

HON HAI PRECISION INDUSTRY CO., LTD.

Annual Report
2024



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Annual Report Website

Market Observation Post System: <http://mops.twse.com.tw>

Company Website: <http://www.honhai.com>

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VI. Company website: <http://www.honhai.com>

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One. Report to Shareholders

2024 was a booming year for the AI sector in the global technology industry with market demand for AI products soaring. Building on years of cooperation with major customers, Hon Hai demonstrated its strength in R&D and technology, successfully developing a series of high-performance AI servers with its partners, helping customers lead the industry into the AI era.

In terms of operations, despite challenges such as geopolitical conflicts, Hon Hai overcame difficulties with stable supply chain management and precise global deployment. Thanks to the joint efforts of all employees, the Company achieved NT\$6.86 trillion in revenue last year, the highest level in history, and a 76% increase in the market cap in 2024.

Major international research institutions have made cautious yet optimistic projections for global economic growth in 2025. The global economic growth is generally predicted to fall between 2.7% and 3.3%, slightly lower than last year. However, thanks to the increasing demand for cloud-based Internet products driven by applications such as generative AI, as well as the significant increase in capital expenditures by global cloud service providers (CSP) in this year, we expect our operating performance to accelerate, with a more balanced and sound structure of products and customers.

This year, the significant policy uncertainty underscores the importance of policy response capabilities of countries and enterprises. As a technology manufacturing platform service company, Hon Hai will prioritize ensuring operational stability through its BOL (Build Operate Localize) and CDMS (Contract Design and Manufacturing Service) business models, flexibly responding to market demand, and leveraging the Group's core competitiveness to help customers navigate the changing political and economic environment and enhance value.

Hon Hai has a strong advantage in the ICT industry, which forms the foundation of its stable operation. In recent years, the Company has been expanding into the "3+3" industry as the main driver of its mid- and long-term growth. With the Company's continuous investment expansion over the years, the benefits of related investments have gradually emerged. We will further expand our business development through comprehensive regional deployment. The Company will also collaborate with local partners to build a local ecosystem, continue to monitor technological trends, and create long-term value for investors.

Financial Performance

Last year, the Company's consolidated revenue reached \$6.86 trillion, an increase of 11.32% over the previous year, mainly due to multiple factors such as the explosion of AI-related demand, the rapid growth of the cloud network industry, and the recovery of the automotive electronics business and the semiconductor industry. We delivered a net profit (attributable to owners of the parent company) of NT\$152.7 billion and earnings per share of NT\$11.01, an increase of approximately 7% over the previous year. Operating profit margin increased by 22 basis points, and earnings per share also reached a record high since 2008.

Analysis of financial data and profitability					
Unit: NTD million					
Item	2020	2021	2022	2023	2024.
Operating revenue	5,358,023	5,994,174	6,626,997	6,162,221	6,859,615
Gross Profit (Loss) from Operations	302,919	362,127	400,085	387,947	428,946
Operating income	110,827	148,959	173,788	166,528	200,607
Net income attributable to parent company	101,795	139,320	141,483	142,098	152,705
Earnings per share (Unit: NTD)	7.34	10.05	10.21	10.25	11.01
Gross operating margin	5.65%	6.04%	6.04%	6.30%	6.25%
Operating profit margin	2.07%	2.49%	2.62%	2.70%	2.92%
Net profit margin	1.90%	2.32%	2.13%	2.31%	2.23%
Debt ratio	59.88%	59.75%	60.07%	57.20%	57.87%

The new landscape of the information and communication industry driven by AI

The geopolitical tensions and slow global economic recovery last year continue to create uncertainties. However, driven by the strong momentum of AI, the global information and communication industry has emerged from the stagnation that lasted for many years. The wide application and rapid development of the generative AI brought the industry unprecedented growth opportunities. Benefiting from the explosive growth of the AI server market, the technologies that Hon Hai has developed with customers over many years and its vertical integration have finally borne fruit. In addition, amid the fierce competition in the electric vehicle market, business opportunities in ODM have also emerged, and Hon Hai has embraced a new growth opportunity.

Looking ahead to this year, as the applications of generative AI deepen, global CSPs are expanding their capital expenditures to enhance computing capabilities. According to Morgan Stanley Securities' latest analysis in February, capital expenditures in the AI supply chain will continue to grow this year. Benefiting from the impact of large-scale CSP, the annual growth rate of cloud capital expenditure is expected to rise to 32% by 2025. Given the rapid growth in market demand for AI servers, Internet devices, and storage systems, Hon Hai's vertical integration capabilities and supply chain management advantages will help the Company expand its market share in AI servers and advanced heat dissipation solutions, while maintaining its leading position in a changing industry environment.

According to TrendForce's forecast, the AI server market will continue to grow rapidly. The shipment volume increased by more than 40% last year and is expected to grow by 28% this year, indicating that the AI server market is experiencing a period of high-speed growth and will become the main driver of the server market in the coming years. In addition to continuously improving the manufacturing advantages of graphics chip (GPU) modules and base plates, Hon Hai's strategy in this field also includes actively strengthening the deployment of infrastructure for machine assembly and data centers, in order to further enhance competitiveness. In addition, Hon Hai's investment in the R&D of edge computing and liquid cooling technology also serves as a crucial foundation of future profit growth.

In this high-speed growth area, Hon Hai has demonstrated its full range of manufacturing strength, from the upstream modules and substrates to the downstream servers and cabinets' overall design and manufacturing, and then to the data center construction; Integrated memories, switches, and advanced thermal solutions, especially in the development of upstream GPU modules and substrates are the core strategy of Hon Hai's AI server development. Hon Hai's huge server scale, manufacturing capacity, and vertical integration

advantages are all factors that help customers to seize the opportunity and secure their position in developing next-generation, and even the next-next-generation, products for its main customers.

In the consumer electronics market, after years of stagnation, the smartphone and PC markets are beginning to show signs of recovery. According to IDC's forecast, the global PC and smartphone markets are expected to resume growth in 2025, driving a recovery in demand for components and terminal equipment. As a leading global electronic manufacturer, Hon Hai will continue optimizing its product portfolio and enhancing its automated production capabilities in order to respond to market changes and improve operational efficiency.

Ongoing progress in important business development

Hon Hai focuses its development on three main platforms: Smart Manufacturing, Smart EV, and Smart City. These platforms are built on the key capabilities we have established over time, including key components, modules, systems, and software. In the future, we will introduce more generative AI to further strengthen these key capabilities. We will collaborate with leading global partners to jointly develop and integrate generative AI solutions, or our own large language models, into our three smart platforms.

Leveraging its competitive advantages in R&D, digital manufacturing platforms, vertical integration, customer relations, and global deployment, Hon Hai has experienced strong customer demand, leading to a 150% year-over-year increase in accumulated AI server revenue last year, which accounted for over 40% of the company's total server revenue. This year, we expect the demand for AI servers to remain strong, with shipments rising quarter by quarter. Revenue from AI servers is expected to account for over 50% of total server revenue, making it the main driver of the company's growth.

In terms of Smart Manufacturing, Hon Hai and BCG have jointly promoted the "Genesis Initiative" project, applying generative AI to production parameter optimization, equipment operation management, and product quality testing. This is expected to yield significant economic benefits. In the field of AI robot platforms, it leverages generative AI to improve the level of robot automation and integration capabilities, shorten adaptation time, and improve the fully automated production lines and lights-out factories.

In addition, Hon Hai has also cooperated with Nvidia and Siemens to integrate data across fields of warehousing, logistics, structural components, and assembly to develop a digital twin factory, streamline factory management, and improve production operation efficiency. While focusing on Smart Manufacturing, Hon Hai and its partners are also committed to energy conservation and carbon reduction, which will establish transparent monitoring processes, introduce digital solutions, and co-work towards a green future for the electronics manufacturing industry.

In terms of Smart Cities, we have received support for our City GPT Smart City solutions from the Industrial Development Administration, MOEA, and will continue to deepen our cooperation with strategic partners, and strengthen the development of the AI software industry chain in Kaohsiung. We also signed a memorandum of understanding with Mexico to cooperate in various areas, such as smart cities and security governance. Additionally, we will expand into more overseas markets.

In the field of electric vehicles, we have partnered with Italian company Pininfarina to develop two of our latest electric vehicles: the Model D, which combines the advantages of an SUV and an MPV, and the Model U, a mid-size electric bus. This demonstrates the breadth and maturity of the Company's automotive development. This year, in the passenger car sector, the Model C series will continue to promote long-range versions and will officially enter the North American market. Additionally, the Model B series is expected to enter the mass production stage this year. In the commercial vehicle sector, we actively support Taiwanese government's electric bus localization policy. We will join the national electric bus team and complete the certification of the electric bus factory in Kaohsiung. In terms of global strategic deployment, we cooperate with local partners in the Middle East to develop the new energy vehicle charging business. This year, we also plan to sign a CDMS contract with existing global automotive brand customers and establish an electric vehicle R&D center in China to expand the Group's influence in the global electric vehicle industry chain.

In terms of batteries and software, Hon Hai Kaohsiung Hofa battery cell plant have officially entered the mass production stage this year, strengthening the autonomy of the battery supply chain and supporting domestic customers in promoting the localization of electric vehicles. In addition, Hon Hai has cooperated with Middle East automakers to develop electronic/electrical architecture, as well as to research and develop products such as smart cabins and smart gateways. We also focus on the EV software platform, integrating AI technology to build the ecosystem of software-defined vehicles (SDV). Through close cooperation with domestic and foreign customers, Hon Hai expects to accelerate the development of Taiwan's electric vehicle industry and secure a strong position in this rapidly growing sector.

In the field of semiconductor manufacturing, our wafer fab business has shown remarkable results and successfully obtained a number of key semiconductor manufacturing certifications. This year, we will provide customers with advanced wafer-level reliability testing and screening services. This not only proves Hon Hai's professional and leading position in technology, but also provides a solid foundation for our competitiveness in the semiconductor market. In packaging and testing services, we plan to expand the production of our wafer-level OSAT services and fully commit to developing silicon photonics chip packaging technology as a next step. In design services, the first 3D IC customer project is expected to launch in the first half of this year. Hon Hai will officially enter the AI IC design services sector. This expansion will enable Hon Hai to become a company with the most complete semiconductor vertical integration in the world.

Research Development Status

Last year, Hon Hai invested more than NT\$100 billion in R&D and continued cultivating its technical capabilities. In terms of patents, the Group currently holds more than 55,200 valid invention patents worldwide. According to statistics on domestic invention patents from the Intellectual Property Office, Ministry of Economic Affairs, the number of applications filed by Hon Hai grew by 93% in 2024, ranking among the top ten companies in terms of growth. In addition, the Hon Hai Research Institute, dedicated to pioneering R&D for the next three to seven years, has also cooperated with the University of Cambridge, UK, and the National Yang Ming Chiao Tung University, Taiwan, on advanced research projects. These collaborative efforts, along with our own in-house R&D achievements, have been published in top international journals in the fields of quantum computing and materials science. Hon Hai also introduced the next-generation autonomous driving path prediction model, showcasing its innovations in high-performance AI data centers and autonomous driving hardware solutions.

This also highlights our key abilities in software-hardware integration and applied technologies.

We cooperated with the research team from the University of Cambridge, UK, and achieved a significant breakthrough in the field of quantitative communication and transmission technology. This research outcome successfully addressed the key challenges of "port-based quantitative transmission (PBT)," and proposed an innovative algorithm for low-dimensional qubits which fully cover the four different scenarios of PBT. The research outcome improved the practicality of these algorithms and also improved the complexity involved in the transmission process. This research outcome has been published in the international top-level quarterly journal PRX-Quantum. In addition, we have cooperated with the National Yang Ming Chiao Tung University, Taiwan, on pioneering research and published the groundbreaking innovative technology, "Structured Light Generation and Stereo Vision with All-GaAs Metasurface Holograms," in the leading international journal. Our collaborative effort was also selected as the cover story of "Nano Letters," highlighting its important position in the academic community. These achievements demonstrate Hon Hai's leadership in the cutting-edge technology field and pave the way for new possibilities in space computation and depth sensing technology.

In the field of autonomous driving simulation, the Artificial Intelligence Research Center of the Hon Hai Research Institute has cooperated with the Hong Kong City University and launched the advanced vehicle traffic simulator "Behavior GPT," which won the first place in the Waymo Sim Agents Challenge last year. This achievement demonstrates Hon Hai's internationally recognized R&D capabilities in the self-driving system, enabling it to continue generating a profound influence and enhancing the system's ability to handle various road scenarios.

In addition, the Hon Hai Research Institute collaborated with the Hong Kong City University to establish the "Foxconn-City UHK Joint Research Centre," bringing together the research capabilities of both the industry and academic communities, and leading innovative research in artificial intelligence, semiconductors, next-generation communications, information security, and quantum computing. We continue to lead innovation and drive industry progress with more groundbreaking research results. These consistent efforts also led to Hon Hai being named one of the "Top 100 Global Innovators" by Clarivate Analytics for seven consecutive years in 2024. Moving forward, we will use this recognition as motivation to continue advancing our technological research and development and making even greater contributions to industries worldwide.

Effects of external competition, regulatory environment, and overall business environment

With 50 years of extensive management experience in talent management, financial operations, logistics coordination and technological innovation, Hon Hai has established an unsurpassed threshold in the industry. We continue to strengthen supply chain integration, promote technological innovation, ensure stable production and strictly control costs, which enable us to maintain our leading position in the industry.

In the existing ICT sector, Hon Hai has diversified its global deployment based on the needs of different customers and product strategies. We have production factories in Asia, America, Europe, and other countries, totaling 233 bases across 24 countries. Global deployment can not

only maximize synergies based on the company's deployment strategies, the needs of different customers, and product strategies, but also help diversify risks. In the face of tariff uncertainties, Hon Hai has been proactively implementing countermeasures and is committed to diversifying production sites to reduce dependence on any single region. In addition, Hon Hai is also seeking closer cooperation with customers to address the cost pressure brought by tariffs.

Faced with the increasing global requirements for ESG and related regulations becoming more and more stringent, we will continue to integrate sustainable development concept into our operations, monitor changes in the law and the environment, and actively develop response strategies to minimize operational risks.

Continue to promote sustainable operation

A company's sustainable operation relies on the collective efforts of all employees. We value the rights and well-being of our employees, create a safe and healthy working environment, and are committed to protecting their fundamental human rights, with a particular focus on creating a fair workplace for employees with physical disabilities. Last year, our "Diversity, Equity and Inclusion Disability Service Program" was evaluated in the Ragan CSR & Diversity Awards and won the ESG Campaign Award. We have developed a comprehensive service program for employees with physical disabilities, including a top-down promotion mechanism, direct participation of senior management, and feedback from employees with disabilities in the design of these services. In addition, we have established a cross-department service organization to formulate and implement recruitment, training, and retention strategies for employees with disabilities. This initiative aims to protect and enhance their rights and interests while fostering a more diverse, equitable, and inclusive cultural environment for the Group.

In the supply chain, on the company's 50th anniversary, we published our first "Supplier Responsibility Report," which is also the first of its kind among Taiwanese enterprises to be based on supplier investigations. This represents the Company's commitment to promoting sustainable development in the supply chain and fulfilling its corporate social responsibility. This report will serve as the performance record of ESG initiatives for over 10,000 suppliers. Our responsibility goes beyond pursuing shared economic interests. Protecting the environment and promoting social responsibility are also part of our commitment to ensuring sustainable operations for future generations. We will continue to collaborate with our supply chain partners to further advance our sustainability practices. Through clear ESG requirements, annual performance rankings, and audit counseling, we encourage suppliers to improve their ESG performance. Meanwhile, through a circular mechanism consisting of four phases: evaluation and certification, performance monitoring, audit counseling, and rewarding the excellent while eliminating the poor, we implement supply chain management.

To foster sustainable development, we have spared no effort. Last year, Hon Hai was awarded the "IPC ESG Benchmark Enterprise Award." Hon Hai was also awarded the "Asia Electronics Industry Excellent Contribution Award" and "ESG Benchmark Enterprise Award" based on its outstanding performance in terms of IPC standards promotion, talent cultivation, industry leadership, and ESG sustainable development. This represents that Hon Hai is not only a leader in smart manufacturing within the technology industry but also a core member in developing IPC smart manufacturing and sustainable development standards, making significant contributions to the advancement of the industry.

In addition, Hon Hai held the first Hon Hai Sustainability Award within the Group last year to recognize individuals and teams that have made outstanding contributions and promoted the ESG concept in the field of sustainable development within the Group. We are dedicated to fulfilling our corporate social responsibility, proactively setting commitments, and actively working toward our goals. Through this event, we hope to guide participants in gaining a better understanding of how different units within the Group realize the goal of sustainable development, working together to create a positive impact on society and the environment.

External Honors and Affirmation

Last year, Hon Hai's ESG achievements were once again recognized, earning the "Best Employer in Asia" award from HR Magazine. This honor demonstrates its outstanding achievements in creating a good working environment and improving employee happiness. It also aligns with our dedication to creating a diverse, equitable, inclusive, and sustainable workplace. Recognized by third-party institutions, our employees' strong engagement further distinguishes Hon Hai from other enterprises, serving as a key factor in winning this prestigious award. In the same year, we also won three awards from IR Magazine, including "Best In Sector", "Best Use of Technology Including AI", and "Best IR Officer". This marks the fourth consecutive year that Hon Hai has received recognition among enterprises in Greater China, making it the biggest winner among Taiwanese companies and underscoring its excellence in investor relations.

In addition, the Group's internal ESG digital management platform, "Sustainability Observation Post System," was honored with the world-renowned Red Dot Award. In addition to utilizing a visual interface to assist in managing the progress of ESG target promotion, the platform can also instantly track ESG target achievements across different regions. This milestone demonstrates how Hon Hai has leveraged its strengths in information technology to enhance ESG development achievements. We regularly participate in the evaluations by various external institutions to review the direction and achievement of the Company's promotion of sustainable operation, enabling us to achieve "perpetual betterment."

After half a century of development, Hon Hai has established 233 factories and offices across 24 countries, employed approximately 900,000 employees during seasonal peaks, and collaborated with more than 10,000 supply chain partners. Looking into the future, Hon Hai will abide by the strategy of "Sustainable Management = EPS + ESG" and strive to improve financial performance while actively promoting the practice of sustainable management and social responsibility. These achievements have also been shared with our shareholders. The cash dividend payout rate of more than 50% for five consecutive years, and the cash dividend per share last year was the highest since our listing in 1991. We will continue to improve and bring stable returns and increase value to our shareholders.

Chairman, LIU, YOUNG-WAY

Two. Corporate Governance Report

I. Information on directors, general managers, and department heads

(I) Information of directors

March 31, 2022												
Title	Nationality or Place of Registration	Name	Gender Age	Date of first appointment	Shares held when elected		Current Shareholding		Shares currently held by their spouses and minor children		Main working (education) experience	Positions at the company and other companies concurrently held
					Number	Shareholding ratio %	Number	Shareholding ratio %	Number	Shareholding ratio %		
Chairman	Republic of China	LIU, YOUNG-WAY	Male 61-70	1080621	656,219	0.00		656,219	0.00	0	0.00	<ul style="list-style-type: none">• Masters of Electrical Engineering and Computer Science, University of Southern California, U.S.• Bachelor of Electrophysics, National Chiao Tung University• Chairman, SOCLE TECHNOLOGY CORP.• Executive Assistant to the Chairman, Hon Hai Precision Industry Co., Ltd.• CEO, Princeton Technology Corp.• Founder, ADSL IC Design House, Integrated Telecom Express Inc.• Founder, ITE Technology Inc.• Founder, Young Micro Systems <ul style="list-style-type: none">• Chairman and President, Hon Hai Precision Industry Co., Ltd.• Chairman of Jingding Precision Technology Co., Ltd.• Chairman, Foxtron Vehicle Technologies Co., Ltd.• Chairman of PowerX Semiconductor Corporation• Chairman, MIHEV R&D Institute• Director, Fu Tai International Investment Co., Ltd• Director of Silicon Auto B.V.• Director of Ceer National Automotive Company• Chairman, Sharp Corporation
Director	Republic of China	Representative of HonYing International Investments Co., Ltd.; Dr. Christina Yee-Ru Liu	Female 61-70	960608	1,483,078	0.01		1,483,078	0.01	0	0.00	<ul style="list-style-type: none">• Ph.D. in Economics, The University of Chicago (specialization in History of Economic Thought, International Trade, and International Finance)• Minister of Finance of the Republic of China• Minister of the Council for Economic Planning and Development, Taiwan• Legislaor (Two-terms), Taiwan• Member, Economic Development Commission, Hong Kong• Chief Economic Advisor, ChinaTrust Financial Holding Co., Ltd., Taiwan• Chief Economic Advisor, Daiwa Institute of Research, Tokyo• Board Member, Taiwan Fund (listed NYSE)• Director, Taiwan Stock Exchange• Professor and Director, Department of Finance and Graduate Institute of Finance, National Taiwan University• Professor at numerous universities including City University of New York, Australian National University, Chinese University (Hong Kong), Tsinghua University (Beijing), and Nanjing University (Nanjing) <ul style="list-style-type: none">• Managing Director, Bellwether International Group, Hong Kong• Member, International Affairs Committee, Asia Society• Adjunct Professor, Department of Finance, National Taiwan University, Senior Consultant, Chinese National Federation of Industries• Consultant, Taiwan Electrical and Electronic Manufacturers Association

Title	Nationality or Place of Registration	Name	Gender Age	Date of first appointment	Shares held when elected		Current Shareholding		Shares currently held by their spouses and minor children		Main working (education) experience	Positions at the company and other companies concurrently held
					Number	Shareholding ratio %	Number	Shareholding ratio %	Number	Shareholding ratio %		
Director	Republic of China	Representative of HonYing International Investments Co., Ltd.; Wang, Chungyang	Male 71-80	960608	1,483,078	0.01	1,483,078	0.01	0	0.00	<ul style="list-style-type: none"> Graduated from MBA, University of Tennessee Vice President, WLBG Sony Ericsson Product Group at FIH Mobile Limited General Manager, Business Group A, Hon Hai Precision Industry Co., Ltd. 	<ul style="list-style-type: none"> Special Assistant in the Office of the Chairman, Hon Hai Precision Industry Co., Ltd.
				1110531	47	0.00	47	0.00	0	0.00	<ul style="list-style-type: none"> Doctoral Course of the Graduate School of Business Administration, Nihon University, Japan Master of Commerce, Graduate School of Commerce, Nihon University Director, Taiwan Stock Exchange Independent Director, Cathay Financial Holdings Co., Ltd. Executive Officer& Head of Asia and Oceania, Daiwa Securities SMBC Co. Ltd. Chairman, Daiwa Securities SMBC Hong Kong Ltd. 	<ul style="list-style-type: none"> Convener of the Audit and Risk Committee, the Remuneration Committee, and the Corporate Governance and Nomination Committee of Hon Hai Precision Industry Co., Ltd. Director, Taiwan Institute of Economics Research Executive Director, Chinese National Association of Industry and Commerce Director, Taipei Financial Center Corporation Vice Chairman, The Third Wednesday Club Chairman, The Tokyo Star Bank, Limited (Japan)
Independent Director	Republic of China	Hwang, Tsing-yuan	Male 71-80	960608	0	0.00	0	0.00	0	0.00	<ul style="list-style-type: none"> EMBA, Graduate Institute of Business Administration, National Taiwan University Business Administration, National Taiwan University Chairman, Les enphants Co. Ltd Executive Director, Chain Stores and Franchise Association Executive Director, Marketing Communication Executive International Executive Director, Taiwan Excellent Brand Association 	<ul style="list-style-type: none"> Member of the Audit and Risk Committee, Convener of the Compensation Committee, and Member of the Corporate Governance and Nomination Committee of Hon Hai Precision Industry Co., Ltd. Independent Director and Audit Committee Chair, HanStar Board Corporation Independent Director, Audit Committee Member and Remuneration Committee Member, Luo Li-Pen Holding Co., Ltd. Independent Director, Audit Committee Member and Remuneration Committee Member of Welld Inc.
				1070131	0	0.00	0	0.00	0	0.00	<ul style="list-style-type: none"> Doctor of the Science of Law, Stanford University Master of Law, Harvard University LLB and LL.M, National Chung Hsing University Chairman, Taiwan Futures Exchange Director, Taiwan Stock Exchange Director, Securities Investors and Futures Traders Protection Center Commissioner, of the Fair Trade Commission 	<ul style="list-style-type: none"> Member of the Audit and Risk Committee and the Corporate Governance and Nomination Committee of Hon Hai Precision Industry Co., Ltd. Chief Attorney-at-Law, L&Y Attorneys at Law Director, Taiwan Corporate Governance Association Adjunct Professor, National Chengchi University School of Law Adjunct Professor, Department of Law, National Taipei University Visiting Professor, School of Law, Shih Hsin University

Title	Nationality or Place of Registration	Name	Gender Age	Date of first appointment	Shares held when elected		Current Shareholding		Shares currently held by their spouses and minor children		Main working (education) experience	Positions at the company and other companies concurrently held
					Number	Shareholding ratio %	Number	Shareholding ratio %	Number	Shareholding ratio %		
Independent Director	Republic of China	CHEN YUE-MIN	Female 61-70	11/05/31	0	0.00	0	0.00	0	0.00	<ul style="list-style-type: none"> Department of Economics, National Taiwan University Director-General, Department of National Treasury, Central Bank of The Republic of China Supervisor, Joint Credit Information Center 	<ul style="list-style-type: none"> Member of Audit and Risk Committee and Remuneration Committee of Hon Hai Precision Industry Co., Ltd. Independent Director, Land Bank of Taiwan

Note 1: The directors (including independent directors) were elected on May 31, 2022, took office on July 1, 2022, and their term of office is 3 years.

Note 2: Directors holding shares of Hon Hai Precision Industry Co., Ltd. in the name of other persons: None.

Note 3: Directors have spouses or other executives, directors or supervisors who are related within the second degree of kinship: None.

Note 4: Reasons, rationality, necessity and corresponding measures for the chairman and general manager being the same person: The chairman of the Company concurrently serves as the general manager, the main purpose of which is to improve operating efficiency and decision-making execution. At the same time, in order to promote the growth and development of the senior leadership team, the Company implements the "CEO rotating system" to actively cultivate future group leadership talents, which helps to improve the overall operation coordination ability, ensure the continuity of organizational leadership, and implement the sustainable development goals of the enterprise.

Note 5: Independent Director Kuo, Tei-Wei resigned on January 31, 2024.

(II) Major shareholders of corporate shareholders

March 31, 2025

Name of Corporate Shareholder	Major Shareholders of Corporate Shareholders	%
HonYiing International Investments Co., Ltd.	Hon Chi International Investments Co., Ltd.	85.29%
	HonYuan International Investments Co., Ltd.	14.71%

(III) If the major shareholder is a legal person, the major shareholder

March 31, 2025

Name of the corporate	Major shareholders of the corporate	%
Hon Chi International Investments Co., Ltd.	Hon Hai Precision Industry Co., Ltd.	100%
HonYuan International Investments Co., Ltd.	Hon Hai Precision Industry Co., Ltd.	100%

(IV) Disclosure of professional qualifications of directors and independence of independent directors

Qualification Name	Professional Knowledge and Experience
Chairman, LIU, YOUNG-WAY	<p>In 1988, he founded his own motherboard brand Young Micro Systems in the United States and IC design company ITE Tech in Silicon Valley. He also founded ITeX with ADSL chip products and successfully listed it on NASDAQ in 2001.</p> <p>In 2007, he was recruited by Mr. Gou, Tai-ming, the founder of Foxconn, and took over as the general manager of Foxconn's B Business Group in 2010. In 2016, he was elected as a director of Sharp Corporation. In October of the same year, he established the S Business Group in Foxconn and served as its general manager.</p> <p>In 2019, he officially took over as Chairman of Foxconn and led the company to actively invest in the three emerging industries of "electric vehicles, digital health, and robotics" and the three new technology fields of "artificial intelligence, semiconductors, and next-generation communication technology", using "3+3" as Foxconn's important long-term development strategy.</p>
Director Dr. Christina Yee-Ru Liu	<p>She is expertise in international trade and finance, financial management, industry and economics.</p> <p>Former positions include Minister of Finance, Minister of the Council for Economic Planning and Development of the Executive Yuan, Legislator of the 5th and 6th Legislative Yuan, Member of the Hong Kong Economic Development Commission, Chief Advisor of CTBC Financial Holding, Global Chief Advisor of Daiwa Institute of Research (Japan), Director of NYSE-listed company Taiwan Fund, and Director of the Taiwan Stock Exchange. He also served as Professor, Department Chair, and Director of the Graduate Institute of Finance at National Taiwan University. Additionally, he has taught at numerous universities worldwide, including the City University of New York (USA), Australian National University, The Chinese University of Hong Kong, Tsinghua University (Beijing), and Nanjing University. Currently, he is the Managing Director of Bellwether International Group Ltd., Member of International Affairs Committee of Asia Society, Adjunct Professor of Department of Finance of National Taiwan University, Supreme Advisor of All-China Industry Federation, and Policy Consultant of Taiwan Electrical and Electronic Manufacturers' Association.</p>
Director Wang, Chang-yang	<p>He used to be General Manager of A Business Group of the Company and Deputy General Manager of WLBG Sony Ericsson Product Group at FIH Mobile Limited.</p> <p>Special Assistant in the Office of the Chairman of the Company.</p>

<div>Qualification</div> <div>Name</div>	Professional Knowledge and Experience
<p>HWANG, TSING- YUAN Independent Director</p>	<p>He used to be Independent Director of Cathay Financial Holdings, Director of Taiwan Stock Exchange, Executive Officer& Head of Asia and Oceania, Daiwa Securities SMBC Co. Ltd. At present, he is Independent Director, Convener of Audit and Risk Committee, Member of Remuneration Committee and Convener of Corporate Governance and Nomination Committee. Director of the Taiwan Institute of Economic Research, an Executive Director of the Taiwan Chamber of Commerce and Industry, a Director of the Taipei Financial Building Corporation, a Vice Chairman of the Republic of China's The Third Wednesday Club, and the Chairman, The Tokyo Star Bank, Limited (Japan).</p>
<p>Independent Director WANG, KUO-CHENG</p>	<p>He used to be the Chairman of Les enphants Co.,Ltd., the Managing Director of Taiwan Chain Stores and Franchise Association, the Managing Director of Marketing Communications Executives International Taiwan, and the Managing Director of Taiwan Excellent Brand Association.</p> <p>At present, he is the Company's Independent Director, a member of the Audit and Risk Committee, Convener of the Remuneration Committee and a member of the Corporate Governance and Nomination Committee.</p> <p>Independent Director and Member of Audit Committee in HannStar Board Corp.; Independent Director, Member of Audit Committee and Member of Remuneration Committee of Luo Li-Fen Holding Co., Ltd.; Independent Director, member of Audit Committee and Member of Remuneration Committee of Wellell Inc.</p>
<p>LIU, LEN-YU Independent Director</p>	<p>Formerly served as Professor of Law at the College of Law, National Chengchi University, Executive Director of the Center for Corporate Governance and Legal Studies at National Chengchi University, and Executive Director of the Taiwan Fiscal and Financial Law Research Foundation Public Interest Trust.</p> <p>He has been teaching corporate law, securities trading law, banking law and corporate merger and acquisition law at universities for more than 30 years since 1992.</p> <p>From September 2015 to July 2019, he served as Chairman of the Taiwan Futures Exchange. He also served for a long time as a director of the Securities Investors and Futures Traders Protection Center (Insurance Center), and served as an advisory member of the Taiwan Corporate Governance Law Research Foundation, a well-known charity trust.</p> <p>In addition, he also served as a member of the Fair Trade Commission (the authority responsible for antitrust law) from 2000 to 2014, and as a consultant to the Taiwan Securities and Futures Commission from 2003 to 2004. He has served as a member of the listing and OTC review committee of the Taiwan Stock Exchange and the GreTai Securities Market. From September 2008 to July 2016, he served as a director of the board of Taiwan Stock Exchange.</p> <p>In addition, during the period of 1988 and 1989, he was a permanent attorney at the International Law Firm, which laid the foundation for practical work.</p> <p>He is currently an Independent Director of the Company, a member of the Audit and Risk Committee and the Corporate Governance and Nomination Committee, the Managing Attorney at Chien Shan International Law Offices, a Director of the Chinese Corporate Governance Association, an Adjunct Professor at the College of Law of National Chengchi University, an Adjunct Professor in the Department of Law at National Taipei University, and a Visiting Professor at the School of Law of Shih Hsin University.</p>
<p>CHEN, YUE-MIN Independent Director</p>	<p>From 1995 to 1997, he served as Senior Specialist at the Central Trust of China; from 1997 to 1998, as Deputy Manager at the Bank of Overseas Chinese; from 2002 to 2020, as a Supervisor, Joint Credit Information Center; from 1998 to 2010, as Executive Commissioner of the Central Bank; from 2010 to 2017, as Counselor of the Central Bank; and from 2017 to 2020, as Director General of the Department of the Treasury of the Central Bank. He retired in July 2020.</p> <p>He currently serves as an independent director, member of the Audit and Risk Committee and the Remuneration Committee of the Company and an independent director of the Land Bank of Taiwan Co., Ltd.</p>

Qualification Name	Compliance with the independence criteria	Concurrent independent director position in other publicly traded companies
HWANG, TSING-YUAN Independent Director	<p>The Directors comply with the following conditions from two years before being elected and appointed, and during his tenure in office:</p> <p>(1) The director is not an employee of the company or its affiliated enterprises.</p> <p>(2) The director is not a director or supervisor of the company or its affiliated enterprises (except for concurrent independent directors of the company and its parent company, subsidiaries, or subsidiaries of the same parent company in accordance with this Act or local laws and regulations).</p> <p>(3) A natural person shareholder who is not the individual, his/her spouse, minor children, or another person and holds 1% or more of the total issued shares of the Company or is one of the top ten shareholders.</p> <p>(4) The director or supervisor is not a manager in (1) or the spouse, second-tier relative or third-tier relative of the persons listed in (2) or (3).</p> <p>(5) Persons who do not directly hold 5% or more of the total issued shares of the Company, are not among the top five shareholders, or are not directors or supervisors appointed by legal entity shareholders in accordance with Paragraph 1 or Paragraph 2 of Article 27 of the Company Act who serve as directors, supervisors, or employees of the Company (except in cases where such positions are concurrently held by independent directors established in accordance with this Act or local laws by the Company, its parent company, its subsidiaries, or subsidiaries of the same parent company).</p>	None
Independent Director WANG, KUO-CHENG	<p>(6) Not a director, supervisor or employee of another company which has a seat on the board of directors, or more than half of its shares with voting rights are controlled by the same owner of this company (except for concurrent independent directors of the Company and its parent company, subsidiaries, or subsidiaries of the same parent company in accordance with this Act or local laws and regulations).</p> <p>(7) A director (council member), supervisor (auditor) or employee of another company or institution who is not the same person or spouse of the Company's chairman, general manager or person of equivalent position (however, this does not apply to independent directors appointed by the Company and its parent company, subsidiary or subsidiary of the same parent company in accordance with this Act or local laws and regulations).</p>	3
LIU, LEN-YU Independent Director	<p>(8) Directors (or council members), supervisors, managers, or shareholders holding more than 5% of shares in specific companies or institutions that do not have financial or business dealings with the Company (except where the specific company or institution holds 20% or more but less than 50% of the total issued shares of the Company, and such positions are concurrently held by independent directors established in accordance with this Act or local laws by the Company, its parent company, its subsidiaries, or subsidiaries of the same parent company).</p> <p>(9) Professionals, sole proprietors, partnerships, owners, partners, directors, supervisors, managers and their spouses of companies or institutions that do not provide audit services to the Company or its affiliated companies, or have received remuneration for business, legal, financial, accounting or other related services totaling no more than NT\$500,000 in the past two years. Except for members of the remuneration committee, public acquisition review committee, or mergers and acquisitions special committee, public acquisitions review committee, or mergers and acquisitions special committee members performing their duties in accordance with the Securities and Exchange Act or the Business Mergers and Acquisitions Act.</p>	None
CHEN, YUE-MIN Independent Director	<p>(10) The director or supervisor has no spouse or second-tier relative relationship with other directors.</p> <p>(11) There are no such circumstances as in Article 30 of the Company Act.</p> <p>(12) The director or supervisor is not a government agency, legal person, or representative as stipulated in Article 27 of the Company Act.</p>	1

(V) Board diversity and independence

1. Diversity of the Board of Directors

The members of the board directors formulate and implement the diversity policy. The directors are diversified, with industry experience in manufacturing, branding access, technology research and financial investment, in order to implement the policy of diversification and build up the structure of the board. The members of the board directors formulate and implement the diversity policy. The directors are diversified, with industry experience in manufacturing, branding access, technology research and financial investment, in order to implement the policy of diversification and build up the structure of the board.

The Company has established the "Corporate Governance Best Practice Principles" which stipulates that directors shall generally possess the necessary knowledge, skills and literacy to perform their duties. The members of the Board of Directors should be diversified and possess the below skills:

- Make judgments about operations
- Perform accounting and financial analysis
- Business management
- Crisis management
- Knowledge of the industry
- International market view
- Leadership
- Decision-making

Implementation of the Company's board diversity policy

Diversified core items Names of Directors	Basic composition								Possess professional capabilities and industry experience							
	Title	Nationality	Gender	Employee	Age			Term of office and seniority of independent directors		Manufacturing	Brand and Channel	Financial Investment	Technical Research	Financial and accounting	Marketing	Legal practice
					51 ~ 60 years old	61 ~ 70 years old	71 ~ 80 years old	under three years	More than 3 years							
LIU, YOUNG- WAY	Chairman	Republic of China	Male	✓	-	✓	-	-	-	✓	-	-	✓	-	-	-
Wang, Chang-yang	Director	Republic of China	Male	✓	-	-	✓	-	-	✓	-	-	✓	-	-	-
Dr. Christina Yee-Ru Liu	Director	Republic of China	Female	-	-	✓	-	-	-	-	-	✓	-	✓	-	-
WANG, KUO- CHENG	Independent Director	Republic of China	Male	-	-	✓	-	-	✓	-	✓	-	-	✓	✓	-
HWANG, TSING- YUAN	Independent Director	Republic of China	Male	-	-	-	✓	✓	-	-	-	✓	-	✓	-	-
LIU, LEN- YU	Independent Director	Republic of China	Male	-	-	✓	-	✓	-	-	-	✓	-	-	-	✓
CHEN,YUE- MIN	Independent Director	Republic of China	Female	-	-	✓	-	✓	-	-	-	✓	-	✓	-	-

The 18th Board of Directors of the Company currently consists of 7 directors. Among them, 5 directors are between 61 and 70 years old, and 2 are between 71 and 80 years old. Among them, directors who are also employees account for 28.57%.

Reasons why less than one-third of directors of listed companies are of the same gender and improvement measures:

The Company attaches great importance to gender equality in the Board of Directors. Currently, there are two female directors, accounting for 28.57%, which is higher than the standard of one female director stipulated in the "Action Plan for Sustainable Development of Listed Companies" promoted by the Financial Supervisory Commission. The Company's goal for the ratio of female directors is more than 30%. It is expected that one more female director will be added during the re-election of the board of directors in 2025. By then, the number of female directors will reach one third, further promoting gender diversity on the Board of Directors, and implementing the Company's sustainable operation goals.

2. Independence of the Board of Directors

The Company's Board of Directors consists of 3 directors and 4 independent directors. All directors are leaders from industry and academia. Among them, 4 are independent directors, accounting for 57.14%. All of them meet the qualification requirements for independence and have not served for more than 3 consecutive terms. In addition, all directors do not have any relationship within the second degree of kinship or other relationship among spouses.

The Company's independent directors are all in compliance with the "Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies", and none of the directors and independent directors have committed any of the violations set forth in Paragraphs 3 and 4 of Article 26-3 of the Securities and Exchange Act.

(VI) Information on the general managers and department heads

Title	Nationality	Name	Gender	Date assumed office	Shareholding		Shares currently held by their spouses and minor children		Main experience/education	Concurrent positions at other companies
					Number	Shareholding ratio %	Number	Shareholding ratio %		
Chairman and President	Republic of China	LJU, YOUNG-WAY	Male	Jul. 01, 2019	656,219	0.00	0	0.00	<ul style="list-style-type: none"> • Masters of Electrical Engineering and Computer Science, University of Southern California, U.S. • Bachelor of Electrophysics, National Chiao Tung University • Chairman, SOCLE TECHNOLOGY CORP. • Executive Assistant to the Chairman, Hon Hai Precision Industry Co., Ltd. • CEO, Princeton Technology Corp. • Founder, ADSL IC Design House, Integrated Telecom Express Inc. • Founder, ITE Technology Inc. • Founder, Young Micro Systems 	<ul style="list-style-type: none"> • Chairman of Jingdong Precision Technology Co., Ltd. • Chairman, Foxtron Vehicle Technologies Co., Ltd. • Chairman of PowerX Semiconductor Corporation • Chairman, MHI EV R&D Institute • Director, Fu Tai International Investment Co., Ltd. • Director of Silicon Auto B.V. • Director, Ceer National Automotive Company • Chairman, Sharp Corporation
Department General Manager	Republic of China	Chi-heng Jiang	Male	Nov. 17, 2023	51,436	0.00	505	0.00	<ul style="list-style-type: none"> • Master degree from Claremont Graduate University • Vice President of Business Development, Business Group A, Hon Hai Precision Industry Co., Ltd. 	<ul style="list-style-type: none"> • None
Department General Manager	Republic of China	JIANG, ZHI-XIONG	Male	Jan. 01, 2020	546,919	0.00	86,485	0.00	<ul style="list-style-type: none"> • Feng Chia University 	<ul style="list-style-type: none"> • Chairman, Hongfu Inno (Hangzhou) Co., Ltd. • Chairman, Jiangyu Innovation Medical Technology Chengdu CO.,LTD
Department General Manager	Republic of China	WU, JIAN-HE	Male	Jul. 6, 2023	0	0.00	0	0.00	<ul style="list-style-type: none"> • Keelung Maritime • Executive Vice President of Precision Machining Division, Business Group C, Hon Hai Precision Industry Co., Ltd. 	<ul style="list-style-type: none"> • Chairman of Jin Ji Full Precision Machinery (Wuhan) Co., Ltd. • Chairman of Ur Materials Industry (Shenzhen) Co., Ltd. • Chairman of Hong Fujin Precision Industry (HengYang) Co., Ltd. • Director of Jin Ji Full Investment Holding Co., Ltd. • Director of Jin Ji Tiger Investment Holding Co., Ltd. • Director of HongZhan Precision Tooling (Shenzhen) Co., Ltd. • Director of Fine Mechanical Co., Ltd. • Director of Flying Tiger Holdings Co., Ltd. • Director of Foxcom Precision Engineering Private Limited • Director of Ji Zhi International Holdings Co., Ltd.
Department General Manager	Republic of China	LIN, ZHONG-ZHENG	Male	Jan. 01, 2020	144,589	0.00	2,962	0.00	<ul style="list-style-type: none"> • Graduated from Department of Mechanical Engineering, Minghsin Industrial College • Director, ESON Precision Engineering Co. Ltd. • Statutory Director, FOXCONN JAPAN CO., LTD. • Director of Foxtron Vehicle Technologies Co., Ltd. 	<ul style="list-style-type: none"> • Director, Foxconn Baja California S.A. de C.V. • Director of Horizon Plus Co., Ltd.

March 31, 2025

Title	Nationality	Name	Gender	Date assumed office	Shareholding		Shares currently held by their spouses and minor children		Main experience/education	Concurrent positions at other companies
					Number	Shareholding ratio %	Number	Shareholding ratio %		
Department General Manager	Republic of China	CHEN, WEI-MING	Male	Jul. 6, 2023	0	0.00	0	0.00	<ul style="list-style-type: none"> • MS and PhD in Electrical Engineering, University of Texas at Austin • EMBA, National Yang Ming Chiao Tung University • Bachelor, Material Science and Engineering, National Tsing Hua University • Vice President and Special Assistant to the Chairman, Hon Hai Precision Industry Co., Ltd. • General Manager of Battery Business Unit of Neo Solar Power Corporation. • Vice President, Xinnee Inc. • President, Hongbao Technology Co., Ltd. 	<ul style="list-style-type: none"> • Director of Big Innovation Holdings Limited • Director of FORTUNE BAY TECHNOLOGY PTE. LTD. • Director of SOCLE TECHNOLOGY CORP. • Director of FuTaiKang Electronics Development (YanTao) Ltd. • Director of Hon Young Semiconductor Corporation • Director of Fast SiC Semiconductor Inc. • Representative Director of Zettimage Technologies Japan Inc. • Executive management member of CHIVALRY TECHNOLOGY LIMITED • Member of the Administration and Management of PULLUX ELECTRONICS LIMITED • Member of the administration and management of ZETTMAGE LIMITED
Chief Information Security Officer	Republic of China	Wei-Bin Li	Male	Nov. 10, 2022	0	0.00	0	0.00	<ul style="list-style-type: none"> • Director of Information Bureau, Taipei City Government • Director of Innovation Technology Division, Fubon Financial Holding Co., Ltd. • Chief Digital Officer of Taipei Fubon Bank • Chairman of AI Technology Foundation • Professor of Department of Information Engineering, Feng Chia University 	<ul style="list-style-type: none"> • CEO and Director of Cyber Security Research Institute, Hon Hai Research Institute • Professor of Department of Information Engineering, Feng Chia University • Director of Hon Hai Education Foundation
Accounting Director	Republic of China	ZHOU, ZONG-KAI	Male	Jul. 20, 2010	0	0.00	0	0.00	<ul style="list-style-type: none"> • Master of Accounting, Long Island University • Manager of Deloitte & Touche, Taiwan • Lecturer of Hsing Wu University, Taiwan 	<ul style="list-style-type: none"> • Concurrent positions in 60 of the Company's affiliates, including Apex Gold Limited. (For more information, please refer to MOPS/Three Statements of Affiliated Companies Area Consolidated Business Report of Affiliated Companies)
Financial Director	Republic of China	HUANG, DE-CAI	Male	Apr. 15, 1998	708,126	0.01	0	0.00	<ul style="list-style-type: none"> • National Yang Ming Chiao Tung University • Financial director of Vanguard International Semiconductor Corporation • Finance Manager, Taiwan Philips Co., Ltd. 	<ul style="list-style-type: none"> • Concurrent positions in 84 of the Company's affiliates, including Apex Gold Limited. (For more information, please refer to MOPS/Three Statements of Affiliated Companies Area Consolidated Business Report of Affiliated Companies)

Note 1: Shares held by key managerial officers in the name of another person: None.

Note 2: Key managers are spouses or other supervisors, directors or supervisors of the second degree of kinship or closer: None.

Note 3: Reasons, rationality, necessity and corresponding measures for the chairman and general manager being the same person: The chairman of the Company concurrently serves as the general manager, the main purpose of which is to improve operating efficiency and decision-making execution. At the same time, in order to promote the growth and development of the senior leadership team, the Company implements the "CEO rotating system" to actively cultivate future group leadership talents, which helps to improve the overall operation coordination ability, ensure the continuity of organizational leadership, and implement the sustainable development goals of the enterprise.

II. Remuneration paid to directors, general managers and department heads in the most recent year

(I) Remuneration of general directors and independent directors

Unit: NT\$'000

Title	Name	Remuneration of directors						The sum of A, B, C and D and as a percentage of net income %		Relevant remuneration of part-time personnel						The sum of A, B, C, D, E, F and G and its percentage in net income after tax %		Receive remuneration from invested businesses other than subsidiaries or from the parent company	
		Remuneration (A)		Retirement pension (B)		Directors' remuneration (C)		Business execution fee (D)	Salary, bonus and special fee (E)	Retirement pension (F)		Employee compensation (G) (Note 1)				The Company	All companies involved in financial statement		
		The Company	All companies involved in financial statement	The Company	All companies involved in financial statement	The Company	All companies involved in financial statement	Cash amount		Stock dividends	The Company	All companies involved in financial statement	Cash amount	Stock dividends					
Director	LIU, YOUNG-WAY																		
	HonYing International Investments Co., Ltd.	5,200	5,200	0	0	0	0	0	0	0	0	0	0	0	0	0	498,459	498,459	0
	Representative: Wang, Chang-yang																0.326%	0.326%	0
	Representative: Dr. Christina Yee-Ru Liu																		
Independent Director	WANG, KUO-CHENG																		
	Kuo, Tei-Wei (Note 2)																		
	HWANG, TSING-YUAN	27,750	27,750	0	0	0	0	0	0	0	0	0	0	0	0	0	27,750	27,750	0
	LIU, LEN-YU																0.018%	0.018%	0
	CHEN,YUE-MIN																		

<p>1. Policies, systems, standards, and structures for the remuneration of independent directors, and their linkage to the amount of remuneration based on factors such as responsibilities, risks, and time invested:</p> <p>(1) Payment policy, system, standard and structure</p> <p>A. The remuneration and attendance fee of independent directors are handled in accordance with the "Regulations Governing the Remuneration of Directors and Procedures for Remuneration Disbursement".</p> <p>B. Attendance fee of independent directors: Income from performing duties, issued based on the number of times they personally attend meetings of the Board of Directors, Audit and Risk Committee, Compensation Committee and Corporate Governance and Nomination Committee.</p> <p>(2) Describe the relationship between the responsibilities, risks, and time spent on the remuneration and the amount of remuneration to be paid.</p> <p>A. The Company's Articles of Incorporation do not specify director remuneration.</p> <p>B. The remuneration to the independent directors is a fixed monthly payment.</p> <p>C. Independent directors serve as members of the Audit and Risk Committee, Remuneration Committee and Corporate Governance and Nomination Committee, and participate in the discussions and resolutions of relevant committee meetings. Attendance fees are issued based on the actual number of attendances. No variable remuneration is issued and no other remuneration is paid.</p> <p>D. The Company reviews the "Procedures for Directors' Remuneration and Remuneration Distribution" every year to seek a balance between the Company's sustainable operation and risk control.</p> <p>2. In addition to the remuneration disclosed in the above table, remuneration for directors in the most recent year for providing services to all companies included in the financial statements (e.g. serving as consultants to the parent company, all companies involved in financial statement, or non-employee consultants to investee enterprises, etc.): None.</p>	<p>Note 1: According to the Company's Board of Directors, the Company intends to distribute NT\$8,834,120 thousand of employee remuneration for 2024. The amount is based on the actual distribution amount last year.</p> <p>Note 2: Independent Director Kuo, Tei-Wei resigned on January 31, 2024.</p>
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Range of Remunerations for Directors

Range of remunerations paid to directors	Names of Directors			
	The total amount of the first four remuneration amounts (A+B+C+D)		The total amount of the first seven remuneration amounts (A+B+C+D+E+F+G)	
	FIT Holding Co., Ltd.	All companies involved in financial statement	FIT Holding Co., Ltd.	All companies involved in financial statement
Less than NT\$1,000,000	LIU, YOUNG-WAY, Wang, Chang-yang, Dr. Christina Yee-Ru Liu, Kuo, Tei-Wei	LIU, YOUNG-WAY, Wang, Chang-yang, Dr. Christina Yee-Ru Liu, Kuo, Tei-Wei	Dr. Christina Yee-Ru Liu, Kuo, Tei-Wei	Dr. Christina Yee-Ru Liu, Kuo, Tei-Wei
1,000,000 (inclusive)~2,000,000 (exclusive)	-	-	-	-
NT\$2,000,000 (included) ~ NT\$3,500,000 (excluded)	-	-	-	-
NT\$3,500,000 (included) ~ NT\$5,000,000 (excluded)	-	-	-	-
NT\$5,000,000 (included) ~ NT\$10,000,000 (excluded)	HonYing International Investments Co., Ltd., WANG, KUO-CHENG, HWANG, TSING- YUAN, LIU, LEN-YU, CHEN, YUE-MIN	HonYing International Investments Co., Ltd., WANG, KUO-CHENG, HWANG, TSING- YUAN, LIU, LEN-YU, CHEN, YUE-MIN	HonYing International Investments Co., Ltd., WANG, KUO-CHENG, HWANG, TSING- YUAN, LIU, LEN-YU, CHEN, YUE-MIN	HonYing International Investments Co., Ltd., WANG, KUO-CHENG, HWANG, TSING- YUAN, LIU, LEN-YU, CHEN, YUE-MIN
NT\$10,000,000 (included) ~ NT\$15,000,000 (excluded)	-	-	-	-
NT\$15,000,000 (included) ~ NT\$30,000,000 (excluded)	-	-	-	-
NT\$30,000,000 (included) ~ NT\$50,000,000 (excluded)	-	-	-	-
NT\$50,000,000 (included) ~ NT\$100,000,000 (excluded)	-	-	Wang, Chang-yang	Wang, Chang-yang
More than NT\$100,000,000	-	-	LIU, YOUNG-WAY	LIU, YOUNG-WAY
Total	9	9	9	9

(II) Remuneration to the general managers and department heads

Unit: NT\$ '000

Title	Name	Salary (A)		Retirement pension (B)		Bonus and special subsidies (C)		Employees' remuneration (D) (Note 1)				The sum of A, B, C and D and as a percentage of net income %	Receive remuneration from subsidiaries or from the parent company
		The Company	All companies involved in financial statement	The Company	All companies involved in financial statement	The Company	All companies involved in financial statement	Cash amount	Stock dividends	Cash amount	Stock dividends	The Company	All companies involved in financial statement
General manager	LIU, YOUNG-WAY	120,111	120,111	882	882	75,585	75,585	723,995	0	723,995	0	920,573 0.603%	0
Department General Manager	Chi-heng Jiang												
Department General Manager	JIANG, ZHI-XIONG												
Department General Manager	WU, JIAN-HE												
Department General Manager	JIAN, YI-BIN (Note 2)												
Department General Manager	LIN, ZHONG-ZHENG												
Department General Manager	CHEN, WEI-MING												
Chief Information Security Officer	Wei-Bin Li												
Financial Director	HUANG, DE-CAI												
Accounting Director	ZHOU, ZONG-KAI												

Note 1: According to the Company's Board of Directors, the Company intends to distribute NT\$8,834,120 thousand of employee remuneration for 2024. The amount is based on the actual distribution amount last year.

Note 2: JIAN, YI-BIN, General Manager of the Business Group was dismissed on June 30, 2024, so the proposed amount of remuneration to employees is not included in the calculation.

Range of Remunerations for Directors

Range of remuneration paid to general managers and deputy general managers	Names of General Managers and Deputy General Managers	
	The Company	All companies involved in financial statement
Less than NT\$1,000,000	-	-
\$1,000,000 (inclusive) - \$2,000,000 (exclusive)	-	-
NT\$2,000,000 (included) ~ NT\$3,500,000 (excluded)	JIAN, YI-BIN	JIAN, YI-BIN
NT\$3,500,000 (included) ~ NT\$5,000,000 (excluded)	-	-
NT\$5,000,000 (included) ~ NT\$10,000,000 (excluded)	-	-
NT\$10,000,000 (included) ~ NT\$15,000,000 (excluded)	Wei-Bin Li	Wei-Bin Li
NT\$15,000,000 (included) ~ NT\$30,000,000 (excluded)	ZHOU, ZONG-KAI	ZHOU, ZONG-KAI
NT\$30,000,000 (included) ~ NT\$50,000,000 (excluded)	WU, JIAN-HE, CHEN, WEI-MING	WU, JIAN-HE, CHEN, WEI-MING
NT\$50,000,000 (included) ~ NT\$100,000,000 (excluded)	HUANG, DE-CAI	HUANG, DE-CAI
More than NT\$100,000,000	LIU, YOUNG-WAY, Chiang Chi-Heng, JIANG, ZHI-XIONG, LIN, ZHONG-ZHENG	LIU, YOUNG-WAY, Chiang Chi-Heng, JIANG, ZHI-XIONG, LIN, ZHONG-ZHENG
Total	10	10

(III) Names of general managers and department heads to whom employee remuneration is distributed, and distributions

Unit: NT\$'000

Title	Name	Monetary amount of shares	Cash amount (Note)	Total	Proportion of total amount to net profits after tax (%)
General Manager	LIU, YOUNG-WAY	0	723,995	723,995	0.474%
Department General Manager	Chi-heng Jiang				
Department General Manager	JIANG, ZHI-XIONG				
Department General Manager	WU, JIAN-HE				
Department General Manager	LIN, ZHONG-ZHENG				
Department General Manager	CHEN, WEI-MING				
Chief Information Security Officer	Wei-Bin Li				
Financial Director	HUANG, DE-CAI				
Accounting Director	ZHOU, ZONG-KAI				

Note: As of the printing date of this Annual Report, the distribution list of employee profit sharing has not been fixed, and shall be proposed as stipulated according to the actual distribution of last year.

(IV) Analysis of the total remuneration paid to the directors, general manager and heads of each department by the Company and all the companies in the consolidated financial statements in the last two years as a percentage of the net profit after tax in the individual financial statements

Item Title	Proportion of the total compensation to net profit after tax %			
	2024 (Note)		2023	
	The Company	All companies involved in financial statement	The Company	All companies involved in financial statement
Director	0.345	0.345	0.355	0.355
General manager and department heads	0.603	0.603	0.604	0.604

Note: As of the printing date of this Annual Report, the distribution list of employee profit sharing has not been fixed, and shall be proposed as stipulated according to the actual distribution of last year.

(V) Procedures for payment of remuneration, and its linkage to business performance and future risks

1. The Company's Articles of Incorporation do not specify director remuneration, and all directors do not receive remuneration.
2. The remuneration of directors (including independent directors) and the attendance fee are determined in accordance with the "Regulations Governing the Remuneration of Directors and Regulations Governing the Remuneration of Directors" approved by the

Board of Directors.

3. The directors (including independent directors) are paid fixed remuneration and attendance fee, and the Company does not pay variable remuneration.
4. No remuneration or attendance fee shall be paid to the directors or their representatives who are employees, or employees of affiliated companies or investors with the Company.
5. Manager remuneration includes fixed salary, performance bonus and employee remuneration. Salary is based on the industry standards as well as job title, rank, education (experience), professional ability and responsibilities; bonus is allocated based on the contribution of each business group department to the Company's profits; employee remuneration is determined based on the individual manager's operating performance.
6. According to Article 28 of the Company's Articles of Incorporation, if there is a profit for the year, 5% to 7% shall be allocated as employee remuneration. To regularly assess the compensation of managerial personnel, their remuneration is handled in accordance with the Company's "Regulations for the Payment of Managerial Remuneration". The performance evaluation criteria in these regulations are divided into two main categories, 1. Financial indicators: Based on the Company's profit and loss statements, remuneration is allocated according to the profit contribution of each business unit, with reference to the managerial personnel's target achievement rates; and 2. Non-financial indicators include implementing the Company's core values, operational management capabilities, and participation in sustainable development. Performance bonuses are calculated based on these indicators, and the compensation system for managerial personnel is reviewed and adjusted as needed in light of actual business conditions and relevant legal requirements.

III. Corporate governance

(I) Operations of the Board of Directors

The Board of Directors held 8 meetings in the most recent year (2024), and the attendance of directors was as follows:

Title	Name	Number of actual attendance	Number of attendance by proxy	Actual attendance rate (%)	Remarks
Chairman	LIU, YOUNG-WAY	6	2	75%	-
Director	HonYiing International Investments Co., Ltd. Representative: Wang, Chang-yang	8	0	100%	-
Director	HonYiing International Investments Co., Ltd. Representative: Dr. Christina Yee-Ru Liu	8	0	100%	-
Independent Director	Hwang, Tsing- yuan	8	0	100%	-
Independent Director	WANG, KUO-CHENG	8	0	100%	-
Independent Director	LIU, LEN-YU	8	0	100%	-
Independent Director	CHEN,YUE-MIN	8	0	100%	-
Independent Director	Kuo, Tei-Wei	2	0	100%	Resigned

Note: Independent Director Kuo, Tei-Wei resigned on January 31, 2024 .

Other information to be disclosed:

- I. If any of the following occurs in the operation of the Board, specify the date, the session, the content of the motion, the opinions of the Independent Directors, and the response of the Company to the opinions of the Independent Directors:
 1. Matters listed in Article 14-3 of the Securities and Exchange Act: The Company has established the Audit and Risk Committee, so it is not applicable.
 2. For the description of the matters listed in Article 14-5 of the Securities and Exchange Act, please refer to the operation of the Audit and Risk Committee (pages 29-32).
 3. Other than the aforementioned matters, other resolutions of the Board of Directors with adverse or qualified opinions from independent directors and on the record or in written declaration: None.
- II. Implementation of directors' recusal for proposals with conflicting interests:
 1. On January 31, 2024, the members of the Remuneration Committee were appointed, and independent stakeholder CHEN,YUE-MIN recused from voting on the above-mentioned proposal, and the remaining directors present at the meeting unanimously approved it as proposed.
 2. On January 31, 2024, members of the Corporate Governance and Nomination Committee were appointed. The independent director LIU, LEN-YU, who is an interested party, abstained from voting on the above proposal, and the other directors present passed the proposal without objection.
 3. On January 31, 2024, the Company discussed the distribution of performance bonuses for managers in 2023. Chairman and General Manager LIU, YOUNG-WAY abstained from voting on the above proposal, and the other directors present passed the proposal without objection.
 4. On March 14, 2024, the proposal to lift the non-competition restriction on directors was adopted. Chairman LIU, YOUNG-WAY, an interested party, abstained from voting on the above proposal, and the other directors present passed the proposal without objection.
 5. On October 29, 2024, the Company discussed the 2023 annual manager and employee remuneration distribution plan. Chairman and General Manager LIU, YOUNG-WAY abstained from voting on the above proposal, and the other directors present passed the proposal without objection.
- III. The objective of strengthening the functions of the Board of Directors in the current year and the most recent year, and the evaluation of its implementation:

In order to continuously pursue better corporate governance, on August 14, 2024, the Board of Directors of the Company approved the renaming of the "Audit Committee" to the "Audit and Risk Committee" to strengthen the responsibilities of the Audit Committee, and to assist the Board of Directors in fulfilling its supervisory responsibilities together with the Remuneration Committee and the Corporate Governance and Nomination Committee.

(II) Implementation of the evaluation of the Board of Directors

1. Information on the implementation of self-evaluation by the Board of Directors

Evaluation cycle	Evaluation period	Evaluation scope	Evaluation method	Evaluation aspect
Carried out annually	2024/01/01 ~ 2024/12/31	Performance evaluation of Board of directors, individual director and functional committees	Self-performance evaluation of the Board of Directors, board members and functional committees	<p>I. The items to be measured in the performance evaluation of the Board of Directors include the following aspects:</p> <ol style="list-style-type: none"> 1. The degree of participation in the company's operations. 2. To improve the quality of the board's decision-making. 3. The composition and structure of the Board of Directors. 4. Election and continuing education of directors. 5. Internal control. <p>II. The items measured in the performance evaluation of board members include the following aspects:</p> <ol style="list-style-type: none"> 1. Alignment of the Company's goals and missions. 2. Awareness of directors' duties. 3. The degree of participation in the company's operations. 4. Internal relationship management and communication. 5. Continuing education of directors. 6. Internal control. <p>III. The items to be measured for the performance evaluation of the functional committee, including the following aspects:</p> <ol style="list-style-type: none"> 1. The degree of participation in the company's operations. 2. Awareness of the functional committees' responsibilities. 3. Improvement of board decision quality. 4. Functional committee composition and member selection. 5. Internal control.

2. Evaluation of the performance of the Board of Directors by an external professional and independent institution

The Company established the "Board Performance Evaluation Procedures" by resolution of the Board of Directors on November 12, 2020. External board performance evaluations are to be conducted at least once every three years. In November 2022, the Company commissioned the Taiwan Corporate Governance Association, a legally registered non-profit organization, to conduct the 2022 external board performance evaluation covering the period from December 1, 2021 to November 30, 2022. The institution and its engaged experts maintain independence and have no business dealings with the Company. The evaluation covered eight key aspects of board operations: composition, guidance, authorization, supervision, communication, internal control and risk management, self-discipline, and other relevant areas. The process included questionnaires and online video interviews. The Taiwan Corporate Governance Association issued its evaluation report on January 12, 2023. The Company presented the recommended actions and planned measures to the Board of Directors on March 15, 2023. The key findings and corresponding measures are summarized as follows:

(1) Overview of the evaluation report

- The atmosphere of the Company's board meetings is becoming more and more open. The chairperson values a transparent discussion culture, fully respects the opinions of board members, provide directors with sufficient time and information on the proceedings, and increases the frequency of board meetings, as well as more pre-meeting communications and project reports to achieve consensus and improve the efficiency of decision-making. Independent directors can make professional

contributions and express opinions through various meetings, and play the role of guidance and supervision as directors.

- The Company has added 2 seats of independent directors to the current Board of Directors, to a total of 5 seats of independent directors, accounting for more than half of the total seats of the Board of Directors, and they are all served by people with professionalism and rich management practices. Independent directors actively participate in and contribute their strengths to the operation of the Board of Directors, thereby enhancing the independence and diversity of the Board of Directors, and enabling the Board of Directors to guide and supervise the management team to play more effectively.
- In order to enhance the transparency of corporate information, the Company has actively disclosed ESG-related actions, formulated ESG strategies and long-term goals in 2022, and in order to align with international standards, committed to net zero carbon emissions in 2050 and participated in carbon disclosure projects. In addition, the Company has communicated with international investment institutions through independent directors to enable the outside world to better understand the Company's ESG implementation results.

(2) Improvement suggestions and future improvement plans

Item	Recommendations of the evaluation report	Measures expected to be taken by the Company
1	In order to actively enhance the effectiveness of the Board of Directors, the Company has established statutory functional committees such as compensation and audit committee. In 2022, a new nomination committee was established to strengthen the selection system for directors and senior managers. However, the sustainability committee currently set up by the Company is chaired by the chairman and leads the Sustainability Office to implement the formulation and implementation of relevant ESG policies and regulations. It is suggested that the Company may consider elevating the Sustainability Committee to a functional committee of the Board of Directors. On the one hand, the Company's policies and actions in the ESG field should be listed as an important theme of the Board's continuous attention, and the company's investment in this field can be announced to the public. This helps improve the Company's image by ensuring that stakeholders of the Company clearly recognize the Company's progress and results in this field.	The plan is to upgrade the perpetual committee to a functional committee of the board of directors.
2	The Company has set up a Nomination Committee to make the appointment of directors and even senior executives more open and transparent in the future. This is actually a major progress of the corporate governance system; and the chairman has also expressed his desire to continue to promote other ideas to strengthen corporate governance. We suggest that your company consider The Nomination Committee has been expanded to be the "Corporate Governance and Nomination Committee," which enables Board members to constantly think about ways to further improve corporate governance, and enables the Board of Directors to continue improving and contribute to the improvement of corporate governance.	On October 27, 2023, the Board of Directors approved the expansion of the Nomination Committee into "Corporate Governance and Nomination Committee".
3	In response to the needs of the Company at each stage of development and the composition of the Board of Directors, it is recommended that the Board of Directors of the Company clearly understand the duties and responsibilities of each committee when it assumes office, and review the organizational rules regularly to clearly delineate the duties and responsibilities of each committee. Each functional committee shall review the duties of each functional committee accordingly. Established organizational rules and performance evaluation indicators to enhance the execution synergy of the Board of Directors and functional committees. The "Corporate Governance and Nomination Committee" suggested in Item 2 above may be used to assist in such a process.	It is intended that the "Corporate Governance and Nomination Committee" in collaboration with other responsible units, will be responsible for enhancing the execution synergy of the Board of Directors and functional committees.

(III) Operations of the Audit and Risk Committee

Major tasks of the Audit and Risk Committee

1. Regularly communicate the audit report results with the internal audit supervisor according to the annual audit plan.
2. The Company regularly communicates with the CPAs regarding the audit of the quarterly financial statements or the audit results.
3. Review of financial statements.
4. Evaluate the effectiveness of the internal control system.
5. Significant asset transactions.
6. Appointment, dismissal or remuneration of the independent auditor.
7. Evaluation of the qualifications and independence of the attesting CPA.
8. Review of offering, issuance or private placement of securities with equity nature.
9. Review the implementation of risk management, make necessary improvement suggestions, and report to the board of directors regularly (at least once a year); assist the Board of Directors in monitoring the Company's risk management effectiveness.
10. Legal compliance.

In order to perform its duties, the Audit and Risk Committee has the authority to conduct any appropriate audits and investigations in accordance with its organizational charter and has direct communication channels with the Company's internal auditors, CPAs and all employees. The Committee is authorized to retain and oversee special legal, accounting, or other consultants as it deems appropriate to fulfill its mandate. Please refer to the Company's website for the organizational charter of the Audit and Risk Committee.

The Audit and Risk Committee met 5 times in the most recent year, with the attendance of independent directors as follows:

Title	Name	Number of actual attendance	Number of attendance by proxy	Actual attendance rate (%)	Remarks
Independent Director	Hwang, Tsing-yuan	5	0	100%	-
Independent Director	WANG, KUO-CHENG	5	0	100%	-
Independent Director	LIU, LEN-YU	5	0	100%	-
Independent Director	CHEN, YUE-MIN	5	0	100%	-
Independent Director	Kuo, Tei-Wei	0	0	-	Resigned
<p>Note 1: Independent Director Kuo, Tei-Wei resigned on January 31, 2024.</p> <p>Note 2: On August 14, 2024, the Company's Board of Directors approved the renaming of the "Audit Committee" to the "Audit and Risk Committee". Also formulated the "Risk Management Policy", "Risk Management Organizational Structure, Roles and Responsibilities" and "Risk Management Procedures".</p> <p>Other information to be disclosed:</p> <p>I. If the operation of the Audit and Risk Committee involves any of the following circumstances, the date and period of the Audit and Risk Committee meeting, the content of the proposals, the objections, reservations or major suggestions of the independent directors, the resolution of the Audit and Risk Committee, and the Company's handling of the opinions of the Audit and Risk Committee shall be stated.</p>					

(I) Conditions described in Article 14-5 of the Securities and Exchange Act:			
Meeting date and session	Proposal Contents	Items listed in Article 14-5 of the Securities and Exchange Act	Contents of independent directors' objections, reservations or major proposals
12th meeting, 3rd session of the board, March 14, 2024	1. The Company's 2023 financial reports.	✓	None
	2. The Company's 2023 business report.	-	None
	3. Preparation of the Company's 2023 earnings distribution table.	-	None
	4. Fuyu Properties (Shanghai) Co., Ltd (hereinafter referred to as "Shanghai Fuyu") and Costco (China) Investment Co., Ltd. (hereinafter referred to as "Costco") signed a cooperation agreement, and the Company provided a performance guarantee.	✓	None
	5. Proposal to increase the capital of subsidiary Foxconn Singapore Pte Ltd.	✓	None
	6. Proposal to increase the capital of subsidiary Hon Young Semiconductor Corporation	✓	None
	7. To draft the Company's 2023 "Statement of Internal Control".	✓	None
	8. Proposal to entrust the audit and certification of the Company's 2024 financial report to "PwC Taiwan". The independence, suitability and service fees of the CPAs are detailed in the explanation.	✓	None
	Resolution of the Audit Committee (March 14, 2024): Approved by all attending members.		
	The Company's handling of the opinions of the Audit Committee: All directors attending the meeting agreed to pass.		
13th meeting, 3rd session of the board, May 14, 2024	1. The Company's financial statements for the first quarter of 2024.	-	None
	2. The Company shall provide guarantee when an overseas subsidiary of the Company applies for a syndicated credit line.	✓	None
	3. The Company plans to issue the first overseas unsecured convertible corporate bonds in 2024 to obtain the funds required for overseas purchases of materials.	✓	None
	4. Proposal to indirectly increase the capital to acquire the equity of HongFuJin Precision Electronics (ChengDu) Co., Ltd	✓	None
	5. Plan to participate in the bidding of the "Kaohsiung Yawan 2.0 Phase 1 MRT yellow line Y15 joint development project".	✓	None
	Resolution of the Audit Committee (May 14, 2024): Approved by all attending members.		
	The Company's handling of the opinions of the Audit Committee: All directors attending the meeting agreed to pass.		

Meeting date and session	Proposal Contents	Items listed in Article 14-5 of the Securities and Exchange Act	Contents of independent directors' objections, reservations or major proposals
14th meeting, 3rd session of the board, June 26, 2024	1. Plan to participate in the public bidding of science and technology plants in Hsinchu Science Park.	✓	None
	Resolution of the Audit Committee (June 26, 2024): Approved by all attending members.		
	The Company's handling of the opinions of the Audit Committee: All directors attending the meeting agreed to pass.		
15th meeting, 3rd session of the board, August 14, 2024	1. The Company's 2024 second quarter financial statements.	✓	None
	2. If the prepayment of the Company is overdue for 3 months and the amount is significant, it is not a loan of funds.	-	None
	3. Proposal to increase the capital of subsidiary Foxconn Singapore Pte Ltd.	✓	None
	4. Establishment of the "Procedures for Compilation and Verification of Sustainability Report" of the Company.	✓	None
	Resolution of the Audit and Risk Committee (August 14, 2024): Approved by all attending members.		
	The Company's handling of the opinions of the Audit and Risk Committee: All directors attending the meeting agreed to pass.		
16th meeting, 3rd session of the board, November 14, 2024	1. The Company's 2024 third quarter financial statements.	-	None
	2. Amendments to the Company's "Regulations Governing Monitoring and Control of Subsidiaries".	✓	None
	3. Proposal of the Company's "Sustainability Information Management Operating Procedures".	✓	None
	4. The 2025 "Annual Audit Plan" was finalized.	✓	None
	Resolution of the Audit and Risk Committee (November 14, 2024): Approved by all attending members.		
	The Company's handling of the opinions of the Audit and Risk Committee: All directors attending the meeting agreed to pass.		

(II)

Other than the aforesaid matters, resolutions unapproved by the Audit and Risk Committee but passed by more than two-thirds of all directors: None.

II.

Implementation of independent director's recusal for conflict of interest: None.

III.

Communication between independent directors and internal auditing officers and CPAs:

(III)

At least once a year, a separate meeting shall be held between the independent directors, the internal audit director and the accountant to discuss the completed external audit opinions of the internal audit director and the accountant, communicate based on the audit deficiencies of the year, and keep a record of the communication opinions.

(IV)

The Company's internal audit officer submits the previous month's audit report and defect follow-up report before the end of each month, and reports the implementation of the annual audit plan and the follow-up and improvement of internal control deficiencies to the independent directors separately every quarter for review; shall immediately report to the members of the Audit and Risk Management Committee. There was no such abnormal situation in 2024, and the communication between the Company's independent directors and internal audit officers was good.

- (V) The Company's CPAs report to the independent directors on a quarterly basis the audit and review results of the quarter's financial statements and other communication matters required by relevant laws and regulations. If there are special circumstances, they will also report to the members of the Audit and Risk Committee immediately. There were no such special circumstances in 2024. The communication between the Company's independent directors and the CPAs is good.
- (VI) If there are any other significant abnormal events or the independent directors, chief auditors and the CPAs deem it necessary to carry out independent communication, they may convene a meeting from time to time to communicate.

IV. Summary of the independent communication meetings between independent directors, chief internal auditor and CPAs in 2024:

(I) Communication between independent directors and internal auditing officers at individual meetings

Date of Meeting	Communication with head of the internal audit	
2024/03/14	Description	1. Internal audit report for the fourth quarter of 2023. 2. The Company's "Internal Control System Statement" for 2023. 3. The chief internal auditor's reply to the questions raised by the independent directors.
	Attendance of Independent Directors	Independent Director HWANG, TSING- YUAN, Independent Director WANG, KUO-CHENG, Independent Director LIU, LEN-YU, Independent Director CHEN,YUE-MIN
	Resolution	No opinion at this meeting
2024/05/14	Description	1. Internal audit report of the first quarter of 2024. 2. Head of internal auditor responds to questions raised in the meeting.
	Attendance of Independent Directors	Independent Director HWANG, TSING- YUAN, Independent Director WANG, KUO-CHENG, Independent Director LIU, LEN-YU, Independent Director CHEN,YUE-MIN
	Resolution	No opinion at this meeting
2024/08/14	Description	1. Internal audit report for the second quarter of 2024. 2. The head of internal audit responded to the questions raised during the meeting.
	Attendance of Independent Directors	Independent Director HWANG, TSING- YUAN, Independent Director WANG, KUO-CHENG, Independent Director LIU, LEN-YU, Independent Director CHEN,YUE-MIN
	Resolution	No opinion at this meeting
2024/11/14	Description	1. Internal audit report of the third quarter of 2024. 2. Proposal for the "2025 Annual Audit Plan". 3. Head of internal auditor responds to questions raised in the meeting.
	Attendance of Independent Directors	Independent Director HWANG, TSING- YUAN, Independent Director WANG, KUO-CHENG, Independent Director LIU, LEN-YU, Independent Director CHEN,YUE-MIN
	Resolution	No opinion at this meeting

(II) Communication between independent directors and independent auditors		
Date of Meeting	Communication with the independent auditor (CPA).	
2024/03/14	Description	<ol style="list-style-type: none"> The CPAs shall report on the contents of the audited consolidated financial statements for 2023, major audit findings (including major adjusting entries and unadjusted entries, etc.), and the auditors' report. Communication of the key audit matters in the audit report. Communication regarding accountants' qualifications, responsibilities and independence.
	Attendance of Independent Directors	Independent Director HWANG, TSING- YUAN, Independent Director WANG, KUO-CHENG, Independent Director LIU, LEN-YU, Independent Director CHEN,YUE-MIN
	Resolution	The annual financial report has been approved by the Audit and Risk Committee and submitted to the Board of Directors for approval, and has been announced and reported to the competent authorities as scheduled. The independent directors had no objection.
2024/05/14	Description	<ol style="list-style-type: none"> The CPAs shall report on the contents of the reviewed consolidated financial statements for the first quarter of 2024, major adjusting entries, unadjusted entries, and the CPA's review report. The CPAs discussed and communicated the questions raised by the participants.
	Attendance of Independent Directors	Independent Director HWANG, TSING- YUAN, Independent Director WANG, KUO-CHENG, Independent Director LIU, LEN-YU, Independent Director CHEN,YUE-MIN
	Resolution	The independent directors fully communicated with the CPAs, and the independent directors posed no objection.
2024/08/14	Description	<ol style="list-style-type: none"> The CPAs reported on the contents of the reviewed consolidated financial statements for the second quarter of 2024, the significant adjusting entries, the unadjusted entries, and the review report of the CPAs. The CPAs discussed and communicated the questions raised by the participants.
	Attendance of Independent Directors	Independent Director HWANG, TSING- YUAN, Independent Director WANG, KUO-CHENG, Independent Director LIU, LEN-YU, Independent Director CHEN,YUE-MIN
	Resolution	The independent directors fully communicated with the CPAs, and the independent directors posed no objection.
2024/11/14	Description	<ol style="list-style-type: none"> The CPAs reported on the content of the audited consolidated financial statements for the third quarter of 2024, the significant adjusting entries and the unadjusted entries and the review report of the CPA. The CPAs discussed and communicated the questions raised by the participants.
	Attendance of Independent Directors	Independent Director HWANG, TSING- YUAN, Independent Director WANG, KUO-CHENG, Independent Director LIU, LEN-YU, Independent Director CHEN,YUE-MIN
	Resolution	The independent directors fully communicated with the CPAs, and the independent directors posed no objection.

(IV) The implementation of corporate governance and the deviation from the Corporate Governance Best Practice Principles for TWSE/TPEX Listed Companies and the reasons

Assessment items	Implementation Status			Difference from Corporate Governance Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Description	
I. Does the Company set and disclose corporate governance code of practice according to corporate governance practice principles for TWSE/GTSM-Listed companies?	✓		The Company has set a corporate governance code of practice, for the protection of shareholders' rights, to strengthen the functions of the BOD, respect the interests of stakeholders, enhance the transparency of information and relevant rules. Detailed information can be found on the Company's website.	No Difference
II. Equity structure and shareholder rights. (I) Does the Company establish internal operating procedures to handle shareholders' suggestions, doubts, disputes and litigation matters, and implement them in accordance with the procedures?	✓		(I) Establishing an Investor Relations Department to deal with shareholders' suggestions or disputes.	No Difference
(II) Does the Company keep track of the list of major shareholders who actually control the Company and the ultimate controllers of such major shareholders?	✓		(II) The Company shall keep track of the shareholdings of directors, managers, and major shareholders holding 10% or more of the shares, and shall disclose such information as required by law.	
(III) Has the Company established and implemented risk control and firewall mechanisms with its affiliates?	✓		(III) The Company shall comply with regulations such as the "Regulations Governing Operations, Business, and Financial Dealings with Specific Companies and Group Companies", "Regulations Governing Finance and Business Matters Between Related Parties", "Operating Procedures for Supervision of Subsidiaries", "Procedures for Endorsement and Guarantee", and "Procedures for Loans to Others" to establish appropriate risk control mechanisms and firewalls. Business relations between affiliated enterprises have been evaluated by an independent third party to prevent violations of unlawful transactions.	
(IV) Does the Company establish internal regulations to prohibit insiders from trading securities using undisclosed information in the market?	✓		(IV) The Company has established "Procedures for Preventing Insider Trading" and "Procedures for Handling Important Internal Information" to prohibit company insiders from using undisclosed information in the market to buy or sell securities, and stipulates that during the closed period, directors shall not trade the Company's stocks or other equity securities during the closed period of thirty days prior to the announcement of the annual financial report and fifteen days prior to the announcement of each quarterly financial report.	

Assessment items	Implementation Status			Difference from Corporate Governance Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Description	
			Directors of the Company are prohibited from dealing in the Company's shares or other equity-type securities from the moment they learn of the material news of the Company prior to the investor conference until the next day after the investor conference, so as to prevent insider trading.	
<p>III. Organization and responsibilities of the Board of Directors</p> <p>(I) Does the Board of Directors establish a diversified policy, specific management goals, and implementation with respect to the composition of the Board of Directors?</p>	✓		<p>(I) The Company has established the "Corporate Governance Best Practice Principles" to formulate the diversity policy for the board of directors, as well as specific management goals and implement them.</p> <p>The company's BOD (including independent directors) has adopted a nomination system. The Company's Board of Directors is diverse in terms of age, gender and industry experience in manufacturing, brand distribution, technology research and financial investment, in order to implement the diversity policy and build the Company's board structure. There are two directors who are employees of the Company, accounting for 28.57%; independent directors account for 57.14%; three independent directors have served for less than three years, and one has served for more than three years; five directors are aged between 61 and 70, and two are aged between 71 and 80.</p> <p>The Company attaches great importance to gender equality in the Board of Directors. Currently, there are two female directors, accounting for 28.57%, which is higher than the standard of one female director stipulated in the "Action Plan for Sustainable Development of Listed Companies" promoted by the Financial Supervisory Commission. The Company's target ratio for female directors is over 30%. One female director will be added during the board re-election in 2025. By then, the number of female directors will reach one third, further promoting gender diversity on the Board of Directors and achieving the Company's sustainable development goals.</p>	No Difference
<p>(II) In addition to the Remuneration Committee and the Audit Committee, has the Company established other functional committees voluntarily?</p>	✓		<p>(II) The Company has established an Audit and Risk Committee, a Compensation Committee and a Corporate Governance and Nomination Committee. It also has a Sustainability Committee.</p>	

Assessment items	Implementation Status			Difference from Corporate Governance Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Description	
(III) Has the Company set performance assessment rules and methods for the BOD and does it perform this evaluation every year?	✓		<p>Compliance Committee, an Employee Welfare Committee and a Labor Retirement Reserve Fund Oversight Committee. Other functional committees will be evaluated and established in the future as needed.</p> <p>(III) The Company has established the "Board of Directors and Functional Committee Performance Evaluation Method" on November 12, 2020. Performance evaluation is conducted regularly every year, and at least once every three years, an external professional independent organization or a team of external experts and scholars will conduct an evaluation. The evaluation aspects of each functional committee are clearly defined. The Company's most recent annual internal performance evaluation of the Board of Directors was conducted by self-evaluation by directors using an internal questionnaire.</p> <p>The items for the self- evaluation of the board of directors include the following aspects:</p> <ol style="list-style-type: none"> 1. The self-evaluation items of the Board of Directors of the Company include the following five aspects: <ol style="list-style-type: none"> (1) The degree of participation in the company's operations. (2) Improve the quality of the board's decision making. (3) The composition and structure of the board of directors. (4) The selection and continuing education of directors. (5) Internal control. 2. The items for the self- evaluation of the individual directors include the following aspects: <ol style="list-style-type: none"> (1) Understanding of the Company's goals and mission. (2) Awareness of directors' duties. (3) The degree of participation in the company's operations. (4) Internal relationship management and communication. (5) Continuing education of directors. (6) Internal control. 3. The items for the self- evaluation of the functional committees include the following aspects: <ol style="list-style-type: none"> (1) The degree of participation in the company's operations. 	

Assessment items	Implementation Status			Difference from Corporate Governance Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Description	
(IV) Does regularly evaluate the independence of the CPA?	✓		<p>(2) Awareness of the functional committees' responsibilities.</p> <p>(3) Improvement of board decision quality.</p> <p>(4) Functional committee composition and member selection.</p> <p>(5) Internal control.</p> <p>Evaluation Results: The results of the performance evaluation of the Board of Directors and the functional committees were submitted to the Board of Directors and the Corporate Governance and Nomination Committee on March 14, 2025, and will be used as a reference for the remuneration and nomination of individual directors. The results of the 2024 Board of Directors' performance evaluation are as follows (out of 5 points):</p> <ol style="list-style-type: none"> 1. The overall average score of the self-evaluation of the Board of Directors was 4.97; the overall average score of the self-evaluation of directors was 4.94. The overall performance evaluation results of the Board of Directors are that the board is operating effectively. 2. The overall average score for the Audit and Risk Committee's self-assessment was 4.99. 3. The overall average score for the Remuneration Committee's self-evaluation was 4.77. 4. The overall average score of the Corporate Governance and Nomination Committee's self-evaluation was 4.99. <p>(IV) The Company's Board of Directors regularly evaluates the independence and suitability of the CPAs. When discussing the independence and suitability of the appointment of the certified public accountants, the Board of Directors of the Company shall submit the resume of the recommended accountants, the independence statement of each accountant (not violating the Bulletin of Professional Ethics No. 10) and the AQIs information compiled in accordance with the "Guidelines for the Preparation of Audit Quality Indicators (AQIs) by Accounting Firms" (including 5 major aspects and 13 indicators such as professionalism, independence, quality control, supervision, and innovation ability) for the Board of Directors' evaluation. The Board of Directors of the Company approved on March 14, 2025 that the CPAs all</p>	

Assessment items	Implementation Status			Difference from Corporate Governance Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Description	
			met the Company's independence and suitability assessment standards (no direct or significant indirect financial interest relationship with the audit client, the firm's excessive reliance on a single client as a source of remuneration, significant close business relationship with the audit client, etc.).	
IV. For a listed or OTC company, is it equipped with a competent and appropriate number of corporate governance personnel, and has it designated a corporate governance director to be responsible for corporate governance related matters (including but not limited to providing information required by directors and supervisors to carry out business, assisting directors and supervisors in complying with laws and regulations, managing related matters of the board meeting and shareholders' meeting in accordance with laws, taking minutes of the board meeting and shareholders' meeting, etc.)?	✓		<p>In order to implement corporate governance and enable the board of directors to perform its due functions to protect the rights and interests of investors, the Company has assigned qualified and appropriate number of corporate governance personnel. On May 14, 2019, the Board of Directors passed a resolution to designate Chief Financial Officer HUANG, DE-CAI as the position of Director B of Corporate Governance to protect the rights and interests of shareholders and strengthen the functions of the Board of Directors.</p> <p>The CFO, HUANG, DE-CAI, has more than 20 years of experience as a financial supervisor in public companies. The scope of functions and powers of the corporate governance officer, the key tasks of the year, and the continuing education are as follows:</p> <ol style="list-style-type: none"> 1. Assist Independent and Non-Independent Directors to carry out their duties pursuant to the Law: <ol style="list-style-type: none"> (1) Notify the board 7 days in advance before Board of Director meetings, and if matters are subject to abstaining due to conflicts of interest. (2) Registration of the Shareholders' Meeting dates, and notification dates according to relevant laws. 2. Creation of board and shareholder meeting minutes - 20 days after the meeting according to the relevant regulations. 3. Assist Directors in assuming the position: According to the Company's specific industry, and the profession and educational backgrounds of the Director, assist the Director in formulating an advancement plan and arrange relevant classes. 4. Assist in production of materials to assist the Board of Directors to carry out their duties: <ol style="list-style-type: none"> (1) Regularly inform the Board of Directors with relevant information regarding updates rules and regulations of Company's industry and relevant corporate governance updates. (2) Review relevant information confidentiality levels and provide the Board of Directors the 	No Difference

Assessment items	Implementation Status			Difference from Corporate Governance Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Description	
			<p>necessary information, maintain the Board and Managements communication channels.</p> <p>(3) Meeting with internal and external auditors to maintain Independent Director's compliance with the Company's corporate governance regulations, and if needed, organize relevant meetings.</p> <p>5. Assist in the Board's compliance with Laws:</p> <p>(1) Report the status of corporate governance to the Board of Directors, and confirm whether the shareholders' meetings and board meetings are in compliance with relevant laws and corporate governance best practice principles.</p> <p>(2) Assist and remind Directors regarding the importance of adherence to laws and regulations for resolutions within meetings, and provide suggestions in the case where such laws and regulations are infringed upon.</p> <p>(3) Examination of Directors' Meeting's resolutions post-meeting, and the release of such information. Confirming the resolutions and relevant information are according to law and correct, to protect the integrity of investors' trading information.</p> <p>6. Report to the Board of Directors on the results of its review of whether the qualifications of independent directors at the time of nomination, election and during their term of office comply with relevant laws and regulations: On March 14, 2025, the Board of Directors reported the professional qualifications and independence of the current independent directors, and all independent directors comply with relevant regulations.</p> <p>7. Matters with regard to the change of directors: Inform directors of related matters to pay attention to, release material messages as required, and handle matters related to the declaration of directors' onboarding changes and identification of changes in the registration of directors on the Market Observation Post System.</p> <p>8. Please refer to page 42 of the annual report for the continuing education of the Corporate Governance Officer.</p>	
V. Has the Company established a communication channel with stakeholders (including but not limited to shareholders, employees, customers and suppliers), set up a stakeholder area on the company's website, and properly responded to	✓		The Company reported the communication status with stakeholders to the Board of Directors on May 14, 2024. The Company's official website has set up a "Stakeholder Area" and provided contact	No Difference

Assessment items	Implementation Status			Difference from Corporate Governance Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Description	
			(V) Relations with stakeholders: stakeholders shall communicate with the Company and put forward proposals to protect their due legal rights and interests. (VI) Continuing education of directors: All directors of the Company have industry professional background and practical experience in operation and management. (please refer to the table below for specific case studies) (VII) Execution of risk management policy and risk measuring standards: various internal regulations are established legally for various risk management and evaluation. (VIII) Execution of customer policies: stable and good relations with customers are maintained with the view of creating profits. (IX) The Company's purchase of liability insurance for directors: In order to protect directors from personal liability and financial losses arising from third-party lawsuits arising from the performance of their duties, the Company has purchased liability insurance for directors and reported the most recent annual insurance coverage to the Board of Directors on March 14, 2025. The insurance period is from January 15, 2025 to January 15, 2026.	
IX. Explain the improvements made in the corporate governance evaluation results published in the most recent year by the Corporate Governance Center of Taiwan Stock Exchange, and propose enhancements and measures for those that have not yet been improved. (I) The Company will discuss the unscored matters for the follow-up improvement direction. (II) The Company's priority matters and measures for corporate governance enhancement are as follows: The intellectual property management plan has introduced the Taiwan Intellectual Property Management System (TIPS), ISO56005 or similar intellectual property management system standards, and has been verified or audited by a third party.				

Continuing education of the Company's directors in 2024:

Title	Name	Date	Organizer	Course	Training hours
Chairman	LIU, YOUNG-WAY	2024/11/22	Corporate Management and Sustainable Development Association of the Republic of China	Taiwanese business operations and M&A strategies from the perspective of global political and economic situations	3
		2024/11/22	Corporate Management and Sustainable Development Association of the Republic of China	Corporate Governance and Securities Laws and Regulations - Knowledge of senior executives of TWSE/TPEx-listed companies regarding supervision by the competent authorities	3
Corporate Director		2024/08/28	Chinese Association of Finance and Economics	Digital marketing	3

Title	Name	Date	Organizer	Course	Training hours
representative	Wang, Chang-yang	2024/09/19	Chinese Association of Finance and Economics	Corporate Financial Decision Making: A Behavioral Perspective	3
Corporate Director representative	Dr. Christina Yee-Ru Liu	2024/11/22	Chinese Association of Finance and Economics	New trend of circular economy and sustainable operation	3
		2024/12/05	Chinese Association of Finance and Economics	Global and Taiwan Economic Outlook	3
Independent Director	Hwang, Tsing-yuan	2024/06/07	Taiwan Corporate Governance Association	The latest ESG regulations, trends, impacts and response	3
		2024/11/01	Securities and Futures Institute	Create a New Future for AI - Sharing of Application Cases of Generative AI	3
Independent Director	WANG, KUO-CHENG	2024/08/20	Taiwan Corporate Governance Association	How can enterprises and their directors avoid accidental insider trading	3
		2024/08/20	Taiwan Corporate Governance Association	Trends and Risk Management of Digital Technology and AI	3
Independent Director	LIU, LEN-YU	2024/03/20	Taiwan Corporate Governance Association	Enhance Resilience and Sustainable Governance Seminar	2
		2024/05/22	Taiwan Corporate Governance Association	The Trend and Vision of Jointly Building a Green Ecosystem-Carbon Exchange Business and Outlook	1
		2024/07/30	Taiwan Corporate Governance Association	The vision and trend of ESG evaluation	1
		2024/10/16	Taiwan Corporate Governance Association	The 20th (2024) Corporate Governance International Summit - Focusing on Governance and Making Full Use of Talent Advantages	3
		2024/12/19	Taiwan Corporate Governance Association	Activate the trend of corporate governance in Asia	1
Independent Director	CHEN, YUE-MIN	2024/07/15	Taipei Foundation of Financial Research	Corporate Governance - Sustainable Finance	3
		2024/07/16	Taiwan Corporate Governance Association	Zero-carbon layout thinking, ESG thinking and energy practices for enterprises	3

Continuing education of the Company's Corporate Governance Supervisor in 2024:

Title	Name	Date	Organizer	Course	Training hours
Corporate governance officer	HUANG, DE-CAI	2024/11/22	Corporate Management and Sustainable Development Association of the Republic of China	Corporate Governance and Securities Laws and Regulations - Knowledge of senior executives of TWSE/TPEX-listed companies regarding supervision by the competent authorities	3
		2024/11/22	Corporate Management and Sustainable Development Association of the Republic of China	Taiwanese business operations and M&A strategies from the perspective of global political and economic situations	3
		2024/11/27	Corporate Management and Sustainable Development Association of the Republic of China	Resolution of practical disputes of the Board of Directors	3
		2024/12/05	Corporate Management and Sustainable Development Association of the Republic of China	How to effectively reduce the cyber security risk in the production and operation of the enterprise	3

(V) Information on the members of the Compensation Committee and the operation status

1. Composition of the Remuneration Committee

The Company established the Remuneration Committee in September 2011. The Remuneration Committee shall exercise the due care of a good administrator to faithfully perform its duties and powers and submit its recommendations to the Board of Directors for discussion.

2. Responsibilities of the Remuneration Committee

- (1) Regularly review the Company's remuneration policies and propose amendments.
- (2) Formulate and regularly review the performance and remuneration policies, systems, standards and structures of the Company's directors and managers.
- (3) Regularly evaluate the salaries and remunerations of the Company's directors and managers.

3. The details of the current members of the Remuneration Committee are as follows:

March 31, 2025

Identity type	Name	Condition	Professional Knowledge and Experience	Independence Situation	Number of companies concurrently serving as members of the remuneration committee of other publicly traded companies
Independent Director (Convener)	WANG, KUO-CHENG		He used to be the Chairman of Les enphants Co.,Ltd., the Managing Director of Taiwan Chain Stores and Franchise Association, the Managing Director of Marketing Communications Executives International Taiwan, and the Managing Director of Taiwan Excellent Brand Association. At present, he is the Company's Independent Director, a member of the Audit and Risk Committee, Convener of the Remuneration Committee and a member of the Corporate Governance and Nomination Committee. Independent Director and Member of Audit Committee in HannStar Board Corp.; Independent Director, Member of Audit Committee and Member of Remuneration Committee of Luo Li-Fen Holding Co., Ltd.; Independent Director, member of Audit Committee and Member of Remuneration Committee of Wellell Inc.	Please refer to pages 13 for the independence of independent directors	1
Independent Director	Hwang, Tsing-yuan		He used to be Independent Director of Cathay Financial Holdings, Director of Taiwan Stock Exchange, Executive Officer& Head of Asia and Oceania, Daiwa Securities SMBC Co. Ltd. At present, he is Independent Director, Convener of Audit and Risk Committee, Member of Remuneration Committee and Convener of Corporate Governance and Nomination Committee. Director of the Taiwan Institute of Economic Research, an Executive Director of the Taiwan Chamber of Commerce and Industry, a Director of the Taipei Financial Building Corporation, a Vice Chairman of the Republic of China's The Third Wednesday Club, and the Chairman, The Tokyo Star Bank, Limited (Japan).	Please refer to pages 13 for the independence of independent directors	None
Independent Director	CHEN, YUE-MIN		From 1995 to 1997, he served as a special member of the Central Trust Bureau, from 1997 to 1998 as an assistant manager of China International Commercial Bank, from 1992 to 2020 as a Supervisor, Joint Credit Information Center, from 1998 to 2010 as a member of the executive committee of the Central Bank, and served as Counsellor of the Central Bank from 2010 to 2017, and Director of the Treasury Department of the Central Bank from 2017 to 2020. He retired in July 2020. He currently serves as an independent director, member of the Audit and Risk Committee and the Remuneration Committee of the Company and an independent director of the Land Bank of Taiwan Co., Ltd.	Please refer to pages 13 for the independence of independent directors	None

4. Information on the operation of the Remuneration Committee

- (1) The Company's Remuneration Committee consists of 3 members.
- (2) The current term of the members is from August 10, 2022 to June 30, 2025.

A total of 2 meetings were held by the Remuneration Committee in the most recent year. The attendance of the Committee members was as follows:

Title	Name	Number of actual attendance	Number of attendance by proxy	Actual attendance rate	Remarks
Chair	WANG, KUO-CHENG	2	0	100 %	-
Member	Hwang, Tsing- yuan	2	0	100%	-
Member	CHEN, YUE-MIN	1	0	100%	Newly appointed
Member	Kuo, Tei-Wei	1	0	100 %	Resigned

Note: Member CHEN, YUE-MIN, newly elected on January 31, 2024 ; member Kuo, Tei-Wei, resigned on January 31, 2024.

Other information to be disclosed:

- I. The Board of Directors does not accept Compensation Committee's suggestions or amendments: None.
- II. The resolutions of the Compensation Committee which Committee member has oppositions or reservations: None.
- III. The resolutions of the Compensation Committee and the Company's action:

Date of Remuneration Committee's meeting	Discussion subjects	Resolution	The Company's action regarding the Compensation Committee
2024/01/31	1. Proposal for the distribution of the Company's 2023 managerial officers' performance bonuses.	The proposal was approved by all members present at the Committee meeting.	Submitted to the board of directors and approved by all directors present at the meeting.
2024/10/29	1. Amendments to the Company's "Regulations Governing Performance Evaluation of the Board of Directors and Functional Committees." 2. Amendments to the Regulations Governing the Remuneration of Directors and the Distribution of Remuneration. 3. Review of the policies, systems, standards, and structures of managerial performance evaluation and remuneration. 4. The Company's 2023 managerial officers' remuneration distribution.	The proposal was approved by all members present at the Committee meeting.	Submitted to the board of directors and approved by all directors present at the meeting.

(VI) Membership and operation information of the Corporate Governance and Nomination Committee

1. Qualifications and duties of members of the Corporate Governance and Nomination Committee

The Company established a Nomination Committee in March 2022, and on October 27, 2023, the Board of Directors approved the expansion of the Nomination Committee to the Corporate Governance and Nomination Committee. This Committee, under the authorization of the Board of Directors, shall faithfully perform the following duties and powers with the care of a good administrator, and submit the proposed recommendations to the Board of Directors for discussion:

- (1) To nominate the Company's director candidates and review the qualifications of director candidates.
- (2) Construct the organizational structure of each functional committee under the Board of Directors, and review the establishment and amendment of the organizational charters of each functional committee.
- (3) Review of the establishment and amendment of the regulations related to the operation of the Board of Directors of the Company.
- (4) Review of the Company's Corporate Governance Best Practice Principles.
- (5) Supervises and guides the Board's performance evaluation/efficiency evaluation results to the Board of Directors for review and improvement.
- (6) Donations to related parties or significant donations to non-related parties. However, donations for emergency relief due to major natural disasters may be submitted to the Committee for ratification before the next board meeting.
- (7) Appropriate orientation instructions were provided to new directors so that they understand their responsibilities and are familiar with the Company's operation and environment.
- (8) Other matters as directed by the Board of Directors to the Committee.

The information of the members of the Corporate Governance and Nomination Committee for the current term is as follows:

Condition		Professional Knowledge and Experience	Independence Attribute	Number of other public companies that serve as nomination committee members
Identity type	Name			
Independent Director (Convener)	HWANG, TSING-YUAN	He used to be Independent Director of Cathay Financial Holdings, Director of Taiwan Stock Exchange, Executive Officer & Head of Asia and Oceania, Daiwa Securities SMBC Co. Ltd. At present, he is Independent Director, Convener of Audit and Risk Committee, Member of Remuneration Committee and Convener of Corporate Governance and Nomination Committee. Director of the Taiwan Institute of Economic Research, an Executive Director of the Taiwan Chamber of Commerce and Industry, a Director of the Taipei Financial Building Corporation, a Vice Chairman of the Republic of China's The Third Wednesday Club, and the Chairman, The Tokyo Star Bank, Limited (Japan).	Please refer to pages 13 for the independence of independent directors	None

Independent Director	WANG, KUO-CHENG	<p>He used to be the Chairman of Les enphants Co.,Ltd., the Managing Director of Taiwan Chain Stores and Franchise Association, the Managing Director of Marketing Communications Executives International Taiwan, and the Managing Director of Taiwan Excellent Brand Association. At present, he is the Company's Independent Director, a member of the Audit and Risk Committee, Convener of the Remuneration Committee and a member of the Corporate Governance and Nomination Committee.</p> <p>Independent Director and Member of Audit Committee in HannStar Board Corp.; Independent Director, Member of Audit Committee and Member of Remuneration Committee of Luo Li-Fen Holding Co., Ltd.; Independent Director, member of Audit Committee and Member of Remuneration Committee of Wellell Inc.</p>	Please refer to pages 13 for the independence of independent directors	None
Independent Director	LIU, LEN-YU	<p>Formerly served as Professor of Law at the College of Law, National Chengchi University, Executive Director of the Center for Corporate Governance and Legal Studies at National Chengchi University, and Executive Director of the Taiwan Fiscal and Financial Law Research Foundation Public Interest Trust. He has been teaching corporate law, securities trading law, banking law and corporate merger and acquisition law at universities for more than 30 years since 1992.</p> <p>From September 2015 to July 2019, he served as Chairman of the Taiwan Futures Exchange. He also served for a long time as a director of the Securities Investors and Futures Traders Protection Center (Insurance Center), and served as an advisory member of the Taiwan Corporate Governance Law Research Foundation, a well-known charity trust.</p> <p>In addition, he also served as a member of the Fair Trade Commission (the authority responsible for antitrust law) from 2000 to 2014, and as a consultant to the Taiwan Securities and Futures Commission from 2003 to 2004. He has served as a member of the listing and OTC review committee of the Taiwan Stock Exchange and the GreTai Securities Market. From September 2008 to July 2016, he served as a director of the board of Taiwan Stock Exchange. In addition, during the period of 1988 and 1989, he was a permanent attorney at the International Law Firm, which laid the foundation for practical work.</p> <p>He is currently an Independent Director of the Company, a member of the Audit and Risk Committee and the Corporate Governance and Nomination Committee, the Managing Attorney at Chien Shan International Law Offices, a Director of the Chinese Corporate Governance Association, an Adjunct Professor at the College of Law of National Chengchi University, an Adjunct Professor in the Department of Law at National Taipei University, and a Visiting Professor at the School of Law of Shih Hsin University.</p>	Please refer to pages 13 for the independence of independent directors	None

2. Corporate governance and the operation of the Nomination Committee

- (1) There are 3 members of the Company's Corporate Governance and Nomination Committee.
- (2) The term of office of the current members: from August 10, 2022 to June 30, 2025.

The Governance and Nomination Committee met 2 times in the most recent year. The attendance of the committee members and the following matters discussed are as follows:

Title	Name	Number of actual attendance	Number of attendance by proxy	Actual attendance rate	Remarks
Chair	Hwang, Tsing- yuan	2	0	100%	-
Member	WANG, KUO-CHENG	2	0	100%	-
Member	LIU, LEN-YU	2	0	100%	Newly appointed
Member	Kuo, Tei-Wei	0	0	0	Resigned

Note: Member LIU, LEN-YU was newly elected on January 31, 2024; member Kuo, Tei-Wei resigned on January 31, 2024.

Other information to be disclosed:

1. The Board of Directors does not adopt or amend the recommendations of the Corporate Governance and Nomination Committee: None.
2. A member has an objection or reservation on the resolution of the Corporate Governance and Nomination Committee with record or written statement: None.
3. Discussions and resolutions of the Corporate Governance and Nomination Committee, and the Company's handling of the members' opinions:

Meeting date of Corporate Governance and Nomination Committee	Discussion subjects	Resolution	The Company's action regarding the Compensation Committee
2024/03/14	The results of the self-evaluation of the Company's performance evaluation of the Board of Directors, board members and functional committees in 2023.	The proposal was approved by all members present at the Committee meeting.	Submitted to the board of directors and approved by all directors present at the meeting.
2024/08/14	Approval of amending some articles of the Company's "Audit Committee Charter" and to stipulate the "Risk Management Policy", "Risk Management Procedures", and "Risk Management Organizational Structure, Roles, and Responsibilities".	The proposal was approved by all members present at the Committee meeting.	Submitted to the board of directors and approved by all directors present at the meeting.

(VII) Promoting sustainable development and climate-related information

1. Implementation of the Sustainable Development and the Differences of Practice for Sustainable Development of Listed OTC Companies and Its Reasons

Item	Implement status			Difference from Corporate Governance Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Description	
I. Does the company establish a governance structure to achieve sustainable development, and set up a dedicated (part-time) unit to promote sustainable development, which is authorized by the board of directors to handle senior management, and supervised by the board of directors?	✓		<p>The Company officially established its Corporate Social Responsibility (CSR) initiative in 2007 and changed its name to the Sustainability Committee in 2022. It is the highest-level sustainability decision-making organization within the Company. The chairman of the board acts as chairman of the committee, combines with senior executives to jointly review the Company's operational strategies and capabilities, and formulate a medium- and long-term sustainable development plan.</p> <p>The "Sustainability Committee" is a cross-departmental communication function that integrates top and bottom lines. The Company has established an ESG team to identify sustainability issues that are critical to company operations and stakeholders' concerns through monthly meetings, formulate strategies and work guidelines, plan and implement solutions, and track the effectiveness of implementation to ensure that the sustainable development strategy is implemented in daily management.</p> <p>The Sustainability Committee will regularly report the sustainability implementation results and future work plans to the Chairman and to the Board of Directors on a quarterly basis. Proposals include (1) identifying sustainability issues that require attention and formulating corresponding action plans; (2) sustainability-related issues (3) Supervising the implementation of sustainable operation matters and evaluating the implementation. The Board of Directors will also evaluate the success of the strategies and the progress of the implementation, and will urge for adjustments when necessary.</p>	No Difference
II. Does the company conduct risk assessments on environmental, social and corporate governance issues related to company operations according to the principle of materiality, and formulate relevant risk management policies or strategies?	✓		<p>This disclosure covers the sustainability performance of the main business locations from January 2024 to December 2024. The boundary of risk assessment is mainly based on the Company, including Taiwan, China, other parts of Asia, the Americas, and Europe.</p> <p>The Sustainability Committee conducts analysis in accordance with the materiality principle in the sustainability report,</p>	No Difference

			<p>communicates with internal and external stakeholders, reviews international/national research reports and literature, integrates data from various departments, evaluates material ESG issues, and formulates effective identification , assessment, control, and supervision of risk management policies, and the adoption of specific action plans to reduce the impact of related risks.</p>													
			<table><tr><th>Major Issues</th><th>Risk assessment items</th><th>Description</th></tr><tr><td>Environment</td><td>Countermeasures to Climate Change</td><td><p>1. The Company has constructed a climate risk identification process using the TCFD framework. After cross-departmental discussions on climate risks and opportunities, a total of 3 opportunities and 3 risks were identified.</p><p>2. In response to opportunities and risks, the Company has formulated management strategies and goals, and implemented institutional management to effectively reduce the impact of climate change.</p></td></tr><tr><td>Society</td><td>Occupational health and safety</td><td><p>1. The Company has completed the certification of "ISO 45001 Occupational Health and Safety Management System".</p><p>2. Fire drills and occupational safety education and training are held on a regular basis each year to improve employees' emergency response and self-safety management capabilities.</p><p>3. In response to the Company's compliance with various social laws and regulations.</p></td></tr><tr><td></td><td>Employee Rights and Diversity and Equality</td><td><p>1. To protect the diversity and equality of employees in the workplace, the Company has established the Hon Hai/Foxconn Technology Group Code of Conduct (CoC) and the chapter on labor rights.</p><p>2. Through regular and ad hoc employee training, the Company raises employees' and the organization's awareness towards respect and tolerance, and ensures that all internal policies are implemented in accordance with the spirit of diversity and equality.</p><p>3. The Company provides employees with various channels for grievance and feedback to protect the rights and interests of employees.</p></td></tr></table>	Major Issues	Risk assessment items	Description	Environment	Countermeasures to Climate Change	<p>1. The Company has constructed a climate risk identification process using the TCFD framework. After cross-departmental discussions on climate risks and opportunities, a total of 3 opportunities and 3 risks were identified.</p> <p>2. In response to opportunities and risks, the Company has formulated management strategies and goals, and implemented institutional management to effectively reduce the impact of climate change.</p>	Society	Occupational health and safety	<p>1. The Company has completed the certification of "ISO 45001 Occupational Health and Safety Management System".</p> <p>2. Fire drills and occupational safety education and training are held on a regular basis each year to improve employees' emergency response and self-safety management capabilities.</p> <p>3. In response to the Company's compliance with various social laws and regulations.</p>		Employee Rights and Diversity and Equality	<p>1. To protect the diversity and equality of employees in the workplace, the Company has established the Hon Hai/Foxconn Technology Group Code of Conduct (CoC) and the chapter on labor rights.</p> <p>2. Through regular and ad hoc employee training, the Company raises employees' and the organization's awareness towards respect and tolerance, and ensures that all internal policies are implemented in accordance with the spirit of diversity and equality.</p> <p>3. The Company provides employees with various channels for grievance and feedback to protect the rights and interests of employees.</p>	
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III. Environmental issues				No Difference
(I) Does the company establish proper environmental management systems based on the characteristics of their industries?	✓		(I) The Company firmly believes that when promoting environmental protection, it must not only comply with relevant laws and regulations, but also need to be in line with international development trends. In 2022, the Company established an environmental sustainable development strategy based on the identified environmental issues. In response to international trends and customer requirements, the Company's business units have established an environmental management system, and acquired ISO14001 (effective date: 2022/09/06 - 2025/09/06) certification and will continue to promote the Company's environmentally sustainable development. At the same time, the Company conducts greenhouse gas inventory in accordance with the GHG Protocol every year to track carbon reduction results. Details are available in the Company's Sustainability Report and on the Company's website (https://www.honhai.com/zh-tw/CSR/focus-environment?section=focus-environment-tab1).	
(II) Does the company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment?	✓		(II) The Company has adopted the ISO 50001 energy management system and passed third-party verification (certificate expiry date: 2023/1/12 - 2026/1/12) to systematically manage the Group's energy consumption and increase risks and opportunities of energy efficiency. The Company has set an annual energy-saving target of 4.2% improvement based on the previous year. In 2024, the actual energy-saving rate in the mainland China was 5.8%. This achievement demonstrates the Company's outstanding results in energy conservation. In order to further improve energy efficiency, the Company continues to vigorously promote the implementation of energy-saving technology transformation projects, while strengthening internal factory energy-saving audits to ensure the effective implementation of various energy-saving measures. In addition, the Company actively invests in research and development, striving to develop new technologies, products, and business models for energy conservation and carbon reduction. It is deeply exploring energy-saving potential to drive transformation and upgrading, enhance quality and increase revenue, and continuously optimize energy efficiency.	

<p>(III) Does the company assess the potential risks and opportunities of climate change on its present and future operation, and take measures to respond to climate-related issues?</p>	<p>✓</p>	<p>Carbon reduction system to achieve the goal of continuous improvement. In terms of green energy deployment, the Company signed a memorandum of understanding with CDIB Capital Group to jointly establish Kai Hong Energy Co., Ltd. It aims to guide capital flows to the sustainable green energy industry, provide enterprises with much-needed green electricity, and create relatively stable investment returns for investors.</p> <p>In 2024, the total electricity consumption in Mainland China was 8,504,019,650.17 (kWh), of which the use of renewable energy was 7,248,091,221 kWh, accounting for about 85% (relevant data for other areas will be included in the sustainability report after the collection is completed).</p> <p>The Company strictly controls the use of raw materials to ensure that all raw materials comply with EU RoHS, REACH, halogen-free and other regulatory requirements. The Company continues to deepen the cooperation with international customers, actively discloses the safety information of process chemicals used by the assembly plants, establishes and improves the list of banned substances, successfully completes the replacement of green chemicals in customer products, and practices the concept of green production.</p> <p>In the field of green manufacturing, the Company adheres to the principle of resource conservation and actively explores the development of waste reduction and recycling technologies. We vigorously promote zero waste projects within the Company and among suppliers to maximize the benefits of the circular economy and contribute to the green development of the industry.</p> <p>(III) The Company attaches great importance to climate change management and has established a Sustainability Committee as the core organization for climate change management, which is chaired by the Chairman. The Sustainability Committee is responsible for overseeing the Company's climate strategy. It conducts regular annual reviews of the Company's climate change strategies and targets, comprehensively manages risks and opportunities brought by climate change, closely examines implementation progress, and engages in thorough discussions on future plans. The outcomes are then reported in</p>
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			<p>detail to the Board of Directors to ensure that the Company's climate actions remain closely aligned with its strategic objectives.</p> <p>Under the Company's ESG team structure, we have set up Team E, which is chaired by the Chief of Environmental Protection. Team E focuses on translating greenhouse gas emission reduction paths and plans into practical actions. By regularly tracking and reviewing implementation progress and results, it effectively promotes the Company's emission reduction goals and ensures that every measure can be effectively implemented and achieve real results.</p> <p>Since 2021, the Company has officially become a staunch supporter of Climate-related Financial Disclosure (TCFD). The Company strictly follows the framework of the TCFD recommendations to conduct a comprehensive and in-depth assessment of the risks and opportunities that climate change brings to the Company. A complete and systematic assessment is conducted every three years and is updated annually to ensure that the Company's understanding of climate risks remains at the cutting edge of the industry and provide an accurate and timely basis for decision-making.</p> <p>In 2023, the Company compiled and completed the first "Net Zero Vision Report" and publicly disclosed it on the Company's official website, demonstrating the Company's transparency and responsibility on the road to sustainable development. The report clearly identified three major risk items: the challenge of surging renewable energy demand and electricity regulatory restrictions, the potential risk caused by the uncertainty of market information, and the impact of increased attention and feedback from stakeholders. Faced with these risks, the Company also actively identifies feasible development opportunities and formulates targeted countermeasures to turn challenges into opportunities.</p> <p>In terms of climate change mitigation, the Company unswervingly adheres to the green smart and circular economy strategy, and continues to promote the in-depth development of green operations, energy management, carbon information disclosure, green energy funds and other projects, constantly explore new paths for green development, and improve the Company's green competitiveness. In adapting to climate change</p>	
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			<p>The Company is focusing on strengthening foundational measures by enhancing its sustainable operational capabilities, thereby building core competitiveness and ensuring steady progress amid a constantly changing climate environment. For more detailed information, please refer to the Environment Section of the Company's Sustainability Report.</p> <p>In 2024, the Company officially became the third enterprise in Taiwan's high-tech hardware equipment industry and the seventh enterprise in Taiwan to obtain SBTi approval for its net zero goal. This achievement is not only a high recognition of the Company's past efforts, but also an important milestone in the Company's sustainable future. It indicates that the Company's firm determination and outstanding practices in addressing climate change have been widely recognized by international authoritative institutions.</p>									
(IV) Does the company conduct assessment on greenhouse gas, water consumption and waste for the last two years, and establish company strategies for energy conservation and carbon reduction, greenhouse gas reduction, water saving and waste management?	✓	(IV)	<p>The Company began to promote greenhouse gas emissions since 2008, and participated in the Carbon Disclosure Project (CDP) in 2010. The Company conducts inventory of greenhouse gas emissions in accordance with the "GHG Protocol" /ISO 14064, and actively promotes ISO 14064 independent third-party verification within the Company. Greenhouse gas emissions in the past two years</p> <p style="text-align: right;">(Unit: Metric tons of CO₂e)</p> <table><tr><th>Scope Year</th><th>Scope 1</th><th>Scope 2 (based on the market)</th></tr><tr><td>2023</td><td>232,248</td><td>1,928,758</td></tr><tr><td>2024</td><td>127,936 (Mainland)</td><td>1,073,630 (Mainland)</td></tr></table> <p>In order to actively respond to the international net zero emissions initiative and demonstrate the Company's responsibility in responding to global climate change, the Company officially joined the CA100+ initiative and solemnly promised that, with 2020 as the base year, greenhouse gas emissions will be reduced by 42% by 2030, and the ambitious goal of net-zero emissions will be achieved by 2050. This commitment demonstrates the Company's determination to pursue a green and low-carbon development path and a positive attitude to contribute to global climate governance.</p> <p>In order to effectively respond to climate change and promote the Company's sustainable operation, the Company has formulated a renewable energy development plan and continues</p>	Scope Year	Scope 1	Scope 2 (based on the market)	2023	232,248	1,928,758	2024	127,936 (Mainland)	1,073,630 (Mainland)
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			<p>to increase the proportion of renewable energy use. It is expected that the Company's green electricity usage will account for more than 50% by 2030. By optimizing the energy structure, reducing dependence on traditional fossil energy, further reducing carbon emissions, and helping the Company's green transformation.</p> <p>In terms of water resources management, the Company attaches great importance to the rational use and protection of water resources. Through comprehensive water risk identification, we have formulated scientific water management strategies and goals, actively promoted various water-saving projects, and vigorously promoted the recycling and reuse of water resources. The purpose is to achieve the efficient and economical use of water resources, reduce wastewater discharge, and reduce the negative impact on the ecological environment. According to the Company's plan, by 2025, the water intensity will be reduced by 6% compared to 2020. In 2023, the Company's total water withdrawal (use) reached 85,234,800 tons, and in 2024, the Company's total water withdrawal (use) reached 58,353,664 tons (Only covers the Greater China region. Global data will be disclosed in the sustainability report after the collection is completed).</p> <p>Implementing the circular economy strategy is an important measure for the Company's sustainable development. The Company vigorously promotes the "Zero Waste" project and upholds the principle of giving priority to waste reuse within the factories. In 2021, the Company has established a waste management platform in Longhua Park, Shenzhen, China. With the use of digital management and control methods, key information such as waste generation, flow, and conversion rate can be accurately tracked in real time. Multiple solutions such as reduction, resource utilization, and harmlessness of factory waste are combined to continuously improve waste management. We are committed to achieve the goal of zero waste and create a zero-waste comprehensive ecological park. The Company plans to obtain at least 5 Zero Waste to Landfill Gold Certification (UL2799) plants in 2025. As of 2024, 9 of the Company's industrial parks have obtained the certification.</p> <p>Total amount of waste in 2023 was 584,180 tons and 641,985 tons in 2024 (Only covers the Greater China region.</p>	
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IV. Social Issues				
(I) Does the company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	✓		<p>(I) The Company has established work rules in accordance with labor laws and personnel regulations to protect the legitimate rights and interests of employees. As a full member of the Responsible Business Alliance (RBA), in addition to actively participating in alliance activities and undertaking member-related obligations, the Group is committed to the compliance and promotion of corporate social responsibility together with peers and partners in the electronics industry. The "Code of Conduct" has been formulated based on the RBA, which is signed by the chairman of the board and the top managers of each business group. It is actively implemented and listed as a required course for all new employees every year. Current employees are continuously reminded that they should comply with the code of conduct requirements. The code of conduct covers eight major aspects: ethics, labor and human rights, health and safety, environment, management system, responsible mineral procurement, anti-corruption policy, and anti-slavery policy.</p> <p>The Company dutifully abides by international human rights regulations and establishes the Company's "Employee Human Rights Chapter" with reference to the "Universal Declaration of Human Rights". The content includes 12 key requirements such as prohibition of unlawful discrimination.</p> <p>The special chapter on human rights demonstrates the importance and commitment of the Company to human rights. It provides human rights protections in terms of policies for employees partners hired by the Group and suppliers in any form, and implements all-employee training. In practice, we conduct labor audits and self-assessments at key factories around the world through human rights risk assessments. The dedicated unit and responsible person continue to track and audit the deficiencies, and improvement measures and progress; regularly follow up the self-assessed human rights risk factory areas and check the corresponding risk control mechanism.</p> <p>The Company has also established the "Supplier Social and Environmental Responsibility Code of Conduct" to ensure that suppliers and the Company</p>	No Difference
	✓			

<p>(II) Does the company formulate and implement reasonable employee benefits measures (including remuneration, vacation and other benefits, etc.), and appropriately reflect operating performance or results in employee compensation?</p>	✓		<p>comply with the same human rights principles.</p> <p>(II) According to Article 28 of the Company's Articles of Incorporation, if there is profit in the year, 5% - 7% of the profit shall be set aside as employee remuneration. The Company has established performance bonus and employee remuneration and other reward systems. Share the performance with colleagues so that the salaries of colleagues can grow together with the Company's operations. In addition, the Company has established a code of business ethics, employee self-discipline, performance appraisal, and reward and punishment systems to guide employees' behaviors in line with sustainable development policies.</p>	
<p>(III) Does the company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?</p>	✓		<p>(III) The Company has established occupational safety and health policies, regulations and plans, and pursued zero injuries, zero occupational diseases, and zero accidents, and was awarded the Excellent Unit and Personnel for Occupational Safety and Health by the Ministry of Labor and New Taipei City. The Company conducted the occupational safety and health management system conversion in 2019, and obtained ISO45001 (valid from November 24, 2022 to November 24, 2025) and CNS45001 certificates. The Company has established a comprehensive education and training system, and regularly organizes safety, health, and health-related activities to strengthen the safety and health awareness of employees, and accumulate disaster-free working hours in the factory.</p> <p>The number of fire incidents in 2024 was 0. Disaster response drills are held every year to improve personnel emergency response capabilities and strengthen disaster relief knowledge to reduce the frequency and severity of disasters. The number of people involved in occupational accidents in 2024 was 0. Since 2021, the Company has been promoting a safety culture project in the Taiwan factories (including inspections by senior managers, production line safety promotion, and factory-organized safety meetings, etc.) to instill safety awareness among employees and reduce accidents in the factory. The Company regularly hosts health promotion training during training for new recruits. In 2024, the Company organized 52 labor safety and health education and training sessions totaling 156 hours.</p>	

(IV) Does the company provide its employees with career development and training sessions?	✓		(IV) 1. Establish a multi-level functional training mechanism. The Company designs multi-level training programs according to employees' different career stages to enhance their professional knowledge and management capabilities, which mainly cover: <ul style="list-style-type: none"> ● Basic training: The Company provides orientation and basic competency courses for new recruits to ensure that they can quickly adapt to the workplace environment. ● Professional training: Provide professional skills enhancement training based on business needs, such as financial accounting, information security and other professional fields. ● Management competency development: Design management capability enhancement courses for mid-level and senior managers, including training on leadership, decision-making ability enhancement, and cross-departmental collaboration training. 2. Training data: The Company adopts a data-driven talent development strategy, formulating clear resource allocation and performance indicators each year based on training needs, including: <ul style="list-style-type: none"> ● Total training hours: The Company provided 419,843 hours of internal and external training courses in 2024. 3. Implement transparency and information disclosure mechanism to ensure the effective promotion of training programs and transparency to stakeholders, the Company has established a complete information disclosure mechanism and regularly updates relevant training programs and reports on its website.	
(V) Does the company comply with relevant regulations and international standards on the health and safety of customers, customer privacy, marketing and labeling of products and services, and formulates relevant policies and procedures to protect consumer rights and handling complaints?	✓		(V) The Company actively manages the product value chain. Management mechanisms have been set up from raw material procurement, logistics to customers, and continue to track product safety information and establish a reporting mechanism to implement product safety commitments. The Company has established strict information systems and policies, including management and technical aspects, to protect the information security requirements of customers, employees, and suppliers, and to protect the privacy and property rights of relevant stakeholders.	

(VI) Does the company formulated and implement supplier management policy, requiring suppliers to follow relevant regulations on issues such as environmental protection, occupational safety and health, or labor rights?	✓	<p>On health and safety and protection of customer privacy and rights for complaint for customers, the Company complies with relevant regulations and establishes procedures based on international standards. Detailed procedures and codes can be found on the Company's official website. https://www.honhai.com/en-tw/CSR/Advocacy-and-Promotion</p> <p>The Stakeholders section has been set up on the Company's website to provide customers with complaint channels and strengthen customer relations. At the same time, the business department communicates with customers on a regular basis to confirm customer satisfaction, and handles customer complaints in the first time to protect customers' rights and interests.</p> <p>(VI)The Company has established the Supplier Code of Conduct for Social and Environmental Responsibility. Suppliers are required to comply with relevant regulations on environmental protection, occupational safety and health, or labor human rights. The Company is also required to supervise and conduct audits on suppliers. For more details, please visit the website of Foxconn's supplier ESG digital management platform: https://sgm.foxconn.com/portal/index</p> <p>The Company's central procurement and various business units have selected new suppliers, auditing and counseling, performance evaluation, education and training, and supplier conferences, etc., on the basis of long-term effective cooperation, improve supplier capabilities, strengthen the resilience of the supply chain, and reduce operational risks. The Company's suppliers in 2024 meet the following conditions.</p> <table><tr><td>Selection of new supplier</td><td>Comply with the Supplier Code of Conduct for Social and Environmental Responsibility, sign the Letter of Commitment, and pass the screening of suppliers for environmental and social standards. Suppliers of raw materials are required to pass ISO 9001 Quality Management System/ISO 14001 Environmental Management System/ISO 45001 Occupational Health and Safety Management System/QC 080000 Hazardous Substance Management System/ISO 14064 Carbon Inventory Certification.</td></tr><tr><td></td><td>Suppliers must obtain a license approved by the government depending on the type of business.</td></tr></table>	Selection of new supplier	Comply with the Supplier Code of Conduct for Social and Environmental Responsibility, sign the Letter of Commitment, and pass the screening of suppliers for environmental and social standards. Suppliers of raw materials are required to pass ISO 9001 Quality Management System/ISO 14001 Environmental Management System/ISO 45001 Occupational Health and Safety Management System/QC 080000 Hazardous Substance Management System/ISO 14064 Carbon Inventory Certification.		Suppliers must obtain a license approved by the government depending on the type of business.
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			Supplier audit and counseling	The Company's central procurement and each business unit have set up an audit function to conduct regular online investigations and on-site audits of suppliers through the supplier management platform. At the same time, based on the severity of defects, suppliers are required to provide improvement plans and measures within a specified period of time, and then confirm them.	
			Supplier ESG performance evaluation	The Company conducts ESG digital performance evaluations on key suppliers through the supplier ESG digital management platform. The evaluation items include: net zero carbon, zero waste, green products, labor rights; suppliers are evaluated objectively and fairly through supplier self-assessments and uploading of supporting evidence of ESG performance, and based on the supplier's annual performance ranking to determine the suppliers with good and poor ESG performance. Rewards will be given to suppliers with outstanding ESG performance. Suppliers with poor ESG performance will be guided for improvement. Those who do not cooperate with the improvement will be reported and included in the Group's Restricted Supplier List (RSL) for restricted use.	
			Supplier education and training	The Company will provide online education and training through the supplier ESG platform, and cooperate with professional organizations in the industry to organize small-scale trainings and forums to effectively improve the supplier's sustainable management capabilities through different forms of communication.	
			Supplier Conference	The Company holds supplier conferences regularly to convey the Company's concept, strategy, and goals of sustainability and to strengthen communication with suppliers. At the same time, suppliers can provide on-site feedback and the Company can provide timely responses, thus enhancing the effectiveness of communication.	
			For more details, please refer to the "Supplier Management" section and "Supplier Responsibility Report" of the Company's Sustainability Report.		

V. Does the company compile corporate social responsibility reports or reports that disclose the company's non-financial information based on international CSR compiling standard or guidelines? Is the report accredited from accreditation agency or third-party verification organization?	✓		The Company's sustainability report is prepared in accordance with the Global Reporting Initiative (GRI) Standards and the Sustainability Accounting Standards Board (SASB) guidelines. The report follows the AA1000 assurance standard for third-party verification and is publicly disclosed on the Company's official website. The certification agency for 2023 and 2024 was Afnor Asia Ltd.	No Difference
VI. If the Company makes its own corporate social responsibilities principles according to the Rules of Corporate Social Responsibility Best Practice Principles for TWSE/GTSM-Listed Companies, please state the differences: Not applicable.				
VII. Any other important information that may help to understand the operation of sustainable development: <ul style="list-style-type: none"> (I) Introduce a new treatment system to strengthen the engineering capacity of waste water recycling, which has been installed and operational in some factory areas. (II) Respecting employees, the Company emphasizes that it does not hire child labor, does not force employees to work overtime. Managers are prohibited to discriminate or harass against employees. All relevant measures are officially announced. (III) The Company has Health and Safety Department, examining the facilities, providing training to employees on industrial safety and health and conduct performance review on a regular basis. (IV) The Company has a Supplier Management Office that conducts sustainability audits and education and training for suppliers every year. (V) The Company actively participates in Hualien earthquake relief, and charitable organizations through donations : <ul style="list-style-type: none"> 1. Donations totaling NT\$76,875,000 were made to the Hon Hai Whale Scholarship winners for scholarships and other financial aid. 2. The Hon Hai Education Foundation invested NT\$14,474,708 in the Starlight Project. 3. Donated a total of NT\$14,284,077 to Hon Hai Technology Award winners for scholarships and technology education promotion. 4. Donations totaling NTD 3,446,660 to private and government agencies. 5. Recruited employees to receive training and participate in AI training camps in 10 rural junior high schools and disadvantaged areas in Taiwan, and lead more than 200 students to experience robotic assembly and AI programming education. 				

2. Climate-related information

(1) Implementation of climate-related information

Item	Implementation
1. Describe the monitoring and governance of climate-related risks and opportunities by the Board of Directors and the management.	1. The Company has established the Sustainability Committee as the climate change management body, chaired by the Chairman. It reviews the Company's climate change strategies and goals, manages climate change risks and opportunities for actions, reviews the implementation status and discusses future plans, and reports to the Board of Directors on a yearly basis. The Board of Directors is briefed at least once a year on climate strategies, action plans, policies, budgets and business operations at board meetings. The Chief Environmental Protection Officer of the Company has set up Team E under the ESG team. The team is responsible for the implementation of greenhouse gas reduction paths and proposals, and regularly tracks and reviews the progress and results.
2. Describe how the identified climate risks and opportunities affect the Company's business, strategy and finance (short, medium, and long-term).	2. Based on the operating characteristics and industry characteristics of Hon Hai, and with reference to the risks and opportunities in the "Recommended Climate-related Financial Disclosures", the material value at risk was assessed by considering the possibility and extent of the impact, and with reference to the results of the stakeholders' issues of concern. The major climate-related risks and opportunities of the Group were summarized and consolidated into 3 major risks and 3 major opportunities.
3. Describe the financial impact of extreme climate events and transformation actions.	3. Based on the TCFD framework, Hon Hai conducts financial impact assessment on the three major risks and opportunities of transformation and entity, sets mitigation and adjustment risks, and makes strategic planning for increasing industry opportunities. The

<p>4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.</p> <p>5. If a scenario analysis is used to assess the resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors, and main financial impacts used shall be described.</p> <p>6. If there is a transformation plan in place to manage climate-related risks, specify the content of the plan, and the indicators and targets used to identify and manage physical risks and transformation risks.</p> <p>7. If internal carbon pricing is used as a planning tool, the basis for setting the price shall be stated.</p> <p>8. If climate-related goals are set, the activities covered, the scope of greenhouse gas emissions, the planning period, and the progress of each year should be explained; if using carbon offsets or renewable energy certificates (RECs) to achieve the goals, it should be explained In exchange for the source and quantity of carbon reduction credits or quantity of Renewable Energy Certificates (RECs).</p> <p>9. Greenhouse gas inventory and assurance status, as well as reduction goals, strategies, and concrete action plans.</p>	<p>estimated financial impact of climate change-related risks is mainly to achieve 2050 net zero emissions from the carbon reduction and decarbonization costs, including increasing energy conservation and carbon reduction facilities and self-built photovoltaic solar energy facilities, fees for renewable energy certificates, fees for the purchase of carbon rights, and additional fees from the instability of new carbon reduction technologies.</p> <p>4. The Group has established a hierarchical risk management process based on the level of risk issues and unit functions. The overall climate-related risk management processes are improved based on the impact of different management levels and risk issues from the group, business group, legal person, and plant sites.</p> <p>5. Hon Hai has released the Phase 1 TCFD Net Zero Vision Report. Currently, the Company is implementing the Phase 2 report on climate scenario analysis and discussion. The results will be announced on the official website once they are confirmed.</p> <p>6. The Group has defined two core concepts, "Cleaner Production" and "Resource Management," and proposed a corresponding net zero emission reduction management and monitoring mechanism from the perspective of the Group's value chain in line with the three major climate goals. Starting from the core concepts of climate change mitigation, value chain management, promoting green and smart transformation, creating emerging industries, and improving operational resilience, the Group will gradually embrace the road to Net Zero.</p> <p>7. Hon Hai is currently conducting a pilot project on internal carbon pricing and will announce the implementation results at a later date.</p> <p>8. Foxconn Technology Group actively participates in the global green energy transformation trend and fully promotes the sustainable development strategy of the Company. A green energy plan has been clearly formulated. It is planned that by 2030, the Group's overall green electricity consumption will exceed 50%; and it is further committed that all factories worldwide will use 100% green electricity by 2040. In 2024, the Group officially joined the RE100 initiative and became its member, which demonstrated the Group's firm determination and positive actions in addressing climate change and promoting the popularization of green energy. In order to achieve the above goals, the Group vigorously promotes the self-built solar (photovoltaic) power station project, and at the same time actively plans and implements the green electricity procurement plan of bundled REC system, and increases investment in the field of green energy. In 2024, the Group's green energy share in mainland China reached 85% and achieved remarkable results. Among them, the direct purchase of clean energy reached 14,160,200 kWh, a total of 57,105,200 renewable energy certificates (RECs) were purchased, and the power generation of self-built solar power stations also reached 121.55 million kWh. This series of data fully demonstrates the positive progress and outstanding results of the Group's green energy deployment.</p> <p>9. Please refer to the following table.</p>
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(2) GHG inventory and assurance in the last 2 years

A. Greenhouse gas inventory information

Describe the greenhouse gas emission volume (metric tons CO₂e), intensity (metric tons CO₂e/NTD million), and data coverage for the most recent two years.

Greenhouse gas emissions in the past two years, with the same boundaries as those described above (unit: tons of CO₂e)

Year	Scope 1	Scope 2 (based on the market)	Intensity (CO ₂ e mt/NTD million)
2023	258,108	2,421,127	0.432
2024	127,936 (Mainland)	1,073,630 (Mainland)	Due to the incompleteness of the data, it will not be disclosed for the time being. After the subsequent data collection is completed, it will be disclosed in the Sustainability Report.

B. Greenhouse gas assertion information

Describe the status of assurance in the last 2 years up to the date of publication of the annual report, including the scope of assurance, institutions of assurance, criteria of assurance, and opinions of assurance.

The Company's total greenhouse gas emissions for 2023 have been certified by an assurance body in accordance with Assurance Standard No. 3410 "Assurance Engagements on Greenhouse Gas Statements", with a limited assurance opinion. The global assurance work for the Company's total greenhouse gas emissions for 2024 is still ongoing, and the results will be disclosed in the sustainability report upon completion.

C. Greenhouse gas reduction goals, strategies and concrete action plans

Describe the greenhouse gas reduction base year and data, reduction goals, strategies, and concrete action plans and achievement of the reduction goals.

Taking 2020 as the base year, the Company has set a target of 42% reduction in 2030 and net zero for 2050.

Regarding the greenhouse gas emissions of Scope 1 and Scope 2 within the Group's operating boundary, the Company adopts four major means to reduce greenhouse gas emissions: energy saving, direct purchase of green power, green power construction, and investment in the purchase of green power certificates. In order to promote carbon reduction in operations, the Company sets annual energy-saving indicators at the beginning of each year, and adopts incentive policies and information platform sharing to promote energy-saving technology upgrades among business groups and subsidiaries.

The Group continues to promote and implement energy-saving projects such as compressed air leakage management and high-efficiency air conditioning machine room renovation, continues to increase the installed capacity of rooftop and ground-mounted solar power stations through self-construction and acquisitions, and increase the usage and ratio of clean energy. In March of 2024, we established Kai Hung Energy Co., Ltd. with CDIB Capital, to lead the investment in the sustainable green energy industry and provide the much-needed green power for enterprises.

In order to achieve net zero emissions in the value chain, the Company actively conducts diversified carbon reduction guidance and demonstration projects in the supply chain. At the initial stage of the project, the Company had in-depth exchanges with suppliers on carbon reduction planning, conducted carbon emissions assessments on workshop equipment through on-site factory visits and production process surveys, and assisted suppliers in determining carbon reduction paths. In the later stage, the Company established a standardized guidance procedure (SOP) to regularly verify the carbon reduction results, and held experience exchange meetings to promote resource sharing for carbon reduction results. Through systematic analysis of carbon reduction results, the Company has refined carbon reduction solutions with significant results, optimized carbon reduction strategies year by year, and helped suppliers achieve green transformation. It is worth mentioning that the Company issued its first "Supplier Responsibility Report" in 2024, which was a first among Taiwanese companies.

Unit: Tons CO ₂ e			
Base year	Scope 1	Scope 2 (market-based)	Reduction rate achieved
2010	277,369	5,199,433	Due to the incompleteness of the data, it will not be disclosed for the time being. After the subsequent data collection is completed, it will be disclosed in the Sustainability Report.

(VIII) Status of ethical corporate management and deviation from the
Ethical Corporate Management Best Practice Principles for
TWSE/GTSM Listed Companies, and the reasons

Assessment items	Implementation Status			Difference from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Description	
<p>I. Establishment of ethical corporate management policies and programs</p> <p>(I) Does the company formulate ethical corporate management policy that approved by the board of directors, and declare its policies and procedures in its guidelines and external documents, as well as the commitment from its board and top executives to implement the policies?</p> <p>(II) Has the company established an evaluation mechanism to assess the unethical conducts risk, and regularly analyzes and evaluates business activities with high potential unethical conducts, and formulates a precaution plan which at least covered listed activities stated in Article 2, Paragraph 7 of the Ethical Corporate Management Best Practice Principles for TWSE/TPEx Listed Companies?</p> <p>(III) Does the company establish policies to prevent unethical conduct with clear statements regarding relevant procedures, guidelines of conduct, punishment for violation, rules of appeal, the commitment to implement the policies, and review the policy regularly?</p>	<p>✓</p> <p>✓</p> <p>✓</p>		<p>(I) The Company has established the "Honest business practice principles of Hon Hai Precision Industry Co., Ltd." approved by the Board of Directors, and based on the principles of lawfulness, fairness, equality, willingness, and good faith, the declaration in the "Employees Handbook" and the "Code of Conduct" for establishment and implementation of the Company's ethical and integrity management regulations.</p> <p>(II) The Company has established an effective internal control system, which conducts regular assessment and analysis and produces assessment reports each year. It has also established a risk assessment system that complies with ISO37001 as a basis for formulating plans to prevent dishonest behavior.</p> <p>(III) In the Foxconn Technology Group's Code of Conduct, the Company pledges to comply with international and domestic laws and regulations on anti-corruption and anti-bribery, adopt a zero-tolerance policy for any behavior or activity that violates this provision, and regularly review and revise the aforementioned plan.</p>	No Difference
<p>II. Fulfill operations integrity policy</p> <p>(I) Does the company evaluate business partners' ethical records and include ethics-related clauses in business contracts?</p> <p>(II) Does the company establish an exclusively dedicated unit supervised by the Board to be in charge of corporate integrity, and regularly (at least once a year) report to the Board about the implementation of ethical corporate management policy and the plan against unethical conducts?</p>	<p>✓</p> <p>✓</p>		<p>(I) The Company requires suppliers or other collaborators to sign the "Vendor Commitment Letter" and strictly implements high-standard anti-corruption policies as a prerequisite for cooperation.</p> <p>(II) The Legal Affairs Department of the Central Government of the Company is the dedicated unit for the promotion of the Company's ethical management. It is responsible for the promotion of the ethical management policy and the formulation and supervision of the implementation of the programs to prevent unethical conduct. The same is reported to the Board of Directors at least once a year.</p> <p>On November 14, 2024, the Company submitted a report to the Board of Directors on the implementation of integrity management in 2024: the</p>	No Difference

Assessment items	Implementation Status			Difference from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Description	
<p>(III) Does the company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?</p> <p>(VI) Has the Company established an effective accounting and internal control systems to implement honest business operations? Has the internal audit unit formulated relevant audit plans based on the results of the assessment of dishonest behavior risks and used them to verify compliance with the plan to prevent dishonest behavior, or has it entrusted a certified public accountant to perform the audit?</p> <p>(V) Does the company regularly hold internal and external educational trainings on operational integrity?</p>	<p>✓</p> <p>✓</p> <p>✓</p>		<p>Company introduced the ISO37001 international anti-bribery management system certification, established an internal control system, required employees to sign "Employee Integrity Self-Report" and "Integrity and Intellectual Property Rights Agreement" and other agreements, and invited internal and external experts to conduct education and training to prevent employees from violating regulations or making similar mistakes. Employees and suppliers involved in dishonest behaviors found in the investigation shall be punished accordingly.</p> <p>(III) The Company has formulated the Foxconn Technology Group's Code of Conduct and published the "Group Anti-Corruption Code of Conduct", which clearly defines the principles of clean management, information transparency, no improper gains, fair trade, identity confidentiality, and anonymous complaint.</p> <p>(IV) According to result of analysis for unethical conduct, the Company's internal audit unit formulates related auditing plans and evaluations.</p> <p>(V) Education and training related to ethical management issues in 2024, including insider trading, trade secrets and legal general information, and introduction to communication network operational regulations, such as the Company's information security policy, totaled 1,591 times, or 3,182 persons.</p>	
<p>III. Report System operating status</p> <p>(I) Has the company set specific report and reward system to facilitate the report channel and assign appropriate specialist accepting to spot the reported object?</p> <p>(II) Does the company establish standard operating procedures for confidential reporting on investigating accusation cases and measures for follow-up?</p>	<p>✓</p> <p>✓</p>		<p>(I) The Company has established a whistle-blowing system in accordance with the "Ethical Corporate Management Best Practice Principles," assigning dedicated personnel to handle whistle-blowing matters, and providing information on the window, acceptance procedure, and response method for whistle-blowing on the Company's official website.</p> <p>(II) The Company has established a special team to accept and investigate misconduct, and established the "Procedures for Whistleblowing of Fraud" to specify the confidentiality principles, procedures and measures to be taken after the completion of the investigation.</p>	No Difference

Assessment items	Implementation Status			Difference from Ethical Corporate Management Best Practice Principles for TWSE/GTSM Listed Companies and reasons
	Yes	No	Description	
(III) Has the Company set measures to protect whistleblowers do not suffer for which he or she reported?	✓		(III) The Company has clearly specified in the Foxconn Technology Group's Code of Conduct that identity confidentiality and anonymous complaints will be guaranteed to ensure the identity of suppliers and employees reporting informants.	
IV. Enhance information disclosure Does the company disclose the information of implementation and results of integrity management on its website and the MOPS?	✓		The Company has established Integrity Operation Rules, and discloses the implementation results on CSR annual report. The content of the Integrity Operation Rules and the implementation results are disclosed on company official website and the MOPS.	No Difference
V. If the company develops its own integrity operation rules according to the Integrity Operation Best Practice Principles for TWSE/GTSM-Listed Companies, please state the differences: No difference.				
VI. Other important information for better understanding of the integrity operation (such as review and revision of the regulations on integrity operation) 1. The Company strictly abides by the Company Act, the Securities and Exchange Act, the Business Accounting Act, the regulations related to listing on the TWSE/TPEx, and other relevant laws and regulations on business conducts as the basis for implementing ethical management. 2. Please refer to the "Ethical Corporate Management Best Practice Principles" and the "Sustainability Report" on the Company's website http://www.honhai.com .				

(IX) Disclosure of other information material to the understanding of corporate governance:

The Company continues to strengthen its corporate governance operation. The Company's official website (<http://www.honhai.com>) has set up "Corporate Governance", "Corporate Sustainability", and "Integrity Management" to explain the implementation of corporate governance and the effectiveness of its promotion.

(X) Implementation of the internal control system

1. For the internal control statement, please refer to the internal control statement announcement on MOPS > Individual Company > Corporate Governance > Company Regulations/Internal Control > Internal Control Statement Announcements.
<https://mops.twse.com.tw/mops/#/web/t06sg20>
2. If the Company is required by the Securities and Futures Bureau to appoint an accountant to review the internal control system, the CPA's review report should be disclosed: None.

(XI) Important resolutions of the shareholders' meeting and the board of directors in 2024 and up to the publication date of the annual report

1. Resolutions made by all attending shareholders at the general shareholders' meeting on May 31, 2024 and the status of their implementation

Resolutions	Implementation	
Approved the 2023 business report and financial statements	-	
Approved the 2023 earnings distribution proposal	Cash dividends of NT\$5.4 per share were distributed on July 31, 2024.	
Approval of the lifting of director of non-competition restrictions	Removal of non-compete restrictions on directors in accordance with the resolution of the shareholders' meeting	
	Chairman	Company Name and Concurrent Position
	LIU, YOUNG-WAY	Chairman of PowerX Semiconductor Corporation

2. Important resolutions of the Board of Directors in 2024 and as of March 31, 2025

- (1) January 31, 2024
Appointed members of the Remuneration Committee and Corporate Governance and Nomination Committee.
- (2) March 14, 2024
The Company's 2023 financial report, the Company's 2023 profit distribution cash dividend plan, the plan to issue domestic unsecured ordinary corporate bonds to raise medium and long-term funds, the Company's plan to increase capital in its subsidiary, Foxconn Singapore Pte. Ltd, the plan to increase capital in its subsidiary Hon Young Semiconductor Corporation, and the plan to set the date and reasons for convening the Company's 2024 general meeting of shareholders.
- (3) May 14, 2024
The Company's 2024 first quarter financial report, the Company needs the funds for overseas purchases, so it is planned to issue the first overseas unsecured convertible corporate bonds in 2024, and the indirect acquisition of HongFuJin Precision Electronics (ChengDu) Co., Ltd
- (4) August 14, 2024
The Company's financial statements for the second quarter of 2024, and the Company's plan to increase the capital of subsidiary Foxconn Singapore Pte. Ltd.
- (5) November 14, 2024
The Company's financial reports for the third quarter of 2024.
- (6) January 20, 2025
Proposal to provide guarantee for the procurement business of a subsidiary, and to set the date and convening of the Company's 2025 annual shareholders' meeting.
- (7) March 14, 2025
The Company's 2024 financial report, the Company's 2023 profit distribution cash dividend, the company's acquisition of equity in a newly established joint venture (name to be determined), the Company's proposed capital increase of its subsidiary Foxconn Singapore Pte Ltd, and the plan to issue domestic unsecured ordinary corporate bonds to raise medium and long-term funds.

(XII) In the most recent year and during the current year up to the date of publication of the annual report, if the directors have expressed dissenting opinions with respect to important resolutions passed by the Board of Directors, and said dissenting opinions have been recorded or prepared as a written declaration, the main content thereof: None.

IV. CPA fees

(I) Information on CPA Fees for the Most Recent Fiscal Year

Unit: NT\$ Thousand

CPA Firm	Name of independent auditor	Audit period	Audit fee	Non-audit Fee	Total	Remarks
PwC Taiwan	Patrick Hsu	2024/01/01	21,140	20,914	42,054	The contents of non-audit services include 2024 ECB issuance service fees, greenhouse gas inventory assurance services, tax certification, tax consulting and other services
	Jier-Ru Hsu	2024/12/31				

(II) The audit fee paid in the year of change of CPA firm is less than the audit fee of the previous year: No such situation.

(III) The audit fee is reduced by more than 10% from the previous year: No such situation.

V. Replacement of CPA

(I) Former CPA: Not applicable.

(II) Regarding the succeeding CPA: Not applicable.

(III) Reply from former CPA: Not applicable.

VI. The chairman, general manager, or manager in charge of finance or accounting of the company who has worked for the firm to which the CPA belongs or its affiliated companies in the past year: None.

VII. Equity transfer and equity pledge changes by directors, managers and the top ten shareholders

- (I) Changes in shareholding: Please refer to the MOPS > Individual Company > Shareholding Changes/Securities Issuance > Directors, Supervisors, and Major Shareholders' Shareholding/Pledge/Transfer > Details of Directors' and Supervisors' Shareholding Balances > Directors' and Supervisors' Shareholding Balances.
<https://mops.twse.com.tw/mops/#/web/stapap1>
- (II) Information on equity transfer: The counterparty of equity transfer is not a related party.
- (III) Information on share pledge: No situation where the counterparty of share pledge is a related party.

VIII. Relationship among the top ten shareholders in terms of shareholding:

March 31, 2025

Name	Shareholding		Spouse & Minor Shareholding		Shares Held through Other Parties Shares		The names and relationships of the top ten shareholders who are related parties, spouses, or relatives within the second degree of kinship		Remarks
	Number	Shareholding ratio (%)	Number	Shareholding ratio (%)	Number	Shareholding ratio (%)	Name	Relation	
Gou, Tai-Ming	1,742,198,518	12.54%	0	0.00%	0	0.00%	None	None	-
New Labor Pension Fund	245,428,741	1.77%	0	0.00%	0	0.00%	None	None	-
LGT Bank AG	176,525,239	1.27%	0	0.00%	0	0.00%	None	None	-
Citibank Hosting Government of Singapore Investment Account	173,242,233	1.25%	0	0.00%	0	0.00%	None	None	-
Standard Chartered Bank in custody for Vanguard Total International Equity Index	168,952,135	1.22%	0	0.00%	0	0.00%	None	None	-
Citibank Hosting Norges Bank Investment Account	161,440,951	1.16%	0	0.00%	0	0.00%	None	None	-
JPMorgan Chase Hosting Vanguard Developing Markets Index Fund	152,553,761	1.10%	0	0.00%	0	0.00%	None	None	-
CTBC Custody of Yuanta Taiwan Excellence 50	139,160,792	1.00%	0	0.00%	0	0.00%	None	None	-
Deutsche Commerzbank Managed iShares Emerging Markets ETF Investment Account	107,127,928	0.77%	0	0.00%	0	0.00%	None	None	-
Chunghwa Post Co., Ltd.	96,129,353	0.69%	0	0.00%	0	0.00%	None	None	-

IX. The number of shares held by the company, its directors, managerial officers, and the company's indirectly controlled enterprises in the same reinvested enterprise, and the consolidated shareholding ratio:

March 31, 2025/Unit: Thousand shares

Reinvested business	The Company invested in		Direct or indirect control of Directors, Supervisors, or Managers		Comprehensive investment	
	Number	Shareholding ratio %	Number	Shareholding ratio %	Number	Shareholding ratio %
Foxconn (Far East) Limited	6,537,330	100.00%	-	-	6,537,330	100.00%
Sharp Corporation	144,900	22.32%	76,655	11.80%	221,555	34.12%
Ecmms Precision Singapore Pte. Ltd.	615,761	100.00%	-	-	615,761	100.00%
Hyield Venture Capital Co., Ltd.	1,589,101	97.95%	33,189	2.05%	1,622,290	100.00%
Bon Shin International Investments Co., Ltd.	1,927,802	100.00%	-	-	1,927,802	100.00%
Margini Holdings Limited	75,980	100.00%	-	-	75,980	100.00%
Ambit International Ltd.	74,572	100.00%	-	-	74,572	100.00%
Foxconn Holdings B.V. -Netherlands	108,355	100.00%	-	-	108,355	100.00%
Fenix Industria De Eletronicos Ltda.	53,334	99.47%	280	0.53%	53,614	100.00%
Foxconn Moebg Industria De Eletronicos Ltda	28,662	4.71%	580,003	95.29%	608,665	100.00%
FOXCONN TECHNOLOGY CO., LTD.	139,726	9.88%	259,960	18.38%	399,686	28.26%
Foxconn Holding Limited	1,590,702	100.00%	-	-	1,590,702	100.00%
HonYuan International Investments Co., Ltd.	539,251	100.00%	-	-	539,251	100.00%
Hon Chi International Investments Co., Ltd.	485,636	100.00%	-	-	485,636	100.00%
Foxconn Singapore Pte Ltd	4,884,701	100.00%	-	-	4,884,701	100.00%
Foxconn SA B.V.	69,793	100.00%	-	-	69,793	100.00%
Pan-International Electronics	107,776	20.79%	29,620	5.71%	137,396	26.51%
LinYih International Investments Co., Ltd.	783,700	100.00%	-	-	783,700	100.00%
SYNTREND CREATIVE PARK CO., LTD.	183,646	74.80%	-	-	183,646	74.80%
Premier Image Technology (H.K.) Limited	1,409	1.63%	84,748	98.32%	86,157	99.95%
ALTUS TECHNOLOGY INC.	591,811	89.41%	70,079	10.59%	661,890	100.00%
Ennoconn Corporation	504	0.37%	36,250	26.45%	36,754	26.82%
Foxtron Vehicle Technologies Co.,Ltd.	794,400	45.62%	11,029	0.63%	805,429	46.25%
Socle Technology Corporation.	21,139	39.78%	32,000	60.22%	53,139	100.00%
Hon Young Semiconductor Corporation	593,500	100.00%	-	-	593,500	100.00%
Foxconn Ev Singapore Holdings Pte. Ltd.	412,626	100.00%	-	-	412,626	100.00%

Note: Long-term equity investment of the Company calculated according to the equity method

Three. Fundraising

I. Company Capital and Shares

March 31, 2025/Unit: Thousand shares

Type of shares	Authorized Capital			
	Outstanding shares (listed)	Non-issued Shares	Options, bonds, warrants, other convertible shares	Total
Registered Common Shares	13,891,702	3,608,298	500,000	18,000,000

(I) Capitalization

Unit: NT\$1,000; 1,000 shares

Month/ year	Issue price (NTD)	Authorized Capital		Paid-in capital		Remarks	
		Number	Amount	Number	Amount	Source of share capital (NTD thousands)	Approval date and document number
1991/06	10 42	100,000	1,000,000	80,300	803,000	Capitalization of earnings 93,000 Capital increase in cash 90,000	—
1992/07	10	100,000	1,000,000	97,600	976,000	Capitalization of earnings 132,850 Capital surplus transferred to capital 40,150	—
1993/08	10	150,000	1,500,000	112,800	1,128,000	Capitalization of earnings 103,200 Reserve transferred to capital 48,800	—
1994/08	10	150,000	1,500,000	130,300	1,303,000	Capitalization of earnings 118,600 Reserve transferred to capital 56,400	—
1995/06	10	250,000	2,500,000	187,900	1,879,000	Capitalization of earnings 445,700 Reserve transferred to capital 130,300	Tai-Tsai-Cheng (I) No. 36224 dated June 19, 1995
1995/10	48	250,000	2,500,000	227,900	2,279,000	Capital increase in cash 400,000	October 09, 1995 (84), TCZ(I) No.52879
1996/10	10	450,000	4,500,000	358,000	3,580,000	Capitalization of earnings 1,301,000	July 9, 1996 (85), TCZ(I) No.41678
1997/09	10	600,000	6,000,000	511,800	5,118,000	Capitalization of earnings 1,108,400 Reserve transferred to capital 429,600	June 30, 1997 (86), TCZ(I) No.51749
1998/08	10	1,000,000	10,000,000	734,600	7,346,000	Capitalization of earnings 1,818,560 Reserve transferred to capital 409,440	July 10, 1998 (87), TCZ (I) No.58651
1999/08	10	1,300,000	13,000,000	1,050,000	10,500,000	Capitalization of earnings 3,154,000	June 30, 1999 (88), TCZ(I) No.58593
1999/11	220.75	1,300,000	13,000,000	1,100,000	11,000,000	Capital increase in cash 500,000	August 9, 1999 (88), TCZ(I) No.63098
2000/08	10	2,400,000	24,000,000	1,452,900	14,529,000	Capitalization of earnings 3,529,000	June 22, 2000 (89), TCZ(I) No.54010
2001/08	10	2,400,000	24,000,000	1,768,780	17,687,800	Capitalization of earnings 3,158,800	June 13, 2001 (90), TCZ(I) No.137713
2002/08	10	3,000,000	30,000,000	2,064,897	20,648,970	Capitalization of earnings 2,961,170	June 27, 2002 (91), TCZ(I) No.135225
2003/08	10	3,000,000	30,000,000	2,519,174	25,191,744	Capitalization of earnings 4,542,774	June 12, 2003 (92), TCZ(I) No.20128415
2004/07	10	3,600,000	36,000,000	2,757,198	27,571,989	Consolidated capital increase 2,380,244	January 27, 2004 (93), TCZ(I) No.920162759

Month/ year	Issue price (NTD)	Authorized Capital		Paid-in capital		Remarks	
		Number	Amount	Number	Amount	Source of share capital (NTD thousands)	Approval date and document number
2004/10	10	4,600,000	46,000,000	3,231,023	32,310,231	Capitalization of earnings 4,738,011 Conversion of overseas convertible corporate bonds 231	July 21, 2004, JGZYZ No.093013268921), TCZ(I) No.20128415
2005/05	10	4,600,000	46,000,000	3,238,718	32,387,189	Overseas convertible corporate bond conversion 76,957	—
2005/08	10	5,300,000	53,000,000	3,284,525	32,845,251	Overseas convertible corporate bond conversion 458,061	—
2005/09	10	5,300,000	53,000,000	4,003,171	40,031,717	Capitalization of earnings 7,186,466	January 29, 2005, JGZYZ No.0940131076
2005/11	10	5,300,000	53,000,000	4,038,323	40,383,231	Overseas convertible corporate bond conversion 351,514	—
2006/04	10	5,300,000	53,000,000	4,099,953	40,999,534	Overseas convertible corporate bond conversion 616,303	—
2006/09	10	5,700,000	57,000,000	4,989,944	49,899,441	Capitalization of earnings 8,899,907	July 11, 2006, JGZYZ No.0950129699
2007/03	10	5,700,000	57,000,000	5,168,139	51,681,388	Consolidated capital increase 1,781,947	October 19, 2006, JGZYZ No.0950147071
2007/09	10	7,000,000	70,000,000	6,290,767	62,907,665	Capitalization of earnings 11,226,277	January 29, 2005, JGZYZ No.0940131076
2008/10	10	8,120,000	81,200,000	7,414,623	74,146,235	Capitalization of earnings 11,238,569	June 30, 2008, JGZYZ No.0970032402
2009/06	10	9,300,000	93,000,000	8,578,932	85,789,319	Capitalization of earnings 11,643,084	April 28, 2009, JGZYZ No.0980017596
2010/09	10	10,820,000	108,200,000	9,661,248	96,612,482	Capitalization of earnings 10,823,163	July 01, 2010, JGZYZ No.0990034120
2011/08	10	12,230,000	122,300,000	10,689,097	106,890,967	Capitalization of earnings 10,278,485	June 20, 2011, JGZYZ No.1000028108
2012/09	10	12,230,000	122,230,000	11,835,867	118,358,665	Capitalization of earnings 11,467,698	July 5, 2012 JGZYZ No.1010029788
2013/10	10	18,000,000	180,000,000	13,128,707	131,287,068	Capitalization of earnings 12,928,403	July 29, 2013 JGZYZ No.1020029486
2014/10	10	18,000,000	180,000,000	14,793,407	147,934,069	Capitalization of earnings 16,647,001	July 17, 2014 JGZYZ No.1030027390
2015/06	10	18,000,000	180,000,000	15,148,407	151,484,069	Issuance of new restricted employee shares 3,550,000	June 13, 2014 JGZYZ No.1030022403
2015/10	10	18,000,000	180,000,000	15,993,288	159,932,881	Capitalization of earnings 8,448,813	July 24, 2015 JGZYZ No.1040028126
2015/12	10	18,000,000	180,000,000	15,638,288	156,382,881	Cancellation of new restricted employee shares 3,550,000	—
2016/12	10	18,000,000	180,000,000	17,328,738	173,287,382	Capitalization of earnings 16,904,500	Effective July 27, 2016
2018/09	10	18,000,000	180,000,000	13,862,991	138,629,906	Capital reduction in cash - 34,657,477	August 8, 2018 JGZYZ No.1070327353
2024/12	10	18,000,000	180,000,000	13,890,729	138,907,293	Overseas convertible corporate bond conversion 277,387	—
2025/02	10	18,000,000	180,000,000	13,891,702	138,917,019	Overseas convertible corporate bond conversion 9,726	—

Note: Assets other than cash used to pay for shares: None.

(II) Information on the Company's bracket reporting system: None.

(III) List of major shareholders

March 31, 2025

Name of Major Shareholder	Shares	Number of shares held (shares)	Shareholding ratio (%)
Gou, Tai-Ming		1,742,198,518	12.54%
New Labor Pension Fund		245,428,741	1.77%
LGT Bank AG		176,525,239	1.27%
Citibank Hosting Government of Singapore Investment Account		173,242,233	1.25%
Standard Chartered Bank in custody for Vanguard Total International Equity Index		168,952,135	1.22%
Citibank Hosting Norges Bank Investment Account		161,440,951	1.16%
JPMorgan Chase Hosting Vanguard Developing Markets Index Fund		152,553,761	1.10%
CTBC Custody of Yuanta Taiwan Excellence 50		139,160,792	1.00%
Deutsche Commerzbank Managed iShares Emerging Markets ETF Investment Account		107,127,928	0.77%
Chunghwa Post Co., Ltd.		96,129,353	0.69%

(IV) Dividend policy and implementation

1. Dividend policy:

The Company is currently in the growth stage. The Company's dividend distribution policy must be based on the Company's current and future investment environment, capital needs, domestic and international competition conditions and capital budget, taking into account the interests of shareholders and the Company's long-term financial planning. Dividends to shareholders are allocated from accumulated distributable earnings, of which no less than 15% of the distributable earnings for the current year, and cash dividends of no less than 10% of shareholder dividends.

2. Distribution of dividends:

According to the Article 28-1 of the Company's Article of Incorporation, the distributable dividends and bonuses, legal or capital reserve, in whole or in part may be paid in cash after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors.

The Company's Board of Directors resolved on March 14, 2025 to distribute a dividend of NT\$80,571,871,305 to shareholders and a cash dividend of NT\$5.8 per share from the distributable earnings of 2024. The chairman of the Board of Directors was authorized to set the ex-dividend base date, payment date, and other related matters.

(V) Impacts of the proposed stock issuance at the shareholders' meeting on the Company's operating performance and earnings per share: Not applicable.

(VI) Remuneration to employees and directors

1. Information regarding employees' and directors' remuneration as set forth in the Articles of Incorporation:

According to the Articles of Incorporation adopted by the Board, 5-7% of the company profit (Surplus refers to profit before tax deducted appropriated employee compensation) is to set aside for employee remuneration, no Directors' remuneration has been allocated.

2. The basis for estimating the amount of employee and director remuneration, the basis for calculating the number of shares to be distributed as employee remuneration, and the accounting treatment of any discrepancy between the actual distributed amount and the estimated figure:

(1) The Company's Board of Directors approved on March 14, 2025 to allocate 5% of the 2024 earnings for 2024 as cash remuneration to employees.

(2) When there is a discrepancy between the actual distributed amount and the estimated amount, it shall be treated according to the estimated amount.

3. Approval of the proposed distribution of remuneration by the Board of Directors:

(1) It is proposed to distribute NT\$8,834,119,803 in cash to employees as remuneration.

(2) Any discrepancy between the actual distributed amount and the recognized amount, the amount of the discrepancy, its cause and treatment:

(3) There is no difference between the actual distributed amount and the recognized amount.

4. Actual distribution of employees' and directors' remuneration in the previous year:

(1) Actual distribution:

Unit: NT\$

Employee dividends			Remuneration to Directors and Supervisors
Amount of employee remuneration distributed in stock	Number of shares distributed as employee remuneration	Cash distributed as remuneration to employees	
0	0	8,265,937,637	0

(2) Any discrepancy between the actual distributed amount and the recognized amount, the amount of the difference, the reason for the difference and the treatment: There is no difference between the actual distributed amount and the recognized amount.

(VII) Shares repurchased by the Company: None .

II. Section on Corporate Bonds

(I) Information on corporate bonds

1. Domestic unsecured common corporate bonds

Units: NTD Million

Corporate bond type	2014 fourth tranche of unsecured common corporate bonds		2015 second tranche of unsecured common corporate bonds		2015 third tranche of unsecured common corporate bonds		2015 fourth tranche of unsecured common corporate bonds	
	Coupon E		Coupon G		Coupon H		Coupon G	Coupon H
Issuing (handing) date	2014/10/08		2015/06/24		2015/09/29		2015/11/30	2015/11/30
Total amount	200		500		300		100	200
Interest rate	2.15%		1.90%		2.00%		1.75%	1.95%
Term	12 years		10 years		12 years		10 years	12 years
Expiry Date	2026/10/08		2025/06/24		2027/09/29		2025/11/30	2027/11/30
Outstanding principal	200		500		300		100	200
Face value	NT\$1,000,000							
Issuing and transaction location	Taipei Exchange (TPEX)							
Issue Price	Issued in full at face value on the issue date							
Consignee	Bank SinoPac Company Limited							
Principal Payment	100% principal repayment upon maturity							

Note: The corporate bond information in the above table does not include the following items: 1. Guarantor, 2. Underwriter, 3. Certified Lawyer, 4. CPAs, 5. Redemption or early repayment terms, 6. Restrictive terms, 7. Other rights (including A. The amount of converted (exchanged or subscribed) common shares, overseas depositary receipts or other securities and B. Issuance and conversion (exchange or subscription) methods), 8. Issuance and conversion, exchange or subscription methods, possible dilution of equity due to issuance conditions and impact on the rights and interests of existing shareholders, 9. Name of the entrusted custodian institution of the exchange subject.

Units: NTD Million

Corporate bond type	2016 first tranche of unsecured common corporate bonds		2017 first tranche of unsecured common corporate bonds		2017 second tranche of unsecured common corporate bonds		2017 third tranche of unsecured common corporate bonds	
	Coupon G		Coupon E		Coupon G		Coupon D	
Issuing (handling) date	2016/06/07		2017/05/17		2017/08/08		2017/11/16	
Total amount	1,800		400		700		1,000	
Interest rate	1.20%		1.53%		1.52%		1.4%	
Term	10 years		10 years		10 years		10 years	
Expiry Date	2026/06/07		2027/05/17		2027/08/08		2027/11/16	
Outstanding principal	1,800		400		700		1,000	
Face value	NT\$1,000,000							
Issuing and transaction location	Taipei Exchange (TPEX)							
Issue Price	Issued in full at face value on the issue date							
Consignee	Bank SinoPac Company Limited							
Principal Payment	100% principal repayment upon maturity							
Guarantee/underwriting institutions	None							
Legal Counsel / Auditor	None							
Redemption or Early Repayment Clause	None							
Restrictions	None							
Name of credit rating agency / Rating date / Rating of corporate bonds	None							
Amount of Converted or Exchanged Common Shares, ADRs or Other Securities	Not applicable							
Other Rights of Bondholders								
Conversion Right	None							
Dilution Effect and Other Adverse Effects on Existing Shareholders	None							
Custodian	None							

Units: NTD Million

Corporate bond type	2018 first tranche of unsecured common corporate bonds			2018 second tranche of unsecured common corporate bonds		
	Coupon D	Coupon E	Coupon F	Coupon E	Coupon F	Coupon F
Issuing (handing) date	2018/05/09	2018/05/09	2018/07/27	2018/07/27	2018/07/27	2018/07/27
Total amount	3,200	1,500	1,400	2,300	1,400	1,400
Interest rate	1.05%	1.35%	1.30%	1.00%	1.30%	1.30%
Term	7 years	10 years	10 years	7 years	10 years	10 years
Expiry Date	2025/05/09	2028/05/09	2028/07/27	2025/07/27	2028/07/27	2028/07/27
Outstanding principal	3,200	1,500	1,400	2,300	1,400	1,400
Face value	NT\$1,000,000					
Issuing and transaction location	Taipei Exchange (TPEX)					
Issue Price	Issued in full at face value on the issue date					
Consignee	Bank SinoPac Company Limited					
Principal Payment	100% principal repayment upon maturity					
Guaranteee/underwriting institutions	None					
Legal Counsel / Auditor	None					
Redemption or Early Repayment Clause	None					
Restrictions	None					
Name of credit rating agency / Rating date / Rating of corporate bonds	None					
Other Rights of Bondholders	Amount of Converted or Exchanged Common Shares, ADRs or Other Securities					
	Not applicable					
Dilution Effect and Other Adverse Effects on Existing Shareholders	Conversion Right					
	None					
Custodian	None					
	None					

Units: NTD Million

Corporate bond type	2019 first tranche of unsecured common corporate bonds				2019 second tranche of unsecured common corporate bonds			
	Coupon C	Coupon D	Coupon E	Coupon C	Coupon B	Coupon C	Coupon D	
Issuing (handling) date	2019/10/22	2019/10/22	2019/10/22		2020/01/09	2020/01/09	2020/01/09	
Total amount	500	2,500	950		500	2,350	1,650	
Interest rate	0.86%	0.90%	1.10%		0.85%	0.92%	1.12%	
Term	6 years	7 years	10 years		6 years	7 years	10 years	
Expiry Date	2025/10/22	2026/10/22	2029/10/22		2026/01/09	2027/01/09	2030/01/09	
Outstanding principal	500	2,500	950		500	2,350	1,650	
Face value	NT\$1,000,000							
Issuing and transaction location	Taipei Exchange (TPEx)							
Issue Price	Issued in full at face value on the issue date							
Consignee	Bank SinoPac Company Limited							
Principal Payment	100% principal repayment upon maturity							
Guaranteee/underwriting institutions	None							
Legal Counsel / Auditor	None							
Redemption or Early Repayment Clause	None							
Restrictions	None							
Name of credit rating agency / Rating date / Rating of corporate bonds	None							
Other Rights of Bondholders	Not applicable							
Conversion Right	None							
Dilution Effect and Other Adverse Effects on Existing Shareholders	None							
Custodian	None							

Units: NTD Million

Corporate bond type	2020 first tranche of unsecured common corporate bonds				2020 second tranche of unsecured common corporate bonds			
	Coupon A	Coupon B	Coupon C	Coupon D	Coupon A	Coupon B	Coupon C	Coupon D
Issuing (handling) date	2020/05/14	2020/05/14	2020/05/14	2020/09/09	2020/09/09	2020/09/09	2020/09/09	2020/09/09
Total amount	1,900	4,100	600		2,850	3,700	1,400	300
Interest rate	0.80%	0.90%	1.00%		0.69%	0.79%	0.90%	1.00%
Term	5 years	7 years	10 years		5 years	7 years	10 years	12 years
Expiry Date	2025/05/14	2027/05/14	2030/05/14		2025/09/09	2027/09/09	2030/09/09	2032/09/09
Outstanding principal	1,900	4,100	600		2,850	3,700	1,400	300
Face value	NT\$1,000,000							
Issuing and transaction location	Taipei Exchange (TPEx)							
Issue Price	Issued in full at face value on the issue date							
Consignee	Bank SinoPac Company Limited							
Principal Payment	100% principal repayment upon maturity							
Guaranteee/underwriting institutions	None							
Legal Counsel / Auditor	None							
Redemption or Early Repayment Clause	None							
Restrictions	None							
Name of credit rating agency / Rating date / Rating of corporate bonds	None							
Amount of Converted or Exchanged Common Shares, ADRs or Other Securities	Not applicable							
	None							
Dilution Effect and Other Adverse Effects on Existing Shareholders	None							
Custodian	None							

Units: NTD Million

Corporate bond type	2020 third tranche of unsecured common corporate bonds				2021 first tranche of unsecured common corporate bonds				
	Coupon A	Coupon B	Coupon C	Coupon D	Coupon B	Coupon C	Coupon D	Coupon E	
Issuing (handling) date	2020/12/28	2020/12/28	2020/12/28	2020/12/28	2021/05/14	2021/05/14	2021/05/14	2021/05/14	
Total amount	1,800	6,600	3,400	200	2,100	5,700	2,200	700	
Interest rate	0.53%	0.63%	0.68%	0.90%	0.54%	0.63%	0.73%	0.95%	
Term	5 years	7 years	10 years	15 years	5 years	7 years	10 years	15 years	
Expiry Date	2025/12/28	2027/12/28	2030/12/28	2035/12/28	2026/05/14	2028/05/14	2031/05/14	2036/05/14	
Outstanding principal	1,800	6,600	3,400	200	2,100	5,700	2,200	700	
Face value	NT\$1,000,000								
Issuing and transaction location	Taipei Exchange (TPEX)								
Issue Price	Issued in full at face value on the issue date								
Consignee	Bank SinoPac Company Limited								
Principal Payment	100% principal repayment upon maturity								
Guaranteee/underwriting institutions	None								
Legal Counsel / Auditor	None								
Redemption or Early Repayment Clause	None								
Restrictions	None								
Name of credit rating agency / Rating date / Rating of corporate bonds	None								
Other Rights of Bondholders	Amount of Converted or Exchanged Common Shares, ADRs or Other Securities								
	Not applicable								
Dilution Effect and Other Adverse Effects on Existing Shareholders	Conversion Right								
	None								
Custodian	None								

Units: NTD Million

Corporate bond type	2021 second tranche of unsecured common corporate bonds					2021 third tranche of unsecured common corporate bonds			
	Coupon A	Coupon B	Coupon C	Coupon D		Coupon B	Coupon C	Coupon D	
Issuing (handling) date	2021/09/30	2021/09/30	2021/09/30	2021/09/30		2021/12/08	2021/12/08	2021/12/08	
Total amount	2,550	10,300	2,400	200		5,500	4,000	1,650	
Interest rate	0.51%	0.62%	0.70%	0.84%		0.63%	0.72%	0.82%	
Term	5 years	7 years	10 years	15 years		5 years	7 years	10 years	
Expiry Date	2026/09/30	2028/09/30	2031/09/30	2036/09/30		2026/12/08	2028/12/08	2031/12/08	
Outstanding principal	2,550	10,300	2,400	200		5,500	4,000	1,650	
Face value	NT\$1,000,000								
Issuing and transaction location	Taipei Exchange (TPEx)								
Issue Price	Issued in full at face value on the issue date								
Consignee	Bank SinoPac Company Limited								
Principal Payment	100% principal repayment upon maturity								
Guarantee/underwriting institutions	None								
Legal Counsel / Auditor	None								
Redemption or Early Repayment Clause	None								
Restrictions	None								
Name of credit rating agency / Rating date / Rating of corporate bonds	None								
Other Rights of Bondholders	Amount of Converted or Exchanged Common Shares, ADRs or Other Securities								
	Not applicable								
Dilution Effect and Other Adverse Effects on Existing Shareholders	Conversion Right								
	None								
Custodian	None								

Units: NTD Million

Corporate bond type		2022 first tranche of unsecured common corporate bonds				2022 second tranche of unsecured common corporate bonds			
		Coupon A	Coupon B	Coupon C		Coupon A	Coupon B	Coupon C	Coupon D
Issuing (handling) date		2022/05/06	2022/05/06	2022/05/06		2022/08/18	2022/08/18	2022/08/18	2022/08/18
Total amount		200	3,500	800		3,200	5,400	1,300	700
Interest rate		1.05%	1.15%	1.20%		1.60%	1.67%	1.70%	1.85%
Term		3 years	5 years	7 years		3 years	5 years	7 years	10 years
Expiry Date		2025/05/06	2027/05/06	2029/05/06		2025/08/18	2027/08/18	2029/08/18	2032/08/18
Outstanding principal		200	3,500	800		3,200	5,400	1,300	700
Face value		NT\$1,000,000							
Issuing and transaction location		Taipei Exchange (TPEx)							
Issue Price		Issued in full at face value on the issue date							
Consignee		Bank SinoPac Company Limited							
Principal Payment		100% principal repayment upon maturity							
Guarantee/underwriting institutions		None							
Legal Counsel / Auditor		None							
Redemption or Early Repayment Clause		None							
Restrictions		None							
Name of credit rating agency / Rating date / Rating of corporate bonds		None							
Other Rights of Bondholders	Amount of Converted or Exchanged Common Shares, ADRs or Other Securities	Not applicable							
	Conversion Right	None							
Dilution Effect and Other Adverse Effects on Existing Shareholders		None							
Custodian		None							

Units: NTD Million

Corporate bond type	2022 third tranche of unsecured common corporate bonds					2023 first tranche of unsecured common corporate bonds				
	Coupon A	Coupon B	Coupon C	Coupon D	Coupon A	Coupon B	Coupon C	Coupon D	Coupon A	Coupon B
Issuing (handling) date	2022/10/21	2022/10/21	2022/10/21	2022/10/21	2023/04/20	2023/04/20	2023/04/20	2023/04/20	2023/04/20	2023/04/20
Total amount	1,200	6,700	300	300	1,300	12,600	4,500	2,900		
Interest rate	1.65%	1.75%	1.80%	1.95%	1.50%	1.62%	1.68%	1.85%		
Term	3 years	5 years	7 years	10 years	3 years	5 years	7 years	10 years		
Expiry Date	2025/10/21	2027/10/21	2029/10/21	2032/10/21	2026/04/20	2028/04/20	2030/04/20	2033/04/20		
Outstanding principal	1,200	6,700	300	300	1,300	12,600	4,500	2,900		
Face value	NT\$1,000,000									
Issuing and transaction location	Taipei Exchange (TPEx)									
Issue Price	Issue by denomination									
Consignee	Bank SinoPac Company Limited									
Principal Payment	100% principal repayment upon maturity									
Guarantee/underwriting institutions	None									
Legal Counsel / Auditor	None									
Redemption or Early Repayment Clause	None									
Restrictions	None									
Name of credit rating agency / Rating date / Rating of corporate bonds	None									
Other Rights of Bondholders	Amount of Converted or Exchanged Common Shares, ADRs or Other Securities									
	Not applicable									
Conversion Right	None									
Dilution Effect and Other Adverse Effects on Existing Shareholders	None									
Custodian	None									

Units: NTD Million

Corporate bond type		2023 second tranche of unsecured common corporate bonds					2023 third tranche of unsecured common corporate bonds				
Issuing (handling) date		Coupon A	Coupon B	Coupon C	Coupon D		Coupon A	Coupon B	Coupon C	Coupon D	
		07/05/2023	07/05/2023	07/05/2023	07/05/2023		2023/09/14	2023/09/14	2023/09/14	2023/09/14	
Total amount		800	6,200	2,000	3,350		700	6,300	1,900	6,300	
Interest rate		1.52%	1.62%	1.68%	1.83%		1.53%	1.65%	1.70%	1.81%	
Term		3 years	5 years	7 years	10 years		3 years	5 years	7 years	10 years	
Expiry Date		2026/07/05	2028/07/05	2030/07/05	2033/07/05		2026/09/14	2028/09/14	2030/09/14	2033/09/14	
Outstanding principal		800	6,200	2,000	3,350		700	6,300	1,900	6,300	
Face value		NT\$1,000,000									
Issuing and transaction location		Taipei Exchange (TPEx)									
Issue Price		Issue by denomination									
Consignee		Bank SinoPac Company Limited									
Principal Payment		100% principal repayment upon maturity									
Guarantee/underwriting institutions		None									
Legal Counsel / Auditor		None									
Redemption or Early Repayment Clause		None									
Restrictions		None									
Name of credit rating agency / Rating date / Rating of corporate bonds		None									
Other Rights of Bondholders	Amount of Converted or Exchanged Common Shares, ADRs or Other Securities	Not applicable									
Conversion Right		None									
Dilution Effect and Other Adverse Effects on Existing Shareholders		None									
Custodian		None									

Units: NTD Million

Corporate bond type	2023 fourth tranche of unsecured common corporate bonds		2024 first tranche of unsecured common corporate bonds		
	Coupon A	Coupon B	Coupon A	Coupon B	Coupon C
Issuing (handling) date	2023/11/22	2023/11/22	2024/01/11	2024/01/11	2024/01/11
Total amount	1,400	900	900	9,300	1,200
Interest rate	1.72%	1.74%	1.68%	1.80%	1.90%
Term	5 years	7 years	3 years	5 years	10 years
Expiry Date	2028/11/22	2030/11/22	2027/01/11	2029/01/11	2034/01/11
Outstanding principal	1,400	900	900	9,300	1,200
Face value	NT\$1,000,000				
Issuing and transaction location	Taipei Exchange (TPEX)				
Issue Price	Issue by denomination				
Consignee	Bank SinoPac Company Limited				
Principal Payment	100% principal repayment upon maturity				
Guarantee/underwriting institutions	None				
Legal Counsel / Auditor	None				
Redemption or Early Repayment Clause	None				
Restrictions	None				
Name of credit rating agency / Rating date / Rating of corporate bonds	None				
Other Rights of Bondholders	Amount of Converted or Exchanged Common Shares, ADRs or Other Securities				
Conversion Right		None			
Dilution Effect and Other Adverse Effects on Existing Shareholders		None			
Custodian		None			

Units: NTD Million

Corporate bond type	2024 second tranche of unsecured common corporate bonds				2024 third tranche of unsecured common corporate bonds		
	Coupon A	Coupon B	Coupon C	Coupon D	Coupon A	Coupon B	Coupon C
Issuing (handing) date	2024/04/25	2024/04/25	2024/04/25	2024/04/25	2024/10/16	2024/10/16	2024/10/16
Total amount	1,150	4,950	300	1,600	7,800	950	3,550
Interest rate	1.70%	1.80%	1.84%	1.90%	1.96%	2.00%	2.05%
Term	3 years	5 years	7 years	10 years	5 years	7 years	10 years
Expiry Date	2027/04/25	2029/04/25	2031/04/25	2034/04/25	2029/10/16	2031/10/16	2034/10/16
Outstanding principal	1,150	4,950	300	1,600	7,800	950	3,550
Face value	NT\$1,000,000						
Issuing and transaction location	Taipei Exchange (TPEx)						
Issue Price	Issue by denomination						
Consignee	Bank SinoPac Company Limited						
Principal Payment	100% principal repayment upon maturity						
Guaranteee/underwriting institutions	None						
Legal Counsel / Auditor	None						
Redemption or Early Repayment Clause	None						
Restrictions	None						
Name of credit rating agency / Rating date / Rating of corporate bonds	None						
Other Rights of Bondholders	Amount of Converted or Exchanged Common Shares, ADRs or Other Securities						
	Not applicable						
Dilution Effect and Other Adverse Effects on Existing Shareholders	Conversion Right						
	None						
Custodian	None						
	None						

Units: NTD Million

Corporate bond type		2025 first tranche of unsecured common corporate bonds		
		Coupon A	Coupon B	Coupon C
Issuing (handing) date		2025/01/14	2025/01/14	2025/01/14
Total amount		6,700	1,300	1,200
Interest rate		1.98%	2.00%	2.05%
Term		5 years	7 years	10 years
Expiry Date		2030/01/14	2032/01/14	2035/01/14
Outstanding principal		6,700	1,300	1,200
Face value		NT\$1,000,000		
Issuing and transaction location		Taipei Exchange (TPEX)		
Issue Price		Issue by denomination		
Consignee		Bank SinoPac Company Limited		
Principal Payment		100% principal repayment upon maturity		
Guaranteee/underwriting institutions		None		
Legal Counsel / Auditor		None		
Redemption or Early Repayment Clause		None		
Restrictions		None		
Name of credit rating agency / Rating date / Rating of corporate bonds		None		
Other Rights of Bondholders	Amount of Converted or Exchanged Common Shares, ADRs or Other Securities	Not applicable		
	Conversion Right	None		
Dilution Effect and Other Adverse Effects on Existing Shareholders		None		
Custodian		None		

2. Overseas unsecured convertible corporate bonds

Corporate bond type	2021 first overseas unsecured convertible corporate bonds
Issuing (handling) date	August 5, 2021
Total amount	USD 700,000,000
Interest rate	Coupon rate: 0%
Term	5 years
Expiry Date	August 5, 2026
Outstanding principal	USD 552,400,000
Face value	US\$200,000 or if the sum is more than US\$200,000, in increments of US\$100,000.
Issuing and transaction location	Singapore Exchange Limited (SGX)
Issue Price	Issued at 100% of par value
Consignee	Citigroup International Limited
Principal Payment	The issuing company has direct, unconditional, non-sequential and unsecured payment obligations for its corporate bonds. Except where the Company's bonds have been redeemed, repurchased and cancelled, or the bondholders have exercised their conversion rights, the Company's bonds will be redeemed by the issuing company on the maturity date at the par value plus an annual interest rate of -0.41% (interest calculated semi-annually). The redemption amount at maturity will be converted into NTD at a fixed exchange rate, and the NTD amount will be converted into USD at the current exchange rate (refer to the fixing exchange rate displayed by Taipei Forex Inc. at 11:00 a.m.).
Underwriter	Foreign lead underwriter: Citigroup Global Markets Limited, Goldman Sachs International, The Hongkong and Shanghai Banking Corporation Limited Domestic underwriter in charge: Grant Fortune Securities
Certified Lawyer	Not applicable
CPA	Not applicable
Redemption or Early Repayment Clause	<p>An issuing company may redeem its corporate bonds in advance under the following circumstances:</p> <ol style="list-style-type: none"> 1. After three years of issuance, if the closing price of the ordinary shares of the issuing company on the Taiwan Stock Exchange is for 20 consecutive trading days (in the case of ex-rights or ex-dividends, the period from the ex-right or ex-dividend trading day to the ex-right or ex-dividend base day. During the period, the closing price used shall be calculated as the price before ex-rights or ex-dividend) and reaches 130% of the total amount obtained by multiplying the early redemption price (as defined below) by the current conversion price and dividing by the face value of the corporate bonds. The company can redeem all or part of its corporate bonds at the early redemption price; 2. When more than 90% of the Company's bonds have been redeemed, repurchased and cancelled, or the bondholders exercise the right of conversion, the issuing company may redeem the Company's bonds in whole but not in part at the early redemption price (as defined below); and 3. When changes in the tax laws of the Republic of China cause the issuer to increase its tax burden or have to pay additional interest expenses or increase costs due to the Company's corporate bonds after the issuance date, the issuing company may redeem the Company's bonds in whole but not in part at the early redemption price (as defined below). Holders of corporate bonds may choose not to have their holdings of the corporate bonds redeemed by the issuing company in advance, but the holders of corporate bonds who choose to do so will not be entitled to any additional amount or additional tax compensation. <p>The early redemption price is the amount calculated by the Company based on the par value of the Company's bonds plus the annual interest rate -0.41% of yield (interest calculated semi-annually) when the relevant event occurs, based on the number of days from the issue date to the day when the relevant event occurs (based on 360 days a year and 30 days a month). The aforementioned early redemption price will be converted into NTD at a fixed exchange rate, and the NTD amount will be converted to USD according to the exchange rate at the time (see the fixed exchange rate displayed by Taipei Forex Inc. at 11:00 a.m.).</p>

Restrictions		None
Name of credit rating agency / Rating date / Rating of corporate bonds		None
Other Rights of Bondholders	Amount of Converted or Exchanged Common Shares, ADRs or Other Securities	None
	Conversion Right	For details, please visit MOPS - Investment Section - Credit Section
Dilution Effect and Other Adverse Effects on Existing Shareholders		If the remaining portion of the overseas unsecured convertible corporate bonds issued this time were converted in full this year, the equity dilution would be about 0.77%, which would have a limited impact on the dilution ratio of the original shareholders' equity.
Custodian		Not applicable

Corporate bond type	2024 first overseas unsecured convertible corporate bonds
Issuing (handling) date	October 24, 2024
Total amount	USD 700,000,000
Interest rate	Coupon rate: 0%
Term	5 years
Expiry Date	October 24, 2029
Outstanding principal	USD 700,000,000
Face value	US\$200,000 or if the sum is more than US\$200,000, in increments of US\$100,000.
Issuing and transaction location	Singapore Exchange Limited (SGX)
Issue Price	Issued at 100% of par value
Consignee	THE HONG KONG AND SHANGHAI BANKING CORPORATION LIMITED
Principal Payment	<p>The issuing company has direct, unconditional, non-sequential and unsecured payment obligations for its corporate bonds. Except where the Company's bonds have been redeemed, repurchased and cancelled, or the bondholders have exercised their conversion rights, the Company's bonds will be redeemed by the issuing company on the maturity date at the par value plus an annual interest rate of 0% (interest calculated semi-annually).</p> <p>The redemption amount at maturity will be converted into NTD at a fixed exchange rate, and the NTD amount will be converted into USD at the current exchange rate (refer to the fixing exchange rate displayed by Taipei Forex Inc. at 11:00 a.m.).</p>
Bond Guarantor	None
Underwriter	<p>Foreign lead underwriters: Citigroup Global Markets Limited, Goldman Sachs (Asia) LLC, The Hongkong and Shanghai Banking Corporation Limited, UBS AG Hong Kong Branch</p> <p>Domestic underwriter in charge: Grant Fortune Securities</p>
Certified Lawyer	Not applicable
CPA	Not applicable
Redemption or Early Repayment Clause	<p>An issuing company may redeem its corporate bonds in advance under the following circumstances:</p> <p>(I) After three years of issuance, if the closing price of the ordinary shares of the issuing company on the Taiwan Stock Exchange is for 20 consecutive trading days (in the case of ex-rights or ex-dividends, the period from the ex-right or ex-dividend trading day to the ex-right or ex-dividend base day. During the period, the closing price used shall be calculated as the price before ex-rights or ex-dividend) and reaches 130% of the total amount obtained by multiplying the early redemption price (as defined below) by the current conversion price and dividing by the face value of the corporate bonds. The company can redeem all or part of its corporate bonds at the early redemption price;</p> <p>(II) When more than 90% of the Company's bonds have been redeemed, repurchased and cancelled, or upon exercise of the conversion rights by the bondholders, the issuing company may redeem the Company's bonds in whole but not in part at the early redemption price (as defined below); and</p> <p>(III) When the tax laws and regulations of the Republic of China are changed, causing the issuer to have an increased tax burden or to pay additional interest expenses or increased costs due to the Company's bonds after the issuance date, the issuing company may redeem the Company's bonds in whole but not in part at the early redemption price (as defined below). Holders of corporate bonds may choose not to have their holdings of the corporate bonds redeemed by the issuing company in advance, but the holders of corporate bonds who choose to do so will not be entitled to any additional amount or additional tax compensation.</p> <p>The early redemption price is the amount calculated by the Company based on the par value of the Company's bonds plus the annual interest rate 0% of yield (interest calculated semi-annually) when the relevant event occurs, based on the number of days from the issue date to the day when the relevant event occurs (based on 360 days a year and 30 days a month). The aforementioned early redemption price will be converted into NTD at a fixed exchange rate, and the NTD amount will be converted to USD according to the exchange rate at the time (see the fixed exchange rate displayed by Taipei Forex Inc. at 11:00 a.m.).</p>

Restrictions		None
Name of credit rating agency / Rating date / Rating of corporate bonds		None
Other Rights of Bondholders	Amount of Converted or Exchanged Common Shares, ADRs or Other Securities	None
	Conversion Right	For details, please visit MOPS - Investment Section - Credit Section
Dilution Effect and Other Adverse Effects on Existing Shareholders		If all the overseas unsecured convertible corporate bonds issued this time are converted this year, the equity dilution ratio will be approximately 0.54%, which will have a limited effect on the dilution ratio of the original shareholders' equity.
Custodian		Not applicable

(II) Information on convertible corporate bonds

Unit: NT\$

Corporate bond type		2021 first overseas unsecured convertible corporate bonds		2024 first overseas unsecured convertible corporate bonds	
Item	Year	2024	As of March 31 of the current year	2024	As of March 31 of the current year
Conversion of bonds into the Company's shares	Highest	135.741	114.724	102.285	97.589
	Lowest	93.236	94.629	96.315	93.065
	Average	112.445	107.342	99.589	96.033
Conversion price		143.83	143.83	300.00	300.00
Issue (Transaction) Date and Conversion Price upon Issue		On August 5, 2021, \$163.17 was issued.		On October 24, 2024, \$300 was issued.	
Conversion Method		Issuance of New Shares		Issuance of New Shares	

(III) Information on exchangeable corporate bonds: None.

(IV) Corporate bond issuance information: None.

(V) Information on corporate bonds with warrants: None.

III. Preferred shares (preferred shares with warrants): None.

IV. Global Depositary Receipts (GDR)

As of March 31, 2025, the Company's overseas depository receipts issued totaled 266,202,591 units. (from 2000 to 2016, stock dividend distribution increased by 247,091,129 units; in 2018, capital decreased by 66,550,649 units.) In addition, ECB converted and issued a total of 26,296,111 GDR units)

March 31, 2025

Date of Issuance		October 7, 1999	March 17, 2005
Item			
Issuing and transaction location		Issuing location: Europe, Asia, USA Transaction location: London Stock Exchange	Issuing location: Europe, Asia, USA Transaction location: London Stock Exchange
Total amount		USD 416,700,000	US\$257,178,618.20
Unit issue price		USD 13.89	USD 8.7577
Total of issued unit		(1) 25,000,000 units (2) 5,000,000 units 30,000,000 units in total	29,366,000 units
Source of securities represented		(1) Issuance of new shares for capital increase in cash (2) The ordinary shares of the Company held by the original shareholders	The Company's common shares held by the original shareholders
Amount of securities represented		60,000,000 common shares	58,732,000 common shares
GDR holders' rights and obligations Rights and obligations		1. Voting rights 2. Dividend distribution, subscription of new shares and other rights	1. Voting rights 2. Dividend distribution, subscription of new shares and other rights
Consignee		None	None
Depository Bank		Citibank N. A	Citibank N. A
Custodian Bank		Citibank N. A, Taipei Branch	Citibank N. A, Taipei Branch
Outstanding balance		39,751,817 shares (representing 79,503,657 shares of securities)	
Method to share the expenses incurred during the issuance and duration		Issue cost: amortized by the issuing companies and shareholder participants according to the actual shares issued Expenses incurred in the duration: amortized by the issuing company	
Important conventions about depository and escrow agreement		The depository institute performs the obligations for GDR holders, while the guarantee agency keeps GDR common shares represented.	
Market price per unit (Unit: USD)	Year	2024	As of March 31, 2025
	Highest	13.97	11.40
	Lowest	5.892	9.07
	Average	10.2545	10.4941

V. Subscription of Warrants for Employees: None

VI. Issuance of restricted stock awards (RSA): None.

VII. Issuance of new shares in connection with the acquisition or transfer of shares of other companies:

(I) Mergers and acquisitions of shares issued by other companies during the most recent year and up to the date of publication of the annual report:

1. Valuation opinion issued by the lead underwriter of the merger or acquisition of other companies' shares and new stock issuance in the most recent quarter: None.
2. Implementation status in the most recent quarter: if the implementation progress and benefits do not meet the expected targets, the impact on shareholders' equity and improvement plans should be explained in detail: Not applicable.

(II) Mergers or acquisitions or issuance of new shares approved by the Board of Directors in the most recent year up to the date of publication of the annual report: None.

VIII. Implementation of the plan for utilization of funds:

The Company doesn't have any uncompleted issuance plan or completed plan with unrealized benefit within the latest three years.

Four. Operation Overview

I. Business Content

(I) Business Scope

1. Main business activities

The information and communications industry, automation equipment industry, optoelectronics industry, precision machinery industry, automobile industry and consumer electronics industry, as well as the manufacturing, sales and services of various related connectors, chassis, heat sinks, assembly products, optics and network cable assembly products.

In addition to ICT product, the Company continues to expand into 3 new businesses in EV, robotics, and digital health, as well as the 3 core technology fields of AI, semiconductors and new-generation communications.

In 2023, the Group also launched three major platforms including smart manufacturing, smart electric vehicles, and smart cities, and announced that it will transform from a technology manufacturing service provider to a platform solution company.

2. Proportion of business

98% of the products are 3C electronics (Computer, Communication, Consumer Electronics).

3. Current products

The products manufactured by the Company include:

(1) Smart Consumer Electronic Products (mainly smartphones, TVs, game consoles, etc.)

Personal consumer electronic products, including smart phones, feature phones, wearable devices, etc.; as well as smart home entertainment systems and equipment, including TVs, game consoles, set-top boxes, speakers, etc.

(2) Cloud and Networking Products (mainly servers, network communications and related products):

Enterprise and consumer network communication equipment, equipment required by cloud storage, including routers, servers, edge computing, data centers, satellite communications and other related equipment.

(3) Computing Products (mainly computers, tablets, etc.):

Work computing equipment, office and workplace computing products, including desktops, notebooks, tablets, office machines, printers, etc.

(4) Components and Others Product (mainly connectors, mechanical parts, services, etc.):

Upstream manufacturing and development of key components, technical components; including connectors, precision optical components, lenses, electronic components, semiconductor products, automotive electronic parts, tool/mold fixtures and mechanical equipment. Additionally, logistics, warehousing, software development, healthcare services, and industrial internet integration solutions also fall into this category.

4. New products, new industries and technologies planned to be developed

The Company actively transforms, upgrades, and promotes the transition from brawn-intensive industries to brain-intensive strategies of "F1.0, F2.0, and F3.0". In addition to the development lights-out factories and automation, the Company also focuses on our defined "3+3 categories" including the three industries of

electric vehicles, robotics, and digital health; across three applications of AI, semiconductor and next generation communications.

AI and Electric vehicles are one of the Company's main growth drivers in the future. In developing these two industries, we will continue to expand overseas markets, components, and software, as well as adopt a unique operating model of Build Operate Localize (BOL) to respond to the industry trends of globalization and regionalization.

Also, we will continue to expand our global manufacturing with local partners to allocate the best resources by our innovative business model – BOL Model (Build, Operate and Localize). The Company's business model in the electric vehicle field is based on CDMS (Contract Design and Manufacturing Service). Customers can focus on product differentiation and brand building, while the Company focuses on design, components, and complete vehicle manufacturing. As the competition in the electric vehicle market is getting fiercer and fiercer, CDMS can bring the best Time to Market and Time to Cost. Therefore, more and more OEMs have recognized our business model.

In terms of semiconductors, the Company has also continued to strengthen its layout in IC design, and focused on the three major categories of driving assistance, electric drive, and automotive electronic platforms where the cost of electric vehicles has the highest proportion.

The Company is currently positioned as a Technology Manufacturing Platform Service Company, developing various technologies and businesses through the three major smart platforms of smart manufacturing, smart EV, and smart city. These platforms are based on the key capabilities we have built in the past, such as key components, modules, systems, and software. In the future, we will introduce more generative AI to make these key capabilities even stronger.

(II) Industry overview

1. Industry Status and Development

Current Status

Regarding the electronics industry in the recent years, smartphone accounts for the largest market share in consumer electronic products. According to IDC (International Data Corporation) statistics, after two years of challenging recession, global smartphone shipments have grown for six consecutive quarters, showing a strong recovery in 2024 with a growth rate of 6.4% and shipments of 1.24 billion units.

In terms of cloud network products, with the wide application and rapid development of AI, this category has unprecedented growth opportunities. According to TrendForce's forecast, the AI server market will continue to grow rapidly. The shipment volume increased by more than 40% last year and is expected to grow by 28% this year, indicating that the AI server market is experiencing a period of high-speed growth and will become the main driver of the server market in the coming years.

In the field of computer terminal products, according to IDC's forecast, PC manufacturers' shipments reached 262.7 million units in 2024, a 1% increase from 2023. This year, PC manufacturers are faced with many obstacles as well as support at the same time, making the market full of challenges.

For components and other products, the demand fluctuated depending on the sales of the end products.

The development status of the electric vehicle industry, according to EV-Volumes data, the global electric vehicle market (pure electric vehicles BEV and plug-in

hybrid vehicles PHEV) continued to grow in 2024, with annual sales of approximately 17.76 million units, or an increase of approximately 25%. The global electric vehicle market will face more challenges and opportunities this year. After Trump took office, the United States terminated the Inflation Reduction Act (IRA) and adjusted its tariff and trade policies; in Europe, stricter emissions regulations, changes in subsidy policies, and the implementation of countervailing duties have had an impact. Meanwhile, China's "old-for-new" vehicle replacement policy will end in 2025. These policy changes across major markets will introduce greater uncertainty to the global electric vehicle market in 2025. Additionally, as automakers' development strategies continue to evolve, future market trends will require close monitoring. However, we believe that the long-term growth trend of electric vehicles will remain unchanged, which will become more and more favorable to the CDMS model.

Future Developments

Looking into 2025, the performance of the ICT industry is expected to continue to grow, mainly due to the increase in generative AI applications and the improvement of AI server visibility, which boosted the demand for cloud network products. In the long run, we expect that as the applications of edge AI development become more and more popular, there will be more and more needs to upgrade personal devices.

According to IDC's forecast, the global PC and smart phone markets are expected to resume growth in 114, driving a recovery in demand for components and terminal equipment. As a leading global electronic manufacturer, Hon Hai will continue optimizing its product portfolio and enhancing its automated production capabilities in order to respond to market changes and improve operational efficiency. The Company believes that the performance of this product category will tend to be stable in 2025.

In terms of cloud network products, we expect Hon Hai's operating performance to accelerate this year, thanks to the increasing demand for cloud network products from applications such as generative AI, as well as the significant increase in capital expenditures by global cloud service providers (CSPs) this year. In 2025, the Company's related businesses are expected to achieve strong growth. For the whole year, AI server revenue will reach NT\$1 trillion, accounting for more than 50% of the overall server revenue.

In the field of computer terminal products, we expect it to be generally stable. However, with many variables such as regional politics and tariffs at present, the production and manufacturing end will face more challenges, and the demand side may also be affected to a certain extent. In response to these changes, we will work closely with customers and make timely adjustments with our global footprint.

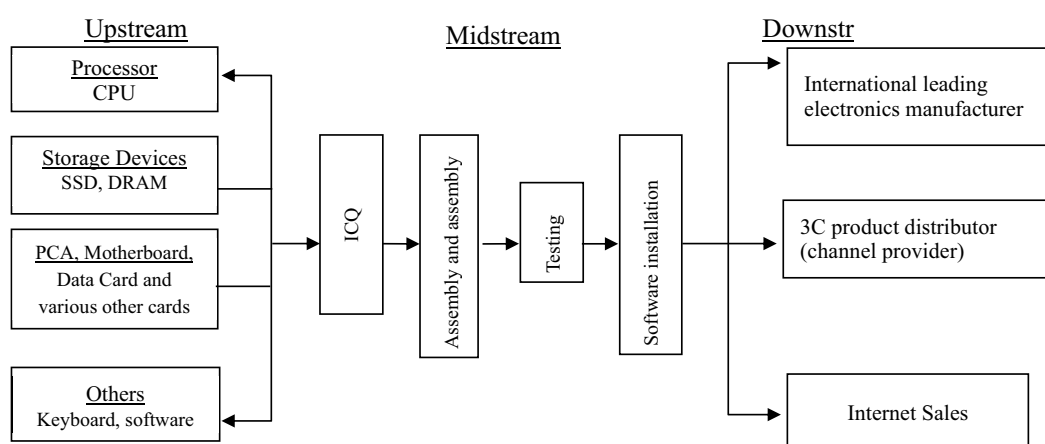
In terms of components and other products, the improved outlook of the ICT industry this year will also drive the demand for related components. In the emerging electronics industries, such as electric vehicles, robots, and the Internet of Things, each industry player is deploying from different angles, developing their own advantages, and gradually commercializing them. The Group is focusing on improving its product portfolio, so this category is expected to grow. In the electric vehicle market, DIGITIMES estimates that global electric vehicle sales will reach 20.47 million units this year, with an annual growth rate of 18.8%. The performance differences between regional markets will become more

obvious, showing a pattern of "rapid growth in China, stable recovery in Europe, and slowing growth in the United States".

This year, we expect to further cooperate with international car manufacturers. We will continue to use the CDMS business model to help more car manufacturers achieve faster time to market and time-to-cost effectiveness. Through the division of labor between "branding" and "manufacturing", we are able to create maximum value for our customers and ourselves.

Looking into 2025, we expect the North American version of Model C and Model B to enter mass production. The electric bus factory will also complete the certification in the third quarter, which will allow us to expand our shipments of electric buses.

2. High, medium, and low relevance in the industry



3. Various Development Trends and Competitive Situation of Products

At present, the Company's main products are divided into four categories, and the Company has also actively entered the electric vehicle and semiconductor industries:

(1) Smart Consumer Electronic Products (mainly smartphones, TVs, game consoles, etc.)

With the commercialization of 5G and the gradual penetration of AI into various technology applications. In the development of 5G, AI and other related products, the Group has advanced deployment plans, analyzed market demand in advance, and continues to work closely with relevant customers; this combined with the Group's advantages, will enable 5G-related smart consumer products to be deployed timely in the market. Many companies have also seen opportunities and invested in. In addition, the Company's long-term focus on high-end mobile phone products has accumulated competitive advantages in scale, technology, speed, yield, cost, and globalization. Even in the face of the global industrial decentralization and the entry of new competitors, the Company can still occupy the largest market share shares.

(2) Cloud and Networking Products Category (mainly servers and networking products)

As a result of the gradual formation of HPC, 5G network and edge computing, enterprise users' purchasing needs of servers to ride on the tailwind of private cloud or even hybrid cloud have been driving worldwide server market growth.

The AI server topic that the market has paid attention to recently has doubled the growth last year in this field, and will continue to have strong growth momentum this year. The Company has been in the server market for a long time and our quality, technology and service have been one of the most recognized. The swiftly increasing need of a regionalized supply chain under a broad globalized framework from major server customers has raised the bar of manufacturers higher and hence we believe that the Company is well positioned to be a leading system provider on that front. The huge scale and joint development of cutting-edge technologies with customers, which have expanded our leading position in Cloud and Networking Products.

(3) Computing Products (mainly computers, tablets, etc.):

At present, computing products are more mature and stable. As more and more users accept streaming or cloud services across devices, the performance of desktop PCs and notebooks is no longer a consideration. The demand and supply of this market is relatively mature. Producing high end Notebook, tablets, desktops, printer have been one of the Company's strengths. And also complete product lines, global footprint, and production capacity, supply chain make the company to obtain greater opportunities.

(4) Components and Others Product (mainly connectors, mechanical parts, services, etc.):

Such products are quite diversified, mainly to meet the needs of existing ICT customers, the Company will continue to expand the layout of key components, and increase revenue and profits. In the future, we will also aim to supply components for new businesses such as electric vehicles. These two fields are relatively large-scale industries at this moment. They attract more investment from different countries and enterprises, and there are different competitors in each field.

The company's key competitiveness lies in its long-term cooperative relationship with customers, a complete product line, precision manufacturing capabilities, global footprint, and solid operation management. The long-term development strategy is to establish a complete supply chain with our strategic partners, integrate the internal and external resources of the group. This enhance the competitive advantage of vertical integration and further improve our layout in the industry. And it enhance profitability.

(5) Electronic Vehicle

This year, the global auto market is expected to grow for electric vehicles as a whole, but at a slower rate. By establishing the MIH platform, the Company is building a platform-based, standardized, and modular electric vehicle ecosystem by integrating software and hardware. Taking the lead and utilizing the BOL cooperation model, we will continue to develop our global electric vehicle layout in an orderly manner, to ensure export outlets and develop higher value components and software.

(6) Semiconductor

The Company's annual wafer procurement amount exceeds tens of billions of USD. In addition to advanced processes, many of them are also mature. With the advantage of scale, the Company is expected to obtain sufficient supply and ensure the shipping demand of customers, thereby increasing the market share. Mastering stable supply and differentiated functions ICs means are the key to electric vehicle manufacturing. And it is also one of the ICT clients'

values. The company is one of few enterprises with entire semiconductor supply chain from upstream equipment, design, wafer fabs, packaging to testing plants, etc. Through the acquisition of production capacity through equity investment, BOL and joint venture models, and mergers and acquisitions of existing production capacity, we can acquire the chips we need for the development of ICT and electric vehicles with light assets.

(III) Technology and R&D Overview

1. The level of technology, research and development

As a Technology Manufacturing Platform Service Company, we prioritize operational stability and respond flexibly to market demands through our BOL (Build-Operate-Localize) and CDMS (Contract Design and Manufacturing Service) business models. We leverage the Group's core competencies to help clients navigate a dynamic political and economic environment and enhance their value. By integrating our existing strengths including precision mold making, materials science, green manufacturing processes, SMT (Surface Mount Technology), thermal solutions, plastic and metal processing, testing capabilities, automation, mechatronic integration, motherboard design, e-commerce, server design, wireless communication, and optoelectronic display modules, we continue to deliver optimal services for global strategic partners and customers in the 6C (Information, Communication, Consumer Electronics, Automotive, Channel, and Digital Content) contract manufacturing sectors, thereby maximizing value for our shareholders.

Looking to the future, the Company will remain committed to innovation and R&D; develop cutting-edge prospective applications; commercialize and realize product designs; bring to market the fruits of our research, and continue systemization of management processes, to solidify and maintain the Company's lead in core competencies.

2. R&D expenses in the most recent year

Unit: NT\$ Thousand

Item/Year	2023	2024
R&D Expenses	110,019,767	115,771,718
R&D Expenses to Revenue %	1.79%	1.69%

3. Technologies or products successfully developed in the most recent year

Year	Successfully Developed Technologies or Products
2024	<ol style="list-style-type: none"> India 2K 32" HD Android Satellite TV. India standard 4K 43"/50"/55"/65" UHD Android Satellite TV. The Auto Focus CM design proposal for the second generation XR helmet. Design and development of micro-lens plug-in deformable lens (plastic lens + Polymer lens). Development of Qualcomm SA522M Tbox prototype. Construction of Baseline system, assembly of Demo Bench/Demo Car, and realization of the first stage of functional integration and launch. CCU A sample design and complete sample production. Proceed to TBOX A sample verification. IVI controller A sample production and functional verification.

Year	Successfully Developed Technologies or Products
	<ol style="list-style-type: none"> 10. ADCU P2 sample verification. 11. The construction of the intelligent cockpit display platform, combining CCU, TBOX, IVI controller and ADCU four major controllers. 12. Laser navigation robot firmware test, hardware test, structure test, performance test, life test, and reliability test. 13. Trial development of EV design for the lighting indication system of UAV A customer. 14. Development of the automatic visual identification coating system for UAV customer A. 15. Development of control board EV1 for the charging nest system of UAV Z customer. 16. Development of the power distribution module EV1 for the UAV system of customer Z. 17. Development of the brain computing module EV1 for the UAV system of UAV Z customer. 18. Development of EV1 battery board for UAV system of customer Z. 19. Development of UAV Conformal Coating/Potting technology. 20. 11 kW AC charging station undergoes safety certification verification and is being introduced into mass production. 21. 240 kW DC charging station is designed and undergoing safety certification testing. 22. 9.6kW on-board charger P0 design and function verification. 23. 30kW power module P0 design and function verification. 24. Pan-Asia 4K 43"/50"/55"/65" UHD Android TV. 25. Complete the design, development, and mass production of XR helmet Steam model for customer V. 26. Complete the POC prototype development and trial production of XR helmet (Qualcomm XR2 platform) for customer U. 27. Complete the long-distance ToF module for customer U's VR helmet. 28. Complete mass production of micro-lens plug-in deformable lens (plastic + Polymer lens) for customer V. 29. Complete development of the A-sample prototype of Qualcomm SA522M T-Box for customer C. 30. Complete development of the A-sample prototypes of NXP S32G ZCU and ZGW for customer C. 31. Complete the A-sample prototype production of the IVI controller, along with the functional demonstration and verification of the Human-Machine Interface (HMI), for customer C. 32. Complete the development and verification of the air-cooling and liquid-cooling solutions for the Nvidia Orin-X ADCU A-sample. 33. Complete the establishment of the SDV application demonstration platform, integrating ZGU, ZCU, TBOX, IVI controller, and ADCU four major controllers to showcase three major applications: personalized setup, Over-The-Air (OTA), and AI data processing.

Year	Successfully Developed Technologies or Products
	<ul style="list-style-type: none"> 34. The US-spec 240kW DC charging station successfully obtained UL certification, accelerating mass production, with samples delivered to CPOs in North America. 35. Complete the design and functional verification of the US-gauge Flo SBD P0 dual-charger AC charging pile. 36. Complete the design and functional verification of the US-gauge 11kW Gen2 AC charging pile, with samples sent to network communication operators in North America Netcom for testing. 37. Complete the design of the US-gauge 9.6kW Gen2 on-board charger, with samples sent to carmakers in North American for testing. 38. Complete the design and functional verification of the 5.7kVA PCS P0, with Sharp RFQ obtained. 39. Complete the EVT design and functional verification of the 40kW power module for the charging pile. 40. Complete the prototype design and functional verification of the 3.3kW AI PSU P0. 41. Complete the abnormal behavior identification model in the tally area and introduce it to the WEP production line. 42. Complete the development of AI-powered object tracking model, which can be used for robotic following and hand gesture tracking and recognition. 43. Complete the joint calibration algorithm for the dual fisheye camera and IMU. 44. Complete the positioning and mapping of visual and inertial devices. 45. Successfully develop and introduce the ESC in-house module. Complete firmware and hardware design, along with multiple tests on performance, lifetime, and reliability. Fully achieve customer A's performance indicators and realize product introduction and implementation. 46. Complete the specification analysis algorithm for the motor power system and receive positive recognition from the customer.
January-March 2025	<ul style="list-style-type: none"> 1. India-gauge 4K 43"/50"/55"/65"/75" UHD Android 12 Satellite Frameless TV. 2. Pan-Asia 4K 43"/50"/55"/65"/75" UHD Android 12 Frameless TV. 3. North America 4K 43"/50"/55"/65"/75" UHD Android 12 Frameless TV. 4. Latin America 4K 55"/65"/75" UHD Android 12 Frameless TV. 5. Taiwan-gauge 4K 43"/50"/55"/65" UHD Android 12 Frameless Display. 6. Complete the design and development of a new XR helmet model for customer V. 7. Complete the design and development of Adapter, an accessory for customer V's XR helmet. 8. Design and development of AR projection navigation optical engine. 9. Complete development of the B-sample prototype of Qualcomm SA522M T-Box for customer C.

Year	Successfully Developed Technologies or Products
	<ul style="list-style-type: none"> 10. Complete development of the B-sample prototypes of NXP S32G ZCU and ZGW for customer C. 11. Complete the B-sample prototype development of IVI controller for customer C. 12. Complete the A-sample prototype design and trial production of customer A's Gateway Product. 13. Complete the B-sample prototype design and trial production of Customer A's Compute Product. 14. Obtain structural inspection certificate for the Flo SBD dual-charger AC charging pile. 15. Complete the EVT design and prototype of the 3.3kW/5.5kW AI PSU. 16. Complete the pre-DVT design of the 140W PD3.1 Carger. 17. Complete the product planning for Europe-gauge two-way AC charging piles and initiate the project development. 18. Complete the product planning and product testing plan for the PSU series. 19. Complete the UAV EVT development for customer A, responsible for the mechanism design, PCBA development, and obstacle avoidance module design. Successfully achieve stable aircraft flight, meeting the acceptance targets for the EVT stage. 20. Establish the Qualcomm C8550 platform, enabling customized software development, and complete the integration of BSP, Driver, and Kernel. The platform is ready for customized development and supports subsequent product introduction.

(IV) Long-term and short-term business development plans

1. Short-term business development plan

With its excellent operational management and cost control capabilities, the Company leverages its advantages of vertical integration and global presence to provide "one-stop shopping" solutions, with its major customers being world-renowned leading manufacturers. Our commitment is to maintain the high quality of service and related added-value services enable computing, communication, consumer electronics (3C) to enrich lives of the world population.

In addition to securing a leading position in the electronic foundry service (EMS) industry, we are also actively advancing into new product areas and expanding the business of components, hoping to improve customer service and satisfaction through a more complete supply chain, and improve the Company's profitability.

In the future, the company will leverage ICT advantage and integration capability to enter the electric vehicle market. At the same time, in order to serve customers and create product differentiation, we are also enter the semiconductor industry to provide more diversified services and strive for more business opportunities. The Company will

continue this pursuit and provide a diverse range of services, capture business opportunities and deepen our relationships with international brands.

In order to respond to the various economic and trade environment to provide customers with more complete services and strengthen the company's competitiveness, the company not only continues to expand investment but also strengthen our technology, production capacity, automation and other capabilities, in order to match ICT and electric vehicles to regional manufacturing trend. We are also deploying in Europe, America and Asia. In the future, the company will continue to establish relevant production bases, design centers and service centers around the world to meet the needs of customers for design, manufacture and global assembly and delivery.

2. Long-term development plans

The Group is already the world's largest electronic manufacturing service company, with a market share of more than 40%. Therefore, the Company will continue to assist first-tier customers to develop new products and enter new markets, and maintain its leadership in the ICT field.

The Company has also formulated a transformation and upgrade plan to gradually shift from a labor-intensive industry to a brain-intensive industry, in order to upgrade the industry level and increase profits. Therefore, the Company is committed to the development of three major industries, electric vehicles, digital health, and robots, and to the three core technologies of artificial intelligence, semiconductors, and new-generation communications, and has adopted the "3+3" strategy as an important development strategy.

The Company has also established five research institutes and one laboratory through Hon Hai Research Institute to develop key technologies for the next three to seven years. Once the research and development results mature, they will be transferred to the business unit for commercialization, thereby continuously providing forward-looking technologies and growth momentum.

Through the contract design and manufacturing service (CDMS) business model, more and more vehicle manufacturers have recognized our business model as the competition in the electric vehicle market becomes increasingly fierce.

In the field of semiconductors, the Company continues to strengthen the development of IC design, and focuses on the three core areas of electric vehicle cost with the highest proportion: assisted driving, electric drive, and automotive electronic platform.

As a technology manufacturing platform service company, the Company prioritizes ensuring stable operations and flexible response to market demand, leveraging the Group's core competitiveness to help customers cope with the changing political and economic environment and enhance value. The three smart platforms of smart manufacturing, smart EV, and smart city are based on our key components, modules, systems, software and other key capabilities that we have built in the past. In the future, we will introduce more generative AI to make these key capabilities even stronger.

II. Production and Sales Status

(I) Market analysis:

1. Regions where major products (services) are sold (provided)
The Company's products are divided into four categories. Core sales areas cover three continents: Europe, America and Asia.
2. Market share
According to statistics from Bloomberg, the Company ranked first in the electronic foundry service (EMS) field in 2024, with a global market share of more than 40%.
3. Future market supply and demand and growth
The following is a summary of the development of the industries in which the Company's four major categories of products belong:
 - (1) Consumer electronics (mainly smartphones, televisions, game consoles, etc.): As far as smartphones are concerned, the United States, Europe, and China are all mature markets, and the growth of local mobile phone shipments has slowed down. In the future, the growth momentum of the smartphone market will come from emerging regions. In particular, the increase in 5G coverage in China has further boosted the number of 5G smart phone users, and the Chinese smart phone brands have gradually matured and their market share has gradually increased. In addition, India is also a fast-growing region. As the local smartphone penetration rate is still low and local telecom operators continue to improve network coverage outside first and second-tier cities, it has attracted major smartphone manufacturers to actively invest. It is expected to be one of the main driving forces for the growth of global smartphone shipments in the future. Even with the many years of smartphone hardware developments behind us, the high-end products are still continuing to differentiate and innovate. Leading brands vie to increase added value for smartphones and attract additional income. Smart accessories have become a lynchpin for many brands, accessories such as bracelets, watches and external lenses. Smartphone brand customers around the world continue to expand outsourcing. In addition, mobile phones are getting lighter and thinner while functions continue to improve. 5G components and mechanisms are more complex and precise than ever. Manufacturers with vertical integration capabilities and mass production capabilities can help brand customers reduce costs and improve competitiveness. There are still opportunities for development in the future.
 - (2) Cloud computing products (mainly servers and Netcom products):
The main products include servers, storage equipment and network communication equipment. The overview of the related industries is as follows:
 - Server/storage equipment
In 2025, the server and storage equipment market will continue to grow driven by AI, cloud computing and edge computing, especially the surge in demand for AI servers. Breakthroughs in AI technologies such as Deepseek have promoted the popularization of AI computing, further boosting the demand for high-performance servers. Storage technology has also undergone innovations in response to the explosive growth of data volume, and the rise of edge computing has promoted miniaturization and low power consumption of equipment.
 - Switches and Routers

The popularization of 4G/5G communications, the rise of big data centers, and the promotion of the Internet of Things have driven a significant increase in network traffic. Companies around the world are actively expanding 4G/5G and fiber-optic equipment and strengthening related infrastructure. To ensure a seamless network traffic, lower response times from databases, cloud service providers have continued to invest in related infrastructure. Overall, this market is maintaining its healthy growth. This service will also benefit as AI servers pursue higher performance and require high-speed switches to be connected in series.

- (3) Computer terminal products (mainly computers, tablets and other products):
We continue to be an important partner of major international companies, providing high-quality services and products to the PC industry. We expect this year to be generally stable, but with many variables such as regional politics and tariffs, global economic uncertainty will lead to supply chain restructuring and trade restrictions, which will in turn affect PC demand. The production and manufacturing end will also face more challenges. To cope with these changes, we will maintain close contact with our customers and use our global layout to make immediate adjustments.
- (4) Components and Others Product (mainly connectors, mechanical parts, services, etc.):
Components include mechanical parts, thermal modules, optics, electronics, PCB and semiconductors. The components themselves will be affected by the demand for products in the three major areas mentioned above. In the related parts and components categories, the optics (touch modules, camera modules, dot matrix projector modules, etc.) and semi-conductor (packaging and testing, wafer fab, semiconductor equipment, chip design, etc.), and the electric vehicle field will be one of the important driving forces for the Company's future growth.

4. Competitive Niche

The company's competitive advantage lies in its complete global footprint, huge production capacity, vertical integration, speed of mass production, and partnership with customers. These are the reasons why we can maintain our leading position in the industry, and are also the most important value for our customers. In the EMS business, we have accumulated nearly 50 years of highly professional management capabilities in managing people, money, logistics, and technology, and it is even more difficult to imitate. Other competing niches are as follows:

- (1) Precision molding technology
- (2) Vertical integration and manufacturing capabilities of plastic molding, stamping, mold-flow, to mechanical components.
- (3) Creation of internal high speed network systems
- (4) Mechanical and barebones computer design capabilities
- (5) Heat transfer and noise treatment capabilities
- (6) SMT software and hardware testing technology
- (7) Rapid mass production capability of PCBA
- (8) Photoelectric consolidation capabilities
- (9) Management Global supply chain management know-how

5. Favorable and unfavorable factors of development prospects and countermeasures

(1) Favorable Factor:

The structure of the global industry is still undergoing adjustment, and the ability of vertical integration help us to get more outsourcing business opportunities. Close partnership with tier-one customers around the world.

As product cycles in the electronics industry continue to be compressed, the importance of management and speed continues to increase. The outstanding management advantages of eCMMS in terms of speed, quality, engineering services, flexibility, and cost will help the Company to seize business opportunities. With the most complete industrial chain layout, we can quickly introduce solutions to meet customer needs.

A complete ecosystem of overseas manufacturing, marketing bases to increase the flexibility and efficiency of global resource integration operations which is well managed and can cater to clients' needs.

Standardization, computerization, and automation, establish a cooperative operation system of industrial management, quality control, production management, and economic management.

A firm grasp key capabilities of mold development, and new product development.

The electric vehicle industry is growing rapidly, moving towards the division of labor and ICT in the future, with advantages in design, manufacturing, vertical integration, cost, and global layout.

The stable supply of mature process semiconductors is the key, with the advantage of vertical integration from design, wafer fab, packaging plant, factory, equipment, customers, etc.

(2) Unfavorable factors and countermeasures

- Slowly growth of the ICT industry
Countermeasure: Improve management capabilities, engage more key components, and develop new products to ensure the long-term development of the existing ICT field. At the same time, investing in new businesses such as electric vehicles and semiconductors in the form of BOL, creating a future growth engine.
- Fiercely competition in core business
Countermeasures: With continuously competition, we are also constantly stabilizing vertical integration, improving technical level, cost control and other production capabilities. And the company can increase our leading position in the face of industrial competitiveness.
- Rising tariffs and regional manufacturing trends
Countermeasures: Hon Hai has a diverse and wide range of product lines for many years, so it has carried out regional production in accordance with product characteristics and customer requirements. The company's business experience accumulated in more than 20 countries and more than 100 bases around the world will be able to expand rapidly and show management advantages.
- Geopolitics and pandemic
Countermeasures: By flexibly adjust our capacity, supply chain management, inventory management, we shall be able to mitigate short term impact. In the mid to long term, we will leverage our R&D and capacity across major campuses to diversify the risk. In the future, whether it is in the development of new products or planning for mass production, the Company will consider risk diversification and prepare various off-site backup plans.
- Inflation and raw material costs rising
Countermeasures: Inflation and raw material prices rising and have impact on the assembly business and it will dilute the gross profit margin. We will still take customer demand and maximizing EPS as the top

priority. High inflation may also affect the demand for low-end consumer products. The Company will continue to focus on high-end products to reduce the impact of inflation.

- Rising costs
Response measures: To address the challenges of manpower and rising costs, we have established a collaborative operation system for industrial control, quality control, production control, and management through standardization, computerization, and automation. At the same time, the company leverage our global layout for flexible capacity allocation, which is reflected in the selling price in a timely manner to reduce the impact.
- Environmental regulations and international trends
In recent years, the Company has responded to the 2050 net zero carbon emission target and actively introduced renewable energy in response to the issue of global warming. It will invest in scientific carbon emission reduction plans and jointly establish a net zero carbon emission action alliance to continue working in energy conservation, emission reduction, greening, circular practices, green energy and other aspects to respond to global environmental protection trends.

(II) Important Applications and Production Process of Main Products

The Company's products are divided into four major categories: consumer electronics, cloud networking products, computer terminal products and components, and other products. These mainly consist of information and communication products, which are commonly used in consumer or commercial areas. Mainly focus on EMS assembled products, and carry out the process of design, parts development, manufacturing and assembly, quality control testing, and shipping to meet customer needs.

(III) Supply Status of Main Raw Materials

The raw materials used in the Company's connectors, chassis and assembly products include copper, plastic pellets, gold salts, and steel. The supply status is as follows:

1. Copper materials: The Company has strategically formed alliances with multiple suppliers to continuously and stably supply the needs for production.
2. Plastic pellets: Jointly develop special materials for connectors with domestic and foreign manufacturers to improve the quality of production. Prices are negotiated annually, and leverages the Company's economy of scale for bulk purchases to ensure price competitiveness.
3. Gold and salt: The price is calculated based on the international gold price quotation. Suppliers have been able to deliver goods directly to the factory and shorten the delivery days to reduce the Company's transportation and inventory risks.
4. Steel materials: Jointly develop materials for computer bases with a number of domestic and foreign manufacturers. The Company utilizes market price or annual price negotiations for steel, and leverages the Company's buying power to maintain favorable prices.
5. The raw materials required for other assembly and memory products include PCBs, capacitors, and ICs. This product is processed in accordance with customer needs, and the raw materials can be directly obtained through customers.

(IV) List of customers that have accounted for more than 10% of the total purchase (sale) in any of the last two years

1. Information of Major Suppliers in the Last Two Years

Unit: NT\$ Million

Item	2023				2024			
	Name	Amount	As a percentage of net purchases for the year (%)	Relationship with the Issuer	Name	Amount	As a percentage of net purchases for the year (%)	Relationship with the Issuer
1	Vendor L	2,104,221	42.50%	None	Vendor L	2,278,037	39.28%	None
2	Others	2,847,240	57.50%	-	Others	3,520,744	60.72%	-
3	Total Net Purchases	4,951,461	100.00%	-	Total Net Purchases	5,798,781	100.00%	-

2. Information of Major Sales Customers in the Last Two Years

Unit: NT\$ Million

Item	2023				2024			
	Name	Amount	As a percentage of net sales (%)	Relationship with the Issuer	Name	Amount	As a percentage of net sales (%)	Relationship with the Issuer
1	Customer E	3,606,600	58.53%	None	Customer E	3,706,464	54.03%	None
2	Others	2,555,621	41.47%	-	Others	3,153,151	45.97%	-
3	Total Net Sales	6,162,221	100.00%	-	Total Net Sales	6,859,615	100.00%	-

III. Employee information in the last two years and up to the date of publication of the annual report

Year		2023	2024	As of March 31, 2025
Number of persons	Clerical staff	182,222	185,133	183,920
	Operators	439,171	448,034	450,157
	Total	621,393	633,167	634,077
Average age		32.85	32.60	32.50
Average years of service		5.36	5.33	5.37
Education Distribution %	PhD	0.04%	0.04%	0.04%
	Master	1.36%	1.58%	1.62%
	College	24.33%	27.46%	28.37%
	High school	37.42%	36.21%	35.42%
	Under high school	36.85%	34.71%	34.55%

IV. Information on Environmental Protection Costs

- (I) Losses due to environmental pollution in the most recent year and up to the date of publication of the annual report: No such situation.
- (II) The Company's main factories and production facilities are located in the Tucheng Industrial Zone and the Hsinchu Science Park. Environmental protection is prioritized as a key focus in daily operations. Any identified issues are promptly addressed, and existing prevention equipment is regularly reviewed. In addition to providing employees and nearby residents with a quality work and living environment, the Company strictly adheres to emission standards. The following environmental protection measures have been implemented to manage pollution and waste generated during production processes:
1. Water pollution prevention: Established a wastewater treatment plant and a water analysis laboratory in the Tucheng Plant. Chemical method is applied in wastewater treatment, in which pollutants are removed from wastewater and discharged through discharge outlets. The lab has various instruments to measure temperature, PH value, chemical oxygen demand and suspended solid and analyze heavy metal, so that daily inspection on discharging water can be made and water discharge can be well controlled. Both the Huyue Plant and Dingpu Plant have obtained approval letters for connecting and using the wastewater sewer system. The official document numbers are Beicheng No. 1135060030 and Tufu No. 1115062177. The Company has also obtained the following water pollution control permits: New Taipei City Environmental Water Permit No. 04774-04 (Huyue Plant), New Taipei City Water Permit No. 05854-00 (Dingpu Plant I), and New Taipei City Environmental Water Permit No. 05855-00 (Dingpu Plant II).
 2. Prevention and control of fixed pollution sources: The exhaust gas is collected through the exhaust pipeline, enters the wet scrubber to remove pollutants in the exhaust gas, and then discharged into the atmosphere. The pollutant concentration of the exhaust gas is tested outsourced every year and reported to the environmental

protection authority. The stationary pollution source operation permit was obtained in 1998, and the extension was completed in June 2008. The permit number is: Bei-Xian-Cao-Zheng-Zi No. F0447-02. Currently, the total consumption of acid and alkali does not meet the control standards, and the Permit was returned to the authority per Letter No. 1012095840 from the Environmental Protection Bureau.

3. Disposal of waste: The industrial waste disposal plan is implemented according to the contents of the industrial waste disposal plan, and the flow of waste is declared online in accordance with the law, in order to legally dispose of waste and recycle resource waste.
4. Toxic substances management: Toxic substances are stored separately under strict control. Documents for use are obtained in accordance with the law and reported to the environmental protection authority on a regular basis.

(III) The Company has always been adhering to the environmental policy of "preventing pollution, continuously reducing waste, providing environmentally friendly products, protecting the earth, and operating a pragmatic green enterprise", strictly complying with environmental protection laws and regulations and customer requirements, effectively controlling raw materials, processes, shipments and other elements, and continuously improving product quality through continuous improvement activities to ensure that the products provided do not contain restricted substances. At the same time, we promote the transformation of upstream suppliers into a green supply chain to comply with the requirements of the RoHS Act.

(IV) Impacts of pollution status and its improvement on the Company's earnings, competitive position and capital expenditures, and major environmental protection expenditures expected in the next two years:

1. Estimated environmental capital expenditures for the next two years: Estimated environmental expenditures for 2025 and 2026 are NT\$141,124,964 and NT\$61,954,480, respectively. Major environmental expenditures and projects will include:
 - (i) Expenses for the replacement, renewal, and addition of polluting equipment
 - (ii) Operating expenses of pollution prevention equipment
 - (iii) Additional environmental monitoring expenses
 - (iv) Waste-related treatment expenses
2. Impacts of the aftermath
 - Effect on net income: None
 - Impact on competitive position: None

V. Labor Relations

Current important labor agreement and implementation:

The Company has been treating its employees with sincerity and established mutual trust with them through its welfare system and good training system that guarantee a fulfilling and stable life for them. Though there is no union in the Company, but the Company has established "Workers and Employers Meeting" and have established comprehensive employee communication channels, its employees can give full play to their team spirit, coordinate the Company's decision, cooperate with each other to create a harmonious environment for working. The Company pursuant to the relevant labor laws and regulations, to protect the legitimate interests of employees, provides employees with safe

and healthy working environment, and set up an employee feedback and complaints mechanism. And we disclose employee welfare measures, retirement system and implementation situation on the company's official website. The Company adopts the followings measures to build a harmonious labor relation:

(I) Employee benefits:

Founded in July 1985, apart from members appointed by each Business Unit, the remaining members are proposed and elected by employees. The committee members are re-elected every three years, and there are dedicated members appointed to deal with the routine administrative works of the Committee. In addition, the Company has a central health department that provides a series of welfare measures for the health promotion and health care of employees and their families.

At present, the welfare offerings by the Welfare Committee are as follows:

1. Safe and healthy food service: We set up an employee cafeteria and food safety testing center, conduct daily food sampling and process hygiene and safety audits in the factory area, have team nutritionists set clear calories and nutrients, limit the supply ratio of processed foods and pickled products, and gradually implement themed healthy meals in the factory area.
2. Comprehensive employee health management:
 - (1) Medical consultation: Establish a diversified professional medical team such as physicians, nurses, pharmacists, nutritionists, sports coaches, and physiotherapy to provide integrated health management and services. Remote health consultations are also provided based on employees' needs, and technological monitoring equipment is introduced to assist with case tracking and care for employees with chronic diseases to take care of their safety and health.
 - (2) Health care: Multiple health examination institutions are carefully selected to control the quality of employee health examination. Provide a variety of health check programs and flexible choices of health check limits. Professional medical and nursing staff will provide personalized checkup assessment recommendations and regular follow-up reminders to meet employees' health needs.
 - (3) Psychological support: The Company provides employee assistance programs (EAP), which cover eight aspects: career planning, family, interpersonal relationships, relationship issues, emotional issues, legal issues, financial issues, and health issues, to maintain the physical and mental and social health of employees.
 - (4) Health promotion: Establish a one-stop health platform to regularly share global infectious disease epidemic information and new health research, hold health seminars, online weight loss courses, and administer influenza vaccinations in the factory to enhance employees' health awareness and promote their health literacy.
 - (5) Stress-relief at LOHAS: An employee gym is equipped with professional coaches to instruct colleagues on exercise postures and the use of equipment to ensure employees' safety when exercising. Small group courses such as aerobics and stretching are offered regularly, along with online exercise videos to liven up the Group's sports culture. Provide blind massage service to relax the body and mind.

3. Multi-faceted employee welfare:
 - (1) Employee group insurance.
 - (2) Subsidies for employees' annual health examination.
 - (3) Subsidies for club activities.
 - (4) Subsidies for employee education and training.
 - (5) Gifts for employees' birthdays and festivals.
 - (6) Year-end activities and lottery draws.
 - (7) Bonuses on weddings and funerals.
 - (8) In addition to childbirth allowances, employees are encouraged to have children (including spouses), and care measures such as transportation subsidies and maternity benefits are provided to pregnant female employees.
 - (9) Providing employees with one-day paid leave every year for health examination.

(II) Employee communication channels

The Company actively builds a bridge of communication with employees, and listens to employees' voices through multiple two-way communication to ensure timely response and achieve labor-management harmony. Relevant communication channels are as follows:

1. The Company's internal website/APP: announce the Company's major events and recent promotional content. Assist employees to quickly obtain company-related information.
2. Labor-management meetings: labor-management meeting is held every quarter to coordinate labor-management relations, promote labor-management cooperation, and prevent various labor problems before they arise.
3. Employee feedback and complaints: The Company's internal website and APP provide corresponding problem response channels according to different reasons, so that employees' work and environment-related problems and suggestions can be responded to in a timely manner. The feedback is regularly reviewed by dedicated personnel to ensure smooth feedback channels. In 2024, Foxconn Technology Group received a total of 376 employee feedback or complaints through channels such as the App, the Trust Employee Portal, and email. All of the above feedback was handled by the responsible units, with a case closure rate of 99%.
4. Seminars and satisfaction surveys: We hold employee seminars and various types of satisfaction surveys from time to time, including but not limited to welfare measures, human resources, catering, or employee preferences for the way large-scale company events are held. Before and after implementation of measures or activities, plan and implement improvement plans based on employees' opinions.
5. Employee Sustainability Engagement Survey: In 2023, the Company commissioned an international external professional management consulting company to conduct a sampling survey on "Employee Sustainability Engagement". Based on the survey results, it promoted optimization measures and action plans, and regularly applied the PDCA cycle for continuous review and improvement. The "Employee Sustainability Engagement" survey is planned to be held once every 2 years, and will be executed next time in 2025. The 2023 survey found that the overall sustainable engagement was 82% and the teamwork was 81%. There was a high degree of recognition in terms of organizational efficiency. The employees' realization of their potential and participation in speaking out were higher than the standards of the global high-tech industry. For

details, please refer to the Company's official website "Building a foundation for sustainable growth in the next 50 years. Foxconn has launched its first large-scale sustainable engagement survey".

(III) Employee education and training

Education and training are basic employee welfares provided by the Company. The Company encourages all employees to "learn through work and grow through learning" and support the integration of theory and practical experience. Education and training are used to improve personal quality, work skills, and enhance team performance. In 2024, the Company organized a total of 419,843 hours of education and training at a cost of about NT\$23,673,610. The training content is as follows:

1. Education and training for new recruits
Guide new recruits to become familiar with courses such as organizational evolution and corporate culture, work environment, labor safety and health, general affairs services, employee benefits, personnel regulations, education and training system, general legal affairs, and information security.
2. Management ability development
According to the needs of different management levels and promotion review conditions, we tailor management skills development training courses for employees at different management levels to help supervisors prepare and enable them to have the management capabilities of "building organizations, deploying manpower, and setting up systems".
3. Foxconn University
Training program prepared by Hon Hai Foxconn University, to create a systemic management training and online learning platform. Taking a process-oriented, simplified, logical, standardized, systemic, and information-based approach to training programs.
4. Lectures/Lectures on Internationalization
Invited international top experts from various fields of the industry to give speeches, including 3+3 industry trends: electric vehicles, digital health, robots, artificial intelligence, semiconductors, new generation mobile communication technology and other fields.
5. Lectures on health promotion
The health management center regularly invites physical and mental health experts to hold appropriate courses during each season in order to help the colleagues to relax after work and to receive in-depth health promotion related knowledge. Courses include exercise, mental well-being, CPR, AED.

(IV) Employee code of conduct or ethics

In order to enable all employees to have a better understanding of ethics, rights, obligations and the code of conduct, the Company hereby works out the relevant measures and regulations to provide a basis for all employees. The relevant measures are briefed as follows:

1. Approval authority and organizational responsibilities:
 - (1) Rules on decision-making authority and authority decentralization: to improve work efficiency, strengthen the management on authority decentralization.
 - (2) The organizational structure of each department and the duties and responsibilities of each position: Clearly regulate the organizational functions of each unit and the scope of duties of each position.

2. Assist all employees to understand the relevant measures and regulations:
 - (1) New Employee Orientation Program: This program helps new employees to overcome their unfamiliarity with the new environment as soon as possible after reporting for work, and to familiarize themselves with the Company's organization, culture, work environment and personnel as quickly as possible. It helps new employees to get ready physically and mentally in a short period of time, maximize their productivity, and reduce the turnover rate of new employees.
 - (2) Code of Conduct: In order for all employees of the global factories to jointly promote the sustainable operation of the Company and fulfill their social responsibilities as a citizen, all employees are required to receive training and comply with the Code of Conduct.
 - (3) Special Chapter on Employee Human Rights: The Company publishes the Chapter on Employee Human Rights and provides training in accordance with international human rights guidelines to enable employees to understand the Company's human rights commitments and related policies. The human rights policy helps employees better understand their rights and responsibilities, and ensures that all employees inside and outside the Company can work in a fair and respectful environment.
 - (4) Code of business ethics: to improve the behavior quality, business ethics and professional ability of all employees, and to pursue the Company's interests within the legal scope. Every employee has the responsibility to prevent the Company's interests from being lost or impaired and is obliged to maintain the Company's reputation so as to guarantee its sustainable growth and development.
 - (5) Working rules: Clearly regulate various working conditions, personnel management regulations, etc., so that employees can follow.
 - (6) Employee handbook: Helps employees quickly understand the Company's management system, important instructions related to personal work, and clarify the responsibilities, rights and obligations of the Company and employees.
 - (7) Rewards and punishments regulations: Rewards or punishments are given to employees' behaviors or actions that bring about profits or losses to the Company's operations.
 - (8) Employee salary/position promotion: Encourage talents to grow at the same time as the Company. The Company has formulated the "Regulations Governing Annual Promotion of Employees" to take into account the performance, contribution and potential of talents, and implement annual promotions in an open and fair manner through training and rotation plans to provide talents with a clear career development path, saving the organization's talent momentum.
 - (9) Employee performance appraisal: The Company evaluates employees' work achievements and performance as the basis for salary adjustment, promotion, bonus distribution and arrangement of education and training courses.
 - (i) Performance Participation Opportunities
Employees are given equal opportunities to participate in performance appraisals, regardless of their nationality, gender, identity or background. At the same time, we encourage employees to set diversified performance targets that take into account their different

backgrounds, abilities, and contributions to reduce unfair treatment of specific or disadvantaged groups.

(ii) Performance evaluation

There is a consensus resolution mechanism for performance calibration to improve the consistency of the scoring standards for performance evaluation, reduce evaluation bias, and improve the fairness of evaluation and evaluation. Employees' performance evaluations are based on indicators such as goal achievement, work attitude, and performance. The process is fair and objective, and is not affected by individual personnel backgrounds.

(iii) Performance communication

Encourage managers to provide feedback in an inclusive manner, and value respect and support during the evaluation process. If an employee has any doubts about the results of the performance appraisal, they can also raise an appeal to the supervisor of the business unit or the human resources unit.

- (10) Protection of employees' rights and interests: In order to ensure that the rights and interests of employees are treated more fairly and properly, and that employees' voices can be timely fed back to the responsible units, the Company has formulated the "Management Measures for Employee Opinion Sexual Harassment in the Workplace, Complaints, and Disciplinary Measures", "Management Procedures for Personnel Review on Important Employee Incidents", and "Standards on Employee Safety Abnormal Incidents and Information Reporting." In addition to protecting the rights and interests of employees through management measures, the Company has established diversified channels for employees to express opinions, and designed a review mechanism in various measures to form a consensus decision on matters through committee discussion, to avoid bias or abuse of power when handling employee incidents.

- (11) Diversity and equality in the workplace: The Company does not discriminate against employees based on gender, age, nationality, place of birth, ethnicity, language, physical or mental disability, marital status, pregnancy, sexual orientation, religion, political party affiliation, union membership, etc. The Company establishes a code of conduct and a chapter on human rights for employees, and trains all employees to work in a people-centered environment that respects tolerance, diversity and equality. Given that the Company is in the electronics manufacturing industry, it has a high percentage of male employees, and therefore a relatively high percentage of male supervisors. The Company also regards the percentage of female employees as supervisors as an indicator of workplace diversity. In addition, the Company pays attention to the gender equality and diversity of the composition of the Board of Directors. Currently, there are 7 directors in the Board of Directors, including 2 female directors, accounting for 28.57% of the whole.

Employee nationality category

Category	Percentage of total employees (%)	Percentage of management (%)
Republic of China	99.1	99.7
Foreign nationality	0.9	0.3

Female Diversity Indicators

Indicator	Percentage (%)
Female % of total employees	24.1
Female % of all supervisors	14.9

Other diversification indicators

Category		Percentage (%)
Persons with disabilities		1.0
All employees	By age group: <30 years old	12.6
	By age group: 30-50 years old	68.6
	By age group: >50 years old	18.8
	Total	100

Note: Diversification data is based on the statistics of the employees of the Company and its branches.

(V) Employee privacy protection

The Company adheres to the principle of respecting and protecting the personal privacy of employees, and formulates and implements personal data management policies in accordance with global applicable privacy regulations and local laws and regulations to ensure the security and legal use of employees' personal data.

Based on the purpose of work needs under the labor contract relationship, the Company only collects necessary personal information related to the business, such as name, contact information, job information, professional skills, employment records and internal system usage records, and uses it for employee management, career development, internal communication and safety management. Highly sensitive information (such as health or criminal records) is processed only when required by law or in specific situations. Privacy protection standards are met.

To implement employee personal information management, the Company has formulated a personal information protection policy. It provides all current and new employees with the opportunity to sign the "Personal Information Consent", which covers the Company's scope of use, rights and interests, and protection measures for employees' personal information. Employees may exercise their rights of access, correction, and deletion in accordance with the "Individual Information Act", and the Company will handle related requests in accordance with the law. In terms of practical operation, the Company adopts the following measures:

1. Asking employees for their consent to the use of personal information: New employees must complete and sign the "Personal Information Consent Form" to confirm the scope of personal information and their rights.
2. Education and training: The orientation for new employees includes personal information protection training; relevant education and training are provided to in-service employees from time to time every year to enhance employees' awareness of privacy protection.
3. Principles of personal information collection: The Company only collects necessary personal information, and the consent of employees will be obtained again for each additional collection of personal information.
4. Management by dedicated unit: A dedicated unit is in place to protect employees' personal information, as well as the Chief Information Security Committee and the Legal Compliance Committee, to ensure the appropriateness of personal information management in compliance with laws and regulations.

5. Mechanism for deletion of personal data: If an employee requests for deletion of personal data, the Company will delete the data according to the needs of the employee, except for the data required to be retained by law.
6. Internal supervision and audit: The Company incorporates personal information protection into the internal control and risk management system, conducts regular risk assessments and internal compliance audits, and conducts supplier compliance reviews from time to time to ensure that privacy management complies with relevant laws and regulations and internal policies.

Through the above policies and management mechanisms, the Company provides a safe and transparent personal information management environment to ensure the protection of employees' personal privacy while maintaining the compliance and efficiency of the Company's operations.

(VI) Protection measures for the work environment and employees' personal safety

1. The Company promotes the occupational safety and health management system. Since 2019, we have switched to the new version and passed the SGS certification company certification, obtaining ISO45001 (valid from November 24, 2022 to November 24, 2025) and CNS45001 certificates.
2. Convene global EHS and ESG action meetings every week to share the implementation results and experience of environmental, health, and safety (EHS) and sustainable development (ESG) in each factory area. Through cross-regional exchanges and the promotion of best practices, we continue to strengthen the health and safety of the operating environment, create a healthy and safe operating environment, and deepen the sustainable development of the Company.
3. Regularly convene the occupational safety and health committee and discuss the company's safety and health policy with labor representatives, commit and pursue the goal of zero injuries, zero occupational diseases, zero accidents, and create the best working environment for all employees.
4. In accordance with the "Key Points for the Implementation of Disaster-Free Working Hours Records in Public Institutions", the Huyue Plant participated in the disaster-free working hours record competition and had achieved 14,365,573 hours of disaster-free working hours by the end of 2024; the Dingpu Plant's disaster-free working hours record was 3,162,914 hours.
5. Industrial safety: Establish a safety and disaster prevention center at the Tucheng headquarters to aggregate real-time safety information from all factories. Establish a response organization and epidemic prevention team for natural disasters such as typhoons and infectious diseases to provide real-time safety and health information, and provide education and training for response team members to strengthen the Group's safety and disaster prevention system.
6. Security control and fire protection system management: Take charge of the security equipment in the factory areas, establish modules such as industrial security cloud, and ensure that the security software, hardware and management mechanisms are in place in each factory. We use infrared thermal imaging cameras to inspect electrical equipment such as factory panels, and set up an infrared thermal imaging promotion team for training. A total of 30 factories in Taiwan regularly complete inspection reports, identify problem points and make improvements, effectively reducing fire hazards and risks in factories.
7. Occupational health: Inventory the physical and chemical hazard characteristics of

each unit in accordance with the annual safety and health management plan, and complete the operating environment monitoring plan including a sampling strategy. The operating environment is better than the legal requirements. Complete four major plans (unlawful infringement at work, human-caused harm, maternal health protection, and abnormal workload) in accordance with legal guidelines to protect employees from occupational diseases and illegal infringements.

8. Education, training and activities: In line with the Group's ESG theme, the Taiwan plant in 2024 officially launched Foxconn Safety Month in September. With "Safety" as the theme, a series of activities were launched this month, including fire extinguisher and water hose operation drills, earthquake vehicle experience, health and fitness courses, and food safety knowledge interactions. Special lectures on evacuation and equipment safety were also arranged to comprehensively enhance employees' safety awareness and create the best working environment. A total of 14,203 people participated in the event. The 2024 Safety and Health Month activities have been extended to Taoyuan and Hsinchu plants from Tucheng Plant to create a safety and health culture for the Group.
9. Won the "2024 National Occupational Safety and Health Award-Enterprise Benchmark Award" from the Ministry of Labor, actively promoted safety and health risk assessment, established various functional units and formulated rigorous review standards, and grasped the latest developments in global factories to ensure that every employee can work with peace of mind in a safe and healthy working environment!

(VII) Retirement system:

The Company has formulated the retirement and pension plans for employees according to the Labor Standards Act and the Labor Pension Act, including:

1. Retirement application: The Company has formulated the "Retirement Management Regulations" in accordance with the "Labor Standards Act" and the "Labor Pension Act" to provide employees with clear and unambiguous application regulations and procedures, as well as the operation dates and approval authorities of each unit of the Company.
2. Qualification under Labor Standards Act (old system): defined benefit pension plan
 - a. Retirement application: a worker may apply for voluntary retirement under any of the following conditions: where the worker attains the age of fifty-five and has worked for fifteen years; where the worker has worked for more than twenty-five years; where the worker attains the age of sixty and has worked for ten years.
 - b. Pension payment: the retirement pension base shall be one month's average wage of the worker at the time when his or her retirement is approved. Two bases are given for each full year of service. Those having served over 15 years are given one base for each full year of service and the total number of bases shall be no more than 45. Length of services is calculated as half year when it is less than six months and as one year when it is more than six months. As set forth in Article 54 of the Labor Standards Act, an additional 20% on top of the amount calculated according to the preceding shall be given to workers forced to retire due to conditions incurred from the execution of their duties.
 - c. Employee retirement reserve allocation: The Company shall set aside 2% of the total employee monthly salary amount and deposit them into the employee retirement reserve account pursuant to the applicable retirement system

provided by the Labor Standards Act; and ensure that this amount cannot be used as a subject of transfer, seizure, offset, or collateral. Before the end of each year, the employee retirement reserve account balance shall be calculated. If the balance is insufficient to pay employees with conditions specified in Article 53 or Subparagraph 1, Paragraph 1 of Article 54 of the Labor Standard Act for the next year, the Company shall make up the differences before the end of March next year.

- d. Supervision of employee pension funds: In January 1987, the Labor Pension Reserve Fund Supervision Committee was established in accordance with the law. The committee is re-elected every three years to review the amount of labor pension reserve fund allocations, savings, expenditures, and payments to ensure the rights and interests of workers.
3. Qualification for the Labor Pension Act (new system): defined contribution plan
 - a. The Company grants 6% per month: according to the Monthly Appropriation Scale of the Labor Pension issued by the Bureau of Labor, the Company appropriate 6% of the worker's monthly wage to his/her personal pension fund account.
 - b. Voluntary employee pension contribution: workers may also voluntarily contribute within 6% of their wage to the labor pension. As of the end of 2024, employees making voluntary contributions to their labor retirement accounts accounted for 38.6% of all employees under the new system.

(VIII) Other important agreements: None.

(IX) Losses due to labor disputes in the most recent year and up to the date of publication of the annual report:

(including any violation of the Labor Standards Act as revealed by labor inspections, specifying the date of disposition, reference number of the disposition, violated legal provisions, details of the violation, and content of the disposition), and disclosing an estimate of possible amounts that could be incurred currently and in the future along with corresponding response measures. If a reasonable estimate cannot be made, the fact that it cannot be reasonably estimated shall be stated:

(1) Labor dispute that has already been settled

Company name	Date of disposition	Reference number of the disposition	Violation of laws and regulations	Details of the violation	Content of the disposition
Hon Hai Precision Industry Co., Ltd.	2024/07/03	New Taipei City's Lao-Jian-Zi Letter No. 1134650585	Paragraph 2, Article 22 of the Labor Standards Act	Failure to pay wages in full directly to the worker	Fine of NT\$48,000
Hon Hai Precision Industry Co., Ltd.	2024/07/03	Fu-Lao-Zi-Zi Letter No. 1130141857	Article 24 of the Labor Standards Act	Failure to pay overtime wages in accordance with regulations	Fine of NT\$20,000
Hon Hai Precision Industry Co., Ltd.	2024/08/01	Fu-Lao-Zi-Zi Letter No. 1130165138	Paragraph 1, Article 21 of the Act of Gender Equality in Employment	When an employee makes a request in accordance with the provisions of the preceding seven articles, the employer shall not refuse.	Fine of NT\$20,000

Hon Hai Precision Industry Co., Ltd.	2024/10/17	New Taipei City's Lao-Ye-Zi Letter No. 1130913182	Paragraph 1, Article 21 of the Act of Gender Equality in Employment	Refusal of an employee's request for unpaid parental leave or reinstatement	Fine of NT\$20,000
The current and future estimated amounts and contingency measures	The Company already paid the fine, provided education and training for all departments, and strengthened related awareness campaigns. It fully pays the wages for overtime work, strengthens employee communication, and improves communication channels and communication mechanisms to protect the rights and interests of employees, create a gender-equal working environment, and properly handle matters in accordance with relevant laws and regulations and the Company's procedures.				

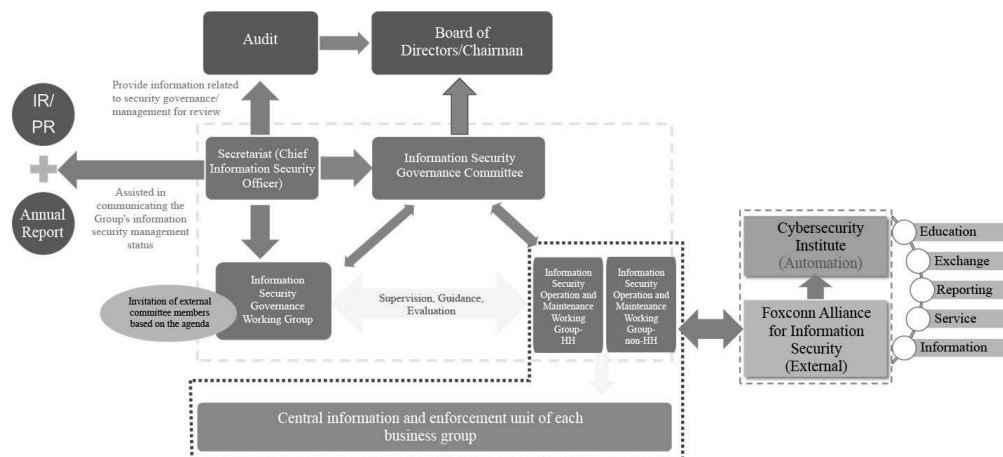
(2) Disputes over bonus payments to former employees

In May 2024, former employee Tai Cheng-Wu (employee Tai) filed a lawsuit in the New Taipei District Court over a dispute regarding bonus payments. In January 2025, both parties subsequently agreed to terminate the litigation procedure. However, employee Tai filed for continuation of the litigation at the end of April of the same year. After the mediation process failed to reach a settlement, the litigation was officially resumed in August of the same year. The case is currently being reviewed by the New Taipei District Court. Regardless of the outcome of lawsuit, it will not have a significant impact on the financial operations of the Company. In the future, we will strengthen communication with employees and review the remuneration system and employment conditions to prevent similar labor disputes from happening again.

VI. Information communication security management:

(I) Information security governance

1. Information security governance organizational structure



2. Information security governance organization

The Company has established the Information Security Governance Committee (hereinafter referred to as the “Committee”) as the highest-level information security governance organization within the Group. The Committee is chaired by the Chairman of the board and includes the Chief Information Security Officer (CISO), the Secretariat of the Information Security Governance Committee, the Group’s Chief Information Officer, and the top executives of Fii, FIH, and FIT, as well as the Director of the Information Security Department of the Research Institute. Depending on the agenda, top executives from group finance, risk management, human resources, legal affairs, and internal audit may also attend as needed. The committee designates the lead personnel for each information security project to coordinate the planning of the Group’s information security governance structure, policy formulation and cultural promotion, and regularly reports to the committee on information security governance issues, directions and effectiveness, in order to comprehensively evaluate and grasp the existing information security situation as the basis for the Company’s sustainable operations.

On November 10, 2022, the Board of Directors resolved to appoint Li Wei-Bin, CEO of the Hon Hai Research Institute, as the Group’s Chief Information Security Officer. The Information Security Department under the Hon Hai Research Institute was designated as the Secretariat of the Information Security Governance Committee. Leveraging its role in forward-looking research, the Institute focuses on global trends and standards in integrated information security governance, risk, and compliance. It collaborates closely with the Chief Information Officer to formulate high-level information security policies, oversee the implementation of the Group’s security strategies, and establish best practices in information security, with the goal of positioning Hon Hai as a global benchmark for cybersecurity in high-tech industries while also showcasing the Company’s strength in forward-thinking research. The committee is divided into an information security governance working group

and an information security maintenance and operation working group. The division of labor is as follows:

- Information Security Governance Working Group: formulation of information security governance strategies and guidelines, information security policy and related specifications, and ensuring the compliance review of laws and regulations.
- Information Security Maintenance and Operation Working Group: Implement, construct, maintain and operate information security framework and equipment, responsible for information security protection, risk assessment, etc., to ensure the effectiveness of information security implementation.

3. Information security governance policy

- (1) Convene the Information Security Governance Committee meeting:
The Committee convenes quarterly meetings, bringing together its members to deliberate on the formulation of group-wide security policies, documents, and mechanisms. This ensures a higher standard and consistency in cross-organizational security principles. Through these meetings, the Group gains deeper insights into current information security trends and issues, raises senior executives' awareness of cybersecurity, and enhances their understanding of the internal security framework. These efforts support proactive risk mitigation and minimize potential damage to the greatest extent possible.
- (2) Formulating guidelines for responding to ransomware incidents:
 - Establish a systematic incident response framework and information security indicators to assist the Group and each business group/division to effectively respond to incidents, protect key assets, improve cross-departmental collaboration and response efficiency, reduce negative impacts, accelerate the recovery of business operations, and promote corporate information security culture and continuous improvement.
 - Clearly define the division of labor and responsibilities to improve the ability to respond to ransomware incidents and mitigate the impact of information security incidents.
 - Training and drills: 2 training sessions and 1 drill were conducted to help relevant roles understand the division of labor and responsibilities, and to familiarize themselves with the incident response mechanism through practical drills, so that the guidelines can be effectively implemented and applied.
- (3) Guidelines for classification and reporting of information security incidents:
With reference to the US NIST and Taiwan government regulations, we set security incident classification and reporting levels to ensure that when an incident occurs, there will be a unified principle of compliance. This will strengthen the consistency of internal communication, execution, and judgment, accelerate response, and reduce the operational impact of information security incidents.
- (4) Formulating management guidelines for the investigation and punishment of IT vulnerabilities:
Ensure that the technical weaknesses or loopholes contained in the use of information technology can be effectively identified and controlled, establish loopholes investigation procedures and repair timeliness, in order to reduce the risks caused by technical weaknesses or loopholes.

- (5) Establish the group information security self-assessment form:
The goal is to confirm the current status of information security management of business units through the review of the self-assessment questionnaire, so that they can conduct self-examination and strengthen the existing information security management measures.
- (6) Establish a joint defense mechanism for information security:
Affiliates have been convened to form a regional joint defense organization, and they have joined the Taiwan Crisis Management Center (TWCERT/CC) and the Taiwan Chief Information Security Officer Alliance.
- (7) Planning and investment in information security insurance
 - In 2024, we will continue to evaluate market conditions and communicate and explain internally to ensure that the insurance plan conforms to the Group's overall risk management framework and information security strategy.
 - The Company will adhere to the principle of prudent planning and plans to complete insurance at an appropriate time. Through cyclical review and optimization, it will strengthen information security governance and reduce the impact of potential information security risks on corporate operations.

(II) Information communication security management

1. Information security management guidelines:

We formulate and implement relevant systems from the aspects of organizational control, personnel control, physical control, and technical control. Through performance indicators, risk assessments, and information security audit results, we regularly review and optimize information security measures to promote education, training, and advocacy, and other improvements to ensure that important confidential information of the company is not leaked.

2. Regular meetings:

- (1) Monthly Information Security Meeting: A monthly information security meeting is held regularly every month to review information security work based on the Plan-Do-Check-Act (PDCA) management cycle mechanism, and to assist in promoting the group's information security policy so that the policy can be effectively implemented in daily operations and management.
- (2) Information Security and Operations Working Group Meeting: The information security supervisors and information security personnel of the business groups are convened on a monthly basis to hold information security and operations working group meetings to report on the Group's recent information security work and to publicize information security regulations to ensure that the organization's information and communications security is effectively managed and protected. Meetings are also held to promote communication and cooperation among business groups and to improve the overall security protection capabilities of the organization.
- (3) Information security and defense meetings: The regional defense organizations composed of affiliated enterprises are convened on a regular basis to carry out information security and defense meetings on a monthly basis to discuss the security situation, formulate work plans, and coordinate and solve problems.

3. Information security risk management:

In accordance with the Company's risk management policy, information security risks are integrated into the six dimensions of overall strategy, operation, human resources, law and compliance, finance and emerging risks for collaborative assessment. Then, through strategic management at the organizational governance level and risk protection measures at the technical level, a confidential information protection system that complies with legal regulations, customer needs, and corporate operations is established to achieve the purpose of risk control.

4. Information security personnel training and awareness improvement:
The Company plans a systematic information security training mechanism to enhance employees' awareness of information security and reduce human information security risks through structured, targeted, and diversified learning methods.
 - (1) Educational training and promotion are held regularly every year, covering the basics of information security, advanced information security technologies, and prevention of social engineering attacks, to ensure that personnel at different levels have the corresponding information security knowledge and operational skills. A total of 1,515 information security training sessions were conducted this year for management personnel, IT personnel, general personnel, and external personnel.
 - (2) Through social engineering drills, ransomware incident response drills, and information security quiz competitions, the actual simulation mechanism is strengthened to improve employees' ability to respond to information security threats.
5. Information security management framework: The Company uses ISO/IEC 27001 as the information security management framework, combines NIST Cybersecurity Framework (CSF) and Cyber Defense Matrix (CDM) to build an information security defense architecture, and introduces appropriate technical resources to enhance information security resilience. In order to implement the Group's "legal and compliant" principle, from the central to each business group, we have obtained ISO/IEC 27001 international information security management system certification (valid from July 7, 2022 to July 6, 2025), covering factories in Northeast Asia, Southeast Asia, China, America, Europe and India, and continue to pass re-inspections.
6. The resources invested in the information communication security management
Focusing on the Group's digital transformation and joint security defense strategy, the Company adopts a multi-layered security defense architecture, introduces AI empowerment and automated security protection management solutions, strengthens threat detection and incident response capabilities to enhance overall security agility. Promote regional joint defense within the Group, and realize the information security ecology of "sharing, cooperation, and mutual prosperity" according to local conditions and the principle of mutual assistance. Maintain the confidentiality, integrity, and availability of the Company's important assets through the establishment of annual information and communication security goals and strategies, including zero trust framework, personal data protection, network isolation, cloud computing security, and automatic detection technology. The specific implementation is described as follows:
 - (1) Control measures:
 - The introduction of a cybersecurity exposure management system allows for

continuous monitoring of the Group's digital assets and vulnerabilities on the Internet around the clock, reducing the scope of attack and improving the exposure level to a level better than the industry average.

- An automated threat intelligence collection system was introduced to monitor global information security threat trends in real time through AI-driven analysis and threat intelligence sharing. An early warning mechanism was established to block threats at the early stage of the attack chain.
 - We have introduced the Secure Software Development Lifecycle (SSDLC) and implemented the principle of shifting security left. Through system and application vulnerability scanning tests and open source software management mechanisms, we continue to strengthen the security of the development and operating environment to ensure that potential risks can be discovered and repaired early.
 - Introduce the next-generation remote security access mechanism to ensure data security in the remote work environment.
 - Deployment of a firewall (WAF), a single sign-on platform (SSO), and multi-factor authentication (MFA).
 - Intrusion prevention systems, next-generation firewalls, DNS defenses, and DDoS defenses are deployed to monitor and intercept various types of attacks in real time to effectively protect the security of internal resources, websites, and network infrastructure.
 - Data is managed by labeling based on the confidentiality classification, and encryption technology and access control are adopted to enable effective tracking through the audit trail on the platform.
 - Email anti-virus and anti-spam mechanisms are deployed, and defense strategies are dynamically adjusted based on the latest malicious email attack methods.
 - To enhance threat detection and response capabilities at the endpoint and network levels, a hierarchical management architecture is used for endpoints to deploy multiple types of next-generation antivirus (NGAV), endpoint detection and response (EDR), and managed detection and response (MDR). At the same time, network detection and response (NDR) is deployed at the network level to monitor abnormal behaviors in real time through AI-driven threat analysis and automated response mechanisms.
 - Introduce an information security awareness platform, regularly implement social engineering drills and provide training courses in diversified scenarios, to continuously improve employees' ability to identify and prevent information security threats.
 - Penetration testing is carried out on a regular basis to evaluate the security of networks and systems by simulating real attack scenarios, identify potential vulnerabilities and make up for them immediately.
 - Implement ongoing operations drills for key services, and conduct comprehensive planning for risks, key assets, and emerging threats to ensure that system security can be quickly and effectively protected and business operations resumed in the event of an emergency.
- (2) Information security incident reporting and handling:
- Standard guidelines and measures related to the reporting and handling of information security incidents have been established, including procedural documents for classified incident determination and reporting, incident handling, response to ransomware incidents, and information technology vulnerability investigation and management.

- A centralized cloud-based monitoring center has been established to centrally integrate system logs onto the SIEM platform. Smart monitoring and correlation analysis provide enhanced advance warning of threats and prevention of attacks.
- The Hon Hai Information Security Intelligence Sharing Alliance has been established to integrate the exchange and sharing of intelligence inside and outside the Group, effectively improve the efficiency of early warning and shorten the response time. The Cyber Security Research Institute is also actively researching the application of artificial intelligence and cyber threat intelligence in the attack life cycle so as to immediately incorporate them into defense mechanisms, assist joint defense members in further reducing cyber security risks, and jointly build a smart cyber security joint defense network.

(III) The losses, possible impacts, and response measures incurred due to major information and communications security incidents in the most recent year and up to the annual report's publication date. If such losses cannot be reasonably estimated, an explanation of the fact that such an estimate cannot be reasonably estimated shall be provided:

There was no significant information communication security incident of the Company in 2024.

VII. Important contracts

Contract nature	The Other Party	Contract Dates	Main content	Restrictions
Sale and purchase contract	Apple Computer, Inc.	December 7, 1999 until one party to the contract terminates the contract in accordance with the provisions of the contract.	Trading of products	Reserves right to adjust delivery dates and order
Sale and purchase contract	Cisco Systems Inc.	One year from January 1, 2019. If both parties have no intention of termination before the expiration, the contract will be extended for another year.	Trading of products	Reserves right to adjust delivery dates and order
Sale and purchase contract	Dell Products L.P.	From December 1, 1999 to November 30, 2000, if both parties have no intention of termination before the expiration, the contract may be extended for another year.	Trading of products	Reserves right to adjust delivery dates and order
Sale and purchase contract	Hewlett-Packard Company	From May 7, 2003 to May 6, 2008, if both parties have no intention of termination before the expiration, the contract will be extended for another 2 years.	Trading of products	Reserves right to adjust delivery dates and order
Sale and purchase contract	International Business Machines Corporation	July 7, 2008 until one party to the contract terminates the contract in accordance with the provisions of the contract.	Trading of products	Reserves right to adjust delivery dates and order
Sale and purchase contract	Lenovo (Singapore) Pte. Ltd.	November 4, 2003 until terminated by one party in accordance with the contract	Trading of products	Reserves right to adjust delivery dates and order
Sale and purchase contract	Microsoft Corporation	Effective for 5 years from October 27, 2009. The contract can be extended for another year with Microsoft's 120-days prior notice; amended in 2017, the contract continues to be effective until terminated by one party in accordance with the contract.	Trading of products	Reserves right to adjust delivery dates and order
Patent licensing contract	MPEG LA	Valid from December 28, 2009 to the expiry date of the patent term.	Technical authorization Authorization	Non-exclusive authorization, prohibited from transferring authorization
Patent licensing contract	Qualcomm Incorporated	Effective from October 18, 2005 until terminated by one or both parties in accordance with the contract.	Technical authorization Authorization	Non-exclusive authorization, prohibited from transferring authorization
Sale and purchase contract	Sony Corporation	Effective for one year from January 26, 2010, and can be automatically extended for another year every year.	Trading of products	Reserves right to adjust delivery dates and order

Five. Review and analysis of financial position and financial performance and risk

I. Comparative Analysis of Financial Position

Unit: NT\$ Thousand

Item \ Year	2024	2023	Difference		Analysis of changes in the percentage of increase or decrease (Note 1)
			Amount	%	
Current assets	3,375,765,076	3,035,965,951	339,799,125	11%	
Fund and Long-term equity investments	200,117,473	198,480,355	1,637,118	1%	
Property, plant and equipment	468,837,633	393,967,393	74,870,240	19%	
Other assets	349,779,329	311,375,278	38,404,051	12%	
Total assets	4,394,499,511	3,939,788,977	454,710,534	12%	
Current liabilities	2,174,817,567	1,909,334,694	265,482,873	14%	
Other liabilities	368,093,896	344,210,637	23,883,259	7%	
Total Liabilities	2,542,911,463	2,253,545,331	289,366,132	13%	
Share capital	138,917,019	138,629,906	287,113	0%	
Additional paid-in capital	197,922,008	198,652,898	(730,890)	(0%)	
Retained earnings	1,350,982,253	1,269,063,445	81,918,808	6%	
Other equity	(42,604,521)	(113,221,953)	70,617,432	62%	(Note 2)
Treasury stock	(15,194)	(15,194)	-	0%	
Equity attributable to shareholders of the parent company	1,645,201,565	1,493,109,102	152,092,463	10%	
Non-controlling interests	206,386,483	193,134,544	13,251,939	7%	
Total equity	1,851,588,048	1,686,243,646	165,344,402	10%	

Note 1: Explanation will be provided if the percentage of increase or decrease exceeds 20% and the amount exceeds NTD 10 million.

Note 2: Mainly due to fluctuations in exchange rates that cause changes in exchange differences in translating the financial statements of foreign operations.

II. Comparative analysis of financial performance

Unit: NT\$ Thousand

Analysis item \ Year	2024	2023	Amount changed	Change percentage (%)	Analysis of changes
Net Operating Revenue	6,859,615,493	6,162,221,359	697,394,134	11%	
Operating cost	(6,430,669,575)	(5,774,273,890)	(656,395,685)	11%	
Gross profit	428,945,918	387,947,469	40,998,449	11%	
Operating expenses	(228,338,691)	(221,418,974)	(6,919,717)	3%	
Operating Income	200,607,227	166,528,495	34,078,732	20%	Note 1
Non-operating income	11,267,930	25,695,718	(14,427,788)	(56%)	Note 2
Income (loss) before income taxes	211,875,157	192,224,213	19,650,944	10%	
Income tax expense	(40,195,922)	(37,434,831)	(2,761,091)	7%	
Net profit for the period	171,679,235	154,789,382	16,889,853	11%	
Other comprehensive income (Loss) net of tax	78,667,526	(34,309,007)	112,976,533	329%	Note 3
Total comprehensive income	250,346,761	120,480,375	129,866,386	108%	Note 3

Note 1: The increase in sales volume is mainly due to the increase in customer demand for products, which leads to an increase in operating income.

Note 2: Mainly due to the decrease in foreign currency exchange gains and the decrease in offsetting agreements, resulting in the decrease in interest income and finance cost.

Note 3: Cumulative translation gains arising from financial statement conversion due to exchange rate fluctuations.

III. Cash Flow Analysis

(I) Analysis of liquidity in the last 2 years:

Item \ Year	2024	2023	Increase/decrease ratio (%)
Cash flow ratio (%)	7.63%	23.34%	(67.31 %)
Cash flow adequacy ratio (%)	64.57%	76.78%	(15.90 %)
Cash reinvestment ratio (%)	3.27%	14.63%	(77.65%)

Analysis of changes in the percentage of increase or decrease

Cash flow ratio:
Cash inflow from operating activities in 2024 was NT\$166 billion. Inflows decreased by NT\$279.5 billion from the same period last year, mainly due to changes in inventories.
The main reason is that in order to effectively manage the risk of shortages in the international supply chain, the Company strategically increased inventory levels in 2022 and gradually adjusted them back to normal inventory levels in 2023, generating a cash inflow of NT\$201.7 billion in 2023. In addition, in 2024, due to revenue growth, inventory increased slightly compared to 2023, resulting in a cash outflow of NT\$76 billion. Therefore, the cash flow ratio decreased.

1. Cash flow adequacy ratio:
In 2024, the Company continued to strengthen its external investment layout based on the development of the 3+3 strategy and business expansion; also, due to changes in inventory, the cash inflow from operating activities decreased compared to 2023, so the cash flow adequacy ratio decreased.

2. Cash reinvestment ratio:

Due to the significant decrease in cash inflow from operating activities in 2024 compared to 2023, the cash reinvestment ratio in 2024 decreased.

(II) Liquidity analysis for the coming year:

Unit: NT\$ Thousand

Cash balance at the beginning of period (1)	Expected cash inflow from operating activities for the year (2)	Projected cash outflow for the year (3)	Projected cash surplus (deficit) amount (1) + (2) - (3)	Measures to make up for the expected cash shortage	
				Investment activities	Financing activities
42,756,421	3,165,464,573	3,077,258,975	130,962,019	-	-
Analysis of changes in cash flow for the current year (2025):					
1. Business activities: The Company expects that the operating revenue and profit will continue to grow.					
2. Investment activities: Expansion of production equipment in line with business needs.					
3. Wealth management activities: The Company will distribute cash dividends, raise short-term loans and issue unsecured corporate bonds in the current period.					

IV. Impacts of major capital expenditure on finance and business in recent years

(I) Utilization of major capital expenditures and sources of funds:

Unit: NT\$ Thousand

Project	Actual or expected sources of funds	Expected date of completion	Total funds required	Actual or Expected Capital Expenditure	
				2023 (actual)	2024 (projected)
Equipment Purchases	Retained Earnings and Revenue	Dec. 31, 2025	2,000,000	1,722,119	2,000,000

(II) Expected benefits:

The above capital expenditure is to meet the needs of the Company's business growth, and actively develop the 3+3 strategy and purchase related machinery and equipment to expand capacity and improve production efficiency; and continue to research and develop, design, and manufacture various electronic equipment products to optimize the manufacturing process. The bank further improves quality and efficiency, reduces costs and reserves, and strives for stable growth through innovation.

V. Investment policy in the most recent year, the main reason for the profit or loss, improvement plan and investment plan for the next year

(I) Investment policy in the most recent year:

Investment Policies are aligned to increase manufacturing capacity, and to aid in the Company's revenues and profits.

(II) The main reasons for profit from reinvestment:

The Company's investment income under equity method recognized for 2024 was NT\$144,822,369 thousand, mainly due to the good operating conditions and profits of overseas investment companies.

(III) Investment plans for the coming year:

The Company's long-term investment strategy is one of prudence, and will be in correlation with market and capacity needs. The Company will continue our commitment to strengthening global competitiveness.

VI. Risk Assessment

(I) Impacts of changes in interest rates, exchange rates and inflation on the Company's profit and loss and future countermeasures

1. Interest rate:

(1) Changes in interest rates by country in 2024:

USD: At the beginning of 2024, due to the strong employment data and the stagnation of inflation, the 10-year US bond interest rate showed an upward trend. Since the beginning of the second quarter, employment data has weakened and inflation has slowed moderately. The Fed began to cut interest rates to avoid an economic recession, cutting interest rates by 2 basis points in September, 1 basis point each in November and December, and a total of 4 basis points to 4.50% this year. The 10-year US bond yield fluctuated from 3.9% at the beginning of the year to the high of 4.70% in April, then fell back to the low of 3.60% in September, and returned to 4.50% in the fourth quarter.

JPY: Japan's economy is recovering slowly in 2024, with wages in March hitting the highest increase in recent years and inflation expectations rising. The BOJ put an end to the negative interest rate policy for many years. In March, the interest rate rose from -0.1% to 0.1%. In July, the interest rate was increased to 0.25%. As the interest rate spread between the US and Japan continued to narrow, the carry trade unwind caused the JPY to appreciate sharply against the USD for a time, and funds returned to Japan. The 10-year government bond yield rose from 0.63% in January to 1.08% at the end of the year.

NTD: In 2024, the Central Bank of Taiwan unexpectedly raised interest rate by 0.125% to 2.0% in March and kept interest rate unchanged until the end of the year. Taiwan's 10-year bond yield rose from 1.22% at the beginning of the year to 1.76%, the highest point in July, and then fell back to 1.63% at the end of the year.

RMB: China's economy remained weak in 2024, domestic demand was sluggish, investment declined, and the risk of deflation increased. The People's Bank of China maintained an accommodative monetary policy and reduced the deposit reserve ratio from 10.50% to 9.50%. The one-year LPR interest rate was reduced from 3.45% to 3.10%. The 5-year LPR interest rate was reduced from 4.20% to 3.60%. The 10-year government bond yield dropped from 2.58% at the beginning of the year to 1.68% at the end of the year.

(2) Impact on the Company's profit or loss:

Debt:

- A. Short-term interest rates of major operating currencies have declined slightly, which is relatively favorable for short-term borrowings with floating interest rates.
- B. As for the long-term corporate bonds with fixed interest rates raised in the past, the interest burden is not affected by the fluctuation of interest rates.

Assets: If the interest rate falls, it is unfavorable for the Company's income from short-term capital utilization.

Net result: Due to proper management and control, "net interest income" was generated in the past two years. It was NTD+16.157 billion in 2023 and NTD+8.781 billion in 2024.

(3) Countermeasures:

In 2025, the focus was on the impact of Trump's trade war, geopolitical conflicts, the effect of China's economic policy stimulus, and the impact of Europe's expansionary fiscal policy on the economy. It is expected that the USD interest rate will gradually decrease, the JPY interest rate will increase slightly, and the NTD will remain unchanged. Therefore, the Company will reasonably arrange various financing instruments as soon as possible to raise mid-term and long-term funds with low interest rates in USD, NTD or JPY.

2. Exchange rate:

(1) Changes in exchange rates in 2024:

USD-JPY: In 2024, due to the Bank of Japan (BOJ) ending its negative interest rate policy in March, while maintaining a dovish stance, and the steady U.S. economy, the expectation of a delayed rate cut by the Fed, the USD/JPY rose to a high of 161.56 in the first half of the year. Starting in July, the Fed's rate cut expectations resurfaced, and with a significant narrowing of the US-Japan interest rate differential, the pair dropped sharply to 140.62 due to the retreat of arbitrage trades. In the fourth quarter, as U.S. inflation data remained stubborn and market concerns grew over the uncertainty of tariff policies following Trump's return to office, the USD strengthened, and the exchange rate rebounded to around 157.18 by the end of the year.

USD/TWD: In the first half of 2024, the US economy was still resilient and inflation was stagnant. The interest rate gap between the US and Taiwan caused a significant outflow of funds. USD/TWD rose from a low of 30.886 at the beginning of the year to 32.870. In August, the USD/TWD declined as the USD continued to weaken. In September, the USD/TWD dropped to a minimum of 32.65 in the year. As the US dollar strengthened in the fourth quarter and foreign investors turned conservative towards Taiwan stocks, USD/TWD rebounded to 32.717 at the end of the year.

USD/CNY: China's economy is still weak in 2024. The central bank has reduced interest rates and the interest rate gap has widened. USD/CNY has risen from 7.1387 at the beginning of the year to around 7.2748 in July. Subsequently, Asian currencies appreciated along with the weakening of the US dollar. The government's stimulus measures boosted the market's confidence in the economic recovery. USD/CNY once fell to 7.0106. In the fourth quarter, as the US dollar strengthened and the market worried about the expansion of the tariff trade war after Trump's victory, the USD/CNY gradually rebounded and reached around 7.2933 at the end of the year.

(2) Impact on the Company's profit or loss:

- A. Attributable income:
- (A) According to "IFRS No. 9 (Financial Instruments)", the gains and losses arising from exchange rate fluctuations should be attributed to the following two types of accounting titles:
- Exchange gains and losses: Exchange differences arising from exchange rate fluctuations on foreign currency monetary assets or liabilities (e.g. accounts receivable and accounts payable for operating activities, and current (fixed) term deposits and short-term (long-term) loans for financial management activities) are classified under this category.
 - Financial Assets (Liabilities) Profit and Loss Valuation: Foreign exchange related assets or liabilities generated from risk avoidance mechanisms (such as Long-term foreign exchange trading), and the profit and loss generated at fair value are listed in this category.
- (B) Therefore, if we want to observe the overall profit and loss of the Company generated by exchange rate fluctuations, we should combine the above two to get a complete picture.
- B. Profit and loss: According to the following table: (Note: + represents profit, - represents loss)

Unit: NT\$100Million

Item Type	2023			2024		
	Exchange gain or loss	Profit or loss from valuation of financial assets (liabilities)	Total	Exchange gain or loss	Profit or loss from valuation of financial assets (liabilities)	Total
Consolidated Statement	+62.63	-74.70	-12.07	+35.72	-70.24	-34.52

- C. Explanation of profit and loss: The Company has always adhered to the principle of conservative hedging, closely monitored changes in its internal foreign exchange positions and external financial markets, and adopted corresponding hedging measures in a timely manner. However, due to the high cost of hedging for most currencies, the hedging effectiveness will diminish over time.
- (3) Countermeasures:
- Fundamental Strategy: To cater for the complicated external factors at play, the Company attempts to offset liabilities with assets, and reduce the exposure exchange-related fluctuations.
 - Risk Avoidance: The underlying principle is to square-off the aforementioned net positions.
3. Inflation
- Changes: In the first half of 2024, Taiwan's inflation fell quarter by quarter as global commodity prices slowed, but domestic demand remained robust. In addition, summer typhoons affected the prices of fruits and vegetables, and the cost of eating out, meat, medical care, and rent all increased. The average CPI for the year (YOY%) was 2.18%.
 - Effect on the Company's profit and loss: The Company is an OEM for electronics in nature, and the prices of its products tend to drop for a long time. However, the Company will work hard to reduce various costs to minimize the impact of inflation.
 - Countermeasures:

- A. The Company will continue to its commitment to various cost-reducing initiatives as a policy, and will be more risk-averse to inflation and deflation related factors.
 - B. The price of raw materials has declined after the sharp rise, but there is still room for growth in the future. The Company will closely observe the changes in the prices of various important raw materials and dynamically adjust the procurement strategy.
- (II) Policies on engaging in high-risk and highly leveraged investments, loans to others, endorsements and guarantees, and derivative transactions, the main reasons for profit or loss, and future countermeasures
 - 1. Engaging in high-risk and highly leveraged investments: None.
 - 2. The policy of loaning of funds to others, the main reasons and future countermeasures:
 - (1) Policy: The loaning of funds to others by the Company and the individual juristic persons listed in the consolidated financial statements shall be handled in accordance with the "Operating Procedures for Lending Funds to Others" of the respective companies.
 - (2) Main reason: The loaning of funds between the Company and the individual juristic persons included in the consolidated financial statements was due to the need for short-term financing facilities.
 - (3) Future countermeasures: Implement necessary control measures in accordance with the Operational Procedures for Loaning Funds to Others.
 - 3. The policy of making endorsements/guarantees for others, the main reasons and future countermeasures:
 - (1) Policy: The endorsement and guarantee provided by the Company and the individual juristic persons included in the consolidated financial statements shall be handled in accordance with the "Procedures for Endorsement and Guarantee" of the respective companies.
 - (2) Main reason: The endorsements and guarantees provided by the Company and the individual legal persons included in the consolidated financial statements are in principle the parent company and subsidiaries, and the endorsements and guarantees are mainly for financing guarantees.
 - (3) Future countermeasures: Carry out necessary control measures in accordance with the Operational Procedures for Endorsements and Guarantees.
 - 4. Derivative trading:
 - (1) Policy:
 - A. The Company and the legal entities listed in the consolidated financial report that partake in derivatives transactions will all be in accordance with FSC's "Regulations Governing the Acquisition and Disposal of Assets by Public Companies" and TWSE's "Taiwan Stock Exchange Corporation Directions for Auditing Internal Control Systems of Listed Companies".
 - B. As a risk avoidance principle, positions of the Company's asset or liabilities that are in actual possession or expected to be in possession will be closed. This offsets market price fluctuations as risks and risk-avoidance transactions will counteract each other, achieving stable operations.
 - (2) Causes for Profit/Loss:

- A. Externally: Political game theory, black swan theory, and the state of the economy has placed various governments in different predicaments. Different countries have undertaken either tightening or relaxing monetary policies, creating a turbulent and unpredictable foreign exchange market.
 - B. Internally: As a principle, derivatives trading will aim to “close the underlying net positions of related hedges”. Therefore, when a loss occurs to the substantial net position, a corresponding gain in financial asset (liability) valuation will occur to "the inverse derivative trade in order to offset the hedging of the substantial net position", and vice versa.
- (3) Countermeasures:
 - A. Stance:
 - (A) Derivative products are a financial tool and should be judge on how the tool is utilized, to achieve what ends, and the mentality in making such decisions.
 - (B) The Company is committed to internal controls regarding financial derivative transactions, and has implemented various principals to reduce to the risks to a minimum.
 - (C) Domestically, IFRS has implemented strict accounting regulations and guidelines regarding financial derivatives trading. The Company’s procedures are in compliance and even more rigorous than related regulations
 - B. Policy:
 - (A) With the recent events, the impacts to the financial markets have been exacerbated. The financial market has been speculative and opportunistic, viciously fueling the outcome of these events. Various price fluctuations are neither based on fundamentals or logic, Additionally, with the hype driven by various financial institutions and media, the risk in the market has risen greatly.
 - (B) Under these conditions, the financial derivatives and its leverage will be used more conservatively and stringently by the Company. Strategically, the Company will not be following the herd or be intimidated by external factors, and actions shall be judge on its “risk avoidance” merits.
- (III) Future R&D plans and expected R&D expenses
 The Company focuses on leading the mass production of high-tech technology products, and its method is to effectively gather outstanding R&D talents, and invest the best R&D technologies and processes related to the Company’s core competencies. The R&D expenditure in 2025 is estimated to be NT\$120 billion.
- (IV) Impacts of important domestic and foreign policies and legal changes on the Company's financial operations, and responsive measures: None.
- (V) Impacts of technological and industrial changes on the Company's financial operations, and responsive measures
 In recent years, the Company has been actively committed to the research and development of technology in cooperation with the world's top customers, and has been paying attention to industry changes at all times. In the future, it will continue to develop in accordance with market trends and customer needs. Therefore, there is

no impact of technological changes and industry changes on the Company's financial business.

- (VI) The impact of changes in corporate image on corporate crisis management and countermeasures
The Company has a large number of customers and products, bases distributed all over the world, and employees up to one million, so it is vulnerable to the impact of unexpected events. The Company actively invests in ESG and improves the working and living environment. In addition to enhancing management standards and corporate image, it can also drive the supply chain to improve standards and reduce overall operational risks. Therefore, there is no corporate crisis caused by the change of corporate image.
- (VII) Expected benefits and possible risks of mergers and acquisitions, and countermeasures
As of the printing of the annual report, the Company has no applicable acquisition.
- (VIII) Expected benefits and possible risks associated with any plant expansion, and countermeasures
The main clients of the Company are leading brands of the industry, in an effort to more promptly and better serve these customers, the Company has established foundations in key strategic positions around the globe.
- (IX) Risks associated with any concentration of purchases or sales, and mitigation measures being or to be taken
Collaborating on a global scale with like-minded group of quality suppliers, the Company effectively mitigate risks prone to a particular market, product, or sale, but also offsets risks for suppliers against the industry.
- (X) Impact, risks and corresponding measures of large-scale transfer or replacement of shares by directors, supervisors or major shareholders holding more than 10% of shares on the Company: No such situation.
- (XI) Impacts and risks to the Company due to change in management rights, and responsive measures: No such situation.

(XII) Litigation and non-litigation events

1. Major Ongoing Lawsuits, Non-lawsuit or Administrative Lawsuit

Affiliated court (agency) and its case number	Party(s) Involved	Start Date of Litigation	Fact of dispute, amount of money in dispute	Current Situation and Processes	Manager's Views and Plans
The High Court of the Hong Kong Special Administrative Region No.2114 of 2007 No.2114 Electronics of 2007	Plaintiff: ShenZhen FuTaiHong Precision Industrial Co., Ltd/Hongfujin Precision Industry (Shenzhen) Co., Ltd., Foxconn Precision Components (Beijing) Co., Ltd. Defendant: BYD Company Limited/ BYD (HK) Co., Ltd./ Golden Link Worldwide Ltd./ BYD Electronic Company Ltd./ Lead Wealth International Limited/ Tianjin BYD Electronics Co., Ltd./ BYD Precision Manufacturing Co., Ltd.	October 5, 2006	Plaintiff accuses the Defendant of violating confidentiality obligations, conspiracy, and inducing employees to breach of contract. The Plaintiff appeals to the court to issue an injunction, and for the Defendant to surrender all infringing documents, and to pay for damages caused and for punitive damages.	The case has entered trial (discovery phase)	Claim rights according to the Law
U.S. Bankruptcy Court for the District of Delaware	Plaintiff: Lordstown Motors Corp./Lordstown EV Corp./Lordstown EV Sales LLC Defendant: Hon Hai Precision Industry Co., Ltd./Foxconn EV Technology Inc./Foxconn Ventures Pte. Ltd./Foxconn (Far East) Limited/Foxconn EV System LLC	June 27, 2023	The plaintiff demanded the defendant to compensate all losses on the grounds of breach of contract, improper termination of contract, tort, and breach of equity.	We will reject the plaintiff's appeal.	Claim rights according to the Law

2. Major litigation, non-litigation or administrative disputes involving directors, supervisors, general managers, major shareholders holding more than 10% of the shares, and affiliated companies: None.

(XIII) Other important risks and countermeasures: None.

As of the date of publication of the annual report, the Company has no other important risks.

VII. Other important matters: None.

Six. Special Items To Be Recorded

I. Information of Affiliated Enterprises

(I) Consolidated business report of affiliated enterprises

Please refer to the Market Observation Post System > Individual Company > Electronic Document Download > Related Party Transactions Disclosure Section:

https://mopsov.twse.com.tw/mops/web/t57sb01_q10

(II) Consolidated financial statements of affiliated enterprises

Please refer to the Market Observation Post System > Individual Company > Electronic Document Download > Related Party Transactions Disclosure Section:

https://mopsov.twse.com.tw/mops/web/t57sb01_q10

(III) Report of affiliated enterprises: Not applicable.

II. Private placement of securities in the last year up till the publication date of this annual report: None.

III. Other matters for supplementary information: None.

Seven. Matters that have a significant impact on shareholders' equity or securities prices

Matters according to the Article 36.3.2 of the Securities and Exchange Act of Taiwan in the most recent year and up to the date of printing of this Annual Report which have significant impact to Shareholders' Equity or stock price: None.

Hon Hai Precision Industry Co., Ltd.

Chairman: Liu, Young-Way



Committed to circular sustainability,
Hon Hai prints this publication on environmentally friendly paper with soy-based ink.



Please refer to QR Code
Meeting Handbook



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Annual Report

