (EMS) and original design manufacturing (ODM) industries to determine the scope of relevant issues. By evaluating issues across environmental, social, and governance dimensions, combined with considerations of the Group's internal management and business strategies, the Group ultimately identified 20 material issues for further stakeholder research.
	1.2 Identification of key stakeholder groups	To ensure that Hon Hai's materiality analysis reflects the concerns of the Group's various stakeholders, we first identified relevant internal and external stakeholders. Key internal stakeholders include the Group's Board of Directors, employees, and senior management (first- and second-tier management). External stakeholder groups include customers, investors, and suppliers. We also included government agencies, media and public relations, non-governmental organizations (NGOs), community groups, public associations, research institutions, and other relevant internal and external stakeholder groups.
2: Analyze the impact of major issues	2.1 Survey stakeholders to assess the impact of selected issues	Hon Hai conducted a stakeholder survey and assessed the impact of sustainability issues from the perspectives of financial materiality and impact materiality. Survey respondents were asked to rate the financial impact of each issue on Hon Hai on a scale of 1-5, with 5 representing the lowest impact and 1 representing the highest impact. In addition, respondents were asked to assess the environmental, social, and economic impacts of material issues using the same criteria. Impact was determined based on a combination of the magnitude and likelihood of an event. To gain a deeper understanding of each stakeholder group's perspective on the positive and negative impacts of the 20 selected material issues, Hon Hai also asked participants to select up to three of the most significant positive and negative impacts from their observations, based on both financial impact and environmental, social, and economic impacts. The Group distributed questionnaires to identified internal and external stakeholder groups and received 347 responses.
	2.2. Analyze the survey results	The Group's Sustainability Team, in collaboration with external consultants, assessed the relative importance of material issues based on the feedback collected. First, we calculated the average score for each stakeholder group on each issue to reduce bias due to uneven sample sizes. Next, we averaged the scores across each stakeholder group to determine the average scores for financial and impact materiality, ultimately creating a materiality matrix covering all material issues. The calculated scores on the materiality matrix ranged from 3 to 4.5, with a high of 4.15 and a low of 3.17. The analysis revealed that social and governance issues, such as customer satisfaction, business ethics, and sustainable supply chains, ranked high in both financial and impact materiality. Energy management emerged as the top environmental issue.

20 relevant issues identified by Hon Hai Group



Material Topics Overview



Each topic is scored on a scale of 1 to 5, where 1 being the lowest impact and 5 being the very high impact

Results of Double Materiality Assessment

(1) Impact analysis

For each material issue, we identified key factors impacting Hon Hai's financial performance, as well as its impact on society, the environment, and the economy. Energy management is a key issue within the environmental dimension. Effective energy consumption management not only enables Hon Hai to reduce operating costs related to utility expenses, but also helps it achieve its decarbonization goals and mitigate regulatory risks. Within the social dimension, key issues include (customer) privacy and information security, occupational health and safety, and human rights. Effectively managing these issues will help Hon Hai reduce compliance costs and employment expenses, while also improving its reputation and productivity. Effectively managing data privacy issues can

further enhance customer trust. Furthermore, promoting occupational health and protecting human rights have a positive impact on employee morale and foster a culture of mutual respect in the workplace. Within the governance dimension, customer satisfaction, business ethics, and a sustainable supply chain are crucial. Customer satisfaction is crucial for securing business orders in the electronics manufacturing industry, and meeting customer needs has a significant financial impact on the Group. Business ethics and corporate governance play an important role in minimizing regulatory and compliance risks. Furthermore, effective governance practices not only foster stakeholder trust in the company but also enhance the Group's overall integrity. Finally, sustainable supply chain management contributes to Hon Hai's sustainable reputation by ensuring responsible sourcing and maintaining a stable supply chain. Ensuring supply chain stability and resilience is both in line with the Group's ethical standards and a key component of its business sustainability.

Materiality Assessment of Major Issues

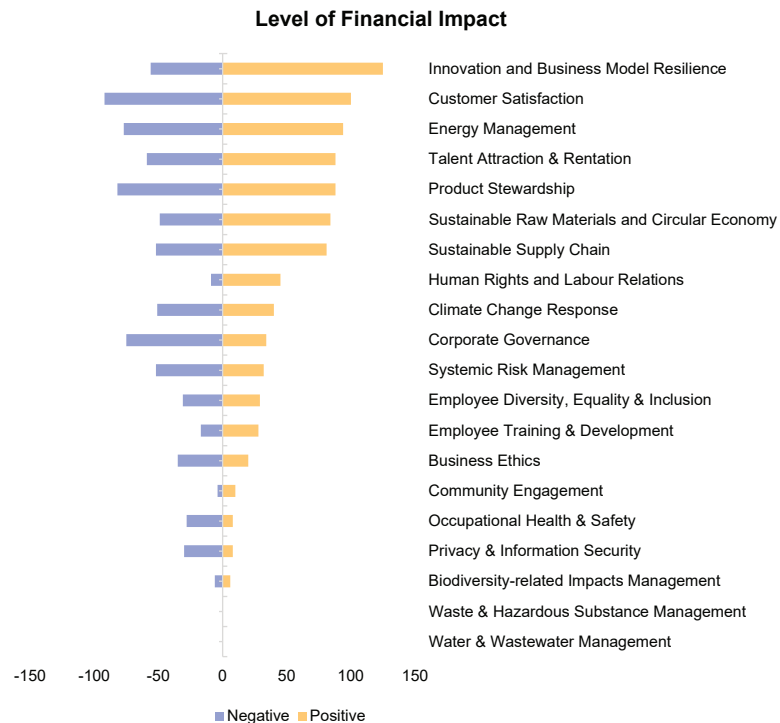
	Material Topics	Impact Drivers	GRI Standards	SASB Standards
Environment	Energy Management	Financial Materiality: Reduced operational costs; lower utility expenses Impact Materiality: Enhanced economic competitiveness, Lower reputation risks, Increased operational efficiency.	302-4 305-1 302-1 302-2 302-3 302-5	
	Sustainable Raw Materials and Circular Economy	Financial Materiality: Cost reduction through lower operational expenses; Market demand for sustainable products; Investment attraction Impact Materiality: Resource efficiency; Supply chain resilience; Positive environmental impact on reduced waste	301-1 301-2 301-3	TC-ES-410a.1.
	Waste & Hazardous Substance Management	Financial Materiality: Reduce disposal costs; resource recovery creates additional revenue streams Impact Materiality: Improved public health; Environmental protection	306-1 306-2 306-3 306-4 306-5 305-6 305-7	TC-ES-150a.1.
	Product Stewardship	Financial Materiality: Increased sales via the commitment to product stewardship; Enhance market brand Impact Materiality: Reduced environmental footprint due to responsible product design and lifecycle management		TC-ES-410a.1.
	Climate Change Response	Financial Materiality: Reduced regulatory compliance costs; Improved asset value or prevention of asset value loss from physical risks; Enhanced business resilience Impact Materiality: Increased social equity; Greater economic value; Enhanced climate resilience	305-5 305-2 305-3 305-4	
	Water & Wastewater Management	Financial Materiality: Decreased water procurement costs; Reduced regulatory risks Impact Materiality: Improved water quality due to effective wastewater treatment processes	303-1 303-2 303-3 303-4 303-5	TC-ES-140a.1.
	Biodiversity-related Impacts Management	Financial Materiality: Environmental risk mitigation; Improved resource efficiency and increased reputation Impact Materiality: Enhanced ecosystem services; Greater economic and environmental benefit		

	Material Topics	Impact Drivers	GRI Standards	SASB Standards
Social	Privacy & Information Security	Financial Materiality: Reduced compliance and data-breach regulatory costs; increased investment in security Impact Materiality: Enhanced customer trust; Long-term value creation for the company's brand and assets		
	Occupational Health & Safety	Financial Materiality: Reduced healthcare costs; Reduced productivity loss; Lower insurance premiums Impact Materiality: Reduced workplace injuries; Employee retention and loyalty	403-1 403-2 403-4 403-5 403-6 403-7 403-8 403-9	TC-ES-440a.1. TC-ES-310a. TC-ES-320a.1 TC-ES-320a.2 TC-ES-320a.3
	Human Rights and Labour Relations	Financial Materiality: Reduced operational disruptions and risk of legal liabilities Impact Materiality: Improved employee morale, due to fair labor practices and respect for human rights	401-2 401-3 402 406 407 408 409 410-1 2-23 2-25	
	Talent Attraction & Retention	Financial Materiality: Reduced recruitment costs; Lower training & development costs; Reduced cost of turnover Impact Materiality: Improved employee engagement; Innovation and competitiveness	401-1 404-3	
	Employee Training & Development	Financial Materiality: Increased productivity; Reduced turnover costs Impact Materiality: Improved employee retention; Higher job satisfaction and loyalty	404-1 404-2 404-3	
	Employee Diversity, Equality & Inclusion	Financial Materiality: Higher productivity; Reduced turnover costs Impact Materiality: Inclusive workplaces; Higher employee satisfaction and engagement	405 405-2 406	
	Community Engagement	Financial Materiality: Enhanced brand reputation; Cost savings through partnerships Impact Materiality: Engaged communities; Support local businesses and initiatives; Contribute to economic growth and job creation		
Governance	Customer Satisfaction	Financial Materiality: Increased customer loyalty; Higher Sales and Revenue; Reduced customer churn Impact Materiality: Contribute to a participatory and interactive consumer culture	413-1	
	Business Ethics	Financial Materiality: Reduced risk of scandals and legal issues Impact Materiality: Fosters trust and credibility among stakeholders; Enhance brand loyalty	205-1 205-2 205-3 206-1	
	Corporate Governance	Financial Materiality: Reduced legal & compliance risks; Attract investment Impact Materiality: Promote accountability and transparency in business operations	201 2-9 2-10 2-11 2-12 2-13 2-14 2-15 2-16 2-17 2-18 2-19 2-20 2-21	
	Sustainable Supply Chain	Financial Materiality: Enhanced brand reputation; Increased market share and customer loyalty Impact Materiality: Prioritize local sourcing and fair labor practices; Contribute to community development	308-1 308-2 308-3 308-4 308-5 414-1 414-2	TC-ES-320a.2
	Innovation and Business Model Resilience	Financial Materiality: Increased competitive advantage; Achieve cost efficiency through innovation Impact Materiality: Address social challenges; Enhanced products; Improve the quality of life for individuals and communities		
	Systemic Risk Management	Financial Materiality: Reduced financial losses; Increased investor confidence Impact Materiality: Contribute to the stability of financial systems and markets; Greater public confidence		

(2) Positive and negative impacts of major issues

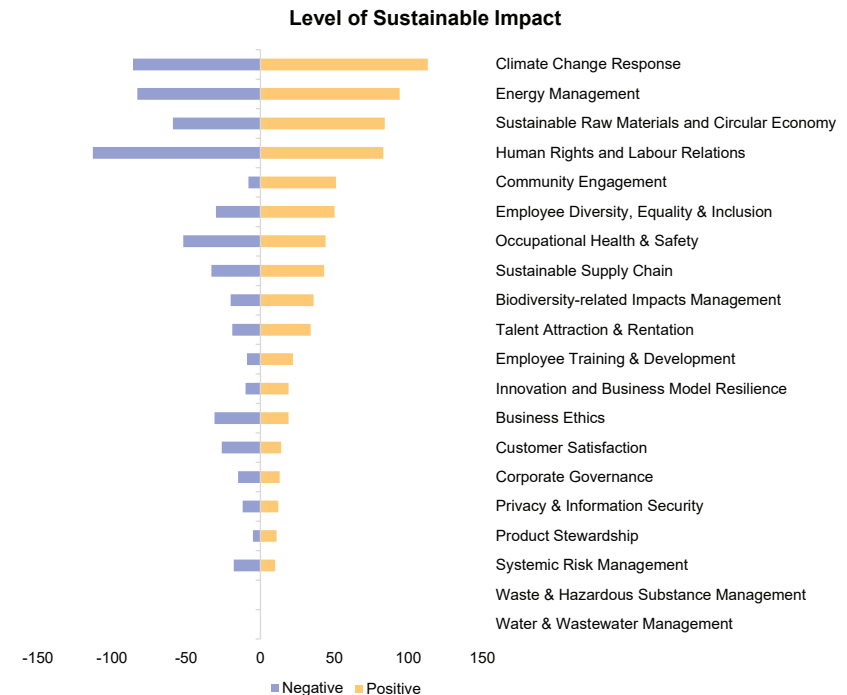
To assess the potential financial (positive and negative) and environmental, social, and economic impacts of material issues, stakeholders were invited to select the three most representative material issues based on four dimensions: those with the potential for negative financial impacts, those with the potential for positive financial impacts, those with negative environmental, social, and economic impacts, and those with positive environmental, social, and economic impacts. Negative impacts primarily relate to risk management and loss prevention, while positive impacts reflect business opportunities and social and economic benefits.

Ranking of major issues by impact



The assessment results show that from a financial perspective, stakeholders identified innovation and business model resilience, customer satisfaction, and energy management as the top three issues. Conversely, from a negative financial impact perspective, stakeholders reported that poor handling of customer satisfaction, product management, and energy management were most likely to result in related financial losses.

From an environmental, social, and economic perspective, climate change response, energy management, and sustainable raw materials are closely linked to the positive impacts of the circular economy. In contrast, poor management of human rights and labor relations issues can lead to negative social and economic consequences.

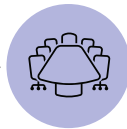


Concerns of Key Stakeholder Groups

The Group identifies and analyzes key issues of concern to different stakeholder groups to ensure its sustainability strategy effectively addresses

Stakeholders

The Board



Significance to Hon Hai

By leveraging diverse expertise, the board guides decision-making, fosters innovation, and ensures accountability, reinforcing Hon Hai's commitment to transparency and stakeholder value for sustained growth in a competitive market.

Key Issues of Concern in 2024

- Business Ethics
- Customer Satisfaction
- Energy Management

Analysis/ Insights

Business Ethics:

- Upholding strong business ethics to ensure the board's reputation and stakeholder confidence in a labor-intensive industry.
- Ethical practices in labor relations can reduce legal risks and disputes
- Drive sustainable practices, aligning corporate strategy with social responsibility and long-term value creation

Customer Satisfaction;

- Affect brand loyalty, directly influencing the board's strategic decisions
- Influence sales and market share, providing the board with a strong basis for sustainable growth and profitability
- Focus on customer satisfaction can drive innovation and improvements in product offerings

Energy Management:

- Lead to substantial cost savings, allowing the board to allocate resources more efficiently
- Align with corporate social responsibility goals, enhancing the board's reputation
- Affect the operational practices, influencing the overall productivity and resilience in the market

Stakeholders

Tier -1 and -2 Management Office



Significance to Hon Hai

By offering competitive compensation, targeted development programs, and a collaborative environment, Hon Hai equips management officers to effectively lead their teams, optimize performance, and contribute to the company's sustained growth and competitiveness in the technology sector.

Key Issues of Concern in 2024

- Customer Satisfaction
- Innovation and Business Model Resilience
- Occupational Health & Safety

Analysis/ Insights

Customer Satisfaction:

- Customers are essential to the company's success, and ensuring their needs are met is crucial to the management team
- Affect customer loyalty and business, impacting the performance metrics the management team is responsible for
- Influence the company's reputation and competitiveness in the market

Innovation and Business Model Resilience;

- Drive innovation to meet customer needs, ensuring competitiveness
- Focusing on resilience allows Hon Hai to adapt to market changes and sustain growth
- Promoting innovation enhances efficiency and creates new revenue streams for the business

Occupational Health & Safety:

- Reduce healthcare costs by minimizing workplace injuries and illnesses
- Lower insurance premiums and medical expenses
- Result in significant financial repercussions if employee safety is compromised

Stakeholders

Employees



Significance to Hon Hai

Hon Hai prioritizes comprehensive salary, benefits, training, and employee support systems to foster potential, boost performance, and pursue sustainability together

Key Issues of Concern in 2024

- Customer Satisfaction
- Human Rights and Labour Relations
- Energy Management

Analysis/ Insights

Customer Satisfaction:

- Influence order volume, which will foster loyalty and drive revenue growth
- Enhance Hon Hai's brand reputation
- Cultivate a collaborative environment focused on quality

Human Rights and Labour Relations:

- Reduce labour disputes, which will enhance the company's credibility
- Growth relies on employee stability as a labor-intensive manufacturing company
- Proper management of human rights will boost employee morale and productivity

Energy Management:

- Effective energy management can result in substantial cost savings
- Improved energy efficiency can create a more sustainable and comfortable working environment
- Prioritizing energy management can foster a culture of environmental responsibility

Sustainable Supply Chain scores also high among the employee stakeholder group. Commitment to sustainability not only aligns with employee values but also supports Hon Hai's global expansion efforts, where sustainable practices are essential.

Stakeholders

Investors



Significance to Hon Hai

Investors are crucial to Hon Hai's growth, supplying the capital needed for innovation and expansion. Their confidence and support enable Hon Hai to pursue strategic initiatives, driving financial performance

Key Issues of Concern in 2024

- Product Stewardship
- Corporate Governance
- Climate Change Response

Analysis/ Insights

Product Stewardship:

- Drive revenue growth by creating new sustainable market opportunities
- Favor companies committed to sustainability, enhancing long-term value
- Affect investor's confidence as effective product stewardship mitigates regulatory risks

Climate Change Response:

- Enhance Hon Hai's resilience against extreme weather events that can disrupt operations and supply chains
- Effective management along its value chain is important due to Hon Hai's large scale
- Contribute to potential impacts on society and the environment

Corporate Governance:

- Affect investors' confidence through transparency and accountability
- Effective governance reduces risks from poor decisions, protecting financial health
- Prefer companies with robust governance, indicating stability and sustainability

Stakeholders

Clients



Significance to Hon Hai

Clients are crucial to Hon Hai's success, with their needs and feedback driving innovation and product development. By prioritizing strong relationships and effective communication, Hon Hai delivers tailored solutions that enhance satisfaction and loyalty, reinforcing its leadership in sustained growth.

Key Issues of Concern in 2024

- Customer Satisfaction
- Climate Change Response
- Human Rights and Labour Relations

Analysis/ Insights

Customer Satisfaction:

- Empower consumers to engage more actively with Hon Hai
- Enhance products and services that further elevate satisfaction with Hon Hai's offerings
- Encourage valuable feedback from customers

Human Rights and Labour Relations:

- Enhance Hon Hai's reputation to assure clients of ethical sourcing and compliance with international standards
- Affect client relationships and new business, as clients are prioritizing those who uphold labour rights
- Contribute to a stable workforce, ensuring consistent product quality and timely delivery

Climate Change Response:

- Enhance clients' trust in Hon Hai as a responsible partner, fostering long-term business relationships and loyalty
- Foster Hon Hai's practices on climate initiatives to open new markets
- Influence supply chain disruptions, which is important for consistent delivery and reliability in a labor-intensive industry

Stakeholders

Suppliers



Significance to Hon Hai

By fostering strong partnerships and ensuring reliable supply chains, Hon Hai enhances its ability to innovate and meet market demands, ultimately reinforcing its competitiveness and success in the technology industry.

Key Issues of Concern in 2024

- Energy Management
- Sustainable Supply Chain
- Innovation and Business Model Resilience

Analysis/ Insights

Energy Management:

- Ensure regulatory compliance, reducing operational risks for suppliers
- Optimized energy costs lead to immediate savings, enhancing supplier competitiveness
- Meeting efficiency standards strengthens supplier relationships and secures ongoing orders

Innovation and Business Model Resilience:

- Promote sustainable development, keeping suppliers competitive
- Help suppliers adapt to market changes and meet Hon Hai's needs
- Collaboration on innovation strengthens partnerships, driving shared growth and success

Sustainable Supply Chain:

- Foster local sourcing and fair labor practices, which significantly enhance community development
- Lead to environmental pollution if not properly managed
- Sustainable initiatives benefit suppliers by fostering a more stable and equitable market environment

2024 Sustainability Performance, Goals, and Progress

E - Environmental Performance and Medium- and Long- term Goals

Core Strategy	Green Solutions	Promote smart environmental protection, clean production, and green energy manufacturing.	See “Green Solutions, Circular Economy” for details.	
	Circular Economy	Improve resource utilization efficiency and strive to create a zero-waste ecological park.		
Sustainability Issues	2024 Key Performance Summary	2024 goals	2024 target status	2025 goals
Climate Change Response; Energy management	Taking 2020 as the base year, the absolute greenhouse gas emissions in Scope 1 and 2 decreased by 52.28% in 2024.	Based on 2024, the absolute emission reduction in Scope 1 and 2 will be reduced by 16.8%.	Achieved	Achieve net zero emissions by 2050
	In 2024, renewable electricity account for 67.38%.	By 2025, green electricity usage will account for 21%.	Achieved	Use at least 50% green power by 2030.
Systemic risk management	Major environmental pollution accidents in 2024: 0.	Maintain no major environmental pollution accidents (unit: case).	Achieved	Maintain no major environmental pollution accidents (unit: case).
Water & Wastewater Management	Water use intensity decreased by 25.54% in 2024.	Water intensity will decrease by 4.5% in 2024.	Achieved	Reduce water intensity by 6% (compared to 2020).
	By 2024, the installation rate of industrial wastewater discharge water quality monitoring systems in factories has reached 97%.	By 2024, the implementation rate of industrial wastewater discharge water quality monitoring systems in factories will reach 95%.	Achieved	Set up monitoring system for industrial wastewater discharge in All campuses
Waste & Hazardous Substance Management; Sustainable Raw Materials and Circular Economy	By 2024, the proportion of plastic recycled within the factory reached 42%.	By 2024, the proportion of plastic recycled within the factory will be 50%.	Not Achieved	Reach 60% of plastic recycling ratio in all campuses
	As of 2024, a total of 9 parks have obtained UL 2799 certification.	By 2024, four parks will obtain UL 2799 certification.	Achieved	Awarded at least 5 campuses with UL 2799 Gold-Level Certification of Zero Waste
	By 2024, two air quality system monitoring demonstration plant areas have been established.	By 2024, two air quality system monitoring demonstration plants will be established.	Achieved	Set up air quality monitoring system in at least 3 campuses

S - Social Performance and Medium- and Long-Term Goals List

Core Strategy	Diversity and Inclusion	Safe, healthy and fair development, cultivating and empowering employees to enhance their rights and interests.	For more details, please see “Diversity and Inclusion, Employee Satisfaction”, “Healthy Workplace, Safety Adherence”, and “Giving Back to Society, Win-Win Strategy”.	
	Win-win Strategy & Social contribution	Science and technology education cultivates generations, and charity and public welfare practice social responsibility.		
Sustainability Issues	2024 Key Performance Summary	2024 goals	2024 target status	2025 goals
Employee Diversity, Equality and Inclusion	We embrace diverse cultures, attract people from all walks of life, and avoid any violations of fair employment practices.	We embrace diverse cultures, attract talents from all walks of life, provide equal employment opportunities, and continuously ensure that no violations of fair employment practices occur.	Achieved	Diversity and inclusion at work, attract and hire more diverse talent, offer and assure equal employment opportunities.
Talent Attraction and Retention	Promote retention, and the retention rate of professional and technical personnel reached 89.9%.	Promote retention, and the retention rate of professional and technical personnel reached 86.4%.	Achieved	Value the voice of employees, continuously improve working environment, increase professional talent retention rate to 88%.
Human Rights and Labor Relations	Number of labor and human rights audits conducted on the group's internal parks and suppliers in the supply chain increased to 132.	The number of labor and human rights audits conducted on various parks within the group and manufacturers in the supply chain increased to 42.	Achieved	Comply with the conventions and guiding principles of the UN' International Bill of Human Rights and encourage all partners in the value chain to jointly promote. The frequency of human rights audit, which is conducted in all the campuses of the Group and its supply chain manufacturers, is expected to increase from 30 times per year (current policy) to more than 50 times per year.
	No major labor rights incidents that damage the company's or clients' reputation.	No major labor rights incidents that damage the company's or clients' reputation.	Achieved	Ensure that no severe labor rights incidents that might damage the reputation of the Group and its clients.

Sustainability Issues	2024 Key Performance Summary	2024 goals	2024 target status	2025 goals
Employee Training and Development	The average number of professional course study hours per professional and technical personnel per year reaches 77 hours.	The average number of professional course study hours per professional and technical personnel per year reaches 56 hours.	Achieved	Cultivate creative thinking and good working behavior in the workplace, encourage professional development for employees to foster the creation of good products and amazing technologies contributing to the greater good. Offer ≥ 60- hour professional training courses annually for professional, technical people.
Occupational Health and Safety	The number of occupational diseases caused by chemical exposure remained at 0.	The number of occupational diseases caused by chemical exposure remained at 0.	Achieved	Maintain the record of 0 case of occupational diseases caused by chemical agents.
	Outperforming the industry standard, with a disabling injury frequency rate (FR) of 0.101 times per million working hours.	Outperforming the industry standard, the Disabling Injury Frequency Rate (FR) is 0.19 per million work hours.	Achieved	DIFR (Disabling Injury Frequency Rate) aims at ≤ 0.14 times / 1,000,000 employee-hours of exposure, which is above the industry standard.
	The disability severity rate (SR) was reduced to 2.946 days per million working hours.	The disability severity rate (SR) was reduced to 7.2 days per million working hours.	Achieved	Reduce DISR (Disabling Injury Severity Rate) to ≤ 6.88 days / 1,000,000 employee-hours of exposure.
	Assisted high-risk contractors to implement ISO 45001 occupational safety and health management systems, with the target implementation rate reaching 87%.	Assisted high-risk contractors to implement the ISO 45001 occupational safety and health management system, with the target implementation rate reaching 56%.	Achieved	Assist high-risk suppliers to implement ISO 45001 Occupational Health and Safety Management Systems; implementation rate aims at ≥ 70%.
Community Engagement	Volunteer service hours at Taiwan factories totalled 7,525 hours.	Volunteer service hours at the Taiwan factory totalled 3,575 hours.	Achieved	Initiate incentive programs to encourage volunteer services; accumulated service hours aim at ≥ 5,000 hours for the Campuses in Taiwan.

G - Governance Performance and Medium- and Long-Term Goals

Core Strategy	Business Sustainability	Operational innovation and transparent governance deepen partnerships for sustainable shared benefits.	For details, please see “Corporate Governance, Smart Innovation” and “Business Sustainability, Beneficial Partners”.	
	Corporate Governance	Integrity management and honest corporate culture to build a good corporate governance environment.		
Sustainability Issues	2024 Key Performance Summary	2024 goals	2024 target status	2025 goals
Business Ethics	The number of corruption and illegal and irregular activities announced on the group's anti-corruption information dissemination platform, Xin APP, increased by 10%.	Increase the amount of public information on corruption, illegal and irregular activities announced by Trust APP, and increase by 10% each year.	Achieved	Information transparency: 10% increase in annual disclosure of corruption and violations of laws and regulations via employee app.
Corporate Governance	Publicly disclose the group's tax policies.	Publicly disclose the group's tax policies.	Achieved	Disclose information addressing the Group's tax policy.
	Female directors account for 28.57%	Women account for 20% of directors	Achieved	Increase female boards of directors from 11% to 30%.
	Completed the performance evaluation of the Board of Directors and functional committees.	The Board of Directors will complete its performance evaluation report in 2022 and submit its recommendations and anticipated actions to the Board. The Board of Directors conducted an internal performance evaluation in 2023-2024, with directors conducting self-evaluations.	Achieved	The performance evaluation of board of directors, Audit committee and Remuneration committee raise to an average of 4.8 points; board of directors and functional committees taking performance evaluation conducted by external experts every 3 years.
	71.43% of the board members do not serve as Hon Hai employees or managers.	More than 50% of the board members are not concurrently employees or managers of Hon Hai.	Achieved	> 50% board members are not concurrently employees or managers of Hon Hai.
Privacy and Information Security	Continuously improve the ISO 27001 information security management system. In 2024, 7 training sessions totaling 67 hours were completed.	Leveraging the experience gained from the introduction of ISO27001 security system by the central unit, the company promoted the ISO27001 security system to all of Hon Hai's business groups, implementing three training sessions totaling 21 hours for each business group.	Achieved	Keep improving ISO 27001 and assist business units to establish cyber security system.
	In 2024, the Group conducted penetration tests on five important systems to ensure that there were zero cases of low-impact major cybersecurity incidents.	Completed five important system penetration tests and analyzed and learned from incidents to ensure zero low-impact major cybersecurity incidents.	Achieved	Conduct security test annually for 10 important systems to ensure zero major cyber security incident.

Sustainability Issues	2024 Key Performance Summary	2024 goals	2024 target status	2025 goals
Sustainable Supply Chain	The coverage of key electronics suppliers in the RoHS-REACH intelligent management platform for full substance declaration has reached 100%.	The coverage of key electronics suppliers in the RoHS-REACH intelligent management platform for full substance declaration has reached 100%.	Achieved	All key electronics suppliers have FMD (Full Materials Declaration) on RoHS-REACH intelligent management platform.
	By 2024, the number of specific electronics suppliers that have obtained zero waste to landfill certification reached a total of 20.	The total number of specific electronics suppliers that have obtained zero waste landfill certification is 20.	Achieved	Increase the number of designated electronics suppliers achieving Zero Waste to Landfill from 3 to 25.
	The number of key electronics suppliers using 100% renewable electricity to produce Hon Hai products is 36.	The total number of key electronics suppliers using 100% renewable electricity to produce Hon Hai products is 34.	Achieved	Increase the number of key electronics suppliers using 100% renewable energy to manufacture Hon Hai's product from 3 to 45.
	In 2024, key electronics suppliers were screened based on product-specific risks, and the total annual procurement quantity or amount were reduced by 2-5% for poorly performing manufacturers.	We screen key electronics suppliers annually based on product-specific risks, and reduce the total annual procurement quantity or amount by 2-5% for poorly performing suppliers.	Achieved	Evaluate and select key electronics suppliers every year. For the suppliers with the poorest ESG performances, Hon Hai reserves the right to reduce annual order quantity or value by 2-5%.
	By 2024, ESG project performance evaluation was completed for 100% of major suppliers.	Implement ESG project (covering green products, social and environmental responsibility, and carbon management) performance evaluation for specific suppliers, with a coverage rate of 100%.	Achieved	Conduct evaluation on all designated suppliers' ESG performance (including green product, carbon management, social and environmental responsibilities).
	The audit coverage rate of major institutional suppliers every three years is 91.9%.	The audit coverage rate of major institutional suppliers exceeds 85% every three years.	Achieved	Coverage rate of designated mechanical supplier audit (conducted every 3 years) reaches 90%.
	By 2024, the conflict minerals survey response rate for major suppliers reached 100%.	The response rate for conflict mineral surveys of major suppliers was 100%, ensuring that no illegal conflict minerals were used.	Achieved	Conflict minerals inquiry response from designated suppliers reaches 100%, ensuring zero use of conflict minerals.

Corporate Governance, Smart Innovation

The Group has established a sound corporate governance structure, enhancing the functions of the board of directors and optimizing the oversight and management roles of functional committees in executing sustainable development strategies. This structure not only ensures the protection of the interests of all stakeholders but also highlights Foxconn's corporate values.

Material Issue in This Chapter

Corporate Governance; Business Ethics;
Systemic Risk Management; Privacy and Information Security;
Innovation and Business Model Resilience; Product Management.

Commitment to SDGs



Primary GRI Standard Alignment

GRI 205; GRI 206; GRI 207; GRI 418

Key KPIs and achievements/ honors for 2024:

- ① In 2024, the Group completed the establishment of its risk management organization, promoted the auditing of risk management processes, and fostered an internal risk culture.
- ② In 2024, the Group conducted a total of 3,670 information security audits, which included internal audits, client audits, third-party audits, and security inspections of special controlled areas such as research and development laboratories and data centers.
- ③ In 2024, the Group completed 100% anti-corruption training for all personnel across its global operations.



Corporate Governance

■ Corporate Governance Overview

The Group strictly adheres to the “Corporate Governance Best Practice Principles for Listed Companies” and legally establishes a board of directors composed of executive directors, non-executive directors, and independent directors. Through professional division of labor and effective supervision mechanisms, the board formulates business strategies and strengthens corporate governance while ensuring the protection of shareholders’ rights and balancing the interests of various stakeholders. The board is not only committed to optimizing governance structures and enhancing information transparency but also actively maintains employee welfare, customer rights, investor relations, and supplier collaboration. It fosters positive interactions with government agencies and social organizations, and through regular reviews and continuous improvement mechanisms, it fulfills its commitment to sustainable business practices.

A robust succession plan is the key to sustainable business operations. The executive rotation system is an important mechanism for cultivating a leadership pipeline. Hon Hai officially launched the rotating CEO system in April 2024, which strengthens the overall vision and strategic capabilities of core executives through systematic job rotation.

The first rotating CEO is the Manager of the Group’s E Business Group. During his one-year term, he successfully promoted several key business transformations and cross-departmental integrations, and he smoothly completed the handover in March 2025. The second rotating CEO is the Group’s Central Park Director, who will further deepen Foxconn’s strategic execution in globalization and technological innovation, leveraging his extensive experience in smart manufacturing and campus management.

This system not only ensures the experience transfer of the leadership team but also enhances the Group’s agility in responding to market changes through

the rotation of executives from diverse backgrounds, laying a solid foundation for Hon Hai’s long-term and stable development. At the same time, the Group has established a comprehensive corporate governance structure. The general managers of each business group operate under the guiding principles set by the board of directors, accurately translating macro strategies into execution plans for each unit. While maintaining flexibility in business decision-making, they regularly report key performance indicators to the board, creating a management system that combines strategic vertical effectiveness with dynamic adjustment capability. This governance model not only lays the groundwork for the smooth operation of the rotating CEO system but also ensures the transfer of experience and strategic continuity within the leadership pipeline through institutionalized channels, allowing Hon Hai to maintain a competitive advantage in global layout and technological innovation.

■ Highest Governance Body

The Nomination, Composition and Role of Board Committees

The Group has established the Audit and Risk Committee, Compensation Committee, Corporate Governance and Nomination Committee. In the future, additional functional committees will be formed as needed.

In accordance with the Securities Exchange Act, the “Audit Committee” was established in July 2016, and on August 14, 2024, the Board of Directors approved the renaming of the “Audit Committee” to the “Audit and Risk Committee.” The committee elects a convener and meeting chairperson from among its members, with the current meeting chairperson being Independent Director Huang Tsing-yuan. A total of five meetings were held in 2024.

To implement corporate governance and enhance the salary and compensation system for directors and managers, the “Compensation Committee” was established in September 2011, consisting of three members appointed by resolution of the Board of Directors. The main responsibility of the Compensation

Committee is to assist the board in formulating and regularly reviewing the policies, systems, standards, and structures related to the achievement of performance targets in various aspects of the Group's sustainable development for directors and managers. This committee is composed of three directors: Huang Tsing-yuan, James Wang, and Chen Yuemin¹, who were selected by the board to serve as the conveners. In 2024, the committee held a total of two meetings, achieving a 100% attendance rate.

The Group established the "Nomination Committee" in March 2022. On October 27, 2023, the Board of Directors resolved to expand and rename the Nomination Committee to the "Corporate Governance and Nomination Committee." Under the authorization of the board, good management should prudently exercise the following powers and submit recommendations for board discussion. Corporate Governance and Nomination Committee is composed of three directors selected by the board: Huang Tsing-yuan, James Wang, and Liu Lenyu². It held a total of two meetings, achieving a 100% attendance rate. The committee members possess relevant professional capabilities and expertise in various fields, including corporate management, operations manufacturing, engineering technology, financial accounting, financial investment, brand channels, and marketing.

1. Type of Board of Directors

The board consists of 1 executive director and 6 non-executive directors. The Group's CEO serves as the executive director.

Number of members	
Executive directors	1
Independent directors	4 ¹
Other non-executive directors	2
Total	7

1: Independent Director Ta-Wei Kuo resigned on January 31, 2024.

Note¹: Commissioner Chen Yuemin was newly appointed on January 31, 2024

Note²: Commissioner Liu Lenyu was newly appointed on January 31, 2024

2. Independence

The "independence" of independent directors is a core requirement to ensure their objective supervision of the company's operations and the protection of shareholder rights. According to Taiwan's "Regulations Governing the Establishment of Independent Directors and Compliance Matters for Public Companies," independent directors may not serve as independent directors in more than five other publicly listed companies (including those listed on stock exchanges, over the counter, or emerging stock markets). Therefore, the Group requires independent directors not to serve as independent directors in more than five companies to ensure they have sufficient time to fulfill their responsibilities. All non-executive directors and independent directors of the Group comply with the regulations regarding external directors' concurrent positions, with none holding more than four director positions in other listed companies.

Independent directors must meet the following requirements during the two years prior to their appointment and throughout their term:

- **No Employment Relationship:** They must not be employees, managers, or directors of the company or its affiliates (excluding independent directors serving between group companies).
- **No Significant Shareholding:** They, their spouses, or minor children must not hold more than 1% of the company's shares or be among the top ten shareholders.
- **No Close Relatives:** They must not have a close relative relationship (within the second degree of kinship) with the company's directors, senior managers, or major shareholders.
- **No Business or Financial Transactions:**
 - They must not have significant business dealings with the company (such as auditing or consulting services, with compensation not exceeding NTD500,000 in the past two years).

- They must not be directors or managers of major customers, suppliers, or shareholders holding more than 5% of the company's shares.
- No Control Relationship: They must not represent any party that controls the company's board of directors or holds a majority of the shares.
- No Disqualification: They must not have any disqualifications under Article 30 of the Company Act (such as criminal convictions, bankruptcy, etc.) and must not be elected in the capacity of a government or corporate representative.

To enhance the professionalism and independence of the board's operations, the members of the Corporate Governance and Nomination Committee, Compensation Committee, and Audit and Risk Committee are all independent directors.

3. Tenure of members on the governance body

According to Taiwan's Company Act, Securities Exchange Act, and the "Regulations Governing the Establishment of Independent Directors and Compliance Matters for Public Companies," the term of office for general directors shall not exceed three years per term, but they may be re-elected. However, consecutive terms shall not exceed three terms (nine years). Hon Hai strictly complies with these legal requirements. As of the end of 2024, among the serving directors, the average term for executive directors is 5.5 years, for non-executive directors is 3.6 years, for independent directors is 3.4 years, and the overall average term for all directors is 3.7 years.

The specific term details for each director member can be found in the table under appendix.

4. Number of other significant positions and commitments held by each member, and the nature of the commitments

The seven members of the Board of Directors hold relevant positions in industry companies or academia. For specific information, please refer to pages 8-10 of Hon Hai 2024 Annual Report.

5. Board Diversity

Board diversity (including gender, professional background, cultural, and industry experience) can significantly enhance corporate value and competitiveness. A diverse board can provide more comprehensive perspectives, stimulate innovative thinking, and avoid decision-making blind spots. For instance, female directors often place greater emphasis on risk management, while directors with different professional backgrounds can strengthen assessment capabilities in key areas such as technology, finance, or sustainability. The Group explicitly states in Article 20 of the "Corporate Governance Best Practice Principles" that the composition of the board of directors should consider diversity and develop appropriate diversity policies based on its operations, operational types, and development needs. These policies should include, but are not limited to, the following two major aspects:

1. Basic Conditions and Values: Gender, age, nationality, and culture, among others.
2. Professional Knowledge and Skills: Professional backgrounds (such as law, accounting, industry, finance, marketing, or technology), professional skills, and industry experience, among others.

The specific professional skills and experience backgrounds of the board members can be found in the appendix - Key Quantitative Indicators.

6. Stakeholder Representation

The Group encourages shareholder participation in corporate governance. Therefore, in addition to the shareholders' meeting, we have established targeted and effective methods to engage with shareholders. Our managers and independent directors are open to receiving feedback from shareholders to understand their concerns and provide clear explanations of company policies to garner shareholder support.

The Group has engaged a professional shareholder services agency to manage shareholder affairs, ensuring that the annual shareholders' meeting is conducted legally, effectively, and securely. In 2024, one shareholders' meeting was held.

The Group places a high priority on investor relations management and has established an Investor Relations Department to maintain close communication with the capital markets through diversified channels. We regularly hold earnings calls and shareholders' meetings, and we effectively utilize our official website, investor hotline, and email to respond promptly to investor concerns. In 2024, Foxconn held a total of four earnings calls. Additionally, we employ multimedia formats such as visual presentations and videos to interpret regular reports, enhancing information transparency. By systematically collecting investor feedback and regularly communicating it to management, we are committed to building long-term, stable, and trust-based partnerships with investors and institutions.

• Mandates

The Group has clearly defined the powers of its Audit and Risk Committee, Compensation Committee, and Corporate Governance and Nomination Committee, which includes regular reviews of relevant functional policies, performance evaluations, and periodic assessments. In 2024, the average attendance rate of board meetings is 96.55%. Specific attendance records can be found in the appendix - Key Quantitative Indicators.

Please refer to pages 25, 28, 43, and 45 of Hon Hai 2024 Annual Report.

• Performance Evaluation

The Group established the "Regulations governing the performance evaluation of the Board of Directors and functional committees" on November 12, 2020. In 2024, the internal performance evaluation of the board was conducted through a self-assessment using an internal questionnaire.

• Roles and Responsibilities

The chairman initiates the board evaluation annually and oversees the process to ensure that the evaluation adheres to recognized governance practices.

An external professional independent organization or team of external experts is engaged to conduct an evaluation at least once every three years.

• Evaluation Process

The performance evaluation procedures for the Company's Board of Directors and functional committees are described as follows:

1. In the fourth quarter of the evaluation year, the units, period, and scope to be evaluated for the current year are determined, along with the evaluation methods.
2. When conducting internal performance evaluations, the executing unit should collect relevant information regarding the Board of Directors, individual directors, and the activities of functional committees. They will distribute and collect the "Board Performance Self-Assessment Questionnaire," "Director Performance Self-Assessment Questionnaire," "Audit Committee Performance Self-Assessment Questionnaire," and "Compensation Committee Performance Self-Assessment Questionnaire." The executing unit will then consolidate the responses and record the evaluation results according to the scoring standards outlined in Article 8, which will be submitted to the Board of Directors in the first quarter of the following year.
3. Before submitting the evaluation results to the Board of Directors, the executing unit must first present them to the Corporate Governance and Nomination Committee for review and improvement.

• Evaluation Results

The results of the board and functional committees' performance evaluation were reported to the board and the Corporate Governance and Nomination Committee on March 14, 2025, and were used as references for individual director remuneration and re-nomination. In 2024, the Group successfully completed the board performance evaluation. For detailed information, please refer to page 35 to 36 of Hon Hai 2024 Annual Report.

The external performance evaluation of the Board of Directors is conducted every three years. In November 2022, the Company commissioned the Taiwan Corporate Governance Association to conduct the external board performance evaluation for the year 2022 (covering the period from December 1, 2021, to November 30, 2022). The Taiwan Corporate Governance Association issued the board performance evaluation report on January 12, 2023. The recommendations and expected measures report was presented to the Board of Directors on March 15, 2023. For more details, please refer to page 35 to 36 of Hon Hai 2024 Annual Report.

• Election Process

At the beginning of the election, the chairman designates several vote counters and ballot counters to carry out the relevant tasks.

Directors are elected based on the number of votes received, with those receiving the most votes being elected. In the event of a tie among two or more candidates exceeding the specified number of positions, a draw will be conducted to determine the elected candidates. For those not present, the chairman will conduct the draw on their behalf.

The election of directors shall follow the candidate nomination system procedures stipulated in Article 192-1 of the Company Act.

Independent directors and non-independent directors shall be elected simultaneously, with the number of seats calculated separately for each category, and those receiving the most votes in each category will be elected in order.

Ballots will be issued by the board of directors, based on attendance numbers, with each individual entitled to one vote.

Communication and Performance Evaluation

1) Conflict of Interest

Directors make efforts to prevent conflicts of interest when necessary:

- (1) On January 31, 2024, when appointing members to the Compensation Committee, independent director Chen Yu-min, a stakeholder, recused herself from voting on the matter. The remaining attending directors unanimously approved the appointment.
- (2) On January 31, 2024, when appointing members to the Corporate Governance and Nomination Committee, independent director Liu Len-Yu, a stakeholder, recused himself from voting on the matter. The remaining attending directors unanimously approved the appointment.
- (3) On January 31, 2024, regarding the distribution of the 2023 annual performance bonuses for managers, Chairman Liu Young-Way, who also serves as the CEO, recused himself from voting on the matter. The remaining attending directors unanimously approved the proposal.
- (4) On March 14, 2024, concerning the lifting of the non-compete restrictions for directors, Chairman Liu Young-Way, recused himself from voting on the matter. The remaining attending directors unanimously approved the proposal.
- (5) On October 29, 2024, regarding the distribution of employee compensation for managers in 2023, Chairman Liu Young-Way, who also serves as the CEO, recused himself from voting on the matter. The remaining attending directors unanimously approved the proposal.

2) Communication of Critical Concerns

Key concerns include potential and actual negative impacts of the organization on stakeholders, as well as concerns regarding the organization's business conduct in operations and its commercial relationships.

The Group employs a comprehensive management and control system to clearly identify, assess, and manage various significant concerns faced. This system is executed in accordance with policies approved by the board of directors. The finance department is responsible for identifying and assessing these key issues in collaboration with the Group's operational units.

3) Sustainability Expertise

The Group provides sustainability-related training courses for the board of directors to enhance their expertise, skills, and experience in sustainable development. Please refer to the table on page 42 "Training Status of the Company's Corporate Governance Supervisors" of Hon Hai 2024 Annual Report.

Remuneration and Ownership Policies

Company Compensation Policy: In accordance with Article 28 of the Company's Articles of Incorporation, if there are profits in a given year, 5% to 7% will be allocated for employee compensation. The Company has established a performance bonus and employee compensation system that shares the operational profits of the Company based on employee performance, allowing employees' salaries to grow in tandem with the Company's operations. Please refer to page 58 of the Hon Hai 2024 Annual Report.

Directors and Managers: Compensation is managed in accordance with the Company's "Director Remuneration and Compensation Distribution Guidelines" and "Manager Compensation Distribution Guidelines."

(a) The Company's Articles of Incorporation do not stipulate remuneration for directors; all directors receive no compensation.

(b) The remuneration and attendance fees for directors (including independent directors) are handled according to the "Director Remuneration and Compensation Distribution Guidelines" approved by the board of directors.

(c) Directors (including independent directors) receive fixed remuneration and attendance fees; the Company does not provide variable compensation.

(d) Directors or their representatives who hold employee status, or who are employees of related enterprises or have investment relationships with the Company, do not receive remuneration or attendance fees.

(e) Manager compensation includes fixed salary, performance bonuses, and employee compensation, with salaries benchmarked against industry standards and based on title, level, educational background, professional capabilities, and responsibilities. Bonuses are distributed based on the profit contributions of each business unit. Employee compensation is determined based on the individual managerial performance.

(f) According to Article 28 of the Company's Articles of Incorporation, if there are profits in a given year, 5% to 7% should be allocated for employee compensation. Managerial compensation is regularly assessed and is governed by the Company's "Manager Compensation Distribution Guidelines." The performance evaluation criteria are divided into:

Financial Indicators: Based on the Company's management profit and loss statements, profit contributions from each business unit are considered along with the managers' goal achievement rates.

Non-Financial Indicators: These include the practice of the Company's core values, operational management capabilities, and participation in sustainable operations. These two major components are used to calculate the remuneration based on operational performance, with ongoing assessments of actual operational conditions and timely reviews of the managerial compensation system based on relevant regulations.

Governance of Tax

Organization of Tax Governance

The Board of Directors serves as the highest authority for tax governance, responsible for approving overall tax policies and overseeing the effective operation of tax management mechanisms.

The company and its subsidiaries are required to be tied in responsibility and obtain appropriate approvals when handling various tax declarations. Relevant tax declarations and issues must be thoroughly reviewed, and supporting documentation should be properly maintained for reference or inspection by regulatory authorities. For significant transactions and decisions, a careful assessment of their tax implications should also be conducted, and external professional advice should be sought as necessary to ensure compliance and robustness in tax governance.

Tax Policy and Practices

On August 10, 2022, adhering to the principles of sustainable operation and innovative transformation and to fulfill its social responsibility and promoted local economic development, Hon Hai is committed to regulatory compliance, implementing tax governance and risk management, and has specifically established the “Tax Policy and Management Procedures”.

The tax policy includes relevant provisions concerning Legal Compliance, Avoiding Improper Tax Planning, Related Party Transactions, Tax Risk Assessment, Information Disclosure, and Relationships with Tax Authorities, as well as establishing the responsibilities for tax management within the organization.

Tax Information in the past two years

Financial Reporting (NTD)	FY 2023	FY 2024
Operating revenue	6,162,221,359,000	6,859,615,493,000
Profit before tax	192,224,213,000	211,875,157,000
Income tax expense	37,434,831,000	40,195,922,000
Effective tax rate ¹ (%)	19.47%	18.97%
Income tax paid	34,493,407,000	46,512,512,000
Cash tax rate ² (%)	17.94%	21.95%

1. Effective tax rate = Income tax expense / Profit before tax

2. Cash tax rate = Income tax paid / Profit before tax

Business Ethics

Hon Hai Policies on Ethical Management

Hon Hai adheres to a corporate culture of integrity and has established a ‘Code of Conduct for Integrity Management’ policy, implementing a zero-tolerance approach to any illegal or unethical activities, and fully complying with international and domestic anti-corruption and anti-bribery regulatory requirements. The Group has established an effective internal control system and conducts annual employee training to thoroughly implement the practice of corporate integrity and ethical business operations. In 2024, the Group did not participate in any illegal activities related to anti-competitive behavior or antitrust issues.

Hon Hai CoC

Hon Hai is committed to adhering to the principles of fairness, honesty, and integrity in competition and business activities, establishing a comprehensive legal compliance system worldwide. As a member of the Responsible Business Alliance (RBA), the Group strictly follows all RBA codes of conduct and actively promotes and implements sustainable development regulations.

Our Sustainability Committee, using the RBA Code of Conduct as a foundation, formulated the initial “Foxconn Code of Conduct” (CoC) in June 2008, covering eight key areas: ethics, labor and human rights, health and safety, environment, management systems, responsible mineral sourcing, anti-corruption policies, and anti-slavery policies. In 2023, Hon Hai adopted the CoC as its guiding principle, continuously revising and updating it in alignment with the latest RBA standards.

Additionally, the Group has developed the “Responsibility Standards,” which clearly articulate the requirements and practices within the code of conduct. Each issue and indicator is explicitly defined to standardize and facilitate implementation across various units. All policies and regulations are reviewed and signed off by the group’s senior management, demonstrating the company’s commitment to the enforcement of these systems. This ensures that the regulations can be effectively promoted and implemented within the group, thereby enhancing overall governance efficiency and compliance standards.

The Group provides annual training courses on the code of conduct for all employees, which are mandatory for staff. The aim is to help colleagues familiarize themselves with the company’s business ethics standards and behavioral norms. Through ongoing training and advocacy, the group strengthens compliance awareness among all employees and promotes the deep-rooting and implementation of corporate culture.

In 2024, training on the Code of Conduct and Business Ethics was provided to all employees, including permanent and contracted staff, achieving a coverage rate of 100%.

Code of Conduct(CoC)



Hon Hai Responsibility Standards



Anti-corruption Policies

Hon Hai Group is steadfast in upholding a corporate culture of integrity, fully committed to adhering to local and international anti-corruption and anti-bribery laws and regulations. We maintain a zero-tolerance policy towards any activities or behaviors that contravene our anti-corruption policies. Acts of corruption, bribery, embezzlement, and improper conduct are strictly prohibited. All employees are required to complete a minimum of two hours of mandatory anti-corruption training annually. Furthermore, all partnerships with suppliers, vendors, and customers must adhere strictly to our anti-corruption policy.

Anti-competitive Behavior

The Group has established a clear “Code of Conduct for Integrity Management” to safeguard the principles of fair trading, ensuring that advertising content is truthful and responsible, while promoting healthy market competition. These regulations help protect consumer rights, enhance transparency, and maintain a fair market environment.

Mechanisms, Auditing, and Handling for Violations of the Code of Conduct

Mechanism & Procedures

The issue of anti-corruption has been incorporated into the oversight scope of the board of directors, with management reporting on the topic at least once a

year to the board. The Sustainability Committee is responsible for formulating Corporate Social Responsibility (CSR) policies, systems, and management principles. The Chairman, CEO, and heads of various branches act as key advocates of the committee, jointly overseeing the implementation of CSR policies.

We have established a corporate anti-fraud and anti-corruption management system, with the board of directors as the highest guiding unit, regularly overseeing and managing the company. The Group's legal department is responsible for related tasks and regularly reports to the board of directors, the Audit and Risk Committee, or the General Manager. The legal department has set up a Fraud Prevention Office, which develops a comprehensive anti-fraud system and processes to prevent, identify, investigate, and report fraudulent activities, as well as suggest improvements. The Group's audit combines fraud clues transferred from the Fraud Prevention Office and conducts annual audits to examine identified key areas, critical links, and main aspects of anti-fraud and anti-corruption efforts. The Group integrates integrity management with its anti-corruption policies, employee performance assessments, and human resources policies, establishing a clear and effective reward and punishment system. Additionally, we have explicitly defined and published the disciplinary and grievance procedures for violations of integrity management regulations, and we promptly disclose information on violators, including their job titles, violation dates, violation details, and handling situations on the company's internal website (personal privacy information has been obscured).

In 2022, Hon Hai obtained ISO 37001 certification and successfully completed the renewal of the certification in 2025.



Commitment and Training

New employees are required to sign the “Integrity and Intellectual Property Agreement”, “Confidentiality Commitment” and “Intellectual Property and Confidentiality Agreement”. On their first day of employment, employees will receive training on the employee code of conduct, management systems, corporate ethics, and moral standards, clearly communicating their rights and obligations.

The Group requires suppliers and other business partners to sign the “Supplier Commitment”, which stipulates that integrity in business policies is a prerequisite for cooperation.

We have established a comprehensive anti-corruption training program that includes online courses, offline employee counseling, and supplier training, ensuring that relevant personnel at different roles and levels acquire the necessary anti-corruption knowledge and response capabilities. Through diverse and ongoing educational methods, we deepen all employees’ understanding of integrity in business, enhancing their ability to identify risks and manage compliance, thus jointly creating a transparent and fair operating environment.

The anti-corruption course is a mandatory program for all employees, aimed at fostering a deep understanding of ethical standards and anti-corruption policies, while reinforcing the Group’s commitment to maintaining integrity at all levels of management and operations. Additionally, completion of this course is one of the criteria for employee promotions. In 2024, 100% of all Hon Hai’s employees (including full-time and dispatched employees) completed the “Anti-Corruption” training course.

Internal Control and Audits

Since 2022, the Group has conducted at least one corruption risk assessment each year in accordance with ISO 37001 standards. The assessment focuses on the following areas: operational process corruption and bribery risks, personnel position corruption and bribery risks, and business partner corruption and bribery risks.

6-Step Procedures

Department Operations Inventory: The evaluation unit will assess the following items and fill in the evaluation results in the 'Department Operations Inventory Form.'

1

Identifying Stakeholder Needs and Expectations: The evaluation unit will assess the following items and fill in the evaluation results in the 'Department Operations Inventory Form.'

2

Identification of Corruption and Bribery Risk Scenarios for Operational Items: The evaluation unit will identify risk scenarios related to corruption and bribery for the operational items involved in Step One and fill in the evaluation results in the 'Corruption and Bribery Risk and Control Assessment Form'.

3

Impact Assessment: The evaluation unit will conduct an impact assessment of the identified corruption and bribery risk scenarios and fill in the evaluation results in the 'Corruption and Bribery Risk and Control Assessment Form.'

4

Control Level Assessment: The evaluation unit will conduct a control level assessment of the identified corruption and bribery risk scenarios and fill in the evaluation results in the 'Corruption and Bribery Risk and Control Assessment Form'.

5

Residual Risk Assessment: The evaluation unit will conduct a residual risk assessment of the identified corruption and bribery risk scenarios and fill in the evaluation results in the 'Corruption and Bribery Risk and Control Assessment Form.'

6

At the same time, we have established an internal control management mechanism. To implement integrity management and ethical risk management, we assist all global manufacturing sites and subsidiaries in conducting

ethical audit self-assessments through an electronic platform each year. The assessment content references the risk management database and reviews the design and execution of relevant systems. Subsequently, the internal audit unit conducts a review and integrates various assessment and improvement situations, serving as an important basis for the board of directors and management to understand the effectiveness of ethical governance, further strengthening the company's ethical culture and foundation of trust.

When internal auditors identify significant violations or believe the company faces serious damage risks, they must promptly prepare and submit a detailed report. Additionally, they must immediately notify the board of directors and the audit committee to facilitate timely intervention and corrective measures, safeguarding the company's integrity and operational stability.

Simultaneously, we conduct audits of relevant suppliers to ensure their compliance with our sustainable development policies and codes of conduct. For more detailed information regarding the supplier social and environmental responsibility codes that we require suppliers to adhere to, please refer to Chapter 5 of Foxconn's Sustainable Supply Chain Management.

Anti-Corruption Channels

Hon Hai Group employs a variety of channels to effectively communicate its anti-corruption policies and procedures, ensuring comprehensive awareness across all levels of the organization:

BELIEVE (Xiang'Xin) APP: Utilizing WeChat and the Group's internal application, we disseminated 14 tweets focused on anti-corruption to our global operating bases, facilitating widespread access to vital information.

Email: Comprehensive survey reports were distributed to business group executives, providing insights and updates on anti-corruption measures and compliance.

Advocacy at Meetings: We actively promote anti-corruption initiatives during new employee training sessions in Longhua and at Group initiative

meetings, reinforcing our commitment to ethical practices from the outset of employment.

Foxconn has established a comprehensive reporting mechanism to address violations of business ethics, ensuring transparency and accountability throughout the organization. This mechanism provides accessible channels for employees, customers, and suppliers to report unethical behavior, safeguarding the integrity of our business practices.

Misconduct and Handling

During the reporting period of 2024, Hon Hai encountered two significant cases* of violations of anti-corruption policies or involvement in corrupt practices. There were no lawsuits related to corruption or unfair competition during the reporting period, nor were there any verified claims or non-compliance incidents, conflicts of interest violations, or insider trading events.

*Significant cases refer to verified corruption cases involving an amount greater than RMB 1 million

The reporting mechanism includes various channels:



Internal Email: 117@foxconn.com

External Emails:

jubaofoxconn.com@gmail.com

rerenjubao@163.com

932588208@qq.com



External Phone Numbers:

+86-193-1699-4246(Mainland China)

+886 0906586086(Taiwan)

+84-852211726(Vietnam)

+91-9500383107(India)

Internal Phone:5060-117

Other Channels:



WeChat Complaints



One-Click Complaints

Three-steps process for violation-handling

Internal Handling

Disciplinary Action: Based on the nature of the fraudulent behavior and the severity of the circumstances, appropriate administrative actions will be taken against the involved employees, such as warnings, reprimands, or termination.

Economic Penalties: Involved employees will be required to return any illegal gains.

Position Adjustment: Employees involved will undergo position adjustments to prevent them from continuing to engage in work that may lead to fraud.



Legal Accountability

If the fraudulent behavior involves illegal criminal activity, a report will be filed with the relevant authorities to pursue criminal liability against the responsible parties.

At the same time, civil litigation will be pursued to seek compensation from the involved personnel for the losses incurred by the company due to the fraudulent activities.

Optimization and Improvement

Enhancing Internal Control Systems: Timely improve internal control systems based on the issues and weaknesses exposed in fraud cases, strengthening risk prevention and monitoring mechanisms.

Strengthening Training and Education: Organize employees to participate in anti-fraud training and educational activities to raise employees' legal awareness and professional ethics, enhancing their ability to identify and resist fraudulent behavior.

Establishing Reporting Mechanisms: Establish and improve fraud reporting mechanisms, encouraging employees to actively report fraudulent activities. At the same time, protect the legitimate rights and interests of whistleblowers.

Continuous Supervision and Inspection: Strengthen the supervision and inspection of daily operational processes to promptly identify and correct potential fraudulent behaviors or risk hazards.

Policy Influence

According to the “Code of Conduct for Integrity Management,” Hon Hai stipulates that directors, managers, employees, trustees, and actual controllers shall not directly or indirectly provide donations to political parties, political organizations, or individuals in exchange for business benefits or advantages in transactions.

In addition, the Group has established a mechanism to assess the risks of dishonest behavior, regularly reviewing relevant business activities and formulating preventive measures for higher-risk activities. These measures are also periodically reviewed for their appropriateness and effectiveness. In 2024, Hon Hai did not provide any illegal political contributions or engage in improper charitable donations or sponsorships of illegal political contributions.

Donations and Expenditures	2022	2023	2024
Lobbying, interest representation or similar	0	0	0
Local, regional or national political campaigns / organizations / candidates	0	0	0
Trade associations or tax-exempt groups (e.g. think tanks)	0	0	0
Other (e.g. spending related to ballot measures or referendums)	0	0	0

Systemic Risk Management

Hon Hai places a high priority on risk management and corporate governance, actively complying with the relevant requirements of regulatory authorities. Therefore, the Group has established a comprehensive corporate

risk management framework, formulating and implementing risk management systems to ensure that the company’s business operations comply with applicable regulatory requirements. Corresponding measures are in place to effectively manage and respond to risks, protecting investor interests and maintaining market stability. Foxconn will continue to dedicate efforts to the ongoing enhancement of risk management and corporate governance to ensure stable operations and long-term development for the enterprise.

Risk Governance Organization

Board of Directors

As the highest governing body for risk management, the Board of Directors aims to comply with regulations, promote, and implement comprehensive risk management within the company. It is responsible for clearly understanding the risks faced by operations, ensuring the effectiveness of risk management, and bearing ultimate responsibility for risk management.

Audit and Risk Committee

Responsible for addressing risk control-related issues and overseeing overall execution, coordination, and operations. Members of the Audit and Risk Committee are appointed by the Board of Directors from among the directors. The composition, number of members, terms, authorities, and rules of procedure for the committee must refer to the company’s “Audit and Risk Committee Charter.”

Risk Management Promotion and Execution Unit

Includes the Risk Management Steering Committee, Risk Management Execution Team Representatives, and Central Risk Management Unit. The Central Risk Management Unit is responsible for coordinating the company’s risk management matters, assisting the Risk Management Steering Committee,

Risk Management Execution Team, and Daily Risk Management Operations Team, and coordinating and managing risk management affairs within the company.

Daily Risk Management Operations Team

The Daily Risk Management Operations Team is responsible for managing daily risks.

The Group has integrated industry best practices and optimized the top-level design of its risk management framework, establishing a corporate compliance and risk management structure that includes three solid lines of defense.



Risk Governance Policies

In August 2024, Hon Hai's Board of Directors approved the Group's "Risk Management Policy," aimed at further enhancing Hon Hai's ability to manage and respond to risks. The approval of this policy reflects Hon Hai's emphasis on risk management and underscores the Group's commitment in this area.

The Risk Management Policy clearly defines the following:

- **Purpose and Objectives of Risk Management:** Provides Hon Hai with clear direction and guidance for risk management to ensure that risk management activities align effectively and consistently with the company's strategic and operational goals.
- **Sources and Categories of Risk:** The company categorizes risk events into the following six dimensions:



Strategic Risk: Risks arising from business strategies/plans and execution or changes in the external business environment that may affect the company's long-term objectives.



Operational Risk: Risks stemming from the company's daily operations or other risks that may affect efficiency, productivity, and reputation, including information risks.



Human Resource Risk: Various potential threats and challenges related to internal human resource management.



Legal and Compliance Risk: Risks arising from changes in laws and regulations, non-compliance with laws, integrity and regulations, or internal policies and procedures, as well as any legal actions/disputes.



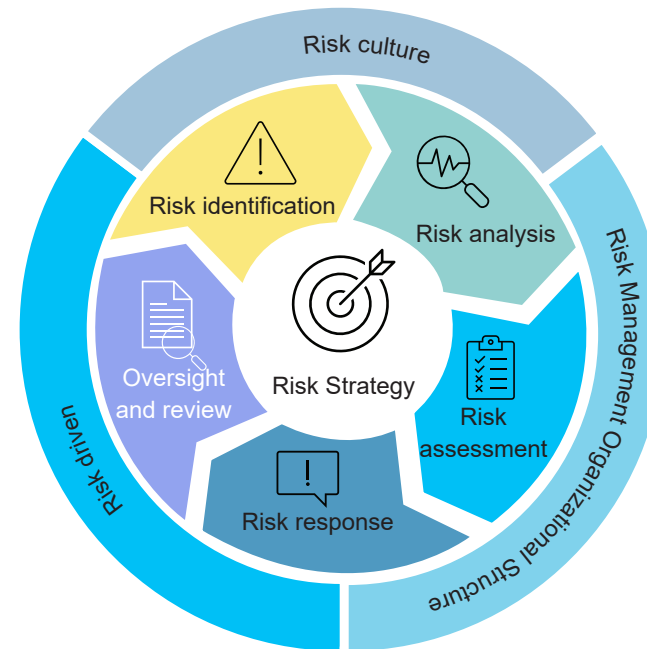
Financial Risk: Risks from transactions, financial activities, or use of financial instruments, or other risks affecting the company's finances.



Emerging Risk: Risks with significant uncertainty and potential impact due to social changes, scientific technology, political economy, or natural environment changes, including environmental and sustainability risks, climate change, and infectious disease-related risks.

Risk Management Process

Hon Hai is committed to establishing a systematic approach to ensure that the Group can continuously and proactively identify and manage the risks it faces. The Group's enterprise risk management procedures include five main processes: risk identification, risk analysis, risk assessment, risk response, and risk monitoring and review. Hon Hai regularly conducts audits of the risk management processes to review the implementation of risk identification, assessment, response, and monitoring across various units, ensuring the effective operation of the risk management system. The audit scope covers climate-related risks and sustainability issues and is carried out by internal audit units or third parties. The audit results are reported to senior management and serve as a basis for subsequent strategy adjustments and resource allocation.



Hon Hai categorizes risk events into six dimensions, including strategic risk, operational risk (including information risk), human resource risk, legal and compliance risk, financial risk, and emerging risk (including environmental and sustainability risks, climate change, and infectious disease-related risks).

For the analysis of risk events, measurement standards are divided into two dimensions: "impact severity" and "likelihood of occurrence." The Group formulates appropriate quantitative or qualitative measurement standards based on the characteristics of the company's risks, serving as the basis for risk analysis and measurement standards.

Risk Identification and Mitigation Actions

Risk Identification

In 2024, the Central Risk Management Unit collected risk events through risk questionnaires and interviews with senior executives from 38 departments. After evaluating the likelihood and impact severity of these risk events, two major risks were identified: geopolitical issues and overseas expansion and

relocation. The potential significant impacts these risks could have on Hon Hai Group were analyzed, and current risk response measures were provided. These major risks require continuous monthly reporting to the Central Risk Management Unit, with corresponding records maintained and regularly reviewed by the Audit and Risk Committee and the Board of Directors.

Simultaneously, the Group also identified corresponding emerging risks and their specific potential impacts as follows

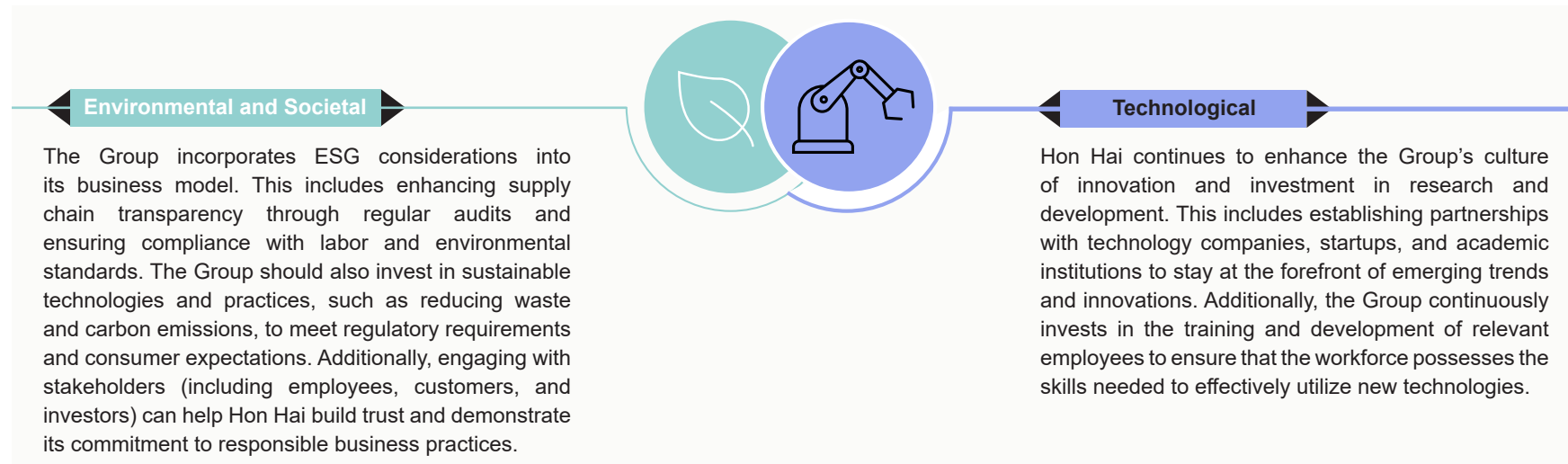
Risks identified	Risk 1	Risk 2
Names of emerging risks	Corporate Sustainability	Emerging Technology
Category	Environmental and Societal	Technological
Description	Regulatory pressure is increasing, with governments and organizations around the world demanding that companies achieve higher standards for social and environmental sustainability. Additionally, the Group's supply chain is also affected by sustainability concerns related to labor conditions and the environment.	As a key supplier to major technology companies, Foxconn faces the ongoing challenge of continuously adapting to rapid technological advancements and changing consumer demands. The emergence of new technologies, such as artificial intelligence, big data, and the Internet of Things, requires Foxconn not only to keep pace with these developments but also to innovate in order to maintain its relevance in the industry.
Potential Impact	As consumers increasingly favor companies with strong ESG commitments, failing to align with these values may result in a loss of market share. The pressure to adopt sustainable practices also presents challenges; if Foxconn does not innovate and invest in environmentally friendly technologies, it risks falling behind competitors that prioritize sustainability in their products. These factors could ultimately affect investor confidence and the company's long-term profitability.	Emerging technologies evolve rapidly and require continuous monitoring and adaptation. If a company fails to adequately invest in research and development or falls behind in adopting new technologies, it may lose its competitive edge to more agile and forward-thinking competitors. This could lead to a decline in market share, reduced profitability, and decreased customer loyalty.

Risk Exposure Mitigation

The Group has proposed relevant risk mitigation measures for the identified significant risks:

Risks identified	Risk Mitigation Actions
Geopolitical Factors	1. Maintain Political Neutrality and Strengthen Government Relations • Maintain good and close relationships with the government (e.g., regional headquarters). 2. Learn from Overseas Experience and Collaborate with International Partners • Cultivate local talent through industry-academia collaboration. • Establish manufacturing locations with industry peers and downstream manufacturers. • Integrate and allocate resources effectively. • Secure existing customers' market share in China and develop new clients.
Overseas Expansion and Transition	1. Personnel Allocation • Distribute personnel from the same batch across different business lines to avoid idle risks. 2. Overseas Market Prospects • Strategically position in overseas markets (e.g., India) in advance. • Establish diversified and local suppliers to disperse risks, enhance supplier relationship management, and create emergency plans. • Strengthen government public relations to obtain necessary licenses. 3. Cost Control and Efficiency Improvement • Achieve cost reduction and increased production efficiency through smart factories or other automation methods. 4. Cultivation of Overseas Talent • Select local talent through industry-academia collaboration.

At the same time, the Group has also proposed relevant risk mitigation measures for the identified new risks and impacts:



Risk Awareness and Culture

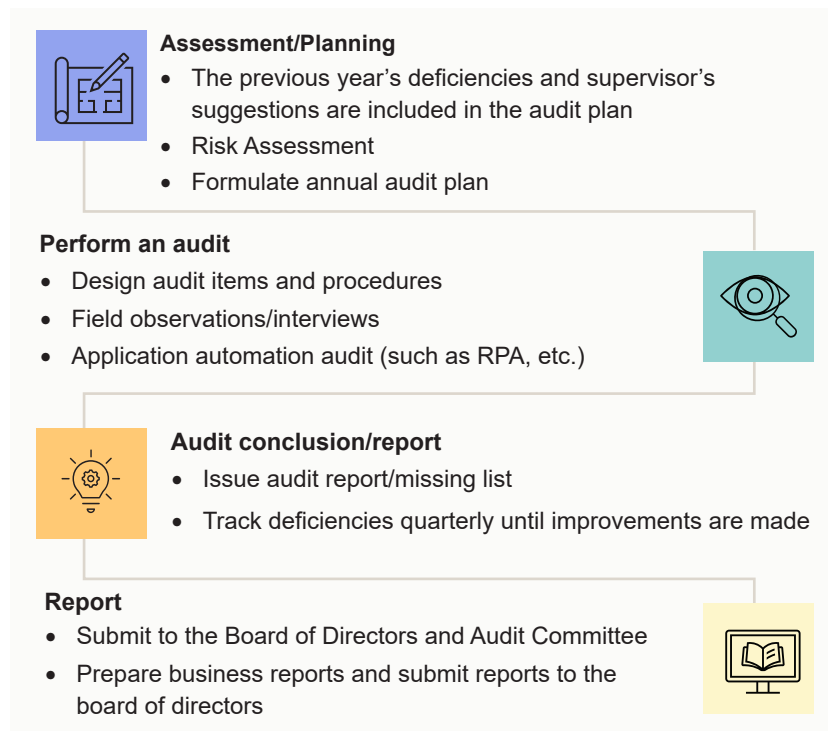
To promote risk management and advocate for a risk-aware culture, Hon Hai has conducted multiple risk management education and training sessions:

1. The Group regularly conducts risk management education for non-executive directors to enhance their capabilities in risk identification, assessment, and monitoring. In 2024, independent directors participated in courses on digital technology and artificial intelligence trends in relation to risk management. For details on director training, please refer to pages 41-42 of Hon Hai 2024 Annual Report.
2. In April and May 2024, basic risk management concept training courses were implemented for various units, covering topics such as the "Practical Guidelines for Risk Management of Listed Companies," an introduction to ISO 31000 standards, and industry practice sharing.
3. In June 2024, training on Hon Hai's risk management projects was conducted for relevant personnel in the finance and accounting department. The content included basic concepts of risk management, relevant content from the "Practical Guidelines for Risk Management of Listed Companies," and self-assessment requirements for risk management, aimed at strengthening participants' understanding and awareness of risk management.
4. In August, September, and October 2024, training on risk management was provided to representatives of the risk management execution teams and advisory committees from various units of the Group. The training covered the main contents of framework documents such as "Risk Management Policy" and "Risk Management Procedures," as well as challenges related to supply chain sustainability and resilience, along with sharing other practical experiences in risk management.

Internal Audit

The Group's internal audit unit is subordinate to the Board of Directors and is dedicated to internal audit work. Depending on the company's size, business conditions, management needs, and other relevant legal requirements, the unit is staffed with one audit supervisor and an appropriate number of qualified and suitable dedicated internal auditors.

Internal auditors uphold a spirit of independence and execute their duties with an objective and impartial stance, exercising the professional diligence expected of them. The audit supervisor regularly reports on audit activities to the Audit Committee and attends board meetings.



The internal audit unit regularly assesses risks and develops audit plans, specifying audit items, timelines, procedures, and methods, and executes relevant checks according to the plan. Additionally, auditors conduct routine and project-based audits periodically or irregularly, and they urge all internal units and subsidiaries of the company to conduct annual self-assessments of the effectiveness of their internal control systems.

The audit results, along with working papers and related materials, are compiled into audit reports for approval, ensuring that the company's internal control systems are continuously and effectively implemented. The Group's internal control self-assessment is conducted using an electronic platform, where self-assessing supervisors from each unit evaluate the design and effectiveness of internal control systems based on the internal control risk database. The internal audit unit then reviews the self-assessment reports from various units and subsidiaries.

The internal control deficiencies and anomalies identified by the audit unit, along with the status of their improvement, serve as the main basis for the Board of Directors and the CEO to evaluate the overall effectiveness of the internal control system and to issue the internal control system declaration.

Internal auditors disclose any deficiencies and anomalies in the internal control system found during the internal audit operations, those listed in the internal control system declaration, and those identified during self-assessments and CPA project reviews in the audit report.

Privacy and Information Security

IT Security Governance Organization

Hon Hai has established the Cybersecurity Governance Committee, serving as the highest-level entity for cybersecurity governance within the group. The Chairman presides over the committee, which includes members such as the Chief Information Security Officer (CISO), the secretariat of the Cybersecurity

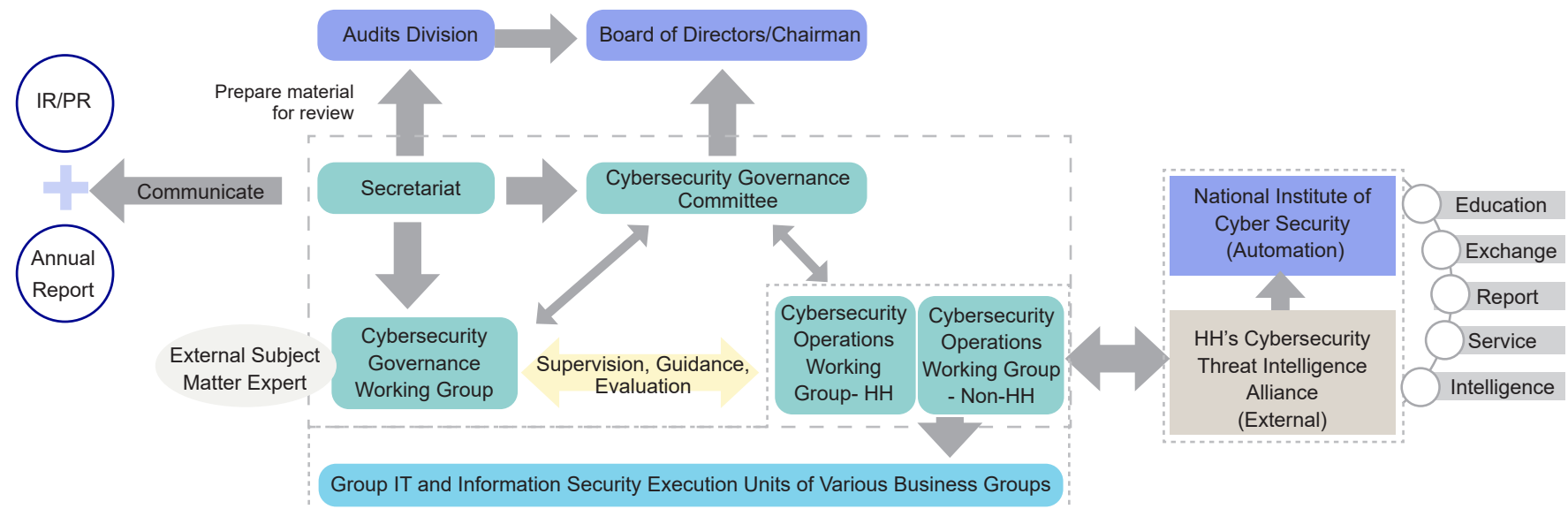
Governance Committee, and the Chief Information Officer (CIO), the highest executives of Fii, FIH, FIT, and the head of the Institute of Cybersecurity. Additionally, the top executives from finance, risk management, human resources, legal, and audit departments may attend as needed for specific projects. The committee assigns key personnel to lead information security projects, responsible for coordinating the planning of the group's cybersecurity governance framework, policy formulation, and cultural promotion. Regular reports are presented to the committee on cybersecurity governance issues, directions, and effectiveness to comprehensively assess and manage the current cybersecurity status, forming the foundation for the company's sustainable operations.

On November 10, 2022, the Board of Directors appointed the CEO of Hon Hai Research Institute, as the CISO, with the Research Center of Information Security serving as the secretariat of the Cybersecurity Governance Committee. Through its role in forward-looking research, the research center focuses on integrating international trends and standards in cybersecurity governance, risk, and compliance. It collaborates closely with the Chief Information Officer

to formulate high-level cybersecurity policies, oversee the implementation of group cybersecurity policies, and establish best practices for the group's cybersecurity, aiming to lead Hon Hai in setting a global benchmark in high-tech industry cybersecurity while demonstrating the company's strength in forward-looking research.

The committee is divided into the Cybersecurity Governance Working Group and the Cybersecurity Operations Working Group, with the following functions:

- 1) Cybersecurity Governance Working Group: Develops cybersecurity strategies and guidelines, formulates information security policies and related regulations, and ensures compliance audits.
- 2) Cybersecurity Operations Working Group: Implements and maintains cybersecurity infrastructure and equipment, responsible for cybersecurity protection, risk assessment, and ensuring the effectiveness of cybersecurity execution.



Cybersecurity Governance Policies

1) Convene Cybersecurity Governance Committee Meetings: The committee members are convened quarterly to hold meetings focused on cybersecurity governance. These meetings are crucial for deciding on the formulation of group-wide cybersecurity policies, documentation, and mechanisms, ensuring higher standards and consistent adherence to security principles across organizations. Through these meetings, current cybersecurity trends and issues are thoroughly explored, enhancing senior executives' understanding and awareness of cybersecurity frameworks within the company. This proactive approach enables effective risk management, significantly reducing potential damage risks.

2) Establish Ransomware Incident Response Guideline:

- Develop a systematic incident response framework and cybersecurity indicators to assist the group and its business units in effectively responding to incidents, protecting critical assets, enhancing cross-department collaboration and response efficiency, minimizing negative impacts, and accelerating business recovery. This initiative also promotes corporate cybersecurity culture and continuous improvement.
- Clearly define roles, responsibilities, and authority to comprehensively enhance the capability to respond to ransomware incidents, mitigating the impact of cybersecurity events.
- Conduct education and training sessions and drills: Two training sessions and one drill course have been conducted to help relevant roles understand their responsibilities and familiarize themselves with the incident response mechanism through practical exercises, ensuring the guidelines are effectively implemented and applicable.

3) Cybersecurity Incident Classification and Reporting Guideline: Referencing the United States NIST and Taiwanese government regulations, guidelines have been established for the classification and reporting levels of cybersecurity

incidents. These guidelines provide a unified adherence principle during incidents, strengthening internal communication, execution, and judgment consistency, thereby accelerating response and reducing operational impact from cybersecurity incidents.

4) Information Technology Vulnerability Handling Management Guideline: Ensure that technological weaknesses or vulnerabilities included in the use of information technology are effectively identified and controlled. Establish processes for vulnerability detection and timely remediation to mitigate risks arising from technological weaknesses or vulnerabilities.

5) Develop a Group Cybersecurity Self-Assessment Form: The objective is to use the self-assessment form to verify the current status of cybersecurity management in business units, enabling self-examination and enhancement of existing cybersecurity management measures.

6) Establish Cybersecurity Joint Defense Mechanism: A regional joint defense organization has been convened with affiliated enterprises, and participation in the Taiwan Computer Network Emergency Response Team/Coordination Center (TWCERT/CC) and Taiwan Cybersecurity Managers Alliance has been initiated.

7) Plan and Invest in Cybersecurity Insurance: In 2024, the group continues to evaluate market conditions and conduct internal communication and explanation, adhering to prudent planning principles to ensure that the insurance plan aligns with the group's overall risk management framework and cybersecurity strategy.

IT Security Infrastructure

IT Security Infrastructure Overview

Hon Hai employs ISO/IEC 27001 as the framework for information security management, integrating the NIST Cybersecurity Framework (CSF) and Cyber

Defense Matrix (CDM) to construct a robust cybersecurity defense architecture, supplemented by appropriate technological resources. In alignment with the group's principle of "legal and compliant" operations, ISO/IEC 27001 international information security management system certification has been obtained from central operations to various business units, valid from July 7, 2022, to July 6, 2025. This certification encompasses facilities in Northeast Asia, Southeast Asia, Mainland China, the Americas, Europe, and India, with ongoing renewals.

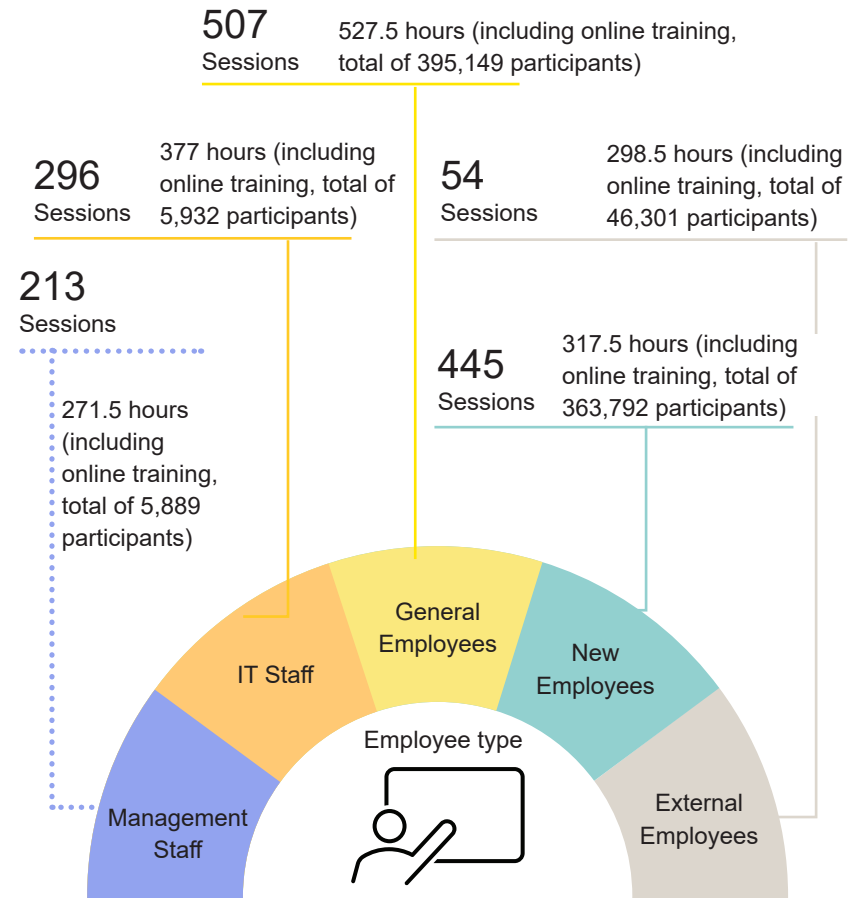
The Group continuously conducts information security reviews and controls in areas such as network and application system architecture, software versions and configuration settings, user behavior, system maintenance and change management, input and output control, and vulnerability scanning.

IT Security Talent Training

Hon Hai has developed a systematic cybersecurity training mechanism to enhance employees' awareness of cybersecurity through tiered, targeted, and diverse learning approaches, thereby reducing human-induced cybersecurity risks.

1) Annual Education and Training Programs: The group regularly organizes educational training and awareness programs each year, covering topics such as foundational information security, advanced cybersecurity technologies, and defenses against social engineering attacks. This ensures that personnel at different levels possess the necessary cybersecurity knowledge and operational skills. This year, a total of 1,515 information security training sessions has been conducted.

2024 Information Security Awareness Trainings



2) Practical Simulation Exercises: Through social engineering drills, ransomware incident response exercises, and cybersecurity knowledge competitions, the group strengthens practical simulation mechanisms to enhance employees' ability to respond to cybersecurity threats effectively.

IT Security Process

Management Procedures Overview

Based on the results of the Business Impact Analysis (BIA), Hon Hai identifies critical business processes and evaluates the Recovery Time Objective (RTO) and Recovery Point Objective (RPO) for each to assess the impact of potential disruptions on operations. On this basis, the Group develops a targeted and effective Business Continuity Plan (BCP) that includes comprehensive response measures and resource allocation. When disasters or emergencies occur, existing response mechanisms assist management in making swift decisions to ensure employee safety and to ensure that critical business operations are not interrupted or can be quickly restored, thereby strengthening overall operational resilience.

Business Continuity Planning is executed for critical operations, encompassing risk assessment, protection of key assets, and addressing emerging threats. These drills ensure rapid and effective system security and business operation recovery during unforeseen events. At least one test or drill is conducted annually. In 2024, a total of 304 systems underwent testing/drills, with outcomes meeting expectations.

Risk Identification and Reporting Mechanism

The Group has established standards and guidelines for the reporting and handling of cybersecurity incidents, including procedures for incident classification and reporting, incident response, ransomware incident response, and information technology vulnerability management. Additionally, a centralized cloud monitoring center has been set up, which integrates system logs into a Security Information and Event Management (SIEM) platform.

Through intelligent monitoring and correlation analysis, the Group enhances pre-emptive threat warnings and prevents attacks.

Cybersecurity Incident Reporting Procedure: After the incident unit initially determines the incident level, it should report to the relevant units according to the following procedures.

1. Regardless of the incident level, the group information security team shall be notified within 1 hour of learning of the incident; if a Level 1 incident has been automatically processed by tools, it is not necessary to notify group information security team, but it shall still be included in the incident statistics.
2. For Level 1 or 2 incidents, group information security team shall complete the incident level review within 8 hours; for Level 3 or 4 incidents, group information security team shall complete the incident level review within 2 hours.
3. For Level 3 or 4 incidents, group information security team shall report to the Chief Information Security Officer (CISO) and the Chief Information Officer (CIO), to allow Cybersecurity Governance Committee Secretariat determining whether to establish an Emergency Response Committee (ERC) and subsequent handling process.
4. For Level 4 incidents, the Cybersecurity Governance Committee Secretariat shall report to the Chairman.

For different levels of information security incidents, the Group strictly follows the above procedures for corresponding handling.

Incident Handling Process

Incident Reporting and Emergency Response



Immediately disconnect the infected computer and building from the network and notify the Group's cybersecurity team to determine the incident level.

Root Cause Investigation and Threat Elimination



Through root cause analysis, obsolete computers are promptly decommissioned and replaced, with system upgrades carried out simultaneously. In accordance with the Group's asset classification mechanism, the existing antivirus software has been upgraded to a Managed Detection and Response (MDR) / Endpoint Detection and Response (EDR) solution, thereby comprehensively strengthening threat detection and protection capabilities for endpoint devices.

System Recovery and Strengthening



Restore the network and apply patches, establish specifications for laboratory computers with assigned responsibilities; enhance continuous monitoring of the dark web and install additional Next-Generation Firewalls (NGFW).

Experience Summary and Horizontal Expansion



Implement special audits and summarize the experiences from the incident, organizing employee participation in relevant training and examinations; conduct a horizontal inspection of all laboratory computers and inventory the network isolation status across different business units within the same facility.

Information Security Audits

In 2024, a total of 3,670 internal and external audits were completed from the central level to various business units, covering internal audits, customer audits, third-party audits, and cybersecurity inspections in special controlled areas (such as research and development laboratories, data centers, etc.). Among these, external audits were conducted in accordance with the ISO/IEC 27001 international standard.

Internal and External Vulnerability Identification Mechanism

The Group has established a comprehensive internal and external vulnerability identification mechanism to proactively discover and eliminate potential weaknesses, effectively implementing information risk management. In terms of internal risks, a layered protection vulnerability scanning system has been introduced, which includes regular vulnerability assessments of hosts and network assets to ensure that operating systems, servers, and network devices remain in a secure and controllable state.

Additionally, to implement the principle of security left shift, the Secure Software Development Lifecycle (SSDLC) has been adopted as the core framework of the development process. Throughout all stages—from requirements design, coding, to testing and deployment—information security checks and risk assessments are integrated to ensure that application systems have a solid security foundation before going live. Static and dynamic vulnerability analyses are also conducted on application systems to guard against common application-layer attack risks, such as Cross-Site Scripting (XSS) and SQL injection.

Furthermore, continuous monitoring of in-use open-source software packages is conducted to stay updated on their versions and potential vulnerabilities, thereby reducing the cybersecurity risks associated with these packages.

In 2024, the Group did not experience any major information security incidents.

Privacy Protection

The Group adheres to the principle of respecting and protecting employees' personal privacy. In accordance with globally applicable regulations and local laws, it has established the "Hon Hai Technology Group Privacy Policy" to ensure the security and lawful use of employee personal data while creating a continuous supervision and improvement mechanism to enhance privacy management practices.

Based on the work requirements under the labor contract, the group only collects necessary personal data relevant to business operations, such as names, contact information, job titles, professional skills, employment records, and internal system usage records. This data is used for employee management, career development, internal communication, and security management.

For highly sensitive information (such as health or criminal records), processing occurs only in compliance with regulatory requirements or specific necessary circumstances, ensuring adherence to privacy protection standards. To implement employee personal data management, the group has developed a "Personal Data Protection Policy" and requires all current and new employees to sign a "Personal Data Usage Consent Form," which covers the scope of data usage, employee rights, and protective measures.

Employees can exercise their rights under the Personal Data Protection Act, including access, correction, and deletion of their information, and the company will appropriately handle such requests in accordance with the law.

In practical operations, the company has implemented the following measures:

1. Consent for Personal Data Usage: New employees must fill out and sign the "Personal Data Usage Consent Form" before joining, confirming the scope of their personal data usage and related rights.

2. Training and Education: Personal data protection courses are included in the onboarding training for new employees, and periodic training is provided to current employees annually to raise awareness of privacy protection.

3. Principles of Data Collection: Only necessary personal data required for job execution is collected; any additional data collection will be subject to obtaining employee consent.

4. Dedicated Management Unit: A dedicated unit is responsible for employee personal data protection, and a Cybersecurity and Compliance Committee is established to ensure lawful and compliant data management.

5. Data Deletion Mechanism: If an employee requests the deletion of personal data, the company will delete the data as per the request, except for information that must be retained by law.

6. Internal Supervision and Auditing: The company incorporates personal data protection into its internal control and risk management systems, regularly conducting risk assessments and internal compliance audits, as well as occasional supplier compliance checks to ensure privacy management aligns with relevant regulations and internal policies.

Through these policies and management mechanisms, we provide a secure and transparent personal data management environment, ensuring the protection of employee privacy while maintaining compliance and efficiency in the group's operations.

In 2024, the Group did not receive any complaints or penalty notifications regarding personal information. There were no significant cyberattacks that affected business operations or involved violations of privacy rights in 2024.

Innovation and Business Resilience

Innovation Strategies Overview

Since November 2019, Hon Hai has officially announced its layout of three major future industries and three core technologies as the growth momentum for the next phase of the company. The three major future industries are in the fields of "electric vehicles, digital health, and robotics." These industries have a large existing market size, totaling over \$1.4 trillion, and exhibit a high compound annual growth rate (CAGR), averaging greater than 20%. The future growth opportunities are also closely aligned with Foxconn's own industry experience and advantages.

The three core technologies are "artificial intelligence, semiconductors, and next-generation communications." These key technology areas will serve as the core competitive advantages for the company's development in the three major industries. Each year, the Group showcases its achievements in the "3+3" fields to the public through the Hon Hai Tech Day event.



Electric Vehicles

Hon Hai's electric vehicle business adopts a comprehensive business model that includes vehicle design, key components, and global manufacturing and supply chain services to meet the demands for customized and rapid product development. In the future, the Group aims to establish a global regional layout, leveraging local resources and collaborating with governments and local partners to implement a BOL (Build, Operate, and Localize) model. This approach will continuously expand its reach and increase Hon Hai's influence in the global electric vehicle industry.



Digital Health

In an era marked by a global pandemic and aging populations,

health has become a critical issue at every level—individual, family, community, city, and even national. In the future, the variety of diseases will become increasingly diverse, and the demand for healthcare for the elderly will grow. The trends in the digital health industry will need to integrate technologies from fields such as hardware and software, big data, and wireless communication.

Hon Hai will leverage its core competencies in precision assembly, Optomechatronic systems, key component development, and semiconductor packaging and testing to make greater contributions to human health through the integration of hardware and software.

Robotics



Under the trends of an aging population and declining birth rates, the cost of acquiring labor will rise year by year, leading to an increasing demand for mobile service robots. In the field of robotics, Hon Hai will continue to build on the capabilities of industrial robots and develop into the mobile robot industry. In addition to investing in key robotic technologies, the company will establish a manufacturing platform for robots to assist customers in delivering better service robots to the world, thereby providing people with a more convenient and improved quality of life.

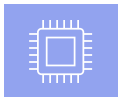
Hon Hai's electric passenger vehicle Model D





Artificial Intelligence

Hon Hai is continuously promoting software-defined enterprises and software-defined vehicles by establishing a software development center and planning related open platforms to share AI data, AI algorithms, and AI models with the industry. In the development of next-generation smart electric vehicles, areas such as autonomous driving, smart gateways, and smart cockpits represent significant applications of artificial intelligence. The Artificial Intelligence Research Institute under Hon Hai Research Institute focuses on in-depth research and development of computer vision and scene understanding, applying these advancements in the fields of new energy vehicles, digital health, and robotics.



Semiconductors

Hon Hai's strategic goals in semiconductor development are transformation, technology, autonomy, and intelligence. The Group aims to create product differentiation through customized specifications and to form alliances with international giants for deep collaboration in products, technology, and production capacity. Hon Hai's approach in the semiconductor field is based on four core strategies: providing stable small ICs, co-designing proprietary ICs, independently developing key technologies, and establishing diverse production capacity. By establishing a semiconductor research institute, Hon Hai is focused on developing third-generation semiconductor technologies and advanced silicon photonics technology for application in future new energy vehicles and robotics products.



Next-Generation Communication

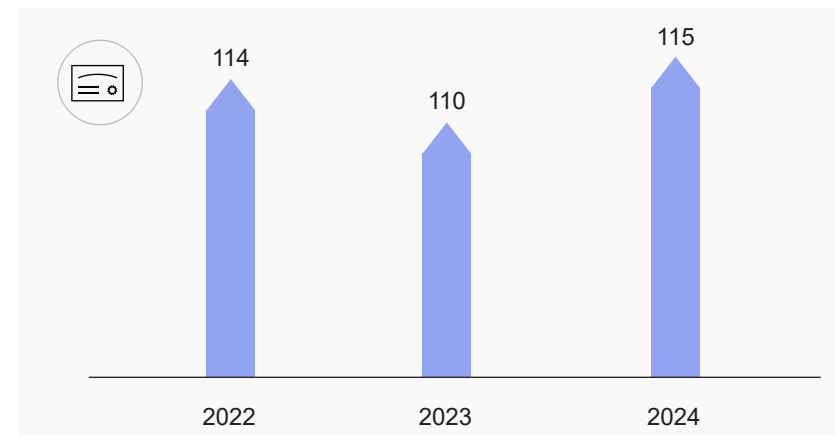
From 2020 to 2030, the era of connectivity will be transformed through various generations of communication technologies, from 5G to B5G (Beyond 5G), linking a multitude of possibilities. Whether it is enhancing the ideal future of autonomous driving through V2X technology connecting each vehicle or utilizing low Earth orbit (LEO) satellites to create Non-Terrestrial Networks (NTN) for low-latency connections across land, sea,

and air, these are the goals we strive to develop and achieve. Hon Hai has also established a research institute specifically focused on the R&D of B5G/6G wireless communication network technologies and their applications in the company's future products, including new energy vehicles and robotics.

Practices on Patents and R&D

In 2024, the Group's total research and development expenses amounted to NTD115,771 million. During 2024, the Group has submitted 2,341 patent applications and was granted 1,921 patents. As of the end of 2024, Hon Hai Group holds a total of 22,766 valid patents, including the 1,921 patents granted in 2024.

Research and Development Expenses Over the Past Three Years (in NT \$ billion):



In terms of relevant knowledge industry training, in 2024, the Group conducted at least 19 patent education training sessions, 2 copyright education training sessions, and 5 intellectual property management system (including policy promotion) training sessions, with a total estimated participation of over a thousand individuals. At the same time, the group began gradually launching online patent courses on the Fuxue Baodian platform by the end of 2024.

The Group continues to promote Patent-sharing Program to Support Start-ups and engages in strategic collaborations with startups, adding four new collaborative startups in 2024.

Innovative Technologies

Hon Hai consistently adheres to its "Green Intelligence and Circular Economy" strategy, placing the development of low-carbon and clean technologies at the

core of its strategic priorities. The company continues to increase investments, proactively drive innovation and research, and expand its application landscape to seize opportunities presented by the economic and social green transition.

In 2024, Hon Hai generated approximately NTD1.68 trillion in revenue from clean technology products and services, accounting for 24.53% of the group's total revenue.

Concurrently, Hon Hai regards clean technology as a foundational element of its strategic development, committing to increased investment in this field. The group actively engages in the research and development of innovative clean technologies, ensuring these advancements align with global sustainable development goals. By expanding the application of clean technologies, Hon Hai not only contributes to environmental protection but also capitalizes on the opportunities arising from the global shift towards a green economy.

Semiconductors



Hon Hai is focused on developing advanced nano-scale semiconductor manufacturing technologies to enhance computational power and promote AI applications across various industries, thereby establishing an "AI+" ecosystem. The Group is committed to innovation that reduces energy consumption while meeting the market demand for high-performance semiconductor products. Additionally, Hon Hai is building a semiconductor industrial internet ecosystem to tackle global energy challenges. Hon Hai actively explores business opportunities in the semiconductor sector, integrating advanced packaging resources and investing in companies such as Qingdao New Core Technology Co., Ltd. ("New Core") and UTAC Holdings. New Core provides comprehensive services from design, simulation, mid-process, testing, back-end process to assembly and final testing, offering strong support for AI chip development.

New Energy Transportation



Hon Hai optimizes the production of lightweight and energy-efficient new energy vehicles by establishing digital manufacturing factories, achieving efficiency across the entire value chain. The Group focuses on innovation in electric drive and control, smart in-vehicle systems, and automotive internet technologies to reduce energy consumption and improve battery efficiency, advancing new energy transportation technology. Hon Hai has acquired Shenzhen Hengqu Electric Motor Co., Ltd., and joined the Shenzhen Automotive Electronics Industry Association, continuously exploring development and collaboration in new energy vehicles. Furthermore, during the reporting period, Hon Hai's subsidiary Nanning Foxconn Precision Industry Co., Ltd. established a cybersecurity product development process system and obtained ISO/SAE 21434:2021 Road Vehicles - Cybersecurity Engineering Process Certification, further enhancing the security capabilities of in-vehicle products.

AI Transformation	Hon Hai established Foxconn Excellence Technology Company in Shaoxing, Zhejiang, focusing on key components and core systems related to robotics, while strategically investing in the leading industrial vision company, Lingyun Optics, and continuously increasing investment in the robotics and automation industry. During the reporting period, Hon Hai completed the construction of the AI Manufacturing Demonstration Base in Shaoxing, dedicated to creating integrated bases for whole-factory automation solutions, key automation equipment, and industrial artificial intelligence.
Sustainable Value Chain	Hon Hai continuously strengthens the research and application of recycled materials, promotes the widespread adoption of green technologies in multiple fields, and is committed to enhancing environmental performance to create a "Green+" industry. By increasing the proportion of recycled materials and enhancing resource recycling rates, Hon Hai upgrades mobile terminal components to meet market demand for environmentally friendly terminal products. Simultaneously, Hon Hai is committed to building and continuously improving a resource recycling ecosystem to address global resource shortages. In the future, Hon Hai will continue to increase R&D investment and industry layout in clean technology, promoting collaborative innovation in cloud computing, semiconductors, new energy vehicles, and other businesses, supporting global low-carbon transformation. The company pledges to provide more efficient and energy-saving solutions through continuous technological innovation and product optimization, contributing to achieving sustainable development goals.

Hon Hai's Low-carbon Technology in 2024

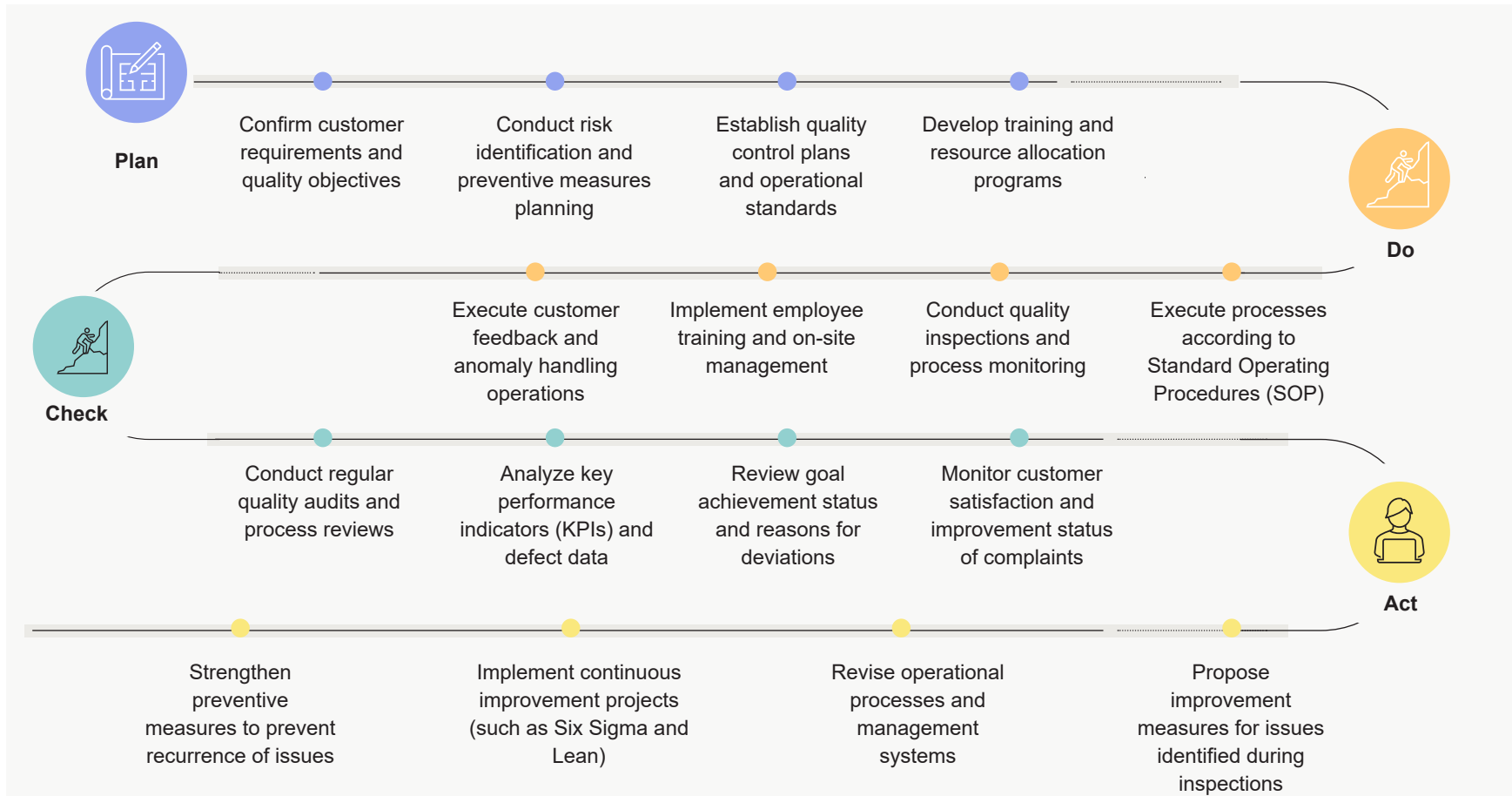
Category	Number of Patents granted in 2024	Total Number of Valid Patents
Energy Saving and Energy Management Related Patents	44	581
Industrial Automation Related Patents	298	1,726
Process/Workflow Optimization Related Patents	63	374
Pollution Prevention and Environmental Protection Related Patents	21	243

Hon Hai actively promotes clean technology, demonstrating its leadership vision in sustainable practices and becoming a pioneer in the green transformation of the economy and society. Through these efforts, Hon Hai not only drives economic growth but also upholds its commitment to environmental management, fully realizing the value of sustainable development.

Product Stewardship

Product Quality Management

Hon Hai has established a comprehensive quality management system with clear quality policies. Each manufacturing site has obtained international standard certifications, such as ISO 9001. Through the "Plan, Do, Check, Act" (PDCA) management cycle, the company continuously promotes quality inspections, internal audits, and various management activities. By implementing process management methods and risk assessment mechanisms, Hon Hai actively identifies and eliminates potential risks to achieve continuous improvement goals.



Product Design and Development

The Group fully implements green product management internally, adhering to the five principles of "no design, no procurement, no inflow, no manufacturing, and no outflow" in managing the supply chain for green products. Achieving "no procurement" is key to the development of green products.

At the same time, the Group does not accept products containing chemicals regulated by the green product-related regulations of various countries and regions and aims to reduce the use of harmful chemicals in products, ultimately achieving full material disclosure for its products.

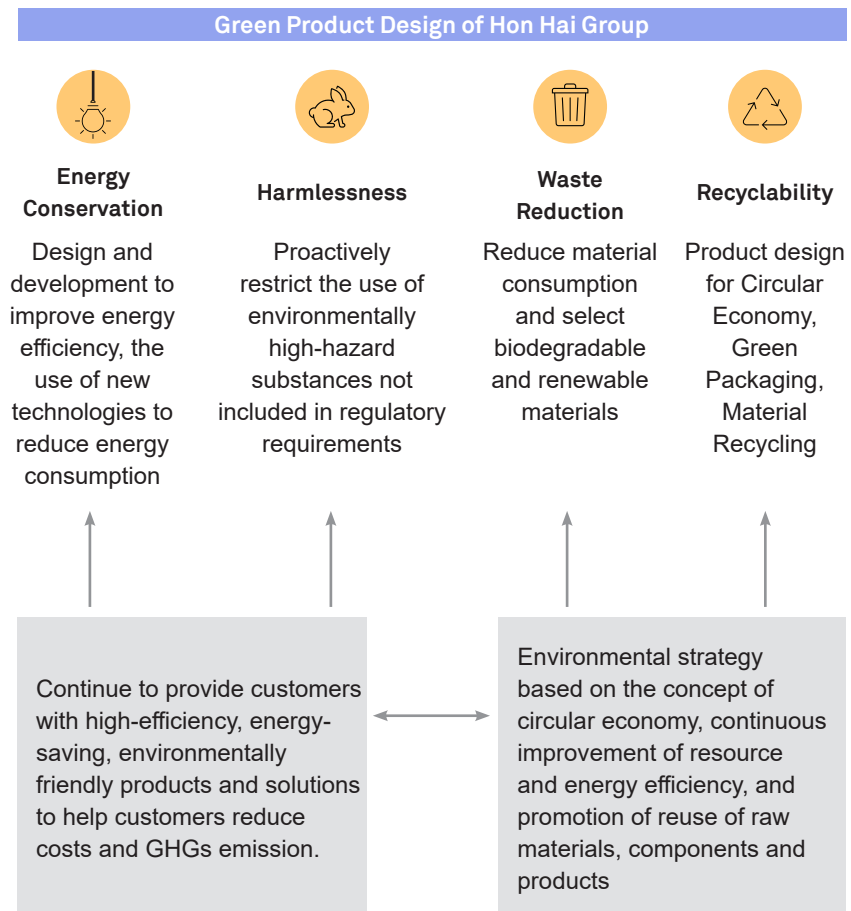
In addition to strictly controlling that the raw materials supplied by vendors comply with environmental regulations, the Group also focuses on environmentally friendly product design at the source. We consistently uphold the principles of green design, incorporating environmental factors and pollution prevention measures into product design during the development phase to minimize the environmental impact of our products.

Hon Hai strictly adheres to the requirements of the product environmental life cycle and relevant environmental directives, researching and formulating the four major requirements for environmentally friendly product design: "non-harmful, energy-efficient, reduction, and recyclability." Additionally, we assist various business units within the Group in improving the product environmental design and development process, establishing an environmental design mechanism.

Green Product Design

The Group adheres to the design philosophy of the Twelve Principles of Green Chemistry and follows the "General Principles for Product Eco-design" and "Eco-design Product Evaluation Guidelines." Based on the four major requirements of environmentally friendly product design—"non-toxic, energy-efficient, reduction, and recyclability"—the group has formulated the "Guidelines for Green Product Design and Development."

During the product design and development phase, the group systematically considers the environmental and health impacts of various stages, including raw material selection, production, sales, usage, recycling, and disposal. The aim is to avoid the use of raw materials containing toxic and harmful substances, reduce the generation and emission of pollutants, and minimize the impact of products on the environment and human health as much as possible.



Green Product Screening

The Group has established a green product management policy and created a digital ESG management platform for suppliers, implementing key node management across various stages, including supplier evaluation, auditing and guidance, performance monitoring, and reward and penalty systems. At the same time, in line with international standards and trends, the group conducts green product performance evaluation management for suppliers across five dimensions.

As of 2024, the Group has successfully promoted green product performance management evaluations for 200 key controlled suppliers and requires critical suppliers to complete declarations of product environmental compliance (RoHS/REACH/HF). The Group also communicates its latest requirements throughout the entire supply chain through supplier green product management presentations and training, tracing the green compliance status of raw materials from upstream suppliers.

To enhance the transparency of RoHS management for the Group's end products and minimize the environmental impact of its products, the group has structured a RoHS compliance declaration module within the supplier ESG digital management platform. This module collects third-party RoHS testing reports or component compliance declarations from suppliers and generates a "Technical File for End Product RoHS Compliance." The green product management units of various business units/subsidiaries conduct strict reviews, which are ultimately confirmed by the group's Chemical Management Committee and publicly disclosed in the module as "Product RoHS Compliance Declarations".

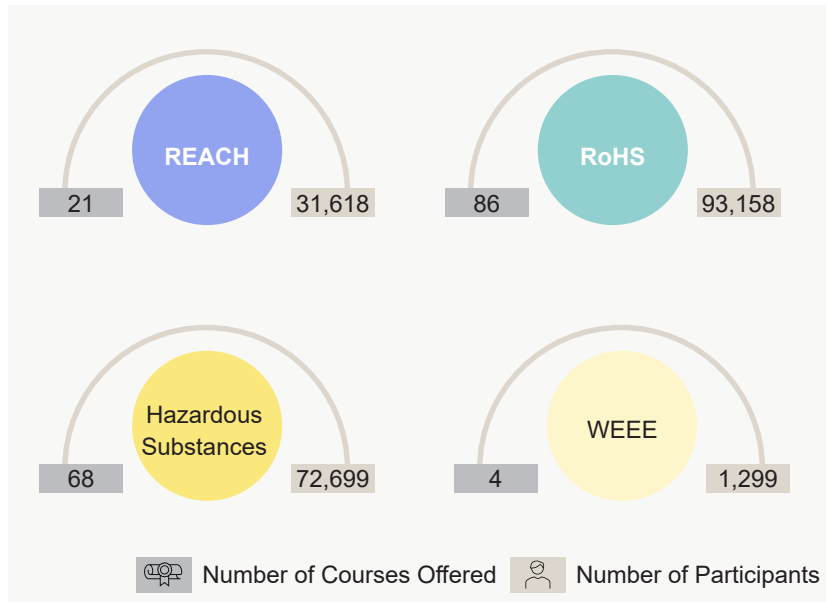
Hon Hai's Product RoHS Compliance Declarations



Green Education

In 2024, Hon Hai launched a green education program focusing on REACH (Registration, Evaluation, Authorization, and Restriction of Chemicals), RoHS (Restriction of Hazardous Substances), commitments related to hazardous substances, and electronic waste management. The education program is delivered through various formats, including e-books, video training, and comprehensive courses, ensuring that all employees can participate in learning conveniently and comprehensively based on their individual needs. These efforts aim to enhance understanding and compliance with environmental standards, reinforcing Hon Hai's commitment to sustainable and responsible environmental practices.

2024 Hon Hai Green Education Curriculum



Product Life Cycle Assessment

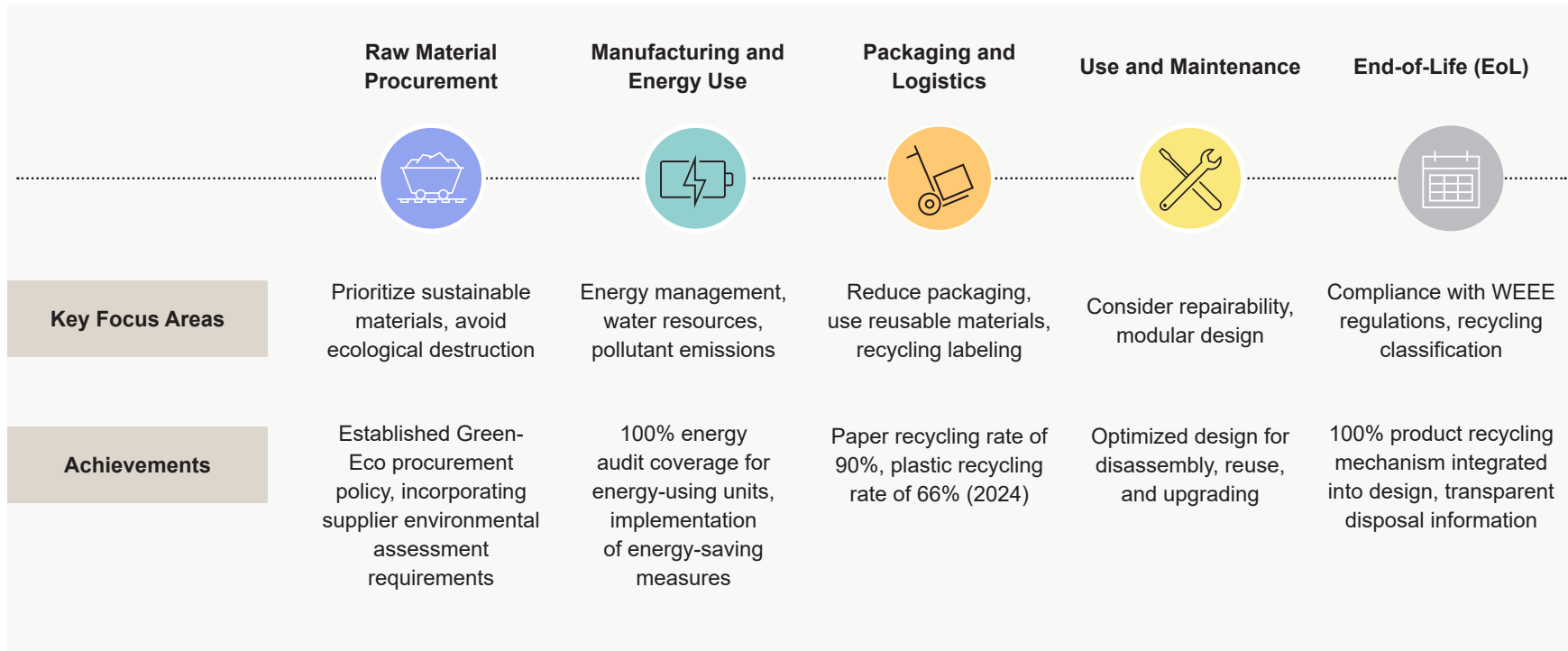
Through Life Cycle Assessment (LCA) of products, the group can systematically evaluate the environmental impacts associated with each stage of the product or service life cycle, including inputs and outputs. This assessment is crucial for continuously providing eco-friendly products, as it applies the evaluation results to the goods, manufacturing, or service stages. Hon Hai's LCA system boundaries encompass all stages of product production, including raw material extraction, manufacturing, distribution, use, and end-of-life stages. The group uses specialized LCA analysis tools for computational analysis to derive environmental impact assessment results and the carbon footprint of products. We are leading the way with our subsidiary, Fii, in promoting the 'Green-Eco Products' initiative, dedicated to reducing the environmental

footprint of products and enhancing recyclability. In 2024, Fii officially launched the Green-Eco product identification and assessment mechanism, evaluating environmental indicators based on internal standards (including greenhouse gas emissions, resource depletion, water resource consumption, acidification, eutrophication, toxicity, etc.). This initiative promotes the incorporation of products into a Simplified Life Cycle Assessment (Simplified LCA) and uses it as a basis for product design and customer recycling policies.

Throughout the life cycle stages, Fii practices green product design from the following aspects:

- **Raw Material Procurement:** Prioritizing environmentally friendly materials and avoiding supply sources from sensitive areas.
- **Production and Manufacturing Stage:** Enhancing energy efficiency, managing pollutant emissions, and improving water resource usage efficiency.
- **Packaging and Logistics:** Promoting packaging reduction and recyclable material design.
- **Use and Disposal Stage:** Improving durability and ease of maintenance, establishing a recycling and reuse system in compliance with regulations such as WEEE.

In 2024, Fii's subsidiary achieved a plastic recycling rate of 66% and a paper recycling rate of 90%. Additionally, 100% of products disposed of met WEEE (Waste Electrical and Electronic Equipment) compliance requirements, and the company highlighted its environmentally friendly characteristics with the Green-Eco label.



Green Labeling

In 2024, Hon Hai's profits were derived 100% from products that meet Energy Star standards with Class 1 eco-label certification. These third-party verified eco-labels provide assurance to customers and consumers, making the trademark easily recognizable and affirming Hon Hai's commitment to sustainable development and environmental responsibility.

2

Diversity and Inclusion for Sustainable Development

At Hon Hai, we are dedicated to attracting and retaining exceptional talent by offering competitive compensation and benefits, while fostering a vibrant and supportive work environment. We actively promote diversity and equality among our employees, ensuring everyone can maximize their potential within an inclusive culture. We believe that employee diversity is a catalyst for innovation and enhances overall team performance.

Hon Hai has implemented comprehensive training and talent development policies to facilitate employee career development, providing a range of learning opportunities designed to enhance skills and adapt to the rapidly evolving market landscape. Furthermore, we prioritize employee well-being by offering robust health and mental wellness programs that support the holistic health of our workforce.

Regarding human rights and labor policies, Hon Hai adheres strictly to international standards, committing to uphold the fundamental rights of all employees, ensuring equitable working conditions, and respecting the dignity of every individual. We firmly believe that a respectful and supportive environment is essential for employees to realize their full potential, thereby driving the sustainable development of our company.

Material Issue in This Chapter

Talent Attraction and Retention, Employee Diversity, Equality and Inclusion, Employee Training and Development, and Human Rights and Labor Relations.

Commitment to SDGs



Major GRI Standards Mapping

GRI 201; GRI 202; GRI 401; GRI 402; GRI 404; GRI 405; GRI 406; GRI 407; GRI 408; GRI 409; GRI 410

Key Performance Indicators and Achievements for 2024

- 1 The employee turnover rate in Taiwan for the fiscal year 2024 has been reduced to 5.37%.
- 2 At the corporate level, we are steadfast in our commitment to advancing diversity, achieving a representation of women in management positions at 30.74%. We remain dedicated to promoting a workplace framework that emphasizes diversity, equity, and inclusion.
- 3 The organization places a high priority on the training and development of talent, with a total of 46,155,191 hours of educational training undertaken in 2024, representing an investment of approximately NTD 180 million in training expenses. On average, each employee received 60.3 hours of training.
- 4 We have instituted three fundamental principles: zero-fee employment, equal remuneration for equal work, and restrictions on the transfer of contractual obligations. These principles are systematically incorporated into our labor dispatch agreements to ensure robust governance.
- 5 In the realm of childcare, Hon Hai has implemented the "Company Support for Children Aged 0-6" policy, which has disbursed a total of NTD 730 million in subsidies to 1,877 Hon Hai infants by 2024. Since December 2021, the Group has launched the "Thousand Days Project," culminating in 2024 with the establishment of the world's first scientific nurturing center located within a manufacturing facility—the "Thousand Days Early Development Public Service Center."



Talent Attraction and Retention

■ Recruitment Principles and Policies

Hon Hai is committed to implementing policies that promote employee retention stability, aiming to achieve an annual overall retention rate of over 90% for indirect employees by 2030. Concurrently, we are enhancing the exclusive development mechanisms and benefits systems for high-performing talent among indirect employees, with a target retention rate of 95% for this group. Employees are regarded as one of the Group's most valuable intangible assets. The ability to attract qualified and talented individuals, as well as to retain and cultivate internal talent, is crucial for the company's success. Organizations focused on attracting top talent should not overlook the importance of internal personnel who grow with the company and understand its organizational mission and culture. It is essential for the company to establish a structured internal career mobility process to retain talent and reduce external recruitment costs.

The Group employs both social recruitment and campus recruitment strategies to identify suitable candidates. To attract more outstanding talent, we offer competitive compensation and benefits packages, rewarding employees who demonstrate exceptional performance while maintaining appropriate workforce mobility. Additionally, the Group actively investigates the reasons for employee turnover as a basis for improvement and promotes organizational diversity and vitality through continuous recruitment of new employees.

Throughout the talent selection process—including job postings, candidate applications, interviews and selection, hiring, and onboarding—the Group strictly adheres to labor regulations and upholds the principles of fairness, equity, and transparency. The professional capabilities and technical competencies of candidates serve as the core criteria for hiring, ensuring that all applicants who meet the job requirements are afforded equal opportunities for interviews. The Group explicitly prohibits discrimination or differential treatment based on candidates' age, gender, place of origin, ethnicity, or physical condition during

the recruitment process. We provide multiple reporting channels to the public to ensure equal employment opportunities for applicants. Furthermore, we have established a robust labor contract system, signing labor contracts with all employees to safeguard their rights and interests.

■ Suitable Workforce Structure

Overview of the Company's Workforce Structure

In today's rapidly changing business environment, a robust and diverse workforce is crucial for the sustainable development of enterprises. For Hon Hai, having a diverse human resources team enhances innovation capabilities and strengthens the company's competitive advantage. With employees from various backgrounds, professional skills, and perspectives, Hon Hai can more effectively address market challenges and meet the increasingly diverse needs of customers.

Moreover, a well-structured workforce fosters employee satisfaction and loyalty, reducing turnover rates—an essential factor for maintaining stable operations. Hon Hai is committed to nurturing talent and providing comprehensive career development opportunities to ensure every employee can thrive in this challenging environment. Through these efforts, Hon Hai aims not only to achieve its business objectives but also to create greater value for society and advance sustainable development. The organizational human resource structure is detailed in the appendix under 'Key Performance Indicators'.

New Hires and Employee Turnover

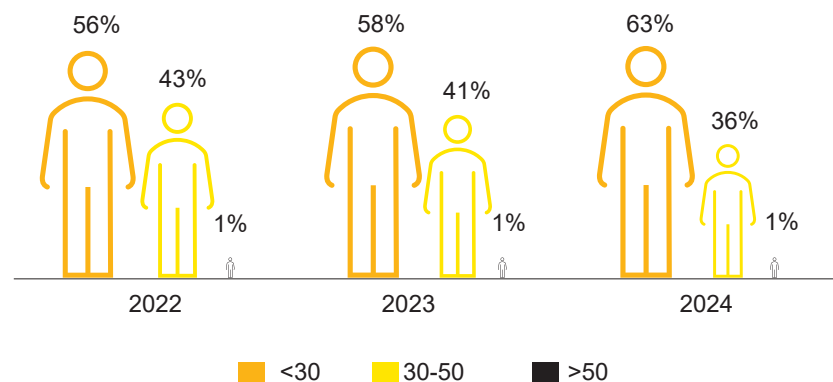
Corporate human resource management, strategies for managing new hires and departing employees are crucial, as they directly impact the company's operational efficiency and cultural atmosphere.

For New Hires: The Group should provide comprehensive onboarding and orientation programs to help them quickly adapt to the company culture and workflows. By offering clear job descriptions and goal-setting exercises, new

employees can better understand their roles and expectations. Additionally, establishing a robust mentoring system, where experienced employees guide newcomers, fosters knowledge transfer and communication. This approach enhances new employees' satisfaction and accelerates their growth and development.

In 2024, the Group welcomed 265,226 new employees, with women comprising 35.13%. The number of new hires increased by 3.62% compared to 2023.

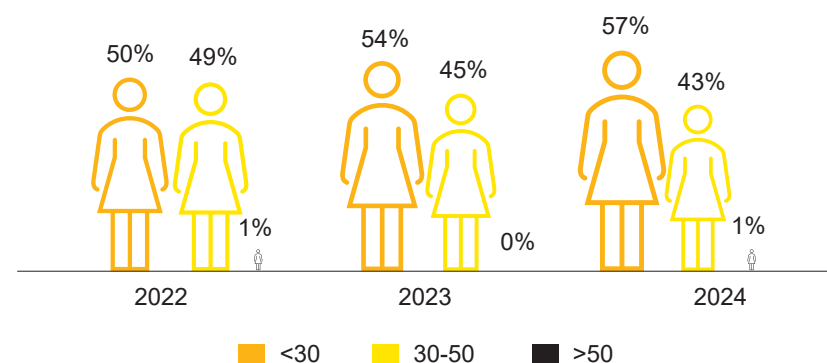
Statistics of New Male Employees by Age Group Over the Past Three Years



On the other hand, the Group conducts exit interviews for Departing Employees to understand the reasons behind their departures, which is essential for improving company policies and the work environment. By analyzing feedback from departing employees, the Group continuously identifies potential issues and makes necessary adjustments to enhance employee retention rates.

In Taiwan, the turnover rate decreased from 10.45% in 2023 to just 5.37% in 2024.

Statistics of New Female Employees by Age Group Over the Past Three Years



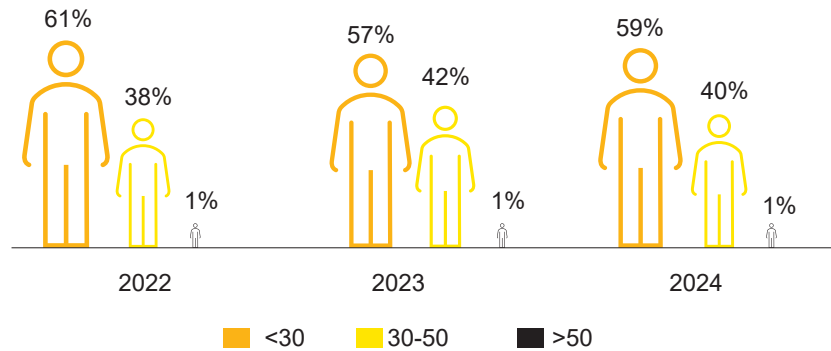
Notes:

1. The figures are based on the December 31, 2024, headcount.

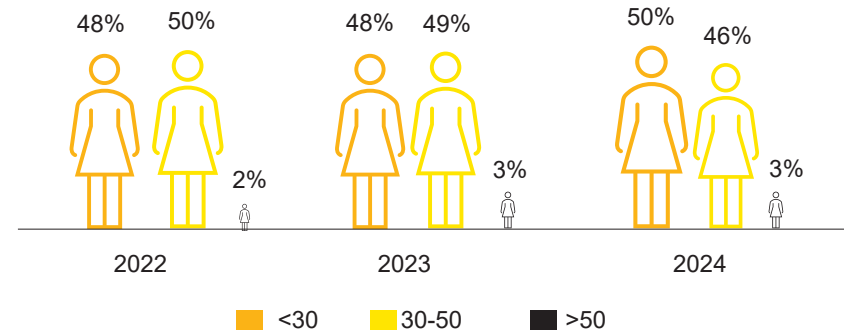
2. The data encompasses the entire group scope.

3. Turnover Rate = Total number of departures in the year / (Total number of departures in the year + Total headcount at year-end), calculated using the total employee count as of December 31 to determine the proportion of departing employees.

Statistics of Male Employees Turnover by Age Group Over the Past Three Years



Statistics of Female Employees Turnover by Age Group Over the Past Three Years



Notes:

1. The figures are based on the December 31, 2024 headcount.

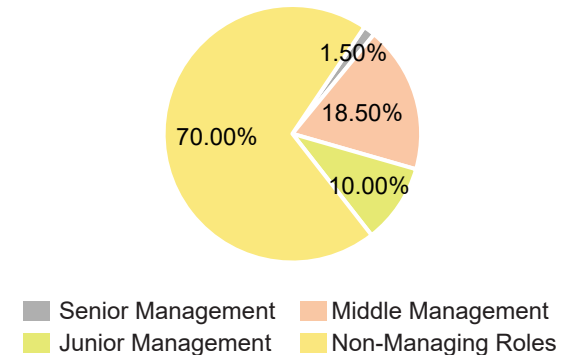
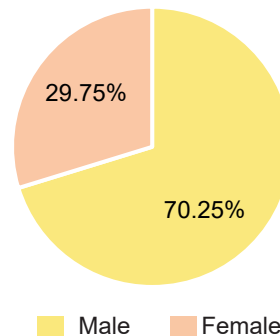
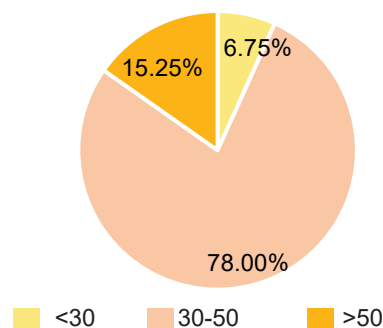
2. The data encompasses the entire group scope.

3. New Hire Rate = Total number of new hires in the year / (Total number of new hires in the year + Total headcount at the beginning of the year), calculated using the total employee count as of January 1 to determine the proportion of new employees.

Internal Transfer Rate

At Hon Hai, we encourage internal mobility among our employees. The following statistics illustrate our internal transfer rates categorized by age, gender, and management positions:

Distribution of Hon Hai's Internal Transfer Rate



Notes: The data scope includes only Taiwan and Mainland China.

Employee Retention Policies and Initiatives

Hon Hai offers flexible work arrangements for employees to help them balance their work and personal lives, thereby reducing the stress associated with returning to work. Employees may request adjustments to their start or end times, which can be implemented upon departmental approval from their supervisors. The Group provides specialized training and resources to assist returning employees in quickly updating their skills, reintegrating into their teams, and enhancing their work efficiency.

The organization values employee feedback and conducts regular surveys to understand the needs and challenges faced by current employees. Based on this feedback, we continuously refine our policies to ensure that employees feel valued and supported. By establishing effective communication channels, we encourage employees to express their opinions freely, further enhancing their sense of belonging.

Additionally, the Group employs a reward mechanism to encourage employee performance, fostering teamwork and cohesion, enabling each employee to find their value and sense of achievement in this challenging environment. These retention policies not only help reduce employee turnover rates but also enhance the overall work atmosphere, promoting the sustainable development of the enterprise.

Furthermore, the parent company of Hon Hai is implementing an employee stock trust program in 2025, which will be available to 100% of all employees.

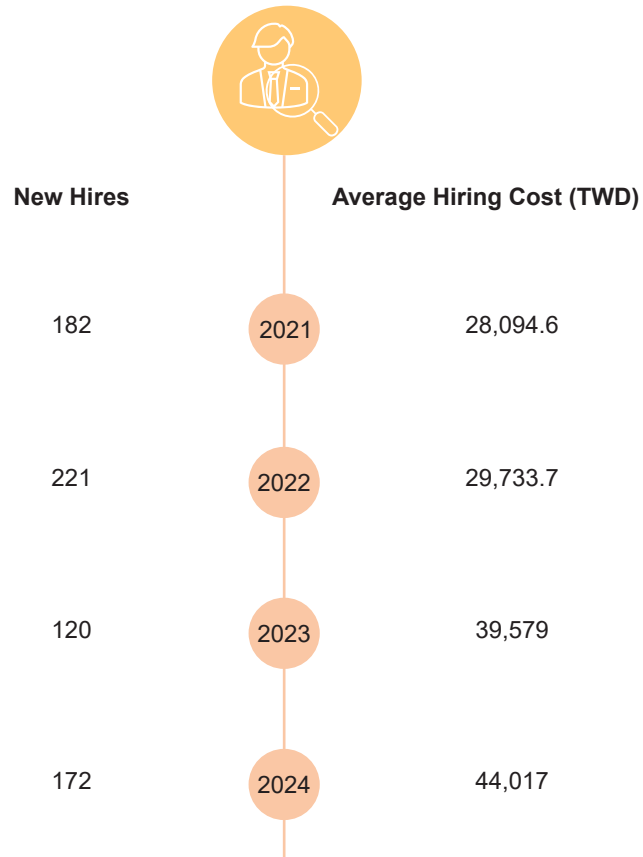
This incentive measure allows employees to apply voluntarily. In the design of the stock ownership mechanism, shares must be retrieved upon employee departure or retirement to ensure the effectiveness of long-term retention incentives.

The company has established a retention bonus mechanism for outstanding employees with over two years of service, along with a stock reward program and employee-certified equity certificates for specific employees. The company's board members (excluding independent directors), supervisors, and senior management, as well as core technical (business) personnel of the company and its subsidiaries, are subject to a restricted stock/option program established in 2019 and the 2022 employee stock ownership plan. From a group perspective, the coverage rate of the long-term incentive mechanism stands at 3%.

Labor Costs

The Group is continuously enhancing its human resource recruitment strategies, demonstrating a strong commitment to new hires. To attract diverse and high-potential top talent, Hon Hai is actively investing in its recruitment budget to improve the overall quality and precision of its hiring processes. During recruitment, we not only focus on process efficiency but also enhance the diversity of talent sources and the alignment of skills, reflecting the Group's determination and proactive efforts to invest in future talent acquisition amidst a competitive talent landscape.

Cost of Hiring



Notes:

1. The figures are based on the headcount as of December 31, 2024.
2. The data scope includes the Taiwan headquarters.
3. Average recruitment costs encompass both internal and external recruitment expenses, including interview costs, agency fees, advertising, job fairs, travel, and relocation expenses.
4. FTE (Full-Time Equivalents) refers to the total number of work hours equivalent to that of one full-time employee over a fixed period, typically one year. This concept is used to convert the work hours of several part-time employees into the equivalent work hours of full-time employees.

Diversity, Equality and Inclusion

Diversity and Inclusion Policies

The company has implemented several effective practices and policies to promote multiculturalism, respect for employee diversity, and gender equality, aiming to create an inclusive and friendly work environment. We are committed to achieving a global representation of women in leadership roles of 31% by 2027.

Firstly, the company has established clear diversity and inclusion policies to ensure that all employees, regardless of gender, age, race, religion, or sexual orientation, have equal opportunities. These policies are reflected not only in the recruitment process but also extend to salary, promotions, and career development.

Secondly, the company regularly conducts multicultural training and gender equality workshops to enhance employees' awareness and understanding of diversity and inclusion. These activities not only promote mutual respect among employees but also strengthen team cohesion.

Additionally, the company offers flexible work arrangements and parental leave to support employees in balancing work and family responsibilities, particularly for female employees, facilitating their career development alongside family commitments. The company encourages employees to participate in multicultural activities, celebrating various cultural festivals and events to enhance understanding and respect for different cultures, thereby fostering a harmonious and diverse work environment.

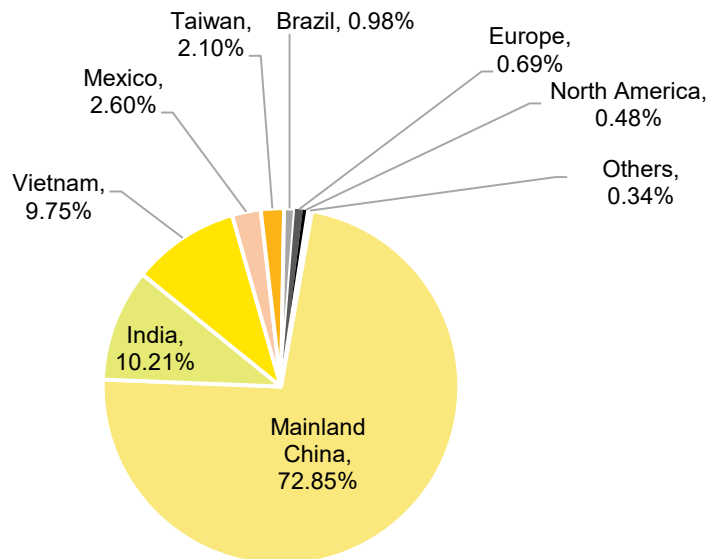
Through these practices and policies, the company is not only dedicated to increasing employee satisfaction and loyalty but also laying a solid foundation for sustainable corporate development.

Workplace Diversity by Nationality

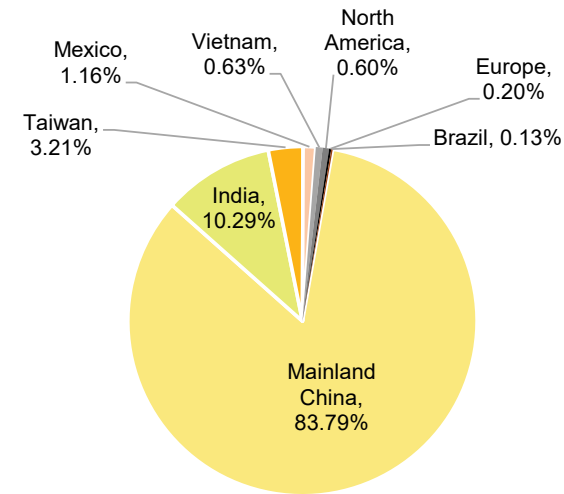
The Group has a total global workforce of 726,048 employees, which includes 4,468 employees with disabilities. The Group implements a localization strategy globally, with employees primarily consisting of local residents at each facility. This approach reflects our commitment to fostering local leadership and promoting diversity in our global operations.

Country Distribution of Hon Hai's Workforce Structure

The Group classifies its workforce based on employees' work locations, with the highest proportion of employees being in Mainland China.



Country Distribution of Hon Hai's Workforce Structure by Management Level



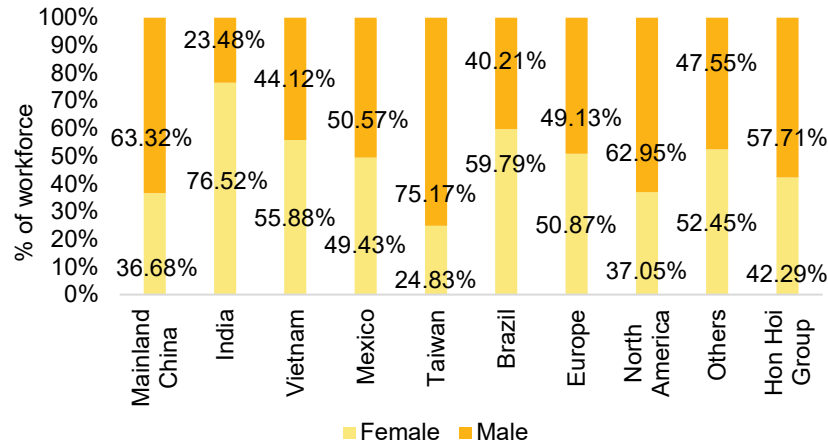
Note: The data does not include the number of employees from FII units, as FII units have not disclosed the distribution of employee nationalities.

Workforce Diversity by Age and Gender

The Group has achieved a female employee representation nearing or exceeding 50% in various regions, including mainland China, Taiwan, Mexico, and North America. We are committed to continuously optimizing our gender structure by actively creating more employment opportunities for women and promoting gender equality and diversity. Additionally, the Group has set a target for 2025 to have women occupy 30% of board positions, demonstrating our commitment to enhancing female leadership.

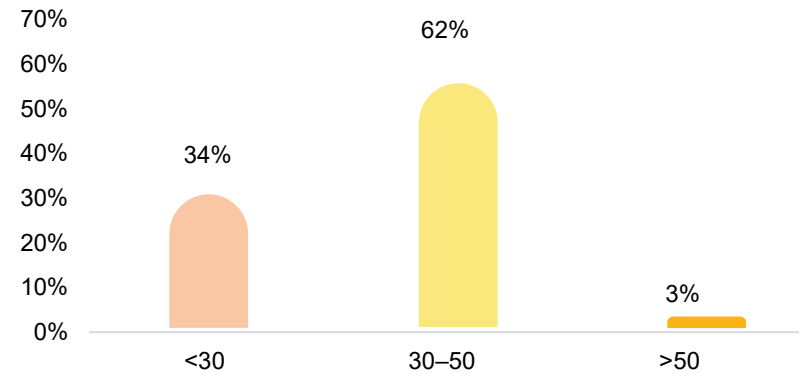
Furthermore, Hon Hai remains dedicated to employing individuals with disabilities, with the proportion of disabled employees reaching 0.79% of the total workforce in 2024.

Employee Diversity Distribution by Gender



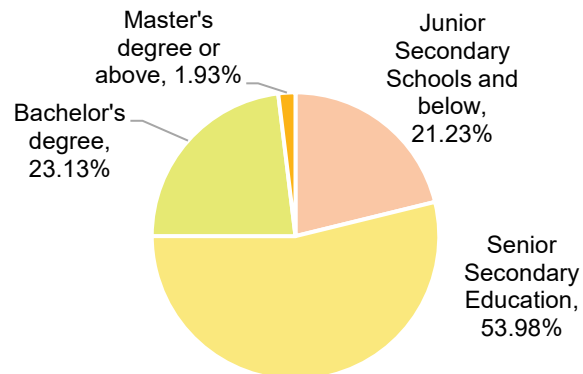
Note: The data does not include FII.

Employee Diversity Distribution by Age

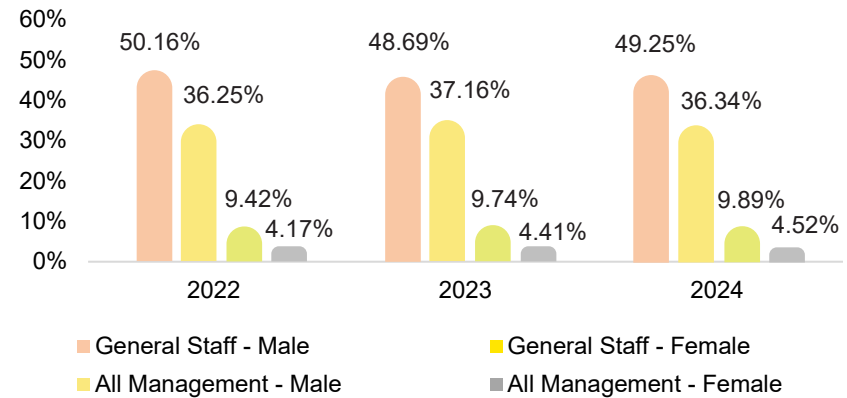


Note: The data does not include FII.

Percentage of Employee Educational Attainment in 2024



Employee Diversity Distribution by Management Level



Proportion of Women in Management Positions

Gender Ratio by Management	2022		2023		2024	
	Male	Female	Male	Female	Male	Female
General Employees (% of total employees)	50.16%	36.25%	48.69%	37.16%	49.41%	36.47%
All Management (% of total employees)	9.42%	4.17%	9.74%	4.41%	9.78%	4.34%
All Management	69.32%	30.68%	68.84%	31.16%	69.26%	30.74%
Entry-Level Management	69.95%	30.05%	69.97%	30.03%	70.30%	29.70%
Middle-Level Management	62.44%	37.56%	54.01%	45.99%	61.63%	38.37%
Senior Management	85.32%	14.68%	80.60%	19.40%	87.97%	12.03%
Management Positions in Revenue-Generating Functions	66.27%	33.73%	65.09%	34.91%	65.36%	34.64%
Management Positions in STEM-related Positions	79.29%	20.71%	80.18%	19.82%	81.61%	18.39%

Note:

1. Entry-Level Management: Assistant Manager level (inclusive) and below

2. Senior Management: Associate Manager level (inclusive) and above

3. Revenue-Generating Positions: Positions that generate revenue (such as sales), excluding general management positions (such as HR, IT, legal, and other support roles).

4. Management in Innovation, R&D, Engineering Positions: Individuals in management positions within the fields of Science, Technology, Engineering, and Mathematics (STEM). Positions include, but are not limited to: computer programmers, web developers, statisticians, logistics specialists, engineers, physicists, and scientists.

Gender Pay Indicators

To promote gender pay equality, the company regularly conducts salary reviews and publicly discloses data on average gender pay and the gender pay gap, with the aim of encouraging a trend toward equal pay. The gender pay gap

does not take into account all the different factors that may play a role, such as education, hours worked, job type, career breaks, or part-time work. Currently, employees in Taiwan and Mainland China represent over 80% of the Hon Hai system, providing sufficient representation, and in the future, we will gradually disclose global compensation ratios.

Gender Pay Indicators

Global Gender Pay Ratio		
	Average Salary for Males	Average Salary for Females
Executive level (base salary only)	3,329,559	2,654,699
Executive level (base salary + other cash incentives)	14,405,483	8,453,724
Management level (base salary only)	1,990,412	1,783,284
Management level (base salary + other cash incentives)	3,259,158	3,122,832
Non-management level (base salary only)	1,190,533	1,041,329
Non-Management Level (Base Salary + Other Cash Incentives)	1,845,823	1,635,932
Difference Between Male and Female Employees		
Mean Gender Pay Gap	1.17	
Mean Bonus Gap	1.15	

Equal Workplace Opportunities

The Group adheres to the principles of fairness and diversity, striving to create a discrimination-free workplace. In matters related to recruitment, promotion, performance evaluation, salary distribution, and training and development, we follow the principle of equal treatment, ensuring that no employee is discriminated against based on gender, age, nationality, place of birth, race, language, disability, marital status, pregnancy, sexual orientation, religious beliefs, political stance, or union membership. We continuously strengthen

management systems and employee awareness to ensure that everyone can grow and develop in a respectful and fair environment.

Anti-discrimination and anti-harassment policies are vital cornerstones for maintaining a healthy work environment, with a zero-tolerance attitude aimed at protecting all employees from any form of discrimination and harassment, ensuring that every employee can work in a safe, respectful, and inclusive environment. The Group is firmly committed to not subjecting employees to any form of violence, including gender-based violence, sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, bullying, public humiliation, or verbal insults, and prohibits threatening anyone with such actions. All employees should be treated equally in recruitment, promotion, salary, training, or other work-related matters. The company commits to regularly reviewing and updating relevant policies to ensure compliance with the latest laws, regulations, and best practices.

To address harassment, the Group has established a clear anti-harassment policy, including sexual harassment and non-sexual harassment, defining various forms of harassment, including verbal, physical, or visual harassment. All employees are responsible for adhering to this policy and must report any harassment they observe promptly. The Group takes all reports seriously, investigating them thoroughly and taking appropriate action to resolve the issues.

Additionally, the company provides multiple channels for employees to report incidents of discrimination or harassment anonymously or directly, ensuring that all reporters will not face retaliation. The Group will also provide necessary support and resources to help victims recover and reintegrate into the workplace.

During onboarding training, all employees receive relevant information or training, which is reinforced through regular retraining. Specifically, all employees who handle or process complaints related to harassment and abuse must undergo formal training to address such complaints, while security personnel must receive specialized training to prevent harassment and abuse.

To ensure that all colleagues within the Group adhere to ESG and CSR policies, the Group requires every employee to complete mandatory training courses on the “Code of Conduct (CoC)” and “Employee Human Rights Chapter” annually. These courses cover topics such as ethical standards, employee rights, and occupational health and safety, achieving a training completion rate of 100%. At the same time, the Group enhances employee training rates and completion rates through a mechanism linking annual promotions and mandatory training courses on sustainability policies. Relevant systems and regulations are published on the company’s internal website for colleagues to access at any time.

Discrimination and Harassment Incidents

In addressing the issue of sexual harassment, Hon Hai has established an independent management guideline titled “Workplace Sexual Harassment Prevention Measures, Complaint, and Disciplinary Regulations,” along with related incident handling processes to effectively respond to acts of sexual harassment and power harassment. The Group has set up dedicated reporting hotlines and mailboxes as channels for employees to raise issues. According to the regulations, incidents will be handled based on a tiered response system, and a complaint handling committee will be formed to ensure that all complaints undergo fair and objective investigation and deliberation.

Following investigative interviews, the collection of relevant supporting materials, and joint review and resolution by the complaint handling committee, appropriate disciplinary actions will be taken against wrongdoers based on the severity of the violations. For reporters, the company also provides support resources such as internal or external third-party psychological counselling to assist them through difficult times.

Additionally, the Group periodically invites external experts to conduct online courses on gender equality regulations, aiming to enhance employees’ awareness of gender equality and their rights. Through these systematic management mechanisms, the Group establishes communication channels between labor and management, striving to maintain a quality work environment free from discrimination and harassment.

In 2024, the Group did not receive any reports of discrimination or harassment incidents through the investigative project statistics.

Corrective Actions Taken

The Group has established a comprehensive internal complaint and appeal mechanism that clearly outlines the procedures for handling discrimination and harassment incidents. Employees can report relevant incidents through internal reporting channels to designated personnel and receive a clear commitment from the Group that good-faith reporters will not face retaliation.

In 2024, the Group officially established the “Management Regulations for Important Employee Incident Personnel Review,” which was approved and issued by the Chairman. This regulation strengthens the design of the review process and stipulates that the “Personnel Review Committee” will uniformly handle relevant incidents to avoid bias that may arise from a single supervisor’s control. If the handling process or results do not comply with the Group’s regulations, a complaint can be filed; if there are still disagreements, a third party may be introduced for arbitration as appropriate to ensure the fairness of the process and the rationality of the decisions.

Talent Development and Training

■ Sustainable Talent Development

The Group continuously invests resources in talent learning and development to enhance employees’ professional skills and career growth, aiming to achieve an average of ≥65 hours of training per year for operational staff and ≥85 hours for technical and management personnel by 2030.

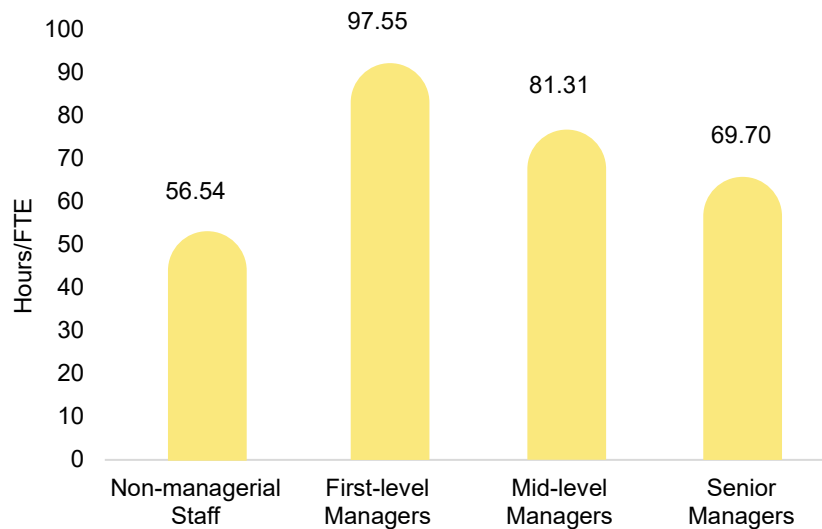
In 2024, the average training hours attended by each employee in the Group was 60.3 hours, covering various areas, including professional skills training, leadership development, occupational safety, and compliance training. These training programs not only improve employees' work capabilities but also enhance the overall effectiveness of the team.

Additionally, the Group regularly conducts training needs assessments and adjusts training programs based on employee feedback and market trends, ensuring that the learning opportunities provided meet both employee needs and the company's development goals. Through these efforts, the Group is committed to cultivating high-quality talent, laying a solid foundation for the company's sustainable development.

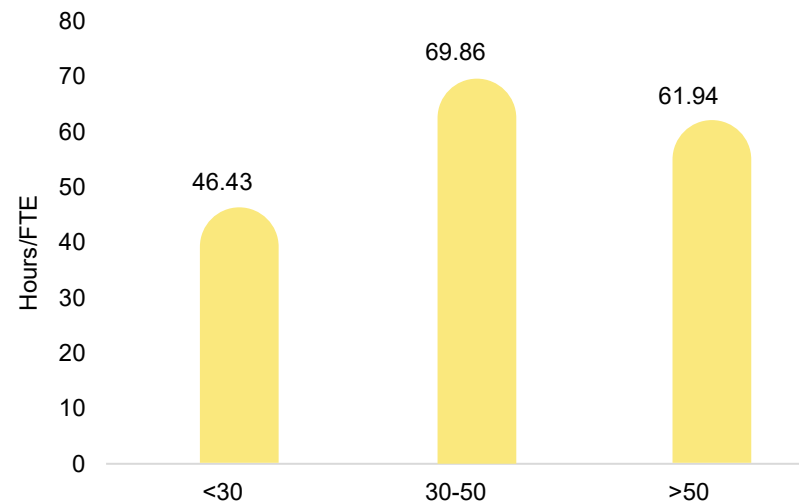
Training and Development Investment Statistics

Total Training Hours Hours/Person		Total Training Hours Hours/Person	
Male	 27,969,229.57 61.15	Direct Labor	 27,617,202.50 53.98
Female	 18,185,961.47 58.93	Technical and Management Personnel	 16,267,891.68 76.40

Employee Training and Development by Management Level



Employee Training and Development by Age Group



Employee Education and Training

Education and training are essential tools for talent development within our company. The Group encourages all employees to “learn while working and grow through learning,” fostering a combination of theoretical knowledge and practical experience. In 2024, the Group invested NT\$180 million in specialized training programs, providing a total of 461,560,000 hours of educational training to enhance employees’ personal competencies and job skills, thereby improving organizational and team performance.

(1) Onboarding Training for New Employees

We conduct comprehensive onboarding training for new employees, covering topics such as corporate culture integration, career development, mental and physical well-being, digital literacy, compliance education, and technological trends. This training is designed to help new colleagues quickly acclimate to the work environment and establish the right values and work mindset.

(2) Management Capability Development

In accordance with the needs of different management levels and promotion assessment criteria, we tailor management competency development training programs for employees at various management tiers. This training aims to prepare supervisors by equipping them with the management capabilities necessary for “system establishment, workforce planning, and empowering leadership.

(3) International Topic Lectures/Seminars

We invite leading international experts from various sectors of the industry to deliver presentations on cutting-edge technologies and relevant industry trends under the “3+3+3” framework. This includes three major industries: “Electric Vehicles, Digital Health, and Robotics”; three key technologies: “Artificial Intelligence, Semiconductors, and Next-Generation Communications”; and three major platforms: “Smart Manufacturing, Smart Electric Vehicles, and Smart Cities”.

(4) Health Promotion Lectures

The Health Management Center regularly invites experts in health promotion, exercise, psychology, CPR, and AED to conduct seasonally appropriate courses. These programs are designed to help employees unwind after work while deepening their knowledge of health promotion and related topics.

(5) Employee Transition Skills Training

To ensure that employees continuously adapt to the ever-changing work environment and the evolving demands of job competencies, the Group’s training programs focus on assisting employees in navigating career transitions. The emphasis is placed on transitional skills training, including critical thinking, communication skills, and work efficiency.

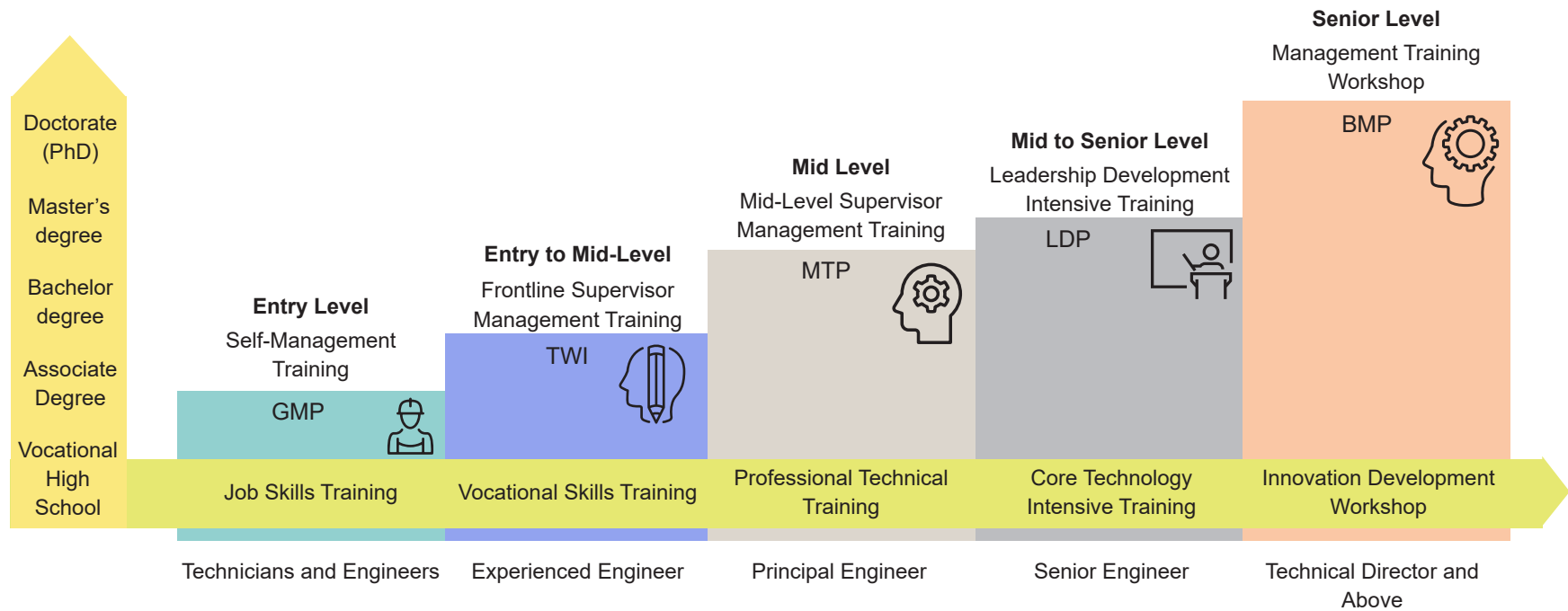
Hon Hai’s training strategy is centred on supporting sustainable business development and talent growth, establishing a “comprehensive, all-encompassing, and holistic” talent development system. The Group plans tiered and categorized learning content based on different job types and levels, encompassing onboarding training, professional skill enhancement, management development, and high-potential talent development programs. This is combined with a blended learning model that integrates both online and offline methods to enhance training efficiency and flexibility.

Simultaneously, Hon Hai implements a self-directed learning platform and an internal instructor mechanism based on the needs of various business units to strengthen the promotion of a learning culture. Through the evaluation of training effectiveness, we continuously optimize course offerings and resource allocation to achieve mutual growth for both talent and the organization.

Talent Development Model

The Group adopts a “blended online and offline” training model that deeply integrates various dimensions to support employees’ career development, including professional technical levels, management competency levels, and educational advancement levels.

Talent Development Model



Talent Pipeline Development

To deepen talent development and establish a succession pipeline for management, Hon Hai continues to advance the “Honghu (Swan) Series Training Camps” in alignment with the Group’s overall strategy and organizational development needs. This initiative creates a systematic training framework that encompasses various levels and stages of development. The series is divided into seven categories, offering corresponding courses for everyone from new hires to senior executives, thereby achieving comprehensive coverage and a full-cycle development model for talent cultivation.

Through the “Honghu (Swan) Series” training system, Hon Hai not only enhances the critical competencies of talent at all levels but also further strengthens the company’s talent reserve, supporting the foundational human capital necessary for the Group’s long-term development and global expansion.

Swan - New feather	Adaptability training designed for new employees to help them quickly integrate into the corporate culture and work environment and improve their workplace adaptability.
Swan- Inspirational	With self-management as the core, we cultivate employees' basic workplace abilities such as self-motivation, time management, and workplace emotional adjustment.
Swan- Set sail	A training camp for section-level supervisors to strengthen grassroots managers' team management, communication, coordination and problem-solving skills
Swan- Spread your wings	A tailor-made training program for reserve plant managers and functional managers, focusing on cross-departmental collaboration, leadership and performance management
Swan- Take-off	The Excellent Factory Manager Training Program focuses on mid- and senior level manufacturing leaders, deepening their comprehensive capabilities in operations management, strategy execution, and change leadership.
Swan - Voyage	The Executive Advanced Workshop is designed for core management personnel and covers forward-looking topics such as leadership advancement, global vision, digital transformation, and corporate sustainability.
Swan - Navigation	The advanced training class is designed for the Group's future key senior talents, focusing on strategic thinking, innovation capabilities and the establishment of an international business structure.

Vocational Competency Training

To assist employees in comprehensively enhancing their critical thinking, decision-making, communication skills, and overall competencies, as well as improving mental health levels and work efficiency, the Group launched a series of vocational competency courses in 2024, providing intellectual support for

group and employee development. The courses offered by the Group include general management, psychology, and office skills software. In 2024, a total of 23 sessions of management and skills training were conducted. Among these, 11 sessions of general management training were held, with 461 participants; 7 sessions of mental health courses were conducted, with 638 participants; and 5 sessions of general office skills training were offered, with 171 participants.

In response to the Group's transformation and upgrading needs, as well as internationalization layout requirements, the Group planned a series of training in English, Spanish, and Vietnamese in 2024 to cultivate high-quality, highly capable multilingual talents. Additionally, the Group collaborates with various units to continuously enrich online and offline learning resources, enhancing employees' language application abilities from multiple levels and perspectives, thereby strengthening cross-cultural communication and improving work efficiency.

Participants in the courses have shown significant performance improvements in their work, while also increasing work efficiency. The multifaceted training has also enhanced employees' opportunities for workplace advancement and resilience, reducing employee turnover, particularly among those aged 30 to 50.

Management



1. Application of Psychology in Business Management
2. Coaching Golf - Downward Management
3. Establishing and Managing High-Performance Teams
4. NLP Coaching Management

General Knowledge



- | | |
|--|--|
| 1. Six Thinking Hats for Critical Thinking | 5. Problem Analysis and Resolution |
| 2. Structured Thinking | 6. Business Meeting Facilitation |
| 3. Coaching-style Communication | 7. Goal Management and Plan Implementation |
| 4. Articulation Techniques Training Workshop | |

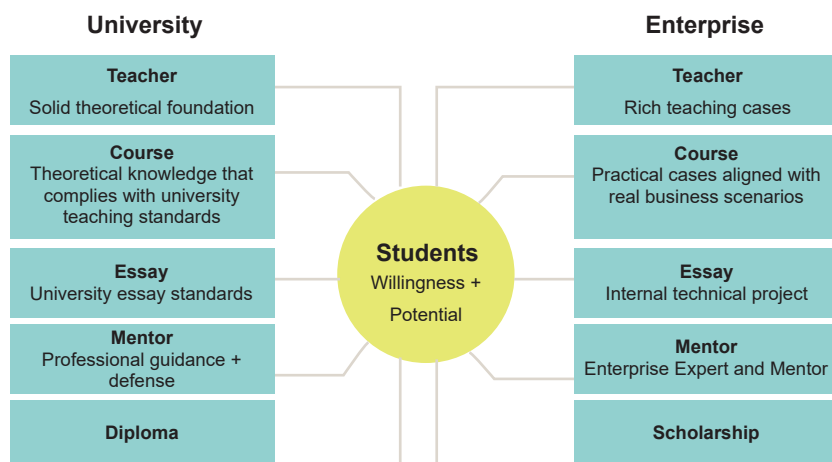


Highlights of the "Articulation Techniques Training Workshop" Course

On-the-Job Educational Advancement

The Group is deeply implementing its “3+3+3” strategy, dedicated to cultivating a diverse and high-quality talent pool while optimizing the structure of human resources to comprehensively support digital transformation and high-quality development. At the same time, we are practicing ESG principles by creating a continuous learning platform for employees to promote technological innovation and skill enhancement, providing robust support for employees’ career development and personal growth, thereby achieving a win-win development model for both the enterprise and its employees.

We offer a variety of learning opportunities that further drive the Group’s technological upgrades and talent reserves, assisting employees in moving toward a broader career future. In 2024, the Group partnered with 85 renowned universities to promote educational cooperation, covering four levels of academic qualifications: doctoral, master’s, bachelor’s, and associate degrees, offering a total of 54 popular majors to fully support employees’ continuous education and career development.



Internal Auditor System Training

International organizations such as ISO promote management systems aimed at establishing clear and unified effective production and management standards for global enterprises. This enables companies to comply with international and regional legal regulations while enhancing product quality and risk control management levels, thereby meeting customer demands and improving competitiveness and sustainable development capabilities.

Since 2006, the Group has continuously promoted internal auditor training related to ISO management systems, covering environmental management, occupational health, corporate social responsibility, and other management systems. From 2021 to the present, to better empower the Group’s business development and meet customers’ diverse and refined production and management audit requirements, the Group has continuously introduced training on management systems, including quality in the automotive industry, greenhouse gas inventory, business continuity, and RBA.

In 2024, a total of 22 sessions of internal auditor training were conducted, achieving the following performance outcomes:

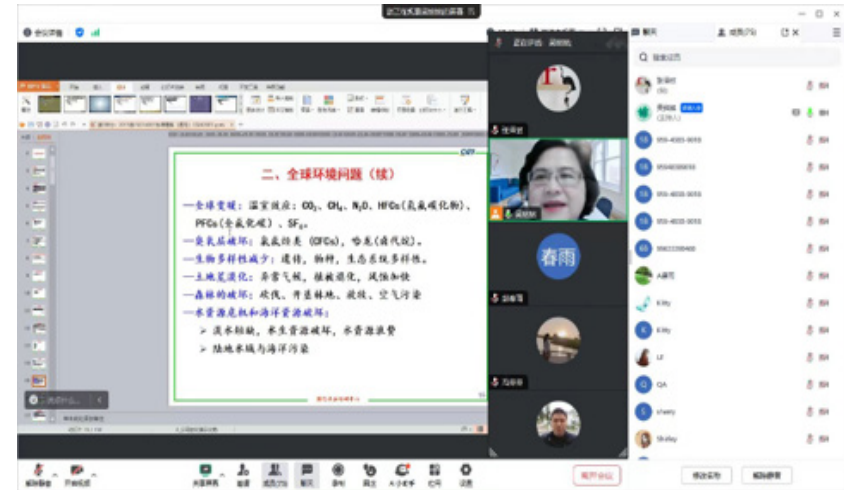
Training Programs	Number of Sessions	Number of Participants
Environmental Protection and Energy Conservation	5	400
Sustainable Development & Compliance	5	412
Group Industry	4	332
Quality Management	3	266
Production Safety	4	323
Information Security	1	83



ISO 14001 Environmental Management System Training Highlights

Smart Manufacturing Training and Industrial Internet/Internet of Things Certification

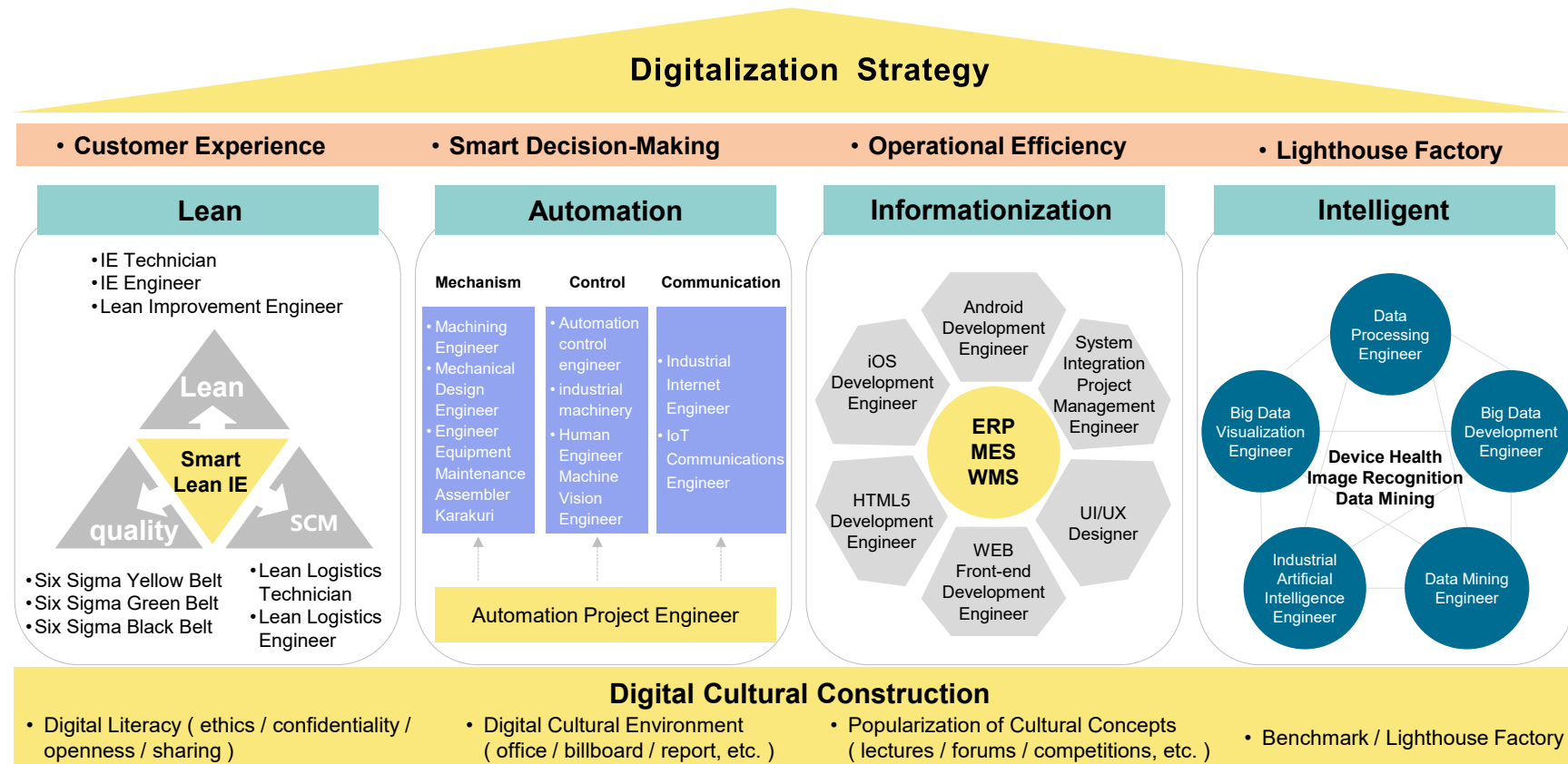
In 2024, the Group conducted 94 sessions of specialized training focused on smart manufacturing, training a total of 4,981 individuals. Simultaneously, we continued to upgrade the Internet of Things (IoT) certification system and certification base, offering 17 sessions of specialized training for the installation and debugging of industrial internet equipment, as well as vocational skill level certifications for IoT installation and maintenance, training 601 individuals and certifying 424 as qualified. Additionally, we assisted trainees in applying for government skill growth subsidies totalling RMB 384,400.



ISO 9001 Quality Management System Training Highlights

This training program focuses on enhancing employees' professional skills and digital capabilities, further promoting the company's digital transformation and smart manufacturing development. Through systematic training, the enterprise can optimize production processes, reduce costs, improve production efficiency and product quality, strengthen innovation capabilities and data-driven decision-making, ensure operational resilience and sustainable development, while also enhancing customer satisfaction and market competitiveness.

Smart Manufacturing “Four Modernizations” Talent Development System

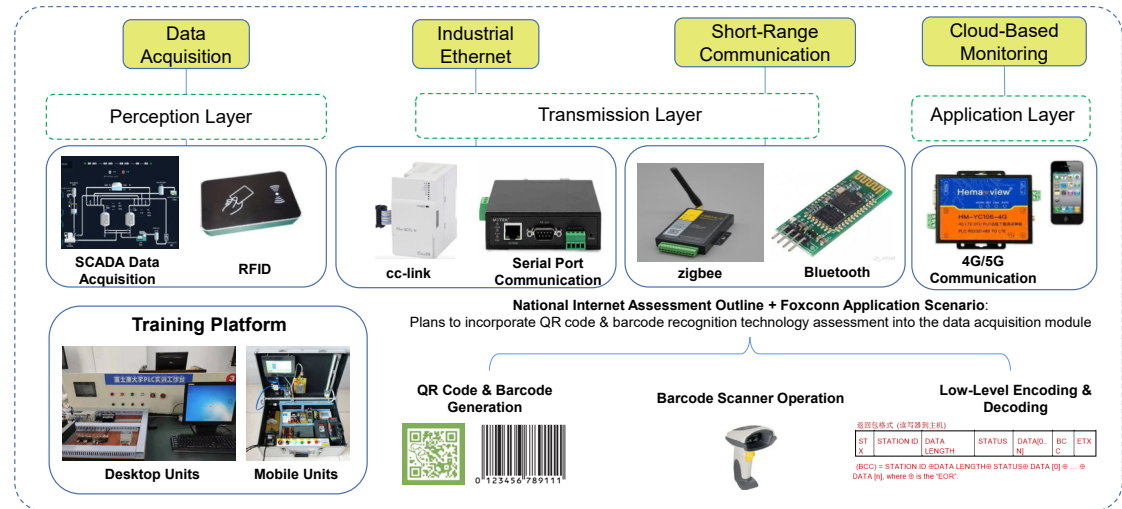


* Training time for each type of talent: 30~120 hours of theoretical study + 1~3 months of practical guidance

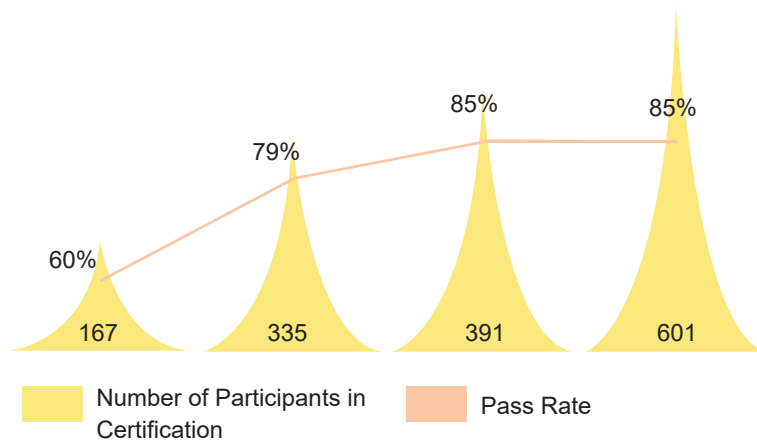
Online Training Courses for Industrial Internet Specialized Certification



Covering the Entire Industrial Network, Multiple Communication Protocols, and Data Conversion



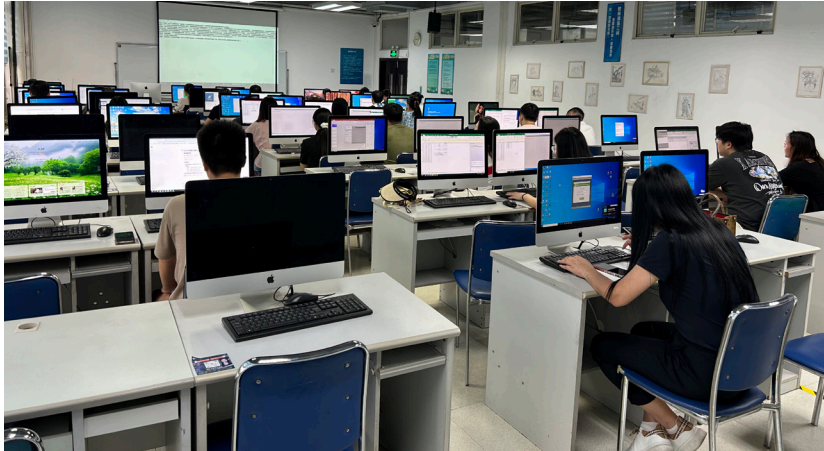
Statistics on Industrial Internet/Internet of Things Vocational Qualification Certification from 2021 to 2024



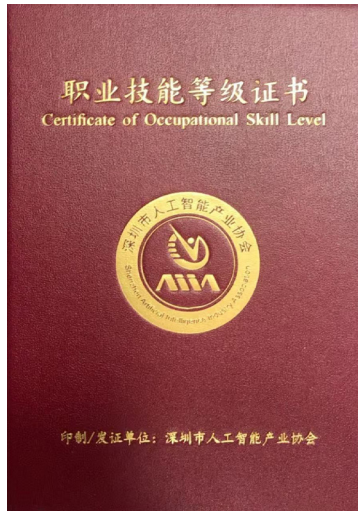
Smart Manufacturing “Four Transformations” Training Highlights



Smart Manufacturing “Four Transformations” Training Highlights



Occupational Certificate Issued by the Human Resources and Social Security Bureau: Installation and Commissioning of Industrial Internet Equipment Access



Occupational Certificate Issued by the Human Resources and Social Security Bureau: IoT Installation and Maintenance



Employee Physical and Mental Health Training

The Group is committed to the physical and mental well-being of its employees, providing training on occupational health and safety from multiple perspectives. This includes specialized training on physical health, mental health, and creating a healthy work environment, along with a wealth of online learning resources.

To enhance employees' safety awareness and improve their ability to handle emergencies, thereby reducing incident losses, we have developed the “First Aid I Know” series of courses. These courses utilize engaging and entertaining animations to provide comprehensive first aid knowledge education, ensuring that employees can act quickly and effectively in emergency situations.

To safeguard employee health and maintain production safety, Hon Hai continues to conduct safety first aid certification training. In 2024, a total of 12 sessions of safety first-aid training were held, with 598 participants.

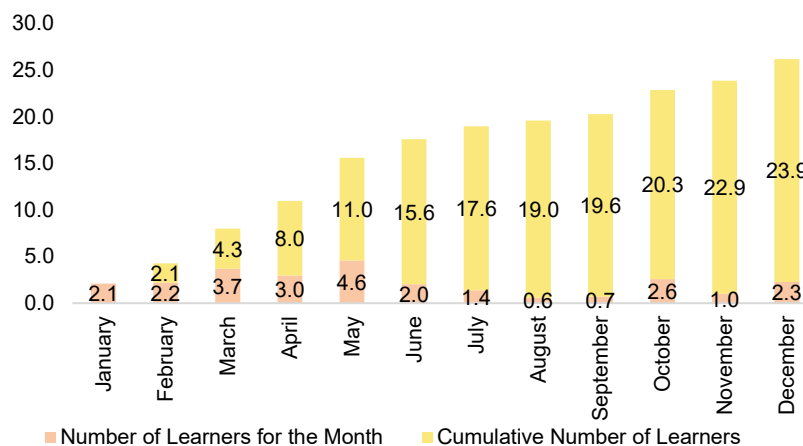
First Aid Training Highlights



The Group places significant emphasis on cultivating employees' psychological resilience and is committed to enhancing team collaboration efficiency while alleviating mental stress and anxiety among employees. In 2024, a total of 82 health seminars and free health consultation events were held in mainland China, and 122 health-related articles were published through apps to actively promote the overall physical and mental well-being of employees. In addition, the Group is also focused on the training and services for employees with physical and mental disabilities. It promotes the development of accessible courses at the Sunshine Training Center and collaborates with various business units to conduct specialized training, facilitating the learning and development of employees with disabilities. At the same time, vocational skills enhancement training for employees with disabilities is being implemented to improve their skill levels. A total of 262,195 learning instances were recorded, covering 14 units across 26 factories, representing a 27% increase in the number of learners compared to 2023.

Learning Instances of Employees with Disabilities at the Sunshine Training Center in 2024

Unit: 10,000



Talent Development Performance Evaluation

Employee performance evaluation is an important tool for companies to assess employees' work performance, contributions, and development potential. Through effective performance evaluations, companies can enhance employee motivation, ensure alignment with company goals, and develop corresponding development plans. The Group has established several key elements and processes for talent development performance evaluation:

A. Fairness in Performance and Opportunities

All employees, regardless of nationality, gender, or other identities or backgrounds, have equal opportunities to participate in performance evaluations. At the same time, considering the diverse backgrounds, abilities, and contributions of different employees, the Group encourages employees to set diverse performance goals to reduce unfair treatment of specific or disadvantaged groups.

B. Performance Assessment

The Group has established a consensus decision-making mechanism for performance calibration to enhance the consistency of performance evaluation standards, reduce assessment bias, and ensure that the evaluation process is fair and just. Performance evaluations are based on indicators such as goal achievement, work attitude, and competency demonstration, emphasizing objective assessment and avoiding results influenced by personal backgrounds.

C. Performance Communication

The Group encourages supervisors to provide inclusive feedback to their subordinates, emphasizing respect and support during the evaluation process. If employees have doubts about the results of their performance evaluations, they can raise complaints to their direct supervisors or human resources.

The Group fully utilizes various talent performance evaluation indicators, including goal setting (SMART Goals), 360-degree assessments, team performance, and setting OKRs (KPIs). Among these, the company's OKR/ KPI goals are set collaboratively by employees and managers. Based on the business group strategy, the company requires KPI goal setting to be based on thorough discussions between managers and employees, and the jointly discussed goals are included in the company's employee performance evaluation system for quarterly performance discussions.

The Group designs differentiated variable compensation systems based on different employee categories, including direct and indirect personnel, and is performance oriented. Through departmental and individual performance evaluation results, differentiated incentive rewards (performance bonuses and profit sharing) are provided. For employees with outstanding performance, the Group prioritizes granting incentive rewards to effectively balance employee motivation, retention, and the achievement of the company's long-term operational goals, further enhancing organizational competitiveness and encouraging employees to continue to excel. The Group's performance evaluation covers 100% of employees.

Talent Development Performance Evaluation Methods

Performance Evaluation Methods (Goal Management / Multi-Faceted Feedback / Team Performance / OKR)	Description of Evaluation Methods	Applicable Employee Types	Evaluation Frequency
OKR/KPI	The company initiates the departmental goal-setting process based on its annual strategy, implementing a management framework that integrates top-down and bottom-up approaches through goal decomposition and alignment across levels. Each unit establishes measurable and challenging indicators, utilizing OKR (Objectives and Key Results) or KPI (Key Performance Indicator) tools to drive organizational performance. Goals must adhere to the SMART principles to facilitate subsequent tracking and evaluation.	Indirect Labor	Once a Year
Direct Supervisor Assessment (Competency Assessment)	Departments establish assessment items and methods based on the characteristics of their processes and positions.	Direct Labor	Once a Year
Goal Management	At the end of each year, employees' direct supervisors conduct a comprehensive evaluation based on multiple dimensions, including work performance, professional competencies, teamwork, sense of responsibility, and work attitude. The assessment emphasizes the alignment of competencies with behavioural demonstrations and serves as a reference for reward and development plans.	Direct Labor	Once a Year
Multi-Faceted Feedback	For specific job levels or positions with cross-departmental influence, the company implements a 360-degree feedback mechanism. Evaluated individuals receive diverse perspectives from peers, subordinates, superiors, and other collaborative units, which supplements the limitations of a single supervisor's assessment and enhances the comprehensiveness and accuracy of the evaluation. This system is implemented flexibly based on job characteristics and resource availability.	Indirect Labor	Once a Year

Employee Compensation and Benefits

■ Stable Labor-Management Relations

Labor Management Policies

The Group is committed to fostering positive labor-management relations and has established robust procedures and systems to ensure open communication, mutual respect, and collaboration between management and employees. We conduct a “Sustainability Engagement Survey” every two years, setting scores that must meet the standards of the global high-tech industry as a core basis for assessing organizational resilience and employee engagement. The results are announced the following year, and improvement actions are promoted to enhance employee recognition and commitment to the company’s future vision.

The Group’s policies include regular dialogue meetings, grievance mechanisms, and employee feedback channels, aimed at addressing workplace issues promptly and promoting a positive work atmosphere. Additionally, we support the establishment of employee representative organizations and encourage employees to actively participate in the decision-making process. These measures not only help maintain a harmonious work environment but also enhance employee satisfaction, thereby driving the overall success of the organization.

Through regular dialogue meetings, management can understand employees’ needs and concerns and effectively communicate and negotiate on specific issues. Meanwhile, the established grievance mechanism provides employees with a safe channel to express dissatisfaction or make suggestions without fear of retaliation. This transparency and openness can foster trust and enhance team cohesion.

To further strengthen labor-management relations and improve the harmony of the work environment, Hon Hai has developed several relevant policy documents, including the “Code of Conduct,” “Responsibility Standards,” “Employee Feedback and Grievance Management Regulations,” “Work Rules,”

and “Group Collective Agreement.”

The Group actively promotes several highlighted measures in labor management policies to ensure employees’ basic rights and welfare:

1. Payment of Living Wage

The Group commits to paying wages above the local minimum standards to ensure that employees’ basic living needs are met. This policy not only reflects the importance placed on employees’ quality of life but also helps enhance their job satisfaction and loyalty.

2. Equal Pay for Equal Work

The Group strictly adheres to the principle of equal pay for equal work, ensuring that all employees in the same job positions receive fair compensation. This policy promotes gender equality and enhances internal cohesion and morale within the company.

3. Payment of Annual Leave Salary

The Group provides salary during annual leave to ensure that employees continue to receive appropriate compensation while on vacation. This measure encourages employees to fully utilize their annual leave, promoting physical and mental well-being, thereby improving work efficiency.

4. Minimum Negotiation or Notification Periods Before Large-Scale Layoffs

In the event of potential large-scale layoffs, the Group has established minimum negotiation or notification periods to ensure that employees have sufficient time to prepare and seek new job opportunities. This policy not only demonstrates respect for employees but also helps mitigate the social impact of layoffs. The Group follows local labor laws regarding advance notice of operational changes in different regions. In areas with unions, the unions have agreements with 100% of employees, with collective agreements exceeding local regulatory standards.

Minimum Notice Period for Operational Changes

Global Locations	Percentage of Employees Covered by Collective Bargaining Agreements (%)	Explanation of the Minimum Notice Period for Operational Changes
Mainland China	100%	For regulations and significant decisions that involve the direct interests of employees, the company informs employees through public announcements with a notice period of five working days, and holds a workers' representative meeting for discussion and approval. A collective agreement has been signed with a coverage rate of 100%. The collective agreement includes relevant provisions related to regulations and significant decisions that affect the direct interests of employees, which are communicated to employees through public announcements and other forms.
Vietnam	100%	In accordance with the relevant provisions of the Vietnam Labor Code 2019, a collective labor agreement has been signed with the grassroots union (i.e., the workers' representative organization). However, there are no specific provisions established regarding the minimum notice period for operational changes.
Mexico	100%	Changes are managed each year during the collective bargaining agreement (CBA) review period. Any proposed changes are communicated to union members, who must vote to approve them before implementation.
Brazil	100%	All agreements may affect or benefit all employees. All negotiation agreements cover everyone, including IDL (managers, supervisors, etc.)—all relevant personnel. Generally, agreements that may impact employees require a 30-day notice period before they take effect, or employees must be informed in advance.
Czech Republic	100%	If shift changes occur, at least 14 days' notice is required. In the case of organizational changes, we must comply with Czech law—the "Employee Guide," which specifies the conditions related to the number of employees. We also need to communicate with the union; if there are a large number of employees and layoffs are necessary, we must notify the labor office.
Other Regions	Non-Labor Union Areas	This is in compliance with local labor laws and regulations.

Union and Labor-Management Meetings

The Group is committed to maintaining a constructive and transparent relationship with unions and employee representatives. It regularly holds union and labor-management meetings to facilitate open dialogue and collaborate on workplace issues and policies. These meetings primarily discuss topics of concern to employees, negotiate employment terms, and jointly address challenges.

Through these regular discussions, both management and employees have a voice in shaping a fair and just work environment. This collaborative approach is based on mutual respect and understanding, thereby enhancing the overall harmony and productivity of the workplace.

The latest "Group Collective Agreement" clearly safeguards employees' employment rights, stating that regulations and significant decisions affecting

employees' direct interests must be communicated to employees at least 30 working days in advance through announcements and other means. Additionally, the "Proposal for Collective Bargaining by the Group Trade Union Federation" and the "Response Concerning Collective Bargaining Matters with the Group Trade Union Federation" also outline relevant terms for consultation and negotiation.

To ensure employees' freedom of association, the Group explicitly states employees' rights in the employee handbook. The Group has established a trade union federation organization, created a four-level management and five-level union organizational system, and adopted a bottom-up, open, and democratic principle. Union group leaders are elected voluntarily by members, and committee members at all levels are elected. Upon joining the company, employees are asked about their willingness to join the union and are encouraged to join voluntarily.

Furthermore, the Group has promoted the smart transformation of the union, formed a more comprehensive intelligent system, and established a smart union construction project team. This utilizes an "Internet + Union" cloud service model, combining PC and APP platforms to develop a comprehensive service platform covering union construction, labor protection, employee benefits, skills training, and employee appeals.

As of 2024, 100% of employees in Mainland China, Taiwan, as well as in Vietnam, Brazil, and the Czech Republic participate in the union.

Employee Compensation and Benefits System

Compensation Policy

The Group attracts and retains top talent through a competitive compensation structure and designs reasonable mechanisms to link company performance with employee compensation, rewarding outstanding performance. The Group adheres to the principles of legality, fairness, justice, equality, voluntariness, and good faith. The salary system not only complies with local regulations but also references external market research reports, regularly reviewing salary

standards to ensure compensation performance exceeds industry levels, providing employees with a stable and secure workplace environment along with compensation and benefits.

For employees with formal employment contracts with the Group, the Group pays social insurance and housing funds in accordance with local government regulations from the date of employment in Mainland China, ensuring that insurance benefits comply with local government social insurance regulations. In Taiwan, the Group provides labor and health insurance, contributes to labor retirement funds, and offers group insurance benefits as mandated by the government. In other overseas plants, the Group also insures employees according to local government regulations.

The Group ensures that all employees receive appropriate overtime pay during overtime hours, and payments are made in accordance with laws and company policies to protect employee rights. Additionally, we actively promote the expansion of employee social security coverage, ensuring that all employees enjoy basic social security benefits that exceed government regulatory requirements, reflecting the company's high regard for employee welfare.

The Group's benefits system is diverse, including retirement and insurance benefits, with non-wage benefits for dispatched employees provided in accordance with local regulations. All full-time employees of the Group enjoy company group insurance, medical and accident insurance, and other corresponding subsidies, such as subsidies for employee club activities, training, birthday gifts, and holiday gifts (cash). Furthermore, employees also receive various benefits, including a New Year red envelope, three festival bonuses, birthday points, holiday gifts, and bereavement allowances.

Employee Benefits Programs

(1) Parental Leave

The Group provides eligible employees with a certain duration of parental leave, typically including maternity leave and childcare leave. The duration of parental leave is set according to local laws and regulations as well as the Group's internal policies, ensuring that employees can adequately

care for their newborns. The Group offers paid parental leave, allowing employees to receive corresponding salary protection during their time off, thereby alleviating the financial burden on families and enabling employees to focus on caring for their children. Employees can choose flexible leave arrangements based on their needs, including taking leave all at once or in segments, to accommodate different family situations.

The Group has established a simple parental leave application process, requiring employees to notify their supervisors in advance and fill out the relevant application forms, which will be approved after review.

In 2024, the application rate for paternal leave was 71.31% for male employees and 86.05% for female employees. The retention rate after parental leaves significantly increased compared to previous years, with a retention rate of 85.06% for males and 73.02% for females. The details concerning the

parental return-to-work rate and retention rate for 2024 are available in the appendix under 'Key Performance Indicators.'

In addition to parental leave, the Group also provides other supportive measures, such as childcare resources, a family-friendly work environment, and flexible work arrangements to help employees achieve a better balance between work and family. After the end of parental leave, the Group will provide return-to-work support to help employees smoothly transition back to their positions, including retraining and job adjustments. The company also has breastfeeding facilities (nursing rooms) to assist female employees in balancing work and breastfeeding.

Furthermore, Hon Hai has established a "Company Support for Children Aged 0-6" policy, issuing NT\$730 million in subsidies for 1,877 Hon Hai babies in 2024.

The company ensures that employees enjoy complete rights to parental leave, maternity leave, and paternity leave in accordance with relevant legal regulations, with specific details as follows:

Categories of Paid Leave	Mainland China	Taiwan	India	Vietnam	Mexico	Europe (Slovakia)
Childcare Leave	Both parents are entitled to 10 days of leave each year until their child is three years old.	Eligible for Parental Leave Without Pay	NA	NA	NA	Both parents are entitled to 25 days of leave each year until their child is three years old.
Maternity Leave	- Standard maternity leave is 98 days (including 15 days of prenatal leave). - An additional 15 days of maternity leave is granted for late childbirth. - An additional 15 days of maternity leave is granted for each additional child born.	8 weeks	182 days	6 months	12 weeks	34 weeks
Paternity Leave	15 days	7 days	2 days	5 -14 days	5 days	14 days

Hon Hai Parental Leave Highlights

Background

Early childhood behaviours and habits have a profound impact on lifelong development, and scientifically timely early interventions can promote comprehensive growth. However, children of migrant populations face challenges due to various factors, often resulting in a scarcity of early education resources. As a large employer, the Group's Zhengzhou plant has a high proportion of migrant workers, accounting for 99.2%. To enhance employee well-being and sense of belonging, and to strengthen the emotional connection between the company, its employees, and their families, while further implementing corporate social responsibility, the Group, with the support of the union, has launched the 'Thousand Days Program' and established the 'Thousand Days Early Development Public Service Center.'

Project Investment

Since December 2021, under external recommendations, the Group launched the 'Thousand Days Program.' In July 2022, the Group, union, and partners held their first meeting to officially commence the establishment of the 'Thousand Days Early Development Public Service Center.' The project involves the partners providing guidance on the center's software renovation, educational materials configuration, caregiver training, and operational technical support. The union is responsible for venue setup and daily operational expenses such as utilities and property management, while the Group covers the center's staffing and daily operational costs. The three parties collectively invested approximately 3 million RMB, and by 2024, they successfully completed the world's first scientifically-based parenting center located within a factory—the 'Thousand Days Early Development Public Service Center'—on the second floor of the Huazhong Community Employee Service Center

The Center

The center covers an area of 740 square meters, is fully equipped with facilities, and has clearly defined functional zones, primarily providing scientific parenting guidance services for families with children aged 0-3 years. The 'Thousand Days Program' is based on internationally advanced Jamaican educational materials, developed with the collaboration of over 30 domestic educators and psychologists. It incorporates Stanford University's curriculum framework and is locally adapted to suit the characteristics of Chinese infants. This has resulted in a parent-child activity curriculum system focusing on cognitive, language, motor, and socio-emotional development for infants aged 6 to 36 months. Caregivers provide one-on-one guidance to parents on scientifically raising their children, improving the nurturing environment for the babies, and continuously enhancing the scientific parenting knowledge of the center's caregivers and parents through the Thousand Days Parenting APP.

The Results

Officially operational from September 2024 to June 2025, the center served a total of 336 families, conducting 2,190 one-on-one sessions and 382 group classes, with a total participation of 8,189 individuals. Additionally, 17 events such as family days for large enterprises and parent-child activity knowledge seminars received unanimous recognition and positive feedback from employee families. The expert team of the project conducted a three-month special survey on the center's services, revealing that families receiving services experienced a reduction in developmental risk across various domains for their infants, with the most significant decrease observed in the language domain, which dropped by 13%. Among the improvements in nurturing behaviours, parent-child picture book reading increased by 31%, parent-child storytelling by 15%, outdoor play by 7%, and interactive play with educational toys increased by 18%. Furthermore, the model of this project can provide practical experience for promoting early childhood development services for children aged 0-3 nationwide and offer scientific evidence for government policy formulation, contributing to the establishment of a more comprehensive infant and toddler development service system.



Center Panorama Image



Free Activity Zone



Toy Classroom



Book Reading Area



One-on-one Class



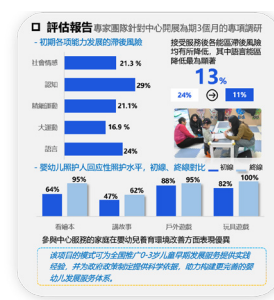
Group Class



Parent-Child Group Activities



Parental Approval/Recognition



Research Team Results Evaluation Report

(2) Flexible Work Hours Arrangement

The company has established a flexible work hours arrangement that covers all employees, including policies for part-time work and remote work. Hon Hai's full-time employees benefit from a remote work management policy that facilitates regular and open remote working options. By leveraging digital technology tools, the company provides a flexible and adaptable hybrid work model to meet business execution needs while enhancing overall human capital.

(3) Other Related Benefits Programs

The Group has established an Employee Welfare Committee, which includes one permanent member appointed by the business unit, while the remaining members are democratically elected by employees and are subject to re-election every three years. The committee has designated staff responsible for handling daily administrative and welfare-related matters, ensuring that various welfare measures are effectively implemented.

Additionally, the Group has a Health and Wellness Department dedicated to promoting and caring for the health of employees and their families. It continuously provides diverse health benefits and support measures, reflecting the commitment to holistic care for employees. The welfare measures currently promoted by the company include:

1. **Safe and Healthy Dining Services:** The establishment of employee cafeterias and food safety testing centers, with daily rigorous food sampling and hygiene audits conducted by a team of nutritionists who set clear quantity and nutrient guidelines. The supply of processed foods, salt, sugar, and oil is restricted, and themed healthy meals are gradually implemented in designated areas.

2. Comprehensive Employee Health Management:

- **Medical Consultation:** A diverse professional medical team, including doctors, nurses, nutritionists, fitness coaches, and physical therapists,

provides integrated health management services. Remote health consultations are available based on employee needs, and technology monitoring equipment is used to assist in tracking and caring for employees with chronic diseases, ensuring their safety and health.

- **Health Screening:** The Group carefully selects several health examination institutions to ensure the quality of employee health checks, offering a variety of screening options and flexible frequencies. Professional medical staff provide personalized assessment recommendations and regular follow-up reminders to meet employees' health needs.
- **Psychological Support:** Employee Assistance Programs (EAP) are offered, covering six major areas: career planning, family and parenting, interpersonal relationships, emotional issues, legal issues, financial issues, and health issues, to maintain employees' physical, mental, and social well-being.
- **Health Promotion:** A one-stop health platform is established to regularly share information on global infectious disease outbreaks and new health research. Health-themed lectures, online courses for weight management, and flu vaccination campaigns are organized to enhance employee health awareness and promote health literacy.
- **Wellness and Stress Relief:** The establishment of employee gyms equipped with professional trainers to guide colleagues on exercise posture and equipment usage, ensuring safety during workouts. Regular classes for strength, aerobic exercise, and stretching yoga are conducted, along with Tabata training and therapeutic sound exercises to promote a culture of fitness within the Group. Additionally, massage services are offered to relieve physical and mental stress.

(4) Employee Support Program

The Group integrates resources to promote various physical and mental health and employee welfare support measures, aiming to enhance overall employee well-being. Related measures include workplace stress

management projects, health promotion activities, and employee counselling services, assisting employees in maintaining a good balance between work and life. In Mainland China, the Employee Care Center is equipped with a psychological consultation room and operates a mental health hotline (25885 - "Help Me"), establishing the "Heart-to-Heart" brand. Throughout the year, professional psychological consultants provide free 24/7 mental health services to employees, including individual psychological consultations on marriage and relationships, stress relief, psychological crisis intervention, mediation for marital and family disputes, group psychological counselling, mental health assessments, mental health training, and mental health awareness activities.

In 2024, the Group's mental health initiatives continued to focus on "Stability and Assurance" and "Empowerment and Growth," providing mental health services across 28 campuses and delivering care and resources directly to employees. A total of 1,557 individual psychological consultations were conducted, with 48 group counselling sessions involving 1,165 participants, and mediation services for marital and family disputes were provided to 375 individuals. Additionally, 1,090 events, including mental health awareness sessions, training, and themed activities related to "Heart-to-Heart," were held, serving a total of 542,000 employees.

Childcare measures include:

- 1. Childcare Services:** Offering interest classes and holiday childcare programs for employees' children, creating a platform for learning and interaction while addressing the challenge of caring for children during holidays.
- 2. Parent-Child Activities:** Organizing parent-child activities (such as park outings, sports days, and educational trips) to foster communication between employees and their children and promote healthy development.
- 3. Support for Employees' Children with Serious Illnesses:** Employees' children who incur medical expenses exceeding 20,000 RMB due to serious

illnesses can apply for assistance ranging from 3,000 to 15,000 RMB.

- 4. School Enrolment Support for Employees' Children:** Employees' children in the Shenzhen area attending Zhuole Kindergarten receive a subsidy of up to 1,500 RMB per person per semester to assist with enrolment.

Project Outcomes for Employees' Children in Mainland China for 2024:

- A total of 128 summer camps and childcare programs were held, with 7,676 participants.
- Parent-child activities included 61 events within the campus, with 7,593 participants, and 30 external activities, with 3,172 participants.
- Assistance was provided to 232 children with serious illnesses, totalling 555,000 RMB in support.
- For school enrolment, 485 subsidies were issued for employees' children attending Zhuole Kindergarten in Shenzhen, amounting to 721,000 RMB, and 1,369 children received enrolment assistance.

In Taiwan, the Group provides a monthly childcare allowance of NT\$15,000 for employees with children aged 0 to 6, continuing until the child turns 7. If both spouses are employees of the Group, the monthly allowance increases to NT\$24,000. In 2024, this program disbursed approximately NT\$173 million in childcare allowances, benefiting 1,877 "Hon Hai Babies," with total disbursements exceeding NT\$730 million by the end of 2024.

Surveys of Employee Engagement

The Group conducts annual global employee participation surveys aimed at understanding employees' perspectives on the work environment, management systems, and overall corporate culture. Based on the survey

results, specific improvement actions are proposed for key issues to further enhance employees' sense of engagement and cohesion. The survey content covers two major aspects: "Employee Satisfaction" and "Employee Engagement."

Engagement surveys are conducted biennially, primarily commissioned to a third-party professional organization, while the Group also conducts internal assessments to ensure comprehensive and accurate data. Satisfaction surveys are regularly conducted by internal units each year to continuously track employees' actual feelings regarding the Group's policies, communication mechanisms, and support measures. Through a systematic survey and feedback mechanism, the Group can promptly understand employee needs and continuously promote responsive talent management strategies.

According to the 2024 survey data, the employee engagement survey coverage was 31.69%, with an overall engagement score of 76 points (out of a maximum of 100 points). The employee satisfaction survey covered 56.75% of the employee sample, with a satisfaction score of 8.7 points (out of a maximum of 10 points).

Employee Human Rights Protection

Employee Human Rights

Human Rights Policy

Human Rights Policy: In accordance with the principles of international human rights standards, the company has issued an "Employee Human

Rights Charter" and provided training for all employees to ensure they understand the company's commitment to human rights and related policies. The human rights policy helps employees better understand their rights and responsibilities, ensuring that all individuals employed both internally and externally can work in a fair and respectful environment.

Code of Conduct: To promote sustainable business practices and fulfil social responsibilities across all global facilities, all employees are required to undergo training and adhere to the standards set forth in the code.

Responsibility Standards: This document serves as a supplement and extension of the "Code of Conduct." It is formulated based on international norms such as the "Universal Declaration of Human Rights," ILO international labor standards, OECD guidelines, and ISO standards, providing executable and actionable detailed behavioural guidelines. Its purpose is to assist global employees and partners in concretely implementing corporate social responsibility, establishing a workplace culture of integrity, respect, health, and safety.

Additionally, Hon Hai's human rights policy includes labor policies that ensure equal pay for equal work. Specific policies can be found in the "Labor Policies" section of employee compensation and benefits.

In Hon Hai's Supplier and Partner Code of Conduct, it is explicitly stipulated that all suppliers and partners must respect and uphold human rights and must not engage in any form of forced labor, child labor, or other exploitative labor practices. They are required to ensure that their employees enjoy reasonable working hours and compensation, the freedom of association, and the right to collective bargaining, as well as to provide a safe and healthy working environment. Any acts of discrimination, harassment, or abuse are considered serious violations. Upon discovery, Hon Hai will implement a zero-tolerance policy, which includes suspending cooperation or terminating contracts, and will require immediate corrective actions to ensure that the basic rights of every worker in the supply chain and partner network are respected and protected.

Human Rights Training

The company has established training programs related to human rights to raise employee awareness and safeguard human rights protections.

Human Rights Training Regional Outcomes

Regional Division	Courses	Frequency	Employee Participation Coverage Rate
Taiwan and Mainland China	Anti-Corruption	Once a Year	100%
	Code of Conduct (CoC)	Once a Year	100%
India	Onboarding Training CL - Human Resources Policies, SR Code of Conduct (CoC)	Daily/Based on New Hiring	100%
	Anti-Harassment	Voluntary	
	Labour Laws for Global Experience	Voluntary	
Vietnam	Code of Conduct (CoC)	Once a Year	100%
	Knowledge Related to the Prevention of Workplace Sexual Harassment	Once a Year	100%
	Prevention of Sexual Harassment	Based on New Hiring	New Hires
	Social Responsibility Management	Based on New Hiring	New Hires
	Freedom of Assembly and Association and Collective Bargaining	Based on New Hiring	New Hires
North America	Code of Conduct (CoC)	Once a Year	100%
	Prevention of Harassment in Industrial Environments	Once a Year	100%
	Labor Rights and Fair Working Conditions	Once a Year	100%
Mexico	BA, RIT, Inclusivity and Diversity, Safety Culture, Code of Conduct (COC)	Once a Year	100%
Brazil	Moral Harassment and Sexual Harassment	Once a Year	100%
	SER 2024 Plan Retraining	Voluntary	43%
Europe	Code of Conduct (COC), Fair Treatment, Non-Discrimination, Employee Handbook	Once a Year	100%

Human Rights Management of Labor Dispatch

In response to the development of labor rights in the EU CSDDD and various countries, Taiwan's supply chain enterprises follow human rights norms in line with international standards and fulfil social responsibility.

The Group has established a set of "4-stage supplier management cycle" applicable to all suppliers: evaluation and certification → performance monitoring → audit counselling → the best and the fittest as the cornerstone of our practice of sustainable supply chain governance. The Group deeply understands that labor dispatch employment has its uniqueness and potential risks in human rights management, as it involves the rights and obligations of multiple parties. Therefore, we deepen our application of this management cycle to the management of labor dispatch providers with stricter standards and more nuanced actions, committed to building a safe, equitable and dignified working environment

Stage 1: Check the Source—Rigid Qualification Review and Certification:

We believe that perfect management begins with the prudent screening of partners. Before working with the Group, any labor dispatch provider must pass a rigorous qualification review conducted by a cross-functional team consisting of human resources, legal, procurement and other units. In addition to having to have all legal operating qualifications, we require them to sign and undertake to comply with the revised Labor Dispatch Service Agreement issued by the Group in each region. Such agreements are not only commercial contracts, but also human rights pledges, which explicitly require labor dispatch providers to follow the Group's human rights policies, standards of conduct and responsibility standards, such as: the "zero charge" principle prohibiting any form of fees from job seekers, strictly restricting the supplier from passing on unreasonable fees to dispatched employees through contracts, and guaranteeing dispatched employees' rights to equal pay and free choice of business.

Phase 2: Continuous Tracking—Dynamic Performance Monitoring and Evaluation

Compliance is not a one-time static check but a continuous dynamic process. To this end, we have established a multidimensional performance monitoring mechanism that goes beyond contract signing.

As of June 2025, over 82.1% of our major dispatch suppliers have completed the conversion of standard contracts or signed supplementary agreements during the contract period.

At the level of substantial employee well-being, we extend the management segment further from the workplace to the life field. For employee dormitory management, the Group has introduced [Apartment + Smart Apartment Service Platform]. This is not only a set of management systems, but also a digital ecosystem with "people, things, and services" at its core. It provides online repair, dormitory relocation, cleaning supplies collection and other self-service services through employee-specific APP, which simplifies daily needs and significantly improves the convenience and quality of life. At the same time, its data operation kanban can present key indicators such as occupancy and maintenance rates in real time, converting previously difficult-to-quantify living conditions into trackable data, achieving efficient digital governance. This not only strengthens the control of suppliers on hostel safety and quality of life standards, but also reflects the Group's firm commitment to using technological innovation to provide a better living experience for all workers.

In addition to the above-mentioned systematic monitoring, we also continuously monitor suppliers' performance in key performance indicators (KPIs) on labor rights through regular data comparisons and audits and ensure a smooth communication and grievance pipeline.

1 The statistical category does not cover the subsidiaries of Hon Hai Industrial Internet Limited (Fii) and Commercial Hongteng Precision Technology Limited (FIT) in the British Cayman Islands.

Stage 3: Deep Intervention—Proactive Audit and Empowerment Counseling

We move from passive supervision to active empowerment. Through

regular specialized audits that go deep into the supplier's operational site, the consistency of their actual management behavior and contractual commitments will be deeply checked through document reviews, manager interviews, and non-pre-arranged employee interviews. In addition, the Group includes dispatched suppliers in key projects such as the Human Rights Due Diligence Pilot and the World Sustainability Value Chain. We not only identify problems, but also explore solutions with suppliers by holding joint workshops, sharing best practice cases, and helping them improve their management capabilities and move from "compliance" to "pursuit of excellence".

Stage 4: Clear Orientation—Transparent mechanism of superiority and inferiority

Clear incentive and exit mechanisms are key to driving continued progress in the supply chain. For suppliers who excel in dispatching employee care, establishing transparent communication pipelines, and investing in employee development, we set an industry benchmark by giving public recognition and rewards through the Hong Hai Sustainability Award—Supply Chain Co-Prosperity Development Award. In contrast, for suppliers who found significant deficiencies in the audit or did not improve after counseling, we launched a risk warning and improvement plan.

Looking to the future

We will continue to deepen the localized implementation of standard contracts in accordance with the unique regulatory context and business practices of each operating location. This strategy not only translates the Group's global commitments into concrete actions on the ground, but also ensures that every dispatched colleague receives consistent and solid rights protection, no matter where they are. We are committed to setting an example of human rights management and firmly believe that the "people-oriented" sustainability philosophy is the core engine that drives enterprises to create long-term value and move towards operational excellence.



Highlights of Labor Dispatch Supplier Training

In 2024, we successfully held two special training sessions for core personnel at labor dispatch companies on April 13th and 20th. The courses were carefully designed to address current management pain points and enhance compliance:

- **Topic 1:** Group Labor Dispatch Management Standards and Recruitment Compliance Practices: This course provided an in-depth explanation of the Group's Dispatched Worker Discipline Management Regulations and Related Policies. Combined with the practical aspects of recruiting process management, it emphasized labor dispatch management standards, recruitment procedures, and relevant laws and regulations, ensuring compliance with Group standards and local regulations from the source.
- **Topic 2:** Labor Dispute Handling and Social Security Practices: Another course focused on labor dispute handling and the practical application of the five social insurances and one housing fund. By analyzing mass incident cases and discussing key issues such as the payment and entitlement of the five social insurances and one housing fund, the course enhanced the ability of dispatch companies to handle complex labor issues.

These Group-led training sessions not only significantly enhanced the comprehensive skills and management level of dispatch company personnel engaged in HR dispatch, but also it further consolidates the Group's legal, compliant and efficient management of all dispatched employees, thus demonstrating Hon Hai's commitment as a responsible enterprise.



Human Rights Due Diligence Procedures

Hon Hai Group is committed to safeguarding human rights within its operations and supply chain. This commitment is not only a corporate responsibility but also a promise to society and our stakeholders. We continuously implement human rights governance and due diligence based on international human rights principles (such as the “Universal Declaration of Human Rights” and the “United Nations Guiding Principles on Business and Human Rights”) as well as our internal “Code of Conduct” and “Responsibility Standards.”

Following a comprehensive assessment of human rights issues, we have identified potential human rights risks that may encompass trafficking in persons, forced labor, debt bondage, contract restrictions, child labor, prison labor, freedom of association, collective bargaining, equal pay for equal work, and anti-discrimination. The affected groups include our employees, foreign and dispatched personnel, women and children, indigenous communities, and local communities.

To fulfil our social responsibility, the Group continues to strengthen overall supply chain management and has established a human rights due diligence mechanism that covers risk identification for existing operational sites and new business relationships. This mechanism is integrated into various business decision-making processes, supplier selection and collaboration, and pre-investment assessments. We explicitly avoid sourcing minerals from high-risk areas (such as the Democratic Republic of the Congo and neighbouring regions) that may contribute to conflict and human rights violations, and we are gradually enhancing cross-departmental collaboration and external audits to mitigate potential human rights risks.

Additionally, we have implemented a continuous human rights risk management mechanism that includes regular assessments, real-time monitoring, and necessary remedial actions. We have established internal policy standards addressing forced labor and child labor issues to ensure that all employees enjoy fair working conditions that meet international standards. We also internalize human rights protection into our operational culture and supply chain governance guidelines, continuously expanding the scope of transparency and stakeholder communication.



The Group approaches human rights issues with a strong sense of responsibility, recognizing that this is not only a moral obligation for the company but also a key factor in maintaining brand image and ensuring long-term development. To effectively address these challenges, we strictly adhere to the PDCA (Plan-Do-Check-Act) management process, upholding the core principle of continuous improvement and striving to optimize and upgrade our human rights protection efforts.

To this end, the Group has established a Sustainability Committee, which includes dedicated units responsible for social aspects and working groups across various business units/subsidiaries and global regions, focusing on addressing and managing human rights issues. The establishment of these working groups aims to ensure that human rights concerns are prioritized and managed appropriately at all levels.

In the specific workflow, these groups strictly follow the due diligence process, employing a systematic approach to meticulously identify potential human

rights-related risks, conduct scientific assessments, implement rigorous monitoring, and establish effective prevention and mitigation measures. This systematic approach not only enhances the accuracy of risk identification but also strengthens our capacity to respond to potential issues.

We utilize the RBA (Responsible Business Alliance) management mechanism, conducting internal self-assessment questionnaires annually to identify and evaluate risks. Within Hon Hai's global operations, 5.36% of facilities are classified as high-risk, 36.9% as medium-risk, and 57.74% as low-risk. We implement stringent oversight and management for high-risk facilities, conducting on-site audits according to the RBA's Validated Assessment Program (VAP) and implementing improvement measures to reduce operational risks. Additionally, we conduct RBA VAP audits for specific facilities as required by customers. In 2024, we carried out a total of 58 VAP audits globally, with no significant risks related to human rights or occupational safety identified, and no incidents of forced labor reported.

VAP Audit Data

	Mainland China	North Asia	Southeast Asia	Europe	North America	India
Number of Audits	30	1	13	2	11	1
Certificate Level - Platinum	0	0	0	2	6	0
Certificate Level – Gold	9	0	6	0	2	0
Certificate Level – Silver	14	1	4	0	1	0

Human Rights Risk Mitigation Measures

In accordance with industry best practices, the Group implements comprehensive mitigation measures to address various human rights risks. We conduct rigorous risk assessments and regular audits to identify potential human rights violations within our operations and supply chain. To ensure that our business operations align with international standards, we not only comply with international labor standards but also provide training on human rights policies for employees and suppliers. We have established effective grievance mechanisms to report any violations of human rights, ensuring that all employees' voices are heard.

After identifying human rights risks, the Group executes corresponding management measures in three areas: **systematic, communicative, and supervisory**:

1. Systematic: The Group has established a “Code of Conduct” and “Responsibility Standards,” which serve as the highest guidelines for the Group, outlining comprehensive and effective labor management policies and procedures related to human rights risks. These policies ensure that the Group’s operations comply with legal requirements while safeguarding employees’ rights and welfare, thereby achieving stability and sustainability in employment.

2. Communicative: To enhance all employees’ awareness of human rights and sense of social responsibility, we have developed a series of comprehensive and in-depth training courses on human rights topics. These courses include labor rights education for new employees, basic training on corporate social responsibility, and mandatory training on the Code of Conduct. To ensure broad coverage and efficient access to training, we adopt a digital and multilingual training strategy. Training materials are carefully produced in electronic format and translated into various languages spoken by employees, eliminating language barriers and allowing all employees to easily access learning resources and deepen their understanding of relevant knowledge. Additionally, we have established a comprehensive internal grievance channel, conduct regular employee interviews, and maintain ongoing reporting and communication with the Group to ensure that employee needs and feedback are promptly reflected.

3. Supervisory: The enterprise collaborates with the Group, unions, and customers to regularly monitor and audit the implementation of human rights policy, ensuring effective enforcement and protection of employee rights. These supervisory measures not only strengthen our internal controls but also enhance our transparency with external stakeholders. Each year, we invite investors and organizations focused on ESG (Environmental, Social, and Governance) to visit our facilities, allowing them to observe employees’ actual working and living conditions and ensuring they have a clear understanding of our business operations.

Human Rights Response Measures

Human Rights Policy	Risk Description	Remedy Measures	Risk Mitigation
Prohibition of Child Labor and Protection of Young Workers	• Employment of Child Labor • Scheduling Young Workers for Overtime or Night Shifts • Assigning Young Workers to Overweight, Toxic, Hazardous, or Dangerous Work	Immediate Review and Response: Upon discovery of any child labor or improper placement of underage workers, the relevant work arrangements will be immediately terminated, and an internal investigation will be initiated. Legal and Administrative Measures: Individuals or departments found to have violated policies will be subject to penalties or administrative measures in accordance with the law to ensure strict implementation of company policies and laws. Employee Support and Education: Affected underage workers will be provided with necessary support, including psychological counselling and legal assistance, and affected employees will be re-educated to reiterate company policies and legal provisions. Strengthening Supervision and Prevention: Strengthening oversight of the recruitment process to ensure that the age and working conditions of all employees comply with legal requirements and company policies.	We strictly adhere to national laws, regulations, industry standards, and client requirements regarding the prohibition of child labor and the protection of underage workers. We use identity verification devices to verify authenticity. The HR system has an automatic age calculation function. If you are under the legal age, the system will automatically prompt you to enroll in social insurance. The system will verify your age first; if you are under 16, you will not be eligible for insurance. Related policies are incorporated into new employee orientation and annual refresher training materials, ensuring that every new and current supervisor and employee is fully aware of the company's regulations prohibiting child labor and protecting underage workers.

Human Rights Policy	Risk Description	Remedy Measures	Risk Mitigation
Eliminate forced labor	Recruiting involuntary labor; Collecting deposits and keeping documents; Forced overtime; Sexual harassment or illegal assault; Employees are unable to resign freely.	Immediate Review and Investigation: Upon receiving reports of forced labor, immediately initiate an internal investigation to determine the facts and address them promptly. Eliminating Unfair Conditions: If deposits or documents are found to be withheld, immediately request their return to employees to ensure their personal freedom and rights. Ceasing Coercive Practices: Immediately terminate and adjust work arrangements for any form of involuntary overtime or unfair labor demands. Providing Safe Reporting Channels: Ensure that employees can safely and anonymously report forced labor or any form of unlawful abuse and protect them from retaliation. Promoting Free Resignation: If an employee encounters obstacles in submitting a resignation request, the HR department or the union should immediately intervene to ensure that the employee can resign freely.	New employees must sign legal labor contracts and complete orientation training, pledging not to use any form of forced, bonded, indentured, or involuntary prison labor. Slavery or trafficking of labor for exploitative purposes is prohibited. During recruitment, candidates must be communicated with to ensure that all employees are willing to work. Withholding employee documents or deposits as a condition of employment is not permitted. Wages and benefits must be paid promptly upon resignation, without any unwarranted delay. Employees who suspect instances of forced labor or harassment may report such matters anonymously without fear of retaliation. If an employee's resignation application is blocked, the HR department or the union will immediately intervene and resolve the matter in accordance with the employee's wishes.

Human Rights Policy	Risk Description	Remedy Measures	Risk Mitigation
Respect employees' freedom of association	Employees' legitimate rights to freely associate, organize, and negotiate with others are restricted	Immediately Review and Revise Policies: Examine existing policies and management practices to ensure they do not directly or indirectly restrict employees' freedom of association and immediately revise any provisions that are inconsistent with freedom of association. Communicate and Educate: Broadly educate management and employees on the importance of freedom of association and company policies to ensure all employees understand their rights. Establish a Monitoring Mechanism: Establish an independent monitoring body or committee to oversee the implementation of freedom of association within the company and handle related complaints and grievances. Support Autonomous Operation: Support and promote the autonomous operation of labor unions or labor-management conferences, ensuring that the election and operation of employee representatives are fair and unimpeded.	We have formulated regulations for freedom of association and collective bargaining, as well as labor-management meeting procedures, and do not attempt to control the activities of unions, labor-management meetings, or other community organizations by any means. Global sites organize labor unions in accordance with local laws and regulations, allowing employees to freely participate in union welfare programs, employee rights protection, and emergency relief, thereby encouraging employee participation. We have established a Labor Dispute Mediation Committee to assist employees with administrative redress related to labor disputes. We maintain open channels for employee communication and complaints, regularly collect employee feedback, and respond appropriately.

Employee Communication and Complaints

Communication and complaint channels

The company actively builds communication bridges with employees, engaging in two-way communication through multiple channels to listen to their voices and ensure timely responses, thereby achieving harmonious labor-management

relations. Relevant communication channels are as follows:

- 1. Internal website/app:** Announces major company events and recent news releases, helping employees quickly access company-related information.
- 2. Labor-management meetings:** Quarterly labor-management meetings are held to coordinate labor-management relations, promote cooperation, and prevent various labor-related issues before they arise.

3. Employee Feedback and Complaints: Based on the specific reasons, the company's internal website and app provide corresponding channels for reporting issues, allowing employees to receive immediate responses to their work-related, environmental, and other issues and suggestions. Regular reviews are conducted by dedicated personnel to ensure the smooth operation of these channels. In 2024, the Group received a total of 376 employee feedback and complaints through channels such as the Trust App - Taiwan Executive Feedback Channel, the Trust Employee Portal, and email. These complaints have been handled by the relevant departments, with a 99% case closure rate. Dedicated union and employee relations points of contact are available across various regions worldwide to handle employee grievances.

4. Employee Forums and Satisfaction Surveys: We hold employee forums and various types of satisfaction surveys on an irregular basis, including but not limited to needs related to benefits, personnel resources, dining environments, and employee preferences regarding the organization of company events. Before or after the implementation of measures or activities, we plan and execute improvement solutions based on the feedback provided by employees.

5. Employee Sustainability Engagement Survey: In 2023, we commissioned an internationally recognized external management consulting firm to conduct a sampling survey on "Employee Sustainability Engagement." Based on the survey results, we implement optimization measures and action plans, regularly applying the PDCA (Plan-Do-Check-Act) cycle for continuous review and improvement. The third-party "Employee Sustainability Engagement" surveys are scheduled to be conducted every two years, with the next survey planned for 2025.

6. The company has established an Employee Care Center: The company provides a 24/7 hotline service. In 2024, the Mainland China employee care hotline 78585 received a total of 10,982 complaints, of which 28.97% related to workplace communication; 12.4% related to attendance and overtime;

11.97% related to food, clothing, housing, and transportation; 10.6% related to compensation and benefits; 6.94% related to convenience services; and 15% related to living benefits. The Group and its business units' corresponding care windows and functional departments worked together to handle these complaints.

The company also established an employee hotline 25885 to assist employees with questions and concerns regarding personal growth, marriage and family, work, and interpersonal relationships. For issues falling within the scope of psychological counselling, the company provides one-on-one follow-up counselling with in-house counsellors. For issues beyond the scope of psychological counselling, such as mental health issues, referrals are made to external specialist hospitals for collaborative treatment. In 2024, a total of 1,557 complaints were received in Mainland China, with an employee satisfaction rate of 98%.

Employee complaint handling results

Hon Hai Group is committed to conducting thorough investigations of all employee complaints to ensure fair and impartial handling, and to providing responses and improvement measures as required. Through a transparent and effective complaint mechanism, the Group strives to create a harmonious work environment, safeguard employee rights, and promote sustainable corporate development.

To enable employees to conveniently and safely voice their complaints or opinions, the Group has established a variety of complaint channels.

Main channels for employee complaints
Please select a channel:

 Email
 Employee care hotline

 External support
 One-on-one feedback channel

 Internal app
 On-site reporting

 Group intranet (Foxportal)
 Human Resources department

To continuously enhance the transparency and efficiency of employee complaint handling, the Group compiles statistics on complaint cases from various regions for 2024. The results are categorized by region as follows:

Summary of Employee Grievance Handling

Country/Region	Number of Grievance	Response Rate ¹	Closure Rate ²	Satisfaction Rate
Taiwan	4	100%	100%	N/A ³
Mainland China	16,126	100%	100%	99.7%
India	8,944	100%	92%	94.8%
Vietnam	66	100%	100%	92.4%
North America	12	100%	100%	90.8%
Europe	673	100%	100%	N/A
Brazil	127	100%	100%	95.4%
Mexico	8920	100%	100%	N/A

¹ Response rate refers to the proportion of complaints, inquiries, or messages that have been replied to within a specified timeframe.

² The case closure rate refers to the proportion of all complaints or cases received by a company or organization that have been fully investigated and formally resolved within a specified timeframe.

³ N/A indicates that the satisfaction survey was not conducted for the year.

3

Healthy Workplace, Safety Adherence

The group places a high priority on employee safety and workplace health, viewing it as a vital component of our sustainability policy. We are committed to creating a safe working environment by implementing strict safety standards and procedures to ensure that all employees are protected from injuries and health risks while at work.

We regularly conduct safety assessments and risk management to identify and eliminate potential hazards. In addition, we provide comprehensive safety training to help employees understand safety operating standards and enhance their self-protection awareness.

In terms of workplace health, we promote health initiatives, including regular health check-ups, mental health support, and stress management workshops to foster employees' physical and mental well-being. We believe that healthy employees are the cornerstone of business success; therefore, we continuously strive to improve the work environment, providing the necessary resources and support to ensure that employees work in a safe and healthy environment.

Material Topic of this Chapter

Occupational Health and Safety

Commitment to SDGs



Main GRI Standard Mapping:
GRI 403

Key Performance Indicators and Achievements in 2024:

- 1 The group has fully established the ISO 45001 Occupational Health and Safety Management System across 115 major facilities, covering approximately 97% of all core business employees, demonstrating the group's strong commitment to workplace safety and continuous improvement in employee health.
- 2 The overall production safety management level of the group continues to improve. In 2024, the group expanded the scope of production safety management performance evaluations, with 39 out of 72 global sites rated from A to AAA, accounting for 54%, indicating a significant enhancement in safety risk management effectiveness.
- 3 The group continues to strengthen chemical management, maintaining zero records of occupational diseases caused by chemical exposure in 2024. The MSCI ESG chemical score improved from 4.0 in 2023 to 4.5, surpassing the industry average by 1.0 point.
- 4 The group has set a strict target for the frequency of disabling injuries (FR), establishing a goal of no more than 0.19 occurrences per million working hours in 2024. The actual FR for 2024 was 0.101, significantly better than industry standards, showcasing outstanding performance in occupational safety management.



Occupational Health and Safety

Occupational Health and Safety Policy

The Group strictly adheres to international occupational health and safety management systems and local laws and regulations. Our vision is to achieve “zero accidents, zero injuries” and become a global benchmark for occupational safety. Our development philosophy is to uphold a people-oriented safety culture and prioritize occupational safety in all decisions. To this end, we have established an occupational safety policy, signed by the Chairman and covering all employees, contractors, and suppliers. We rigorously implement the PDCA (Plan-Do-Check-Act) cycle of safety design, standardization, audit verification, and enhanced training. We also actively engage with employees, contractors, and suppliers to jointly improve the Group's occupational safety performance.



Occupational Health and Safety Management System

The company has established a systematic Occupational Health and Safety (OHS) risk and hazard assessment to identify factors that may cause injuries in the workplace. As of the end of the reporting period, the group's 115 major entities, encompassing all core business operations and 97% of employees, have implemented the ISO 45001 Occupational Health and Safety Management System, which has been verified by a third-party organization. This system applies to all group employees as well as suppliers and contractors working on-site.

The group has developed corresponding occupational health and safety plans and a global safety management framework. The group has a dedicated safety team that oversees occupational safety efforts globally, ensuring effective implementation of safety activities through a management mechanism that follows the structure of 'Group Coordination → Regional Collaboration → Site Execution.

Occupational Health and Safety Management Framework



Additionally, each unit within the group has established a Safety Production Management Committee composed of functional department representatives and employee representatives. Through quarterly meetings, the committee reviews performance in occupational safety and health, continuously optimizing the occupational health and safety management system.

To fully engage employees in safety efforts, the group has launched multiple activities and initiatives, including:

1. All legal entities under the ISO 45001 framework have established diverse employee communication channels, including but not limited to: team meetings, plant manager mailboxes, emails, workshop bulletin boards, employee hotlines, and emergency rescue drills involving all employees.
2. An annual selection for production safety improvement innovations and chemical safety improvement innovations has been established to encourage employee participation in occupational safety management and promote the sharing and exchange of knowledge and techniques. In 2024, a total of 241 proposals for production safety improvements and 79 proposals for chemical safety improvements were received, of which 57 outstanding proposals have been shared and promoted globally.

3. The group has established the 'Reward System for Reporting Fire and Industrial Safety Hazards' to encourage employees to report hazards or provide safety suggestions through letters, phone calls, and emails. In 2024, the group received a total of 120 valid hazard reports and distributed rewards totaling 36,000 RMB.
4. A Job Safety Analysis (JSA) operational guideline has been developed to guide employees in participating in safety analyses. This system identifies and assesses potential risks in the workplace and formulates targeted control measures, enhancing employees' safety awareness and proactive prevention capabilities, effectively protecting the safety and health of both the organization and its employees.

Safety Audit and Risk Identification

To ensure effective control of production safety risks, the group employs the PDCA (Plan-Do-Check-Act) continuous improvement model, integrating group safety audits with site self-management to create a closed-loop management mechanism. This systematically controls production safety risks within the group, with the specific process outlined as follows:



Risk Identification Chart



Plan (Policy Making / Audit Planning)

Policy Development:

- In accordance with the 'Group Production Safety Risk Management Specifications,' which include processes for hazard identification, risk assessment, and control, this guideline was developed by the group's senior safety team and implemented after gathering input from various production units. It clearly defines the roles and responsibilities of the group's safety, park safety, and production operation units in risk management.
- The guidelines provide methods for hazard identification and risk assessment standards to ensure compliance with current regulations (e.g., ISO 45001). Additionally, external experts are regularly invited to offer guidance and share best practices, thereby enhancing the risk identification and management capabilities of safety personnel at all levels.

Audit Plan:

- To ensure the professionalism and independence of audits, the Group's Safety Audit Department formulates an annual 'Group Production Safety Audit Schedule.' This audit team consists of members with Certified Safety Professional (CSP) credentials and extensive practical experience, conducting inspections across over 70 global sites, with a focus on high-risk operational areas (such as chemical storage and robotics).
- Each site has a dedicated safety production management department, where safety personnel must pass internal assessments and obtain a 'Production Safety Management Qualification Certificate' to carry out their duties. This department is responsible for developing daily and specialized inspection plans to ensure comprehensive risk management.

Do (Risk Identification / Assessment / Control)

Risk identification and assessment:

- Each production and operation unit must establish a cross-functional risk identification team, comprising safety management personnel, department heads, engineering technicians, and frontline operators. The team employs tools such as the LEC method to systematically identify potential risks associated with routine and non-routine activities, equipment, and change management, clarifying their characteristics and impact scope, and completing the 'Hazard Identification and Assessment Checklist.'
- For new, modified, or expanded processes, safety pre-assessments are integrated during the project planning and design phase to manage risks from the source. Additionally, safety evaluations of existing processes are conducted every three years to ensure that risks remain under control.

Control measures and implementation:

- For significant hazards and above, immediate measures must be taken to reduce risks and review and optimize existing control measures and management plans to ensure effective risk management. The group achieved a 100% hazard rectification rate in 2024.

Audit and Correction:

- In 2024, the Group's Safety Audit Department conducted global inspections at 74 sites, identifying 794 hazards, with a 100% rectification rate.
- The dedicated safety management departments at the sites self-identified 62,762 hazards, all of which have been rectified.





Act (Continuous Improvement)

Standardized Improvement:

- Summarize and analyze audit results, and issue corresponding safety management standards for typical hazards.
- Identify outstanding improvement practices at the sites and incorporate these practices into project initiatives for sharing and empowerment across the entire group.

Performance Driven:

- Incorporate the floor hazard rate into the production safety management evaluation of the sites, accounting for 40% of the base score.
- Establish a 'Safety Improvement Innovation Award' to grant additional points to award-winning sites in the production safety management evaluation.



Check (Rectification Verification /Effect Re-evaluation)

Tracking of Hazard Rectification:

- After the audit department or site reports a hazard, the responsible unit must rectify it within a specified timeframe and report the progress.
- The site safety management department will verify the rectification results, and the audit department will review them during the next round of inspections.

Management Supervision:

- High-risk hazards will be reported in the 'Global Sustainable Operations Action Working Meeting,' requiring all sites to investigate similar issues.



Occupational Health and Safety Risk Response

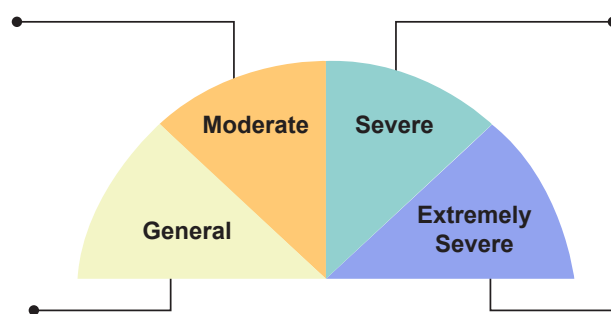
Occupational Safety Risk Management

With the expansion of business scale and the increasing complexity of the production environment, occupational safety risk management has become a key focus for the group. To ensure employee health and safety and reduce accident rates, the group has established a four-tier risk management system that categorizes, monitors, and controls various potential risks.

Through institutionalized and standardized management practices, the group can promptly identify high-risk areas, implement targeted measures, and continuously improve the work environment, thereby enhancing overall safety management effectiveness.

1. Immediate measures must be taken to reduce the risk.
2. Review and optimize existing control measures and management plans to ensure that risks can be effectively controlled.

1. Strengthen management to ensure that all measures are effectively implemented.
2. Continuously promote training to enhance risk identification and response capabilities.



Notify the highest supervisor of the business group and immediately take emergency measures to reduce the risk.

Immediate suspension of work, notify the highest supervisor of the park, and operations can only resume after the risk has been eliminated or reduced.

After assessment, it has been determined that Hon Hai's operational activities and workplaces do not have 'critical' or 'serious risks'; however, some work locations exhibit 'significant risks,' while others are classified as 'general risks.' For both significant and general risks, Hon Hai has corresponding management measures in place:

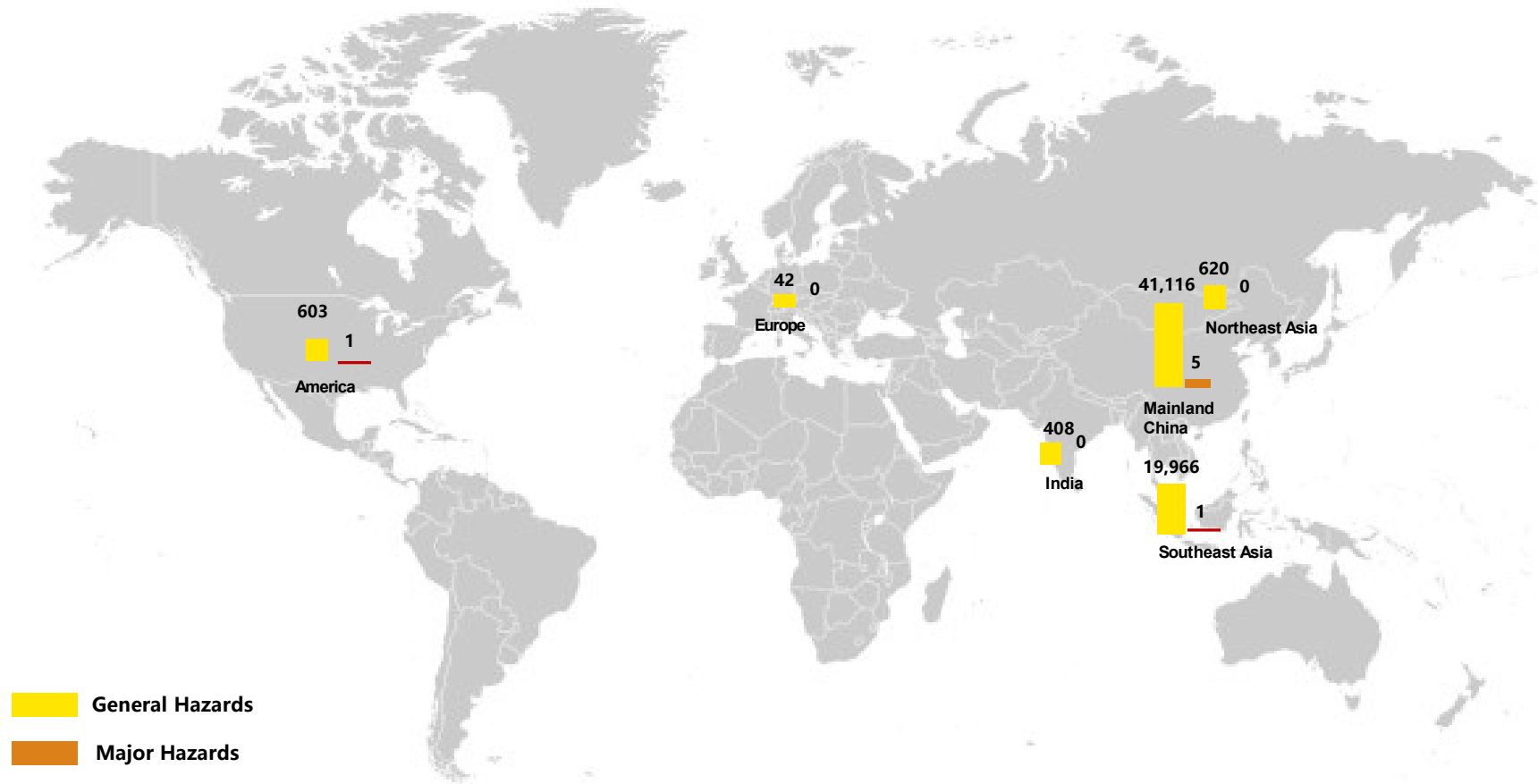
Key Risks and Their Consequences		Management Measures
	Machine Safety: Mechanical Injuries, Object Strikes	1. Train machinery risk assessors to enhance the safety design and safety evaluation capabilities of in-house developed equipment. 2. Establish equipment safety procurement specifications, ensuring that equipment is accepted according to these specifications upon arrival to avoid the use of unsafe equipment. 3. Implement a safety review system for equipment changes.
	Electrical Safety: Fire Hazards, Electric Shock	1. For facilities over 10 years old, annual electrical inspections are commissioned to third-party vendors. 2. Every quarter, equipment personnel use thermal imaging cameras to measure the temperature of electrical equipment/facilities.
	Chemical Safety: Fire Hazards, Personnel Poisoning, Burns	1. Innovate processes to avoid the use of chemicals or replace high-risk chemicals with low-risk alternatives. 2. Introduce automation and remote-operated equipment. 3. Enhance on-site ventilation and emergency measures. 4. Use tools to replace manual operations.
	Hot Work: Fire Hazards	1. Strictly implement the 'Hot Work Permit System.' 2. Establish a vendor whitelist system and sign a 'Safety Production Management Agreement' to clarify the safety responsibilities of both parties. 3. Utilize AI video surveillance at work sites for automatic anomaly alerts, with signals sent to the fire monitoring center. 4. Conduct training for supervisors and implement a three-tier inspection system at the site, business group, and operational department levels.

Key Risks and Their Consequences		Management Measures
	Manual Handling: Personnel Crushing/Impact Injuries	1. Strictly implement the Manual Handling Safety Management Guidelines. When weights exceed 800 KG indoors or 500 KG outdoors, professional companies should be commissioned for handling. 2. Use software to assess manual handling risks—NLE (Lifting Equation) to reduce occupational hazards.
	Stair walking: Slips, Falls, and falls (STFs)	1. Post prominent warning signs and audio reminders in stairways, ramps, door thresholds, and transition areas. 2. Install anti-slip mats on stairways and audio prompt devices at stairway corners. 3. Monitor and audit employees' behavior when using stairs, incorporating this into departmental safety assessments.
	Manual Operations: Musculoskeletal Disorders	Use a simple human factor engineering checklist to assess the risk levels of manual operation positions, prioritizing improvements for high-risk positions.
	Minor Injuries: Minor Fire Incidents	Establish an initial fire self-extinguishing barrier for the group to strengthen the firefighting capabilities of employees, firefighters, and emergency response teams. • First Barrier: Promote practical training for all employees on the use of fire extinguishers to enable nearby fire suppression. • Second Barrier: Equip each production building with one portable fine water mist fire extinguisher, placed at the main entrance on the first floor, with unit firefighters responsible for extinguishing fires in their respective buildings within one minute. • Third Barrier: Emergency response teams from the site will arrive at the scene to implement fire suppression, reducing the fire extinguishing time to within four minutes.

At the same time, the group actively encourages employees to identify and report work-related hazards, helping them avoid environments that may lead to injuries and health issues. In the mainland region, the group has implemented a 'Reward for Reporting' system for fire and industrial safety hazards. Employees can report hazards via phone, email, or anonymous messaging. Reporters are

not required to provide their identity or unit information, and reports can be kept confidential to protect the whistleblower's privacy. The group's Fire and Industrial Safety Department compiles effective hazard reports from various sites monthly and coordinates the application and distribution of rewards.

Safety Audit Risk Identification - 2024 Global Regional Self-Inspection Hazard Data Summary



Occupational Health and Safety Culture Development

In accordance with the “Occupational Safety Policy,” the Group consistently upholds a people-oriented safety culture, striving to deeply embed safety awareness into every employee’s daily behavior, with the goal of truly achieving our long-term vision of “zero accidents.” Through the three key strategies of “leadership by example, behavior shaping, and technology empowerment,” we systematically promote the implementation of this safety culture, transitioning safety management from “strict supervision “ to “autonomous management,” ultimately making it an integral part of the Group’s DNA.

Leadership by example

1. Safety Leadership Commitment Public

The Chairman of the group sets an example by publicly signing the ‘Safety Commitment Letter,’ which is also signed by all plant managers and above. The commitment letter is displayed on the workshop bulletin board, and a video of the commitment is recorded and played on a loop in the workshop.

2. On-site safety inspection by senior executives

Supervisors at the level of vice president and above in business groups or departments are required to conduct at least one production site inspection each month, focusing on the following areas:

- a. BBS Behavioral Safety Observation: Checking compliance of personnel operations, equipment safety status, use of protective gear, adherence to operational procedures, and environmental safety.
- b. On-site Communication and Feedback: Engaging in in-depth discussions with plant department supervisors based on BBS observations to understand the safety production status.

3. Global Work Safety Conference

The group holds a weekly ‘Global Sustainable Operations Action Working Meeting’ chaired by the Chairman, with general managers from each business group and site supervisors participating via video conference. The highest safety officer delivers a monthly specialized report covering global safety production trends, regional safety production status, and safety production ‘encyclopedia’ topics. This report addresses major safety production initiatives, reinforces safety leadership, and enhances safety culture.

Behavior Shaping

1. Factory safety meeting

Plant department supervisors are required to hold safety meetings for no less than one hour each week. The meeting content includes safety hazard analysis, promotion of safety improvements, risk identification and assessment, key safety measures and controls, and learning from typical accident case studies.

2. Line group pre-shift meeting

Line leaders are required to organize daily pre-shift safety briefings for their team members, lasting no less than five minutes. The briefing content includes the safety status from the previous shift, specific safety precautions for the current shift, and the hazardous factors and corresponding measures related to their positions.

3. Hazard Prediction Training (Kiken Yochi Training - KYT)

Hazard prediction training is conducted by work line teams prior to operations. Through team discussions, participants collaboratively identify potential hazards, predict and prevent possible accidents, and reach a consensus on safety measures. This approach transforms employees from passive recipients of safety requirements to active participants in safety management, effectively enhancing the implementation of safety regulations.

Technology Empowerment

1. VR safety training

An immersive training platform is built using virtual reality technology, utilizing 3D scene simulations and interactive drills to comprehensively enhance employees' risk identification and emergency response capabilities. The training modules include hazardous chemicals safety, machinery safety, identification of safety hazards in the workshop, safe driving, and fire escape procedures.

2. AI security control

① AI detection of roof fires

Infrared Temperature Measurement: Utilizes infrared cameras to detect temperature by sensing the infrared radiation reflected from objects. If the temperature exceeds the set threshold, a fire alarm is triggered.

AI Firework Detection: Utilizes AI cameras to analyze video footage for image recognition, enabling the identification of smoke or fire, and automatically triggering an alarm.

② Forklift AI collision avoidance system and driver monitoring:

AI Collision Prevention System: Utilizes front and rear cameras along with AI pedestrian recognition to create three safety zones: Green Zone (caution), Yellow Zone (warning), and Red Zone (speed limit/stop), aimed at preventing collision accidents.

Driver Behavior Monitoring: Employs facial recognition to verify driver qualifications, eliminating unauthorized operation. It provides real-time detection of dangerous behaviors such as not wearing a seatbelt, smoking, using a phone, and drowsy driving, triggering alarms when necessary. In the event of speeding, the system automatically alerts and disables the acceleration device to enforce a speed reduction.

As of now, the group has completed the AI deployment for 601 forklifts.

Occupational Safety and Health Training and Drills

Safety Training

The group has established the 'Safety Education and Training System' and the 'Group Supplier Production Safety Management Measures,' which clearly outline the training requirements for both group employees and contractor staff. At the beginning of each year, each site/unit develops a safety training plan and implements it accordingly. In 2024, the group conducted production safety training for new employees, special operation personnel, construction supervisors, safety management personnel, on-site auditors, plant managers, and suppliers, totaling 26,968,788 training hours.

Safety Training					Unit: hours
					
11,770,779	1,548,758	45,263	1,614,691	533,200	11,456,097
New employees (including dispatched workers) will undergo safety education at three levels: company-level (plant-level), workshop-level, and team-level before starting their positions	Employees in hazardous positions (such as those dealing with combustible dust, dangerous chemicals, lithium batteries, etc.) must undergo certified training before starting work	Safety Training for Suppliers/Contractors Entering the Facility	Training for Special Operations Personnel and Special Equipment Operators (Certification Training as Required by Government Regulations).	Training for the Professional Development of Safety Management Personnel	Other Training, including On-the-Job Training, KYT Training, etc.

Disaster Response

Additionally, the group places a high priority on emergency response capabilities. According to the first clause of the 'Employee Handbook' on production safety, which outlines 'Employee Rights and Responsibilities,' employees are expressly granted the right to take shelter in emergency situations. This clause is emphasized in regular employee training, new employee onboarding, and contractor training to ensure that every employee and contractor understands that, in the face of potential fire risks or personal safety threats, they not only have the right to refuse orders that may jeopardize their safety but also the right to evacuate the premises immediately to ensure their safety. The results of the group's global emergency evacuation drills and disaster response training in 2024 are as follows:

Disaster Response Training Results

Drill Items	Session	Number of People
Fire emergency evacuation drill	1,593	1,055,179
Disaster response training Such as chemical leakage, confined space, electric shock, people trapped in elevators, etc.	1,712	175,978

Statistical Analysis of Work-Related Injuries

The group aims for ‘zero accidents and zero injuries’ as its safety goal and has established the ‘Group Production Safety Accident Management System,’ which clearly defines the responsibilities for accident reporting, investigation duties, investigation levels, processes, and accountability. After an accident occurs, the group requires on-site personnel and unit supervisors to report it immediately, while also uploading the incident to the Occupational Injury Accident Reporting Management System. An accident investigation team is promptly formed to investigate and handle the incident, and to prepare an accident report.

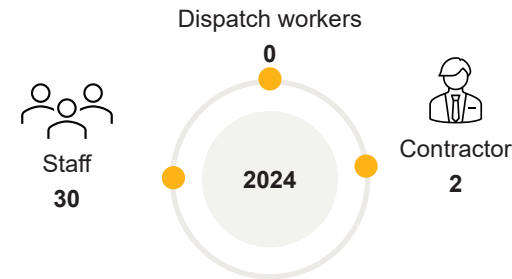
Additionally, to further enhance the standardization and effectiveness of accident investigations, the group has developed a new version of the workplace accident investigation report form, which includes six key sections: ‘Basic Information of Investigation Team Members, Statements from Involved Parties/Witnesses, Accident Handling Process, On-Site Photos/Diagrams, Investigation Findings, and Root Cause Analysis.

Fatal Accidents Caused by Occupational Injuries

	Employees	Temporary Workers	Contractor
2021	4	0	NA
2022	1	0	NA
2023	1	0	2
2024	0	0	0

Note: 1. The number of employees is based on the end of the year, December 31, 2024. 2. Data coverage: Group

2024 Group Near Miss Accident/Near Alarm Investigation Statistics (Unit: Cases)

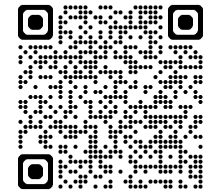


Please refer to the appendix - Key Quantitative Indicators for the statistical analysis data on disability injuries for the group over the past four years.

Chemical Safety

Chemicals Policy

Employee health and safety are the foundation of the group. The group strictly adheres to local government regulations on chemical safety and customer restrictions on hazardous substances. Based on comprehensive monitoring, the group upholds the ‘Five No Principles’ regarding harmful substances: ‘Do not design, do not procure, do not allow entry, do not manufacture, and do not produce.’ This involves tiered control of chemicals used in production operations to minimize, control, and eliminate the impact of harmful substances on employee health and the environment, advancing toward the goals of ‘zero harm and zero pollution.



Chemicals Management Commitments and Actions

The group strictly complies with the European Union's Directive on the Restriction of Hazardous Substances in Electrical and Electronic Equipment (RoHS), the EU Regulation on Registration, Evaluation, Authorization, and Restriction of Chemicals (REACH), the Persistent Organic Pollutants Regulation (POPs), the U.S. Environmental Protection Agency's Toxic Substances Control Act (TSCA), the Swedish Tax Reduction Act, AfPS GS 2019:01 PAK (PAH), California Proposition 65, limits on volatile organic compounds in cleaning agents, limits on volatile organic compounds in adhesives, and other international regulations, as well as 32 national standards in China.

To effectively manage the use of chemicals, the group has established a Chemical Management Committee to coordinate chemical management efforts across the organization, which includes:

- Continuously monitoring environmental and health laws, regulations, and standards in various countries, and regularly reviewing compliance with chemical regulations to facilitate timely updates to internal standards.
- Actively responding to customers' requests for chemical management that exceed legal requirements, ensuring that products meet relevant customer specifications.
- The group has established a series of internal regulations, including the 'Hazardous Substances and Materials Management Guidelines,' 'Chemical/Substance Management System Guidelines,' 'Chemical/Substance Registration Management Guidelines,' 'Chemical/Substance Risk Assessment Guidelines,' 'Chemical/Substance Tiered Management Guidelines,' 'Chemical/Substance Replacement Management Guidelines,' and 'Hazardous Chemicals Safety Management Guidelines,' as well as 'Process Safety Evaluation and Acceptance Management Procedures.' These regulations integrate risk management throughout the entire

lifecycle, comprehensively ensuring the safety of personnel and the environment related to chemicals and producing safer and more reliable products.

- A publicly available list of prohibited, restricted, and controlled substances has been established.
- All chemicals used in production, non-production (such as wastewater treatment, equipment operation, cleaning operations, etc.), and laboratories are thoroughly identified, with unified management of their usage, quantities, types, hazards, and product composition information.
- An audit department has been established to conduct regular inspections of chemical use and replacement across global sites (at least three times for sites in mainland China, once for sites in Europe and America, and at least twice for other sites) each year. This closely monitors compliance with international, national, regional, and group standards, documenting non-compliance in the electronic hazard management system for automatic tracking until improvements are made, followed by a review upon expiration.

Please refer to the appendix for information on chemical usage by the group over the past three years.

Full Life Cycle Management of Hazardous Substances (Chemicals)

(1) Design

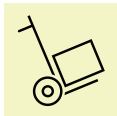


Adhering to the design principles of the Twelve Principles of Green Chemistry and following the 'General Principles of Product Eco-design,' 'Eco-design Product Evaluation Principles,' 'Principles for the Control of Organic Chemical Substances,' and 'Material

Lifecycle,’ the group has developed the ‘Guidelines for Green Product Design and Development’ based on the four key requirements of environmentally friendly design: ‘non-harmful, energy-saving, reduction, and recyclability.’

During the product design and development phase, the impact of raw material selection, production, sales, usage, recycling, and disposal on the environment and health is systematically considered. The aim is to avoid using raw materials that contain toxic and harmful substances, reduce the generation and emission of pollutants, and minimize the impact of products on the environment and personnel health.

(2) Procurement



To ensure the ‘non-procurement’ of materials containing harmful substances, the group has developed the ‘Green Procurement Management Manual’ and the ‘Supplier Management Manual,’ establishing a hazardous chemical management platform to integrate green product management requirements throughout the entire supplier management process.

Additionally, the group has created an ‘Environmental and Social Responsibility Commitment Letter’ for suppliers, requiring them to sign and commit to adhering to various product environmental standards. Suppliers are also required to submit an ‘Environmental Management Substance Component Disclosure Form’ to declare any harmful substances in the products or components they provide. For the ten controlled substances under the EU RoHS directive, suppliers must provide third-party testing reports for the corresponding materials and obtain group certification.

(3) Login



The group follows industry standards and regulations such as the ‘Globally Harmonized System of Classification and Labelling of Chemicals,’ the ‘Chemical Tiered Management Manual,’ and the ‘Guidelines for the Preparation of Existing Chemical Substance Standard Registration Data’ to develop its internal ‘Chemical/Substance Registration Management Guidelines.’

Additionally, the group references key international chemical control regulations, including RoHS, REACH, TSCA, and POPs, to establish a chemical control list tailored to the group, which includes a ‘Prohibited Substances List,’ a ‘Restricted Substances List,’ and a ‘Controlled Substances List.’ This ensures strict review and tiered management of chemicals entering the facility, along with the establishment of corresponding disposal procedures.

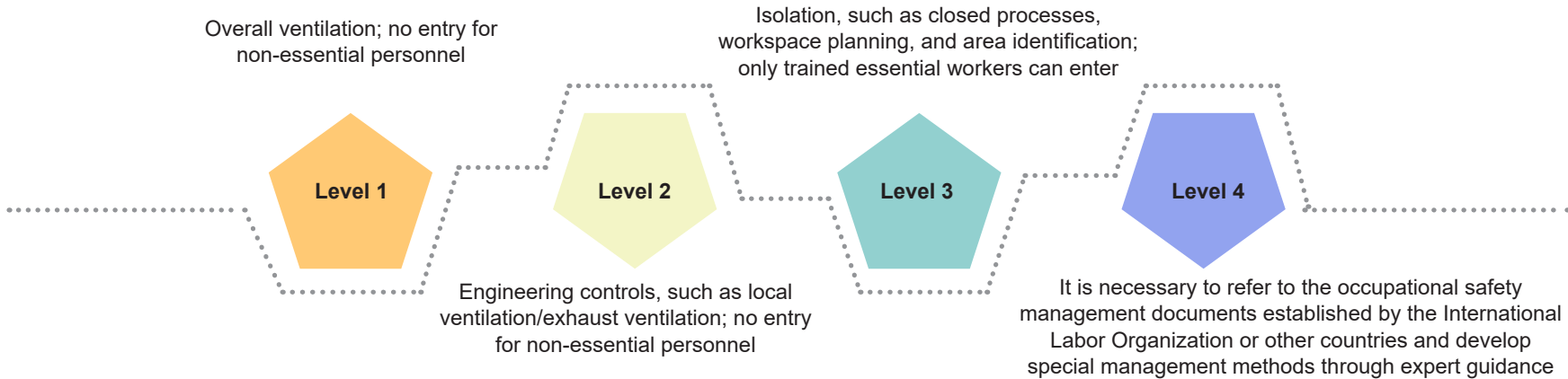
(4) Evaluation



The group has established the ‘Chemical/Substance Risk Assessment Guidelines,’ requiring each unit to form a professional risk assessment team composed of members from the safety management department, production department, and product development department. This team is responsible for conducting a comprehensive risk assessment of the chemicals used at least once a year. Based on the assessed risk levels, appropriate control measures are implemented to keep risks within acceptable limits.

For existing chemicals, risk levels and corresponding management methods are determined based on hazard classifications, distribution status, and usage quantities. For the introduction of new chemicals, the ‘Chemical/Substance Registration Management Guidelines’ must be followed first, ensuring compliance with the group’s hazardous substance control list before conducting a risk assessment.

Management Methods Corresponding to Different Risk Levels of Chemicals



Note: Chemicals with a hazard level of 4 have been included in the Group Chemical Substance Control List for management.

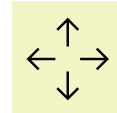
(5) Use



We register and catalogue all chemical information related to production and non-production activities to understand their hazard characteristics. When introducing or updating chemicals, if their hazard characteristics are uncertain, a comprehensive safety assessment must be conducted. This includes classifying and labelling environmentally friendly materials and equipment, as well as confirming compliance with hazardous substances, to prevent the production of non-environmentally friendly products.

For hazardous chemicals, dedicated storage cabinets and spill prevention measures are established at the worksite according to FM-related standards. Strict adherence to standard operating procedures is required during use, and emergency drills and on-site response plans are developed to ensure the health and safety of employees.

(6) Outflow



The group has established a large testing organization, comprising 24 specialized laboratories across different fields and 8 testing branch offices. The chemical analysis laboratory is responsible for testing and verification of hazardous substances for the group. It is equipped with over 50 precision chemical analysis instruments, including ICP-MS, ICP-OES, GCMS, PYGCMS, and LCMSMS, and has been accredited by CNAS since 2006, demonstrating testing capabilities for hazardous substances such as RoHS 2.0, REACH, halogens, and VOCs. In 2023, TSCA testing capabilities were added to meet the USEPA's management requirements for toxic substances.

Since its establishment, over 580,000 tests for hazardous substances have been completed. The organization collaborates with business units to monitor chemicals throughout the entire process, from material selection and incoming materials to production, wastewater, waste gas, and solid waste treatment. This ensures that the group's process materials, products, and waste comply with health, safety, and environmental requirements.

Hazardous Substances Management Performance

Based on ISO 9001, the group is advancing the establishment of the IECQ QC080000 hazardous substance process management system to ensure that hazardous substances are effectively controlled at every stage from customer requirements to production and shipment, achieving a reduction in hazardous substances (HSF). As of the end of the reporting period, 31 subsidiaries of the group have obtained IECQ QC080000 system certification, and we will continue to promote this management system in other subsidiaries.

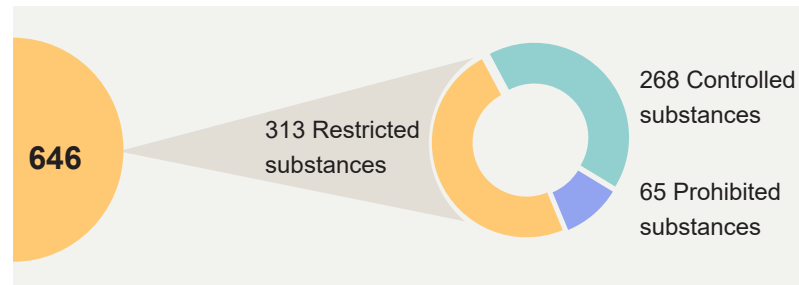
The group strictly adheres to international regulations, national standards of the countries where we operate, customer requirements, and our own risk assessment results to establish a 'Chemical Substance Control List' and implement a tiered management mechanism. As of the end of the reporting

period, the controlled substances list includes 646 items, ensuring that products comply with environmental and health safety standards throughout their entire lifecycle.

On February 18, 2025, the European Chemicals Agency (ECHA) included 'n-hexane' on the list of substances of very high concern (SVHC) for public consultation. Once the consultation is approved, this substance will be officially added to the SVHC candidate list. Upholding the principle of preventive management, the group has proactively included it in our control list, completed a raw material inventory, and is encouraging all using units to review and replace materials to address potential risks in advance.

We continuously monitor environmental and health laws and regulations, regularly review compliance, and actively respond to customers' requests for exceeding standard management needs by updating the control list in real time.

Group Chemical Substance Control List



Listed on the banned list: Replace immediately

Listed in the restricted list: Confirm whether the restricted conditions are met, and if they do not meet the requirements, they will be replaced

Included in the control/monitoring list: Strengthen usage control and gradually implement the replacement plan

Including 18 types of substances that are classified as "Level 4" in terms of Chemical/Substance Risk Assessment Guidelines

The group has identified 100% of the chemicals used, actively managing hazardous substances and implementing reduction plans for restricted/monitored substances to achieve a reduction in hazardous substances (HSF). Currently, 79% (by weight) of the substances of high concern have had replacement plans developed, while the remaining 21% are still in active

discussion due to complex factors such as process limitations and technical challenges. We will continue to monitor these high-concern substances and provide timely updates on their replacement and progress on our official website.

Progress and Effectiveness of Hazardous Substance Replacement in 2024

Improvement methods include substance substitution (replacing high-hazard substances with non-hazardous or low-hazard alternatives), process changes, and other approaches. For example:

Replacement Status	Replacement Results	Completion time
Substitution of Activator 7387 with Promoter 7392	The activator 7387 used at the heat sink assembly workstation contains n-hexane, which is classified as a key occupational health monitoring position. By substituting it with promoter 7392, we eliminate the risk of n-hexane exposure, reduce occupational disease hazards, and enhance operational safety.	May 2024
Dry Ice Equipment Replacing Chemical Agents	Utilizing the powerful stripping force generated by the vaporization of dry ice, dirt is swiftly removed, avoiding contact with chemical solvents, enhancing cleaning efficiency, and achieving pollution-free operations.	July 2024
Plasma Cleaning as a Replacement for Alcohol Cleaning	BG glass and SP substrates require alcohol wiping, which is classified as a flammable hazardous material. By introducing a plasma cleaning device, the use of flammable alcohol has been eliminated, thereby removing fire hazards.	March 2024
MT-1012 Replacing HDW-C28D/HDW-1080	The cleaning agents HDW-C28D and HDW-1080 used after wax polishing contain high-concern substances, specifically non-ionic surfactants and fatty alcohol polyoxyethylene ethers. By replacing them with the highly effective MT-1012 cleaner, we reduce health and environmental risks.	July 2024
Oxalic Acid as a Replacement for Smoke Nitric Acid	The ETMG MIM process requires the use of high-concentration smoke nitric acid for catalytic degreasing, which is highly oxidizing and corrosive. By substituting it with a weakly acidic oxalic acid, the operational hazards are significantly reduced.	August 2024
Degreaser -612	The degreaser 612 used in the electroplating process contains methanol, posing occupational health risks. By analyzing and optimizing the formulation of the degreaser, we eliminate volatile organic compound hazards and improve the workplace health environment.	August 2024
Silicon Remover as a Replacement for Nitric Acid	Nitric acid for stripping black films is classified as a hazardous chemical and generates acid mist during use. By substituting it with a silicon remover, we reduce environmental pollution and human harm, achieving a green manufacturing process.	October 2024

VOCs Reduction Action in 2024

To address the high VOCs used in the production process (particularly in cleaners, coatings, adhesives, inks, etc.), a reduction plan has been developed to promote the use of environmentally friendly solvents such as water-based cleaners, water-based coatings, UV coatings, hot-melt adhesives, and UV inks. The plan encourages the use of solvents certified by environmental labels to reduce VOC emissions at the source. For example:

VOCs Reduction	Reduction Results
Improvements in VOCs in the Spraying Process	The original 940WB coating had a VOCs content of 359 g/L. By introducing the water-based coating Y479-50045, the VOCs content has been reduced to 278 g/L, resulting in a total annual emission reduction of 105 kg. This has currently been promoted for use in 7 manufacturing sites.
Improvements in VOCs in the Dispensing Process	The original UF3808 adhesive had a VOCs content of 44 g/kg. By introducing the adhesive E1216M, the VOCs content has been reduced to 12 g/kg.
Cleaner Replacement	The original cleaner 750J had a VOCs content of 894 g/L. By introducing the cleaner G650, the VOCs content has been reduced to 787 g/L, achieving a 12% reduction in VOC levels.

Innovations in Hazardous Substance Management Improvements

To encourage units to proactively replace and reduce hazardous substances and improve hazardous substance management performance, the group has

established a reward evaluation mechanism that assesses, and rewards based on professionalism, technicality, and scalability. In 2024, after internal selection and recommendations from global sites, a total of 79 selected cases of chemical improvement innovations were received, with 20 outstanding cases chosen for promotion across all global units.

Outstanding Improvement Cases

Improvements in Solder Paste Automation

In the printing process, the use of solder paste requires manual stirring and addition, leading to low operational efficiency, significant solder paste waste, and high occupational health risks.

By introducing an intelligent solder paste cabinet and an automatic solder paste dispenser, we achieve full-process automation for solder paste management, including storage, refrigeration, warming, stirring, dispensing, and recycling. The automatic solder paste dispenser is equipped to preset parameters based on different product specifications, allowing for precise control of the addition amount. This not only ensures printing quality but also completely replaces manual operations, effectively reducing the occupational health risks associated with personnel exposure to chemicals.



Intelligent solder paste cabinet



Automatic solder paste adding machine

Improvements in Wave Soldering Process

Traditional wave soldering requires full board coating, resulting in high flux usage and significant solid waste from solder dross, which not only wastes resources but also increases production costs.



By upgrading equipment and modifying process technology, traditional wave soldering has been transformed into selective wave soldering, utilizing precise quantitative control technology for point-to-point accurate spraying. Additionally, an external selective spraying device has been introduced, equipped with a nitrogen protection cover, achieving a comprehensive upgrade of the process.

Calculations show that a single soldering furnace can reduce flux usage by 89% annually, realizing dual benefits of energy savings and emissions reduction while lowering costs and enhancing efficiency.

Annual emergency drills and personal protective equipment training are conducted for on-site vendors and contractors who may come into contact with chemicals, with a minimum requirement of participating in two emergency drills each year.



Employee Health Promotion

The group understands the importance of employees' mental health and quality of life for the overall development of the company. Therefore, we are committed to providing a supportive and inclusive work environment that promotes employees' mental well-being and work-life balance.

Chemical Safety Training and Drills

To enhance employees' and contractors' understanding of chemicals, the group develops a detailed training plan each year, continuously investing resources in chemical safety education for both employees and contractors. The training themes focus on green substance management policies, customer requirements, and the implementation of the latest laws and regulations.

Occupational Health and Wellness Practices

To demonstrate the group's commitment to employee health and implement effective workplace health management, the group continues to promote comprehensive occupational health policies and management measures. Through robust systems and resource investment, we fully protect employees' physical and mental well-being. The policies encompass health checks for

new hires before onboarding, phased health monitoring for positions with occupational hazards, and annual free health check-ups for regular employees, creating a complete health management cycle.

Additionally, we actively collaborate on workplace environment monitoring, employee health record establishment, and health promotion activities to create a safe, healthy, and sustainable work environment.

In accordance with the annual safety and health management plan, the group regularly assesses the physical and chemical hazard characteristics of each unit and completes the workplace environment monitoring plan, which includes sampling strategies, monitoring frequency, and identification of key areas, ensuring a systematic approach to environmental monitoring. The monitoring results comply with legal standards, safeguarding the safety of employees' working environments.

To further protect employee health, the group has established a dedicated health check center, offering comprehensive health check systems tailored to different employee stages:

- Before onboarding, new hires are scheduled for health checks, serving as the basis for establishing health records and subsequent health care and management. In 2024, a total of 331,374 individuals in mainland China completed pre-employment health checks.
- Employees in positions with occupational hazards undergo pre-employment, on-the-job, and exit health checks as required, enhancing health risk management. In 2024, a total of 87,026 occupational health check-ups were completed in mainland China, identifying 786 individuals with occupational contraindications, who were promptly reassigned, with no cases of occupational diseases reported.
- Regular employees who have completed one year of service can participate in the annual free health check-up service, allowing for ongoing tracking of their health status. In 2024, a total of 168,191 individuals in mainland China voluntarily participated in the annual health check-up.



Mental Health and Workplace Stress

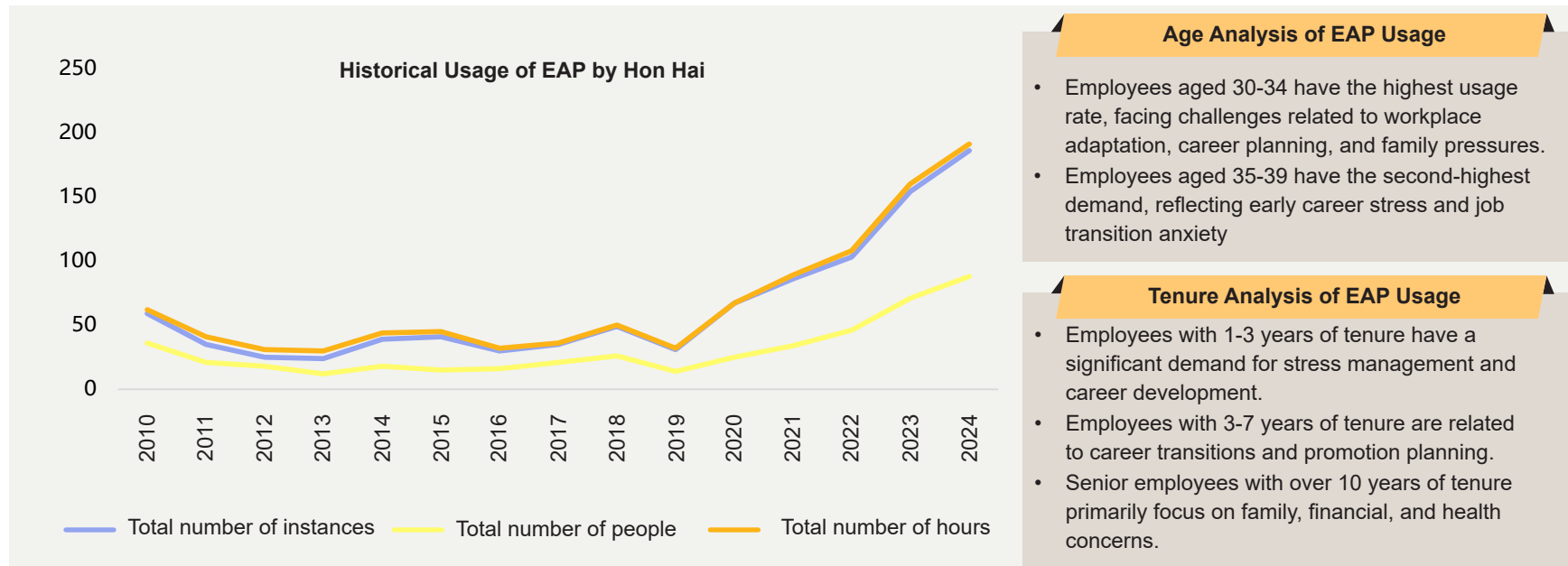
The group has commissioned the Hsinchu Lifeline Association to provide an Employee Assistance Program (EAP) to support employees' consultation needs in various areas, including mental health, wellness, career, legal, financial, and management issues. In 2024, a total of 477 employees benefited from this service, with the most common consultation topics being legal advice, family and parenting, career development, and emotional issues.

Additionally, the group distributed 14 promotional materials related to mental health care and held 4 psychological health seminars covering topics such as work-life balance, intergenerational communication, and emotional stress management. These initiatives aim to enhance employees' overall well-being and mental health. Through these measures, we are committed to creating

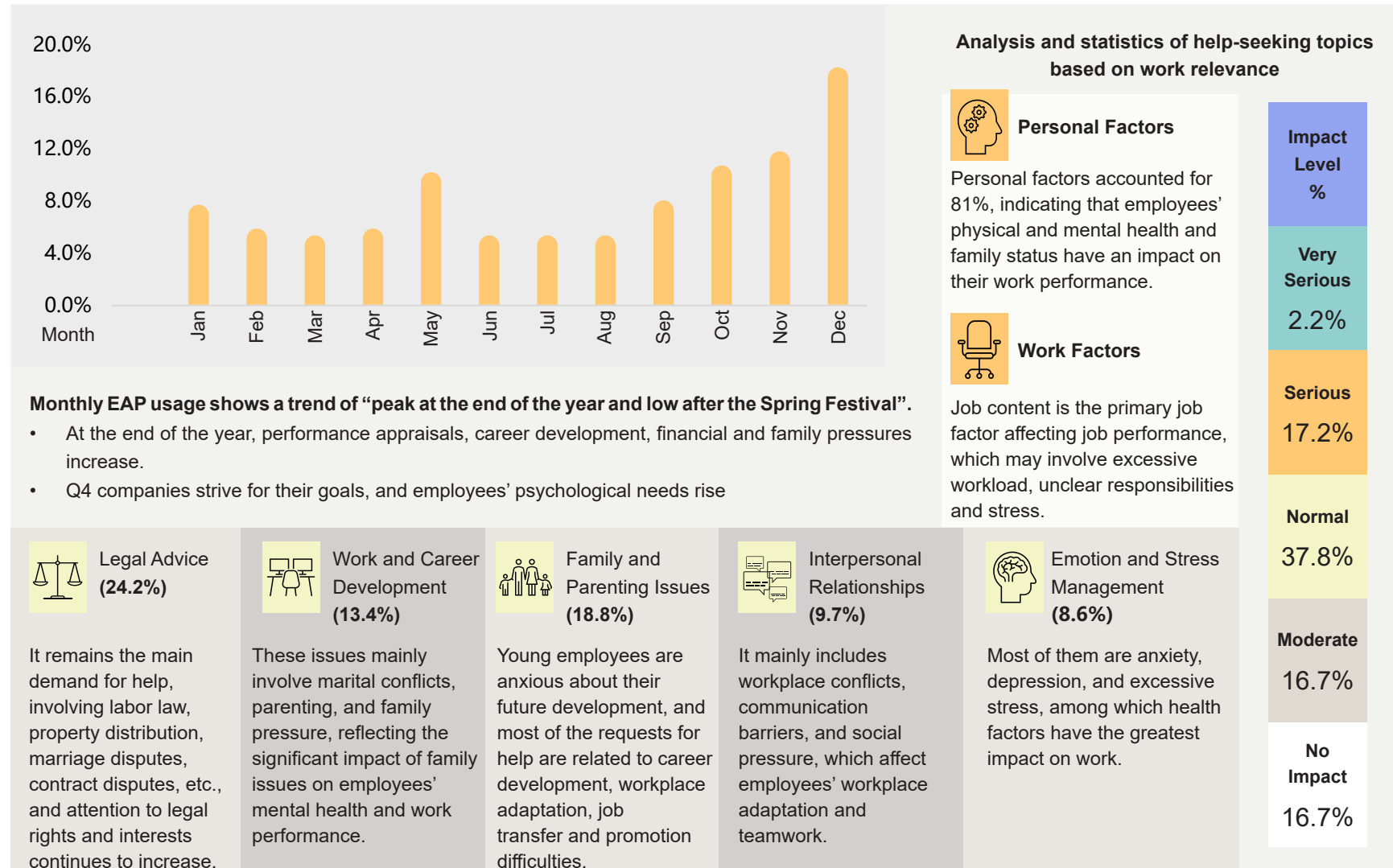
a more supportive work environment that fosters employees' comprehensive development and happiness.

(1) Employee Assistance Program (EAP)

The Employee Assistance Program provides employees with professional consultations related to legal, family, interpersonal, emotional, and work-related issues, helping them address life and workplace challenges. In recent years, the usage of EAP services has steadily increased by approximately 20% annually, indicating a growing demand among employees for mental health and life support.



(2) Analysis of Hon Hai's EAP usage in 2024



Health Initiatives

Our health service program encompasses three main areas: medical assistance, health education guidance, and nutritional food safety. The service venues include health management centers, wellness centers, on-site consultation rooms, and food safety laboratories, integrating both online and offline service formats to provide comprehensive health support for employees.

We have established a complete medical team consisting of physicians, nurses, pharmacists, nutritionists, physical therapists, and fitness coaches, along with a food safety laboratory that regularly conducts random checks on employee meals to ensure dietary safety. Our services aim to provide 360-degree health care in areas such as medical care, nutrition, food safety, and exercise.

In addition to continuously hosting health lectures, small group exercise classes, and CPR training, we expanded our initiatives in 2024 to include programs like the Weight Loss Class, Hon Hai-Themed Healthy Meals, and a 4-Week Blood Sugar Exploration Program to enhance employees' health awareness and promote healthy behaviours.

We also regularly monitor and collect information related to infectious diseases. In 2024, we conducted 7 early warning risk reports during global action meetings, providing timely preventive alerts and health education information for various regions. Additionally, we organized 9 sessions for voluntary flu vaccinations and public COVID-19 vaccinations, enhancing disease protection and implementing infectious disease prevention, with a total of 1,489 participants.

Each month, we publish health newsletters, health knowledge materials, and homepage columns, totalling 100 articles covering health education and nutritional food safety topics. We also released an online exercise video for super slow jogging, which has accumulated over 17,000 views. Through these efforts, we are committed to improving employees' health levels and creating a healthier work environment."

Health training topics and cases

Theme	Weight Loss Program	4-Week Blood Sugar Exploration Program	Hon Hai-Themed Healthy Meals
 Time (WHEN)	May to August 2024	July-August 2024	September to October 2024
 Location (WHERE)	Competitions + Online Courses + Health Seminars	Installation of Physical Testing Equipment + Online Courses	Physical Activities: Tucheng Plant, Nankan Plant, Xin'an Plant
 Participants (WHO)	All employees in the group with a BMI greater than 22 are eligible to register and participate	Employees with a glycated haemoglobin level above 7.0 from the 2023 annual employee health check report are the invited group for this event.	Employees at the plant, a total of 3,200 portions will be provided.

Theme	Weight Loss Program	4-Week Blood Sugar Exploration Program	Hon Hai-Themed Healthy Meals
 Case Background (WHY)	To encourage employees to establish correct weight control concepts and healthy lifestyle habits, we are organizing an 8-week healthy weight loss competition. During the event, a comprehensive support program designed by a professional team will assist employees in achieving their personal goals and enhancing their health literacy. The features of the event are as follows: • Professional Online Materials: Carefully planned by the event team, the content covers dietary adjustments, principles of weight management, and information on medications for weight control, helping participants build a complete understanding. • Exercise and Mental Support: Fitness coaches will record training videos suitable for home execution, guiding participants to gradually develop exercise habits. Aromatherapists will provide relaxation and stress relief videos to help alleviate stress and enhance overall physical and mental balance.	Workplace Employee Care and Chronic Disease Prevention	To incorporate health into daily diets, the group's health and wellness initiative has launched a series of 'Themed Healthy Meals,' designed to address common nutritional gaps and health risks faced by the population, offering meals that are both delicious and functional. Statistics show that cardiovascular diseases consistently rank among the top causes of death in the population, with their risks closely related to daily dietary habits. Additionally, calcium is one of the nutrients that many people commonly lack in their daily intake, which is closely linked to issues such as osteoporosis and muscle loss. This healthy meal initiative aims to support employees with effective nutritional guidance and dietary inspiration through the dual themes of 'Heart Protection' and 'Calcium Care,' laying a solid foundation for their health amidst busy lifestyles.

Theme	Weight Loss Program	4-Week Blood Sugar Exploration Program	Hon Hai-Themed Healthy Meals
 Case Background (WHY)	Expert Insights Sharing: We have invited a metabolic specialist to delve into the importance and correct methods of weight management from both physiological and psychological perspectives, dispelling myths and establishing long-term health strategies. Through this event, we hope that employees can not only effectively manage their weight but also cultivate a healthy, disciplined, and positive attitude toward life.		
 Specific Content of the Activity (WHAT)	“In 2024, the group’s health and wellness initiative will launch a new wave of weight loss courses, integrating expertise from medicine, nutrition, sports medicine, and behavioural psychology. This year, we are adding relaxation and stress relief courses, allowing participants to confront their inner selves during the sessions and rediscover their former selves, while also releasing work-related and physical stress during the journey back to a lighter, healthier state.	This activity marks the first integration of blood glucose monitoring equipment, with educational materials developed by the group’s health and wellness professionals: • Physician: Introduction to diseases • Pharmacist: Introduction to medications • Nutritionist: Dietary concepts • Fitness Coach: Exercise instruction	In September, the group’s health and wellness initiative launched a pilot activity that engaged employees through interactive games, allowing them to learn and select the correct high-calcium foods, thereby increasing their awareness of daily nutritional intake.

Theme	Weight Loss Program	4-Week Blood Sugar Exploration Program	Hon Hai-Themed Healthy Meals
 Specific Content of the Activity (WHAT)	Through 8 weeks of dedicated effort, this program will guide you to find the correct and efficient path to weight loss, providing lifelong benefits and fostering a healthy lifestyle that is resistant to weight regain.	The four-week program offers different courses each week, paired with continuous blood glucose monitoring equipment, allowing employees to observe their personal blood glucose fluctuations more concretely and thereby strengthen their motivation for personal disease management. This initiative aims to promote workplace health and prevent chronic diseases.	In September, the group's health and wellness initiative launched a pilot activity that engaged employees through interactive games, allowing them to learn and select the correct high-calcium foods, thereby increasing their awareness of daily nutritional intake. This was followed by the 'Themed Healthy Meals' campaign in September and October, featuring two themed meal boxes: [Fun Heart Meal], which focuses on cardiovascular health by using ingredients rich in Omega-3 and dietary fiber along with nuts; and [Good Calcium Meal], which emphasizes bone health by including ingredients that are high in calcium and vitamin D. The goal is to enhance employees' engagement and practical application of health topics through preliminary interactions and actual dietary practices, making each meal an opportunity to cultivate a healthy lifestyle.

Theme	Weight Loss Program	4-Week Blood Sugar Exploration Program	Hon Hai-Themed Healthy Meals
 Effectiveness (HOW)	- On average, each participant lost 4.77 kg, resulting in a total reduction of 424 kg, surpassing the original goal. - The program was promoted through the group's health and wellness channel and platform, achieving a total of 1,408 views and 732 participants, with an average satisfaction rating of 92.5%, exceeding the original target.	The effectiveness after the four-week implementation is as follows: - Pre- and post-assessments were conducted before and after the activity. After four weeks of intervention, the first group improved from 6.6 to 7.1 points, while the second group improved from 7.4 to 8.4 points, indicating an enhancement in disease literacy. - The average glycated haemoglobin level of participating employees was 7.8. After four weeks of intervention and blood glucose management, the predicted glycated haemoglobin level decreased to 6.4, showing significant improvement. - Overall satisfaction with the activity: 4.83 (out of a maximum of 5 points).	A total of 3,200 meal portions were provided. 82% of surveyed employees expressed satisfaction with this activity, and 92% of respondents supported its continuation. - Employee knowledge outcomes: 82% learned how to protect cardiovascular health through diet, and 92% learned how to increase their daily calcium intake through dietary choices.

Green Solutions, Circular Economy

Green manufacturing is a core strategic cornerstone of Hon Hai's sustainable development. Facing the challenges of global climate change, we are leveraging technology to empower environmental protection and drive ecological transformation across our entire value chain. We are implementing intelligent factory systems and cutting-edge wastewater treatment technologies to continuously optimize water recycling efficiency; strictly implementing greenhouse gas emission reduction pathways and innovating energy management to reduce our carbon footprint; implementing AI-driven air pollution prevention and control mechanisms to establish a closed-loop waste resource recovery system; incorporating biodiversity assessments into factory planning, prioritizing the procurement of certified sustainable raw materials to enhance ecological benefits from the source. As a responsible global technology manufacturing leader, Hon Hai has embedded environmental resilience into its DNA, determined to become a benchmark for low-carbon industrial transformation and chart a sustainable path for the shared prosperity of generations to come.

Key topics in this chapter

Energy management; Sustainable raw materials and the circular economy; Waste and hazardous materials management; Climate change adaptation; Water use and wastewater management; Managing biodiversity-related impacts.

Commitment to SDGs



Primary GRI Standard Alignment

GRI 101; GRI 201; GRI 202; GRI 301; GRI 302; GRI 303; GRI 305; GRI 306

Key performance indicators and achievements in 2024:

- 1 The energy saving target for 2024 was 4.5%, and the Group's actual energy saving rate was 5.80%, successfully achieving the annual energy saving target.
- 2 In 2024, the Group implemented a total of 1,864 energy-saving renovation projects in mainland China, with a total investment of nearly NTD 2.479 billion. The projects covered process energy-saving renovations, air conditioning/air compression/lighting improvements and other improvement projects, with a total energy saving of 566,510.48 MWh, a total carbon reduction of 303,990 tCO₂e, and energy saving benefits of NTD 1.783 billion.
- 3 By 2024, the Group's total installed capacity of renewable energy had reached 332.90 MW, the total renewable energy usage had reached 6,728.96 GWh, and renewable electricity usage accounted for 67.38%.
- 4 By the end of 2024, the Group had secured a total of 35 UL 2799 Zero Waste to Landfill certifications worldwide, including in Mainland China, Vietnam, the Czech Republic, and Mexico. These included 32 Platinum-level certifications and three Gold-level certifications, nine of which were campus-level certifications.



Environmental Impact Management

Environmental Management Policy

Hon Hai strictly complies with all applicable environmental laws, regulations, and other relevant requirements, and actively engages in environmental affairs. Prior to mergers and acquisitions, during plant construction, and throughout operations process, we rigorously identify and manage potential environmental risks to protect corporate interests and ensure the achievement of various environmental goals and performance indicators. Committed to exceeding regulatory standards, we continuously promote improvements and pollution prevention measures.

The Group conducts annual environmental protection training for employees, covering specialized programs on improving energy efficiency, reducing waste, and conserving water, while enhancing employees' awareness of low-carbon and environmental practices.

Hon Hai's dedicated environmental management policy applies to all operations, products, and services of the Group, including all subsidiaries and affiliates companies. The policy further extends to all stakeholders, such as employees, customers, suppliers (including waste disposal and logistics providers), partners, and joint ventures.

Environmental due diligence is also integrated into our procedure for mergers, acquisitions, and other relevant corporate activities, enabling the assessment and management of potential environmental risks. This ensures full compliance with environmental regulations and the effective communication of our policy requirements. The Group has no significant environmental incidents in 2024 with fines exceeding USD 10,000.

(For more information on our environmental policy, please visit <https://www.foxconn.com/zh-tw/CSR/focus-environment?category=key-action>).

To encourage the Group's environmental protection efforts, we have launched pilot programs to establish incentive mechanisms related to environmental management. For instance, our subsidiary, Foxconn Industrial Internet (Fii), has developed and annually updated the "ESG-E Performance Evaluation and Assessment Program".

The evaluation results serve as a reference for the company's annual bonus distribution and are used to recognize and financially reward outstanding sites, managers, and individuals.

In 2024, climate change management was the key component of the ESG-E performance evaluation system, accounting for 48% of the total evaluation weight. In addition, we are actively exploring mechanisms to link executive compensation with climate change targets, thereby further enhancing the importance of climate objectives within corporate governance. In response to the impact of global climate change, Hon Hai Group has announced 2020 as the base year and set eight quantified commitments across multiple environmental dimensions, including net-zero emissions, renewable energy, water conservation, and waste reduction and recycling. Time-bound milestones have been established according to the implementation schedule, and related information is disclosed simultaneously on Hon Hai's official website. These include:

Achieve net zero by 2050
(based on 2020, reduce 21% in 2025, reduce 42% in 2030,
and reduce 63% in 2035).

Until 2025, ensure there are no significant environmental
pollution incidents.

By 2030, renewable electricity usage exceeds 50%.

By 2025, water intensity decreases by 6%.

By 2025, the proportion of plastic recycled internally within
manufacturing sites will exceed 60%.

By 2025, at least five manufacturing sites will have obtained
the UL 2799 Zero Waste to Landfill Gold Certification.

By 2025, all manufacturing sites will have achieved 100%
installation of industrial wastewater discharge quality monitoring
systems.

By 2025, at least three manufacturing sites will be established
as demonstration facilities equipped with air quality monitoring
systems.

Environmental Issues Governance Framework



Strategy Level

Board of Directors

- The Board of Directors, as the Group's highest governing body for sustainability, is responsible for overseeing and providing strategic guidance on the Company's environmental impact management.



Planning Level

Sustainability Committee; Chief Environment Officer, Corporate Environmental Division

- The Sustainability Committee conducts research and provides recommendations on major decisions and strategic plans related to the Group's environmental management, including topics such as climate change and water resource management.
- The Group Environmental Division is responsible for formulating the company's environmental policies, which are subject to approval by the Chairman.
- The Chief Environmental Protection Officer is responsible for the overall planning and coordination of the company's environmental management and oversees the implementation by all business units to ensure the fulfillment of corporate environmental objectives.



Operation Management Level

Each business group and each factory unit

- Implement various environmental protection initiatives, establish and maintain comprehensive environmental management procedures and work instructions, and submit all relevant environmental documentation to the regional offices of the to the Corporate Environmental Division for recordkeeping and reference.
- We conduct environmental protection-related operations in compliance with local laws, regulations, and site-specific environmental standards,

and fully cooperate with the audits conducted by region office of the Corporate Environment Division including timely follow-up on corrective actions for identified deficiencies.

- Established a factory environmental management committee that convenes annual meetings to oversee the overall coordination, planning, and management of factory environmental affairs.

Environmental Education | Climate Change | Net Zero Carbon Emissions | Green products | Green production | Renewable Energy Management | Energy Management | Water Management | Waste Management | Raw Materials Management | Source-level environmental management | Monitoring System | Environmental Audit | Tiered risk management

Environmental Protection Training

Strategy	Issue	Course Content	Number of courses	Number of learners	Total course Attendances
Green Intelligence	Compliance Management	Environmental Regulations Environmental Policies Environmental Standards Environmental Certification International Environmental Agreements Environmental Management System Environmental Permit Environmental Protection Environmental Impact Assessment	130	667,551	1,813,308
	Low Carbon	Carbon Emissions Carbon Inventory Carbon Management Carbon Neutrality Carbon Peak Climate Change	89	232,678	1,116,449
	Energy Management	Clean Production Energy Efficiency Improvement Renewable Energy Energy Conservation, Emission Reduction, and Environmental Protection Energy Management	103	384,175	1,153,598
	Hazardous Substances	Green Chemistry Hazardous Substance Management Green Design RoHs REACH WEEE Green Process Halogen-Free Green Products Quality Policy Chemical Substances Shipping Management	130	476,220	1,348,729

Strategy	Issue	Course Content	Number of courses	Number of learners	Total course Attendances
Circular Economy	Water Resources	Water Management Wastewater Water Conservation	46	121,904	317,760
	Waste	Waste Management Solid Waste Management Waste Gas Management Zero Waste Waste Recycling Soil Management	29	130,469	525,179
	Biodiversity	Biodiversity Natural Resources Disaster Prevention and Relief	7	10,569	166,094
	Technological innovation	Environmental Technology Innovation Environmentally Friendly New Materials Green Chemistry Environmental Protection Equipment Environmental Big Data	4	182,367	382,585

Environmental Management System

The Group embeds the principle of prioritizing environmental protection into its corporate DNA. All the Group's campuses, starting from the construction phases, have implemented an ISO 14001-certified Environmental Management System (EMS), driving continuous improvement through the Plan-Do-Check-Act (PDCA) cycle. The Group utilizes its self-developed environmental management system to collect data on energy, water, waste, exhaust gas, etc. to facilitate the Group's long-term management in tracking environmental related information of each plant and identifying environmental costs to support decision makers in making environmentally friendly decisions and improving environmental performance to:

- **Plan:** Assess the environmental aspects arising from the Group's production, activities and services (such as energy/water/waste) and their associated impacts. Potential impacts are ranked according to severity and frequency, with corresponding targets and measures established.
- **Do:** Develop and implement control procedures to ensure that production and environmental protection facilities operate in coordination and

incompliance with local regulations. Regular internal training programs are conducted for employees.

- **Check:** Deploy a self-developed intelligent monitoring platform to track environmental data across all sites in real time (including energy, water resources, waste, and air emissions), supporting cost-benefit decision-making in environmental management. Quarterly audits are carried out by an independent auditor to strengthen on-site audit follow up. 2024 Performance Verification: Zero major environmental penalties (above USD 10,000); zero minor administrative violations (Taiwan Waste Disposal Act); and 100% ISO 14001 certification coverage for all production sites.
- **Act:** Formulate improvement measures and operating procedures to prevent major potential impacts, achieve closed-loop improvement, and replicate successful models. As of now, the Group has obtained 33 National Green factory Certificates in mainland China, based on the country's green manufacturing standard system.

Environmental Management System

Phase 1 — Plan			
Core management activities	Formulation of environmental policies	Identification of environmental aspects	Goal and plan setting
Management tools/mechanisms	Benchmarking against international environmental standards Compliance with local environmental regulations	Site environmental investigation and assessment Significance Assessment Matrix	Environmental management plan (including budget allocation and responsible person)
Phase 2 — Do			
Core management activities	Organizational structure development	Capacity building	Operation process control
Management tools/mechanisms	Three-tier management system: Corporate Environment Division (strategy) - Regional Management Office (supervision) - Site Committee (implementation)	Environmental competence List (Each site and business unit shall define environmental functional requirements for employees based on job needs; employees may only be assigned after meeting these requirements) Annual training plan (all sites and business units shall provide environmental education and training to relevant employees)	Control procedures (each site and business unit shall establish documented procedures, work instructions, operation manuals, records, and forms) Supplier ESG communication and audit

Phase 3 - Check

Core management activities	Environmental performance monitoring	Internal audit	External certifications
Management tools/mechanisms	Smart monitoring equipment networking systems, such as the Environmental Protection Information Network ¹ and drone-based air quality monitoring systems ²	Independent auditor system Unannounced inspection mechanism	Third-party certification and verification, such as ISO 14001, ISO 50001, ISO 14064-1, etc.

Phase 4 — Act

Core management activities	Corrective and preventive measures	Continuous Improvement
Management tools/mechanisms	Root Cause analysis Implementation of preventive and improvement measures	Management review meeting (annual audit) Resolution tracking system to ensure closed-loop improvement and replication of successful model (33 National Green Factory Certificates obtained in mainland China)

Note 1: The Environmental Information Network is dedicated to building a centralized environmental data management platform covering both domestic and international operations. It provides one-stop collection and integration of core environmental data, including waste, water resources, waste gas, wastewater, environmental penalties, and environmental certificates. Furthermore, the platform includes a comprehensive legal and regulatory module, encompassing relevant environmental laws, regulations, and standards in mainland China, providing solid support for the Group's environmental compliance management.

Note 2: Using the Shenzhen Longhua plant as a pilot site, a drone-based air quality monitoring system has been introduced. By integrating drones, micro-gas sensors, cloud-based IoT, and AI big data analytics, a 3D, comprehensive, dynamic air quality monitoring architecture has been constructed. This helps the plant instantly identify abnormal emissions, trace pollution sources, and quickly integrate on-site inspections, avoiding environmental risks caused by delayed response. Compared to traditional methods, this significantly improves inspection accuracy and responsiveness, significantly enhancing inspection management efficiency. Starting in 2023, the project will promote the introduction of drones for preventive inspections, expanding daytime and nighttime air quality management applications to the Longhua and Guanlan campuses in 2024. The goal is to achieve two consecutive years of zero exhaust gas odor complaints between 2023 and 2025.

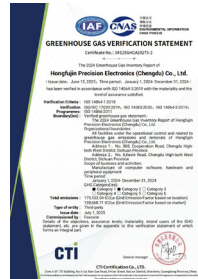
ISO 14001 certification



ISO 50001 certification



ISO 14064-1 certification



Green Factory-Futaihua



Environmental Information Network Workbench



In October 2024, the Chief Environmental Officer of Hon Hai Technology Group was invited to attend the 20th Annual Meeting of the Cross-Strait Forum on Climate Change and Sustainable Energy Development, co-hosted by the Institute for Climate Change and Sustainable Energy Research Foundation, and organized by Anhui University of Science and Technology. He delivered a keynote speech titled The RE100 Path for Enterprises, sharing the group's approach and goals for achieving net-zero emissions.



Hon Hai and the TIRI Taiwan Investor Relations Association jointly held a forum themed "2025 New Opportunities: The Dual Challenge of AI and Sustainable Transformation". This forum focuses on how companies can achieve ESG practices and responsible management in the wave of sustainability. Chief Environmental Officer of the Group attended to share the group's experiences and discussed the challenges and solutions of corporate sustainable transformation with representatives and experts from Siemens, Microsoft, Delta Energy, and Commonwealth Magazine.

Climate Change Response and Energy Management

The United Nations' Climate Change Assessment Report and the World Economic Forum's Global Risks Report continue to warn of the global warming crisis, underscoring the urgent need for countries to implement the Paris Agreement's 1.5°C target. As a global leader in technology manufacturing, Hon Hai supports the Paris Climate Agreement's goal of limiting temperature rise to 1.5°C and prioritizes climate action at the core of sustainable agenda. In 2020, the Group announced three major climate goals: (1) complying with local government NDCs or site-level carbon policies, (2) achieving a net-zero value chain by 2050, and (3) responding to the requirements of the Climate Action 100+ Steering Committee. These commitments are advanced through the Science Based Target Initiative (SBTi) framework. In April 2024, the Group's net zero target was officially validated by SBTi, making Hon Hai the third company in Taiwan's high-tech hardware equipment sector and the seventh company in Taiwan to receive this international certification.

In line with the TCFD framework, Hon Hai coordinates climate governance through its Sustainability Committee, conducts scenario analysis to quantify transition risks, and incorporates financial impacts into decision-making to strengthen climate resilience. The Group's systematic climate strategy focuses on four core pillars:

1. Deep Decarbonization at the Operational Level

- Taking 2020 as the baseline year, the Group set clear phased targets: 21% emission reduction by 2025, 42% by 2030, and 63% by 2035.
- The proportion of renewable electricity has grown dramatically: 8.28% in 2022 → 67.38 % in 2024, in line with RE100's commitment to 100% renewable electricity for global factories by 2040.

2. Net-zero Collaboration across the Value Chain

- Through a "Net zero promotion model" for suppliers: Hon Hai guided 200 suppliers in completing carbon inventories in 2024, achieving emissions reductions of 1.02 million tons of CO₂e. In addition, 36 suppliers signed the Renewable Energy Commitment Letter.
- External recognition: In the 2024 IPE evaluation, Hon Hai ranked first in Greater China in both the Green Supply Chain CITI Index and the Corporate Climate Action CATI Index.
- Actively participate in climate advocacy: Where industry associations diverge significantly from the company's climate position, Hon Hai considers actions such as engagement and termination of membership.

3. Green Innovation Driving Transformation

- Smart Manufacturing: The Group operates seven WEF-certified Lighthouse Factories worldwide, including the first Sustainability Beacon in Guanlan, Shenzhen, applying AI and IoT technologies to reduce unit energy consumption by 45%.
- Circular Economy: By the end of 2024, a total of 20 suppliers had obtained UL 2799 Zero Waste to Landfill certification.
- Electric Vehicle Ecosystem: Hon Hai integrates BOL's localization strategy through the CDMS model, advances energy storage systems and solid-state battery technologies, and promotes the local manufacturing of the MODEL T electric bus in Taiwan.

4. Just Transition

- **Employee Support:** Skills retraining and functional upgrading, job security throughout the transformation period, and union communication mechanisms, etc. to jointly foster an inclusive transition environment.
- **Regional/Community Care:** Investments in local industry transformation, promotion of partnerships, and support for sustainable community development.
- **Supply Chain Responsibility:** Assisting suppliers in transformation and upgrading, reducing carbon leakage risks, implementing sustainable procurement policies, and enhancing overall supply chain sustainability competitiveness.

In 2024, Hon Hai received a B rating for climate change, an A for supplier engagement, and an A- for water security from the Carbon Disclosure Project (CDP), the world's largest nonprofit organization for carbon disclosure. Both

supplier engagement and water security both achieved leadership-level recognition, underscoring Hon Hai's determination to realize a net-zero value chain. Looking ahead, the Group will continue to expand green energy investment platforms-such as the RMB 7 billion Green Energy Development Fund-and strengthen supply chain carbon reduction initiatives. By leveraging the dual engines of Green Intelligence and Circular Economy, Hon Hai is advancing its net-zero vision and long-term commitment to sustainability.

Climate Governance

Hon Hai advances its net-zero transformation through a science-based governance framework. With a three-tier structure comprising the Board of Directors, the Sustainability Committee, and the TCFD Working Group, the company embeds climate risks into both corporate strategy and daily operations. The ESG-E Team (Environmental Task Force) serves as the execution hub, ensuring that all global sites implement clearly defined decarbonization pathways.

Hierarchy	Composition and Responsibilities	Frequency of Supervision
Board of Directors (Highest Supervisory Body)	• Serves as the highest supervisory authority, approving the 2050 net zero strategy and capital allocation. • Review the impact of climate risks on the company's long-term value creation.	Annual review, receiving reports from the Sustainability Committee and confirming progress in achieving climate goals
Sustainability Committee (Strategy Formulation and Progress Oversight)	• Chairman: Chairman of the Board (expert in Technology Manufacturing and Supply Chain Management) • Core Responsibilities: Formulate execution strategies for addressing climate issues; oversee the company's climate- and environment-related policies and plans; regularly monitor the progress and effectiveness of climate action; track the Group's 32 long-term ESG goals, including 8 environmental goals.	Quarterly Tracking

Hierarchy	Composition and Responsibilities	Frequency of Supervision
TCFD Core Team (Cross-Departmental Collaboration, Action Planning, implementation)	• Cross-departmental composition: The Sustainability Committee consists of a promotion office and the group's central management units. – Smart Manufacturing, Environment (ESG-E Team), Procurement, Legal Affairs, Solar Energy, Electric Vehicles, Operations Management, Finance & Accounting, Investor Relations, and Sustainability Promotion Office. • Core Responsibilities: Assess the materiality of climate-related risks across regulators, markets, and physical dimensions; translate TCFD scenario analysis into results into actionable climate response measures; promote cross-functional collaboration to ensure effective implementation of climate strategies and actions. * ESG-E Team - Coordinated by the Group's Corporate Environment Director Department, who reports climate action progress directly to the Chairman; responsible for implementing environmental policies across all global sites, including carbon emissions management, water resource management, and pollution prevention.	Irregular workshops

Climate Risks and Opportunities

Process for Identifying, Assessing and Managing Climate Risks

Hon Hai has established a tiered risk management framework spanning three levels: Group, Business Group/Legal Entity, and Plant. The TCFD Core Working Group leads the identification and assessment of climate risks by integrating

internal operational data, industry-specific characteristics, and stakeholder feedback (including investor and customer surveys). Dedicated workshops are also conducted both transition and physical risks. The risk management process consists of three stages: risk identification and assessment → risk control and response → and risk monitoring. For further information, please refer to page 13 of Hon Hai's Net Zero Strategy Report.

Step	Responsible Unit	Main Actions
Risk Identification and Assessment	Sustainability Committee, TCFD Core Working Group	• Organize workshops, analyze industry characteristics, and collect stakeholder surveys to identify climate-related risks and opportunities. • Assess the materiality of risks based on the likelihood of occurrence and the severity of impact.

Step	Responsible Unit	Main Actions
Risk Control and Response	Each business group/functional unit	- Develop management plans (e.g., adjusting production line configurations, developing new suppliers). - Ensure implementation by requiring all business groups and energy efficiency/carbon reduction units to align with climate action strategies. - Integrate the ISO 22301 Business Continuity Management System and mitigate risks through commercial insurance.
Risk Monitoring	Each functional department/factory	Initiate weather warnings and address potential hazards; conduct quarterly reviews of KPIs.

Analysis of Major Climate-related Risks and Opportunities

Based on operational characteristics and TCFD recommendations, a questionnaire survey (with responses from 10 companies and investment institutions) and historical event analysis were conducted to identify a list of

climate risks (both physical and transition risks) and opportunities. (For details, please refer to pages 14-17 of Hon Hai's Net Zero Strategy Report). Based on this list, Hon Hai identified the three most material climate risks and the three most material opportunities through integrative analysis carried out in workshops.

Type	Project	Illustration	Response Strategies
Risk	Increasing demand for renewable energy and electricity regulations	Policies have driven up demand for renewable electricity and increased procurement costs.	Self-built solar power plants (332.90 MW), renewable electricity procurement (50% by 2030).
Risk	Uncertain market information	Extreme weather has disrupted supply chains, affecting raw material prices and shipments.	Adjust production line configuration and promote one-stop supply chain services.
Risk	Increased stakeholder attention	Failure to meet carbon reduction targets could lead to lower ESG ratings and negatively impact corporate reputation.	Regularly disclose ESG progress and participate in international forums.

Type	Project	Illustration	Response Strategies
Opportunity	Research and development of diverse low-carbon products	3,415 patents for electric vehicles/energy storage technologies, entering the renewable energy market.	Develop open platforms for electric vehicles and energy storage systems; secured 254 new patents in 2024.
Opportunity	Use more efficient production and distribution processes	AI automation (such as lighthouse factories) can improve efficiency by 73% and reduce defect rates by 97%.	Introducing AI automation (such as AGV unmanned guided vehicles) and MES production management systems.
Opportunity	Reduce water use and recycle	The annual reuse of reclaimed water reaches 5.96 million tons, reducing water intensity by 15%.	Implement plant-level water reuse system, AWS Platinum certification (Zhengzhou plant).

Climate Risk Scenario Analysis

Hon Hai quantified the potential financial impacts of climate risk using the SSP1-2.6 low-emissions scenario (IPCC AR6) and Taiwan's Nationally Determined Contribution (NDC) scenario (2050 Net Zero Path). For further details, please refer to pages 18-21 of Hon Hai's Net Zero Strategy Report.

Risk/Opportunity Category	Scenario	Financial Impact (as % of revenue)	Key Drivers
Increasing demand for renewable energy	SSP1-2.6	2030: 4.91 ‰ - 4.97 ‰	Renewable electricity procurement costs and solar energy investment
	NDC Scenario	2030: 4.90 ‰ - 4.96 ‰	
Efficient production process	NDC Scenario	2030: +2.77% (Benefit)	AI-driven automation reduces labor and energy costs
Water recycling	NDC Scenario	2030: + 0.05‰-+ 0.06 ‰ (Benefit)	Recycling and reuse of water reduces freshwater procurement costs
Uncertain market information	SSP1-2.6	No quantified impact yet	Supply chain resilience strategies to offset disruptions

Note: Some risks (such as stakeholder concerns) have not been financially quantified due to lack of historical data.

Climate Strategy

In response to the challenges of climate change, the Group has embedded the net zero goal into its business model, with “Green Intelligence” and “Circular Economy” as its core environmental and climate strategies. It systematically integrates operational carbon reduction, value chain collaboration, green technology innovation and just transformation, drives transformation through technological upgrades, and works with supply chain partners to build a low-carbon ecosystem, moving towards the 2050 value chain net zero vision.

Energy Conservation and Carbon Reduction at the Operational Level

We systematically manage our energy use by implementing the ISO 50001 Energy Management System and third-party verifications to identify risks and opportunities for reducing energy use and enhancing energy efficiencies. Additionally, the Group has formulated the “Audit Procedures for Energy-Saving Projects” and “Audit Procedures for Energy-Saving Management” for

continuous implementation and transformation of energy-saving technologies. Based on the Hon Hai Group Energy Management Commitment, Hon Hai promotes carbon reduction actions at the operational level through the two pillars of “Energy Efficiency Management” and “Clean Energy Production”, along with energy-saving training and incentives, thereby contributing to climate change mitigation:

Energy Efficiency Management

Hon Hai has established a four-dimensional system of “policy and regulatory compliance - energy management system certification coverage - implementation of energy-saving technological transformation projects - green buildings”, achieving a significant improvement in energy efficiency through the dual-track implementation of mandatory regulations and technological upgrades.

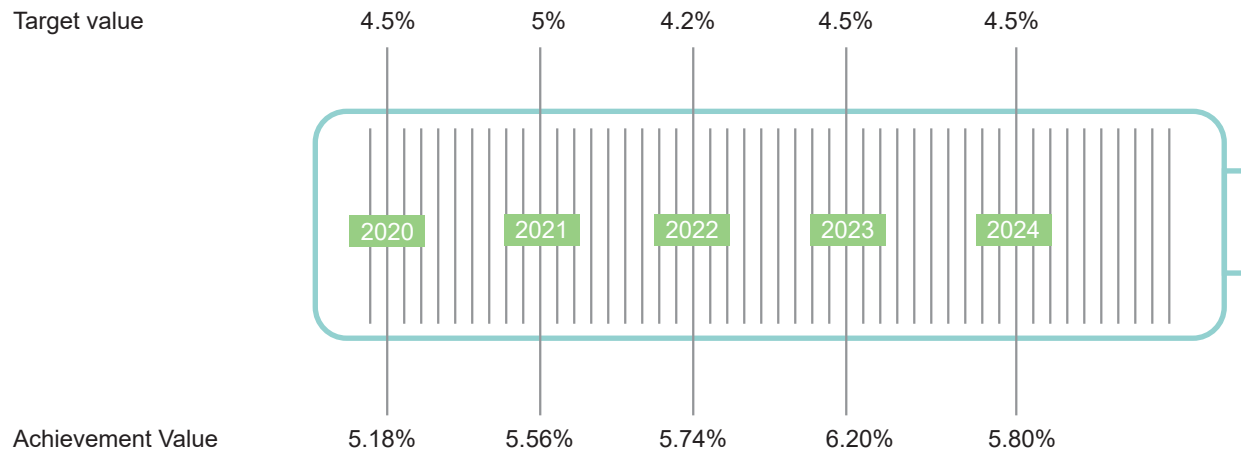
Key Measures	Specific Content	Performance
Compliance with policies and regulations	The Group complies with local energy conservation regulations and implements mandatory routine tasks, including energy management system development, energy self-inspection reports, and energy technology evaluations for new, renovation, and expansion projects. In addition, a green manufacturing management system has been established, and national certification in mainland China have been pursued to enhance corporate brand image and secure government funding.	Participated in the Shenzhen carbon trading pilot program since 2013.
Full coverage of energy management system certification	The Group actively promotes ISO 50001 energy management system certification across its legal entities.	As of 2024, 66 legal entities have obtained ISO 50001 certification, representing a coverage rate of 41%.

Key Measures	Specific Content	Performance
Energy-saving technical transformation project	The Group has formulated the Audit Procedures for Energy-Saving Projects and the Audit Procedures for Energy-Saving Management, and continues to promote energy-saving technical transformation projects. These include upgrading high-energy-consuming equipment, introducing intelligent energy systems, and building renewable energy facilities.	In 2024, the Group implemented 1,864 technological improvements, investing NTD 2.479 billion and saving 566 million kWh of energy, generating nearly NTD 1.783 billion in energy cost savings, and reducing carbon emissions by 303,990 tCO ₂ e. The 2024 energy saving target for mainland China was 4.5%, and the actual energy-saving rate was 5.80%, successfully exceeding the annual target.
Green Building	During the design phase of new factories, the Group incorporates green building concepts, such as energy and water conservation, and promotes the use of renewable energy and energy-efficient equipment.	The Group has obtained LEED (Leadership in Energy and Environmental Design) certification in multiple locations. For example, the SMART factory in the United States have achieved LEED Gold certification, and the Hon Hai Neihu Building obtained LEED Existing Building Gold certification in 2023.

Implementation of the Group's energy-saving renovation projects in mainland China in 2024

Energy saving improvements category	Quantity	Energy saving (MWh)	Energy-saving benefits (NTD)	Implementation costs (NTD)	Reduced emissions (tCO ₂ e)
Energy-saving production process improvements	1,185	304,112.50	970,233,873	1,316,266,242	163,187
Air conditioning/air compression /lighting improvements	506	222,177.74	686,260,270	981,702,877	119,221
Other improvements	173	40,220.23	127,001,036	180,859,064	21,582
Total	1,864	566,510.48	1,783,495,179	2,478,828,183	303,990

Achievement of energy conservation targets in mainland China from 2020 to 2024



Construction, Procurement and Use of Renewable Electricity

On April 22, 2024, on its 50th anniversary, Hon Hai Precision Industry Co., Ltd. announced its commitment to RE100, pledging to use 100% renewable electricity for all its global facilities by 2040. RE100 is a global renewable energy initiative led by The Climate Group and the Carbon Disclosure Project (CDP), uniting influential companies worldwide to accelerate the transition to renewable electricity. Participating companies are required to publicly commit 100% renewable electricity between 2020 and 2050 and to disclose their progress annually. To align with the global energy transition and the development of a

low-carbon economy, the Group continues to increase its installed capacity of rooftop and ground-mounted solar power plants through both self-construction and acquisitions. By directly procuring renewable energy, the Group is steadily increasing its consumption volumes and ratios of renewable energy, thereby reducing GHG emissions. Furthermore, the Group systematically obtains internationally recognized Renewable Energy Certificates (RECs), enhances its green energy traceability systems, closely monitors national policies developments, and tracks the status of power supply and grid infrastructure. These actions enable the Group to actively expand green power supply while building a resilient clean energy architecture.

Direction of Action	Specific Plan	Key Results
 Solar Power Station	In the area of self-generated renewable electricity, Hon Hai regards the construction of photovoltaic panels on factory rooftops as the fundamental path toward renewable electricity self-sufficiency. It has deployed large-scale solar power generation systems—including rooftop and ground-mounted solar power stations—through self-construction and acquisition in manufacturing bases such as China, India and Vietnam.	The total installed capacity in 2024 reached 332.90 MW, representing a 2.17% increase compared with 325.82 MW in 2023.
 Renewable Electricity Procurement Plan	The Group increases renewable electricity procurement year by year, supplement the shortage of self-generated electricity through diversified renewable electricity procurement channels, entering long-term renewable power purchase agreements (PPA) at many locations.	In 2024, the Group directly procured 1,396.82 GWh renewable electricity and obtained 4,996.35 GWh of renewable electricity certificates (Green Energy Certificates) through electricity trading. Renewable electricity accounted for 67.38% of total consumption in 2024 (60.96% in 2023 and 8.28% in 2022), demonstrating rapid growth over the past three years and surpassing the Group's previous goal of achieving more than 50% renewable electricity by 2030).
 Green Energy Investment Platform	Following an investment model of “renewable electricity equity + financial returns”, the Group leverages financial resources to invest in renewable energy and energy storage industries to meet the renewable electricity needs of both the Group and its supply chain.	In 2023, it signed a memorandum of cooperation with China Development Capital, planning to jointly establish Kaihong Energy with a capital of NTD 6 billion, which will invest in renewable energy and energy storage in Taiwan. In 2024, the Group collaborated with Xuzhi Capital to jointly establish a green energy asset investment company with a total capital of RMB 2 billion, targeting renewable power generation projects. The ultimate goal is to obtain 2 billion kWh renewable electricity rights annually, equivalent to the electricity demand of 490,000 households in Taiwan. In addition, plans are underway to establish a green energy development fund with a target scale of RMB 7 billion to accelerate the development of solar PV, wind power and supporting energy storage with an estimated 6 billion kWh of renewable electricity rights to be obtained.

By 2024, the Group's total installed renewable energy generation capacity reached 332.90 MW, while total renewable energy consumption amounted to 6,728.96 GWh, presenting 41.81% of overall energy consumption. For the data regarding Group's energy consumption and intensity, please refer to the Appendix - Key Quantitative Indicators: Energy Management.



The Group announced commitment to RE100 in 2024

Energy-saving Training and Incentive Mechanisms

The Group regularly conducts professional technical training, job skills training, and apprenticeship programs, covering junior, intermediate, senior, technician, and senior technician levels. These initiatives aim to strengthen internal employees' awareness of climate change and develop expertise in energy conservation and carbon reduction. In parallel, the Group fosters innovation and energy-saving momentum among all employees through a dual mechanism of performance assessment and evaluation, coupled with intellectual property incentives. To further embed climate awareness into the core culture of each department, the Group formulates the Energy Saving Management Assessment



Joint venture with Xuzhi Capital to establish a green energy asset investment company

Items and Scoring Rules annually in mainland China. Bonuses and rewards are granted to the top three units based on quarterly and annual scores, as well as to units with achieving excellence across all areas. Outstanding energy efficiency cases are recognized as exemplary energy-saving technology transformation projects, with cash rewards granted to the respective teams or individuals.

Since 2021, the Group has also implemented an enhanced intellectual property innovation reward system, providing additional incentives for outstanding patents of the year.

Type	Operational Model	Highlights of the Achievements
Energy Conservation Assessment and Evaluation	Scoring is based on the five dimensions of the Energy Conservation Management Assessment Project: 1. Energy Conservation Management 2. Energy Conservation System 3. Energy Conservation Implementation 4. Energy Conservation Supervision 5. Energy Conservation KPI	Annual energy conservation management assessment combined with an energy efficiency benchmarking competition. In 2024, 12 teams were commended, with bonuses awarded to motivate grassroots teams and promote energy-saving initiatives.
Intellectual Property Innovation Award	A new reward mechanism was implemented in 2021: • A basic bonus for each new invention or patent • An additional bonus for the most outstanding patent of the year	In 2024, a total of 254 new patents were granted for low-carbon technologies (39 of which were related to energy management) Overall, the Group holds 3,415 valid patents for low-carbon technologies, including 724 of which were related to energy management.

Value Chain Actions

Hon Hai is advancing net-zero transformation across its value chain through four-phase stages: capacity building, carbon inventory and reduction initiatives, renewable electricity requirements, and net zero performance assessment. The objective is to establish a resilient, low-carbon supply chain. In the 2024

IPE evaluation, Hon Hai ranked first place in both “Green Supply Chain CITI Index” and the “Corporate Climate Action CATI Index” in the Greater China region. For further details, please refer to pages 26-28 of Hon Hai’s Net Zero Strategy Report and the “Hon Hai’s Sustainable Development, Shared Good Partnership” section of this report.

Action Phase	Core Measures	Achieving Progress
Supplier Capacity Building	In 2024, the “Supplier Low Carbon Kick-off Conference” was convened with 300 companies and 570 participants, and 10 manufacturers received on-site guidance, generating 61 energy-saving suggestions and 18 waste reduction recommendations.	• Suppliers adopted 43 energy-saving measures and 13 waste reduction plans.
Supplier Inventory and Carbon Reduction Promotion	Mandatory carbon inventories conducted through the Supplier ESG Platform in alignment with ISO 14064-1 and the GHG Protocol Standard.	• In 2024, 200 suppliers completed inventories. • Annual carbon reduction of 1.02 million tons of CO ₂ e.

Action Phase	Core Measures	Achieving Progress
Supplier Renewable Energy Push	Suppliers are required to sign the Renewable Energy Commitment Letter in phases and submit renewable electricity declarations.	- By the end of 2024, 36 suppliers had signed, collectively achieving 169 million kWh of renewable electricity consumption, equivalent to a reduction of 96,000 tCO₂e. - Goal: Encourage 54 suppliers to use 100% renewable energy for Hon Hai products by 2025, 150+ suppliers by 2030, and 300+ suppliers by 2050.
Supplier Net Zero Carbon Performance Evaluation	In 2022, the Group formulated the “Supplier Net Zero Carbon Performance Evaluation Standard” to evaluate suppliers’ net zero carbon management status from five dimensions: management mechanism, carbon emission disclosure, carbon emission reduction initiatives, net zero actions, and extended responsibility.	- In 2024, 200 supplier performance evaluations were completed. - The goal is to expand to 300 suppliers by 2025.

Green Innovation-driven Transformation

Hon Hai is reshaping the industrial ecosystem through technological breakthroughs, anchored in the three pillars of circular economy, smart manufacturing, and innovative industries. The Group is committed to achieving a transformation characterized by zero waste, high efficiency, and low carbon emissions and enhancing climate resilience.

Circular Economy: From Linear Consumption to Closed-loop Regeneration

Circular Economy is a key strategy of the Group’s sustainable development. We allocate financial and human resources to continuously assess the types and quantities of waste generated during our production and operations. The Group has formulated a waste reduction plan centered on achieving zero landfill and maximizing resource recycling. Through technological innovation and systematic management, we promote waste valorization and sustainable material utilization, reducing carbon emissions while enhancing the Group’s overall climate resilience.

Innovation Projects	Technical Solutions and Actions	Key Results and Benefits
Zero Waste Park Certification	- Promote UL 2799 Zero Waste to Landfill Certification. - Self-developed waste collection system with cloud-based digital tracking. - Supply chain collaboration training (led by the Group Procurement Headquarters).	The Group plans to obtain at least five UL 2799 Zero Waste to Landfill Gold-level Certification parks by 2025. As of 2024, a total of nine parks had already obtained UL 2799 certification, meeting the target ahead of schedule. This includes Shenzhen Longhua Science and Technology Park, which obtained certification in 2022 and became the world’s first comprehensive ecological demonstration park. In addition, 35 Zero Waste Certificates have been obtained, covering 58 legal entities.

Innovation Projects	Technical Solutions and Actions	Key Results and Benefits
Plastic Resource Recycling	- Establish a Plastic Resource Application Center to recycle packaging scraps, transforming them into eco-friendly pallets or processing them into sustainable plastic materials. - Developing PCR (post-consumer recycling) product lines.	By 2024, the domestic recycling rate had reached 42% (24,700 tons), reducing virgin plastic by 4,184 tons. The Group aims to achieve 60% domestic recycling rate by 2025.
Precious Metals Recycling	Developing a circular economy for precious metals, working with suppliers to promote recycled aluminum and other projects, and obtaining UL 2809 certification.	The Group has completed verification and obtained the UL 2809 certification. Through the recycled aluminum project, the carbon emissions reduced by 110,100 tons of CO ₂ e in 2023 and 115,900 tons of CO ₂ e in 2024.
Energy Recovery	- Boiler waste heat recovery (for heating/drying). - When incinerating garbage, the treatment method of waste heat recovery is preferred, and the incineration power generation calorific value conversion technology is adopted.	Mainland China parks saved 10,131 MWh in 2024.
Rethinking/ Designing from the Source	Committed to building a circular supply chain, actively using recycled and renewable materials in product and packaging procurement, as well as optimizing processes to produce durable products and make the best use of materials.	Product packaging uses recyclable protective film (PPF) and stretch wrap to reduce dependence on virgin plastic.

Smart Manufacturing: Lighthouse Factories Lead the Industrial 4.0 Revolution

Hon Hai emphasizes that digital and intelligent transformation is the inevitable pathway to high-quality corporate development. In 2024, the Group added 22 Lighthouse Factories, bringing the total to 92. Among these, the Shenzhen Guanlan factory and Bac Giang factory in Vietnam are certified by the World Economic Forum (WEF), reinforcing their leadership in the intelligent transformation of manufacturing. Hon Hai is the only company in the world with seven WEF-certified Lighthouse Factories and one Sustainable Lighthouse Factory.

Relying on core technologies and innovative management models of the Fourth Industrial Revolution (4IR), such as industrial AI, the Internet of

Things, and flexible automation, Hon Hai has expanded from single-factory demonstrations to a cluster of cross-process and cross-regional Lighthouse factories. This comprehensive transformation builds four core competitive advantages: Lean → Automation → Digitalization → Intelligence. This strategy achieves a dual breakthrough in both efficiency and carbon reduction. Through technological innovation, Hon Hai has broken through the efficiency and cost bottlenecks of traditional manufacturing, advancing from isolated optimizations to comprehensive innovation, establishing a replicable benchmark for digital transformation. These technologies have also been replicated within the Group's Lighthouse factories, covering upgrades to key production processes such as mold production, CNC machining, and system assembly.

As a result, Lighthouse technologies have achieved:

- 28% to 50% reduction in average unit energy consumption.
- 9 % to 63 % increases in product yields.
- 20 % to 63 % increases in production efficiency.

- 92% to 98% increase in energy reuse.

Going forward, Hon Hai will continue to align with global benchmarks, consolidate its digital transformation experience, lead the high-quality development of the manufacturing industry and forge a new paradigm for global intelligent manufacturing guided by the Lighthouse spirit.

Lighthouse Factory	Technology Application	Sustainability and Efficiency Results
Shenzhen Guanlan (Sustainable Lighthouse)	AI, IoT, and other 4IR technologies, optimize material recycling processes instantly and track real-time carbon footprints	• Scope 3 emissions reduced by 42%, Scope 1 and 2 emissions reduced by 24% • Recycled materials increased to 55%-75%
Bắc Giang, Vietnam	Plant-wide integration of AI / IoT platforms Production driven through big data analysis	• Labor productivity increased by 190% • Manufacturing cost reduced by 45%
Taoyuan Nanqing	The world's first AI server lighthouse factory	• Production efficiency increased by 73%, unit manufacturing cost reduced by 39% • Defective rate reduced by 97%
Zhengzhou Factory	Flexible Automation + Digital Quality Control	• Labor productivity increased by 102%, quality defects reduced by 38 % • Equipment efficiency increased by 27%
Chengdu Factory	• OT (Operational Technology) + IT (Informational Technology) Industrial Internet Architecture • 600-person Industrial Internet R&D team	• Labor efficiency increased by 200% • Equipment efficiency increased by 17%
Wuhan Factory	• Advanced analytical technology reshapes the process • Flexible automated assembly line	• Lead time reduced by 29% (up to 48 hours) • Quality loss reduced by 38%
Shenzhen Longhua	• Smart device networking, production status real-time monitoring	• Inventory cycle reduced by 15% • Manpower requirement reduced by 92%



The factory in Bắc Giang Province has become the first lighthouse factory in Vietnam

Innovative Industries: Electric Vehicles and Energy Storage Redefine the Low-carbon Transportation Ecosystem

The Group's green revenue in 2024—covering clean technology products and services from subsidiaries such as Foxconn Industrial Internet and Foxtron—accounted for 24.53% of total revenue, reaching NTD 1,682,335.40 million.

In 2019, the Group announced the strategic deployment of three major industries and three core technologies, including electric vehicle (EV) development. Leveraging Hon Hai's global supply chain system and its technological strengths in manufacturing, design, and R&D, the Group aims to play a pivotal role in advancing the global transition toward net-zero transportation.

The Group is committed to the innovative development of pure EVs, integrating the BOL (Build–Operate–Localize) strategy to establish a global supply chain. Centered around an open platform—the MIH Alliance—this strategy is designed to accelerate the mass adoption of EVs. In addition, the Group has adopted the CDMS business model to expand market share and deliver one-stop integrated EV design and manufacturing services.

In 2024, the Group's EV business generated NTD 8,520.61 million in revenue, with NTD 3,638 million invested in product R&D, representing 43% of EV business revenue. As of 2024, the Group had obtained 104 patents, including representative patents such as the Electric Vehicle Energy Recovery System, Automatic Parking Safety Protection System, and G-Pedal Intelligent Braking System.

Electric Vehicle Strategic Dimensions	Core Actions	Milestone Progress
One-stop service, adopting CDMS business model	Focusing on vehicle design, manufacturing, and key components, Hon Hai integrates core technological innovation with software and hardware solutions into industrial design. The Group has established a one-stop customer service system, dual-site R&D, tri-regional design and manufacturing capabilities, and a flexible global delivery network. Over the next decade, Hon Hai aims to redefine CDMS (Contract Design and Manufacturing Services) in the electric vehicle industry while continuing to advance vertically integrated technology services.	As of 2024, the Group has launched six models: passenger vehicles Model C, Model B, Model E, and Model D, and commercial vehicles Model T and Model U. Among these, the passenger vehicle Model C and the commercial vehicle Model T are already in mass production, while the Model B is scheduled to enter mass production and sales in Taiwan in 2025. By the end of 2024, more than 150 Model T electric buses had been sold in Taiwan, operating across ten cities and counties nationwide. The Model C recorded cumulative sales of 8,187 units in Taiwan, with exports to the United States expected in 2025. In addition, through a partnership with Mitsubishi Motors, the Model B is planned for export to the New Zealand and Australian markets in 2026.
Establishing an open platform (MIH)	The concept of an open electric vehicle platform was officially introduced to the public in 2020, followed by the establishment of the MIH Consortium in 2021 and the release of the first electric vehicle reference design in 2022. The alliance effect is expected to materialize in 2025, driving expansion into overseas markets.	In 2023, the Group established a joint venture with Stellantis to form SiliconAuto, an automotive chip company. In 2024, the Group signed a memorandum of understanding with Siemens on smart manufacturing cooperation, aiming to jointly advance digital transformation and sustainable development.
BOL localized manufacturing	In 2021, Hon Hai introduced a unique partnership model inspired by the BOT (Build–Operate–Transfer) concept to address the challenge of manufacturers withdrawing after project completion. Hon Hai adapted this framework into the BOL (Build–Operate–Localize) model, where “Localize” emphasizes collaboration with local companies to foster long-term sustainability and shared development.	The electric bus Model T—65% of whose parts are supplied by MIH Alliance members and Taiwanese manufacturers—was delivered in 2024. Kaohsiung Bus will adopt the self-developed Model T and is expected to establish a photovoltaic and energy-storage integrated smart electric bus manufacturing plant in Kaohsiung Qiaotou Science Park by the end of 2025, further advancing the sustainable development of clean technology.

Electric Vehicle Strategic Dimensions	Core Actions	Milestone Progress
Zero carbon emission products	We continue to advance the development of environmentally friendly, zero-carbon products. As a Tier 1 automotive supplier, the Group focuses on smart cockpits (featuring low-power components and automatic adjustment systems to enhance energy efficiency), digital keys (integrating energy-saving technology), and charging station solutions (intelligently optimizing the charging process). Through these innovations, we provide comprehensive gateway solutions for new energy vehicle companies.	Taking the Model C as an example, its energy efficiency reaches 7.6 km/kWh, reducing carbon emissions by approximately 0.17 kg per kilometer, compared with an average of 0.23 kg per kilometer for gasoline vehicles. Each Model T electric bus can help cities cut carbon emissions by 34.44 tons annually.
Battery and energy storage technology	We invest in the research and development, design, and manufacturing of battery packs and battery cells for electric vehicles and energy storage systems, building independent capabilities in key core technologies.	The Group invested NTD 6 billion to establish a pilot production center for battery cells, which commenced operations in 2024, and independently developed a 230Ah battery applied in the Model T. In the same year, construction was completed on a 4 MW/d-Reg grid-connected energy storage system at the Hefa plant in Kaohsiung.

Just transition

In its journey towards low-carbon and digital transformation, Hon Hai has actively introduced the concept of “just transition” to ensure that employee well-being, community development and supply chain responsibility are fully considered. The Group is committed to creating an inclusive and resilient development model.

Employee Support (See Diversity and Inclusion for Sustainable Development for details)

- **Reskilling and Upskilling:** An internal learning platform provides diverse courses covering smart manufacturing, renewable energy, professional training, management development, and academic advancement. This enables employees to acquire future-ready skills and smoothly transition to new roles.

- **Job Security during the Transition:** Promote internal manpower deployment mechanisms to reduce the manpower impact caused by automation or operational adjustments and ensure employee employment stability.
- **Union Engagement:** Regular consultations with union representatives ensure employee voices are incorporated into policy planning, creating an inclusive environment for transformation.

Regional/Community Care (See Social Contribution, Win-Win Strategy for details)

- **Local Industry Transformation:** Investments in emerging sectors such as electric vehicles, servers, and digital healthcare foster industrial upgrading and local employment.

- **Supporting Sustainable Development:** Public welfare programs and educational initiatives enhance community participation and adaptability to green and digital transitions.
- **Partner Collaboration:** Partnerships with research institutions promote industry-academia cooperation, local talent cultivation, and stronger community resilience.

Supply Chain Responsibility (See Business Sustainability, Beneficial Partners for details)

- **Supplier Transition Support:** Promote carbon inventory guidance, energy efficiency improvement and renewable energy introduction for key suppliers, and provide platforms and resources to support capacity building.
- **Mitigating Carbon Leakage:** Strengthen sustainability standards in procurement processes, avoid outsourcing high-carbon activities to third-party regions, and implement carbon reduction in the entire supply chain.
- **Sustainable Procurement Policy:** Promote a Green Procurement system, prioritize cooperation with suppliers with strong ESG performance, and enhance the overall sustainable competitiveness of the supply chain.

standards set by organizations like the SBTi, using a science-based approach to develop climate action targets and further develop a roadmap for achieving net-zero carbon emissions.

The decarbonization pathway prioritizes direct emission reductions from operations ($\geq 3\%$) and the construction of on-site renewable energy facilities ($\geq 5\%$). After these, additional strategies are applied, including renewable electricity procurement ($\leq 82\%$) and carbon sinks or negative-emission technologies ($\leq 10\%$), to advance toward net zero.

- **Group-wide net-zero target:** Hon Hai is committed to achieving net zero greenhouse gas emissions across its entire value chain by 2050.
- **2030 target:** Reduce absolute Scope 1, 2, and 3 emissions by 42% compared with 2020 levels.
- **2050 target:** Reduce absolute Scope 1, 2, and 3 emissions by 90% compared with 2020 levels.

*Note: After a company's own operational emissions have been reduced by more than 90%, it will use carbon sinks or negative carbon technologies as auxiliary means to reduce residual carbon emissions and achieve net zero carbon emissions by 2050.

Climate Metrics and Targets

Net-zero Commitment and Target

In November 2020, the Group became the first Taiwanese company to propose a goal of net-zero emissions across its value chain by 2050. In January 2021, it submitted a commitment to reduce emissions consistent with a 1.5°C temperature rise pathway to the Science-Based Targets Initiative (SBTi), and its goal was officially validated in April 2024. Hon Hai actively adopts the rigorous

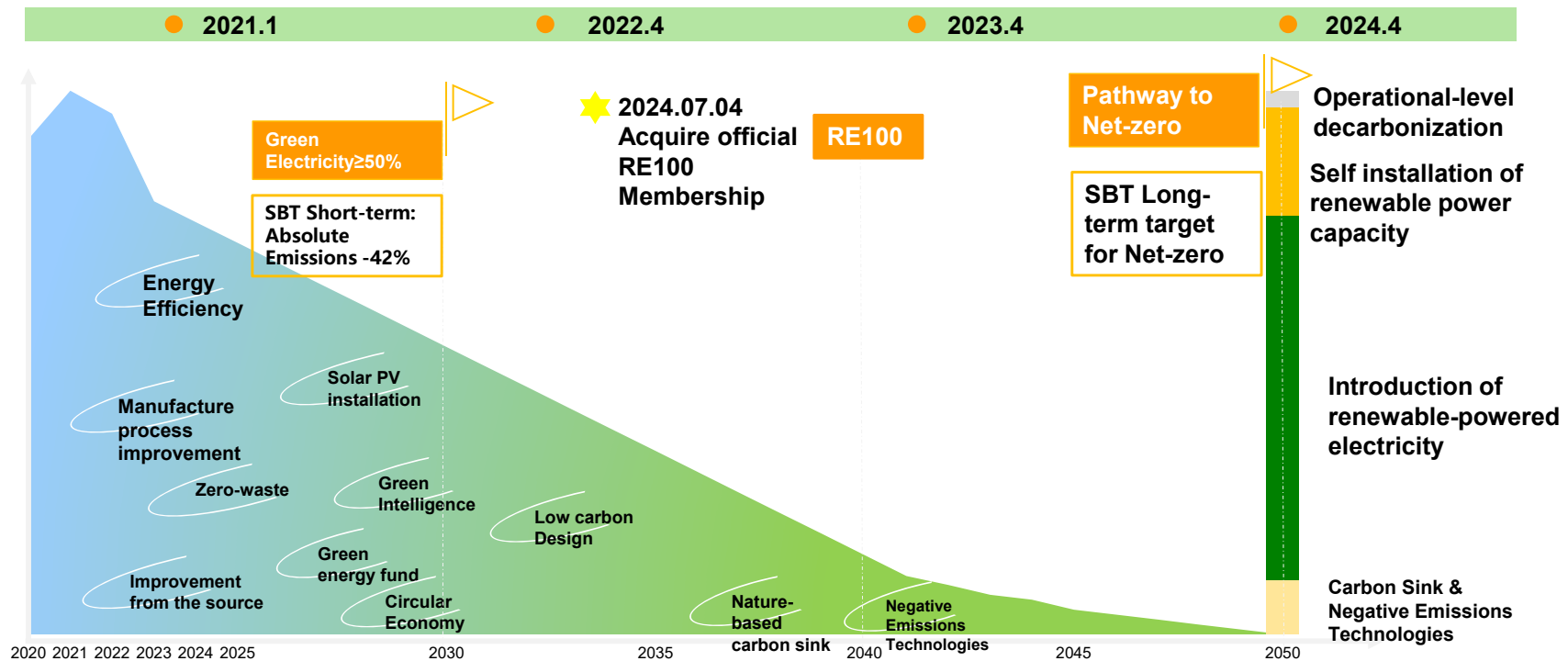
Hon Hai Pathway to Net-zero

Commitment Disclaimed
Set Science-based decarbonization target aligned with 1.5°C pathway

Application Submission

Short-term target validated
2030: GHG Emissions -42%

Long-term target validated
2050: Net Zero

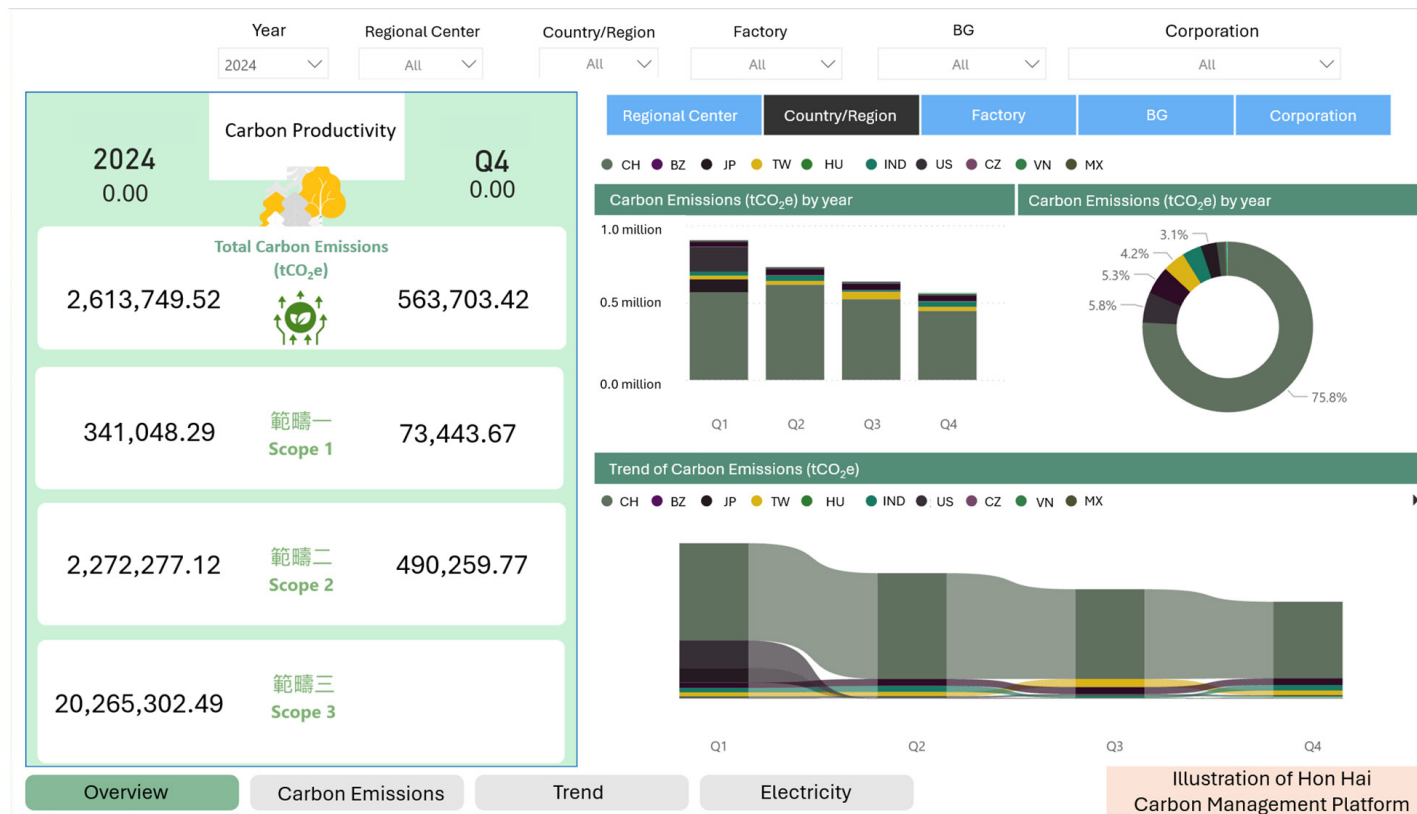


Greenhouse Gas Emissions

The Group continuously monitors its annual greenhouse gas emissions. To improve efficiency in data collection, management, and analysis, the Environmental Protection Division and Information Technology team jointly

developed the “Low Carbon Management Platform”. This standardized and collaborative framework enables real-time tracking of Scope 1, 2, and 3 emissions, supports third-party verification, and informs reduction strategies. The platform is integrated with the Group’s financial system and has been deployed across 160 sites worldwide.

Low-carbon management platform



In 2024, total revenue reached NTD 6.86 trillion (+11.3%), accompanied by an improvement in carbon intensity. Scope 1 emissions rose to 341,472 tons (+32.3%), while Scope 2 emissions (market-based) fell to 2,272,277 tons (–6.1%) due to renewable energy adoption and solar generation, leading to a

slight decrease in overall emissions to 2,613,750 tons (–2.4%). Carbon intensity declined from 0.435 to 0.381 tons CO₂e per million NTD revenue (–12.4%), demonstrating improved carbon efficiency despite business growth.

The Group's Scope 1 and Scope 2 Greenhouse Gas Emissions in 2024

	Unit	Mainland China	India	Southeast Asia	America	Europe	Northeast Asia	Total
Category 1	ton CO ₂ e	231,065.05	31,609.23	2,217.22	45,609.34	6,117.57	24,853.98	341,472.40
Category 2 (Based on location)	ton CO ₂ e	5,274,580.93	162,571.94	268,637.10	145,758.98	28,636.31	132,494.87	6,012,680.13
Category 2 (Based on market)	ton CO ₂ e	1,601,388.21	101,392.48	268,637.10	142,347.19	28,426.63	130,085.51	2,272,277.12
Total (Based on location)	ton CO ₂ e	5,505,645.98	194,181.17	270,854.32	191,368.32	34,753.88	157,348.85	6,354,152.53
Total (Based on market)	ton CO ₂ e	1,832,453.26	133,001.71	270,854.32	187,956.53	34,544.2	154,939.49	2,613,749.52

Category 1	Total Emissions (ton CO ₂ e)	Density (ton CO ₂ e /million NT dollars)	Confirmed Institutions	Statement of Confident Circumstances
Parent company	424.11	0.00006	PWC	Limited Assurance
Subsidiaries	341,048.29	0.04972	PWC	Limited Assurance
Total	341,472.40	0.04978	PWC	Limited Assurance

Category 2 (market-based)	Total Emissions (ton CO ₂ e)	Density (ton CO ₂ e /million NT dollars)	Confirmed Institutions	Statement of Confident Circumstances
Parent company	18,107.47	0.00264	PWC	Limited Assurance
Subsidiaries	2,254,169.66	0.32861	PWC	Limited Assurance
Total	2,272,277.12	0.33125	PWC	Limited Assurance

The Group's Scope 3 greenhouse gas emissions in 2024

		ton CO ₂ e
		2024 Emissions
Upstream Categories	 Purchased goods and services	14,239,709.94
	 Capital goods	887,630.57
	 Fuel and energy related activities (not included in Scope 1 or Scope 2 activities)	1,136,938.01
	 Upstream transportation and distribution	681,237.23
	 Waste generated in operations	17,481.71
	 Business travel	38,456.53
	 Employee commuting	138,750.44
	 Upstream leased assets	104,217.13
Downstream Categories	 Use of sold products	2,046,969.35
	 End-of-life treatment of sold products	5,706.52
	 Downstream leased assets	47,234.73
	 Investment	920,970.33
Total		20,265,302.49
Category 3 Carbon Intensity (tonCO ₂ e / million New Taiwan dollars)		2.95

Internal Carbon Pricing

Hon Hai Group is actively exploring innovative climate governance tools. While not yet fully implementing internal carbon pricing at the group level, it has piloted this practice through its subsidiary, Foxconn Industrial Internet. This pilot experience will lay the foundation for future group-wide expansion and drive low-carbon transformation across the value chain. In 2023, the subsidiary formulated an Internal Carbon Pricing Implementation Plan, establishing a Shadow Carbon Price mechanism for Scope 1 and Scope 2 greenhouse gas emissions from operational activities, systematically incorporating carbon costs into its decision-making processes.

This mechanism has been implemented in five key scenarios: new industry investment assessment, public utility equipment replacement decisions, energy efficiency rating selection analysis, production process & technology transformation planning, and client partnership proposal negotiations.

The mechanism has been applied in five areas: investment assessments for new industries, utility equipment replacement, energy efficiency evaluations, production process improvements, and customer proposal negotiations.

Using a cost-benefit quantification model, the system helps prioritize low-carbon technologies, select energy-efficiency projects, track climate goals, and adapt dynamic pricing models. To ensure alignment with market conditions, FII incorporates both renewable energy certificate premiums and regional carbon market prices. In 2024, carbon price benchmarks were set at 82 CNY/ton (China), 223 CNY/ton (U.S.), and 734 CNY/ton (Hungary and Czech Republic)

This mechanism not only drives investment in energy efficiency and emission reduction technologies, but also deeply integrates climate factors into strategic, financial, and operational decision-making:

Risk Management: Quantitatively assess the impact of regulatory policies and carbon cost fluctuations.

Low-carbon Investment and Financing: Provide a basis for green project evaluation and guiding capital flows.

Supply Chain Collaboration: Drive upstream emission reductions through procurement standards.

Opportunity Identification: Explore emission reduction potential through renewable electricity procurement, process optimization, etc.

In the future, Hon Hai will leverage pilot experiences to evaluate a cross-regional carbon pricing framework and explore extending the mechanism to Scope 3 management, strengthening resilience and coordination across its global operations.

Climate Stance Engagement

Hon Hai maintains strict oversight of industry association memberships to ensure alignment with the Group's sustainability values and integrity principles. Responsibility for public policy engagement lies with the Public Relations Division, which oversees implementation and reporting.

Since declaring support for the Paris Agreement, the Group has established a mechanism to review industry associations' climate positions. In 2024, seven valid responses were collected and analyzed, with no major inconsistencies identified. For associations with partial misalignment, Hon Hai continues engagement; if significant discrepancies remain unresolved, the Group considers measures such as negotiation or termination of membership.

In the future, Hon Hai will expand its review process, encouraging associations to advance low-carbon innovation and sustainable business models. Through the collaborative model of "sharing, cooperation, and common prosperity", the Group aims to balance economic growth with sustainability, driving its vision of the dual-E formula: Sustainable Management = EPS + ESG.

Hon Hai's Survey on the alignment of Climate Stance in 2024

No.	Questions	The Third Wednesday Association	TAMI	TMDIA	TEEMA	TTVMA	TNZEA	RBA
1	Do you support the Paris Agreement?	Yes	Yes	Yes	Yes	Yes	Yes	Yes
2	Do you have established policies and objectives that explicitly support the Paris Agreement?	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3	Do you support the introduction of low-carbon and net-zero products in the market?	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4	Do you support businesses adopting carbon pricing and trading mechanisms?	Yes	Yes	Yes	Yes	Other	Yes	Yes
5	Do you support renewable energy to promote energy transition?	Yes	Yes	Yes	Yes	Yes	Yes	Yes
6	Have you appointed a dedicated team responsible for overseeing lobbying and advocacy efforts related to the Paris Agreement?	No	No	No	Yes	No	Yes	Yes
7	Do you actively participate in various industry association meetings, working groups, and forums to advocate for policies and measures aligned with the Paris Agreement?	Yes	Yes	Yes	Yes	Yes	Yes	Yes

Water Resource Management

Water Risk Management Policy and Risk Assessment

Hon Hai regards water resource management as the core of its commitment to environmental protection. The group strictly complies with the laws and policies of various countries, is committed to reducing water use intensity, and enhances the capabilities of wastewater treatment personnel through targeted training programs. We actively engage with stakeholders on water-related issues and disclose our management practices through submitting external questionnaires (such as the CDP Water Security Questionnaire) or supplier management questionnaires. In 2024, the Group recorded no legal violations related to water withdrawal or discharge and achieved an A-rating in the CDP Water Security Questionnaire. At the policy level, the “Hon Hai Technology Group Water Management Commitment” applies to the company’s global branch manufacturing and operation sites and all their employees, distribution and logistics, partners, service providers, contractors and suppliers, and guided by the following water management principles:

- **Water Conservation:** Reduce water consumption from the source during the production process.
- **Technological innovation:** Deploy advanced water-saving and water treatment technologies to enhance recycling performance.
- **Pollution prevention:** Use effective and best available technologies and equipment to minimize environmental impacts.
- **Continuous improvement:** Support the research, development and application of environmental protection technologies and equipment to improve the efficiency of water pollution control.

The Group primarily sources water from municipal suppliers, which minimizes direct impacts on surrounding water bodies. We do not impact surrounding water sources. The Group identifies and analyzes opportunities to improve water efficiency at all production and operation sites (each site annually reviews water conservation plans and water-using equipment, optimizing production processes and reducing water usage). Furthermore, the Group actively promotes water recycling and reuse, and incorporates recycled/biodegradable materials into some production raw materials, effectively reducing the environmental footprint of manufacturing. The Group also actively implements wastewater recycling projects, reusing treated domestic sewage in production processes and for landscaping, significantly minimizing the impact on the external environment.

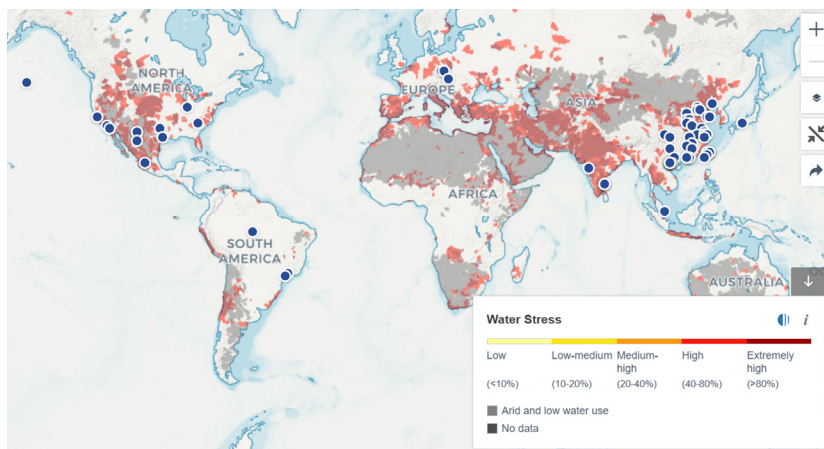
Hon Hai is actively engaged in strategic water resource management planning. Through water risk identification, it develops water management strategies and targets. It also leverages digital platforms to manage environmental protection systems, collecting and monitoring data to inform policymaking. These efforts not only strengthen oversight, but also proactive detection and prevention of environmental impact, while hold violators accountable.

The Group has established a tiered water risk management framework that integrates the WTR (World Resources Institute) Aqueduct Water Risk Atlas with its internal digital monitoring platform to regularly assess water stress scenarios across global operations. The Group’s water risk assessment results reveal a clear risk distribution map, with 29 % of sites classified as extremely high risk, 5 % as high risk, 4 % as medium-high risk, 24 % as medium-low risk, and 38 % as low risk. Based on these results, we are actively implementing water resource management planning, implementing conservation measures, promoting various water-saving projects, and reducing standard wastewater discharge. We also engage employees and suppliers in water conservation initiatives, mitigating the environmental impact of our production processes.

To address water risks, we adopt a two-tiered protection strategy: “Plant-Watershed”:

- Plant level: Deploy smart water meters and leakage detection systems to optimize water use efficiency in real time.
- Watershed level: Cooperate with local governments to establish a “drought warning-water sharing” mechanism to reduce regional water use conflicts.

Aqueduct Water Stress Risk Map



Water Consumption and Water Conservation Measures

Currently, our water supply primarily comes from municipal water. We have implemented three major initiatives to expand the use of recycled and reclaimed water to reduce water consumption. The Group has set a cumulative reduction target of 4.50% in water intensity from 2020 to 2024. By 2024, the actual cumulative reduction had reached 25.54%. Our conservation measures include: (1) introducing recycled water as a supplementary source; (2) installing water-efficient devices, such as low-flow toilets and faucet aerators; (3) deploying water reduction and reuse equipment, continuously capture

conservation opportunities. We have successfully partnered with local recycled water facilities to supply recycled water for both residential and industrial use at our Lankao and Beijing sites, effectively reducing municipal water consumption.

Furthermore, we categorize water use into two main categories: (1) office and dormitory water use and (2) process water use. For office and dormitory water use, we have promoted low-flow toilets and faucet aerators. For process water use, we have introduced waste reduction equipment and developed resource recovery projects to advance our “cradle to cradle” circular economy goals. For detailed data on the Group’s water consumption and intensity, please refer to the Appendix - Key Quantitative Indicators - Water Resource Management.

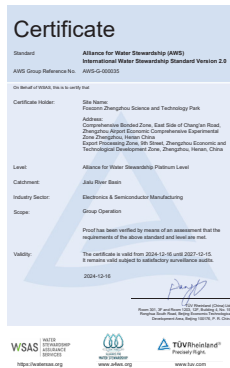
Representative water-saving initiatives in 2024 include:

Shenzhen Longhua Plant: Recycled Water Reuse Ecosystem

- The joint business group held a “Water Reuse Promotion Seminar” and added 7 new plant buildings with MBR biological treatment systems.
- The amount of recycled water reached 268,000 tons in 2024 (the reuse rate increased from 20.5% in 2023 to 40.6%).
- Support the construction of Shenzhen Metro Line 22 by supplying 150-200 tons of recycled water per day for dust suppression and reducing municipal water consumption.



Reclaimed water reuse supports the construction of the Shenzhen Metro



Zhengzhou Campus: AWS Platinum Certification Practice

In response to the risk of drought in Henan, the Zhengzhou Campus launched the AWS (Alliance for Water Stewardship) certification program in 2023. The measures taken by the Zhengzhou Campus include:

In 2024, the Zhengzhou campus advanced its water resource management level through the above measures, reduced environment impacts, strengthened supplier engagement, mitigated water risks, and continuously improved the local water quality —culminating in AWS Platinum Certification, the program's highest level.

AWS Platinum Certification for Zhengzhou Campus

River Basin Analysis: Collect river basin plans and targets at the national, provincial, municipal and county levels, and compile river basin reports to analyze factors such as water balance, quality, critical water-related areas, infrastructure, and climate change, and identify key challenges.

Internal Controls & Monitoring: Established a certified internal control framework and sustainable water management strategy, supported by upgraded online monitoring systems to ensure efficient and stable wastewater treatment.

Commitment and training: Publicly declare commitment to sustainable water management, develop improvement plans, and conduct internal, external and supplier training on AWS water management to raise employees' awareness of water conservation.

Supply chain risk management: Conduct indirect water use surveys and water risk assessments within the supply chain, identify key suppliers, and develop improvement plans.

Water Use Reduction: Promote industrial and domestic water conservation projects (e.g., urokinase reuse, zero heavy metal discharge, sandblasting water recycling), saving more than 90,000 tons of water annually. In addition, by optimizing production processes and adopting EDI technology to improve the pure water system, the use of chemicals has been reduced.

WASH: Continuously provide employees with appropriate WASH (Water, Sanitation and Hygiene) facilities, donate WASH supplies to the community and charitable organizations, establish the rescue team, and safeguarded water safety for both production and living needs.

Protection of water-related areas: Monitored rivers and groundwater quality outside the site semiannually to safeguard surrounding ecosystems.

Effluent Quality: Invested in COD and ammonia nitrogen reduction projects, with discharge water quality exceeding 80% of the target standards, significantly outperforming the industry average.

Wastewater Management

To ensure the wastewater does not pollute the environment, each site is equipped with wastewater treatment equipment. Regular inspection and maintenance by dedicated trained personnel ensures stable operational and compliance with discharge standards. Online monitoring equipment is also deployed to provide early warning of water quality anomalies under stricter standards, enabling timely corrective actions. Regular testing is also outsourced to qualified laboratories. Outlet monitoring data is directly linked to the Environmental Protection Bureau for real-time supervision, complemented by routine on-site inspections by local EPA authorities to strengthen compliance. The Group aims to achieve 100% coverage of industrial wastewater quality monitoring systems by 2025, providing real-time visibility and early-warning functions that exceed regulatory standards.

The Group collects domestic sewage and industrial wastewater in separate locations, designs corresponding treatment units tailored to their respective characteristics, and applies a hierarchical treatment approach:

(1) Primary Treatment: Larger floating debris is removed using bar screens. The wastewater is then collected in an equalization tank, where it is stirred to homogenize the incoming water quality and volume, ensuring smooth processing of the subsequent treatment process. The After-grit removal, the wastewater flows into the primary sedimentation tank, which is the primary stage of wastewater treatment.

(2) Secondary and Tertiary Treatment:



Domestic wastewater typically contains a high level of organic matter, resulting in a high biochemical oxygen demand (BOD). Therefore, secondary biological treatment is prioritized. The Group applies activated sludge and biofilm processes, utilizing naturally occurring microorganisms to decompose organic matter. Microorganisms metabolize organic matter and balance nutrient ratios (nitrogen and phosphorus), converting it into stable inorganic compounds. This effectively reduces oil, nitrate, total phosphorus, total nitrogen, and organic pollutants.



As a leading electronics manufacturing services (EMS) provider, Hon Hai operates diverse range of manufacturing processes, such as electroplating and anodizing. This complicates the treatment of industrial wastewater. Industrial wastewater typically contains high levels of chemical oxygen demand (COD), heavy metals, and inorganic salts. To address these characteristics, wastewater treatment plants often utilize tertiary treatment methods, including chemical coagulation, electrolytic reduction, and ammonia nitrogen wastewater treatment.

(3) Final Discharge: After verification that effluent quality meets local discharge standards, the wastewater will be released into the municipal pipeline network and then undergo secondary treatment at local government-operated facilities. Depending on regulatory requirements, further chemical coagulation or chlorination disinfection will be carried out to ensure compliance with government water management regulations. The wastewater will eventually be discharged into government-designated waters to reduce the environmental burden.

We firmly believe in the principle of “taking from society and giving back to society”. Therefore, we extend water to the upstream and downstream watersheds of our plants, fostering employee awareness of water conservation and environmental protection. For example, we organize river patrols that engage employees and their families, fostering community participation in protecting aquatic ecosystem. On Earth Day 2024, we launched a “River Patrol and Beach Cleaning” relay event to support the United Nations’ SDG 6 (Clean Water and Sanitation) and SDG 13 (Climate Action), while reinforcing the company’s sustainable water resource management. The event themed “Protecting Every River Near Me” was piloted across eight sites, including Zhengzhou and Yantai. Employees from each site actively formed volunteer teams, collaborating with local governments, communities, and partner organizations to conduct river cleanups and water quality monitoring around their respective rivers. They further promoted environmental awareness in surrounding communities and encouraged public participation. The event engaged 6,288 participants across held 36 events, and contributing over 10,000 volunteer hours.



River Patrol and Beach Cleaning” Relay Event

Waste Management

Waste Management Policy and Plan

Since the onset of industrial age, manufacturing processes and public demand have generated large volumes of solid waste. Without proper treatment, such waste can infiltrate soil, air, and water, causing pollution and generating non-degradable residues that pose long-term risks to future generations. Consequently, waste management has emerged as a critical environmental challenge. To address this, the Group has implemented a Zero Waste to Landfill program at all key campuses, gradually reducing waste incineration and landfilling to achieve a 100% waste diversion rate, with incineration with energy recovery capped at 10%.

The Zero Waste to Landfill program not only reduces raw material use at the source to minimize waste generation but also increases the recycling and reuse of internal and external packaging materials to continuously improve resource efficiency. In 2024, the Group recorded zero violations of laws and regulations in its waste management.

With “Zero Waste Campus” as its core goal, Hon Hai has embedded the concept of circular economy into its operations, promoting waste minimization through the following hierarchical management framework:

Policy framework

- **Management principles:** Adhere to the hierarchical strategy of “reduction → reuse → recycling → harmless treatment → legal disposal” and fully implement the “Hon Hai Technology Group Waste Management Commitment” in all global factories by 2024.
- **Certification System:** Using UL 2799 Zero Waste to Landfill as a benchmark, by 2024, a total of nine industrial campus had received certification, resulting in 35 zero-waste certificates and 58 legal entities passing verification, achieving the 2025 target ahead of schedule. By the end of 2024, a total of 20 suppliers had also obtained UL 2799 Zero Waste to Landfill certification.

Specific Action Plan

Type of measure	Implementation priorities for 2024	Progress Status
Source Reduction	Process optimization and sustainable procurement, introducing biodegradable materials.	Reduced plastic purchases by 4,450 tons in 2024
Digital Monitoring	The Group's self-developed environmental information network - waste management system, real-time tracking of waste flow and total volume at global factories.	System fully covers Hon Hai's legal entities
Employee Empowerment	Organize waste-related initiative such as "Zero Waste Practical Workshop".	Held activities in various regions to enhance employees' awareness of environmental protection
Supply Chain Management	Regular audits are conducted on outsourced manufacturers, requiring 100% legal disposal and the signing of a waste transfer compliance statement.	Maintained a zero-penalty record (2023-2024)
Independent Certification	By 2024, a total of nine parks obtained UL 2799 certification, achieving the goal ahead of schedule, and obtained 35 zero waste certificates.	Ongoing progress

Waste Generation, Recycling and Disposal

Hon Hai adopts comprehensive process management to seamlessly integrate waste traceability, classified recycling and source reduction, and environmentally sound disposal.

- **Waste Traceability:** Establish a waste management ledger to ensure that waste is traceable and searchable. Hon Hai has utilized its self-developed environmental data collection system for real-time tracking. We have signed memorandums of cooperation with UL international verification institutes and aim to build "Zero Waste Pilot Campuses" through the incorporation of digital waste management using cloud technologies and quantitative systems that enable waste reduction.
- **Classified Recycling and Source Reduction:** Implement a recycling model to reduce general non-hazardous waste and domestic waste at the

source, increase the recovery recycling rate of non-hazardous waste, and convert high-value waste into resources (for example, the Group's Plastics Resource Application Center recycles plastic pallets internally and has obtained multiple UL 2809 certifications). In 2024, the hazardous waste recycling rate reached 84.32%.

- **Environmentally Sound Disposal:** Actively research and develop technologies to achieve 100% harmless disposal environmentally sound disposal of hazardous waste.

Please refer to Appendix - Key Quantitative Indicators - Waste Management for details of the Group's hazardous and non-hazardous waste generation and disposal in 2024.



Circular Application of Quantum Fibers in Product Design

In response to the global Carbon Border Adjustment Mechanism (CBAM), net-zero targets, and customer demand for low-carbon products, the Group's design team collaborated across R&D, design, and manufacturing departments in Wuhan and Taiwan to apply quantum fiber as an alternative material for product exterior components. Quantum fiber is 30–35% lighter than traditional plastics such as ABS, while maintaining a comparable strength coefficient. Through structural optimization and redesign, the products passed quality inspections for mass production, reducing the carbon footprint from materials through logistics, and receiving positive customer feedback.



Vietnam Plant Recycling Green Station

On World Environment Day 2024, Hon Hai Vietnam hosted organized a Recycle Green Station recycling event to encourage employees to actively participate in waste recycling. Under the theme of “Recyclables for Green Products,” the event encouraged employees to donate used items and used books in exchange for reusable bags, notebooks, and stationery made from recycled materials, practicing the principles of a circular economy. campaign encouraging employees to exchange recyclables (used items and second-hand books) for eco-bags, notebooks, and stationery made from recycled materials. The collected items were donated to five kindergartens in Bac Giang Province, promoting resource sharing and social care. The event enhanced employee environmental awareness demonstrated the company's commitment to waste reduction and responsible disposal, and reinforced green living practices across the Group.

Air Pollution Management

Air Pollution Mitigation Measures

The Group has established comprehensive, scientific air pollution control protocols. We select the best available technologies based on exhaust emissions composition and properties; actively adhere to all government air pollution management measures by establishing a robust response system; formulated practical and feasible contingency measures to regularly maintain and upgrade treatment facilities to ensure 100% compliance with emission standards.

Hon Hai Technology Group Air Management Commitment applies to all of the company's global production and operations facilities, including all employees, logistics and distribution teams, partners, service providers, contractors, and suppliers.

Before commencing production or operations, the Group obtains environmental impact assessment approval from local governments and installs industrial-grade exhaust treatment equipment. Regular inspections, maintenance, and environmental sampling are conducted to ensure emissions comply with regulations.

In air pollution management, the Group adheres to the following principles:

Source Control
 Prioritize production design principles that reduce pollutant emissions.

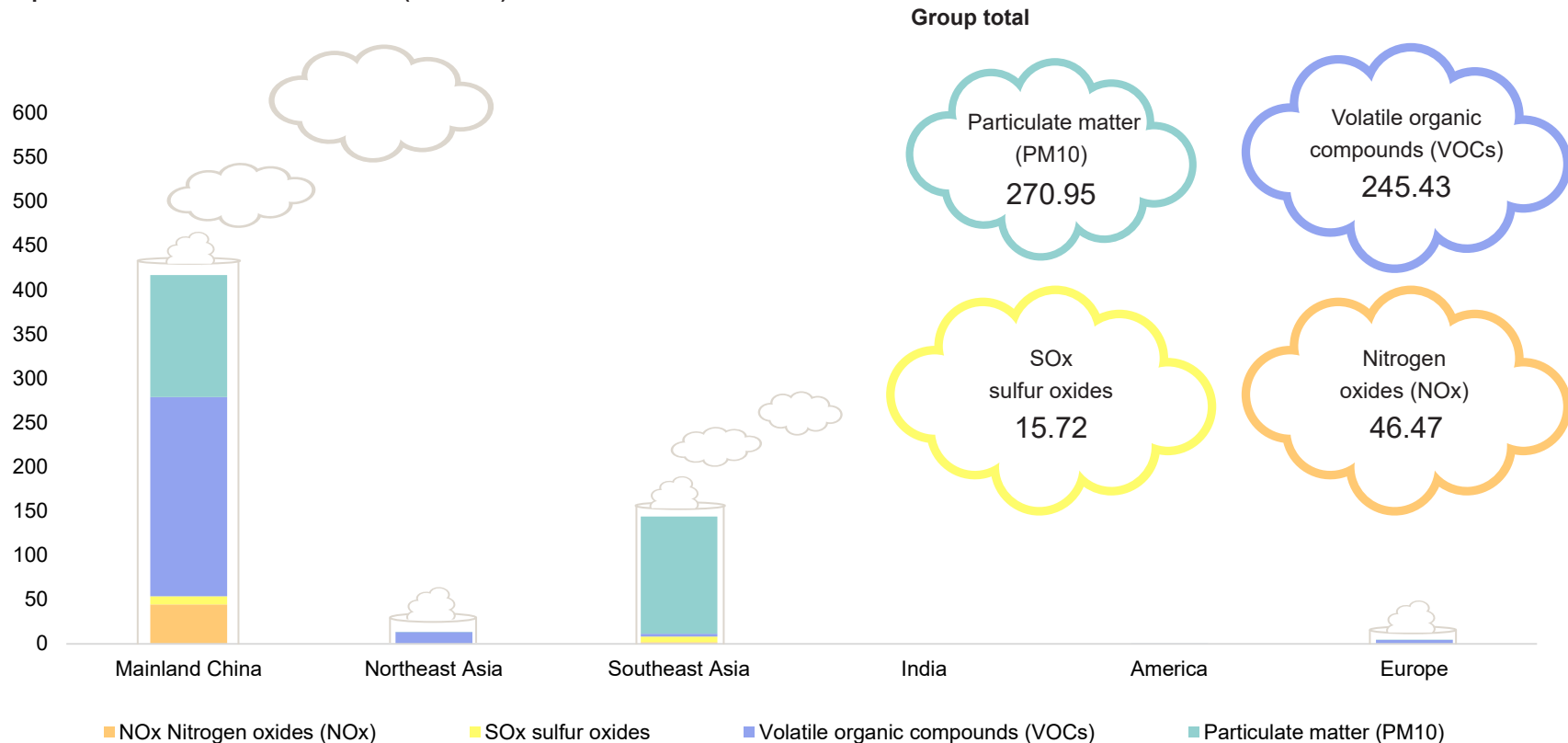
Process Optimization
 Strengthen control measures in the production process and optimize production technology.

Technological innovation
 Support the research, development and application of environmental technologies and equipment to improve the effectiveness and efficiency of air pollution control.

End-of-Pipe Control
 Adopt effective and best available technologies and equipment to reduce pollutant emissions.

Air Pollution Management Performance

Group's Air Pollutant Emissions in 2024 (Unit: ton)



Nature and Biodiversity protection

Biodiversity and No Deforestation Commitment

Hon Hai actively implements actions to protect biodiversity and responds to international initiatives such as the Convention on Biological Diversity (CBD). We are committed to identifying and minimizing the impact of our products, facilities, and operations on surrounding ecosystems, thereby reducing adverse effects on communities, the environment, and natural resources, in alignment with global sustainability frameworks such as the CBD. These efforts contribute to the United Nations Sustainable Development Goals: SDG 14 (Life Below Water), SDG 15 (Life on Land), and SDG 17 (Partnerships for the Goals), fulfilling our responsibility to protect the environment and care for the planet.

In 2023, Hon Hai officially released the Biodiversity and No Deforestation Commitment, integrating biodiversity conservation into its core environmental strategy, publicly pledging its commitment to sustainable operations, and demonstrating the company's core value of biodiversity conservation.

To reduce the ecological impact of our operations, Hon Hai adopts a stepwise management approach based on the Mitigation Hierarchy Principle and incorporates the ISO 14001 Environmental Management System:

Avoid impacts at the source

- Conduct environmental assessments before establishing or expanding facilities to avoid locations that are important or sensitive to biodiversity.
- Require suppliers and partners to comply with environmental protection principles, such as prohibiting deforestation of primary forests.

Minimize impacts where avoidance is not possible

- If there is natural ecology near the development or operation site, we will take protective measures, such as establishing green belts, reducing construction noise and light pollution, to mitigate disturbance.
- Incorporate these measures into daily operations with continuous monitoring and adjustment.

Restoration of affected environments

- Where impacts occur, undertake restoration measures, such as replanting native plants, improving water quality, and enabling species to reinhabit ecosystems.
- Set clear targets and involve local communities and academic institutions to ensure long-term success.

Offsets

- For residual impacts that cannot be restored, implement offset measures such as protecting alternative habitats or constructing artificial wetlands.
- Offset measures will refer to international standards and be verified by qualified third party.

Transformation and additional conservation contributions

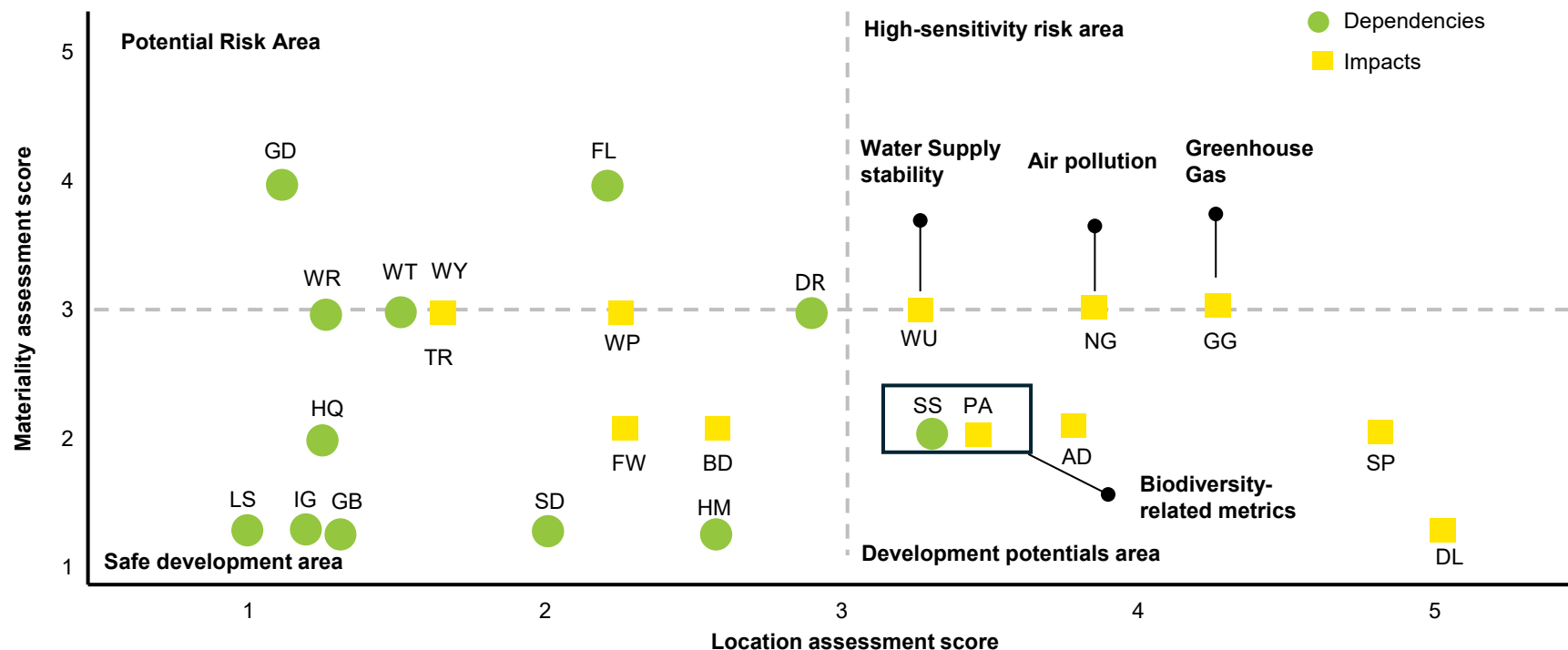
- Hon Hai not only meets regulatory requirements, but also actively participates in international nature-related initiatives (such as TNFD), incorporating natural-related risks into its business considerations.
- We also invest in ecological education and community programs to raise public awareness of biodiversity conservation and strengthen environmental actions across the supply chain.

Looking ahead, Hon Hai will establish long-term action plans and targets informed by ongoing assessments of nature-related risks.

Nature-related Risk Opportunity Assessment

Hon Hai Group recognizes the critical value of natural capital to corporate sustainability. In response to the release of the Nature-Related Financial Disclosure (TNFD) framework in September 2023, the company engaged a team from National Taiwan Normal University to conduct a nature-related

risk and opportunity assessment for its core sites in Taiwan (Tucheng, Neihu, and Taoyuan), following the LEAP principles (Locate, Evaluate, Assess, Prepare). The assessment integrated four major ecosystems: terrestrial, freshwater, ocean, and climatic and utilized Taiwan's high-resolution gridded map data (Taiwan ENCORE). Through a dual-track analysis combining geospatial validation and internal questionnaires, the team developed a 24-indicator risk matrix (see figure below). As a result of this assessment, Hon Hai established its Biodiversity and No Deforestation Commitment in 2023 and updated it in 2024.



Assessment Methodology and Framework:

Two Types of Indicators	Ecological Dependencies	Annual water yield (WY), drought severity (DR), rainfall variability (WR), flooding potential (FL), carbon stock (CB), temperature change (WT), soil degradation (SD), habitat quality (HQ), biodiversity (SS), habitat change (HM), geological sensitivity (GD), intensive agriculture (IG), livestock farming (LS)	
	Environmental Impacts	Land use (TR), key water bodies (FW), greenhouse gases (GG), air pollution (NG), soil pollution (SP), water source pollution (WP), ecological disturbance (DL), water supply stability (WU), atmospheric degradation (AD), habitat degradation (BD), and surrounding conservation areas (PA)	
Two-dimensional Scoring System	Positioning Analysis Score (horizontal axis)	Based on high-resolution Taiwan ENCORE data the spatial relationship between factory sites and ecologically sensitive areas was quantified. The higher the score, the greater the risk.	- The high-risk quadrant (upper right) includes indicators such as greenhouse gases, air pollution, and water supply stability. These have already been incorporated into the Group's management plans. - The development potential quadrant (lower right) includes biodiversity-related indicators such as biodiversity (SS), habitat quality (HQ), and surrounding conservation areas (PA). This indicates that biodiversity is an emerging priority for the Group, highlighting opportunities to generate new growth through ecological restoration.
	Materiality Score (vertical axis)	Derived from questionnaires distributed to employees in the Group's key operational and logistics units , measuring the degree of dependence and impact on ecosystems. A higher score indicates greater risk.	

Biodiversity Conservation Action

Guided by its Biodiversity and No Deforestation Commitment, the Group collaborates with stakeholders to implement biodiversity restoration initiatives, actively promoting the recovery of marine life and their habitats through a Circular Economy model. Ocean resource restoration was selected as a priority because ocean resources provide critical services including provisioning, supporting, regulating, and cultural benefits. Approximately 95% of Taiwan's coastline is protected by seawalls. In partnership with National Taiwan Ocean University, a leading authority on ocean restoration research, Hon Hai launched the Sustainable Ocean Circular Resource Plan. This plan will gradually utilize onshore, intertidal, and natural sea areas as demonstration sites, implementing

and promoting projects such as habitat monitoring, local seed propagation and cultivation, the development of artificial reef technologies using waste construction materials, and ocean carbon sequestration and environmental education. In 2024, the project was awarded the TWBA Taiwan Biodiversity Award.

Through this plan, the Group will invest NTD 25 million over three years (2023-2025), beginning at headquarters, to take tangible actions to transform onshore construction waste into seabed resources for the restoration of Taiwan's native species, maintain biodiversity, and create ocean carbon sinks. These actions

reinforce Hon Hai's responsibility to protect the planet and lay the foundation for a sustainable ocean blueprint. The plan also generates social co-benefits: after several years of demonstration site management and the planned release of native aquatic species, population increases and spillover into adjacent waters

are expected to significantly raise fishery value, offsetting the decline in catches caused by past economic activities. With sustainable coastal management and biodiversity restoration strategies, demonstration waters will be transformed into sustainable fishery demonstration zones.

Key Action Dimensions:

Action Dimension	Measure	Achievements, Impact and Future Plans
Habitat Monitoring	Habitat monitoring is conducted in the northern waters of Taiwan to monitor indicators of Conducted habitat monitoring in northern Taiwan waters, focusing on indicators such as microplastics and biological pollution to assess current marine conditions.	- Completed 6 monitoring campaigns on microplastics and heavy metals to evaluate their ecological impact. - Developed deep learning-based marine ecological survey technology, designed to overcome challenges caused by ocean conditions, weather, and environmental factors, with an expected recognition accuracy of 50% for biodiversity surveys, supported by ROV applications and AI training. - Introduced smart monitoring systems and environmental data analysis platforms to track habitat health and long-term ecological trends, strengthening scientific management capacity.
Resource Restoration	In accordance with the Fisheries Agency's Regulations on the Reproduction and Release of Aquatic Animals, carried out restoration using native species such as fish, algae, corals, and shellfish. Conducted sampling and analysis of microplastics and biological contamination in seawater and organisms at restoration sites. Conducted heavy metal testing in seawater, sediments, and organisms, covering 30 elements such as silver, copper, lead, and zinc.	- Completed the development of algae attachment technology and deployed 51 nearshore algal reef modules (1m³ each). - Released 40,000 native fish fry (including bluefin trevally, red sea bream, striped sea bream) through 12 restocking operations conducted from both shore and vessels. Promoted demonstration site management to enhance biodiversity, increase habitat abundance, and strengthen ecological functions, contributing to the recovery of coastal fishery resources. Developed deep learning-based marine ecological survey technology, expected to achieve 50% recognition accuracy in biodiversity surveys, supported by ROV and citizen science training. - Confirmed that seawater, sediments, and organisms at six restoration sites met standards; nickel and arsenic were detected at low-impact ERL levels, posing negligible ecological risks.

Action Dimension	Measure	Achievements, Impact and Future Plans
Circular Economy	Reuse construction waste to create fish reefs and algae reefs and release them into the sea to create ocean habitats.	- Developed four value-added products from algae: seaweed soap, algae jelly, seaweed facial masks, and seaweed hand cream. - Promoted the resource utilization of marine waste, supporting the development of industries focused on marine resource recycling and sustainable production.
Marine Carbon Sinks	Researched blue carbon methodologies and applied them to restored algae to calculate carbon fixation and reduce emissions.	- Completed carbon fixation capacity analysis for six macroalgae species (two green, three brown, and one red). - We will continue to promote sustainable ecology, with “new technologies to enhance carbon sequestration” and “biodiversity restoration” as the core themes, expanding the overall carbon sink layout from green carbon (terrestrial forests), blue carbon (oceans and wetlands), to yellow carbon (soil carbon storage), increasing corporate investment in carbon sequestration and promoting the realization of negative carbon solutions, moving towards net zero carbon emissions. Expanded carbon sink strategies across green carbon (forests), blue carbon (oceans and wetlands), and yellow carbon (soil carbon storage), using biodiversity as the core axis. This helps guide investment into large-scale carbon sequestration solutions, promoting long-term climate change mitigation and achieving net-zero emissions targets.
Environmental Education	Delivered sustainability education through curricula and field visits, including parent-child environmental education activities. Activities included shore and boat-based fish fry releases, coral planting, fish consumption education, water adventures, crafts, beach clean-ups, and fishing village tours, embedding ESG awareness and sustainability into corporate culture.	- Organized 12 parent-child marine education activities for employees, with 800 participants. Achieved an average satisfaction score of 4.86/5 and environmental awareness participation score of 4.94/5. - Expanded the Ocean Classroom into the Mountain Classroom, connecting mountain and ocean resources, and established the Hon Hai Environmental Sustainability Education Base. - Partnered with local fishing villages to provide employees and families with immersive tours, enabling deeper understanding of marine ecology, history, and cultural heritage. - Improved employees’ knowledge of marine biodiversity and strengthened engagement through hands-on participation in ecological and cultural activities. - Guided tours by local residents provided employees and their families with a deeper understanding of Mao’s Restored ecosystem services through activities such as fish fry releases, seaweed and coral restoration, blue carbon initiatives, and seawater monitoring. These actions enhanced provisioning services (food and clean water), supporting services (genetic diversity and productivity), and regulating services (carbon capture and climate regulation).



Volunteer Diving for Coral Reconstruction



Coral Planting

Sustainable Raw Materials

■ Sustainable Raw Materials Policy and Projects

As part of its green product strategy, the Group is committed to sourcing environmentally friendly and sustainable raw materials, with the goal of minimizing adverse environmental and social impacts associated with raw material use. The Group also actively collaborates with external stakeholders to advance best practices in sustainability and to strengthen supply chain resilience. Where feasible, the Group prioritizes the use of third-party verified raw and recycled materials to reduce reliance on virgin materials. In addition, the Group refrains from sourcing raw materials from areas of globally or nationally significant biodiversity, thereby contributing to the protection of biodiversity.



Sustainable Raw Materials Principles and Actions

The Group is committed to advancing sustainable development and actively implementing mechanisms for the selection and management of sustainable raw materials. Guided by the following core principles, we continuously optimize product design and supply chain management:

Principle	Action
 Sustainability First	We prioritize the use of materials that are third-party certified or comply with internationally recognized sustainability standards, ensuring responsible sourcing and minimizing environmental and social impacts. All raw material suppliers are required to sign the Environmental and Social Responsibility Commitment, and to submit relevant documentation, such as the Conflict Minerals Due Diligence Report and Product RoHS Compliance Declaration. Regular ESG-oriented audits and performance evaluations are conducted to monitor supplier practices and mitigate adverse impacts associated with raw material production.
 Reducing Harmful Substances	We are committed to phasing out substances that pose risks to human health and the environment by adopting safer alternatives wherever possible. This approach ensures product safety and regulatory compliance across all operating regions.
 High Recycled Content	Encourage greater use of recycled materials -particularly in plastics, metals and packaging materials —to reduce reliance on virgin resources and reducing waste generation.
 Resource Efficiency	Through design improvements and process optimization, we enhance material utilization, reduce material waste, improve product durability and reparability, and extend product lifecycles.
 Carbon Footprint Assessment	Carbon footprint assessments of key raw materials serve as one of the criteria for purchasing decisions, promoting the use of low-carbon materials to enable lifecycle carbon management across products. For example, the Group collaborates with steel suppliers to encourage the use of electric furnace steel with a high proportion of recycled content. The traditional blast furnace–converter steelmaking process, primarily coal-fired, generates high carbon emissions and typically allows only 11% recycled content. In contrast, the emerging electric furnace process uses electricity for heating, produces no exhaust gas, and can incorporate more than 50% recycled content. Carbon emissions from blast furnace -converter steelmaking are approximately 3.5 times higher than those from electric furnace steelmaking. By implementing this initiative, the Group has significantly reduced the carbon footprint of raw materials used in its products.

Principle	Action
 Geographic and Origin Transparency	The Group prioritizes raw materials (including controversial materials) based on procurement volume, regulatory demands, and key customer requirements. Suppliers are required to provide mining or manufacturing location information as well as source declarations to strengthen traceability and transparency in their material supply, thereby preventing the use of conflict minerals and illegal resource. For controversial raw materials (including tantalum, tin, tungsten, gold, cobalt, and mica), the Group leverages its supplier ESG digital management platform to trace origins information and collect CMRT and EMRT reports from suppliers. These reports include smelter details, while the country of origin of these minerals is further traced using RMI's RCOI data. In addition, the Group cross-checks supplier-reported smelters against the RMI's list of RMAP-certified smelters to ensure that 100% of the smelters in its supply chain are third-party RMAP-certified conflict-free smelters.
 Supporting Circular Economy Design	We encourage the design of products that are disassembled and recyclable, while also considering the potential for future remanufacturing, recycling, or reuse to promote resource circulation within the industry. For example, the Group collaborates with aluminum suppliers to recycle aluminum scrap generated during production, remelting it into secondary aluminum material, which is then reintegrated into the CNC process to manufacture new products. By recycling aluminum scrap, the Group not only saves on raw material procurement costs but also significantly reduces product carbon emissions compared with using virgin aluminum. The carbon intensity of recycled aluminum is only about one-third that of steel, meaning steelmaking generates roughly 3.5 times more carbon emissions than recycled aluminum.
 Material Innovation	Actively explore and adopt emerging sustainable materials, such as bio-based materials, eco-friendly composite materials and low-carbon alternatives-while supporting R&D and Innovation to deliver greater environmental value.

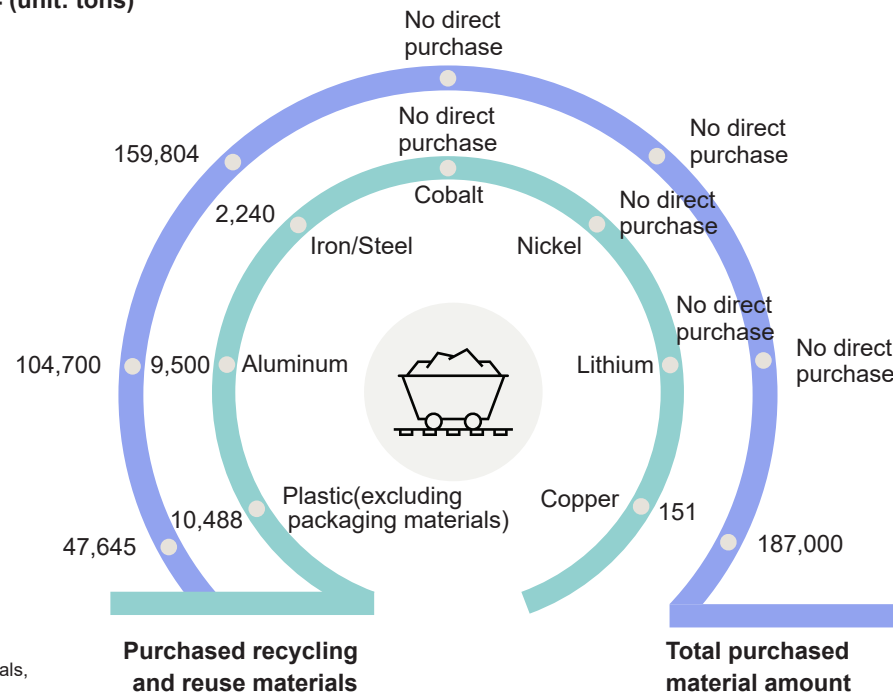
Plastic and Metal Raw Materials

Natural resources refer to the stocks of renewable and non-renewable resources on Earth, which together provide benefits and services to humanity. Hon Hai recognizes of the close relationship between the use of raw materials and climate change, and therefore gradually promotes the statistical work on the amount of raw materials consumption to lay a foundation for improving resource utilization efficiency and recycling rates. The group also employs two methods to identify critical raw materials: 1) Materials that are used in large quantities, are irreplaceable, and are exposed to price volatility risks; 2) Materials that are irreplaceable and face supply constraints, regulatory pressures, and reputational risks.

Based on these criteria, the Group has identified steel/iron, aluminum, plastic, tantalum, tin, tungsten, gold, cobalt, and mica as its critical raw materials. Ranked by total procurement volume, the top three materials prioritized for management are steel/iron, plastics, and aluminum.

The Group also set goals related to sustainable raw materials. These include promoting the recycling and reuse of 23,000 tons of bulk raw materials (aluminum, plastics, and packaging materials) by 2024 (progress in 2024: 24,400 tons); and engaging ten suppliers to incorporate recycled materials in their products by 2024 (progress in 2024: 12).

The Group's material usage in 2024 (unit: tons)



Note: The materials involved are bulk raw materials, excluding composite parts and components.

5

Business Sustainability, Beneficial Partners

A sustainable supply chain is central to our key developments with strategic cooperation partners. The Group is committed to fostering efficient and collaborative long-term relationships with suppliers. This will be demonstrated through environmental, social, and governance (ESG) risk assessments and audit verifications. These efforts significantly enhance the resilience of our supply chain, mitigate operational risks, and promote overall sustainable management.

In addition, we are committed to enhancing customer satisfaction by continuously improving our processes and interactions to meet and exceed customer expectations, thereby reinforcing our commitment to quality and excellence.

Major Topics of This Chapter:

Sustainable Supply Chain; Customer Satisfaction

Commitment to SDGs



GRI Standards:

GRI 204; GRI 308; GRI 414; GRI 418;

Key KPIs and achievements/ honors for 2024:

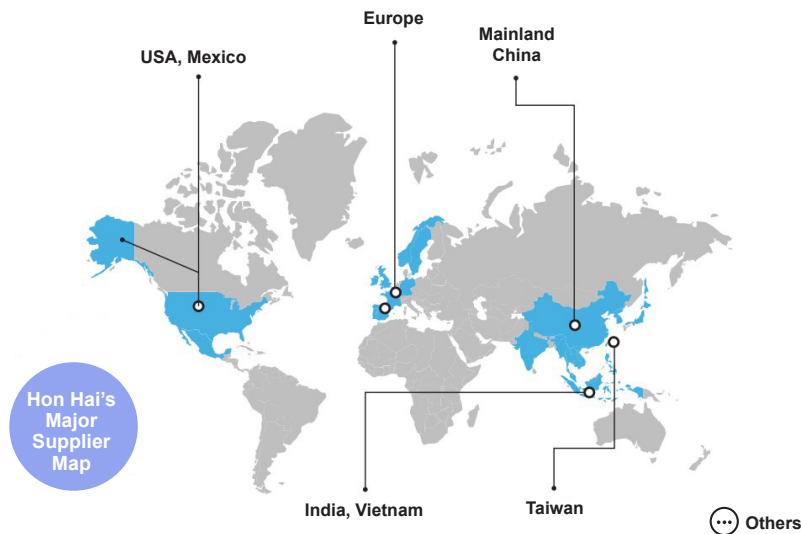
- 1 In 2024, the Group completed the identification, assessment, and response framework for conflict minerals supply chain risks, conducting due diligence on 2,166 suppliers for conflict minerals.
- 2 In 2024, the number of suppliers that completed the RBA VAP audit within the group reached 45, exceeding the expectations for 2024 and representing a 73% increase compared to 2023.
- 3 The score for the 2024 Customer Satisfaction Survey reached 83.79 points, representing a 2% increase compared to the previous survey.
- 4 The localization procurement rate reached 73%, effectively promoting local economic development and optimizing supply chain resilience.



Supplier Sustainability Management

Profile of Hon Hai Global Supply Chain

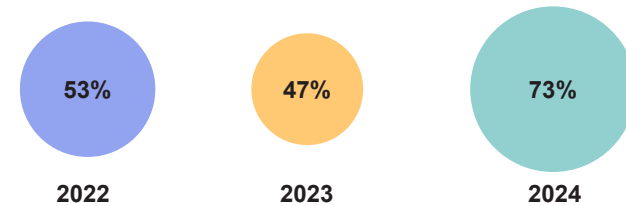
The Group has implemented a comprehensive global supply chain system across various regions to offer more convenient and complete services to our customers. Hon Hai's suppliers are situated in diverse countries and regions across Asia, including Mainland China, Taiwan, India, and Vietnam, as well as in America, such as Mexico, and Europe.



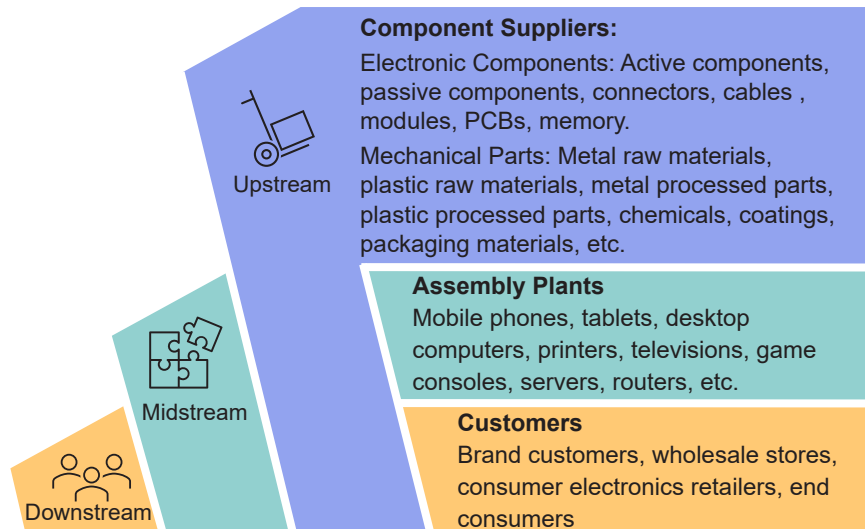
In 2024, Hon Hai's localization procurement rate reached 73%, effectively strengthening supply chain resilience and supporting local economic development. We prioritize sourcing raw materials and components from local suppliers located within the production campus under equal conditions, actively implementing our localization procurement strategy. This approach aims to shorten supplier delivery cycles, enhance supply chain resilience, and concurrently reduce energy consumption associated with product transportation, thereby lowering carbon emissions. Furthermore, it contributes to the economic

development of local communities by creating more job opportunities for residents. As a leading company in the electronic manufacturing sector, Hon Hai's industry chain structure comprises upstream component suppliers and a diverse range of downstream customer groups.

Local Procurement Ratio

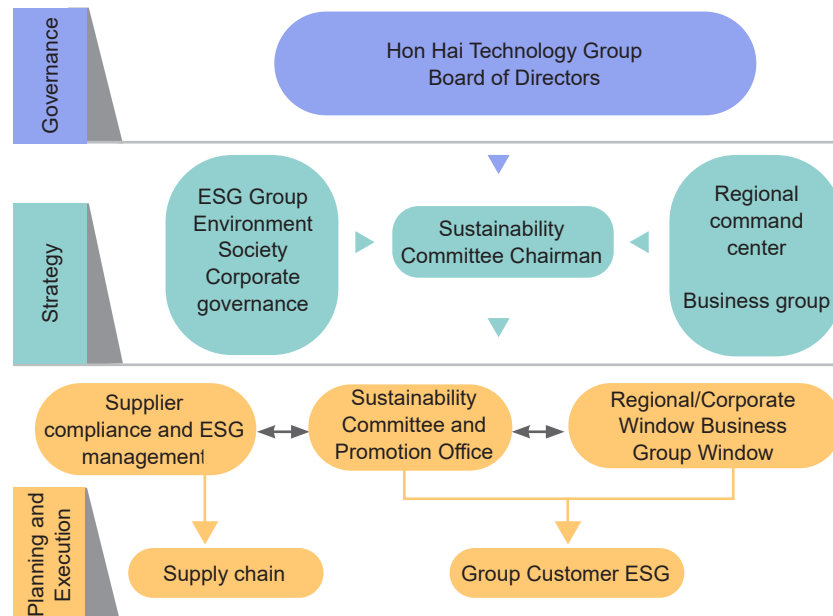


Local Procurement: The supplier's product manufacturing factory is located in the same country as the assembly campus of Hon Hai where the supplier's products are delivered to.



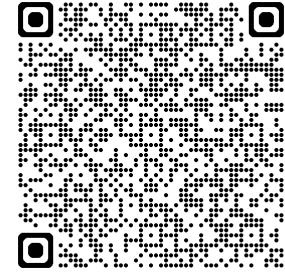
Supplier Management Governance

The Board of Directors at Hon Hai serves as the highest decision-making body for sustainable supply chain management, overseeing the implementation of supplier ESG management through the Sustainability Committee. The Sustainability Committee reports annually to the Board on sustainability achievements and plans, which are then reviewed and evaluated by the Board. Major issues are executed only after thorough deliberation by the Board. Additionally, Hon Hai has established a Sustainability Promotion Office, dedicated to managing the company's sustainability systems and standards, supervising policy execution, driving due diligence, and managing ESG risks ensuring strategic implementation. The Supplier Management Department follows the company's relevant policies and standards to implement supplier guidelines and review mechanisms. Through institutionalized processes and daily management, we ensure the effective implementation of these policies, further strengthening the compliance and sustainability of the supply chain.



Policies for Supplier Management

Supplier Social and Environmental Responsibility Code of Conduct



The Group is focused on cultivating efficient and collaborative long-term relationships with suppliers. This commitment is demonstrated through environmental and social risk assessments and audit verifications, which play a crucial role in enhancing supply chain resilience, mitigating operational risks, and promoting sustainable management.

As a leading global electronics manufacturer, the Group is dedicated to achieving sustainability and competitiveness in supply chain development. To support this, the Group has established the Hon Hai Supplier Social and Environmental Responsibility Code of Conduct, along with the Hon Hai's Biodiversity and Non-Deforestation Commitment, ensuring compliance with local laws and regulations.

Hon Hai has implemented Responsible Supply-Chain Management (RSM), a comprehensive and systematic approach to managing the supply chain in collaboration with its suppliers. This system is supported by specific guidance on Environmental, Social, and Governance (ESG) standards, ensuring adherence to best practices and sustainability goals.

1. Carbon Reduction and Environmental Protection

- Encourage suppliers to regularly quantify greenhouse gas emissions, set reduction targets, and implement energy-saving and carbon-reduction measures to decrease greenhouse gas emissions and achieve net-zero carbon.
- Promote compliance in waste management among suppliers and continuously enhance waste conversion rates through the implementation of the 3R (Reduce/Reuse/Recycle) strategy, aiming for zero waste to landfill.

- Require and monitor suppliers to prevent environmental pollution during the production process and ensure compliance with environmental management standards.

2. Social Responsibility and Green Compliance

- Require and monitor suppliers to adhere to the Hon Hai Supplier Code of Conduct for Social and Environmental Responsibility, strictly prohibiting any violations of human rights and ensuring a healthy and safe workplace.
- Implement due diligence management, rejecting illegal minerals originating from conflict-affected and high-risk areas to achieve a green supply chain.
- Encourage suppliers to enhance their green product management capabilities, rejecting products containing chemicals regulated by green product-related laws in various countries and regions, and reducing the use of harmful chemicals in products, ultimately achieving full material reporting of products.

3. Data-Driven Transformation and Optimization

- Establish ESG performance evaluation standards for suppliers, conduct regular assessments, reward high-performing suppliers, and provide guidance for improvement or adjustment to underperforming suppliers.

Procurement 2.0 Strategy

In 2024, the Group introduced the Procurement 2.0 strategy, which is centered on the core principles of “openness, transparency, science, and management” to comprehensively upgrade the Group’s procurement operating model. “Openness” means expanding the selection of Tier-1 suppliers to ensure supply; “transparency” emphasizes the public disclosure of procurement specifications and prices to enhance the fairness of procurement decisions; “science” represents the use of scientific methods to determine partner selection, negotiation approaches, and share ratios; and “management” encompasses strengthening of personnel professional capabilities and the

institutionalization of digital platform operations. Through the implementation of the Procurement 2.0 strategy, the Group aims to ensure supply, reduce costs, eliminate malpractices, and enhance quality and efficiency.

Key Material Risk Management Strategy

The Group places a high priority on the supply resilience of critical materials, regularly providing demand forecasts to key material suppliers to secure the necessary materials in advance. At the same time, Hon Hai plans to establish a dedicated team for critical materials to continuously monitor market dynamics and increase investments in research and development, as well as material alternatives. This initiative aims to develop and promote sustainable alternative materials to reduce dependence on critical materials.

	Supply Diversification	The Group adopts a global procurement strategy, actively expanding raw material supply sources across multiple countries and regions to reduce reliance on a single supplier or origin. This approach helps mitigate risks associated with sudden events like natural disasters and geopolitical issues.
	Price Fluctuation Management	Through long-term contracts, bulk purchasing, and futures market tools, the Group stabilizes raw material procurement prices. By integrating cost forecasting and financial hedging mechanisms, the Group reduces the impact of severe price volatility on operations.
	Alternative Materials and Localization	The Group promotes material technology innovation by actively introducing alternative materials to lessen dependence on rare or high-risk materials. It also assesses the feasibility of localizing procurement of key raw materials to enhance supply stability.

	Regulations and Geopolitical	The Group has established a multinational compliance monitoring mechanism to stay informed about environmental regulations, labor standards, and trade policies in raw material export regions, preventing supply disruptions due to policy changes or trade restrictions.
	Inventory and Contingency	The Group sets safety stock standards for critical raw materials, dynamically adjusting inventory levels based on market trends. It also has emergency procurement and alternative supplier switching mechanisms to address sudden interruptions.
	Sustainable Procurement and ESG	According to the Group's sustainable development guidelines, key raw materials must meet environmental friendliness and social responsibility standards, such as avoiding conflict minerals and ensuring labor rights. The Group also strengthens the traceability of raw material sources.
	Supplier Management	The Group regularly evaluates supplier performance in terms of delivery time, quality, cost, and ESG performance. There are mechanisms for elimination and improvement to ensure the stability and sustainability of the supply system.

Green Sustainable Raw Materials Policy

The Group is committed to selecting green sustainable raw materials, aiming to minimize the negative impacts of raw material usage on the environment and society. We actively collaborate with external stakeholders to promote best practices for sustainable green raw materials, thereby enhancing the sustainability of the supply chain. Where feasible, we aim to increase the proportion of third-party verified raw materials and recycled materials used,

reducing reliance on virgin materials. Additionally, we avoid using raw materials sourced from globally or nationally significant biodiversity sites to protect biodiversity.

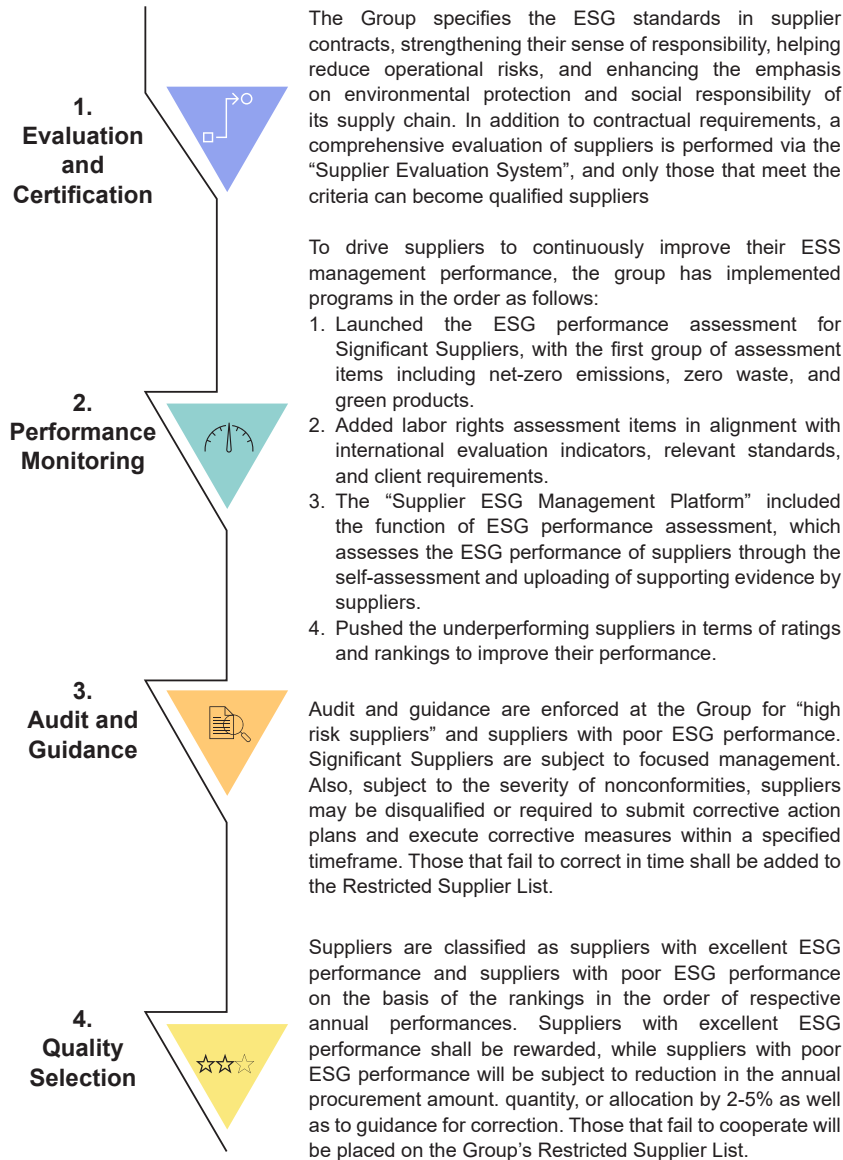
Supplier Sustainability Management Processes

Supplier ESG Management Program Overview

Hon Hai has established a precise management mechanism for key suppliers, encompassing ESG risk questionnaires, on-site audits, ESG performance evaluations, sustainable audits, guidance on improvement action plans, sustainable empowerment, and capability building. These measures are designed to effectively identify and address potential risks, enhance the resilience of the supply chain, and promote its stability and sustainable development.

Simultaneously, Hon Hai promotes supply chain management through institutionalized processes. A rigorous data review and evaluation mechanism is in place for new suppliers, and QSA/QPA/GP/SER audits and written document reviews are conducted based on the criticality of materials. Management actions include self-assessments every three years, regular audits, performance evaluations, and tracking of anomalies, covering aspects such as pricing, quality, delivery time, and cooperation. Suppliers are classified into grades A to D based on their evaluation scores: A-grade suppliers receive priority for orders, B-grade suppliers are considered normally qualified for supply, C-grade suppliers are placed under improvement monitoring, and D-grade suppliers are recommended for disqualification. Additionally, for key materials, green product declarations and conflict mineral assurances are required, gradually introducing responsible sourcing mechanisms to enhance supply chain quality and sustainable development capabilities.

Hon Hai's supplier management process encompasses four key stages: Evaluation and Certification, Performance Monitoring, Audit and Guidance, and Continuous Improvement.



Supplier Evaluation and Certification

Overview of New Supplier Requirement

To ensure the compliance and stability of the supply chain, the Group requires all new suppliers to adhere to the group’s supplier management guidelines, including the “Supplier Social and Environmental Responsibility Code of Conduct” and the “Supplier Management Requirements.”

Suppliers must sign the “Purchase Agreement “ and the “Environmental Protection and Social Responsibility Undertaking “ with the group to confirm their compliance with the relevant regulations. Additionally, all suppliers are required to sign the “Vendor Commitments” and the “Proactive Supplier Declarations” to explicitly commit to not bribing or providing improper benefits to personnel or designated individuals of the group and its affiliates, nor to directly or indirectly profit from such actions. In 2024, Hon Hai revised the “Environmental Protection and Social Responsibility Undertaking “, adding clauses on hazardous substance control, labor rights, and responsible sourcing requirements for cobalt and mica to further enhance the social and environmental responsibility standards for suppliers.

The Group requires suppliers to have relevant management system certifications, such as ISO 9001 (Quality Management), IATF 16949 (Automotive Quality), ISO 14001 (Environmental Management), ISO 45001 (Occupational Safety), QC 080000 (Hazardous Substance Management), ISO 50001, or GB/T 23331 (Energy Management), to ensure compliance with the Group’s standards in quality, environmental protection, and safety. At the same time, the Group conducts comprehensive evaluations of suppliers based on product quality, financial stability, green product promotion, social and environmental responsibility performance, and greenhouse gas management, to identify potential risks and ensure that partners possess stable operational capabilities and a commitment to sustainable development.

In the evaluation of new suppliers, ESG standards account for 30% of the total score, and suppliers must achieve a score of over 60 points to qualify as approved suppliers. In 2024, a total of 159 new suppliers passed the ESG screening and received certification.

Screening Principles for Significant Suppliers

To enhance supply chain management efficiency and sustainability performance, Hon Hai has established precise management and improvement plans based on supplier types and characteristics. By referencing the Dow Jones Sustainability Index (DJSI) standards, Hon Hai has formulated the "Significant Supplier Selection Principles." During the selection process, the group considers four major aspects of ESG and business, incorporating three major risk assessment standards for significant supplier management to ensure the stability and resilience of the supply chain, thereby further strengthening the implementation of sustainable procurement.

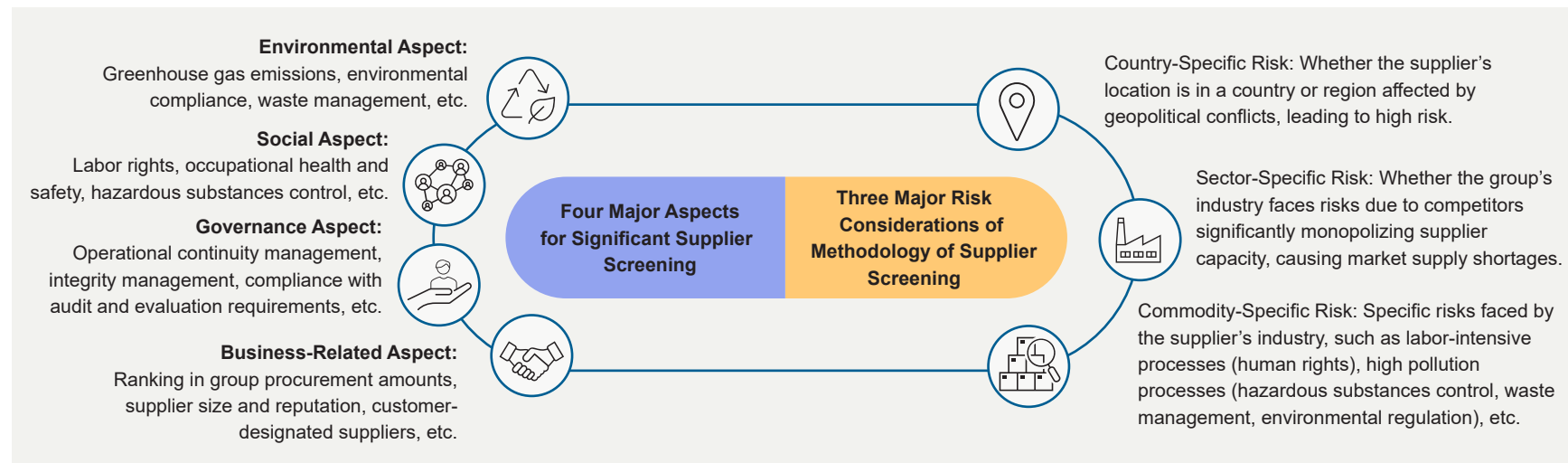
Based on the above criteria, Hon Hai has selected 263 significant suppliers, 223 tier-1 significant suppliers. The procurement amount from tier-1 significant suppliers accounts for over 60% of the total procurement amount from tier-1 suppliers. The Group identifies its significant suppliers based on procurement amounts, including raw material suppliers, key component suppliers, and irreplaceable suppliers that rank among the top in transaction amounts

within product categories. This assessment integrates their performance in environmental, social, and governance (ESG) aspects, as well as specific risks related to countries, sectors and commodities.

Supplier Sustainability Risk Assessment and Performance Monitoring

Supply Chain Assessment

To promote the improvement of ESG performance among suppliers, Hon Hai has implemented ESG performance evaluations for significant suppliers since 2022. Based on international standards and customer requirements, we have established an evaluation system covering four key areas: "Net Zero Carbon," "Zero Waste," "Green Products," and "Labor Rights." Significant suppliers are required to self-assess the ESG digital management platform every month and upload supporting documents. The Group systematically evaluates performance through quantitative indicators to incentivize suppliers to continuously improve.



Performance Evaluation Indicators				
Benchmarking standards and specifications	Net Zero Carbon	Zero Waste	Green Products	Labor human rights
DJSI MSCI ESG IPE CITI/CATI RBA Customer SR Standards QC 080000 ISO 14064 UL 2799	1. Carbon management mechanism 2. Carbon emissions disclosure 3. Carbon emission reduction promotion 4. Carbon Neutralization Actions 5. Extension of responsibility	1. Policies and Procedures 2. Compliance management 3. Recycling 4. Waste Disposal 5. Management system	1. System management 2. Upstream management 3. Testing management 4. Process management 5. Announcement management	1. Certification and Awards 2. Labor and Human Rights Policy 3. Labor Management Practices 4. Employee Health and Safety 5. Responsible Mineral Sourcing

The ESG performance of suppliers is an additional scoring factor in their overall performance, with a maximum of 20 points available (accounting for 20% of the total score). Suppliers that perform well have the opportunity to be included in the Group's Preferred Supplier List (PSL), gaining access to more contracts and the chance to participate in the Sustainable Excellence Supply Chain Award selection. For those with poor performance, the Group will provide guidance for improvement; however, non-compliant suppliers may face reduced procurement volumes, amounts, or shares, and could even be placed on the RSL (Restricted Supplier List).

Case Studies: Risk Assessment

To understand the supply chain risks of the Group, Hon Hai adopts the "ISO 20400 Sustainable Procurement Guidelines" as the assessment principle,

ensuring that its procurement processes align with sustainable development goals, reducing risks and enhancing the overall resilience of the supply chain.

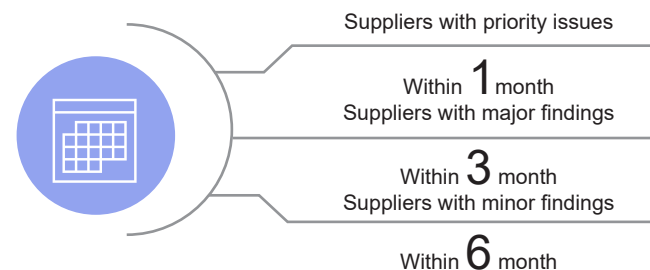
Hon Hai analyzes sustainable risk issues related to different procurement types, covering aspects such as human rights, labor, environment, fair operations, consumer issues, as well as corporate governance and community engagement. In 2024, data was collected from 307 suppliers across regions including China, Taiwan, India, and Vietnam, with on-site audits conducted for 11 major suppliers. The results indicate good performance in areas such as raw material traceability, controversial materials, wastewater management, labor systems, and internal feedback; however, greenhouse gas and energy management, as well as human rights due diligence, were relatively weaker. Among them, key raw materials include steel/iron, aluminum, plastic, tantalum, tin, tungsten, gold, cobalt, and mica.

Risk Level	Risk Issues	Issue Content
Primary Risks	Human Rights	Human Rights Management Policy / Due Diligence
	Labor Standards	Labor Management Policy / Labor-Management Negotiation and Internal Communication / Occupational Health and Safety Management and Hazardous Environment Management / Labor-related Penalties
	Environment	Environmental Regulations and Penalties / Environmental Management System / Waste Management
	Fair Operating Practices	Code of Integrity in Business Operations
	Consumer Issues	Quality Management / Cybersecurity and Personal Data / Communication with External Stakeholders / Fair Marketing
Secondary Risks	Corporate Governance	Supplier Management / Information Disclosure/ Protection of Trade Secrets / Intellectual Property and Legal Compliance / Business Continuity Management
	Community Engagement and Development	Community Resident Consultation Activities / Social Participation

Supplier Audit and Guidance

The Group conducts audits on high-risk suppliers regarding quality, processes, social responsibility, green products, and greenhouse gas emissions, and strengthens management through regular online surveys and on-site audits. If zero-tolerance defects are discovered, the supplier will lose eligibility for new projects; for non-zero-tolerance defects, suppliers must submit improvement plans on time. Failure to make timely improvements will result in being placed on the poor performance restriction list.

Hon Hai Improvement Timeframe Requirements



Hon Hai maintains a zero-tolerance policy for the following deficiencies:

	Employment of child labor.
	Utilization of forced labor or prison labor.
	Discharge of untreated toxic or hazardous substances or materials.
	Practices and working environments that pose immediate physical harm to employees.
	Provision of false information to Hon Hai.
	Retaliation against employees who provide truthful information.

In 2024, we conducted written assessments and on-site audits for 800 suppliers, including 263 significant suppliers, which accounts for 33% of the total assessed, achieving a coverage rate of 100% for significant suppliers. During the evaluation process, we identified a total of 8,953 deficiencies. Through the auditing system, we required suppliers to submit improvement plans within a specified timeframe. The Group provided online guidance to suppliers to analyze the root causes of issues, develop and implement corrective actions, and verify supporting documents or on-site photos. Among these, 126 suppliers were identified as having significant actual or potential negative impacts following the assessment.

2024 Supplier ESG Audit Results

Aspects & Standards		Supplier Audited	Pass Rate
Audit Item	QPA & QSA & SCM (involving ISO 9000, IATF 16949)	483	89%
	GP (QC 080000)	306	98%
	SER & GHG (involving RBA, ISO 14001, ISO 45001, ISO 14064, ISO 50001)	455	78%

Note:
QPA: Commodity Quality Process Assessment
QSA: Quality System Assessment
SCM: Supplier Chain Management Assessment
GP: Green Product Assessment
SER: Social and Environmental Responsibility Assessment
GHG: Greenhouse Gas Assessment

Supplier Quality Selection and Continuous Improvement

Based on the annual ESG performance rankings of suppliers, Hon Hai implements a reward and elimination mechanism, categorizing suppliers into ESG high performers and underperformers:

1. For suppliers demonstrating exceptional ESG performance, Hon Hai provides incentives and collaboration opportunities to encourage sustainable practices.
2. Suppliers whose ESG performance does not meet standards are subject to improvement monitoring. Based on evaluation results, their annual procurement amount, quantity, or collaboration share may be reduced by 2-5%, alongside receiving improvement guidance.
3. Suppliers failing to actively cooperate with improvement measures are placed on the underperforming supplier list, limiting future collaboration opportunities to ensure the sustainable competitiveness of the supply chain.

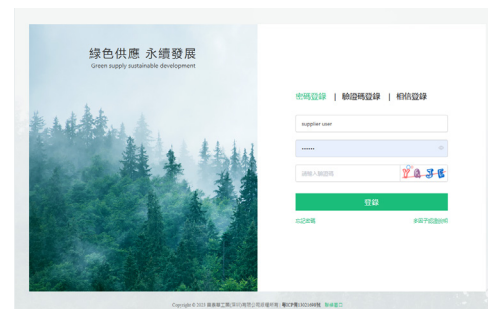
In 2024, the Group fully initiated corrective action plans for suppliers identified with actual or potential negative impacts, achieving a 100% improvement rate, with no suppliers terminated due to failure to improve. Hon Hai played a guiding and supportive role during the implementation process, providing necessary resources to assist suppliers in optimizing deficiencies and enhancing

sustainability performance. The Group set a target to support 100 suppliers in 2024, which has been fully achieved, demonstrating our proactive efforts in promoting sustainable development within the supply chain.

Supplier Communication and Compliant Mechanism

Hon Hai, in accordance with the “Supplier Social and Environmental Responsibility Code of Conduct,” explicitly requires suppliers to establish a smooth and reliable internal grievance mechanism that ensures employees and stakeholders can raise concerns or report misconduct in an environment free from retaliation risks. Suppliers must commit to prohibiting any form of retaliation, ensuring that whistleblowers can express their opinions safely and that all complaints received are investigated promptly and handled appropriately.

At the same time, Hon Hai has also established an anonymous grievance channel at the group level, available for use by employees, labor representatives, and external stakeholders. This channel addresses reports related to suppliers’ violations of the Code of Conduct, labor rights, human rights protection, occupational safety and health, environmental responsibility, the use of conflict minerals, and business integrity. All grievance cases are reviewed and followed up by a dedicated unit, adhering strictly to confidentiality principles to fully protect the safety and privacy of whistleblowers, ensuring the effective operation of the grievance system and the establishment of trust. Relevant channel information can be found on the Hon Hai official website (<https://www.honhai.com/zh-tw/contact>) as well as on the supplier ESG management platform.



Supplier Environmental Impact Management

Green Supply Chain Commitment

Hon Hai is committed to building a green supply chain, prioritizing environmental protection, promoting energy conservation, carbon reduction, and resource recycling. We require suppliers to adhere to strict environmental standards, actively improve processes to reduce their environmental impact, and achieve sustainable development goals through innovation and collaboration, thereby contributing to the protection of the Earth.

Hon Hai places great importance on collaboration with external organizations and works closely with the Institute of Public and Environmental Affairs (IPE) to continuously monitor suppliers' environmental compliance performance using the IPE Blueprint database. In 2024, the group actively promoted corrective measures for 17 suppliers with environmental violations and assisted them in passing audits conducted by professional organizations recognized by IPE and the Green Choices Alliance (GCA). After successfully passing the audits, the negative monitoring records of these suppliers were removed from the IPE Blueprint database, demonstrating Hon Hai's strong commitment to enhancing supply chain environmental management and promoting sustainable development in partnership with external organizations.

Net Zero Waste Management

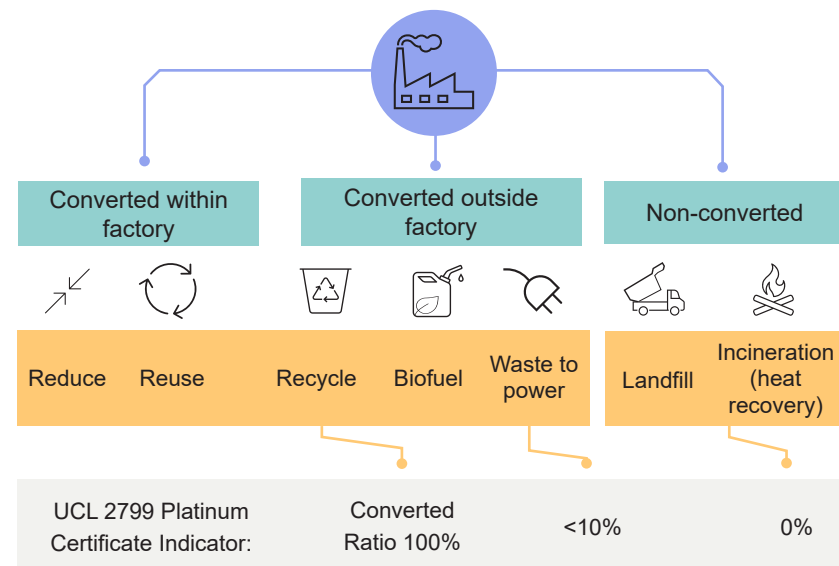
Zero Waste Initiative

Hon Hai is actively promoting the "Zero Waste" initiative in collaboration with external organizations to advance resource recycling and achieve zero waste landfill certification (UL 2799) for its facilities. To encourage supplier participation, the Group has incorporated this initiative into the ESG performance evaluation of suppliers, assessing their zero-waste management performance across five

key areas: policy and procedure, compliance management, recycling, waste disposal, and management systems.

In 2024, the Group conducted monthly performance monitoring for 200 significant suppliers and successfully assisted 20 suppliers in obtaining third-party zero landfill certification.

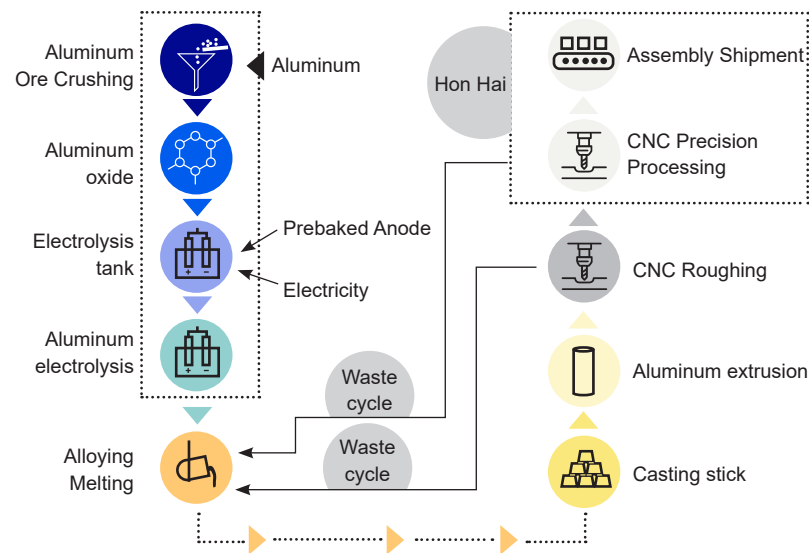
Zero Landfill or factory waste flowchart



Case Studies: Recycled Aluminum Waste Reduction

To reduce carbon emissions associated with raw material extraction, Hon Hai is actively collaborating with suppliers on a recycled aluminum usage initiative. Through this collaborative project, we have effectively lowered energy consumption and carbon emissions during the aluminum production process while promoting resource recycling and sustainable development.

In 2024, the Group plans to use approximately 9,500 tons of recycled aluminum, significantly enhancing environmental benefits and demonstrating our strong commitment to carbon reduction goals and tangible actions.

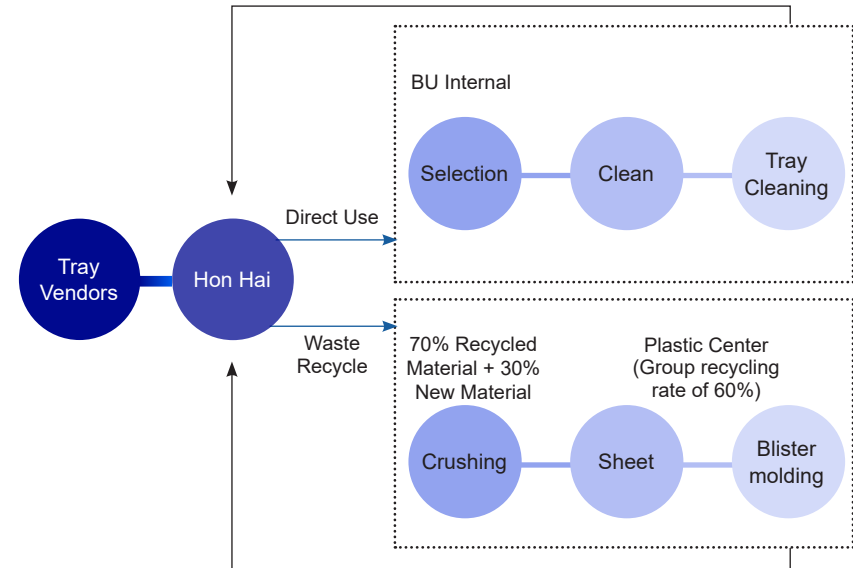


Case Studies: Plastic Trays Recycling

The Group extensively utilizes and reuses plastic pallets; however, some waste is still generated. To alleviate the environmental burden, we are promoting a recycling and reuse program for plastic pallets to reduce the demand for new plastics and minimize waste. This initiative also encourages internal recycling of production scrap, including sprue materials, edge trims, and defective materials, which are sorted, crushed, and pelletized for reuse.

In 2024, we aim to reduce plastic procurement by approximately 4,450 tons, effectively enhancing resource utilization and demonstrating the group's commitment to reducing plastic usage and promoting sustainability.

Blister Tray Cycle



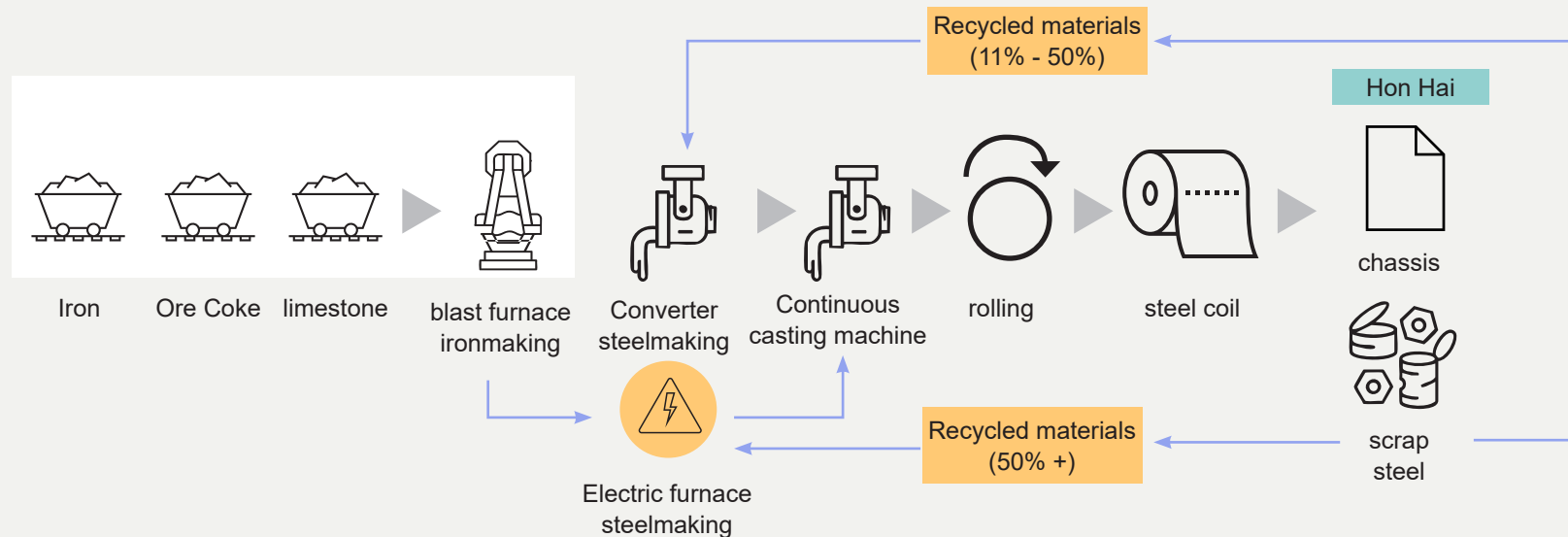
Wasted Tray Replacement

Case Studies: Steel Recycling

Hon Hai collaborates with steel suppliers to promote the use of steel produced through the EAF process, which contains a high proportion of recycled materials. This initiative enhances recycling rates through advanced technology, effectively reducing carbon emissions and further strengthening the sustainability of steel production.

In 2024, Hon Hai's central procurement efforts drove the circular recycling of major raw materials, including recycled aluminum, reclaimed steel, PCR recycled plastics, and recycled pallets, reaching a total of 24,438 tons. This initiative fosters the advancement of the supply chain towards green circular development.

Process diagram



Case Studies: Supplier Pollutant Emissions and Management

The Group encourages suppliers to publicly disclose pollutant emissions and transfer data on the IPE platform, covering the generation of both general and hazardous industrial waste, as well as goals for comprehensive utilization (reuse, recycling, composting) and waste reduction. In 2024, Hon Hai facilitated 226 suppliers in reporting their PRTR data. In 2023, suppliers generated a total of 230,000 tons of general industrial waste and 640,000 tons of hazardous industrial waste, with 150,000 tons of general industrial waste being utilized, achieving a utilization rate of 65%. Additionally, 152 suppliers have disclosed PRTR data for two consecutive years, cumulatively reducing general industrial waste by 16,000 tons and hazardous industrial waste by 25,000 tons.

Supplier Energy and Carbon Reduction Management

Supplier Greenhouse Gas Management Policy

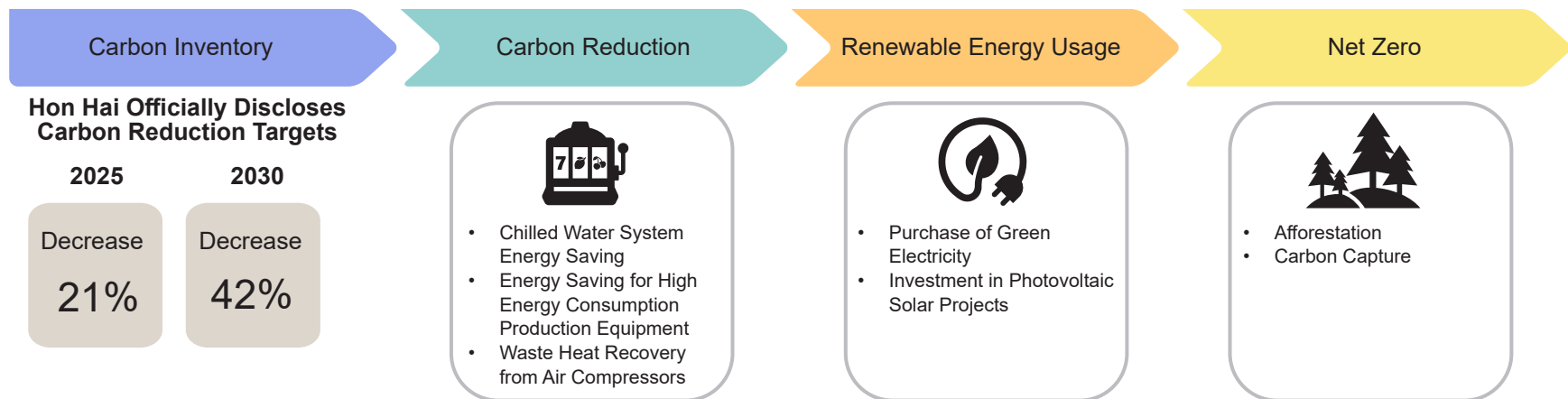
The Group is actively responding to the Paris Agreement's 1.5°C pathway by setting its own net-zero emissions target, participating in the CA100+ climate initiative, and committing to achieving net-zero emissions across the value chain by 2050. Additionally, the Group has established the following supplier net-zero emissions policy and requirements:

1. Suppliers must commit to achieving net zero emissions by 2050, establish scientific carbon reduction targets, and implement proactive measures to ensure these targets are met. If the end customer has more stringent requirements, the customer's requirements shall take precedence.
2. Suppliers are required to conduct annual internal carbon inventories in line with ISO 14064/GHG Protocol standards and disclose third-party verified carbon emission data and reduction outcomes on the supplier's ESG management platform.
3. Suppliers must implement energy-saving and carbon reduction projects, such as solar energy construction, renewable energy usage, energy-saving retrofit programs, and zero waste to landfill initiatives, to reduce carbon emissions and ultimately achieve net-zero emissions. The Group evaluates suppliers' performance based on these projects, which serve as the basis for supplier appraisals.

Hon Hai's path to net-zero carbon emissions involves a comprehensive approach, including:

1. **Conducting Internal Carbon Inventories:** Utilizing ISO 14064 and GHG Protocol standards to perform thorough internal carbon audits, ensuring accurate measurement and management of carbon emissions.
2. **Implementing Energy Efficiency Retrofit Programs:** Executing energy-saving initiatives, such as optimizing central air conditioning systems and compressed air equipment, to reduce energy consumption and carbon emissions.
3. **Utilizing Renewable Energy:** Investing in renewable energy sources, including purchasing green electricity and constructing solar panels, to replace conventional energy usage with sustainable alternatives.
4. **Offsetting Unavoidable Carbon Emissions:** Engaging in afforestation projects and carbon capture technologies to offset emissions that cannot be eliminated, thereby contributing to a balanced carbon footprint.

Group Supplier Net Zero Roadmap and Actions



Note: The Group's carbon reduction targets encompass upstream suppliers.

Supplier Net Zero Targets

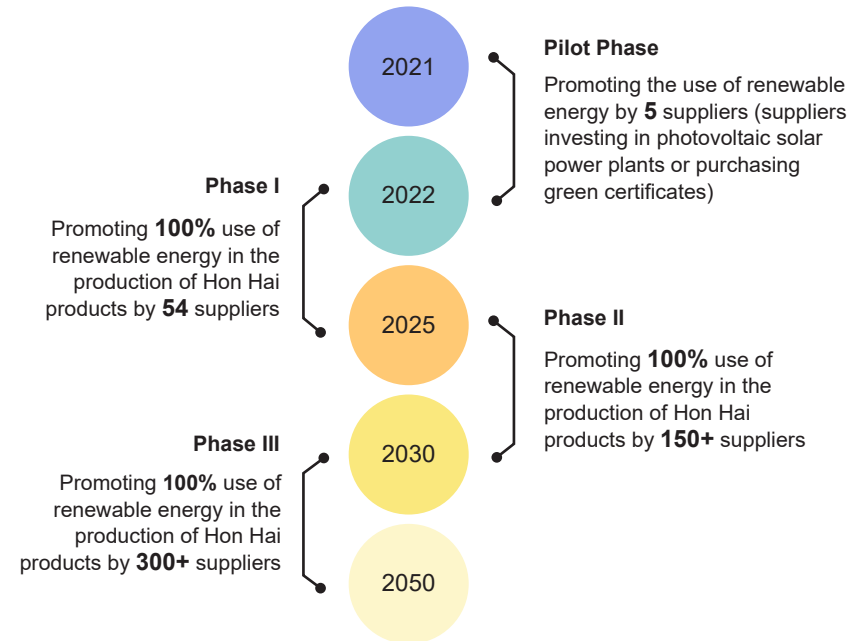
Hon Hai promotes net zero carbon management through five aspects: carbon management mechanisms, carbon emission disclosures, emission reduction initiatives, net zero actions, and extended responsibilities.

Hon Hai aims to achieve net-zero emissions by 2050 and has established science-based carbon reduction targets and calculated its carbon footprint since 2021. Over 80% of carbon emissions come from Scope 3, primarily related to the production of raw materials and services, amounting to approximately 17.128 million tons of CO₂e. To reduce carbon emissions in the supply chain, Hon Hai is promoting a carbon reduction program for suppliers, encouraging partners to work together and communicating the Scope 3 reduction targets to suppliers, requiring key suppliers to achieve a 42% reduction by 2030.

In 2024, Hon Hai collaborated with 200 major suppliers to complete the carbon inventory task for 2023 and assisted in formulating specific reduction actions. Through measures such as solar facilities and green power procurement, suppliers collectively reduced CO₂e emissions by 1.38 million tons. Hon Hai promotes net-zero carbon management through five aspects: carbon management mechanisms, carbon emissions disclosure, reduction promotion, net-zero actions, and extended responsibilities.

Since 2022, Hon Hai has implemented the “Supplier Net-Zero Carbon Performance Assessment” and has begun evaluating key suppliers through the ESG digital management platform. The pilot program started with 75 suppliers in 2022, expanded to 150 in 2023, and reached 200 in 2024, with plans to assess 300 suppliers by 2025. Through standardization and data-driven approaches, we aim to enhance the carbon management maturity and resilience of the entire supply chain.

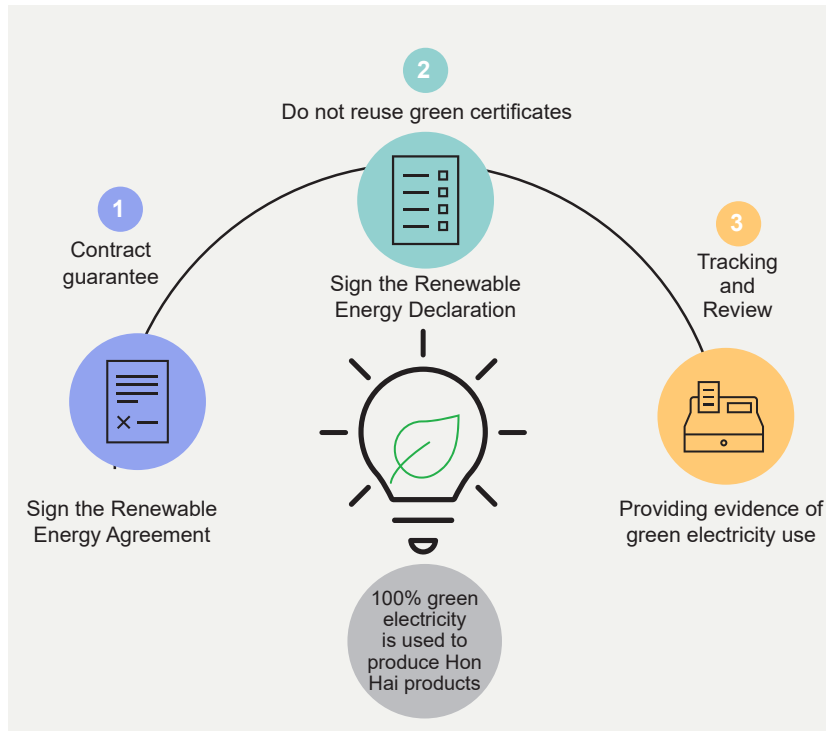
Promotion of Renewable Energy Usage by Suppliers



Over 90% of Hon Hai’s carbon emissions come from purchased electricity. To promote the use of renewable energy among suppliers, we encourage partners to install solar systems or procure green power to offset the carbon emissions generated from electricity consumption. Since 2022, Hon Hai’s key suppliers have been signing the “Renewable Energy Undertaking”, and by the end of 2024, 36 suppliers have completed the signing.

To ensure the authenticity and auditability of green electricity, we require suppliers to sign the “Renewable Energy Declaration,” committing to use dedicated green power for the production of Hon Hai’s products, which cannot be reused for other customers. In 2024, 36 suppliers completed the declaration, using approximately 169 million kWh of green electricity and reducing about 96,000 tons of carbon emissions, demonstrating proactive actions in the energy transformation of the supply chain.

The Group will continue to advance this initiative, aiming for 150 suppliers to use 100% green power in the production of Hon Hai’s products by 2030, thereby promoting low-carbon transformation in the supply chain and achieving Scope 3 carbon reduction targets.



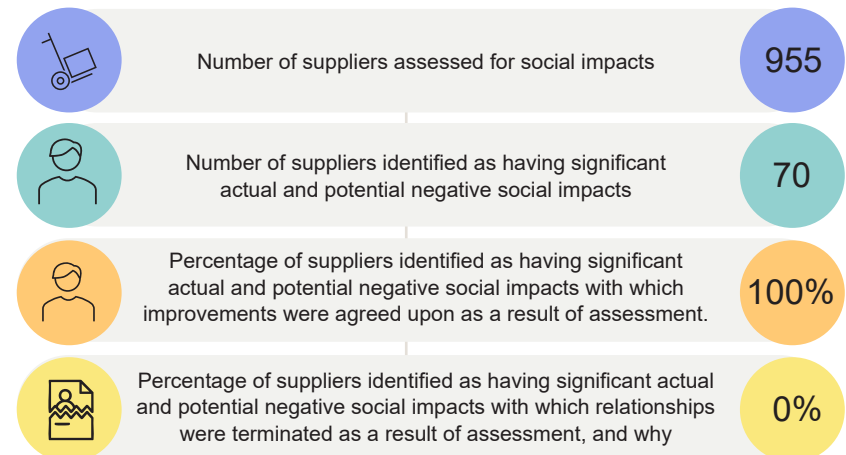
Supplier Social Impact Management

Monitoring of Supply Chain Social Impacts

Hon Hai places great importance on the social responsibility performance of its suppliers, requiring them to comply with local laws regarding labor rights, health, and safety, while also referencing international standards such as the United Nations Universal Declaration of Human Rights, the Guiding Principles on Business and Human Rights, International Labour Organization conventions, and the OECD Guidelines for Multinational Enterprises.

The Group actively monitors the social impact of its supply chain to ensure that suppliers adhere to principles of ethical behavior, environmental protection, and fair competition. Through regular audits and assessments, Hon Hai not only identifies suppliers with high social risk but also collaborates with them to develop improvement plans, thereby enhancing the overall sustainability of the supply chain. This proactive approach mitigates risks but also fosters long-term partnerships, aligning with Hon Hai’s commitment to sustainable development and corporate responsibility.

Results of Social Impact 2024



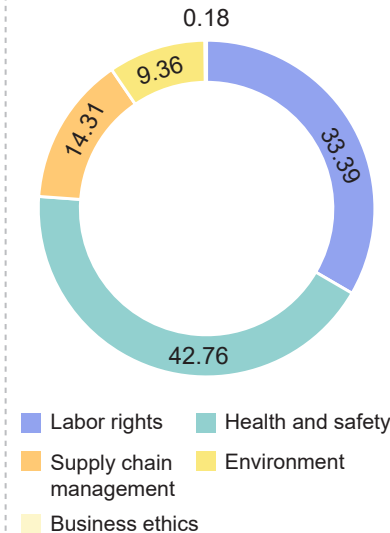
RBA VAP on Supply Chain

Hon Hai employs the RBA VAP (Validated Assessment Program) methodology to conduct ESG audits of its suppliers, covering five key areas: labor, health and safety, business ethics, environment, and supply chain management. These audits are carried out by a professional team formed internally within the Group. In 2024, Hon Hai audited a total of 455 suppliers and identified 2,788 deficiencies. The distribution of audit deficiencies is as follows: health and safety accounted for 42.75%, labor for 33.39%, supply chain management for 14.31%, environment for 9.36%, and business ethics for 0.18%.

Distribution of the top ten deficiencies in supplier labor and occupational health and safety



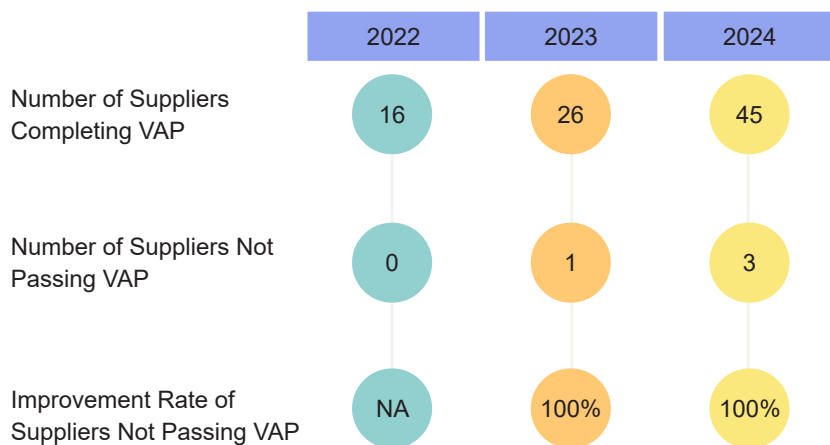
Distribution of supplier SER audit deficiencies in 2024



Hon Hai continues to monitor the audit results and assists suppliers in addressing the identified deficiencies. To date, suppliers have completed corrections for 2,509 deficiencies, achieving an improvement rate of 90%. For the five major categories of deficiencies, the Group provides specific guidance and support to ensure compliance and enhance the sustainability performance of the supply chain.

Deficiency Classification	Main Findings	Improvement Action Plan
 Working Hours	- Weekly working hours > 60 hours - Continuous work for 7 days or more - Lack of overtime control mechanism	- Recruit more employees to increase capacity - Implement automation to distribute manual tasks - Set up working hours alerts and improve overtime approval processes
 Emergency Preparedness	- Inadequate maintenance of fire safety measures - No fire evacuation drills conducted for all employees	- Engage professional agencies for regular maintenance and inspection of fire safety equipment - Develop a fire evacuation drill plan and organize regular drills for all employees
 Work Injuries and Occupational Diseases	- No first aid personnel in the factory - Improper management of first aid kits	- Arrange for employees to learn first aid and obtain first aid certification - Assign dedicated personnel to manage first aid kits and conduct regular inspections
 Occupational Health and Safety	- Employees exposed to health and safety hazards do not wear protective equipment correctly - Correct personal protective equipment not provided to employees	- Conduct employee training, strengthen supervision, and include in assessments - Identify occupational hazard factors and provide correct protective equipment
 Compensation and Benefits	- Insufficient leave provided to employees according to local regulations - Social insurance not purchased for all employees	- Develop/revise the company leave policy according to local regulations and enforce it strictly - Purchase social insurance for employees promptly and conduct insurance knowledge training

The Group encourages suppliers to independently complete RBA VAP audits through third-party organizations. For suppliers that have undergone VAP audits, the Group will not conduct duplicate audits. Suppliers that pass the RBA VAP audit will receive additional points in their labor rights performance evaluation based on their audit scores.



Responsible Mineral Sourcing Management

Commitment to Conflict Minerals Management

Hon Hai adheres to the OECD “Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas,” supporting responsible mineral procurement to avoid sourcing raw materials and products containing conflict minerals (tin, tantalum, tungsten, gold) from the Democratic Republic of Congo and surrounding high-risk areas, either directly or indirectly. Hon Hai mandates that all suppliers to commit to not using minerals from conflict regions and to ensure that the metals in their products originate from compliant, transparent, and traceable refineries, prioritizing sources certified by international standards such as the Responsible Minerals Assurance Process (RMAP).

Hon Hai will continue to promote supply chain transparency and responsible procurement, collaborating with suppliers to create a conflict-free, compliant, and sustainable mineral supply chain, thereby practicing corporate social responsibility, and fulfilling international commitments to human rights and environmental protection.

Conflict Minerals Management Process

As a member of the RMI, the Group regularly pays attention to its latest requirements and utilizes the investigation tools developed by RMI, namely the Conflict Minerals Reporting Template (CMRT) and Extended Minerals Reporting Template (EMRT). Each year, the Group conducts due diligence on suppliers and requires that the smelters or refiners of the minerals used by suppliers comply with the RMI’s Responsible Minerals Assurance Process.

1. Governance and Management System

The Group’s Sustainability Committee is responsible for overseeing the management of conflict minerals at the group level. The Supplier Compliance and ESG Management Department is tasked with formulating policies, processes, and standards for responsible mineral procurement management, establishing and maintaining management systems, and developing training materials to educate relevant procurement personnel. The Procurement Department assists in collecting suppliers’ conflict minerals due diligence reports and promotes the signing of environmental and social responsibility commitment letters by suppliers.

The Group has established systems such as the “Responsible Minerals Procurement Declaration” and “Supplier Responsible Mineral Sourcing Management Process” to create a conflict minerals management system and due diligence framework. Responsible mineral procurement is integrated as part of the suppliers’ ESG management system and incorporated into new supplier certification and annual supplier audit requirements, ensuring that the supply chain does not use illegal minerals from conflict or high-risk areas.

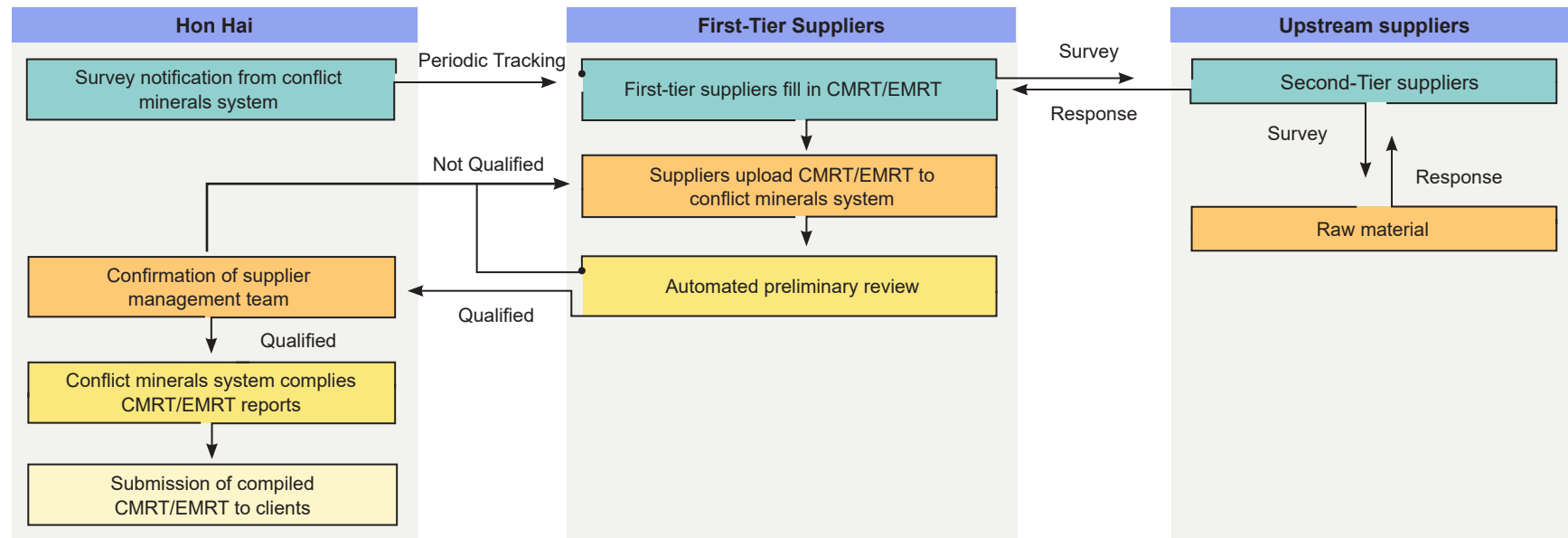
The Group has developed a “Conflict Minerals Management System” for the digital management of conflict minerals, enabling various business units to collect, review, and summarize suppliers’ due diligence reports, ensuring the long-term preservation and traceability of data. Additionally, stakeholders are encouraged to provide feedback on conflict minerals issues or violations through the contact window on the official website (<https://www.honhai.com/zh-tw/contact>).

2. Supply Chain Risk Identification and Assessment

The Group’s manufactured electronic products involve a wide range of electronic and mechanical components. To achieve specific functions, these components must contain one or more of the following: 3TG (tantalum, tin, tungsten, and gold), cobalt, or mica. The Group’s parts engineering department has developed a list of the usage of 3TG and other minerals in electronic and

mechanical components according to material classification standards to identify the risks of conflict minerals associated with various product suppliers.

The Group conducts due diligence annually on qualified suppliers involved with conflict minerals using the CMRT and EMRT survey tools developed by RMI. By verifying the suppliers’ responses to the CMRT and EMRT reports, the Group assesses whether suppliers use minerals sourced from designated countries (the Democratic Republic of the Congo and its nine neighboring countries) and from conflict-affected and high-risk areas, as well as whether they use smelters certified by third-party RMAP or equivalent recognized sources. Additionally, the Group utilizes the RMI Reasonable Country of Origin Inquiry (RCOI) database to conduct reasonable investigations into the origin of minerals, identifying the sources of conflict minerals 3TG and managing upstream risks associated with conflict minerals.



At the same time, the Group will compare the mineral smelters involved with suppliers against the list of RMAP-certified smelters published by RMI to ensure that 100% of the mineral smelters used by suppliers are conflict-free smelters certified by a third-party RMAP. The categories of raw materials covered include tantalum, tin, tungsten, gold, cobalt, and mica. By 2024, 90% traceability for these raw materials has been achieved.

3. Supply Chain Risk Response

The Group takes the following measures to reduce the risk of conflict minerals in the supply chain:

1. New suppliers must sign the 'Environmental and Social Responsibility Undertaking' and commit to complying with the group's responsible mineral procurement policy. They must also submit qualified CMRT and EMRT reports to become approved suppliers of the Group.
2. The Group collects suppliers' CMRT/EMRT reports annually and compares the smelter information provided by suppliers with the list of certified smelters published by RMI. If any smelters or refiners that have not obtained certification through the Responsible Minerals Assurance Process are identified, the Group requires suppliers to ensure these smelters or refiners complete RMAP certification within a specified timeframe or be removed from the supply chain. Suppliers that fail to meet the deadline will be listed as underperforming suppliers with trading restrictions. If suppliers continue to be unable to improve, alternative materials will be sought.
3. During SER on-site audits of suppliers, the Group verifies the suppliers' conflict minerals management programs and reviews their records of due diligence investigations on upstream suppliers to ensure that the mineral sources in their products comply with the OECD Due Diligence Guidance for Responsible Supply Chains or equivalent recognized due diligence frameworks. If deficiencies are found, the Group will promote and guide suppliers to improve within a specified timeframe; suppliers that do not cooperate will be listed as underperforming suppliers with trading restrictions.

4. By participating in RMI's monthly online meetings for members in China, the Group exchanges experiences on responsible mineral procurement with RMI and industry experts and obtains the latest information on mineral smelters, collaborating with the Group's suppliers to encourage the involved mineral smelters to accept and advance third-party RMAP audits.
5. Through online education and training sessions, the Group provides suppliers with interpretations of conflict minerals regulations/standards, the Group's responsible mineral procurement policy, and guidance on filling out CMRT/EMRT, ensuring that suppliers understand and implement the Group's requirements.
6. The management of conflict minerals is included as a key performance indicator in the ESG assessment of suppliers, and regular performance evaluations are conducted to urge suppliers to implement the Group's requirements.

4. Independent Third-Party Audits

The Group does not directly procure raw materials from upstream smelters/refiners of 3TG, cobalt, and mica minerals, and therefore cannot directly participate in third-party audits of mineral smelters. As a downstream company, Hon Hai requires that the products of direct suppliers only use minerals certified as conflict-free by independent third-party auditors. By cascading our requirements up the supply chain, we ultimately ensure that the smelters/refiners of 3TG, cobalt, and mica involved in the group's products are 100% verified through RMAP third-party audits.

The Group's various facilities undergo regular audits by third-party RBA VAP auditors, who verify that the Group's facilities have designed and implemented effective conflict minerals supply chain policies and management systems. This is done to reasonably ensure that the sources of tantalum, tin, tungsten, gold, cobalt, and mica in their produced products comply with organizational due diligence guidelines or equivalent and recognized due diligence frameworks.

5. Disclosure of Due Diligence Results

In 2024, a total of 2,166 suppliers (covering over 90% of the company's procurement amount) completed conflict mineral due diligence through the system platform, achieving a 100% response rate. As of the end of 2024, the group found no products delivered by suppliers containing minerals such as 3TG, cobalt, or mica sourced from conflict regions or other high-risk areas without third-party RMAP certification. All relevant minerals/products are RMAP certified, meeting responsible procurement requirements.

2024 Conflict Minerals Due Diligence Results

	3TG	Cobalt, Mica
Number of Investigated Vendors	2,166	1,740
Number of Responded Vendors	2,166	1,740
Passing Rate	100%	100%

Conflict Minerals Due Diligence Results for the Past 3 Years

	2022	2023	2024
Number of Investigated Vendors	2,002	1,975	2,166
Number of Responded Vendors	2,002	1,975	2,166
Responding Rate	100%	100%	100%

In 2024, based on the completion of conflict mineral due diligence, the group has accumulated commitments from 1,761 suppliers who have signed declaration documents explicitly stating that they do not use illegal conflict minerals. The Group involved 293 smelters or refiners of 3TG, cobalt, and mica in 2024, all of which are listed on RMI's list of conformant smelters certified by third-party RMAP (Conformant status). An analysis of the geographical distribution of these smelters indicates that they are primarily located in Asia.

Conflict Minerals Certification Status	Tantalum	Tin	Tungsten	Gold	Cobalt	Mica
Conformant	39	71	37	93	50	3
Active	0	0	0	0	0	0
Not conformant	0	0	0	0	0	0
Total	39	71	37	93	50	3

Distribution of Smelter Locations

Region	Tantalum	Tin	Tungsten	Gold	Cobalt	Mica	Total
Asia	25	49	28	50	31	3	186
Africa	1	3	0	5	12	0	21
Europe	4	5	4	22	4	0	39
North America	6	3	4	11	2	0	26
Australia	3	11	1	4	0	0	19
South America	0	0	0	1	1	0	2
Total	39	71	37	93	50	3	293

Supply Chain Human Rights Due Diligence

In daily management, Hon Hai conducts online training and examinations on the Supplier Code of Conduct, requiring suppliers to comply with the Supplier Social and Environmental Responsibility Code of Conduct. This code strictly prohibits six zero-tolerance behaviors, including the use of child labor and forced labor. Furthermore, suppliers must promote the requirements of the Supplier Code to their upstream suppliers and conduct due diligence management.

Hon Hai conducts quality and process assessments, social and environmental responsibility audits, green product evaluations, and greenhouse gas audits for medium- to high-risk suppliers. The social and environmental responsibility audits are based on the RBA Code of Conduct and utilize the RBA VAP tools. The audit team consists of dedicated supplier management personnel from the group's procurement department, along with staff from human resources, occupational safety, and environmental protection departments. The audits cover five aspects: labor, health and safety, ethics, environment, and management systems.

The Group incorporates labor rights into the ESG performance evaluation criteria for suppliers and requires corresponding supporting documentation. Group personnel verify the submitted content and materials, which are ultimately included in the suppliers' ESG performance rankings.

Promotion of Mutual Growth

The Group places significant emphasis on building partnerships with suppliers in the ESG area. We achieve this through sustainability capacity building, empowerment workshops, and education and training, aimed at helping supply chain partners grow and develop sustainably alongside the Group. In 2024, the Group successfully achieved its goal of assisting 200 suppliers in participating in capacity-building projects.

Supplier Empowerment (Number of Suppliers)	FY 2022	FY 2023	FY 2024
Supplier Sustainability Capacity Building	75	150	200
Supplier Education and Training Platform	538	687	1,207
Low-Carbon Supply Chain Transformation Promotion Plan	10	30	30

Supplier Sustainability Development

We have established a supplier ESG assessment system based on industry ESG rating standards. Since its implementation in 2022, the scope of assessment has expanded year by year, and by 2024, 200 suppliers have completed the assessment, accounting for 76% of significant suppliers.

We rank similar suppliers based on their ESG performance, allowing suppliers to compare themselves with their peers. Each year, we invite high-performing suppliers to share their experiences.

By analyzing the ESG performance of different suppliers, we selected 10 key suppliers for on-site diagnostics and guidance on energy conservation and waste reduction. We proposed 61 energy-saving suggestions, of which suppliers have adopted 43, which is expected to save 29.37 million kilowatt-hours of electricity annually and reduce 16,749 tons of CO₂e. In terms of waste reduction, we proposed 18 recommendations, of which 13 have been adopted.



Supplier Online Education Platform

Supplier Code of Conduct Training

To enhance suppliers' understanding of the Code of Conduct, we utilize digital tools and training mechanisms to expand the scope of education. In 2024, we held three online CoC training sessions and made the courses available on the supplier ESG management platform, requiring self-directed learning and testing. A total of 373 suppliers participated. At the same time, we encouraged participation from secondary suppliers, with 195 secondary suppliers completing the courses.

Supplier Carbon Reduction Education and Training

To enhance suppliers' carbon reduction capabilities, we held a total of four carbon-related meetings in 2024, including training on carbon inventory, green electricity presentations, and introductions to carbon pricing. In the future, we will add courses on product carbon footprint and energy efficiency.

In 2025, we will continue to conduct online training and assessments through the ESG digital platform, covering topics such as chemical management, zero landfill waste certification, energy-saving case studies, science-based carbon reduction targets, conflict minerals management, and the Code of Conduct. This aims to enhance suppliers' professionalism and sustainability execution capabilities to meet the demands of international customers.

Case Study: Supplier Carbon Reduction and Waste Minimization Advocacy Conference

In March 2024, Hon Hai hosted a Supplier Carbon Reduction and Waste Minimization Advocacy Conference, attended by over 380 suppliers. The conference covered energy-saving project experience sharing, innovative management mechanisms, Energy Management Contract (EMC) collaboration models, and zero waste park management, fostering supply chain consensus and collaboratively exploring paths to energy conservation, waste reduction, and sustainable development.



Low Carbon Supply Chain Transformation Program

In response to the Group's goal of achieving net-zero emissions across the value chain by 2050 and with support from local governments, Hon Hai is promoting the 'Low-Carbon Supply Chain Transformation Plan' in Taiwan. This initiative assists seven primary suppliers in energy conservation and carbon reduction, while encouraging 23 secondary suppliers to utilize digital management platforms and carbon inventory tools to promote comprehensive low-carbon governance.

The plan was launched in April 2023, and in September, a 'Supplier Low-Carbon Kickoff Conference' was held to demonstrate our commitment to green transformation. An expert team conducted in-depth visits to suppliers, providing energy-saving diagnostics and carbon reduction recommendations, setting targets, and conducting regular follow-ups.

The original goal was to reduce carbon emissions by 10,000 tons of CO₂e over two years. As of March 2025, 25 energy-saving improvement projects have been completed, resulting in a carbon reduction of over 15,000 tons, exceeding the target by 50%, which is equivalent to the annual carbon absorption of 75 Da'an Forest Parks. Among these, suppliers contributed approximately 11,000 tons, demonstrating the supply chain's robust progress toward net-zero emissions.

First-Tier Supplier Carbon Reduction Results

Supplier	Expected Target of the Plan (tons CO ₂ e)	Current Accumulated Carbon Reduction (tons CO ₂ e)	Achievement Rate	Carbon Reduction from April 2023 to June 2024 (tons CO ₂ e)	Carbon Reduction from July 2024 to December 2024 (tons CO ₂ e)
A	4,718	7,936.08	168%	5,524.32	2,411.8
B	70	96.45	138%	66.01	30.4
C	127	101.43	80%	72.32	29.1
D	851	732.53	86%	522.26	210.3
E	1,024	831.87	81%	784.16	47.7
F	1,089	1,492.55	137%	866.42	626.1
G	137	114.88	84%	81.90	33.0
Total	8,016	11,305.79	141%	7,917.39	3,388.4

Customer Relations Management

Customer Relations Strategy and Policy

Customer Services

Hon Hai continues to focus on “intelligence” as its core, leveraging Innovative Integrated Design and Manufacturing (IIDM) to create smart manufacturing and intelligent supply chain solutions for global benchmark customers, aiming to become a comprehensive provider of smart living solutions. The company adheres to five principles: “speed, quality, service, flexibility, and price,” actively building long-term and trust-based customer relationships, with “meeting customer needs” as one of its most important operational goals.

Hon Hai has strategically expanded its online services to enhance customer engagement and streamline operations. By leveraging advanced digital platforms, the company provides a seamless and efficient service experience that caters to a diverse global clientele. The robust online infrastructure supports a wide range of services, including product inquiries, technical support, and real-time data access, ensuring that customers receive timely and accurate information.

In 2024, Hon Hai witnessed significant growth in its online service sector, with a percentage of the group’s revenue derived from online products and services exceeding the 2024 target by a specified percentage. This growth is driven by an increase in the number of online customers.

To strategically manage customer relations, Hon Hai has implemented a quality management system, integrating customer satisfaction surveys and diverse feedback mechanisms to effectively capture and respond to customer opinions and needs.

In practice, the Group has obtained certifications such as ISO 9001 Quality Management System and IATF 16949 Automotive Quality Management Standard, establishing a comprehensive service process that covers demand reception, process control, quality inspection, delivery, and after-sales support, ensuring products and services meet customer standards and expectations. Furthermore, Hon Hai regularly conducts customer satisfaction assessments and has dedicated units to handle customer feedback and complaints, following standardized internal processes for classification, tracking, and improvement, forming a “continuous improvement” closed-loop management mechanism to further strengthen customer trust and collaboration.

Customer Privacy

Hon Hai regards customers as crucial partners, adhering to principles of respect and trust, and is committed to comprehensively protecting customers’ privacy rights. The company has established and publicly disclosed the “Hon Hai Technology Group Privacy Policy” based on its rigorous “Code of Conduct” and “Responsibility Standards,” ensuring all customer data is properly safeguarded. Hon Hai is committed to strictly complying with relevant laws and regulations in the collection, processing, and use of customer information, and employs effective technical and managerial measures to prevent data breaches or unauthorized use, thereby ensuring customer privacy and safety and fostering long-term trust-based partnerships.

In practice, Hon Hai manages customer privacy across the following seven dimensions:



Customer Personal Privacy

We rigorously protect customers' personal data in accordance with laws, regulations, and company privacy policies, regulating the collection, use, and storage of personal data to prevent unauthorized access or disclosure. Customers have the right to inquire, modify, and delete their personal information.



Customer Documents

All customer-related documents are subject to strict management and access control to ensure document security and integrity, preventing loss, damage, or unauthorized leakage. The company conducts regular document protection and confidentiality training to enhance employees' awareness and sense of responsibility.



Compliance Management

Hon Hai strictly adheres to relevant privacy protection laws and regulations in various regions, such as GDPR and CCPA, and has established an internal compliance review mechanism to ensure all data processing activities meet legal requirements, reducing legal risks.



Employee Training and Awareness Enhancement

The company regularly promotes privacy protection and information security training to enhance employees' risk awareness and sense of responsibility, strengthening their understanding of confidentiality obligations regarding customer data and preventing internal management loopholes.



Customer Data

Hon Hai has established a comprehensive data management system to ensure the accuracy, consistency, and traceability of customer-generated data. Advanced encryption technology and protective measures are adopted to prevent illegal intrusion, destruction, or unauthorized use of data.



Information Security

The company constructs a multi-layered protection architecture based on international information security standards, covering network security, system security, and application security, continuously monitoring and assessing security risks. Strict access management and regular security audits are conducted to ensure the security of customer information.



Third-Party Management

For suppliers and partners involved in customer data processing, Hon Hai requires the signing of strict confidentiality agreements and regularly evaluates their privacy protection and information security measures to ensure partners adhere to high privacy standards.

Hon Hai continuously optimizes its privacy and information security management mechanisms based on multi-dimensional measures, striving to establish long-

term and stable trust-based partnerships with customers. For more details, please refer to the "Privacy and Information Security Management" section.

Customer Satisfaction Measurement

Hon Hai places a high value on customer satisfaction and quality. The company is dedicated to understanding customer needs and optimizing its existing product portfolios through diverse communication channels. By providing products and services that exceed customer expectations, Hon Hai is committed to being a trusted partner for its customers.

To enhance customer satisfaction, Hon Hai conducts annual customer satisfaction surveys, collecting feedback across four key areas: product quality and performance, delivery, customer service, and ESG. The Group formulates improvement plans based on the feedback received and continues to optimize areas that need enhancement. In 2024, we conducted a survey targeting the top 80% of our customers by transaction volume, collecting a total of 27 valid responses. The final satisfaction score was 83.79 points, which reflects a 2% improvement compared to the last survey.

Management of Customer Feedback and Complaints

The Group employs a structured customer complaint handling process, which includes receiving and categorizing feedback, investigating and analyzing the severity of the feedback, and providing appropriate response strategies to customers based on this analysis. The Group also regularly compiles and analyzes customer feedback to enhance responsiveness and customer satisfaction. Hon Hai's customer complaint management strategy not only addresses current issues but also strengthens long-term relationships with customers, reflecting the Group's commitment to customer-centric service.

Customer Complaint Handling Process Flowchart

Receiving and Categorizing Complaints

Record the description of product or service issues in the "Customer Complaint Statistics Overview" and promptly update customers on the handling status.

Based on customer feedback, classify the issues according to the "Complaint Level Classification Table" and escalate issues that meet a certain severity level.



Investigation and Analysis

Depending on the issue's severity, either handle it internally or refer it to the relevant department for assistance. For identified critical issues, establish relevant project teams to conduct root cause analysis and develop improvement strategies and preventive measures.



Developing Solutions

After investigation and analysis, formulate temporary and permanent solutions based on customer needs. Temporary solutions may include but are not limited to immediate cessation of production and enhanced inspections; permanent solutions may include but are not limited to improvement of tools or equipment and re-education of personnel.



Response and Effectiveness Tracking

A response to customer complaints must be provided within 24 hours of receipt, and the results must be recorded in the system. Each month, categorize and analyze the types of complaints, implementing corrective measures to prevent recurrence.



In 2024, the Group did not experience any significant customer complaint cases. This commendable record of customer complaints not only reflects Hon Hai's commitment to sustainable development but also demonstrates the Group's emphasis on social responsibility, reinforcing its positive reputation in the market. In the future, we will continue to strive to maintain high standards of service quality and are dedicated to creating an even better customer experience.

Social Contribution, Win-Win Strategy

Hon Hai Group believes that “Life Knows No Limitations”. Guided by sustainability as a purpose, we have integrated the UN Sustainable Development Goals (SDGs) into our operational DNA. We view social responsibility as an innovation driver, leveraging global resources and innovative technology to build bridges for disadvantaged groups and illuminate futures for rural students. In 2024, our philanthropic initiatives spanned three pillars—education, technology, and emergency relief—with global volunteer service time reaching 189,690 hours and total social investment exceeding NTD 96,011,030. We supported over ten thousand students in breaking barriers, planting seeds of innovation through tech education, enabling every constrained life to find its luminous coordinates within Hon Hai’s value network.

Material Issue in This Chapter

Community Engagement

Commitment to SDGs



Primary GRI Standard Alignment
GRI 413

2024 Key Performance Indicators & Achievements:

- ① In 2024, the Hon Hai Scholarship Program awarded financial aid to 2,318 economically disadvantaged students, ranking among Taiwan’s largest such initiatives.
- ② Hon Hai Starlight Program expanded in 2024, increasing tutoring sites and student enrollment to support 396 elementary/junior high students with after-school care and dinners. 230 students received one-on-one tutoring with dedicated teachers.
- ③ Global social volunteer service hours reached 189,690 hours.



Community Engagement

Community Engagement Policy & Commitment

Hon Hai adheres to the belief of “Taking from Society, Giving Back to Society,” centering on “Local Co-Prosperity” to build a demand-driven philanthropic ecosystem through the Hon Hai Education Foundation, connecting government, academia, and NGOs. We contribute to social welfare activities with the spirit of “Caring for Local Communities, Co-Creating a Brighter Future.” During the reporting period, our operations caused no significant negative impacts on local communities. For the 2025 long-term goal of “5,000 volunteer service hours in Taiwan,” we achieved 7,525 hours. In 2024, we upgraded stakeholder dialogue mechanisms, regularly reviewing project effectiveness and dynamically optimizing resource allocation to ensure precise responses to social needs.

Annual actions focus on three dimensions:

- **Supporting the Disadvantaged:** Breaking geographical and economic barriers to make education a lever for upward mobility; supporting adaptive development for groups like the hearing-impaired and school dropouts, leaving no one behind.
- **Advancing Tech Education:** Promoting tech equity by embedding AI and quantum literacy to narrow the urban-rural digital divide.
- **Giving Back & Caring for Communities:** Translating employee passion into community progress under the “Local Co-Prosperity” framework.

Key Projects & Social Impact

Theme	Scope	Key Initiatives	Social Impact
Supporting the Disadvantaged	Care	- Hon Hai Scholarship Program - Hualien 403 Earthquake Relief - Yuan Ai Chuang Lu School [Sponsorship] - Transformation & Growth Plan for At-Risk Youth [Sponsorship] - Silver Grass Cultural and Creative Association Rural Touring Performances [Sponsorship]	- Scholarship Program disbursed NTD 43 million to 2,318 students (8-year cumulative: NTD 330 million, aiding >5,500 college/graduate students & 4,600 K-12 students). - For children from families in distress who cannot receive adequate family care, direct financial assistance is provided, or subsidies are given to organizations that care for these children. - Silver Grass Cultural and Creative Association performances brought first-time theater experiences to 1,152 rural children.
	Cultivation	- Hon Hai Starlight Program - Legal Literacy Education Workshops - Chia-Mei Light & Salt Project [Partnership]	- Starlight Program served 396 students at 28 sites, with 230 receiving year-round 1-on-1 tutoring; >70% showed improved learning attitudes. - Support Chia-Mei Light & Salt Project in subsidizing junior high school students in acquiring vocational licenses.

Theme	Scope	Key Initiatives	Social Impact
Supporting the Disadvantaged	Cultivation	- Dandelion Hearing & Language Association Tutoring for Disadvantaged Students [Partnership] - Sharestart Teacher Training [Sponsorship] - Taiwan Int'l Talent Association Bilingual Program [Sponsorship]	- Dandelion Hearing & Language Association held 32 sessions for 320 student-visits. - Teacher training enhanced pedagogical skills & student outcomes.
Tech Education	Elite Talent Cultivation	- Hon Hai Technology Award - Autotronics Taipei Student Tours [Invitation] - Olympiad Camps [Sponsorship]	- Cultivating technological talents, stimulating innovative research, bridging academia-industry links, promoting the positive impact of technological innovation on society and industry, making concrete contributions for enterprises in sustainable talent development and knowledge translation. - Hon Hai Technology Award attracted 147 applicants, selecting 21 winners (NTD 250K each). - Support the National Taiwan Normal University in organizing three summer student Olympiad camps, cultivating top talents in the five major fields of biology, physics, chemistry, earth science, and information technology.
	Tech Education Democratization	- Junior High AI Curriculum Promotion - High School AI Micro-Courses - AI GO High School Visits - High School Quantum Camps/Teacher Training - AI Empowerment for Remote/Disadvantaged Areas	- Contribute to the naturing of young technological talents and the popularization of science education; allow AI education to take root in more campuses, cultivating the next generation's critical thinking and creativity in the face of the technological era. - Junior High AI courses reached 11 schools, 2,132 teachers/students. - Quantum education covered 356 teachers/students (camps, training, Nobel Prize winner lectures). - AI Rooting Plan supported the establishment of 11 AI & Robotic student societies in schools based in rural areas.
Giving Back & Community Care	Volunteerism	"6+1" Love Feedback Activities - Regular Philanthropic Services	>150K hours invested by 60K employee participants. - Addressed community needs (e.g., nursing home medical shortages, disaster relief), enhanced dignity for vulnerable groups (e.g., elders "feeling societal warmth" in Tianjin), upgraded community environments (e.g., Wuhan campus parking lot landscaping).

Supporting the Disadvantaged

“Education is the most powerful lever to change destinies.” Hon Hai recognizes that disadvantaged groups face not only economic hardship but also deprivation of development opportunities. In 2024, we partnered with community organizations, schools, governments, and enterprises to “break geographical barriers and unlock resource networks,” investing over NTD 77 million across 11 projects to help students overcome three bottlenecks:

- Economic bottlenecks: Scholarships alleviate survival pressures, freeing students to focus on learning.
- Geographical bottlenecks: Digital tutoring transcends rural boundaries, creating “borderless classrooms.”
- Capability bottlenecks: Certification training and psychological support rewrite life trajectories.

From combating learned helplessness to post-earthquake recovery and dropout prevention, Hon Hai used education as a fulcrum to unlock the potential of 1,200+ disadvantaged children, leveraging possibilities for transformative futures.

Care

The projects in the dimension of care mainly emphasize supporting and sponsoring students who particularly need warmth and companionship, as well as creating learning opportunities for students with limited resources.

Hon Hai Scholarship Program

Introduction

The Hon Hai Education Foundation deeply understands the importance of supporting disadvantaged children’s education. Established in 2017, the “Hon Hai Scholarship Program” adheres to the philosophy of “Giving fish, providing fishing rods, and gathering companions to board the ship.” It aims to prevent family circumstances from limiting development opportunities, enabling economically struggling children to pursue education and escape poverty. As one of Taiwan’s largest financial aid programs, it provides three-dimensional support to disadvantaged students from elementary to graduate levels:

- Financial Aid (Giving Fish): NTD 10K–50K for university, NTD 20K for high school, NTD 8K for K-9.
- Career Navigation (Providing Rods): Growth camps featuring Sharestart founder Chang Hui-Cheng and AI lecturer Hou Zhi-Xun.
- Community Building (Gathering Companions): LINE groups for alumni career exchange; corporate partnerships offering priority interviews.

Since 2017, the program has aided >10,000 students. Through growth camps, employment matching, and mentorship, it exemplifies corporate social responsibility.

Execution Highlights

1. Innovative Review Mechanism: Accepts teacher/social welfare referrals instead of rigid low-income proofs, covering students outside government safety nets.
2. Beyond Financial Aid: Hosts growth camps, builds peer networks, and connects awardees with job opportunities. Documents 12 awardees' adversity-to-triumph stories in "Hon Hai Great Whale Stories."

Key Results

- 2024: NTD 43 million awarded to 2,318 beneficiaries (8-year cumulative: NTD 330M to 10,177 people).
- Won 2025 Linking Corporate Humanities Awards – Social Care Excellence.



Foundation hosts Scholarship Program University Awardees Growth Camp

Hualien 403 Earthquake Relief

Introduction

Rapid Response Process:

- Contacted Hualien Education Dept. and school principals.
- Principals reported students from "red-tagged hazardous/damaged homes".
- Disbursed NTD 10,000/person within one week of receiving requests (total NTD 440,000) for emergency expenses, enabling children to attend school without worry.

Execution Highlights

- Funds disbursed faster than conventional disaster relief processes.
- Precise targeting: 100% allocated to students with damaged residences.

Key Results

Assisted 9 schools, benefiting 44 students.

Other Care Projects Supported by Hon Hai

Yuan Ai Chuang Lu School	The Hon Hai Education Foundation has been supporting the Yuan Ai Chuang Lu School in Taichung City for four consecutive years, providing full-day residential education for twelve high-risk girls at the elementary to junior high school level. These students are at risk of dropping out due to family dysfunction, economic disadvantage, or emotional distress. The school rebuilds their motivation to learn and self-worth through a quadrilateral support system that includes “independent living skills training, academic remedial teaching, one-on-one psychological counseling, and character education”. The curriculum incorporates home economics skills, rock climbing experiences, and public service. By 2024, the results have been significant: four students graduated successfully, and final assessments show that over 70% of the participants demonstrated improvements in emotional stability, learning attitudes, and independent living skills. The foundation has dedicated four years to building a safety net for educational mediation, fulfilling its commitment to “empower through companionship and help bloom in adversity”.
Transformation & Growth Plan for At-Risk Youth	This plan responds to the spirit of the ‘Eight among Ten Thousand People Plan’ and focuses on 8 high-risk cases among every 10,000 children and adolescents in urgent need of emergency placement in Taiwan. In 2024, the Hon Hai Education Foundation supported institutions in recruiting and training 15 professional childcare personnel (guardians). Applicants will undergo resume screening, psychological evaluation, and 230 hours of training (including trauma counseling, legal knowledge, etc.), ultimately being assigned to five social welfare organizations to serve children who have temporarily lost family function. The scientific cultivation mechanism fills the gap in the social safety net, helping vulnerable children receive stable care. In 2024, a total of 35 applications were received, with a training qualification rate of 43%, setting a record high.
Silver Grass Cultural and Creative Association 2024 Rural Touring Performances	Support Silver Grass Cultural and Creative Association for performing in rural areas. In 2024, the association completed 26 performances across 11 rural areas including Hualien, Taitung, Penghu, etc., reaching 1,152 children. Extended 600-hour drama workshops with Dong Hwa University and Ming Lun High School. 8-year cumulative: 432 performances.

Cultivation

Projects under “Cultivation” focus on helping disadvantaged students access specialized education for growth.

Hon Hai Starlight Program Disadvantaged Tutoring

Introduction

Launched in 2022 by the Hon Hai Education Foundation, Hon Hai Starlight Program provides safe after-school care and learning support for disadvantaged elementary and junior high school students by leveraging school and local community resources. Targeting children from dysfunctional families who lack companionship and learning resources, the program focuses on one-on-one (online or in-person) tutoring to help students overcome learning gaps, rebuild confidence, and improve academic performance and attitudes. Beyond student support, the program empowers tutors through teacher training courses, teaching resource kits, instructional coaching, and exchange mechanisms to ensure sustained teaching quality and support. With an investment of approximately NTD 29 million in 2024, the program continues its commitment to leveraging education for poverty alleviation and future transformation, establishing a sustainable and impactful after-school tutoring model.

Service Model:

- **Site Hosting:** 28 sites provide dinner and learning spaces.
- **One-on-One Tutoring:** 230 students paired with dedicated teachers (twice weekly, 1 hour/session).
- **Systematic Management:** Hon Hai’s IT team maintains and upgrades the “Starlight Tutoring System” to record teacher attendance, monitor sessions, and provide timely assistance reminders.

Teacher Support

- Instructional coaching teams collaborate with teachers to develop tailored teaching strategies
- Annual “Teacher-Student Gathering” activities foster rapport through team-building exercises and hands-on practice.

Key Highlights

- **Technology Optimizes Performance:** Tutoring system automates feedback; teaching resource kits improve preparation efficiency.
- **Revolutionizing Rural Education:** Online tutoring overcomes geographical barriers.
- **One-on-One Tutoring:** Customized support for disadvantaged students.

Key Results

- Expanded to 28 sites across 10 counties/cities, serving 396 students.
- 213 teachers delivered 11,355 service hours.
- 230 students received year-round one-on-one tutoring; 22 students achieved >20-point subject improvement; >70% showed improved learning attitudes.



Students receiving one-on-one in-person and online tutoring

Legal Literacy Education Workshops at Tutoring Sites

Introduction

Innovative Service: Hon Hai Legal team visits Starlight Program sites.

Curriculum Design:

- Legal liabilities of bullying
- Consequences of drug offenses
- Online fraud prevention
- Sexual harassment prevention

Key Highlight

Democratizing Legal Education: Interpreting laws in youth-friendly language.

Key Result

Served 2 sites (New Taipei/Keelung), benefiting 36 students.



Hon Hai legal volunteers promoting legal awareness at sites

Empowering Public Welfare with Technology

The Hon Hai Education Foundation, while promoting public welfare projects, not only relies on its own resources but also actively connects the professional capabilities of different departments within the Group. Through collaboration with the Information Department, we apply technology to public welfare affairs, making resource mobilization and educational support more efficient, and enabling cross-departmental expertise to be a crucial driving force for social impact.

- **Internal fundraising platform:** Employees can quickly understand the Foundation's projects through the platform and respond directly to participate. As of the end of 2024, we have raised 1.43 million NTD, which is specifically allocated to the "Hon Hai Scholarship Program" and the "Hon Hai Starlight Program", allowing the love of the group's employees to be translated into support for disadvantaged students in a timely manner.

- **Starlight Program tutoring system:** Optimizing the tutoring system, simplifying the maintenance of teacher-student relationship and course data, reducing administrative burdens and enhancing communication efficiency - the system has already supported the completion of 7,244

classes, 2,238 digital interactions, 2,722 notification pushes, and the import of 808 grades, ensuring that educational resources can steadily and continuously expand.

Other Cultivation Projects Supported by Hon Hai

Chia-Mei Light & Salt Project	Since 2020, the foundation has annually sponsored the Chia-Mei Light & Salt Project, establishing a referral mechanism with eight resource-deficient junior high schools in 2024 to continue supporting the diverse learning scholarship program for middle school dropouts conducted by the Project. The Project implements a dual-track empowerment approach: (1) Certification Training: one-on-one apprenticeship (barista, floral designer, pet groomer). (2) Rural Empowerment: small-class (five people) training in home appliance repair and mobile photography. Through this project, six trainees obtained professional certifications, and a total of 22 dropouts obtained certifications between 2022 and 2024. The Chia-Mei Light & Salt Association, which received sponsorship support, was awarded “Outstanding Unit” and “Outstanding Personnel” for National Dropout Prevention by the Ministry of Education, in 2022 and 2024, respectively.
Dandelion Hearing & Language Association Disadvantaged Tutoring Program	Hon Hai Education Foundation supports the Dandelion Hearing & Language Association in providing small-group tutoring for hearing-impaired students. Addressing challenges like noisy mainstream classrooms and limited family resources, professionally trained teachers offer tailored support in quiet environments. In 2024, the Foundation funded 32 weekend sessions for 320 disadvantaged hearing-impaired students, bringing positive impacts including improved academic performance (increased focus/engagement) and enhanced social confidence (progress in peer interaction).
Teacher Training (Sharestart Foundation)	Sponsored Sharestart Foundation to empower teachers and unleash student potential through open classrooms and innovative workshops: • Unlocking Teacher Potential: Enhancing pedagogical expertise and creativity. • Realizing Student Value: Nurturing talents and fostering life purpose.
Teacher Training (Taiwan International Talent Development Association)	Sponsored Taiwan International Talent Development Association for the “Educational Support for Disadvantaged Students Project,” advancing education equity, bilingual capability development, as well as cultivation of globally minded talent. Funds were allocated to human resources and curriculum development, providing short-term academic support while nurturing inclusive growth.

Advancing Technology Equity through Education

As the only Taiwan-based company selected as a Clarivate Top 100 Global Innovator for 8 consecutive years, Hon Hai leverages innovative technology to deliver premium products while actively promoting knowledge sharing and industry-academia collaboration. Partnering with renowned institutions, scholars, and experts, we advance technology education for teachers and students to elevate educational standards.

Hon Hai believes “technology is the key to changing the future, but the key must be placed in everyone’s hands.” Facing the wave of AI and quantum revolutions, we pursue a dual-track strategy of “Nurturing Elite Talent” and “Universal Knowledge Sharing.” In 2024, we invested over NTD 10.5 million in 10 technology education initiatives, achieving three breakthroughs:

- **Breaking resource barriers:** Bringing Nobel laureates in quantum physics to high schools and AI courses to remote junior high schools, democratizing access beyond urban centers.
- **Eliminating learning anxiety:** Enabling high school students to develop chatbots, planting AI education in campuses to cultivate critical thinking for the tech era.
- **Bridging industry-academia gaps:** Awarding internships at Hon Hai Research Institute to tech award winners, aligning academic research with industrial practice.

From ion trap labs to self-driving car competitions in remote villages, we are cultivating Taiwan’s future innovators who “dare to imagine and can turn visions into reality,” addressing global trends and industry talent demands.

Nurturing Technology Talent: Cultivating Excellence

Through technology awards, industry visits, and Olympiad sponsorships, Hon Hai provides pathways for talent development. Examples include.

- April 2024: Campus tours at Autotronics Taipei for 125 teachers/students from 6 schools (e.g., Taipei First Girls’ High School, NTU), showcasing smart EVs, automotive chips, and energy tech.
- Summer 2024: Providing funding support for Chemistry/Physics Olympiad Exploration Camps, exposing 102 students to competition content, promoting STEM equity.

The Hon Hai Technology Award especially exemplifies this commitment.

Hon Hai Technology Award

Introduction

To cultivate top R&D talent, the Hon Hai Education Foundation established the Hon Hai Technology Award, focusing on three pillars—Digital Health, EVs, and Robotics—while covering frontier fields like AI, semiconductors, cybersecurity, quantum computing, and LEO satellites. Since 2021, the award has supported 77 young innovators, injecting momentum into Taiwan’s R&D ecosystem and amplifying technology’s positive impact on society and industry.

Key Highlights

- **Strengthening industry-academia links:** Awardees and advisors visit Hon Hai Technology group’s Showroom to explore applied tech such as EV, AI and ICT.
- **Two-way talent-research bridge:** 2024 awardee Dr. Lin Guo-Jun transitioned from academia to join Hon Hai Research Institute, proving that research doesn’t have to stay in labs—it can change the world on the frontline.

Key Results

- 147 applicants in 2024; 21 winners selected (each receiving NTD 250,000 + internship).
- Award-winning projects included “Open-Vocabulary Detection for Autonomous Vehicles” and “Integrated Biometric Security,” praised for innovation and applicability.



Awardees discussing with Hon Hai mentors



2024 Award Ceremony

Tech Education Democratization: Universalizing and Sowing Seeds

True technology equity means students from Ren-Ai Junior High School in rural Nantou have the same AI access as those in Taipei's elite schools. Our "Universalizing" vision include: Integrate AI into junior/senior high curricula; Provide specialized remote-area programs; Establish AI robotics clubs with competition support. We hope to break the limitations of geography and resources, allowing every child to stand at the starting point of the era.

AI Curriculum Promotion for Junior/Senior High Schools

Pain Points

- Junior high teachers lack AI expertise and engaging textbooks.
- Senior high schools lack systematic AI materials for non-IT instructors.

Innovative Solutions

AI in Junior High School: The Foundation collaborates with Prof. Chang Yu-Shan (NTNU) to promote AI education in junior high classrooms for the first semester of the 2024 academic year. Through the foundation's published popular science comic "The Otaku Alliance: Battle of the AI Sun Kingdom," along with gamified lessons and teaching materials provided by Professor Chang's team, teachers will be able to easily integrate AI education, guiding students to naturally understand the basic principles and applications of artificial intelligence through the interaction of comics and games, making learning more fun and relatable to everyday life.

Senior High school AI micro-courses and diverse elective courses:

In 2019, Hon Hai published the first high school AI textbook in Taiwan, "Introduction to Artificial Intelligence" in collaboration with Professor Lai Yi-Wei's team from National Taiwan Normal University and multiple high schools across Taiwan. This initiative promotes the micro-course and diverse elective course "Introduction to Artificial Intelligence," vigorously advancing AI education into Taiwanese high schools and vocational schools. It provides modular curriculum packages, teacher training alliances, and student innovation platforms.

Key Results

AI in Junior High School:

- Covered 11 schools in 6 cities/counties, including Taipei and New Taipei City, reaching 2,132 teachers and students.
- Students highly affirm the course design and learning content, with eager anticipation for practical applications.
- The curriculum stimulates students' interest in AI and a positive learning attitude, laying a solid foundation for future AI promotion.

Senior High School AI Micro-Courses:

- Course statistics: 13 schools (including Taipei First Girls' High School, The Affiliated Senior High School of National Taiwan Normal University, and Zhongshan Girls' High School), with a total of 656 students completing the course.
- As a supplement to high school AI education, the 2024 AIGO AI Tour hosted 300 participating high school students, also providing online courses that connect pre-class preparation with hands-on experience, cultivating students' practical and innovative abilities; an on-site visit to Hon Hai's Neihu campus was arranged for 61 teachers and students on Aug 23 to understand AI technology applications.



Teachers using comic-based AI materials



Visit to Hon Hai Show Room in AIGO Tour

Quantum Education Trilogy

Teacher Training

Collaborated with New Taipei Education Bureau to train 16 teachers via courses + 19 teachers via participation into lab visits at Hon Hai's ion trap laboratory.



Lab tour

Nobel Lecture

Hosted 2022 Nobel Laureate Alain Aspect at Taipei First Girls' High School: 280 students attended and engaged in pre-lecture quantum primer by Dr. Hsieh Ming-Hsiu (Hon Hai Quantum Computing Director). At the lecture, Aspect shared his journey from a high school student to a Nobel Prize winner, inviting students to ask questions and explore "how quantum technology is changing the world". "Otaku Alliance: Quantum Crisis" comics was distributed post-event.



Alain Aspect's speech

Summer Camp

Partnered with NTU-IBM Quantum Center and Chung Yuan University Quantum Information Center to deliver quantum programming courses for 76 students, resulting in 93.4% satisfaction rate; 90% of the participants expressed interest in advanced courses.



2024 Quantum Camp

AI Empowerment for Remote/Disadvantaged Areas

Pain Points

Digital gap in remote areas: insufficient equipment, teacher shortages, and resource gaps hinder AI education.

Innovative Solutions

- **AI Workshops with Remote-area schools:** Workshop with 11 schools, using “Otaku Alliance” comics + MATRIX self-driving car programming; Hon Hai employees volunteered as teaching assistants. AI logistics robot contest was held as a supplementary event, with 47 teams participated.
- **Club Development:** Partnered with ESUN Robot Association to establish 11 robotics clubs with funding, equipment, and mentorship, while encouraging and supporting participation in competitions.
- **Teacher Empowerment:** Training courses + online community for educators.

Key Results

- **Competitions:** 138 club students joined 63 contests, winning 95 awards.
- **Volunteers:** 17 Hon Hai staff contributed 68 hours to remote area teaching.
- **Transformative Impact:**
 - 2021-2024: 17 schools, 318 students engaged in more than 100 robotic-related contests

- Life-changing cases: Enhance the self-confidence of students in remote areas, encouraging them to explore learning and career opportunities in electrical and informational technology. For instance, Zhang Zhe-Lun (Shanlin Junior High School) switched career tracks to IT, admitted to Zhongzheng Industrial High School.



Remote AI teacher training



Hon Hai volunteers at AI camp

Giving Back & Community Care

Corporate roots run deep in the soil of the community. Guided by the principle of “Shared Prosperity Locally”, Hon Hai transforms employee enthusiasm into momentum for community progress. In 2024, through the “6+1” Love Feedback System (Hygiene & Cleanliness, Disability Assistance, Mobility Aid, Healthcare Aid, Education Aid, Legal Aid, and the Happiness Project),

we mobilized over 60,000 volunteer instances globally across our campuses, contributing over 150,000 hours. Employees actively engaged in three major areas: Environmental Stewardship, Elderly Care, and Health Promotion. We continue to invest resources, hoping to make volunteer service a daily habit for Hon Hai employees, supporting local needs and deepening local participation.

2024 Key Initiatives	Innovative Approaches	Key Outcomes	Representative Projects
Regular Volunteer Services: Sustainable Community Cultivation	- Modular Service Grid: Established “Public Welfare Offices” scaled to campus size, coordinating local needs and resource allocation. - Technology-Driven Management: Developed a volunteer hour tracking system for real-time resource dispatch. - Themed Month for Deepened Impact: Set monthly service focus (e.g., August “Environment Month”).	- Contributed over 150,000 hours. - Shenzhen campus mobilized a single-month high of 11,662 instances (November). - Wuhan campus “Cleanliness Initiative” cleared more than 20 tons of waste, improving employee commuting environment. 100% of campuses established regular volunteer teams, averaging 3.5 service sessions per month.	Campus Cleanliness Initiative: - Wuhan campus organized 216 volunteers to refurbish parking lot environment. - Kunshan campus mobilized 170 instances post-typhoon for cleanup, reducing waste by 0.94 tons. - Promote environmental volunteer actions and implement marine restoration and river patrol programs on-site.
Emergency Relief & Health Promotion: Responding to Social Needs	- Rapid Disaster Response: Collaborated with local education authorities to understand children’s needs, providing swift and precise aid. - Democratizing Health Resources: Opened campus medical resources to the community (e.g., Blood Bank Expansion Program). - Cross-Enterprise Alliance: Partnered with blood centers and charity federations to expand service scale.	- Provided NTD 440,000 in emergency grants for children affected by the Hualien earthquake. - Nationwide “Drops of Love” Voluntary Blood Donation: - Shenzhen: 155 people donated 57,050 ml in a single day. - Kunshan: Emergency blood drive collected 26,800 ml. - Nanning campus provided free clinic services for 500+ elderly.	Life Relay - Voluntary Blood Donation: - Responded to blood shortage crisis, hosting simultaneous donation drives across 6 major campuses. - Nanning campus innovated “Blood Center On-Site” model: 142 people donated 44,900 ml in one day. - Integrated health education, volunteers promoted “regular donation” preventive medicine concept.

2024 Key Initiatives	Innovative Approaches	Key Outcomes	Representative Projects
Elderly Care & Cultural Preservation: Warmth and Sustainability	- Intergenerational Programs: Employee children formed "Blue Elf Dance Troupe" for charity performances at nursing homes. - Skills Inheritance Platform: Offered handicraft classes (e.g., Nanning campus "Mugwort Moxa Stick DIY") to promote seniors' social participation. - Festive Warmth Projects: Customized care packages for Spring Festival/Double Ninth Festival.	- Donated 30 sets of Spring Festival gift packs + 5 electronic blood pressure monitors to Tianjin nursing home. 100+ seniors at Kunshan welfare home received companionship services during Double Ninth Festival. - Jiyuan campus "Love Fills Double Ninth" event: 98% of seniors reported "feeling a sense of belonging".	Hand in Hand, Warm Sunset Years: - Tianjin campus partnered with Taida Middle School for nursing home performances; volunteers added festive touch with Spring Festival couplets. - Jiyuan campus mobilized 175 volunteer instances for Double Ninth, providing 417 hours of companionship service. - Foshan "Sunshine Home" project served seniors 320+ times annually.



Kunshan Emergency Blood Drive



Tianjin Nursing Home Visit

Appendix

Key Quantitative Indicators

Energy Management

Energy consumption

	Unit	2024	2023	2022
Non-renewable energy consumption	GWh	9,367.02	9,760.69	10,788.45
	Percentage of total consumption	58.19%	64.40%	92.97%
Renewable energy consumption	GWh	6,728.96	5,396.05	816.13
	Percentage of total consumption	41.81%	35.60%	7.03%
Energy consumption intensity	MWh/ million NTD	2.35	2.46	1.75

Group non-renewable energy consumption in 2024

	Purchase of non-renewable energy electricity		Fossil fuels								Non-renewable energy consumption
	Total power consumption		Natural gas		Gasoline		Diesel fuel		Liquefied petroleum gas (LPG)		
Area	GWh	GJ	thousand m³	GJ	Liter	GJ	m³	GJ	ton	GJ	GJ
Mainland China	7,144.83	26,032,356.00	61,434.32	2,402,204.78	3,033,087.83	96,702.79	3,547,509.27	127,659.25	0.00	0.00	28,658,922.82
Northeast Asia	234.07	839,016.00	367.66	14,376.24	60,737.27	1,936.46	2,484.63	89.41	32.00	0.82	855,418.94
Southeast Asia	529.86	18,96,084.00	0	0.00	113,798.12	3,628.18	182,566.77	6,569.77	238.15	6.12	1,906,288.08

	Purchase of non-renewable energy electricity		Fossil fuels								Non-renewable energy consumption
	Total power consumption		Natural gas		Gasoline		Diesel fuel		Liquefied petroleum gas (LPG)		
Area	GWh	GJ	thousand m³	GJ	Liter	GJ	m³	GJ	ton	GJ	GJ
India	131.53	473,508.00	0	0.00	163.40	5.21	258,200.86	9,291.51	114.64	2.95	482,807.67
America	418.51	1,400,580.00	4,839.24	189,223.96	139,116.81	4,435.41	173,273.54	6,235.35	2.53	0.07	1,600,474.79
Europe	80.02	291,744.00	2,778.34	108,638.65	253,650.10	8,087.03	67,527.26	2,430.01	1.57	0.04	410,899.73
Sum	8,538.82	30,933,288.00	69,419.56	2,714,443.64	3,600,553.531	114,795.08	4,231,562.33	152,275.31	388.89	10.00	33,914,812.02

Note 1: The calorific value of each energy source is calculated based on the local coefficient.

Renewable energy consumption in 2020-2024

Category	unit	2024	2023	2022	2021	2020
Total installed capacity of renewable energy generation	MW	332.90	325.82	260.55	260.00	257.00
Renewable energy generation	GWh	267.97	320.75	289.69	29 6.61	284.97
Direct purchase of renewable-powered electricity	GWh	1,396.82	559.16	31.39	36.27	5.53
Obtain renewable electricity certificates through purchased renewable energy from electricity trading	GWh	4,996.35	4,410.32	46 0.94	151.00	284.97
Purchase other renewable energy	GWh	67.83	105.81	34.11	-	753 .00
Total renewable energy consumption	GWh	6,728.96	5,396.05	816.13	483.88	1,048.57

Water Resource Management

Water resource usage in the past five years and achievement of annual reduction targets

Category	unit	2024	2023	2022	2021	2020
Water usage	million liters	82,690.39	85,234.80	91,470.70	87,706.00	86,737.00
The proportion of data collection scope to operating scope	%	100	100	100	100	100
Intensity	liter/million NTD	12.05	13.83	13.80	14.63	16.19
Intensity reduction target value	Proportion	4.50%	3%	1.50%	1%	Base year
Actual reduction in Intensity	Proportion	25.54%	14.56%	14.74%	9.61%	0
Whether the reduction target is achieved	"Achieved" or "Not achieved"	Achieved	Achieved	Achieved	Achieved	Base year

Water withdrawal and discharge in 2024 (million liters)

		Mainland China	Northeast Asia	Southeast Asia	India	America	Europe	Total
Water withdrawal by source	Surface water	0	0	0	0	0	0	0
	Groundwater	19.656	0	0	0	333.952	0	353.608
	Rainwater	0	0	0	0	0	0	0
	Seawater	0	0	0	0	0	0	0
	Municipal water supply	78,273.70	987.91	2,145.24	545.83	298.23	85.88	82,336.78
Total water withdrawal		78,293.35	987.91	2,145.24	545.83	632.18	85.88	82,690.39
Discharge	Discharge volume (domestic sewage)	50,877.90	712.08	1,390.38	473.92	429.85	75.24	53,959.37

		Mainland China	Northeast Asia	Southeast Asia	India	America	Europe	Total
Discharge	Discharge volume (industrial wastewater)	16,162.44	275.83	55.35	0.00	0.00	0.00	16,493.62
Total discharge		67,040.34	987.91	1,445.73	473.92	429.85	75.24	70,452.98
Recycled water	Recycled water	8,063.88	24.68	2,292.66	226.15	13.21	0.00	10,620.58
Water consumption		11,253.01	0.00	699.51	71.91	202.33	10.64	12,237.41

Waste Management

Total waste volume in 2024 (ton)

Region	Total amount of waste	Hazardous waste	Non-hazardous waste			
			Total amount of non-hazardous waste	General industrial waste	Household waste	Kitchen waste
Mainland China	604,919.00	154,757.00	450,162.00	403,489.00	25,189.00	21,484.00
Northeast Asia	18,355.00	525.00	17,830.00	16,146.00	1,359.00	325.00
Southeast Asia	45,897.00	2,262.00	43,635.00	34,294.00	6,608.00	2,733.00
India	14,176.00	61.00	14,115.00	12,193.00	782.00	1,140.00
America	33,073.00	206.00	32,867.00	26,413.00	3,689.00	2,765.00
Europe	13,795.00	118.00	13,677.00	11,999.00	1,509.00	169.00
Total	730,215.00	157,929.00	572,286.00	504,534.00	39,136.00	28,616.00

Waste disposal method (unit: ton)

Disposal Method	2024		2023	
	Non-hazardous waste	Hazardous waste	Non-hazardous waste	Hazardous waste
Landfill	21,542.80	2,422.20	14,200.61	3,934.03
Incineration (with energy recovery)	34,223.83	20,781.17	45,460.18	12,773.04
Incineration (no energy recovery)	1,221.51	1,166.49	6,934.70	1,151.82
Compost	15,887.00	0.00	21,727.04	0.00
Anaerobic decomposition	4,508.48	24.52	12,654.94	2.73
Recycle	485,323.00	133,164.00	460,478.39	91,524.56
Other	9,579.56	370.44	19,909.10	2,688.15
Total	572,286.18	157,928.82	581,364.96	112,074.33

Talent Attraction and Retention

Group Human Resources Structure - Contract Type, Employment Type, and Proportion of Dispatched Employees

			Taiwan	Mainland China	India	Vietnam	North America	Mexico	Europe	Brazil	other
Contract Type	Number of employees with open-ended employment	Female	14.26%	12.18%	12.20%	10.05%	26.80%	49.31%	47.58%	57.00%	36.83%
		Male	46.45%	21.35%	19.35%	8.55%	49.45%	50.33%	45.01%	38.01%	32.77%
	Number of fixed-term employees	Female	0.15%	13.80%	2.89%	45.75%	4.12%	0.12%	2.63%	2.80%	0.06%
		Male	0.40%	21.57%	7.71%	35.54%	4.75%	0.24%	3.01%	2.20%	0.28%
	Number of employees without guaranteed hours	Female	0.00%	0.00%	0.00%	0.00%	2.41%	0.00%	26.64%	0.00%	0.00%
		Male	0.00%	0.00%	0.00%	0.00%	2.97%	0.00%	89.67%	0.00%	0.00%

			Taiwan	Mainland China	India	Vietnam	North America	Mexico	Europe	Brazil	other
Employment Type	Number of full-time employees	Female	14.29%	25.70%	18.33%	55.83%	34.16%	49.43%	48.91%	59.79%	51.61%
		Male	46.60%	42.56%	20.32%	44.06%	59.34%	50.57%	47.44%	40.21%	46.14%
	Number of part-time employees	Female	0.12%	0.00%	0.00%	0.00%	0.48%	0.00%	1.30%	0.00%	0.68%
		Male	0.25%	0.00%	0.00%	0.00%	0.63%	0.00%	0.58%	0.00%	1.24%
Dispatched personnel		Female	1.34%	10.97%	58.20%	0.05%	2.41%	0.00%	0.66%	0.00%	0.17%
		Male	1.11%	20.77%	3.16%	0.06%	2.97%	0.00%	1.11%	0.00%	0.17%

1. The calculation of the employee ratio is based on the proportion of this type of employee to the total number of local employees, with the headcount calculated as of December 31, 2024.
2. Employees: Individuals with whom Hon Hai has a labor-employment relationship.
3. Open-ended Employees: Full-time or part-time employees with open-ended (i.e., indefinite) contracts.
4. Fixed-term Employees: Full-time or part-time employees with open-ended (i.e., indefinite) contracts.
5. Non-Guaranteed Employees: Employees who are not guaranteed a minimum or fixed number of hours per day, week, or month, but may be available for work upon request.
6. Full-time Employees: Employees whose working hours are equal to the statutory hours.
7. Part-time Employees: Employees whose weekly, monthly, or annual working hours are fewer than those of full-time employees, such as part-time students.

Group Human Resources Structure - Distribution by Country and Gender

	Taiwan	Mainland China	India	Vietnam	North America	Mexico	Europe	Brazil	Other
Total number of employees	10,982	381,164	53,414	50,991	2,526	13,615	3,619	5,146	1,773
Female	2,727	139,773	40,875	28,494	936	6,730	1,841	3,077	930
Male	8,255	241,391	12,539	22,497	1,590	6,885	1,778	2,069	843

Note: Excluding FII units; headcount calculation is based on December 31, 2024

The company's implementation of parental leave in 2024

Application rate	Male	Number of applicants eligible for parental leave in 2024	8,364
		The actual number of applicants for parental leave in 2024	5,964
		Application rate	71.31%
	Female	Number of applicants eligible for parental leave in 2024	9,871
		The actual number of applicants for parental leave in 2024	8,494
		Application rate	86.05%
Return to work rate after leave	Male	Number of employees who should return to work after parental leave (maternity leave) in 2024	5,661
		The actual number of people who applied for reinstatement after parental leave (maternity leave) in 2024	5,436
		Reinstatement rate	96.03%
	Female	Number of employees who should return to work after parental leave (maternity leave) in 2024	8,303
		The actual number of people who applied for reinstatement after parental leave (maternity leave) in 2024	7,803
		Reinstatement rate	93.98%
Leave retention rate	Male	Number of employees returning to work in 2023	6,091
		Number of employees who have been reinstated in 2023 and have served for a full year	5,181
		Retention rate	85.06%
	Female	Number of employees returning to work in 2023	7,818
		Number of employees who have been reinstated in 2023 and have served for a full year	5,709
		Retention rate	73.02%

Note: This data excludes Mexico and Europe.

Occupational Health and Safety

Chemical usage information of the group in the past three years (unit: ton)

Region	2022			2023			2024		
	Production use	Non-production use	Laboratory use	Production use	Non-production use	Laboratory use	Production use	Non-production use	Laboratory use
Mainland China	85,689	43,038	65	87,150	22,157	13	85,237	21,427	9
Southeast Asia	4,534	789	0	3,223	576	0.14	1,052	619	0.44
Northeast Asia	1,264	452	1.5	788	511	1	1,119	447	9
India	168	65	0	186	48	0.1	550	14	0.1
Americas	586	418	0.25	804	236	0.3	450	273	0.3
Europe	71	5	0	25	5	0	41	4	0
Total	137,144			115,724			111,251		

Recordable occupational injury rate

Type of injury	Type of employee	Unit	2021	2022	2023	2024
Serious occupational injuries (excluding fatalities)	Staff	quantity	0	0	0	0
		ratio	0	0	0	0
	Contractor	quantity	0	0	0	0
		ratio	0	0	0	0
Recordable occupational injury rate	Staff	quantity	189	191	267	214
		ratio	0.1151	0.1118	0.1877	0.129
	Contractor	quantity	8	15	25	54
		ratio	0.0136	0.0208	0.0345	0.0686
Actual total working hours	Staff	hours	1,642,760,216	1,707,962,880	1,422,748,800	1,652,540,473
	Contractor	hours	589,180,800	720,378,100	724,880,083	787,040,622

Note:

1. The number of people as of the end of the year on December 31, 2024, will be used as a reference, and the ratio will be calculated based on 1,000,000 work hours.

2. The scope of the data covers: the Group.

3. Contractors include subcontractors and dispatched workers.

4. The rate of serious occupational injuries (excluding fatalities) = the number of serious occupational injuries (excluding fatalities) * 1,000,000 / work hours; the rate of recordable occupational injuries = the recordable occupational injury rate * 1,000,000 / work hours.

Corporate Governance

Specific terms of office of the Group's Board of Directors members:



Professional skills and experience background of the Group's Board members:

Name	Job title	Gender	Place of Origin	Education	Possess professional capabilities and industry experience						
					Manufacture	Brand Channel	Financial Investment	Technical Research	Financial Accounting	Marketing	Legal Practice
Young-Way Liu	Chairman	Male	Taiwan	Master of Electrical Engineering and Computer Science from University of Southern California Bachelor of Science in Electronic Physics, National Chiao Tung University, Taiwan	V			V			

Name	Job title	Gender	Place of Origin	Education	Possess professional capabilities and industry experience						
					Manufacture	Brand Channel	Financial Investment	Technical Research	Financial Accounting	Marketing	Legal Practice
Charng-yang Wang	Director	Male	Taiwan	The Department of Economics, NTU	V			V			
Yee-Ru Liu	Director	Female	Taiwan	PhD in Economics from the University of Chicago Master of Business Administration, University of Chicago Bachelor of Political Science, National Taiwan University			V		V		
Kuo-Cheng Wang	Independent Director	Male	Taiwan	EMBA, Graduate School of Business, National Taiwan University Bachelor of Business Administration, Department of Commerce, National Taiwan University		V			V	V	
Tsing-yuan Huang	Independent Director	Male	Taiwan	Master of Commerce, Graduate School of Commerce, Nihon University Graduated from the doctoral program at Nihon University Graduate School of Commerce			V		V		

Name	Job title	Gender	Place of Origin	Education	Possess professional capabilities and industry experience						
					Manufacture	Brand Channel	Financial Investment	Technical Research	Financial Accounting	Marketing	Legal Practice
Len-yu Liu	Independent Director	Male	Taiwan	Doctor of Law, Stanford University Master of Laws, Harvard University Bachelor of Laws and Master of Laws from National Chung Hsing University			V				V
Yue-min Chen	Independent Director	Female	Taiwan	Department of Economics, National Taiwan University			V		V		

Note: David Kuo resigned as independent director on January 31, 2024

Attendance record of Group Board members:

Job Title	Name	Actual attendance	Number of delegated attendances	Actual attendance rate (%)	Remark
Chairman	Liu, Young-Way	6	2	75	-
Director	Representative Hongjing International Investment Co., Ltd. Representative: Wang, Charng yang	8	0	100%	-
Director	Representative of Hongjing International Investment Co., Ltd.: Liu, Yee-ru	8	0	100%	-
Independent Director	Hwang, Tsing-yuan	8	0	100%	-
Independent Director	James Wang	8	0	100%	-
Independent director	Liu, Len yu	8	0	100%	-
Independent Director	Chen, Yue-min	8	0	100%	-
Independent Director	Ta-Wei Kuo	8	0	100%	Resign

GRI Standard Index Table

Usage Statement	Hon Hai will prepare reports in accordance with GRI standards from January 1, 2024, to December 31, 2024
GRI Version	GRI 1: Foundation 2021
Applicable GRI industry standards	None

Standard	Disclosure	Topic/Chapter	Reason for Omission/ Supplement
GRI Standard 2021			
The organization and its reporting practices			
2-1	Organizational details	Company Overview	
2-2	Entities included in the organization's sustainability reporting	About this Report	
2-3	Reporting period, frequency and contact point	About this Report	
2-4	Restatements of information	About this Report	
2-5	External assurance	About this Report	
Activities and workers			
2-6	Activities, value chain and other business relationships	Company Overview	
2-7	Employees	Key Quantitative Indicators	
2-8	Workers who are not employees	Key Quantitative Indicators	
Governance			
2-9	Governance structure and composition	Highest Governance Body	
2-10	Nomination and selection of the highest governance body	Highest Governance Body	
2-11	Chair of the highest governance body	Highest Governance Body	
2-12	Role of the highest governance body in overseeing the management of impacts	Highest Governance Body	
2-13	Delegation of responsibility for managing impacts	Highest Governance Body	
2-14	Role of the highest governance body in sustainability reporting	Highest Governance Body	
2-15	Conflicts of interest	Highest Governance Body	
2-16	Communication of critical concerns	Highest Governance Body	

Standard	Disclosure	Topic/Chapter	Reason for Omission/ Supplement
2-17	Collective knowledge of the highest governance body	Highest Governance Body	
2-18	Evaluation of the performance of the highest governance body	Highest Governance Body	
2-19	Remuneration policies	Highest Governance Body	
2-20	Process to determine remuneration	Highest Governance Body	
2-21	Annual total compensation ratio	-	Confidentiality
Strategy, policies and practices			
2-22	Statement on sustainable development strategy	Sustainable Operation Vision and Strategy	
2-23	Policy commitments	Sustainable Operation Vision and Strategy	
2-24	Embedding policy commitments	Sustainable Operation Vision and Strategy	
2-25	Processes to remediate negative impacts	Sustainable Operation Vision and Strategy	
2-26	Mechanisms for seeking advice and raising concerns	Business Ethics	
2-27	Compliance with laws and regulations	Business Ethics	
2-28	Membership associations	Sustainable Operation Vision and Strategy	
Stakeholder engagement			
2-29	Approach to stakeholder engagement	Stakeholder Identification, Communication and Responsibilities	
2-30	Collective bargaining agreements	Employee Compensation and Benefits	
GRI 3 Material Topics 2021			
3-1	Process to determine material topics	Analysis of Double Materiality of Sustainability Issues in 2024	
3-2	List of material topics	Analysis of Double Materiality of Sustainability Issues in 2024	
3-3	Management of material topics	Analysis of Double Materiality of Sustainability Issues in 2024	
Self-determined Topic			

Standard	Disclosure	Topic/Chapter	Reason for Omission/ Supplement
Customer Satisfaction			
GRI 3 Material Topics 2021	3-3 Management of material topics	Business Sustainability, Beneficial Partners	
Topic determined by Hon Hai	Customer Satisfaction	Customer Relations Management	
Corporate Governance			
GRI 3 Material Topics 2021	3-3 Management of material topics	Corporate Governance, Smart Innovation	
Topic determined by Hon Hai	Corporate Governance	Corporate Governance	
Systemic Risk Management			
GRI 3 Material Topics 2021	3-3 Management of material topics	Corporate Governance, Smart Innovation	
Topic determined by Hon Hai	Systemic Risk Management	Systemic Risk Management	
Innovation and Business Model Resilience			
GRI 3 Material Topics 2021	3-3 Management of material topics	Corporate Governance, Smart Innovation	
Topic determined by Hon Hai	Innovation and Business Model Resilience	Innovation and Business Resilience	
Climate Change Response			
GRI 3 Material Topics 2021	3-3 Management of material topics	Green Solutions, Circular Economy	
201 Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change	Climate Change Response and Energy Management	

Standard	Disclosure	Topic/Chapter	Reason for Omission/ Supplement
305 Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Climate Change Response and Energy Management	
	305-2 Energy indirect (Scope 2) GHG emissions	Climate Change Response and Energy Management	
	305-3 Other indirect (Scope 3) GHG emissions	Climate Change Response and Energy Management	
	305-4 GHG emissions intensity	Climate Change Response and Energy Management	
	305-5 Reduction of GHG emissions	Climate Change Response and Energy Management	
	305-6 Emissions of ozone-depleting substances (ODS)	-	Lack of Information
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Air Pollution Management	
Energy Management			
GRI 3 Material Topics 2021	3-3 Management of material topics	Green Solutions, Circular Economy	
302 Energy 2016	302-1 Energy consumption within the organization	Climate Change Response and Energy Management	
	302-2 Energy consumption outside of the organization	Climate Change Response and Energy Management	
	302-3 Energy intensity	Climate Change Response and Energy Management	
	302-4 Reduction of energy consumption	Climate Change Response and Energy Management	
	302-5 Reductions in energy requirements of products and services	Climate Change Response and Energy Management	
Water & Wastewater Management			
GRI 3 Material Topics 2021	3-3 Management of material topics	Green Solutions, Circular Economy	

Standard	Disclosure	Topic/Chapter	Reason for Omission/ Supplement
303 Water and Effluents 2018	303-1 Interactions with water as a shared resource	Water Resource Management	
	303-2 Management of water discharge-related impacts	Water Resource Management	
	303-3 Water withdrawal	Water Resource Management	
	303-4 Water discharge	Water Resource Management	
	303-5 Water consumption	Water Resource Management	
Waste & Hazardous Substance Management			
GRI 3 Material Topics 2021	3-3 Management of material topics	Green Solutions, Circular Economy	
306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Waste Management	
	306-2 Management of significant waste-related impacts	Waste Management	
	306-3 Waste generated	Waste Management	
	306-4 Waste diverted from disposal	Waste Management	
	306-5 Waste directed to disposal	Waste Management	
Biodiversity-related Impacts Management			
GRI 3 Material Topics 2021	3-3 Management of material topics	Green Solutions, Circular Economy	

Standard	Disclosure	Topic/Chapter	Reason for Omission/ Supplement
101 Biodiversity 2024	101-1 Policies to halt and reverse biodiversity loss	Nature and biodiversity protection	
	101-2 Management of biodiversity impacts	Nature and biodiversity protection	
	101-3 Access and benefit-sharing	Nature and biodiversity protection	
	101-4 Identification of biodiversity impacts	Nature and biodiversity protection	
	101-5 Locations with biodiversity impacts	-	Lack of Information
	101-6 Direct drivers of biodiversity loss	Nature and biodiversity protection	
	101-7 Changes to the state of biodiversity	Nature and biodiversity protection	
	101-8 Ecosystem services	Nature and biodiversity protection	
Sustainable Raw Materials and Circular Economy			
GRI 3 Material Topics 2021	3-3 Management of material topics	Green Solutions, Circular Economy	
301: Materials 2016	301-1 Materials used by weight or volume	Sustainable Raw Materials	
	301-2 Recycled input materials used	Sustainable Raw Materials	
	301-3 Reclaimed products and their packaging materials	Sustainable Raw Materials	
Business Ethics			
GRI 3 Material Topics 2021	3-3 Management of material topics	Corporate Governance, Smart Innovation	
205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Business Ethics	
	205-2 Communication and training about anti-corruption policies and procedures	Business Ethics	
	205-3 Confirmed incidents of corruption and actions taken	Business Ethics	
206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Business Ethics	
415: Public Policy 2016	415-1 Political contributions	Business Ethics	
Product Stewardship			
GRI 3 Material Topics 2021	3-3 Management of material topics	Corporate Governance, Smart Innovation	

Standard	Disclosure	Topic/Chapter	Reason for Omission/ Supplement
416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Product Stewardship	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Product Stewardship	
Human Rights and Labor Relations			
GRI 3 Material Topics 2021	3-3 Management of material topics	Diversity and Inclusion for Sustainable Development	
401: Employment 2016	401-1 New employee hires and employee turnover	Talent Attraction and Retention	
	401-2 Benefits provided to full-time employees that are not provided to temporary or parttime employees	Employee Compensation and Benefits	
	401-3 Parental leave	Employee Compensation and Benefits	
402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Employee Compensation and Benefits	
408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Employee Human Rights Protection	
409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Employee Human Rights Protection	
Employee Diversity, Equality & Inclusion			
GRI 3 Material Topics 2021	3-3 Management of material topics	Diversity and Inclusion for Sustainable Development	
405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Diversity and Inclusion	
	405-2 Ratio of basic salary and remuneration of women to men	Diversity and Inclusion	
406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Diversity and Inclusion	
407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Employee Compensation and Benefits	
Employee Training & Development			
GRI 3 Material Topics 2021	3-3 Management of material topics	Diversity and Inclusion for Sustainable Development	

Standard	Disclosure	Topic/Chapter	Reason for Omission/ Supplement
404: Training and Education 2016	404-1 Average hours of training per year per employee	Talent Development and Training	
	404-2 Programs for upgrading employee skills and transition assistance programs	Talent Development and Training	
	404-3 Percentage of employees receiving regular performance and career development reviews	Talent Development and Training	
Talent Attraction & Retention			
GRI 3 Material Topics 2021	3-3 Management of material topics	Diversity and Inclusion for Sustainable Development	
201 Economic Performance 2016	201-3 Defined benefit plan obligations and other retirement plans	Employee Compensation and Benefits	
202 Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Employee Compensation and Benefits	
	202-2 Proportion of senior management hired from the local community	Diversity and Inclusion	
Occupational Health & Safety			
GRI 3 Material Topics 2021	3-3 Management of material topics	Healthy Workplace, Adhere to Safety	
403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Occupational Health and Safety Policy	
	403-2 Hazard identification, risk assessment, and incident investigation	Occupational Health and Safety Policy	
	403-3 Occupational health services	Occupational Health and Safety Policy	
	403-4 Worker participation, consultation, and communication on occupational health and safety	Occupational Health and Safety Policy	
	403-5 Worker training on occupational health and safety	Occupational Health and Safety Policy	
	403-6 Promotion of worker health	Employee Health Promotion	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Occupational Health and Safety Policy	
403: Occupational Health and Safety 2018	403-8 Workers covered by an occupational health and safety management system	Occupational Health and Safety Policy	

Standard	Disclosure	Topic/Chapter	Reason for Omission/ Supplement
403: Occupational Health and Safety 2018	403-9 Work-related injuries	Occupational Health and Safety Policy	
	403-10 Work-related ill health	Employee Health Promotion	
Community Engagement			
GRI 3 Material Topics 2021	3-3 Management of material topics	Social Contribution, Win-Win Strategy	
203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Community Engagement	
	203-2 Significant indirect economic impacts	Community Engagement	
413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Community Engagement	
	413-2 Operations with significant actual and potential negative impacts on local communities	Community Engagement	
Privacy & Information Security			
GRI 3 Material Topics 2021	3-3 Management of material topics	Corporate Governance, Smart Innovation Business Sustainability, Beneficial Partners	
418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Privacy & Information Security Customer Relations Management	
Sustainable Supply Chain			
GRI 3 Material Topics 2021	3-3 Management of material topics	Business Sustainability, Beneficial Partners	
204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Supplier Sustainability Management	
308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Supplier Sustainability Management	
	308-2 Negative environmental impacts in the supply chain and actions taken	Supplier Sustainability Management	

Standard	Disclosure	Topic/Chapter	Reason for Omission/ Supplement
414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Supplier Sustainability Management	
	414-2 Negative social impacts in the supply chain and actions taken	Supplier Sustainability Management Supplier Social Impact Management	
General Topic Disclosure			
207: Tax 2019	207-1 Approach to tax	Corporate Governance	
	207-2 Tax governance, control, and risk management	Corporate Governance	
	207-3 Stakeholder engagement and management of concerns related to tax	Corporate Governance	
201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Company Overview	
	201-4 Financial assistance received from government	Company Overview	

SASB Standard Index Table

Theme	Code	Disclosure Project	Metrics	Contents Summary
Water Management	TC-ES-140a.1	Total water withdrawal, water consumption and water resource pressure ratio	million liters, percentage	Total water withdrawal: 82,690.39 Total water consumption: 24,474.81 Water stress: 29% in extremely high-risk areas, 5% in high-risk areas, 4% in medium-high-risk areas, 24% in medium-low-risk areas, and 38% in low-risk areas
Waste Management	TC-ES-150a.1	Weight of hazardous waste from the process and its recycling percentage	tons, percentage	Hazardous waste: 157,929.00 Recycling percentage: 84.3%

Theme	Code	Disclosure Project	Metrics	Contents Summary
Labor Practices	TC-ES-310a.1	Total water withdrawal, water consumption and water resource pressure ratio	million liters, percentage	Total water withdrawal: 82,690.39 Total water consumption: 24,474.81 Water stress: 29% in extremely high-risk areas, 5% in high-risk areas, 4% in medium-high-risk areas, 24% in medium-low-risk areas, and 38% in low-risk areas
Labor health and safety situation	TC-ES-320a.1	Employee and contractor recordable incident ratio (TRIR) and near miss frequency rate (NMFR)	ratio	Recordable occupational injury ratio: Employees: 0.129 Contractors: 0.0686 Near Miss: Employees: 20 Contractors: 2
	TC-ES-320a.2	(1) The percentage of the company's plants that have passed RBA VAP audits or equivalent audits as a percentage of (a) all the company's plants and (b) the percentage of the company's high-risk plants. (2) The percentage of first-tier suppliers that have passed RBA VAP or equivalent audits is (a) the percentage of all first-tier suppliers and (b) the percentage of first-tier high-risk suppliers.	percentage	1.a) Percentage of company sites that have passed RBA VAP or equivalent audits: 100% 1.b) Percentage of the company's high-risk sites: 5.36% 2.a) Percentage of first-tier major suppliers that have passed RBA VAP or equivalent audits: 38.6% 2.b) Percentage of first-tier major high-risk suppliers: 4.5%
	TC-ES-320a.3	(1) Non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent and (2) associated corrective action rate for (a) priority nonconformances and (b) other non-conformances, disaggregated by (i) the entity's facilities and (ii) the entity's Tier 1 supplier facilities	percentage	1.i) Priority non-conformance rate for the company's factories: 0; other non-conformance rates: 10.3% 1.ii) Priority non-conformance rate for first-tier major suppliers: 0; other non-conformance rates: 23% 2.i) Priority non-conformance improvement for the company's factories: NA; other non-conformance improvement: 100% 2.ii) Priority non-conformance improvement for first-tier major suppliers: NA; other improvement: 90%
Product Lifecycle	TC-ES-410a.1	Weight of end-of-life products and e-waste recovered; percentage recycled	Tons, percentage	0 tons
Raw material procurement	TC-ES-440a.1	Description of the management of risks associated with the use of critical materials	Explanation and Analysis	For details, please see "Supplier Sustainability Management"

Theme	Code	Disclosure Project	Metrics	Contents Summary
Activity indicators	TC-ES-000.A	Number of production equipment (factory)	number	141
	TC-ES-000.B	Production plant area	square meters	21,365,081
	TC-ES-000.C	Number of employees	number	726,048

Sustainability Disclosure Indicators - Other Electronics Industries

Code	Indicator	Indicator Type	Annual Disclosure	Unit	Remark
1	Total energy consumption, percentage of purchased electricity, and renewable energy usage	Quantification	1. Total energy consumption: 57,946,104.72 GJ (6728.96 GWh) 2. Renewable energy utilization rate is 41.81%	Gigajoule (GJ) Percentage (%)	
2	Total water intake and total water consumption	Quantification	1. Total water intake 82,690.39 2. Total water consumption 12237.41	Thousand cubic meters (1,000 m³)	
3	The weight of hazardous waste generated and the percentage of recycling	Quantification	1. Hazardous waste: 157,929 2. Recovery percentage: 84.3%	Ton (t) Percentage (%)	
4	Describe the types, number and ratio of occupational hazards	Quantification	Recordable occupational injury ratio: Employees: 0.129 Contractors: 0.0686 False alarms: Employees: 20 Contractors: 2	Quantity Ratio (%)	
5	Disclosure of product life cycle management: including the weight of end-of-life products and electronic waste and the percentage of recycling (Note 1)	Quantification	0 tons	Ton (t) Percentage (%)	The company is a foundry, and this content is not applicable
6	Description of risk management associated with the use of critical materials	Qualitative description	For details, please see "Supplier Sustainability Management"	not applicable	
7	Total monetary losses resulting from legal actions related to anti-competitive conduct regulations	Quantification	0 NTD	Reporting currency	

Code	Indicator	Indicator Type	Annual Disclosure	Unit	Remark
8	Output of major products by product category	Quantification	Hon Hai's products mainly include four major product areas: consumer electronics, cloud network products, computer terminal products, components and others.	Varies by product type	Confidentiality restrictions, production volume not disclosed

Hon Hai - Climate-related information for listed companies

■ (1) Implementation of climate-related information

Item	Implementation
1. Describe the board of directors and management's oversight and governance of climate-related risks and opportunities.	For more details, please refer to the climate governance section of "Green Solutions, Circular Economy".
2. Describe how the identified climate risks and opportunities will affect the company's business, strategy and finances (short-term, medium-term and long-term).	For more details, please refer to Climate Risks and Opportunities in "Green Solutions, Circular Economy".
3. Describe the financial impact of extreme climate events and transition actions.	For details, please refer to the analysis of key climate-related risks and opportunities in "Green Solutions, Circular Economy".
4. Describe how the climate risk identification, assessment, and management processes are integrated into the overall risk management system.	For details, please refer to Climate Risks and Opportunities and Climate Strategy in "Green Solutions, Circular Economy".
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analytical factors and main financial impacts used should be explained.	For details, please refer to the climate risk scenario analysis of "Green Solutions, Circular Economy".
6. If there is a transition plan to manage climate-related risks, describe the content of the plan and the indicators and targets used to identify and manage physical and transition risks.	For details, please refer to the "Green Solutions, Circular Economy" climate strategy and climate target indicators.

Item	Implementation
7. If internal carbon pricing is used as a planning tool, the basis for setting the price should be explained.	For more details, please refer to the "Green Solutions, Circular Economy" Climate Target Indicator - Internal Carbon Pricing.
8. If climate-related targets are set, the covered activities, scope of greenhouse gas emissions, planning period, and annual progress towards achieving them should be disclosed. If carbon offsets or renewable energy certificates (RECs) are used to achieve the targets, the source and quantity of the carbon reduction credits or the number of RECs used should be disclosed.	For more details, please refer to the "Green Solutions, Circular Economy" Climate Metrics & Target - Net Zero Commitment and Targets; Climate Strategy - Construction, procurement and use of green electricity
9. Greenhouse gas inventory and confirmation of status and reduction targets, strategies and specific action plans	Please see "Hon Hai - Climate-related Information for Listed Companies" (2) and (3)

■ (2) The company's greenhouse gas inventory and confirmation results for the last two years

A description of greenhouse gas emissions (metric tCO₂e), intensity (metric tCO₂e/million dollars), data coverage, and assurance statement for the most recent two years, including the assurance scope, assurance institution, assurance criteria, and assurance opinion.

2024

Category	Total emissions (tCO ₂ e)	Intensity (tCO ₂ e / million NTD)	Confirmed institutions	Assurance Standard	Statement of Confident Circumstances
Scope 1					
Parent company	424.11	0.00006	PWC	ISAE 3410 Assurance Criteria	Limited Assurance
Subsidiaries	341,048.29	0.04972	PWC	ISAE 3410 Assurance Criteria	Limited Assurance
total	341,472.40	0.04978	PWC	ISAE 3410 Assurance Criteria	Limited Assurance

Category	Total emissions (t CO ₂ e)	Intensity (tCO ₂ e / million NTD)	Confirmed institutions	Assurance Standard	Statement of Confident Circumstances
Scope 2 (market-based)					
Parent company	18,107.47	0.00264	PWC	ISAE 3410 Assurance Criteria	Limited Assurance
Subsidiaries	2,254,169.66	0.32861	PWC	ISAE 3410 Assurance Criteria	Limited Assurance
total	2,272,277.12	0.33125	PWC	ISAE 3410 Assurance Criteria	Limited Assurance
Scope 3					
total	20,265,302.49	2.95	Bureau Veritas (Beijing) Co., Ltd.	Greenhouse Gas Protocol - Enterprise Value Chain (Scope 3) Accounting and Reporting Standard ISO 14064-3:2019 Greenhouse gases Part 3	Reasonable assurance

2023

Category	Total emissions (tCO ₂ e)	Intensity (tCO ₂ e / million NTD)	Assurance institutions	Assurance Standard	Statement of Confident Circumstances
Scope 1					
Parent company	11,549.99	0.00045	PWC	ISAE 3410 Assurance Criteria	Limited Assurance
Subsidiaries	256,558.19	0.09500	PWC	ISAE 3410 Assurance Criteria	Limited Assurance
total	158,108.18	0.04200	PWC	ISAE 3410 Assurance Criteria	Limited Assurance
Scope 2 (market-based)					
Parent company	20,649.44	0.00600	PWC	ISAE 3410 Assurance Criteria	Limited Assurance
Subsidiaries	2400477.56	0.88000	PWC	ISAE 3410 Assurance Criteria	Limited Assurance
total	2421,127.00	0.39000	PWC	ISAE 3410 Assurance Criteria	Limited Assurance

(3) Greenhouse gas reduction targets, strategies, and specific action plans

Describe the greenhouse gas reduction base year and its data, reduction targets, strategies and specific action plans, and the status of achievement of the reduction targets.

Hon Hai is actively adopting science-based carbon reduction standards developed by international organizations such as the SBTi, setting climate action targets and developing a roadmap for net-zero carbon emissions. The Group prioritizes reducing emissions through operational carbon reduction (≥3%) and in-house renewable energy power plants (≥5%). This is complemented by other strategies, such as the introduction of renewable electricity (≤82%) and carbon sequestration and negative carbon technologies (≤10%), to achieve its net-zero goal through a multi-faceted approach. Hon Hai is committed to achieving net-zero greenhouse gas emissions across its entire value chain by 2050, with a near-term target of a 42% reduction in absolute Scope 1, 2, and 3 greenhouse gas emissions by 2030 compared to a 2020 base year, and a long-term target of a 90% reduction by 2050. For more information, please refer to the “Green, Smart, Circular Economy” section of this report on climate change response and energy management.

Glossary

Term	Explanation
RE100	Corporate initiative committing to 100% renewable electricity
Science Based Targets initiative (SBTi)	Framework validating corporate carbon reduction targets aligned with Paris Agreement goals (1.5°C pathway). The 2050 net-zero target and 2030 intermediate target of Hon Hai has been validated by SBTi in 2024.
GHG Protocol	A globally recognized framework for measuring, managing, and reporting greenhouse gas (GHG) emissions.
Scope 1/2/3 Emissions	GHG emission categories: Scope 1 (Direct emissions), Scope 2 (energy purchase-related indirect emissions), Scope 3 (value chain indirect emissions)
VOCs	Volatile Organic Compounds
Renewable Energy Certificates (RECs)	Tradable certificates proving renewable electricity generation.
CSDDD	Corporate Sustainability Due Diligence Directive, The EU regulation on human rights and environmental due diligence in the corporate value chain.
Restriction of Hazardous Substances (RoHS)	EU Directive 2002/95/EC (also known as the RoHS Directive) aims to restrict the use of lead, mercury, hexavalent chromium, and flame retardants such as polybrominated biphenyls and polybrominated diphenyl ethers (PBDEs).
AWS Platinum Certification	Highest tier of water stewardship certification by Alliance for Water Stewardship.
IATF 16949	Internationally recognized quality management system standard for the automotive industry.
ISO 14001	Internationally recognized standard for environmental management systems to minimize their environmental impact.
ISO 37001	International standard for anti-bribery management systems, implemented across Hon Hai facilities.
ISO 45001	Internationally recognized standard for Occupational Health and Safety (OH&S) management systems

Term	Explanation
ISO 50001	Internationally recognized standard for energy management systems to establish, implement, maintain, and improve their energy performance.
ISO/ SAE 21434	An international standard for cybersecurity engineering in road vehicles
ISO 9001	An internationally recognized standard for quality management systems
ISO 20400	An international standard that provides guidance on sustainable procurement.
ISO 14064	Internationally recognized standard focused on greenhouse gas (GHG) emissions, providing a framework for organizations to measure, manage, and report their carbon footprints.
GB/T 23331	A Chinese national standard that specifies the requirements for an Energy Management System.
UL 2799 Zero Waste to Landfill	Certification for ≥90% waste diversion from landfills;
QC080000	IECQ Hazardous Substance Process Management (HSPM) System, a standard for managing and controlling hazardous substances in electrical and electronic products.
Task Force on Climate-related Financial Disclosures	Framework for disclosing climate-related financial risks, adopted by Hon Hai
Task Force on Nature-related Financial Disclosures	Framework for reporting nature and Biodiversity-related risks and impacts. Hon Hai has started to assess its risks related to nature and biodiversity using the LEAP principle of TNFD.
OECD	An international organization that works to promote policies that improve the economic and social well-being of people around the world.
RBA Validated Assessment Program (VAP) Audit	A leading standard for onsite compliance verification and effective, shareable assessments conducted by independent, third-party firms.
RMI	Responsible Minerals Initiative, one of the most utilized and respected resources for companies from a range of industries addressing responsible mineral sourcing issues in their supply chains.
CMRT	A standardized form used to gather information about the origin of minerals used in products.

Term	Explanation
EMRT	A standardized tool used to collect and disclose information about mineral sourcing in supply chains, particularly for cobalt and mica.
NIST Cybersecurity Framework	A set of voluntary guidelines developed by the National Institute of Standards and Technology (NIST) to help organizations manage and reduce their cybersecurity risks
Kiken Yochi Training (KYT)	A safety training method originating from Japan, aimed at identifying potential hazards in operations through team discussions and formulating preventive measures.
Build, Operate, and Localize (BOL)	A business model, especially in the international market, aimed at achieving long-term localization development by collaboratively establishing an industrial ecosystem with local partners.
Local Co-prosperity	Hon Hai philosophy of collaborative community development through local partnerships.
0-6 Company Support Policy	Hon Hai policy to provide childcare subsidy as a benefit for employees with children aged 0 to 6.
6+1 Love Feedback System	Employee volunteer framework covering 7 community service dimensions: Projects covering “Hygiene, Disability support, Mobility support, Healthcare, Education support, Legal service + Happiness”

Assurance Certificate

Independent Assurance Statement

HON HAI PRECISION IND. CO., LTD. 2024 SUSTAINABILITY REPORT

The AFNOR GROUP was established in 1926. We are the National Standardization Body of France, a permanent council member in ISO and one of the leading certification bodies in the world. This assurance work was carried out by AFNOR ASIA LTD., a subsidiary of AFNOR GROUP. All the members of the verification team have professional backgrounds and have accepted AA1000 AS, AFAC 20000, ISO 9001, ISO 14001, ISO 14064, ISO 45001, ISO 50001, and other sustainability-related international standard trainings. All assigned verifiers have been approved as the lead auditors or verifiers. AFNOR ASIA LTD. (hereinafter referred to as AFNOR ASIA) and HON HAI PRECISION IND. CO., LTD. (hereinafter referred to as HON HAI) are independent entities. Except for the contents described in this independent assurance statement, AFNOR ASIA LTD. is not involved in the preparation process of the sustainability report of HON HAI.

RESPONSIBILITIES

HON HAI is responsible for reporting its economic, environmental, and social operating activities and performance in Taiwan and overseas operating locations in its sustainability report (hereinafter referred to as "the Report") in accordance with the declared sustainability reporting standards.

AFNOR ASIA is responsible for providing an independent assurance statement to HON HAI and its stakeholders in accordance with the described scope and method. This statement is for HON HAI use only and is not responsible for any other purpose.

SCOPE AND CRITERIA

The assurance scope of the agreement between HON HAI and AFNOR ASIA includes:

- The scope of assurance operation is consistent with the scope disclosed in the "HON HAI PRECISION IND. CO., LTD. 2024 SUSTAINABILITY REPORT".
- AFNOR ASIA performs assurance operation according to the Type 2 assurance of the AA1000 assurance standard (v3), reviewing and evaluating HON HAI's compliance with the AA1000 Accountability Principles (2018), and presenting findings and conclusions on the reliability and quality of specific performance information.
- The assurance operation includes reviewing and evaluating HON HAI's relevant processes, systems and controls and available performance information, as well as compliance with the following reporting criteria:
 - GRI Standards.
 - Task Force on Climate-related Financial Disclosures
 - Sustainability Accounting Standards Board Standards

METHODOLOGY

- The Report is reported in accordance with the GRI Standards, and the content of the Report is reviewed for compliance with the GRI Standards for general disclosure and specific topic disclosure.
- The verification team interviewed relevant personnel to confirm the communication and response mechanism for stakeholders and the decision-making process for material topics, but did not directly contact external stakeholders.
- All documents, data and information related to the preparation of the Report were verified by the verification team through interviews with relevant personnel.
- The process of reviewing organizational outputs, collecting and managing qualitative and quantitative data disclosed in reports based on a sampling plan.
- By interviewing the responsible personnel of each group, examining and reviewing the relevant documents, materials and information, the verification team evaluated the reasonableness of the sources of supporting materials and evidence for the contents of the Report.

CONCLUSION

AA1000 Accountability Principles

Inclusivity

HON HAI has demonstrated a corporate environment that accepts, respects, and values the differences and values of all stakeholders through the Report. The organization listens to, understands and respects different perspectives, regards differences as inputs to innovation, creates a sustainable enterprise where diverse voices coexist and grow together, and discloses relevant performance to demonstrate sustainable inclusiveness.

Materiality

HON HAI has established processes to collect, analyze and identify issues related to its sustainability development. With input from various stakeholders, the organization has developed and implemented a decision-making process for material topics, which reflects the organization's emphasis and prioritization of these material topics through the Report. In the future, the organization can continue to identify and consider diverse and influential information sources, combine reliable evidence to conduct due diligence, and use different methods for cross-validation to ensure that the assessment results are comprehensive, accurate and forward-looking.

Responsiveness

HON HAI has been actively responding to all stakeholders under its six major strategies,

providing valuable information so that all stakeholders can understand and judge the organization's governance and management performance. In the future, the organization can to present its performance responses in a standardized manner to ensure data comparability and facilitate long-term tracking and comparison with same industry. This will not only enhance transparency and trust, but also demonstrate its commitment to and achievements in sustainable development and value creation.

Impact

HON HAI has demonstrated a process for effectively identifying and fairly assessing impacts across a broad range of environmental, social, and governance topics. The impacts of its operations are measured and assessed through a combination of qualitative and quantitative objectives. In the future, the organization can continue to provide resources, disclose progress and results on material topics to stakeholders through multiple channels, and invite them to participate in the decision-making process, thereby enhancing mutual trust and cooperation with all parties and continuously optimizing the company's sustainable competitiveness.

Findings and conclusions concerning the reliability and quality of specified performance information

Based on the results of the review, it was confirmed that HON HAI regularly collects and compiles specific performance information through internal management systems and processes. The economic, environmental, and social indicators of the organization disclosed in the Report have been verified in terms of their sources, information collection, and statistical results during the verification process, and no significant errors have been found. In the future, the organization can continue to optimize its internal data management and internal verification processes, and through complete and traceable data records and regular quality reviews, enhance information integrity and reliability to gain the trust of global investors and stakeholders.

Global Reporting Initiative Sustainability Reporting Standards

Based on the results of the review, it is confirmed that the general disclosures, specific topic disclosures, and material topics management disclosures in the Report have complied with the requirements of the GRI Standards. In the future, the organization can continue to ensure the consistency and comparability of indicators when integrating sustainability information and data from different indicators or regions, and through training and cross-departmental meetings, accurately convey their importance and impact internally to ensure the consistency and effectiveness of data interpretation and application.

Task Force on Climate-related Financial Disclosures

Based on the results of the review, the Report has revealed the impact of climate change on the company's operations, as well as measures to respond to risks and opportunities. In the future, the organization can combine external scientific data and expert evaluations to make up for the lack of historical data and gradually improve financial quantification and decision-making accuracy.

Sustainability Accounting Standards Board Standards

Based on the results of the review, the Report has disclosed relevant information based on the Sustainability disclosure topics & metrics and activity metrics of the SASB standards. In the future, the organization can continue to collect, monitor and disclose information in accordance with the requirements of SASB standards, enhance the professionalism and international recognition of reports, and strengthen investor confidence and decision-making reference value.

ASSURANCE OPINION

AFNOR ASIA has developed a complete sustainability reporting assurance standard based on the verification guidelines of the AA1000 Assurance Standard (v3) and the GRI Standards. Based on the sufficient evidence provided by HON HAI and the facts seen during on-site verification, we adhere to the principle of fairness and issue a statement on the global sustainability reporting standards followed by the organization. In our opinion, the information and data presented in the Report by HON HAI provides a fair and balanced representation. We believe the focuses on economic, social, and environmental indicators in HON HAI in 2024 are well represented.

ASSURANCE LEVEL

In accordance with the AA1000 Assurance Standard (v3), we verified this assurance statement corresponding to a moderate level. The scope and methods are as described in this statement.

For and on behalf of AFNOR :

Dr. August Tai
The Director for Certification and Assessment
Aug.20,2025
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