



2025 SUPPLIER RESPONSIBILITY REPORT

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About this Report

This Supplier Responsibility Report (hereinafter referred to as the “Report”) is prepared by Hon Hai Precision Industry Co., Ltd. (hereinafter referred to as the “Group,” “Hon Hai,” or “Foxconn”). The Report aims to respond to global sustainability trends and strengthen stakeholders’ confidence in the Group’ s operations. To provide stakeholders with a comprehensive understanding of the challenges and achievements associated with the Group’ s sustainable supply chain management, this Report comprehensively discloses the Group’ s performance during the 2025 reporting period (January 1, 2025, to December 31, 2025), demonstrating the Group’ s commitment and actions in collaborating with supply chain partners to advance sustainable development.

Report Scope

This report discloses the sustainable supply chain performance of Hon Hai Precision Industry Co., Ltd., with the main scope of disclosure covering Mainland China, Taiwan, India, and Vietnam. Unless otherwise specified, all monetary amounts disclosed in this Report are presented in New Taiwan Dollars (NTD).

Publication Date

Reporting Cycle	Annually
Current Issue	Released in July 2026
Next Issue	To be released in July 2027

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A Letter from the Chairman of the Sustainability Committee

Enhancing Long-Term Competitiveness Through Resilience and Responsibility Amid Global Supply Chain Restructuring

After more than five decades of growth, Hon Hai's revenue reached NT\$8.1 trillion in 2025. The Group has also expanded its global presence to 241 sites across 24 countries, working together with supply chain partners to support the development of industries including consumer smart products, cloud and networking, computing, and components worldwide.

Especially in recent years, the rapid growth in demand for AI and high-performance computing has accelerated global industrial upgrading and business model innovation. At the same time, increasing geopolitical, climate change, human rights, and regulatory challenges have accelerated the regionalization, diversification, and localization of global supply chains.

In this environment, the challenges of supply chain management are no longer limited to competition in efficiency and cost. Companies are also being challenged to demonstrate resilience, transparency, accountability, and innovation. A sustainable supply chain is not only a fundamental part of fulfilling corporate responsibility, but also key to earning customer trust, responding to global changes, and maintaining long-term competitiveness.

As the world's largest electronics manufacturing services provider, Hon Hai fully recognizes its role and responsibility within the global supply chain. We are not only a critical link connecting customers and suppliers, but also have the responsibility to leverage the Group's technological capabilities, global footprint, and management experience to drive continuous improvement across our supply chain partners.

In 2025, Hon Hai's efforts in building a sustainable supply chain also gained increasing international recognition. Hon Hai ranked among the top 1% globally in the DJBIC Supply Chain Management assessment, received an A rating in the CDP Supplier Engagement Assessment, and was awarded the Silver Award for Asia's Best Supply Chain Reporting at the Asia Sustainability Reporting Awards. These

recognitions not only affirm the Company's commitment to sustainable supply chain management and its alignment with globally recognized sustainability practices but also reflect the collective efforts of our global supplier partners.

In 2025, Hon Hai successfully achieved all targets under its 2021~2025 long-term Supply Chain ESG Goals and officially launched its 2026~2030 Long-Term Sustainability Goals. Looking ahead, we will further expand the scope of our management efforts, focusing on supply chain transparency, low-carbon manufacturing, human rights governance, and risk management. We will also continue to introduce advanced technologies and digital tools to strengthen risk identification, improve decision-making efficiency, and enhance cross-regional response capabilities.

We believe that a truly competitive supply chain is one that can not only respond rapidly to market changes, but also balance environmental, social, and governance responsibilities throughout its development. Hon Hai will continue to work hand in hand with global supply chain partners to transform sustainability into a driver of innovation and growth, jointly building a more resilient, responsible, and competitive industrial ecosystem while creating long-term value for all stakeholders.

Hon Hai Precision Industry Co., Ltd.

Young Liu, Chairman

Young Liu





A Letter from the Procurement Head

As one of the world's largest electronics manufacturing services providers, Hon Hai has built a global supply chain network and earned the trust of many of the world's leading brands. We fully recognize that our significant industry influence carries profound responsibilities. This represents not only our firm commitment to customers, but also our mission to promote environmental and social sustainability.

To this end, we have fully implemented our Procurement 2.0 Strategy, guided by the core principles of Openness, Transparency, Science, and Management. We have incorporated environmental, social, and governance (ESG) requirements into our supplier management framework as the basis for evaluating both new and existing suppliers. At the same time, through regular audits, capability building, and corrective actions, we promote suppliers' full implementation of the Group's Supplier Code of Conduct and other sustainability requirements.

In addition, we have established a fully digitalized Supplier ESG Digital Management Platform, focusing on four key areas: "Green Products, Net-Zero Emissions, Zero Waste, and Labor and Human Rights". Through a continuous management approach encompassing supplier ratings, training, and capability building, we continuously improve the effectiveness of sustainable supply chain management. We also recognize outstanding ESG-performing partners through the annual

Hon Hai-Foxconn Sustainability Awards, promoting the exchange of best practices and the sharing of experience to create a ripple effect that drives the entire supply chain toward sustainability.

Years of dedicated innovation and sustained commitment have transformed our sustainability vision into tangible achievements. These efforts have also received recognition from internationally respected organizations, including CDP, DJBIC, MSCI, and IPE.

Looking ahead to 2026, we will continue working hand in hand with our global supply chain partners to deepen our shared commitment to sustainability and mutual prosperity. Together, we will respond proactively to the growing global expectations for sustainable supply chains with even greater resilience.

Hon Hai Precision Industry Co., Ltd.

Max Chu, Chief Procurement Officer



Honor and Recognitions

 Supply Chain Management Score: 95 (Top 1% of the industry)	 Supplier Engagement Assessment Score “A”	 Controversial Sourcing ESG Leader	 Asia's Best Supply Chain Reporting Silver Award	 Sustainable Supply Chain Management Supply Chain Leadership Award	 Green Supply Chain Corporate Information Transparency Index No.1 in the Greater China & No. 1 in the IT/ ICT sector	 Corporate Climate Action Transparency Index No.1 in the Greater China & No. 1 in the IT/ ICT sector
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Participation of the International Initiatives and Public Association

Responsible Business Alliance (RBA)	Hon Hai joined the Responsible Business Alliance (RBA) in 2005, requires all Tier-1 Suppliers to comply with the RBA Code of Conduct released by the RBA and pass it on to the upstream suppliers.	Science Based Targets initiative (SBTi)	Hon Hai has submitted to the Science Based Targets initiative (SBTi) its commitment with business ambition aligned with 1.5° C pathway, which is publicly disclosed on platforms such as SBTi and CDP. The net-zero targets of Hon Hai have been officially validated by SBTi in 2024.
Responsible Minerals Initiative (RMI)	As a member of the Responsible Minerals Initiative (RMI), Hon Hai proactively collaborates with its suppliers, ensuring the production and use of mineral products do not adversely impact on the environment, society, or human rights.	Institute of Public and Environmental Affairs “Zero Carbon Supply Chain Initiative”	Hon Hai is actively promoting its suppliers to conduct greenhouse gas inventory, set science-based emission reduction targets, and disclose implementation status, while also empowering suppliers with carbon reduction capabilities.
Climate Action 100+	As a member of Climate Action 100+, Hon Hai pledges to take action on emission reduction, actively participate in the promotion of climate governance, and is committed to achieving the goal of Net Zero by 2050.	Taiwan Alliance for Net Zero Emission (TANZE)	As a co-founding member, Hon Hai actively pursues the Net Zero goal through energy-saving measures, green manufacturing, and the deployment of renewable electricity.

Short-, Medium-, and Long-Term ESG Targets for the Supply Chain

To continuously strengthen the promotion and long-term planning of sustainable supply chain management, the Group sets phased management targets in five-year cycles. Given that 2025 is the concluding year of the current target cycle (2021–2025), in addition to explaining the implementation results of the current targets, the management targets for 2026–2030 are also disclosed simultaneously to demonstrate continuous improvement and a commitment to long-term management.

2025 Targets and Achievement Status

		2025	
Aspect	Item	Target	Results
E	Number of specific electronic suppliers that have obtained Zero Waste to Landfill certification	25 companies	26 companies
	Number of significant electronic suppliers committed to using 100% renewable energy for the production of Hon Hai products	45 companies	56 companies
	Proportion of specific electronic suppliers implementing Full Material Declaration on the Supplier ESG Digital Management Platform	100%	100%
	RoHS & REACH Compliance Rate of Critical Semiconductor Material Suppliers	100%	100%
S	Number of labor and human rights audits conducted on electronics and mechanical suppliers	50 times	629 times
	Percentage of high-risk contractors mentored to implement ISO 45001 Occupational Health and Safety Management Systems	100%	100%
G	Conflict minerals due diligence response rate for significant electronic suppliers, specific mechanical suppliers, and critical semiconductor material suppliers	100%	100%
	Performance evaluation coverage rate for the implementation of ESG projects (covering net-zero emissions, zero waste, green products, and labor human rights) by electronics and specific mechanical suppliers	100%	100%
	Audit coverage rate of specific mechanical suppliers every three years	90%	97%
	Annual reduction rate in total purchase quantity or total purchase amount for Significant Suppliers in electronics with poor ESG performance by commodity categories (including active components, passive components, modules, PCBs, and cable/connectors)	2–5%	>2%

New Targets for 2026–2030

Aspect	Item	2026 Targets	2030 Targets
G	Build a “Traceable and Transparent Supply Chain” by conducting 100% sustainability assessments for Tier 1 suppliers, identifying carbon hotspots, environmental risks, and other key impact areas.	40%	100%
	To advance a short-supply-chain, low-carbon manufacturing model by achieving a global localized procurement ratio of $\geq 80\%$ for equipment-related materials and reducing Scope 3 greenhouse gas emissions by $\geq 42\%$.	① $\geq 60\%$ ② $\geq 25.2\%$	① $\geq 80\%$ ② $\geq 42\%$
	To require key suppliers to adhere to the “Three-Zero Responsibility Policy” —zero exploitation, zero conflict, and zero concealment— and to fully adopt international standards to achieve 100% coverage of human rights due diligence, conflict minerals assessments, and ESG performance ratings, supported by an institutionalized framework that drives continuous improvement and transparently demonstrates outcomes to external stakeholders.	$\geq 80\%$	$\geq 100\%$

Performance and Results

Aspect	Item	2025 Results
 Environmental	Number of significant suppliers that have signed renewable energy agreements	56 suppliers (cumulative data from 2022 to 2025)
	Number of specific electronic suppliers certified to Zero Waste to Landfill	26 suppliers (cumulative data from 2022 to 2025)
	Number of suppliers filling in pollutant release and transfer register (PRTR) data	364 suppliers
	The tonnage of bulk raw materials recycling and utilization	25,339 tons
	Number of suppliers with RoHS & REACH compliance declaration	1,800 suppliers
	Number of electronics, mechanical, and Critical semiconductor material suppliers that have completed ISO 14064 carbon inventory verification	325 suppliers
	Carbon reduction of significant electronics and mechanical suppliers	1.45 million tons CO ₂ e
	Green material compliance rate for key semiconductor materials	217 green materials 100% were compliant
 Social	Number of suppliers participating in human rights education and training	784 suppliers
	Number of suppliers subject to ESG audits (including third-party RBA VAP audits)	814 suppliers
	Number of suppliers with ISO 45001 certification (including high-risk chemical suppliers)	270 suppliers
	Number of critical semiconductor suppliers for which labor and human rights risk management has been conducted	90% achieved (52 suppliers completed)
 Governance	Number of first-tier suppliers participating in ESG-related training	1,611 suppliers
	Number of second-tier suppliers participating in ESG-related training	205 suppliers
	Number of electronics and mechanical suppliers with fully digitized ESG performance ratings	300 suppliers
	Number of key electronics, mechanical, and semiconductor material suppliers undergoing conflict minerals due diligence	2,375 suppliers
	Response rate of due diligence on conflict minerals for critical electronics, mechanical, and semiconductor material suppliers	100%

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Steering a Sustainable Supply Chain

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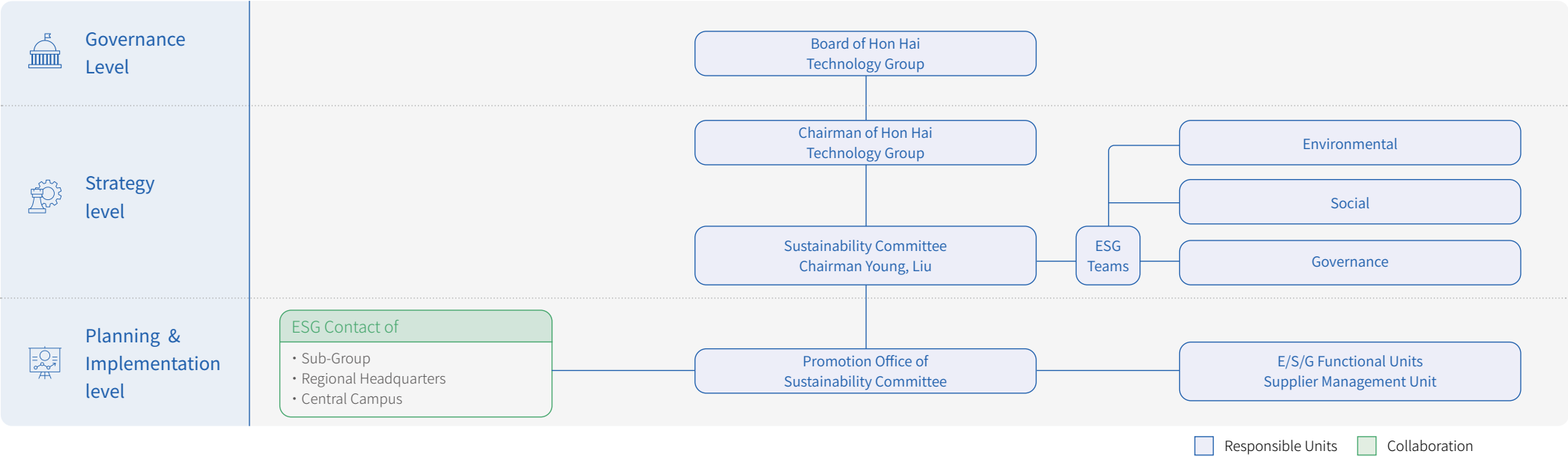
Steering a Sustainable Supply Chain

1.1 Sustainable Supply Chain Organizational Structure

To strengthen sustainable governance, Hon Hai has established a Board-level Sustainability Committee, with Chairman Young Liu serving as the chairperson. The Group’s Board of Directors serves as the highest governing authority for sustainable supply chain management, and oversees the implementation of supplier ESG management through the Sustainability Committee. In terms of goal setting and achievement, the Group has achieved 100% of its seven long-term supply chain ESG indicators for 2021–2025. To sustain its sustainability momentum, the Group announced the “2026–2030 Long-Term Sustainability Goals” in 2026, covering 34 long-term goals for 2030. These include three indicators related to supplier sustainability management, serving as a critical basis for promoting supply chain sustainability and ensuring that various sustainability strategies and actions are effectively implemented and continuously improved.

The Group is committed to promoting the sustainable development of the global supply chain and has established the “Global Procurement Division” and “Business Group_HH Purchasing – Semiconductor Supply Chain Management” units to respectively manage the suppliers of their corresponding business groups. In addition to being responsible for supervising the selection and management of suppliers, these units also ensure that various procurement activities comply with environmental, social, and governance (ESG) standards, and further provide professional guidance to the supplier ESG management units of the business groups. In terms of supplier management, the Group has adopted diversified measures, including actions such as establishing the Supplier ESG Digital Management Platform, revising the Supplier Code of Conduct, coordinating supplier assessments, audits, and performance evaluations, and conducting ESG training for suppliers and procurement personnel. These measures cover key issues such as sustainable products, human rights protection, environmental and social responsibility, conflict minerals management, and net-zero carbon emissions, working together with supply chain partners to enhance overall sustainability performance.

■ Sustainability Committee Organizational Structure



1.2 Supply Chain Landscape

The Group’s supplier network spans across Asia (including Mainland China, Taiwan, India, Vietnam, Japan, etc.), the Americas (such as the United States, Mexico, etc.), and multiple countries and regions in Europe.

>Suppliers are categorized based on their business nature and management needs:

 Semiconductor material suppliers Wafers, photoresists, process gases, process chemicals, targets, etc.	 Electronic component suppliers Active components, passive components, circuit boards, modules, connectors, etc.	 Mechanical component suppliers Metal raw materials, metal processed parts, plastic processed parts, packaging materials, plastics/paints/chemicals, etc.	 Staffing service providers Dispatched employees.
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Based on supplier types and characteristics, Hon Hai has established its “Significant Supplier Screening Principles” with reference to the standards of the Dow Jones Best-in-Class Indices. The screening process comprehensively considers four key ESG and business dimensions and incorporates three major risk assessment criteria to ensure the robustness and resilience of the supply chain, further strengthening sustainable procurement practices.

>4 Aspects in the Significant Supplier Selection:

 Environmental Aspect	Greenhouse Gas (GHG) Emissions, Environmental Compliance, Waste Management, etc.
 Social Aspect	Labor Rights, Occupational Health and Safety (OHS), Hazardous Substance Control, etc.
 Governance Aspect	Business Continuity Management, Ethical Management, Compliance with Audits and Assessments, etc.
 Business-related Aspect	Procurement amount ranking with the Group, supplier size and reputation, client-designated suppliers, etc.

>3 Risks for Consideration Regarding Significant Suppliers:

Country-specific Risk	Whether the supplier is located in a country with elevated environmental, social, and governance (ESG) risks.
Industry-specific Risk	Risks inherent to the supplier's industry, such as labor-intensive operations (human rights risks) or manufacturing processes with significant environmental impacts (e.g., hazardous substance management, waste treatment, and environmental compliance).
Product-specific Risk	Whether the products or services provided by the supplier may generate adverse environmental, social, or governance impacts due to factors such as supply chain structure, labor conditions, or energy consumption.

According to the above standards, Hon Hai has selected 365 significant suppliers, including 341 first-tier suppliers and 24 second-tier suppliers, among which the procurement amount of first-tier suppliers accounts for more than 80% of the total procurement amount. For these significant suppliers, the Group has implemented precise management mechanisms, including ESG audits, improvement action plan guidance and sustainability empowerment and capacity building, etc. to effectively identify and respond to potential risks, and enhance supply chain resilience.

1.3 Supply Chain Management Strategy and Framework

To ensure consistency and high standards in sustainable supply chain management, the Group follows the Foxconn Supplier Requirements, FSR, as the fundamental framework. These requirements integrate factors such as customer requirements, industry common standards, laws and regulations, and product attributes to serve as the basis for supplier evaluation, auditing, risk management, and continuous improvement. Furthermore, the Group communicates with suppliers and stakeholders in an open and transparent manner to ensure they fully understand and implement the management requirements.

Hon Hai has also formulated the **Supplier Code of Conduct**, which covers five key areas: Labor, Health and Safety, Environment, Ethics, and Management Systems. The applicable content is adjusted according to different types of suppliers. Furthermore, the requirements of the Code are communicated to upstream suppliers, and their compliance is monitored, thereby expanding the influence and management depth of sustainability responsibility. At the same time, the Group adheres to the highest standards of integrity in all business activities and adopts a zero-tolerance policy, having communicated its code of business conduct, anti-corruption policies, and related procedures to 7,435 suppliers.

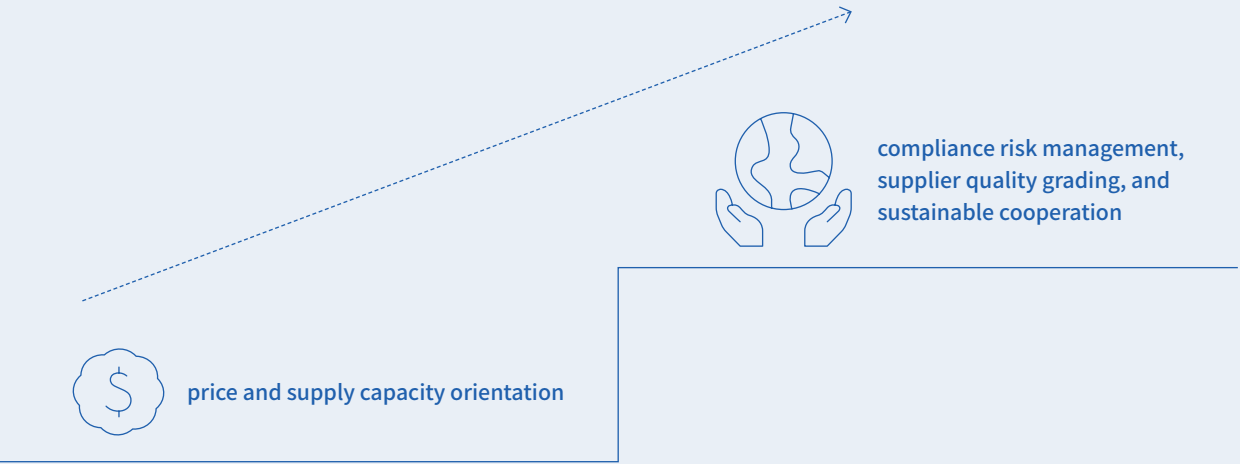
To enhance information transparency and traceability, and to optimize management efficiency and decision-making quality, through digital tools and systematic planning, we are progressively strengthening the precision management of our supply chain to create long-term value that is beneficial to the enterprise, society, and the environment. To effectively implement supply chain ESG management, the Group has formulated a three-phase digital sustainable supply chain implementation plan based on corporate objectives and external requirements:



>Procurement 2.0 Strategy

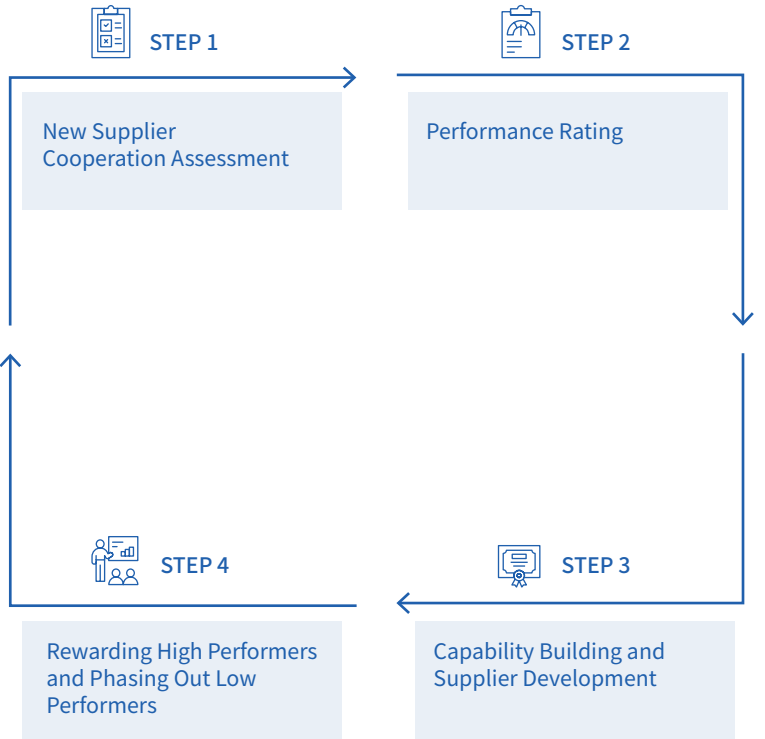
The Group proposed the Procurement 2.0 strategy in 2024, with “Openness, Transparency, Science Procurement, and Management” as the core principles to comprehensively upgrade the Group’s procurement operation model. “Openness” refers to expanding the scope of supplier selection through public bidding mechanisms to enhance supply resilience and ensure supply stability; “Transparency” emphasizes the disclosure of procurement specifications and pricing information to enhance the fairness and transparency of procurement decisions; “Science Procurement” represents the management of supplier resources in a standardized and data-driven approach, determining cooperation shares based on selection results through the unified dispatch of RFQs and standardized selection processes; “Management” covers the strengthening of personnel’s professional capabilities and the institutionalized operation of digital platforms.

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



>Supplier Management Process

The Group’s supplier management process is a continuous management cycle consisting of four sequential stages: new supplier cooperation assessment, performance rating, training and empowerment, and rewarding high performers while phasing out low performers:



① New Supplier Cooperation Assessment

The Group has established fundamental requirements for supplier quality, manufacturing processes, supply chain management, social and environmental responsibility, and green product management. New suppliers must pass audits across these five key areas to become qualified suppliers, and the Group continues to perform evaluations and follow-up improvements annually based on the annual audit checklist. Prior to being included in the Approved Vendor List (AVL), suppliers must sign the "Environmental Protection and Social Responsibility Undertaking " for Suppliers (ESU 2.0), a Master Purchase Agreement (MPA), and a Supplier' s Undertaking to ensure compliance with the basic standards of sustainability management.

In 2024, the Group revised the ESU content, incorporating the latest international requirements and expectations for sustainable supply chains into new contracts. To strengthen suppliers' understanding and implementation of sustainability requirements, interpretation training courses for the "Environmental Protection and Social Responsibility Undertaking " for Suppliers were fully launched in 2025 to assist suppliers in mastering the core requirements of ESU 2.0. To date, 1,492 suppliers have completed the signing of ESU 2.0, with the signing rate expected to achieve at least 85% by 2026. The Group evaluates whether new suppliers meet sustainability criteria (as detailed in the table below) through document reviews and on-site or online audits; only those with a comprehensive score reaching the standard may be included in the approved supplier list. In 2025, a total of 203 new suppliers passed the sustainability screening criteria.

Aspect	Requirement	Description
 Environmental	Environmental Management Compliance	No environmental violations have occurred, or violations have been corrected, in the past three years (with no environmental regulatory records on the IPE platform).
	Environmental Permits and Licenses	Obtain environmental impact assessment (EIA) opinions, approval documents, and discharge permits from the environmental protection authorities of the government as required by law.
	Waste Compliance	Hand over hazardous waste to qualified service vendors for disposal.
	Greenhouse Gas	Conduct greenhouse gas inventory for annual carbon emissions of more than 3,000 tons in accordance with ISO 14064.
	System Certification	Set up an environmental management system in line with the ISO 14001 standard.
 Social	Conflict Minerals	Submit a qualified conflict minerals due diligence report.
	Salary Payment	Pay wages and overtime to employees in accordance with the laws.
	Social Insurance	Provide social insurance for all employees in accordance with the laws.
	Working Hours	The employee working hours conform with the RBA Code of Conduct.
	System Certification	Establish an occupational health and safety management system in line with the ISO 45001 standard.
 Governance	Ethics	Establish ethical policies and procedures.
	Audit and Corrective Action	Undergo audits and timely correct any non-conformity found in the audit.
	Financial Statements	Provide balance sheet, income statement, and cash flow statement.
	Supply Chain Management	Communicate Hon Hai' s requirements to upstream suppliers and oversee implementation.

With respect to semiconductor raw materials, the industry is highly capital- and technology-intensive. Constrained by technical barriers, the number of suppliers capable of providing the five key raw materials (wafers, gases, chemicals, photoresists, and targets) is relatively limited. Therefore, when evaluating potential partners, technological capability is the primary consideration, while evaluation dimensions such as cost-effectiveness and geopolitics are also incorporated. In addition, Green Product Declarations and conflict-free minerals declarations are required for key materials, and responsible sourcing mechanisms are being gradually introduced to strengthen supply chain quality and sustainability.

Staffing service providers are primarily evaluated across two key areas:



Labor and human rights

In terms of labor rights and human rights, the recruitment of child labor is strictly prohibited. All forms of discrimination and unlawful restrictions on personal liberty must be eliminated; the principle of equal pay for equal work must be implemented; statutory insurance coverage must be fully provided in accordance with the law; and safe, compliant accommodations must be provided.



Business ethics

Providers must strictly adhere to the principles of integrity in operations. False advertising and improper recruitment practices are prohibited; and salary and benefits must be clearly communicated and confirmed in writing in advance. Furthermore, it is strictly prohibited to charge candidates any form of recruitment-related fees (including travel expenses, registration fees, referral fees, medical examination fees, administrative fees, etc.) to uphold fair and just recruitment practices.

② Performance Rating

The Group establishes a comprehensive, data-driven, quantitative, and transparent ESG rating system, referencing international ratings and standards such as RoHS, REACH, GHG Protocol, RBA, UL 2799, MSCI, and DJBIC, to implement ratings for significant suppliers across four key areas: “Green Products, Net-Zero Emissions, Zero Waste, and Labor and Human Rights” . Through data collection and verification, the Group ensures the objectivity of ratings and constructs a supplier ESG capability map to grasp the overall strengths and gaps of the supply chain, providing a basis for decision-making in differentiated management. Furthermore, new ESG performance evaluation management standards have been formulated and issued for semiconductor foundries, requiring suppliers to complete a Supplier Sustainability Self-Assessment Questionnaire (SAQ) annually to sustainable supply chain management.

③ Capability Building and Supplier Development

Based on the common issues and individual gaps identified from the rating results, corresponding training and guidance shall be provided, covering diverse formats such as online courses, physical workshops, expert consultations, and benchmarking visits. Through resource investment and incentive mechanisms, we assist suppliers in enhancing their ESG capabilities and cultivate core partners with sustainability concepts; for further details, please refer to (IV) Actions to Expand Supply Chain Influence.

④ Rewarding High Performers and Phasing Out Low Performers

The Group distinguishes between high-performing and underperforming suppliers based on the results of the annual performance ratings. Rewards shall be granted to those with excellent performance; for underperforming suppliers, their annual procurement amount, volume, or proportion shall be reduced by 2% to 5%, and they shall be guided to implement improvements. Those who fail to cooperate will be included in the list of underperforming suppliers and subject to restrictions on cooperation.

In addition to standard procedures, to address the management requirements of diverse supplier types, the Group has also established tailored management systems for areas beyond general product procurement. Taking dispatched labor as an example, the Group’s Mainland China region implemented the new version of the Regulations on the Management of Labor Dispatch in the Mainland China Region in July 2024, requiring the human resources departments of each plant to conduct audits of labor dispatch companies at least once a year or irregularly based on risk (covering qualifications, employment, and dormitories, etc.). For those found non-compliant, rectification must be completed within a specified period or dispatching shall be suspended; for those with serious violations, supplier qualifications shall be revoked. Furthermore, a task force composed of Group HR, the labor union, and relevant units from each plant shall monitor dispatched labor and living facilities on a regular or irregular basis, requiring improvements for any violations. In cases of serious violations or refusal to improve, work must be suspended for rectification, and the accountability of responsible supervisors shall be pursued. Incidents causing significant reputational impact will be subject to disciplinary action.

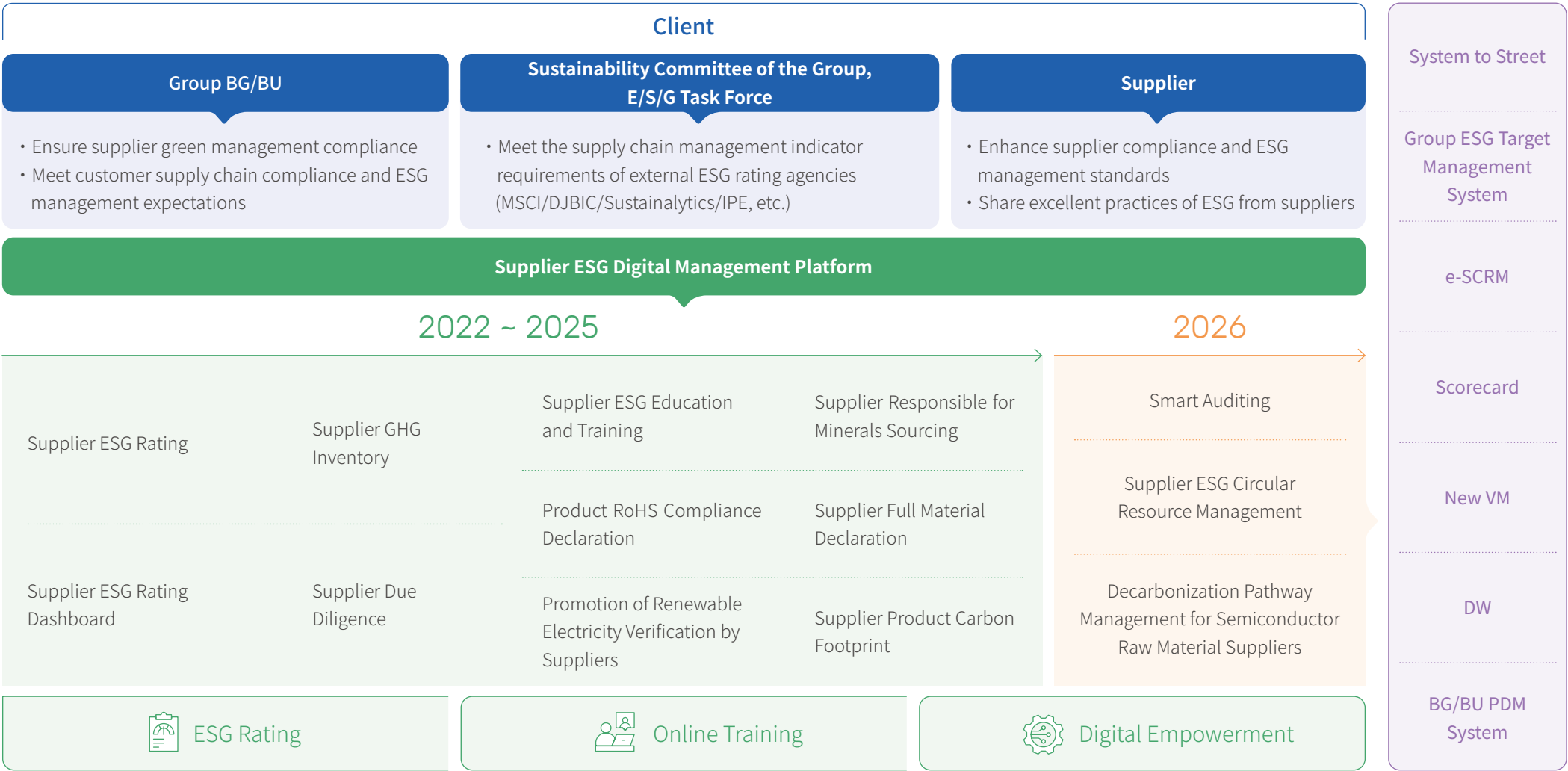
As of the end of 2025, the Group continued rolling out the updated service agreement to staffing service providers, with 88.3% of suppliers having completed the contract renewal, adopting the Group’s unified standard service agreements or customized service agreements reviewed by the human resources, legal, and other relevant functional departments. Among these, suppliers representing about 3.9% of active contracts also executed supplemental agreements. Through the continuous promotion of contract standardization, the Group further enhances the consistency of staffing service providers management and the capability for labor risk control.

► As of the end of 2025



>Supplier ESG Digital Management Platform

Due to the large scale and complex operations of Hon Hai’ s supply chain, and in order to strengthen ESG management, Hon Hai has established the “Supplier ESG Digital Management Platform” since 2022. As of 2024, the platform has completed modules including supplier ESG digital rating, dashboards, greenhouse gas inventory, ESG due diligence, training and assessment, product RoHS compliance declaration, and renewable electricity procurement verification. In 2025, additional modules were further completed, including supplier conflict minerals management, full material disclosure, and material carbon footprint. The related data will be integrated with various ESG-related systems across the Group to enable system-wide linkage and management.



The platform aims to integrate “Green Procurement and Sustainable Operation” as its core mission, combining supply chain “ESG performance disclosure, ESG training and assessment, ESG rating, and ESG empowerment” into one cohesive system, dedicated to creating a sustainable supply ecosystem characterized by transparency and resilience.

① ESG Performance disclosure

For Product RoHS Compliance Declaration, please refer to (V) Moving towards Sustainable Procurement



The Group communicates its ESG policies and requirements to suppliers through training videos, followed by an online assessment to reinforce understanding. Suppliers may also invite their upstream suppliers to participate in the training through the system.



③ ESG Ratings

To address diverse ESG standards and drive suppliers to improve performance, Hon Hai has established a supplier ESG performance rating mechanism. In 2025, 300 significant suppliers were scored and ranked across four key areas: “Green Products, Net-Zero Emissions, Zero Waste, and Labor and Human Rights” . Outstanding suppliers were recognized and invited to share best practices, while underperforming suppliers were provided with guidance to facilitate improvement; currently, rating management has been 100% fully digitized. In 2026, the scope will be expanded to include 400 significant suppliers.

④ ESG Empowerment

>External Supplier Empowerment

The Group also actively leverages this platform and training mechanism to expand the coverage of supplier education; for details, please refer to (IV) Actions to Expand Supply Chain Influence.

>Internal Procurement Personnel Education and Training

Hon Hai has also designed ESG training programs for its internal procurement team. In 2025, the Group provided multiple supplier ESG management training courses for procurement and relevant internal personnel through offline training and online education and training platforms, enabling employees to understand their roles in the promotion of supplier ESG projects. The training courses included: Introduction to the RBA Code of Conduct, Introduction to Supplier ESG Management, Instructions for Promoting the Use of Renewable Electricity by Suppliers, Instructions for Promoting Recycled Materials, and Introduction to the UL 2809 Standard. Furthermore, ESG performance indicators have also been incorporated into the appraisal mechanism for procurement personnel to strengthen internal sustainability responsibilities and ensure effective implementation.

In addition to digital platforms already established for raw material procurement, Hon Hai has extended digital management to labor dispatch by introducing the “Smart Dorm” for the procurement of labor dispatch services. As of the end of 2025, the system had been successfully implemented across 18 campuses in four major global regions (Mainland China, Vietnam, Taiwan, and India), distributed as shown in the figure on the right.

► Throughout 2025, the “Smart Dorm” system provided:

Smart Dorm	Instances of accommodation services	1,551,000	Maintenance services	868,000
	Dormitory inspection services	785,000	Safety and compliance checks	1,071,000

By unifying the digital management of dormitories for dispatched workers, the Group strengthens governance over living conditions and safety standards, effectively putting its ESG commitments into practice.

China

Longhua, Guanlan, Shanghai, Zhengzhou CBZ, Zhengzhou South Plant, Chengdu, Chengdu Xindu Muwei, Wuhan, Chongqing, Weihai, Zhengzhou New Business, Ganzhou, Taiyuan, Jincheng



Vietnam

Quang Chau Industrial Park



Taiwan (R.O.C.)

Dingpu



India

Bengaluru, Chennai



1.4 Sustainability Risk Management and Response Measures

Sustainability risk management is a critical aspect to which Hon Hai attaches great importance. The Group continuously identifies high-risk suppliers in accordance with the Supplier Risk Management Regulations and performs regular audits based on the Supplier Code of Conduct. To enhance the effectiveness of supply chain risk identification and management, the Group refers to the assessment principles of the ISO 20400 Sustainable Procurement Guidance to analyze the sustainability risks faced by different procurement categories. Based on the 2023 risk issues, fine-tuning has been conducted to prioritize human rights, labor standards, the environment, fair operating practices, and consumer issues, followed by corporate governance and community involvement and development.

Risk Level	Sustainability Risk Issues	Issue Description
Primary Sustainability Risk Issues	Human Rights	Human Rights Management Policy / Human Rights Due Diligence
	Labor Standards	Labor Management Policy / Labor-Management Negotiation and Internal Communication / Occupational Health and Safety Management and Hazardous Environment / Labor-related Fines and Penalties
	Environment	Environmental Compliance and Penalties / Environmental Management System / Waste Management
	Fair Business Practices	Corporate Integrity Code of Conduct
	Consumer Issues	Quality Control / Information Security and Personal Data Protection / External Stakeholder Communication / Fair Marketing
Secondary Sustainability Risk Issues	Corporate Governance	Supplier Management / Information Disclosure / Trade Secret Protection / Intellectual Property Rights and Legal Compliance / Business Continuity Management
	Community Engagement and Development	Community Resident Engagement Activities / Social Participation

In view of the increasing frequency of extreme weather events, the Group has established the “e-SCRM Supply Chain Risk Management Platform”, which aggregates information such as supplier service campuses, latitude and longitude coordinates, and the Group’s procurement items to monitor natural disasters such as earthquakes and typhoons globally in real time. When a disaster occurs, the platform will automatically assess the affected areas, conduct analysis in conjunction with supplier data, and provide real-time notifications to the personnel in charge of the campus, assisting in the rapid identification of potentially affected suppliers and procurement material information to initiate response measures in advance.

To further strengthen supply chain risk management capabilities, the Group continues to promote the upgrade of the e-SCRM system, gradually introducing management mechanisms such as risk identification, analysis, assessment, response, monitoring, and early warning. Furthermore, a comprehensive supplier risk control framework has been established across dimensions including component risk, supply risk, and ESG risk to mitigate the risk of supply chain disruption and enhance the execution resilience of business continuity management.

>Supplier ESG Sustainability Due Diligence

Given the broad range of industries covered by Foxconn’s supply chain, the Group introduced two differentiated questionnaires in 2025 based on supplier characteristics for the first time to more accurately understand the status of ESG management and potential risks across different supplier categories. The questionnaires were divided into the “Semiconductor Materials, Electronics and Mechanical Component Suppliers Questionnaire” and the Staffing Service Providers Questionnaire”.

This innovative approach moves beyond the traditional one-size-fits-all assessment model. In particular, for labor-intensive service industries such as labor dispatch suppliers, the assessment places greater emphasis on key social topics, including ethical recruitment, business integrity, zero-fee recruitment, and human rights protection, thereby providing a more comprehensive picture of suppliers’ sustainability risk profiles.

In 2025, a total of 446 completed questionnaires were received, covering suppliers located in China, Taiwan, India, Vietnam, and the United States. In addition to conducting document reviews, Foxconn together with external consultants, carried out on-site assessments of 21 suppliers based on selection criteria including total procurement spending, significant suppliers, procurement category, and the degree of alignment with the Group’s net-zero transition initiatives, to comprehensively verify the effectiveness of suppliers’ management practices in implementation.

In addition to Tier-1 supplier management, Foxconn also launched its first Tier-2 supplier engagement initiative in 2025. Significant suppliers were invited to encourage their upstream suppliers to participate, resulting in the collection of questionnaires from 10 Tier-2 suppliers. By progressively extending the scope of supply chain management, Foxconn aims to further understand the ESG management status and potential risks of upstream suppliers while strengthening the communication and implementation of sustainability management requirements throughout the value chain.

Based on the sustainability assessment results of Tier-1 suppliers, suppliers in the semiconductor materials, electronics, and mechanical categories demonstrated a solid management foundation across the three ESG dimensions of Governance, Social, and Environmental performance, with particularly mature performance in the Governance and Social dimensions, while also demonstrating sound environmental management capabilities. For staffing service providers, overall performance in the Governance and Social dimensions was also favorable. In comparison, there remains room for improvement in the Environmental dimension, primarily because labor dispatch suppliers mainly provide workforce services, making environmental issues relatively less material due to the nature of their operations. Nevertheless, the Environmental dimension remains an important area of focus for Foxconn. Going forward, the Group will continue to enhance suppliers' environmental management capabilities through education and training, improvement tracking, and other initiatives to strengthen overall ESG management performance. In addition, in response to the continued expansion of the supply chain footprint in Vietnam and India, Foxconn will further invest in sustainability capability building and management resources for local suppliers to support the establishment of more comprehensive ESG management systems and progressively enhance the overall sustainability management performance of the supply chain.

Based on the 2025 Tier-1 supplier self-assessment and on-site assessment results, the two supplier categories demonstrated distinctly different levels of sustainability maturity:

Semiconductor Materials, Electronics, and Mechanical Component Suppliers:

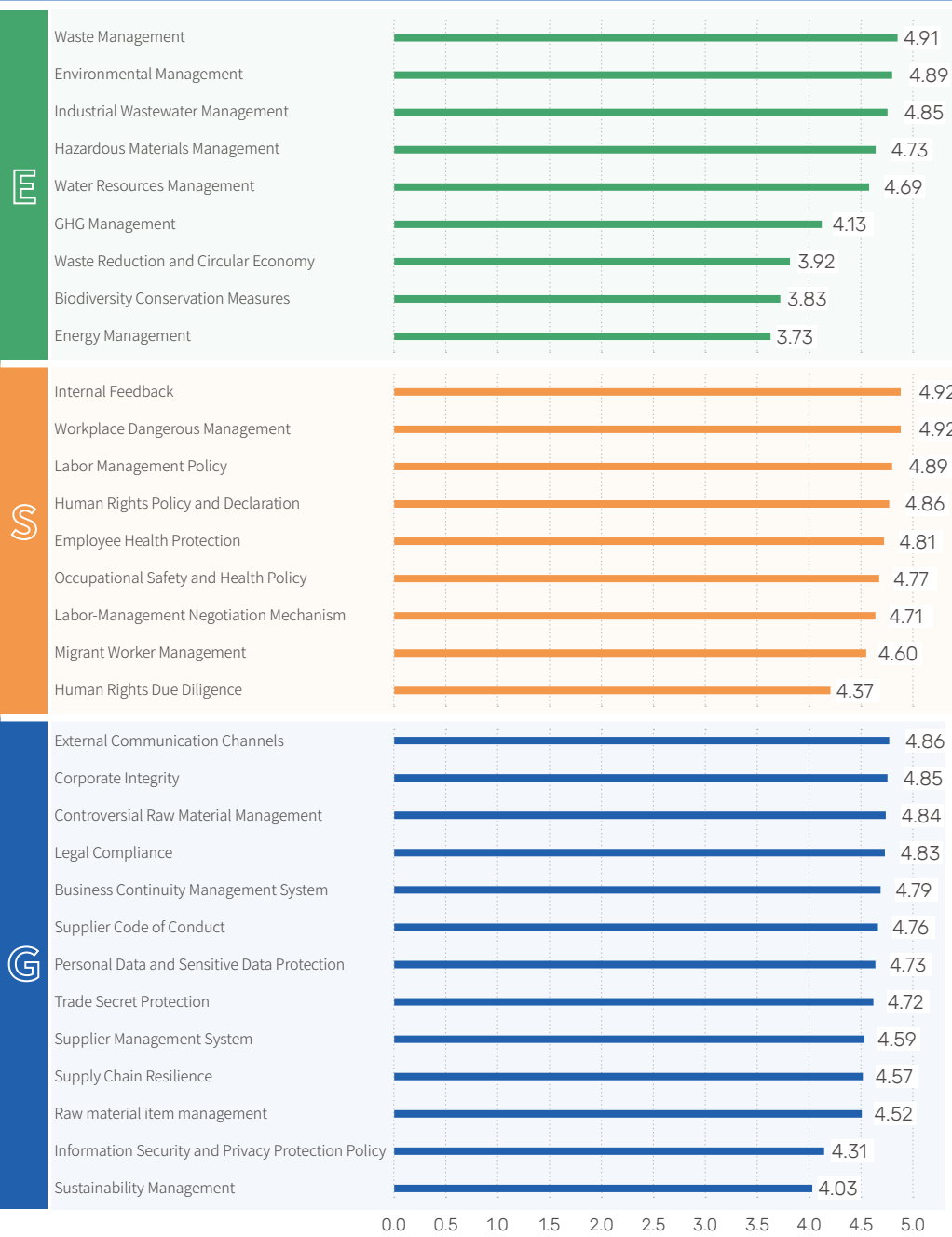
The overall assessment results indicate that suppliers in this category performed well in day-to-day operational practices such as internal feedback mechanisms, workplace hazard management, and site waste management, reflecting relatively mature compliance mechanisms. In contrast, there remains room for further improvement in medium- to long-term sustainability strategy topics, including energy management, biodiversity conservation practices, and waste reduction and the circular economy.

Staffing Service Providers (Dual Focus on Human Rights and Governance):

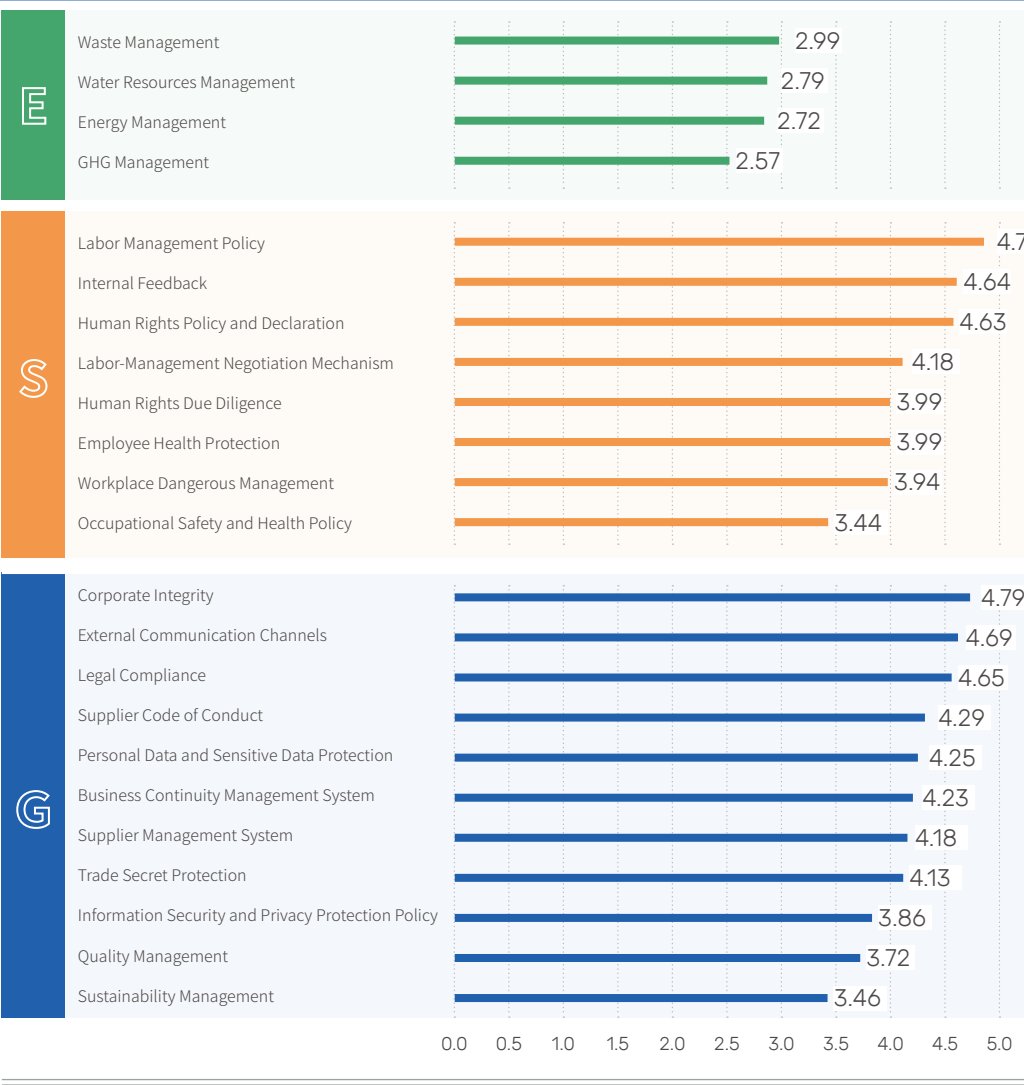
Based on the combined results of supplier self-assessments and on-site assessments, most labor dispatch suppliers demonstrated relatively mature performance in core governance and labor rights areas, including business integrity, labor management systems, and external communication mechanisms, and have established relatively robust compliance frameworks. However, due to the characteristics of their low-carbon and asset-light service business model, their Environmental indicators and data tracking tools related to greenhouse gas management, energy management, and water resource management remain at an early stage of development and require further enhancement. Going forward, we will continue to strengthen suppliers' existing advantages in equal pay for equal work and the implementation of occupational safety and health management, while guiding them to establish fundamental awareness of green office practices and greenhouse gas data tracking. Meanwhile, in response to the rapid expansion of operations in emerging manufacturing locations such as Vietnam and India, the Group will prioritize resources to support local labor dispatch suppliers in establishing cross-border human rights compliance frameworks and ESG management tools, ensuring that the global supply chain fully implements international human rights standards and local regulatory requirements while maintaining efficient workforce management.



2025 Sustainability Due Diligence Results for Semiconductor Materials, Electronics, and Mechanical Component Suppliers



2025 Sustainability Due Diligence Results for Staffing Service Providers



Note: Full score is 5 points; a higher score indicates a more comprehensive level of implementation for the respective item.

>Sustainability Audit

The Group conducts regular assessments of quality, processes, social and environmental responsibilities, green products, and greenhouse gas management assessments for new suppliers, high-risk suppliers, and suppliers with ESG underperforming. Only if the audit results or improvement outcomes of new suppliers meet the Group’s requirements can they be included in the list of qualified suppliers. For high-risk suppliers and those with poor ESG performance, if any zero-tolerance findings are found, they will lose their supplier qualifications.

For non-zero-tolerance findings, suppliers will be required to provide a corrective action plan within a specified period according to the severity level of the findings outlined in the table below, and this will be confirmed by the relevant units. For those with serious findings, the Group will conduct a re-examination; for those who do not improve within the deadline, they will be placed on the Restricted Supplier List (RSL) to restrict transactions.

■ Hon Hai Improvement Timeline Requirements

Supplier Classification	Improvement Deadline
●●● Suppliers with priority issues	Within 1 month
●●● Suppliers with major audit findings	Within 3 month
●●● Suppliers with minor audit findings	Within 6 month

■ Zero-Tolerance Findings

 Use of child labor	 Behaviors and working conditions that immediately cause physical harm to employees
 Use of forced or prison labor	 Provision of false information to the Group
 Discharge of untreated toxic or hazardous substances or materials	 Retaliation against employees who provide truthful information

In 2025, the Group completed audits of a total of 870 suppliers through on-site and online methods, identifying 14,137 audit findings. Compared to the audit of 483 suppliers in 2024, the audit coverage scale for 2025 increased by approximately 80%. The Group continuously tracks the status of improvements through its audit management system, requiring suppliers to submit improvement plans within a specified timeframe and assisting suppliers in implementing corrective actions through a guidance mechanism. As of 10 April 2026, 12,576 audit findings have been remediated, representing an improvement rate of 89%. Follow-up tracking will continue until all improvements are completed. Guidance measures include root cause analysis, formulation of corrective and preventive actions, and verification of improvement effectiveness based on supporting documents or on-site photographs. A total of 158 non-compliant suppliers involving material actual or potential negative impacts completed their improvement plans following guidance. Upon assessment, there were no instances of termination of cooperative relationships due to failure to cooperate with improvements.

■ 2025 Supplier ESG Audit Results

Aspects		Suppliers Audited	Pass Rate
Audit Items	QPA & QSA & SCM (involving ISO 9000 or IATF 16949)	870	95%
	GP (involving QC 080000, RoHS, or REACH)	599	94%
	SER & GHG (involving RBA, ISO 14001, ISO 45001, ISO 14064-1, or ISO 50001)	629	83%

Note :
QPA : Commodity Quality Process Assessment GP : Green Product Assessment
QSA : Quality System Assessment SER : Social and Environmental Responsibility Assessment
SCM : Supplier Chain Management Assessment GHG : Greenhouse Gas Assessment

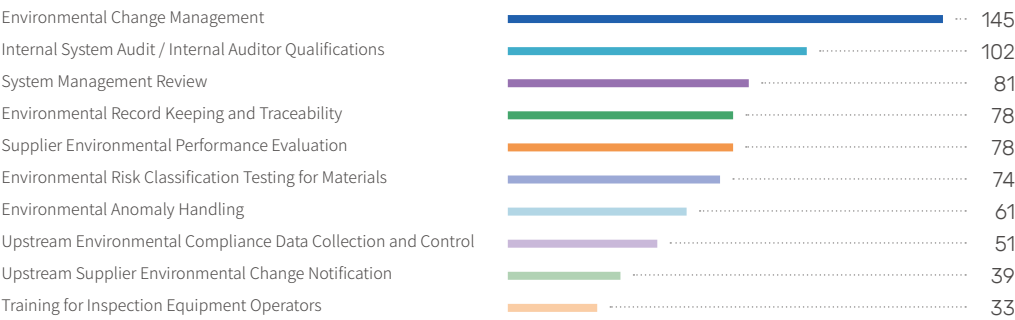
In addition, Hon Hai continues to strengthen the audit and evaluation management of staffing service providers, with the human resources department of each campus conducting at least one periodic audit annually. The scope of the audit covers dormitory management, standards for accommodation and utility charges, social insurance and commercial insurance coverage, payroll distribution, recruitment compliance, and sexual harassment prevention and grievance mechanisms. These audits are carried out simultaneously through on-site inspections and document reviews. At the same time, audit frequencies vary by item; for instance, routine audits of insurance coverage are conducted monthly, while ad-hoc audits are adopted for newly added dormitory sites. If specific incidents such as non-compliant recruitment promotions, are identified, an ad-hoc audit mechanism will also be activated.

In 2025, a comprehensive evaluation was conducted for staffing service providers with cooperative relationships and actual dispatched personnel, and tiered management has been implemented based on the evaluation results. The overall assessment results indicate that, with respect to the Taiwan region, most suppliers have complied with relevant laws, regulations, and contractual requirements. However, room remains for improvement for certain suppliers in matters such as insurance coverage, wage payments for workers involved in occupational accidents, overtime payments, and the disclosure of sexual harassment prevention information and grievance contact channels. In the Mainland China region, a total of 103 labor and human rights-related audits were conducted. Taking the Shenzhen campus as an example, 31 targeted audits of 26 dispatch suppliers have been completed. The primary findings identified during the audits were concentrated in areas such as incomplete insurance enrollment in accordance with the law, dormitory configurations not meeting regulations, non-standardized fee collection and fee refunds, and non-compliant recruitment practices. All relevant suppliers were ordered to rectify these findings within a specified timeframe, and the issues have been incorporated into the institutionalized management mechanism. As of the end of 2025, the overall completion rate for the remediation of audit findings has reached 98%. Going forward, continuous tracking and supervision of rectification will be conducted toward the goal of a 100% completion rate.

>GP Audit Results

Hon Hai evaluates supplier green product management mechanisms, product design and changes, upstream supplier management, process control, and anomaly handling in accordance with the IECQ QC 080000 Hazardous Substance Process Management (HSPM) System, and conducts on-site or online audits based on regulations such as RoHS, HF, and REACH. In 2025, a total of 599 suppliers were audited, and 1,397 findings were identified. The top five findings were concentrated in “environmental change management, internal system audits, management reviews, environmental data retention and traceability, and supplier environmental performance evaluation” . With respect to the findings, suppliers are required to propose improvement measures within two weeks and complete improvements within three months, with an annual improvement completion rate reaching 80%.

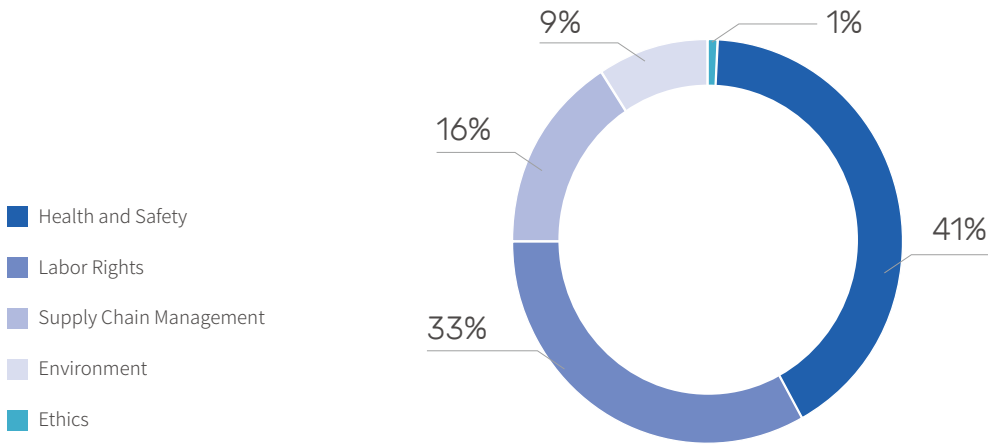
Distribution of Top Ten Findings in Supplier Green Product Audits



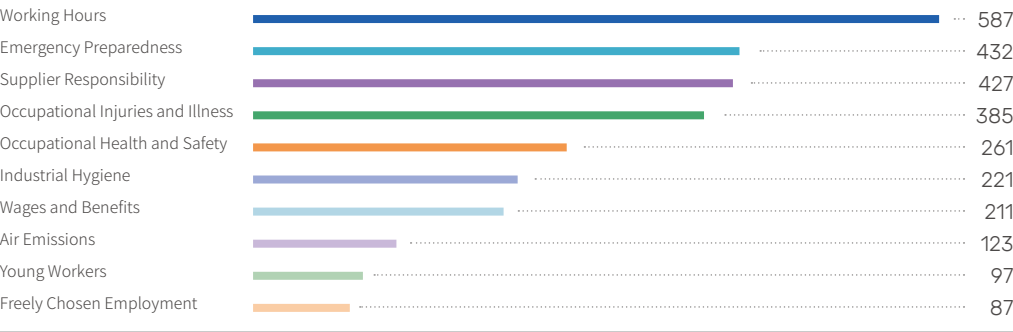
>SER Audit Results

The Group employs the RBA VAP (Validated Assessment Program) methodology to conduct SER audits on suppliers. The audit team is composed of personnel from the supplier compliance and ESG management units, in collaboration with human resources, occupational safety, and environmental protection departments. The audit covers five key areas: Labor, Health and Safety, Ethics, Environment, and Supply Chain Management. In 2025, audits of 629 suppliers were completed, and 3,751 audit findings were identified. No zero-tolerance findings, such as the use of child labor or forced labor, were found. The distribution of audit findings is as follows: Health and Safety 41%, Labor 33%, Supply Chain Management 16%, Environment 9%, and Ethics 1%.

Distribution of Supplier SER Audit Findings in 2025



Distribution of the Top Ten Findings in Supplier Social and Environmental Responsibility



Regarding the findings identified during SER audits, the Group will continue to follow up and assist suppliers with improvements. As of 10 April 2026, the Group has guided suppliers to complete the remediation of 3,075 findings, representing an improvement rate of 82%. Going forward, the Group will continue to drive suppliers to complete improvements to achieve a 100% improvement rate. Taking the top five findings items as examples, the corrective action plans (CAPs) are as follows:

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

>ESG Performance Evaluation Across Four Key Dimensions

The 2025 supplier ESG performance evaluation covers four key areas: “Net-zero Emissions, Zero Waste, Green Product, and Labor and Human Rights” . The targets are significant suppliers covering more than 80% of the Group’ s procurement amount, and they are required to complete self-assessments on the ESG management platform every month. Based on a comprehensive consideration of performance scores and key product characteristics, suppliers with potential for improvement are prioritized for screening to promote the enhancement of their ESG performance.

At the end of the year, suppliers are categorized into ESG high-performing and low-performing suppliers based on annual performance rankings. Rewards are granted to high-performing suppliers (ranked in the top three for important commodities with a key indicator achievement rate of ≥ 60%). For low-performing suppliers (ranked in the bottom three with a key indicator achievement rate of <60% and an annual improvement of <20%), procurement amounts will be adjusted and improvements will be required; those who fail to cooperate will be included in the low-performing supplier list and subject to cooperation restrictions.

Performance Assessment Management Items, Key Indicators, and Process				
Standards	 Net-zero Emissions	 Zero Waste	 Green Products	 Labor and Human Rights
DJBIC				
MSCI ESG				
IPE CITI/CATI	Carbon management mechanisms	Management Mechanism	System management	Management Mechanism
RBA	Carbon emissions disclosure	Environmental Compliance	Testing management	Third-Party Audit
Customer SR Standards	Carbon reduction promotion	Recycling	Process management	Labor management practices
QC 080000	Net-Zero Actions	Recycled Materials	Declaration management	Employee health and safety
ISO 14064	Extended Producer Responsibility	Zero Waste to Landfill	Upstream management	Responsible mineral sourcing
UL 2799	Contractual Requirements and Training	Contractual Requirements and Training	Contractual Requirements and Training	Contractual Requirements and Training

>Foxconn Sustainability Award—Sharing by Outstanding Suppliers

The Group held the “Hon Hai-Foxconn Sustainability Awards Ceremony and Sustainability Summit Roundtable Forum” on 2 April 2026 to recognize 10 ESG-outstanding suppliers awarded the Gold Award of the “Sustainable Supply Chain Excellence Award”, and invited senior executives from three outstanding suppliers to participate in the “Collaboratively Building a Sustainable Value Chain—Sharing Best Practices of Supplier ESG” roundtable forum. During the meeting, suppliers shared best practice cases in ESG and proposed common challenges and response strategies regarding ESG requirements in different markets. These included establishing consistent management systems based on international standards such as ISO, while making appropriate adjustments according to regional characteristics. By leveraging high-standard requirements from customers to drive continuous improvement, the supply chain is encouraged to proactively move toward higher sustainability standards. The overall event received high praise and positive feedback from suppliers, who believed it helped facilitate the exchange of experience and enhance sustainability management capabilities.

Supplier Feedback

We would like to express our appreciation to the organizer for the meticulously arranged event. The overall process was smooth and the content was substantial, effectively demonstrating your company’s practices and determination regarding ESG and sustainable development.

— Shenzhen Kinwong Electronic Co., Ltd.

We look forward to more case sharing and cross-unit exchange sessions in the future, enabling the effective transfer and promotion of best practices.

— Shanghai STAL Precision Stainless Steel Co.,Ltd

We would like to express our gratitude to all the judges for their professional perspectives and objective evaluations, which have enhanced the credibility and reference value of this award. We look forward to more opportunities for exchange and learning with the judges in the future, helping everyone to continuously improve in ESG and sustainability practices.

— Shenzhen Kinwong Electronic Co., Ltd.

The “Product Carbon Footprint (PCF) reports” for semiconductor products is a highly valuable tool that not only assists in accurately identifying the most effective opportunities for improvement, but also enables the evaluation of carbon reduction results based on consistent standards. Furthermore, increasing the proportion of renewable energy consumption in operational processes is a key driver for implementing the decarbonization roadmap and supporting broader climate visions.

— STMicroelectronics

■ Sustainable Supply Chain Excellence Award



■ Supplier Roundtable Forum



2

Promoting the Implementation of Human Rights Values

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Promoting the Implementation of Human Rights Values

2.1 Supplier Labor and Human Rights

The Group is committed to creating a safe and dignified working environment, promoting human rights progress, and generating positive and long-term social impact, with respect to fundamental human rights at its core. The Group has established the “Chapter on Employee Human Rights”, applicable to Hon Hai Precision Industry Co., Ltd. and its entities with substantial control, and in accordance with local regulations, it safeguards all types of workers, including formal employees, contract employees, interns, and others employed in any form. In addition, Hon Hai extends its human rights values to supply chain and industry chain partners. The “Supplier Code of Conduct” and the “Supplier Environmental Protection and Social Responsibility Undertaking” both incorporate labor and human rights standards, thereby jointly fostering an operational culture built on respect and trust.

>Fair Wages and Working Hours

Hon Hai fully adopts the RBA Code of Conduct and drives supplier compliance. For the semiconductor supply chain, partner manufacturers are required to sign the “Semiconductor Supplier Code of Conduct Commitment”, ensuring workers receive fair compensation and working hours in compliance with local laws and regulations. Through regular audits and assessments, Hon Hai monitors suppliers’ ongoing implementation of these commitments and works to embed human rights governance principles throughout every stage of the supply chain.

>Equal Employment and Non-Discrimination

Hon Hai has rolled out industry-leading initiatives regarding the issue of employment discrimination, promoting a shift in pre-employment medical examinations from “risk management” toward “employee safeguarding”. Effective from 1 September 2025, in order to deepen the Group’s commitment to human rights protection, Hon Hai has proactively optimized recruitment regulations for the basic workforce and labor dispatch across its global operations, with Mainland China and Vietnam as the primary focus areas. The Group has comprehensively overhauled its hiring workflow under the core principle of abolishing all mandatory pre-employment medical examinations: except for essential items explicitly required by local laws and regulations, mandatory pre-employment medical examinations shall not be implemented. Should applicants choose to undergo medical examinations voluntarily based on their own preference, the full cost will be borne by the company, ensuring no financial burden on the job seekers. This initiative aims to eradicate potential employment discrimination arising from pre-employment medical screening and guarantee fee-free recruitment, creating a workplace that upholds employee rights, diversity and inclusion. Key achievements are as follows:



Implement social equity and proactively eliminate employment discrimination:

Implement the core requirements of “Social Equity” and “Diversity and Inclusion” aligned with the Group’s ESG philosophy. Through the abolition of all mandatory pre-employment medical examinations, we substantively safeguard the equal employment rights of individuals — specifically Hepatitis B (HBV) carriers and those with chronic illnesses — against discriminatory barriers; eliminate employment discrimination; and strengthen the protection of employee privacy, dignity, and fundamental human rights.



Optimize the job-seeking experience and strengthen supply chain resilience:

By abolishing non-essential medical examinations, we have significantly streamlined the recruitment and onboarding processes, lowering employment barriers and waiting times for job seekers, boosting the recruitment efficiency and fostering stable partnerships with staffing service providers globally, and further strengthening the operational resilience of the supply chain.



Lead industry benchmarks and drive the transformation of management thinking:

This initiative sets a progressive benchmark for the global manufacturing and labor management sectors. By replacing the traditional mandatory pre-employment screening model with post-employment health management and welfare physical examinations, we have shifted our employee management philosophy from “risk exclusion” to “support and safeguarding”, thereby enhancing employees’ sense of identity and belonging.

Through these multi-faceted initiatives, Hon Hai has successfully achieved employment equity, operational efficiency, and shared social value, further cementing Hon Hai’s leadership standing in advancing social responsibility across the industry.

>Supplier Grievance Mechanism

To ensure the labor rights of suppliers, Hon Hai, in accordance with the "Supplier Code of Conduct for Social and Environmental Responsibility", requires suppliers to establish internal grievance mechanisms and encourages suppliers and their employees to report situations involving labor and human rights, occupational health and safety, the environment, conflict minerals, and other violations of laws, regulations, or the code through designated channels. Relevant grievance channels have been announced on the Supplier ESG Digital Management Platform for use by all levels of the supply chain.

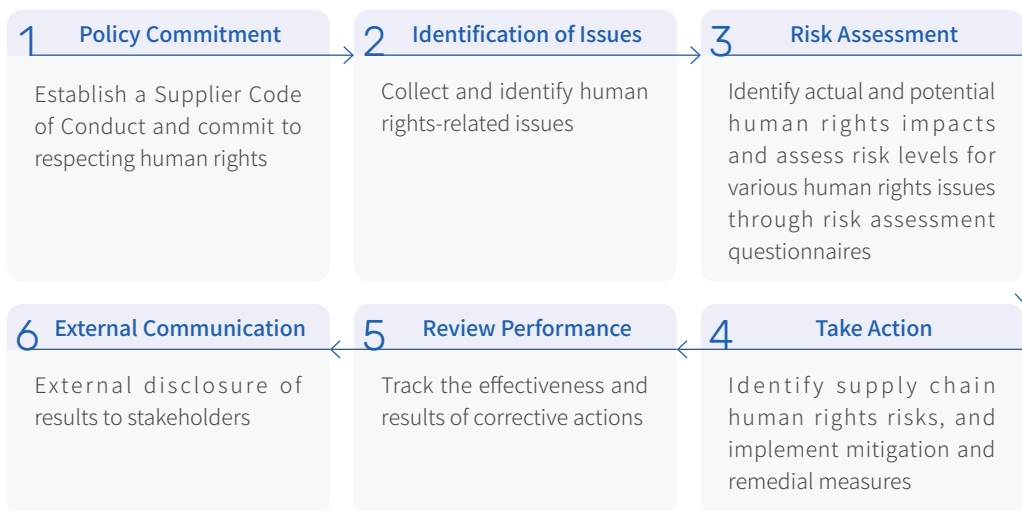
Meanwhile, in accordance with the "Ethical Corporate Management Best Practice Principles" and the whistleblowing system, the Group discloses the reporting channels, processing procedures, and response mechanisms on its official website, and a dedicated unit conducts investigations in accordance with the principle of confidentiality. All grievance cases protect the identity and privacy of the whistleblower and provide an anonymity mechanism to avoid any form of retaliation; for significant or specific allegations, further investigations or on-site audits will be initiated to ensure that issues are properly handled and to continuously strengthen supply chain compliance and ESG management. No supplier grievances were reported in 2025.



2.2 Supply Chain Human Rights Due Diligence

As a leading global manufacturer in the electronics industry, Hon Hai is committed to protecting the labor rights of supplier workers and integrating human rights risk management into its core supply chain strategy. For semiconductor raw material suppliers, the Company also officially launched a supply chain human rights risk assessment project in 2025.

■ Assessment Methods and Frequency



The Group adopts a risk-based approach to conduct inventories of key material suppliers through labor and human rights risk questionnaires, identifying potential high-risk suppliers and prioritizing engagement, training, and guidance to assist them in making improvements. In addition, labor and human rights are incorporated into the ESG performance evaluation of suppliers, requiring the provision of supporting documents for review and verification, with the results included in performance rankings. Assessment frequency is subject to differentiated management:

New suppliers	Human rights due diligence must be performed
Suppliers classified as high/medium risk in the previous year that have been converted to low risk through guidance	To be performed once every two years
Low-risk suppliers	Arranged as necessary
Receipt of a specific report	An investigation must be initiated immediately

■ Number of Companies & Results of Human Rights Due Diligence

Category	Number	Proportion
Supplier human rights due diligence	681	9.12%
Suppliers with high risks of human rights	114	1.53%
Suppliers that accept improvement counseling	84	73.68% ^{Note1}

Note1 : Follow-up communication and guidance will continue to assist in the completion of improvements; furthermore, due to adjustments in cooperation strategies with three suppliers, the development and evaluation of alternative materials have been simultaneously initiated.

Survey Dimensions	Explanation of Results
Human Rights Policy	Over 70% of suppliers have established human rights policies Over 60% of suppliers have communicated labor and human rights compliance requirements to their supply chains Less than 60% of suppliers have implemented RBA education and training
Labor and Human Rights	More than 90% of suppliers have committed to protecting labor rights, refraining from the use of child labor, forced labor, and excessive overtime, and providing compensation that meets local living standards as well as a safe working environment
Privacy and Personal Data	Over 80% of suppliers have established Mechanisms to prevent privacy violations Less than 60% of suppliers have established privacy policies
Non-discrimination	Over 80% of suppliers have committed to non-discriminatory hiring, parental leave, and employment protection for pregnancy and postpartum Less than 50% of suppliers have established equal pay policies
Zero Harassment	Over 60% of suppliers have established harassment/zero-harassment policies Over 80% of suppliers have established procedures for handling unequal treatment and have implemented education and training
Internal Grievance Mechanism	Over 90% of suppliers have established grievance channels
Freedom of Assembly and Association	Over 90% of suppliers allow freedom of assembly
Diversity and Inclusion	Over 60% of suppliers have established DEI (Diversity, Equity, and Inclusion) policies Over 70% of suppliers have established DEI management mechanisms Less than 45% of suppliers have female leadership development programs

>High-Risk Supplier Mitigation Measures

With respect to identified high-risk partners, Hon Hai does not view termination as a primary resort, but instead prioritizes providing coaching and training to assist in optimizing management and mitigating potential human rights risks. In 2025, individual guidance and training programs were immediately initiated for high-risk suppliers to continuously track improvement progress, of which 84 suppliers have completed corrective actions and effectively reduced risks. For the three suppliers that failed to cooperate with improvement measures, the cooperative relationship was ultimately terminated due to adjustments in cooperation strategy, and the development of alternative materials was simultaneously initiated to ensure supply chain stability and compliance.

At the same time, regarding semiconductor material suppliers, Hon Hai launched key supplier engagement initiatives. For partners with higher potential human rights risks, Hon Hai identifies high-risk issues based on supplier self-assessment results through an online video diagnostic mechanism, and further confirms the root causes of findings, communicates regulatory requirements, and shares best practices in supplier management to assist suppliers in implementing improvement measures. Both parties have also jointly confirmed the improvement schedule, requiring suppliers to complete the corrective actions of high-risk findings within one month, continuously strengthen the human rights risk management capabilities of the supply chain, and jointly construct a labor rights protection system that complies with international standards.

■ Engaging with Suppliers on Human Rights Issues.



2.3 Supplier Occupational Health and Safety

Hon Hai requires suppliers to comply with the RBA Code of Conduct and the "Supplier Code of Conduct for Social and Environmental Responsibility", in which occupational health and safety cover aspects such as occupational safety, emergency preparedness, occupational injury prevention, industrial hygiene, physically demanding work, machine safeguarding, public health, and housing and dining conditions. To ensure the implementation of standards, the Group continuously monitors supplier compliance through regular audits and performance evaluations. During the onboarding stage of new suppliers, Social and Environmental Responsibility (SER) audits are conducted to assess their occupational health and safety performance and risks; only those who pass may be included in the supplier network (for details, please refer to (I) Steering a Sustainable Supply Chain). Furthermore, suppliers entering the Hon Hai sites are required to sign a Supplier Safety Management Agreement, which clearly defines responsibilities for personnel, transportation, equipment operations, fire safety, and emergency management to ensure operational safety and mitigate accident risks.

In addition, the Group continues to strengthen its occupational safety and health education and training mechanisms, and has established an occupational safety and health training system for dispatched workers. The course content covers safety and health knowledge related to labor operations, including relevant laws and regulations on occupational safety and health, concepts of occupational safety and health, safety and health work rules, self-inspection protocols, standard operating procedures (SOPs), emergency response handling, common knowledge and drills for firefighting and first aid, and other related topics. In 2025, the Group trained 882 participants, accumulating a total of 2,646 training hours.

Chemical management is regarded by Hon Hai as one of its key ESG topics. Its management scope covers product design, procurement sources, and manufacturing process safety. Through the establishment of a comprehensive management framework, Hon Hai strengthens supply chain controls to ensure that the use and handling of chemicals comply with environmental and safety requirements. In addition, the Group actively promotes the adoption of the ISO 45001 Occupational Health and Safety Management System among suppliers with potentially high-risk chemical operations. In 2025, a total of 60 suppliers with potential high-risk chemical activities obtained certification, further enhancing safety management standards across the upstream supply chain.

2.4 RBA Practices

As a member of the Responsible Business Alliance, Hon Hai not only incorporates the RBA Code of Conduct into its own corporate conduct and responsibility standards, actively fulfilling its social and environmental responsibilities, but also establishes the “Supplier Social and Environmental Code of Conduct” based on the latest RBA Code of Conduct, further extending its sustainability responsibilities throughout the entire supply chain.

In addition, Hon Hai encourages suppliers to conduct RBA VAP audits through third-party organizations. If the supplier has completed the relevant audit and shared the report with the Group within the past two years, duplicate audits may be waived. At the same time, for suppliers that have undergone the RBA VAP assessment, the Group will appropriately enhance their labor rights performance ratings based on their audit ratings, thereby motivating suppliers to continuously improve their ESG performance.

From 2023 to 2025, there were 26, 45, and 95 suppliers respectively who completed the third-party RBA VAP audit and shared the audit reports with the Group. In 2025, the Group originally planned to promote over 60 suppliers to accept the audit, and has exceeded this target ahead of schedule, demonstrating the increasing importance and proactive response of supply chain partners to responsible governance. Among all audited tier-one suppliers, the proportion that does not meet the RBA VAP requirements is 8.42%, while the implementation rate of related corrective actions is 100%.

Aspects	2023	2024	2025
Number of suppliers that completed VAP (units)	26	45	95
Number of VAP failed non-compliant suppliers (units)	1	3	8
Percentage of improvement in VAP non-compliant suppliers (%)	100%	100%	100%

3

Environmental and Climate-related Practices

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Environmental and Climate-related Practices

3.1 Greenhouse Gas Management

>Supplier Greenhouse Gas Management Policy

In alignment with the 1.5° C decarbonization pathway under the Paris Agreement, suppliers as an critical part of Hon Hai’ s value chain, are also required to take climate action and reduce greenhouse gas emissions. Accordingly, the Group has established the following supplier net-zero emissions policies and requirements:

- ① Suppliers must commit to achieving net zero emissions by 2050 and establish Science-Based Targets (SBTs). If end customers have stricter requirements, the customer’ s demands shall take precedence.
- ② Suppliers are required to disclose third-party verified carbon emission data and carbon reduction results annually on the Supplier ESG Digital Management Platform.
- ③ Suppliers should implement energy-saving and carbon reduction projects (e.g., solar energy installations, renewable energy adoption, and zero waste to landfill) to reduce carbon emissions. The Group conducts energy-saving and carbon reduction performance assessments, with the assessment results serving as the basis for selecting high-performing/underperforming ESG suppliers.

>Supplier Carbon Reduction Targets

To achieve the Group’ s commitment to net-zero emissions across the value chain by 2050, the Group has adopted the Science Based Targets initiative (SBTi) and conducted organizational carbon inventories since 2021. Scope 3 emissions account for 80.49% of total emissions, of which Category 1 (Purchased Goods and Services) carbon emissions reached 17.1281 million tons of CO₂e.. Carbon emissions from electronics and mechanical component suppliers amounted to 8.6 million tons of CO₂e., indicating that supply chain carbon reduction is a key management priority. Therefore, supplier carbon reduction performance is incorporated into the overall emission reduction pathway, and their contribution to emission reduction is calculated based on annual procurement weightings.

To accelerate supply chain carbon reduction, Hon Hai has communicated the Group’ s 2030 target of a 42% carbon reduction to its suppliers, collaboratively promoting carbon reduction actions. In 2025, a total of 300 significant suppliers were driven to complete their 2024 carbon inventories. Through carbon reduction measures and the introduction of renewable electricity, the cumulative carbon reduction results reached 1.45 million tons of CO₂e. At the same time, Hon Hai has also established a supplier net-zero emissions performance evaluation mechanism, conducting assessments across five key areas: management mechanisms, carbon emission disclosure, carbon reduction actions, net-zero commitments, and extended responsibility. The Company completed the assessment of 300 significant suppliers in 2025, while also formulating supplier carbon reduction implementation plans to actively promote the commencement of net-zero emissions actions by its partners.

■ Foxconn Scope 3 Emissions (Unit: tons CO₂e)

Scope	2020 (Baseline Year)	2023	2024
Scope 3	22,613,362	20,230,383	20,265,302
Scope 3 Category 1a: Emissions from production-related raw material suppliers	17,128,053	12,485,105	12,834,633
Percentage of total procurement from production-related raw material suppliers included in the calculation	100%	100%	100%

Note : Due to the complexity of the calculation methods for Scope 3, the Group’ s baseline year emissions data for Scope 3 is currently calculated using financial data. At the operational level, data from suppliers has been collected through the system, and there is in-depth collaboration with suppliers to gather more accurate information.

3.2 Supplier Low-Carbon Actions

In compliance with the Group’s net-zero emissions policy, Hon Hai assists in achieving net-zero emissions targets by communicating policies and requirements to suppliers and promoting their implementation of concrete carbon reduction actions.

Policy and Requirement Advocacy

Supplier Training

Advocacy of Foxconn Management Policies and Requirements

Foxconn Energy-Saving Retrofit Case Sharing

Supplier Decarbonization Case Sharing

Supplier Implementation Promotion Items

GHG Inventory

Disclosure of annual carbon inventory data on the ESG Management Platform

Disclosure of annual carbon emissions data on supplier official websites/annual reports

Carbon emission reduction

Log in to the ESG Management Platform to submit energy-saving and carbon reduction results

Sign renewable energy agreements and submit supporting documentation for the use of renewable electricity

Net-zero emissions evaluation

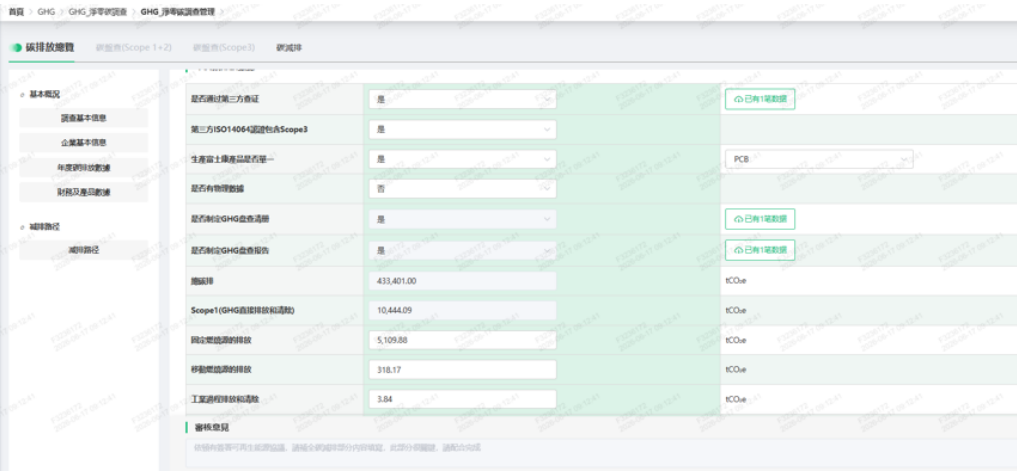
Log in to the ESG Management Platform monthly to update net-zero emissions evaluation data

Improve performance evaluation scores and upload evidence of improvement

>Supplier GHG Inventory

Since 2008, the Group has implemented the Supplier Carbon Management System to encourage key raw material suppliers to complete annual greenhouse gas (GHG) inventories and report their GHG emissions data through the system. To ensure data accuracy, suppliers are required to upload supporting documentation, including ISO 14064 certificates, GHG inventory, GHG inventory reports, and renewable electricity certificates. All reported data and supporting documents are subject to review and approval by system administrators. In addition, the Supplier Carbon Management System integrates an industry-recognized carbon emissions database, enabling SMEs to identify emission sources, collect activity data, and automatically calculate annual GHG emissions, thereby addressing technical challenges in carbon accounting. In 2025, the Group used the Supplier Carbon Management System to facilitate the completion of GHG inventories for the previous year by 300 key raw material suppliers (electronics and mechanical component suppliers), representing more than 80% of the Group's procurement spend.

■ Screenshot of the Carbon management module from Supplier ESG Digital Management Platform.



Scope 1 & 2	Scope 3	Total
433,401.00	10,444.09	443,845.09
5,109.88	318.17	5,428.05
3.04		3.04

With respect to the semiconductor supply chain, the Group launched its first supplier GHG inventory initiative in 2025, prioritizing the inclusion of critical material suppliers that have obtained ISO 14064-1 certification. Through data disclosure requirements, the greenhouse gas inventory for Scope 1 and Scope 2 of suppliers for the year 2024 has been completed, establishing a foundational system for supply chain carbon management and serving as the scientific basis for subsequent low-carbon transition strategies. It is expected that a comprehensive carbon data inventory for key material suppliers will be launched in 2026, with 100% digital integration and a planned supplier completion rate of over 80%.

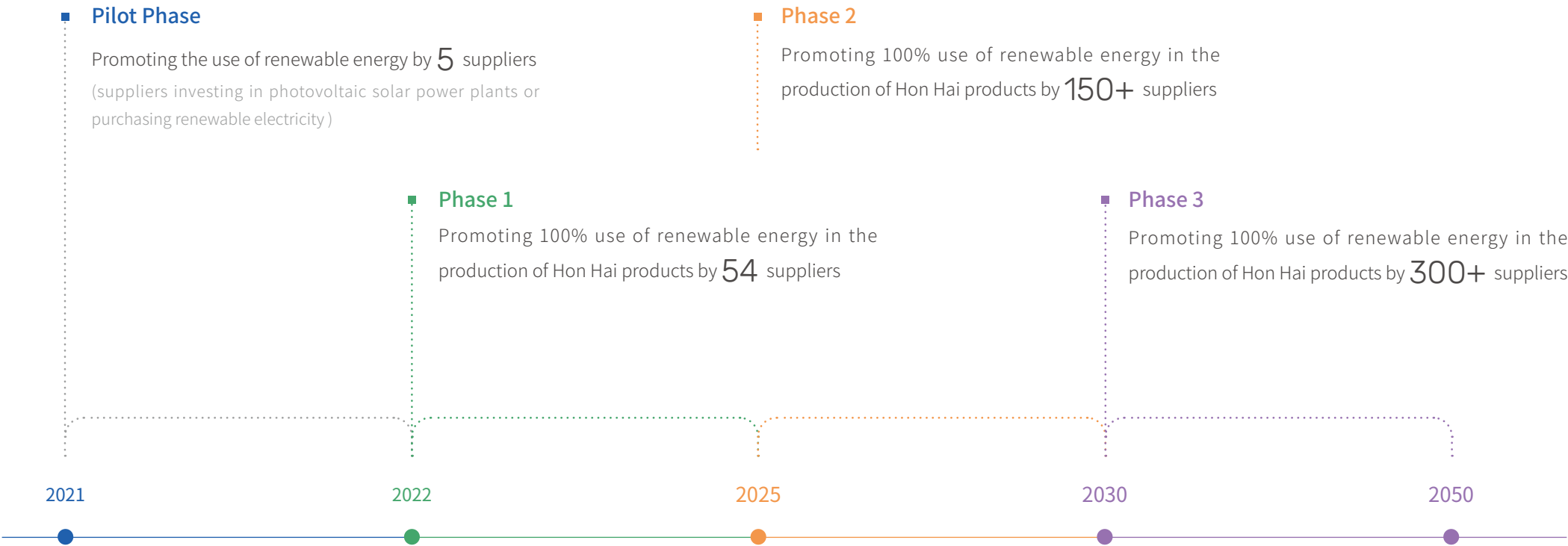
Meanwhile, for key materials such as wafer (IC) manufacturing, new supplier greenhouse gas management regulations have been formulated to unify management standards, thereby continuously enhancing the consistency and completeness of carbon management across the semiconductor supply chain.

>Promotion of Renewable Energy Use by Suppliers

Based on the analysis of the carbon emission structure of suppliers, over 90% of emissions originate from purchased electricity. Therefore, the Group prioritizes promoting the implementation of renewable energy solutions by suppliers, including the construction of solar power generation systems or the procurement of renewable electricity, to reduce carbon emissions from electricity consumption. Starting from 2022, critical suppliers have been required in stages to sign the Renewable Energy Agreement. As of the end of 2025, a cumulative total of 56 suppliers have completed the signing; in 2026, an additional 22 suppliers are planned to sign, bringing the cumulative total to 78 suppliers encouraged to sign.

To ensure the authenticity and traceability of renewable electricity usage, the Group further requires suppliers to sign a Renewable Energy Declaration, committing that 100% of the renewable electricity will be used for the production of Hon Hai products and will not be double-counted. In 2025, a total of 56 suppliers completed their declarations, with renewable electricity usage reaching 450 million kWh and carbon reduction amounting to approximately 240,000 tons of CO₂e, demonstrating concrete results in the energy transition of the supply chain.

In the future, the Group will promote the adoption of renewable electricity by suppliers in the following stages, with the goal of achieving 100% use of renewable electricity by 150 suppliers for the production of Hon Hai products by 2030, so as to strengthen the low-carbon transformation of the supply chain and support the Scope 3 carbon reduction pathway.



3.3 Environmental Impact Management

>Environmental Compliance Management

The Group attaches great importance to the environmental compliance management of its suppliers. For many years, it has continuously required suppliers to comply with local laws and regulations and obtain ISO 14001 certification. During the introduction of new suppliers, the Group strictly evaluates their potential environmental risks and requires the provision of compliance documents (including environmental impact reports, pollutant discharge permits, and hazardous waste disposal agreements, etc.), with zero tolerance for any environmental non-compliance.

In terms of public supervision, the Group collaborates with the IPE (Institute of Public and Environmental Affairs) to utilize the Blue Map Database to monitor supplier performance and provide support and improvement plans for identified environmental issues. In 2025, the Group urged 42 suppliers with environmental violations to effectively complete improvements and pass the GCA (Green Choice Alliance) audit and verification by the IPE and its recognized professional third parties, thereby removing the supervision records from the IPE Blue Map Database.

At the same time, the Group also encourages suppliers to independently strengthen environmental management. In 2025, it provided guidance to 11 significant suppliers to promote supply chain environmental management mechanisms and invited suppliers to participate in five online training and empowerment programs organized by IPE to assist suppliers in mastering international trends and disclosure requirements for climate, environment, biodiversity, and chemicals management, continuously enhancing their ESG management capabilities.

>Waste Management and Waste Reduction Measures

To promote resource recycling and utilization, and to incentivize suppliers to implement zero-waste management and proactively apply for and pass UL 2799 certification, the Group has included the “Zero Waste” item in the ESG performance evaluation of suppliers. Supplier zero-waste management performance is evaluated across five dimensions: policy and procedures, compliance management, circular utilization, waste disposal, and management systems. As of the end of 2025, 26 electronic suppliers have been encouraged to obtain Zero Waste to Landfill certification.

In 2023, the Group implemented monthly zero-waste management performance evaluations for 150 significant suppliers, which was expanded to 200 significant suppliers in 2024, and further increased to 300 significant suppliers in 2025.



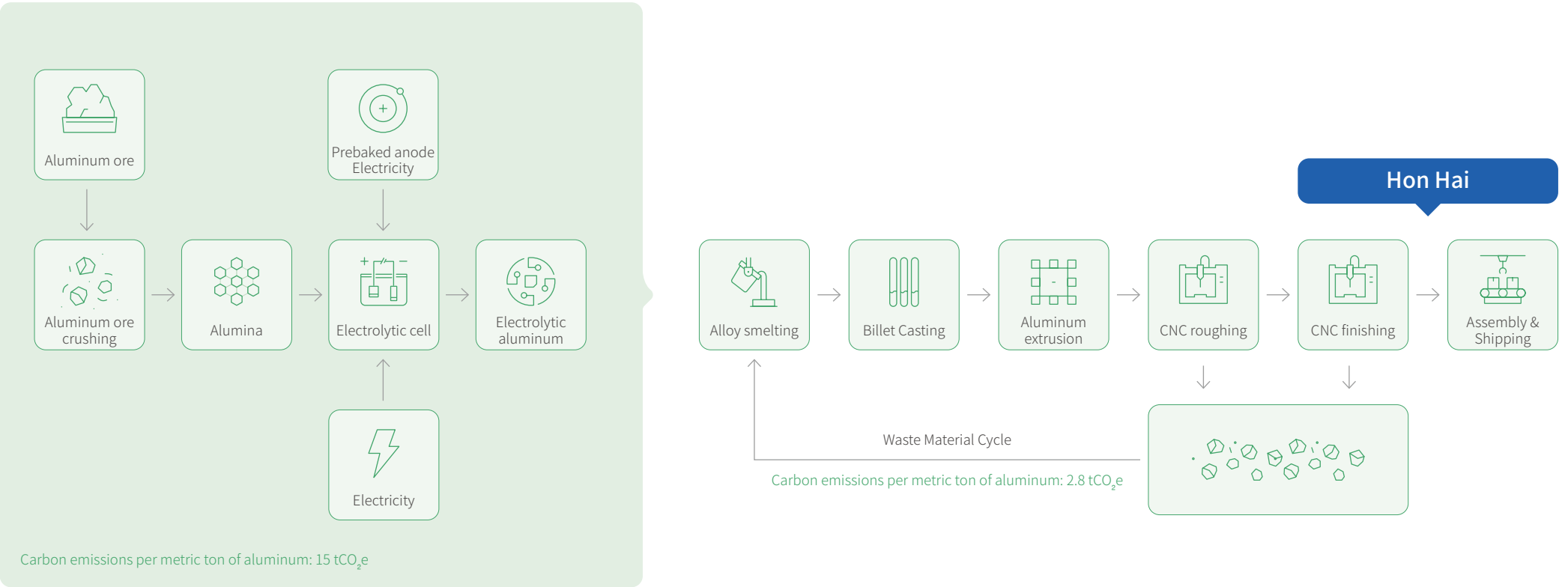
Furthermore, the Group has promoted the disclosure of Pollutant Release and Transfer Register (PRTR) data by suppliers on the IPE platform, covering the generation volume, comprehensive utilization volume (such as reuse, recycling, and composting), and annual reduction targets for non-hazardous and hazardous industrial waste, while requiring the implementation of reduction management on a year-by-year basis.

In 2025, the Group promoted the reporting of PRTR data by 364 suppliers. In 2024, a total of 510,000 tons of non-hazardous industrial waste and 776,000 tons of hazardous industrial waste were generated. The comprehensive utilization volume of non-hazardous industrial waste reached 421,000 tons, with a comprehensive utilization rate of 83%. Among these, 186 suppliers have disclosed PRTR data for two consecutive years.

In terms of resource circulation, Hon Hai’s total volume of bulk raw material recycling (recycled aluminum, recycled steel, PCR recycled plastic, and recycled pallets) reached 25,339 tons in 2025, driving the supply chain toward green circular development. Further descriptions of implementation cases for recycled aluminum, recycled pallets, and recycled steel are provided below.

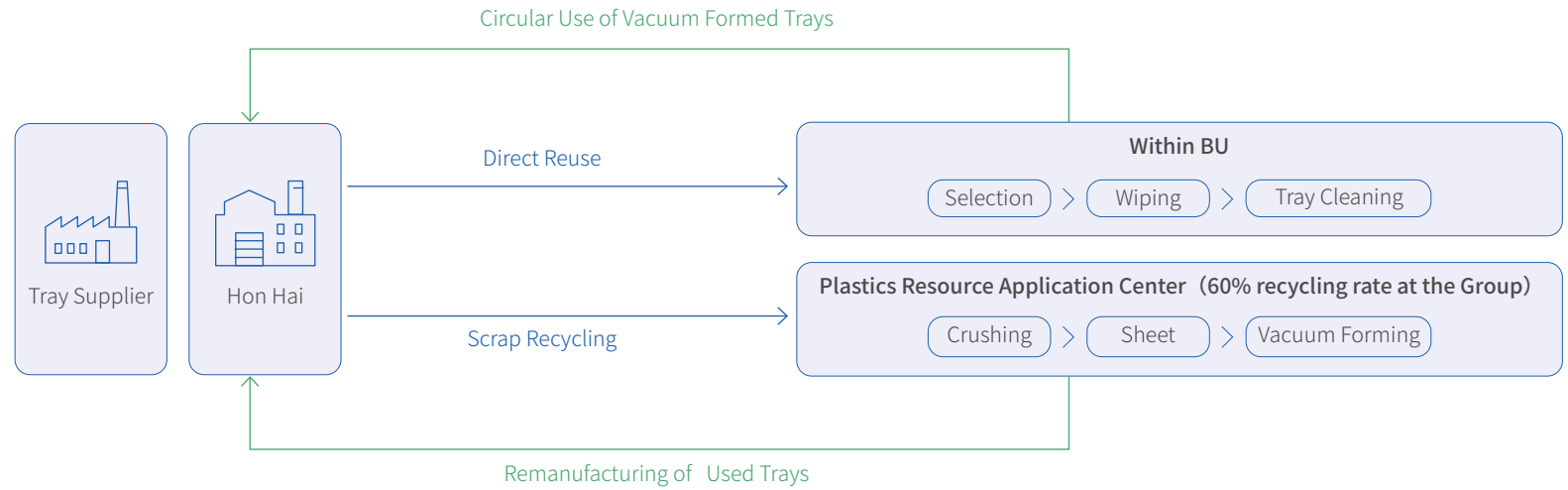
① Recycled Aluminum

In recent years, the Group has collaborated with suppliers to promote the use of recycled aluminum in order to reduce carbon emissions associated with raw material extraction. In 2025, the Group used 9,725 tons of recycled aluminum.



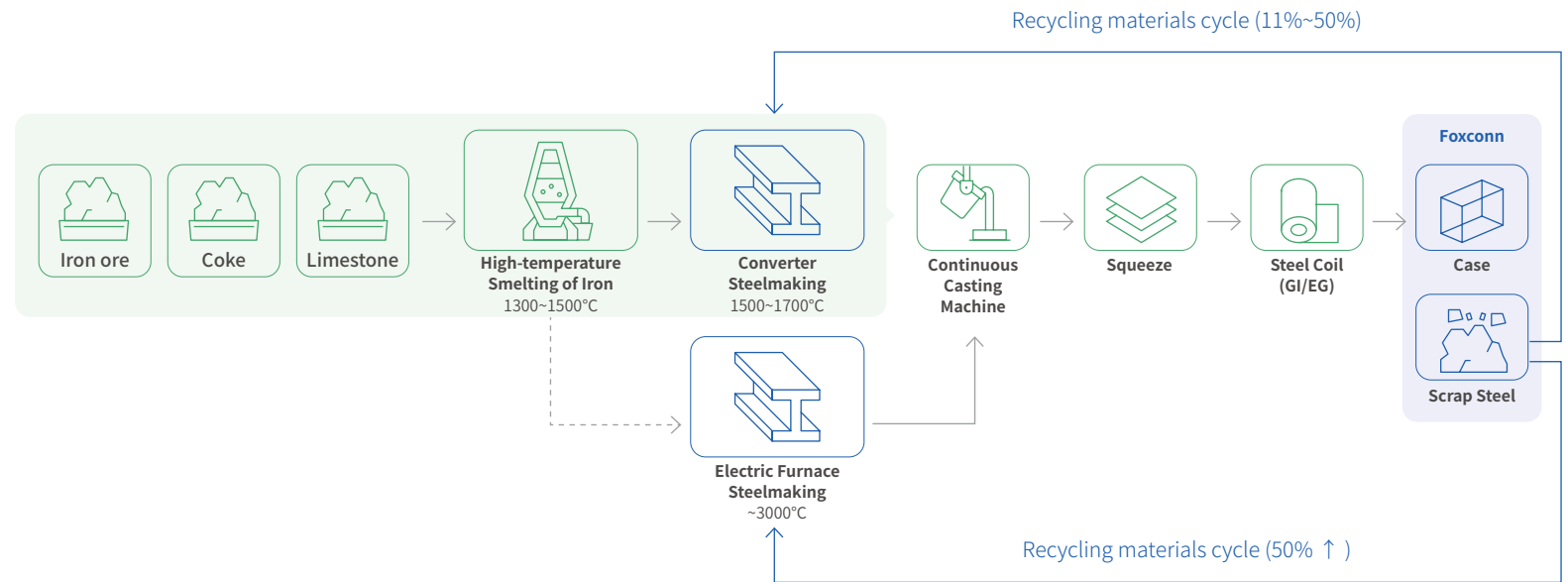
② Recycling of Plastic Pallets

Due to the large volume of plastic pallets required by the production process, even with multiple reuses, a significant amount of plastic waste is still generated. To this end, the Group promotes the recycling of vacuum-formed pallets, realizing pallet recycling and reducing plastic purchases by 3,577 tons in 2025.



③ Recycled Steel

The traditional steelmaking process involves blast furnaces and converters, primarily using coal energy, resulting in higher carbon emissions, and can only add 11% recycled materials in general; whereas the emerging electric arc furnace steelmaking process uses electricity for heating, generates no waste gas, and allows the addition of more than 50% recycled materials. The Group works with steel suppliers to promote the use of steel produced through electric furnace processes that contain a high proportion of recycled materials. A total of 7,228 tons of RC50 (containing 50% recycled content) recycled steel was procured in 2025.



3.4 Biodiversity

The Group formulated the Biodiversity and No-Deforestation Commitment in 2023, requiring operating sites and supply chain partners to comply with local biodiversity-related laws, regulations, and guidelines. For activities adjacent to sensitive areas, the mitigation hierarchy principles of “avoidance, minimization, restoration, and offset” are adopted in sequence, while collaborating with suppliers and stakeholders to promote biodiversity conservation and restoration actions.

In response to the challenges of climate change and biodiversity loss, the Group released its latest long-term sustainability goals in 2026, incorporating the Nature-based Solutions (NbS) initiative for the first time. The Group plans to collaborate with value chain partners to promote at least one environmental and ecological restoration action annually in major production areas by 2030, reaching a cumulative 80,000 global execution hours per year. Furthermore, the Group will complete biodiversity dependency and impact assessments for key regions within the next five years and incorporate relevant risks into its management framework. To further implement these efforts, the Group has simultaneously launched the “NbS Global Initiative and Multinational Cooperation Promotion Program” to establish a platform for multinational cooperation and resource integration, promote knowledge sharing, support science-based restoration projects, and drive the overall green transformation of the supply chain, moving towards “Nature Positive” and net-zero goals.

The Group launched the first phase of the Vietnam NbS project and held the NbS Initiative Summit in Hanoi, Vietnam on 31 March 2026. The summit invited 32 supply chain partners with a total of 66 representatives participating. Through high-level dialog and practical exchange, a multinational cooperation mechanism was jointly established, and the “Hon Hai NbS Global Initiative Joint Declaration” was issued. The declaration commits to incorporating nature-positive principles into core corporate strategies, promoting science-based NbS projects, strengthening natural capital management and value creation, and working with supply chain partners to jointly promote biodiversity protection and sustainable development.

■ NbS Initiative Summit in Hanoi, Vietnam



4

Actions to Expand Supply Chain Impact

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Actions to Expand Supply Chain Impact

4.1 Collaborative Partnership

Hon Hai is committed to strengthening supply chain management and fostering long-term, trusted partnerships with suppliers to jointly fulfill corporate social responsibilities. By enhancing supply chain resilience and reducing operational risks, the Group advances sustainable development through the following three key approaches:

① Education and Training

The Group regularly provides ESG training courses and shares best practice cases to help suppliers gain a deeper understanding of core issues such as labor rights, environmental protection, and business ethics. In addition, these initiatives promote knowledge exchange among suppliers and strengthen overall supply chain management capabilities.

② Sustainability Capability Building

Through regular ESG audits and expert consultation programs, Hon Hai assists suppliers in identifying and addressing management gaps, enabling them to gradually establish comprehensive sustainability management systems. In addition, the Group organizes workshops to strengthen suppliers’ sustainability capabilities and engagement through two-way communication and knowledge sharing.

③ Strategic Cooperation Project

Hon Hai collaborates with suppliers to advance sustainability initiatives, including responsible minerals sourcing, zero-waste programs, and net-zero emissions projects. By extending efforts from short-term improvements to long-term strategic collaboration, the Group and its suppliers work toward a shared vision and continuously strengthen the sustainable development of the supply chain.

Since 2022, Hon Hai has launched a series of supplier empowerment initiatives. The following is the statistical information on the number of participating suppliers:

Supplier Empowerment Action (Units)	2023	2024	2025
Supplier Education and Training	687	1,207	1,509
Sustainability Capability Building	150	200	310
Strategic Cooperation Project	30	30	67

4.2 Education and Training

>ESG Thematic Training

In 2025, more than 1,500 suppliers were encouraged to participate in ESG-related thematic training, covering 38 courses such as green products, net-zero emissions, and zero waste, with more than 3,000 people in total passing the learning and assessment.



① Human Rights Issues Training Courses

The Group continues to strengthen suppliers' awareness of social responsibility through systematic education and training. In 2025, the Group promoted online learning and testing mechanisms through the education and training module established on the Supplier ESG Digital Management Platform to ensure training quality and effectiveness. The course content covers topics such as the Supplier Code of Conduct (CoC), the RBA Code of Conduct, an introduction to forced labor, DEI concepts, the Twelve Principles of Safety Redlines, and business ethics. These topics aim to enhance suppliers' management capabilities in areas such as labor rights and occupational safety, while encouraging the extension of relevant training to the upstream supply chain to expand the impact of responsible practices.

With respect to staffing service providers, the Group conducted specialized training sessions for labor dispatch companies in the Mainland China region on 19 July 2025 and 26 July 2025. Delivered in hybrid format, the sessions engaged 97 companies and recorded a cumulative total of 866 participant attendances, achieving an overall assessment pass rate of 87.53%. The course content covered **Recruitment Process Management Practice, Labor Dispute Handling & Resolution, Group Dispatched Worker Discipline Policy & Interpretation**, and Five Social Insurance and Housing Provident Fund Operational Practice, aimed at strengthening the professional capabilities and compliance awareness of dispatch company personnel, ensuring that recruitment and employment comply with relevant laws, regulations, and the Group's human rights requirements, and further enhancing the effectiveness of dispatched labor management.

② Carbon Reduction Training Courses

Hon Hai released the Greenhouse Gas Management Regulations for the Semiconductor Supply Chain in 2025 and developed an ESG management platform featuring a Greenhouse Gas Inventory Module. To support this initiative, one training session was organized for key material suppliers in wafer (IC) manufacturing. The content covered operational training for the supplier greenhouse gas inventory module to assist suppliers in enhancing their carbon data reporting capabilities, strengthening inventory consistency and compliance, and progressively establishing systematic carbon management workflows.

③ Supplier Code of Conduct Training Courses

To strengthen suppliers' understanding of and compliance with the code of conduct, Hon Hai actively expands the coverage of supplier education through digital tools and training mechanisms. In 2025, a total of four online Supplier Code of Conduct (CoC) training sessions were held, and online learning resources were simultaneously launched on the website to encourage suppliers to engage in self-directed learning and testing, with a cumulative total of 794 suppliers participating. To embed sustainability requirements deeper into the upstream supply chain, we also encouraged Tier-2 suppliers to participate through our suppliers; a total of 205 Tier-2 suppliers completed the CoC training.

>Carbon and Waste Reduction Promotion Conference

Hon Hai held the Supplier Carbon and Waste Reduction Promotion Conference in May 2025, with more than 220 suppliers participating. The conference content covered sharing of energy-saving project experiences, innovative management mechanisms, Energy Management Contract (EMC) cooperation models, and zero-waste campus management, building consensus within the supply chain to jointly explore paths for energy saving, waste reduction, and sustainable development.

4.3 Sustainability Capability Building

Hon Hai has formulated supplier ESG evaluation standards and developed the “Supplier Sustainability Performance Evaluation System” with reference to industry-renowned sustainability rating indicators. Through monthly ESG performance scoring, the Group encourages 300 significant suppliers to continuously enhance their management effectiveness and ranks the ESG performance of suppliers within the same important product category. Each supplier may log into the system to view the ESG benchmarks of its peers, and the Group also invites suppliers with outstanding ESG performance to share their practical experiences annually. At the same time, we assess how well various types of suppliers are meeting Hon Hai’s ESG requirements and select suitable suppliers to provide them with specialized sustainability coaching.

>Carbon and Waste Reduction Coaching

The Group continues to promote energy conservation and carbon reduction among its suppliers, having established an expert team to conduct on-site energy conservation and carbon reduction coaching in three batches, providing coaching to a cumulative total of 30 suppliers. Following the convening of the “Supplier Carbon and Waste Reduction Promotion Conference” in May 2025, 10 key suppliers were further selected to undergo on-site coaching regarding energy conservation and zero-waste issues. During the coaching process, a total of 67 energy-saving improvement recommendations were proposed, of which 60 have been adopted and implemented by suppliers. It is estimated that 21.15 million kWh of electricity can be saved annually, equivalent to a carbon reduction of 11,349 tons of CO₂e. In addition, 12 waste reduction recommendations were proposed, of which 10 have been implemented, with an estimated annual reduction of 518 tons of waste, creating approximately RMB 2.5 million in economic benefits.



■ Improvement suggestions accepted by suppliers during 2025 on-site Carbon and Waste Reduction Coaching

Supplier	Energy Conservation and Waste Reduction Analysis	Improvement Suggestions	Effectiveness
A	The output pressure of the air compressor exceeds 0.7 MPa, while the pressure required for production use is between 0.4 and 0.6 MPa; a pressure-reducing valve may be installed to achieve pressure reduction and lower energy consumption.	1. For every 0.1MPa reduction in air compressor output pressure, energy savings of 9% can be achieved. 2. Gradually reduce the total output pressure of the air compressor; separate supply or local pressure boosting modes may be adopted to replace the original pressure reduction mode.	Energy saving 10%
	In the extruder hydraulic oil cooling system, the temperature difference between the inlet and outlet water is only 1.2 ° C, and the temperature difference between the inlet and outlet oil is only 0.4 ° C, resulting in low heat exchange efficiency.	1. Regular cleaning and replacement of Plate-fin heat exchanger. 2. The flow rate of the cooling water pump is excessive; reduce the flow rate to increase the temperature differential. 3. The oil pump was converted from power frequency to servo to eliminate idling losses.	Energy saving 20%
	The direct discharge of hot air at nearly 200 ° C from the rear end of the extruder into the workshop results in the waste of residual heat and high temperatures within the workshop.	Waste heat recovery and utilization, for waste heat from other processes.	Energy saving 20%
B	Electroplating lines require a high volume of ventilation and exhaust, which extracts a significant amount of air conditioning from the workshop, leading to energy waste.	Install a separate fresh air duct for the electroplating line area to draw in fresh air from outdoors and reduce air conditioning loss.	Energy saving 15%
	The automatic unloader uses a standard vacuum generator with compressed air, resulting in higher energy consumption.	Replacement with pressure-retaining vacuum generators or vacuum pumps.	Energy saving 90%
	The output pressure of the air compressor is 0.69 MPa, while the workshop demand is generally below 0.6 MPa, indicating a certain degree of pressure redundancy.	Appropriately reduce the output pressure of the air compressor to eliminate redundant power consumption.	Energy saving 7%
C	1. The temperature differences for both chilled water and cooling water are too small, representing a typical inefficient operation mode of “high flow, low temperature difference” . 2. Excessive water flow rates lead to low heat exchange efficiency, causing water pumps (chilled water pumps and cooling water pumps) to consume significant amounts of electricity unnecessarily, which severely reduces the overall energy efficiency ratio (EER) of the entire system.	1. Adjust water pump frequency or valves to increase the temperature difference between the inlet and outlet of chilled water and cooling water to near the design value of 5° C. 2. Clean the heat exchange tubes of the evaporator and condenser to ensure heat exchange efficiency, and check whether the refrigerant charge is appropriate.	Energy saving 30%
	1. The air compressor output pressure is 0.77 MPa, whereas only one area of the entire plant has a pressure demand of 0.7 MPa and other areas have a demand of 0.5 MPa, resulting in waste due to pressure redundancy. 2. The load factor of the screw compressor is too high (96.4%), affecting energy efficiency.	1. Adjust to a zoned gas supply mode featuring overall pressure reduction and zone-specific pressure boosting to reduce air compressor energy consumption (energy savings of 9% for every 0.1 MPa reduction). 2. Consideration may be given to installing intelligent control systems for multiple air compressors to reasonably allocate machine start-stop and load, ensuring that each unit operates within its optimal efficiency range.	Energy saving 15%
D	The use of paid outsourced disposal for spent activated carbon not only incurs higher hazardous waste disposal costs but also results in a waste of resources.	The disposal method for spent activated carbon was changed to regeneration and reuse, converting an item that originally incurred disposal costs into a saleable item, thereby reducing hazardous waste disposal expenses, enhancing resource recovery efficiency, and simultaneously creating economic benefits.	Returns of 120% or more
E	The recycling and reuse rate of ink containers is not high; currently, some ink buckets cannot be returned to the manufacturer for reuse because they lack liners, and can only be disposed of as hazardous waste.	Requesting suppliers to add inner linings to incoming materials to facilitate original manufacturer recycling and reuse after consumption, thereby reducing waste emissions.	Recovery rate increased to over 80%

4.4 Strategic Cooperation Project

>Hon Hai X Commonwealth Sustainable Value Chain Partner Project

In 2025, the Group collaborated with the Commonwealth Sustainability team to promote the “Sustainable Value Chain Partner Project” to strengthen the overall ESG performance and competitiveness of the supply chain and enhance supply chain resilience. The project is promoted through four main pillars: “Capacity Building, Evaluation, Recognition, and Publicity”. First, 37 seed suppliers were invited to participate in an offline sustainability workshop in Taiwan and completed 27 ESG courses through the Sustainability Online Academy. Subsequently, the Group and the Commonwealth team jointly conducted a supply chain ESG assessment, ultimately selecting three outstanding suppliers to be awarded the “Sustainability Co-creation Progress Award”, with public recognition provided during the Group’s Sustainability Awards ceremony.

Supplier Feedback

“Through this workshop, I have gained a more comprehensive understanding of ESG issues and sustainable development trends; the course content was clearly explained and provided practical reference value” .
— Yageo Corporation, Nanzih Branch

“The supply chain sustainability management practices and implementation experience shared by Hon Hai provide suppliers with many concrete execution directions and inspirations” .
— Darfon Electronics Corp.

“This exchange helps in understanding the practical implementation methods of sustainability management in large enterprises, and serves as a valuable reference for subsequent internal planning” .
— Shin Zu Shing Co., Ltd.

“ST has always firmly believed that ‘open knowledge sharing’, ‘immediate professional assistance’, and a ‘pragmatic problem-solving mindset’ are the key cornerstones for assisting partners in strengthening ESG performance and implementing carbon reduction benefits. At the same time, when designing electronic solutions, the needs of end customers must be taken into account. This is crucial for enhancing the ‘handprint’ (the carbon reduction benefits during the semiconductor use phase, ST Restricted) and transparency of products, which in turn creates long-term value for the entire industrial ecosystem” .
— STMicroelectronics

■ Sustainable Value Chain Partner Project



■ Sustainability Co-creation Progress Award



>Hon Hai Low-Carbon Supply Chain Transformation Promotion Plan

The Group collaborated with the Ministry of Economic Affairs to promote the “Large Enterprises Leading Small and Medium Enterprises” low-carbon supply chain transformation project for the industry, which was concluded in March 2025. This pilot project invited a total of seven Tier-1 suppliers to participate in carbon reduction actions and facilitated 30 Tier-2 suppliers in completing greenhouse gas inventory data collection. Within two years, five internal/external educational training courses and six carbon reduction guidance meetings were held, covering topics such as greenhouse gas inventory practices, ISO series courses, and CBAM, assisting Group employees and suppliers in progressively establishing carbon reduction and carbon management capabilities.

In terms of carbon reduction promotion, the Group arranged 12 on-site supplier visits. Through continuous exchange and guidance, the Group promoted energy-saving improvements and project measurements for key equipment, and guided suppliers in confirming carbon reduction targets and promotion directions. Within two years, 25 carbon reduction projects were completed, covering diverse items such as manufacturing processes, facility operations, replacement of obsolete equipment, and green energy investment, with a total carbon reduction of 16,381.47 tons of CO₂e. Hon Hai will leverage this implementation experience to deepen the low-carbon supply chain cooperation model, gradually expanding it to the global supply chain to promote industrial transformation and upgrading.



5

Moving towards Sustainable Procurement

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Moving towards Sustainable Procurement

5.1 Responsible Minerals Management

>Responsible Minerals Sourcing Statement

The Group adheres to the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals and supports responsible minerals sourcing. It avoids the direct or indirect procurement of raw materials and products containing conflict minerals, including tin, tantalum, tungsten, gold, cobalt, and mica, from the Democratic Republic of the Congo and adjoining countries, as well as other conflict-affected and high-risk areas. For further details, please refer to the statement published on the Group's official website.

>Responsible Minerals Sourcing Process

① Governance and Management System

The Group has established an internal management framework for conflict minerals with clearly defined responsibilities. The Sustainability Committee coordinates and supervises the management of conflict minerals, while the supplier compliance and ESG management departments are responsible for formulating responsible minerals procurement policies, processes, and standards, as well as establishing and maintaining management systems. Simultaneously, relevant training is conducted to strengthen the management capabilities of procurement personnel. The procurement department is responsible for collecting conflict minerals due diligence reports from suppliers, incorporating responsible minerals procurement into the supplier ESG management system, and integrating this with new supplier onboarding and annual audit mechanisms to ensure that the supply chain does not involve illegal minerals from conflict-affected or high-risk areas. The Group has also incorporated conflict minerals compliance requirements into relevant supplier contracts, including the "Environmental Protection and Social Responsibility Undertaking" and the "Master Purchase Agreement".

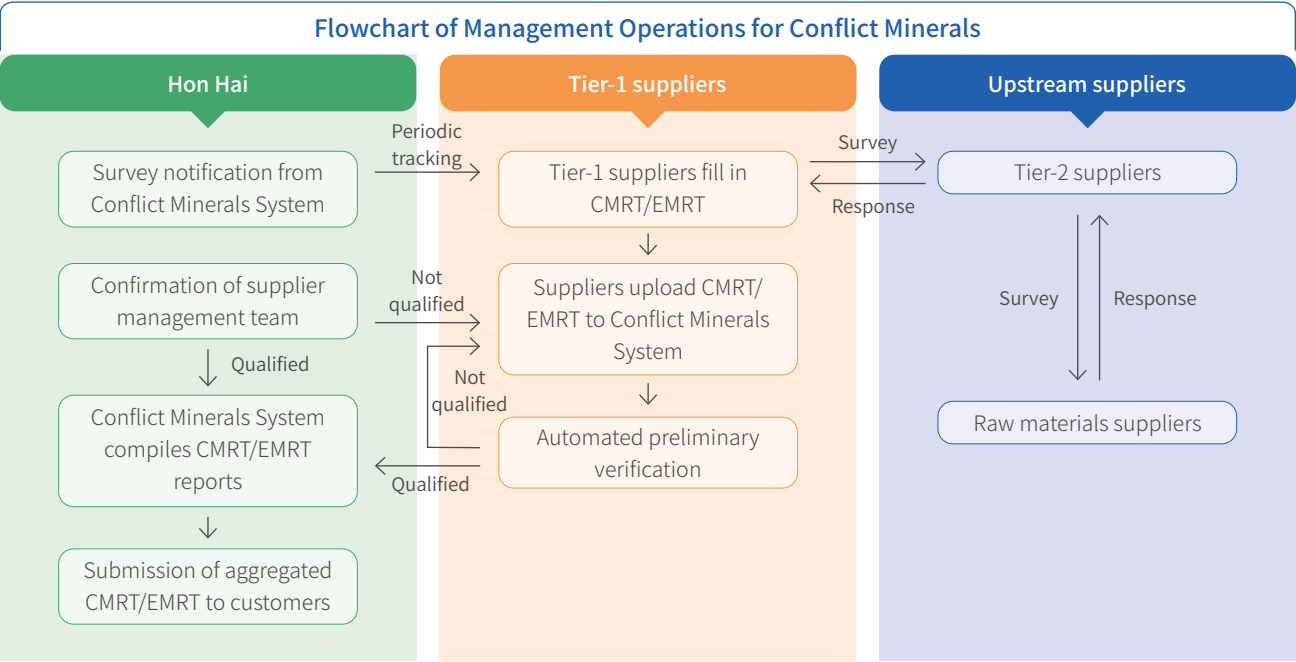
To enhance management efficiency, the Group has established a responsible minerals procurement module within the Supplier ESG Digital Management Platform to implement digital management of conflict minerals. This enables the digital importation of the latest versions of CMRT/EMRT, automated preliminary reviews, and automated early warnings for non-compliant smelters, while also achieving long-term preservation (exceeding five years) and traceability of conflict mineral data.

The Group encourages stakeholders to provide feedback or file complaints regarding conflict minerals issues or violations through the grievance channels published on the official website and the Supplier ESG Digital Management Platform. In 2025, the feedback issues primarily concerned the inability to identify the responsible contact person for conflict minerals due diligence for specific products; following internal coordination, these issues have been resolved.

② Supply Chain Risk Identification and Assessment

The electronic products manufactured by the Group involve various electronic, mechanical, and semiconductor components. To achieve specific functions, their materials contain one or more minerals such as 3TG (tantalum, tin, tungsten, and gold), cobalt, and mica. To effectively identify risks, the component engineering department has established relevant mineral usage lists based on material grading and classification standards to ascertain the distribution of conflict mineral risks among suppliers of various products and to confirm the necessity of the relevant minerals for product functionality.

Hon Hai utilizes the responsible minerals procurement module of the Supplier ESG Digital Management Platform and adopts the CMRT (Conflict Minerals Reporting Template) and EMRT (Extended Minerals Reporting Template) tools to conduct annual due diligence on relevant suppliers, identify mineral smelters/refineries, and confirm, by reviewing the response content, whether mineral sources from specific high-risk areas are involved and whether their smelters/refineries possess RMAP or equivalent certification. Meanwhile, the Group has established a mineral country-of-origin traceability system and utilizes the RMI Reasonable Country of Origin Inquiry (RCOI) database to conduct mineral source country analysis, thereby strengthening upstream risk control.

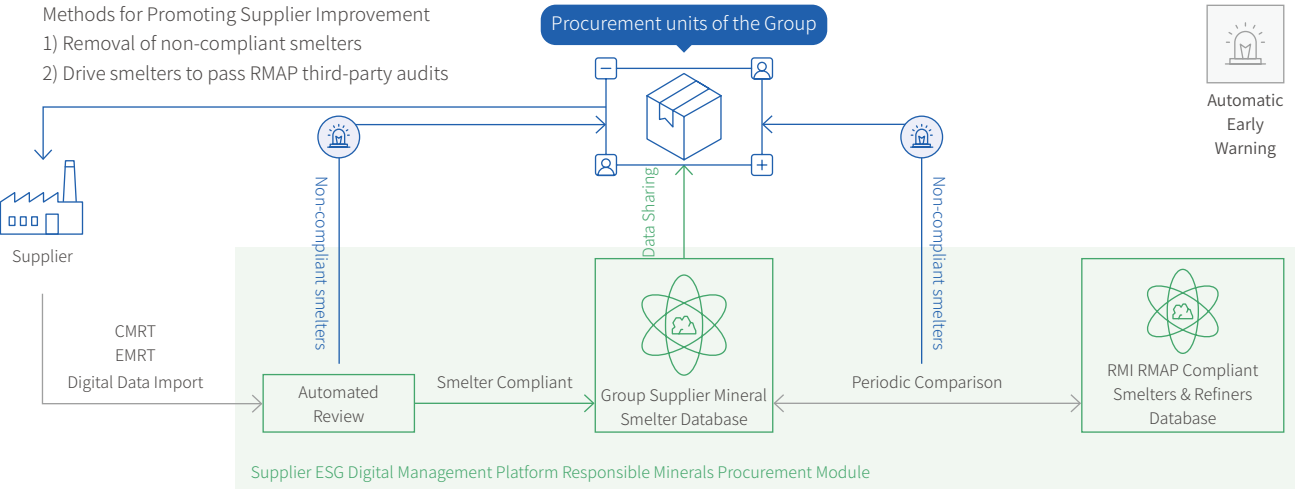


③ Supply Chain Risk Response

The Group has adopted the following measures to effectively manage and mitigate the risks of conflict minerals in the supply chain:

- 1) New suppliers must sign the "Environmental Protection and Social Responsibility Undertaking" and the "Conflict-Free Minerals Declaration", and submit qualified CMRT and EMRT reports, before they become qualified suppliers.
- 2) The Company collects CMRT/EMRT reports from suppliers annually and compares the disclosed smelter information against the conformant list published by the RMI. If any smelters or refiners are found not to be RMAP-conformant, the Company requires suppliers to urge them to achieve conformance within a specified timeframe or remove them from the supply chain. Suppliers that fail to improve will be listed as low-performing suppliers and subject to transaction restrictions; for those that continue to fail to improve, an evaluation for alternative materials will be initiated.
- 3) Conflict minerals management is incorporated into the ESG performance evaluation indicators for suppliers. During periodic SER audits, the conflict minerals management procedures of suppliers and their upstream due diligence records are verified to ensure that mineral sources comply with the OECD Due Diligence Guidance for Responsible Supply Chains or equivalent standards. If any audit findings are identified, guidance will be provided to implement improvements within a specified time limit; those who fail to cooperate will be listed as low-performing suppliers and subject to transaction restrictions.

■ Automatic Early Warning and Improvement Mechanism for Non-compliant Mineral Smelters



- 4) By participating in the RMI China monthly meetings, we keep abreast of the latest developments of smelters and exchange practical experience with the industry, while collaborating with suppliers to encourage relevant smelters to undergo third-party RMAP audits.
- 5) Through online courses and teaching materials, training on conflict minerals regulations and standards, Foxconn’ s responsible minerals procurement policy, and CMRT/EMRT reporting guidelines is provided to strengthen suppliers’ understanding and implementation capabilities.

④ Independent Third-Party Audit

As a downstream enterprise, Hon Hai requires direct suppliers to only use minerals certified as conflict-free by independent third parties, and conveys relevant requirements upstream through a multi-tier supply chain management mechanism to ensure that 100% of the minerals involved in the Group’ s products pass RMAP third-party audit verification. In addition, each of the Group’ s campuses regularly undergoes third-party RBA VAP audits, whereby a third party reviews the design and implementation of the conflict minerals policy and management system to confirm that the sources of tantalum, tin, tungsten, gold, cobalt, and mica used in the products comply with the requirements of the OECD Due Diligence Guidance or equivalent international frameworks.

⑤ Disclosure of Due Diligence Results

In 2025, conflict minerals due diligence was completed for a total of 2,375 suppliers (covering over 90% of the Company’ s procurement spend) through the system platform, with a response rate of 100%. As of the end of 2025, the Group has not identified any supplier products containing minerals such as 3TG, cobalt, or mica originating from conflict-affected areas or other high-risk areas that have not been certified through the third-party RMAP. In 2025, a cumulative total of 1,835 suppliers were driven to sign the commitment letter to not use minerals from conflict-affected and high-risk areas, achieving a completion rate of 100%.

▪ 2025 Results of the Conflict Minerals Due Diligence

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

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

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

In 2025, the Group's supply chain involved 282 3TG, cobalt, and mica smelters or refiners, all of which were listed by the RMI as RMAP-conformant smelters and refiners. An analysis of the geographical distribution of these smelters shows they are primarily located in Asia. Meanwhile, based on the identified smelters/refiners, the Group conducted reasonable country of origin inquiries (RCOI) for 3TG minerals in conjunction with RMI's RCOI data to trace the origin of 3TG minerals in its products. We have identified the country of origin information for 3TG minerals in the supply chain as follows: countries of origin for gold minerals include China, Chile, India, Uzbekistan, and Japan; countries of origin for tantalum minerals include Australia, China, and Brazil; countries of origin for tin minerals include China, Indonesia, and Malaysia; and countries of origin for tungsten minerals include China, Australia, and Canada.

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

In response to the revision of the EMRT in April 2025, which expanded the scope of mineral compliance reporting to include four additional metals—lithium, nickel, copper, and graphite—the Group initiated investigations in the second half of 2025. The Group is actively urging smelters and refineries involved with the aforementioned metals to obtain compliance certifications from third-party institutions.

■ Smelter Distribution Area

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

5.2 Chemical Substance Management

>Lifecycle Management of Chemical Substances

The Group follows the “Five-No” principle: No Design, No Purchase, No Introduction, No Production, and No Release of Restricted Hazardous Substances, and applies lifecycle management to chemical substances used in its operations and products. Through this approach, the Group advances toward its goal of achieving “zero hazard” and “zero pollution.”

 Green Design

We follow the twelve principles of green chemistry and the “Guidelines for Product Ecodesign” and “Guidelines for Ecodesign Product Evaluation” to establish the “Green Product Design and Development Guidelines” . During the product design stage, the four major requirements of “non-toxicity, energy efficiency, reduction, and recyclability” are incorporated to ensure that products meet environmental standards.

 Green Procurement

Suppliers are required to sign the “Environmental Protection and Social Responsibility Undertaking” , pledging to comply with the Group’ s environmental standards. Suppliers must submit the “Environmental Management Material Composition or Component Disclosure Form” , disclosing the content of hazardous substances in the product. Among these, testing reports for the 10 restricted substances under the EU RoHS must be provided and reviewed by the Group.

 Chemical Substance Registration

In accordance with international regulations such as RoHS, REACH, TSCA, and POPs, the “Group Chemical/ Substance Registration Management System” has been established to create a list for the control of chemical substances. The Group implements strict review and classification management for incoming chemicals to ensure compliance with regulations and customer requirements.

 Risk Assessment

A risk assessment team is formed by the safety management, production, and R&D departments to conduct a comprehensive chemical substance risk assessment at least once a year. Based on the risk level, we implement corresponding control measures to ensure that the risk is maintained within acceptable limits.

 Safe Use

The Group keeps a register of all chemicals to understand their hazardous characteristics. When introducing or changing chemicals, a safety assessment must be conducted, including verification of environmentally friendly materials and compliance testing for hazardous substances, to prevent the emergence of non-environmentally friendly products.

 Outflow Control

The Group has established dedicated materials testing laboratories to monitor process materials, products, and waste, ensuring compliance with health, safety, and environmental standards. The Group strictly prohibits the shipment of products containing hazardous substances to protect the rights and interests of customers and the environment.

>Declaration of Product RoHS/REACH Compliance

To ensure that products and raw materials comply with global chemical substance management regulations and environmental protection requirements, the Group has established a rigorous chemical compliance review mechanism for new suppliers, covering items such as RoHS, REACH SVHC, HF, Halogen-Free, and VOC. Furthermore, the Group requires the provision of RoHS test reports and REACH declarations of conformity to ensure that raw materials and components do not contain high-risk restricted substances.

For departments and suppliers involving high-risk chemicals, the Group has established a chemical classification and identification system, a list of restricted and phased-out chemicals, hazard labeling management, and employee education and training processes. Suppliers are required to perform classified storage and clear labeling in accordance with regulations, and to implement safety training for operational personnel. Meanwhile, suppliers must establish regulatory tracking and data update mechanisms to ensure that the use of chemicals continuously complies with relevant domestic and international requirements.

Upon material changes or the introduction of new products, suppliers are required to resubmit RoHS and REACH declarations of conformity and test reports; those who fail to comply will be required to conduct supplementary testing or may have their cooperation suspended depending on the circumstances. Regarding the procurement of semiconductor raw materials such as wafers, chemicals, and photoresists, suppliers are also required to update RoHS and REACH SVHC third-party test reports and SDS annually; those unable to provide such documents must sign a GP Declaration or self-declaration. Prior to the mass production of new products, the R&D unit shall provide samples for GP testing to ensure that the products continuously comply with regulatory requirements and customer specifications. Through this sequential promotion and auditing mechanism, the Group has effectively enhanced the environmental compliance capabilities of the supply chain and reduced risks to the environment and human health, fulfilling its commitment to green manufacturing and sustainable operations.

Furthermore, the Group continues to require significant ESG suppliers to sign declarations of environmental compliance for products, with a cumulative total of 202 significant suppliers having signed as of 2025; additionally, through the Supplier ESG Digital Management Platform, RoHS/REACH declaration data from a cumulative total of 1,800 suppliers has been collected based on product BOMs.

5.3 Implementing Green Procurement

>Sustainable Raw Materials Policy

The Group is committed to selecting green and sustainable raw materials, aiming to minimize the negative environmental and social impacts of raw material usage, and actively collaborating with external stakeholders to promote best practices in green raw material sustainability to enhance supply chain sustainability; where feasible, the Group increases the proportion of third-party certified raw materials and recycled materials used to reduce reliance on virgin materials. At the same time, the Group avoids using raw materials from globally or nationally significant biodiversity sites to protect biodiversity.

>Green and Sustainable Raw Materials Management Program

The Group requires all raw material suppliers to sign the "Environmental Protection and Social Responsibility Undertaking" and provide information such as the Conflict Minerals Due Diligence Report and Declaration of RoHS Compliance. Furthermore, the Group conducts regular ESG audits and performance evaluations to assess and mitigate the environmental and social impacts of raw materials during the production process. Furthermore, based on procurement volume, regulatory requirements, and customer watchlists, raw materials for priority management (including high-risk raw materials) are identified. For tantalum, tin, tungsten, gold, cobalt, and mica, sources are traced through a supplier ESG digital platform, and a target has been set for 100% of tantalum, tin, tungsten, gold, cobalt, and mica smelters/refineries to be validated as RMAP-conformant. Meanwhile, to facilitate the implementation of the Group’s sustainable raw material policies and plans by relevant units, the Group regularly conducts training courses related to sustainable raw materials for personnel in relevant departments such as procurement and R&D, covering topics including recycled materials, UL 2799, REACH, and RoHS.

The Group has implemented the QC 080000 Hazardous Substance Process Management System and enforced the following management principles to continue maintaining the target of 100% green procurement spend in 2025:

- 1) Strictly comply with relevant environmental protection regulations in China and overseas, as well as customer substance restriction management specifications.
- 2) Promote the substitution of hazardous substances and process optimization through technical cooperation with suppliers to reduce environmental impact.
- 3) Strengthen internal education, training, and regulatory promotion to enhance employees’ awareness of product environmental management, and extend relevant concepts to customers and supply chain partners.

5.4 Local Procurement

In 2025, the Group’s local procurement spend accounted for 58% of its total procurement. Under equivalent conditions, priority is given to procuring raw materials and components from local suppliers in each production campus to facilitate shortening supplier lead times and enhancing supply chain resilience, while simultaneously achieving reductions in energy consumed by product transportation, lowering carbon emissions, promoting local economic development, and creating more job opportunities for local community residents.

For the Group’s semiconductor supply chain, green procurement reached 100%. Its current strategic layout is based on the principle of “Technology and Supply Capability First” , primarily considering the technical maturity, market position, price competitiveness, and supply stability of suppliers. Under circumstances where technical and commercial conditions are equivalent, localization advantages will be incorporated as an evaluation factor. With respect to certain key materials (such as SiC wafers), the Group also moderately prioritizes the evaluation of local supply sources in alignment with industrial policies and supply conditions.

	2023	2024	2025
Proportion of Local Procurement Spend	47%	73%	58% Note 1

Note 1 : In 2025, the proportion of localized procurement in Vietnam was relatively low, leading to a decrease in the overall localized procurement proportion compared to 2024. The Group will gradually increase the localized procurement proportion of its Vietnam plant sites.

6

Conclusion



Conclusion

For Hon Hai, suppliers are not only business partners, but also important partners in jointly driving sustainable transformation. We firmly believe that corporate growth and sustainability responsibility are not a trade-off but are mutually reinforcing and together create long-term value. This is also the key reason why Hon Hai adheres the concept of “Sustainable Operation = EPS + ESG,” and extends it from its own operations to the global supply chain.

We would like to express our gratitude to our global supply chain partners for working together with Hon Hai to fully achieve all indicators of the 2021~2025 Supply Chain ESG Long-Term Goals. Over the past few years, supply chain partners have actively participated in various ESG projects, training programs, and engagement activities, progressively translating sustainability principles into practical actions in daily operations and management. Every achievement reflects the dedication of our supply chain partners, as well as the long-term collaboration and continuous improvement we have built together.

Looking ahead to the next five years, Hon Hai has officially launched the 2026~2030 Long-Term Sustainability Goals, focusing on building a Traceable and Transparent Supply Chain, Short-Supply-Chain and Low-Carbon Manufacturing model, and the Three-Zero Responsibility Policy. We will comprehensively adopt international standards, advance human rights due diligence as a core issue, and continue to implement digital management tools to enhance supply chain risk identification and response capabilities. We will continue to listen to the voices of our supply chain partners, deepen experience sharing, capability building, and resource sharing, and jointly build a more resilient, transparent, and responsible supply chain ecosystem.

Looking forward, we expect to continue learning and growing together with our global supply chain partners, transforming sustainability responsibility into operational resilience and innovation momentum. Together, we will build a more resilient, transparent, and low-carbon competitive supply chain, creating long-term value for the industry, society, and future generations.

Sustainability Committee

James Wu



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Appendix





Appendix

We would like to express our sincere appreciation to all supply chain partners for cooperation and collaboration, which enabled this report to fully showcase the joint sustainability achievements between Hon Hai and suppliers.

▪ List of Suppliers for Acknowledgment

No	Supplier
1	ACBEL POLYTECH INC.
2	AIR PRODUCTS SAN FU CO., LTD.
3	BAOTOU INST MAGNETIC NEW MATERIALS CO., LTD
4	COAST PERSONNEL SERVICES
5	EPIWORLD INTERNATIONAL CO., LTD. (AGENT : LEAP SEMICONDUCTOR CORP.)
6	FRETUS FOLKS INDIA PVT. LTD.
7	HARVATEK CORPORATION
8	HESHAN DEREN ELECTRONIC TECHNOLOGY CO., LIMITED
9	HUIZHOU SHUANGXINDA INDUSTRY CO., LTD.
10	KUNSHAN LUXIN NEW MATERIAL TECHNOLOGY CO., LTD.
11	MGC PURE CHEMICALS TAIWAN
12	NANMAT TECHNOLOGY CO., LTD.
13	PRIMAX TECHNOLOGY (CHONGQING) CO., LTD.
14	RICH GRACE HUMAN RESOURCES LTD.

No	Supplier
15	SCIENTECH CORPORATION
16	SHENZHEN HUAHUIHENG HUMAN RESOURCE CO., LTD.
17	SHENZHEN KINWONG ELECTRONIC CO., LTD.
18	SHENZHEN YUNJIUHONG LABOR DISPATCH CO., LTD.
19	SHENZHEN YUTO PACKAGING TECHNOLOGY CO., LTD.
20	SHINY CHEMICAL INDUSTRIAL CO., LTD. (AGENT : GREEN BEAUTY CO.)
21	SHIU LI TECHNOLOGY CO., LTD
22	SICC CO., LTD.
23	SKY TECH INC.
24	SPNN BUSINESS SERVICES PVT. LTD
25	SUN INTERNATIONAL VIET NAM COMPANY LIMITED
26	TAIWAN POLYGAS TECHNOLOGY CO., LTD.
27	TAIWAN TOKUYAMA CORP. (AGENT : PRORADA CORP., LTD.)
28	THE ADECCO GROUP
29	VIET NAM ZHONG JIAN PACKAGE CO., LTD.

Note: The list is ordered according to the number of strokes in the characters.

Integrity, Diligence, Agility, Share, collaborate, Thrive

