

Corporate Governance, Smart Innovation

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

Material Issue in This Chapter

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

Commitment to SDGs



Primary GRI Standard Alignment

GRI 205; GRI 206; GRI 207; GRI 418

Key KPIs and achievements/ honors for 2024:

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



Corporate Governance

■ Corporate Governance Overview

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

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

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

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

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

■ Highest Governance Body

The Nomination, Composition and Role of Board Committees

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

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

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

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

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

1. Type of Board of Directors

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

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

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

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

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

2. Independence

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

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

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

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

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

3. Tenure of members on the governance body

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

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

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

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

5. Board Diversity

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

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

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

6. Stakeholder Representation

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

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

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

• Mandates

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

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

• Performance Evaluation

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

• Roles and Responsibilities

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

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

• Evaluation Process

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

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

• Evaluation Results

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

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

• Election Process

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

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

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

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

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

Communication and Performance Evaluation

1) Conflict of Interest

Directors make efforts to prevent conflicts of interest when necessary:

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

2) Communication of Critical Concerns

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

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

3) Sustainability Expertise

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

Remuneration and Ownership Policies

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

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

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

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

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

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

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

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

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

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

Governance of Tax

Organization of Tax Governance

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

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

Tax Policy and Practices

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

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

Tax Information in the past two years

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

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

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

Business Ethics

Hon Hai Policies on Ethical Management

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

Hon Hai CoC

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

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

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

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

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

Code of Conduct(CoC)



Hon Hai Responsibility Standards



Anti-corruption Policies

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

Anti-competitive Behavior

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

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

Mechanism & Procedures

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

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

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

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



Commitment and Training

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

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

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

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

Internal Control and Audits

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

6-Step Procedures

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

1

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

2

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

3

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

4

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

5

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

6

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

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

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

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

Anti-Corruption Channels

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

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

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

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

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

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

Misconduct and Handling

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

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

The reporting mechanism includes various channels:



Internal Email: 117@foxconn.com

External Emails:

jubaofoxconn.com@gmail.com

rerenjubao@163.com

932588208@qq.com



External Phone Numbers:

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

+886 0906586086(Taiwan)

+84-852211726(Vietnam)

+91-9500383107(India)

Internal Phone:5060-117

Other Channels:



WeChat Complaints



One-Click Complaints

Three-steps process for violation-handling

Internal Handling

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

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

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



Legal Accountability

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

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

Optimization and Improvement

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

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

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

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

Policy Influence

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

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

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

Systemic Risk Management

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

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

Risk Governance Organization

Board of Directors

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

Audit and Risk Committee

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

Risk Management Promotion and Execution Unit

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

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

Daily Risk Management Operations Team

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

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



Risk Governance Policies

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

The Risk Management Policy clearly defines the following:

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



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



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



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



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



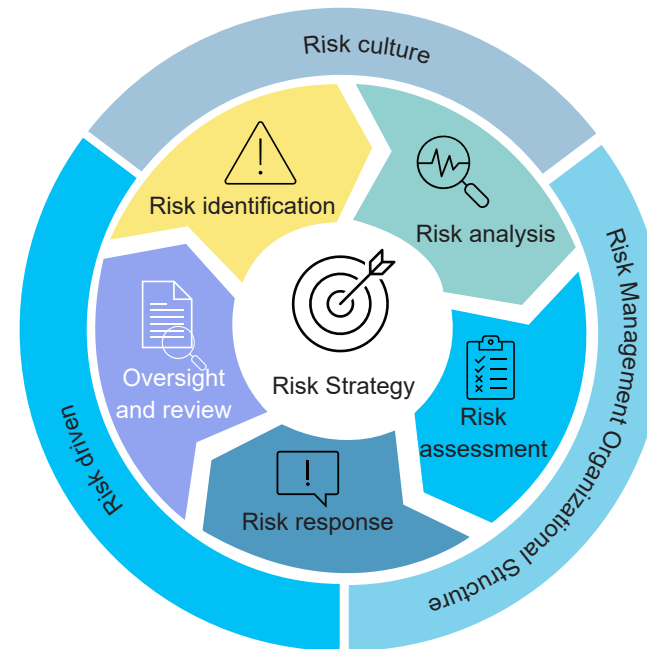
Financial Risk: Risks from transactions, financial activities, or use of financial instruments, or other risks affecting the company's finances.



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

Risk Management Process

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



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

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

Risk Identification and Mitigation Actions

Risk Identification

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

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

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

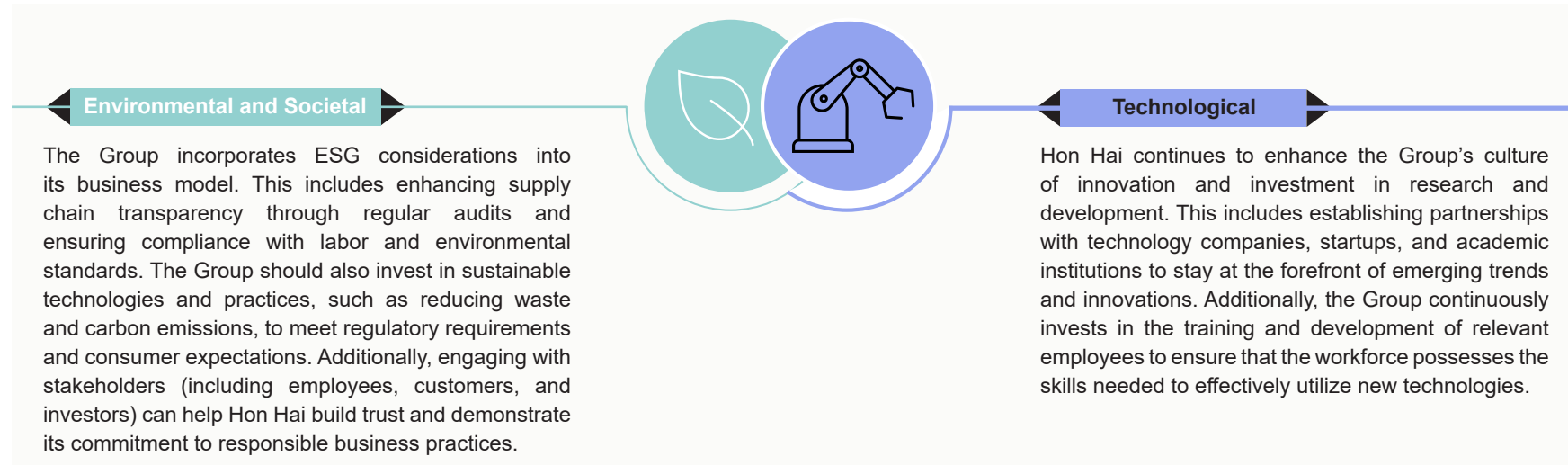
Risks identified	Risk 1	Risk 2
Names of emerging risks	Corporate Sustainability	Emerging Technology
Category	Environmental and Societal	Technological
Description	Regulatory pressure is increasing, with governments and organizations around the world demanding that companies achieve higher standards for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

Risk Exposure Mitigation

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

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

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



Risk Awareness and Culture

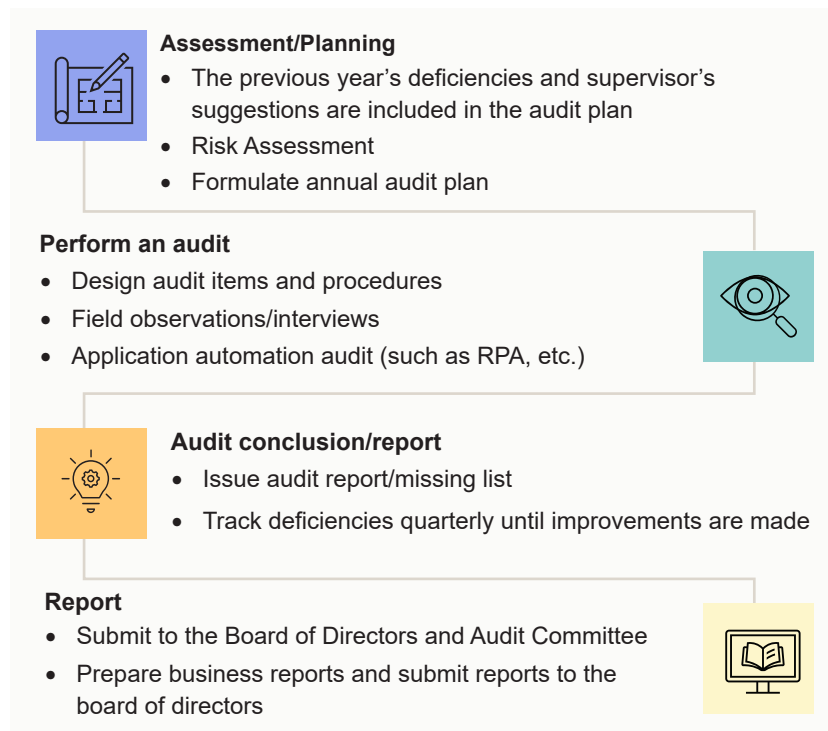
To promote risk management and advocate for a risk-aware culture, Hon Hai has conducted multiple risk management education and training sessions:

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

Internal Audit

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

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



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

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

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

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

Privacy and Information Security

IT Security Governance Organization

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

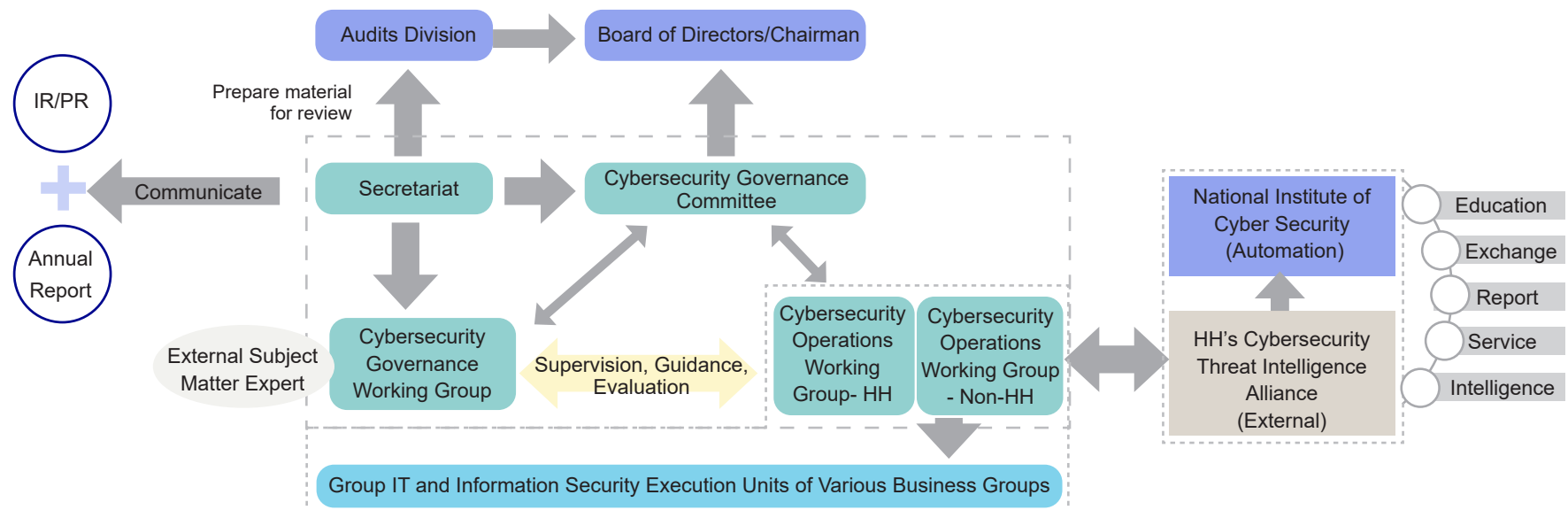
Governance Committee, and the Chief Information Officer (CIO), the highest executives of Fii, FIH, FIT, and the head of the Institute of Cybersecurity. Additionally, the top executives from finance, risk management, human resources, legal, and audit departments may attend as needed for specific projects.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

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

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

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

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



Cybersecurity Governance Policies

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

2) Establish Ransomware Incident Response Guideline:

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

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

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

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

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

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

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

IT Security Infrastructure

IT Security Infrastructure Overview

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

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

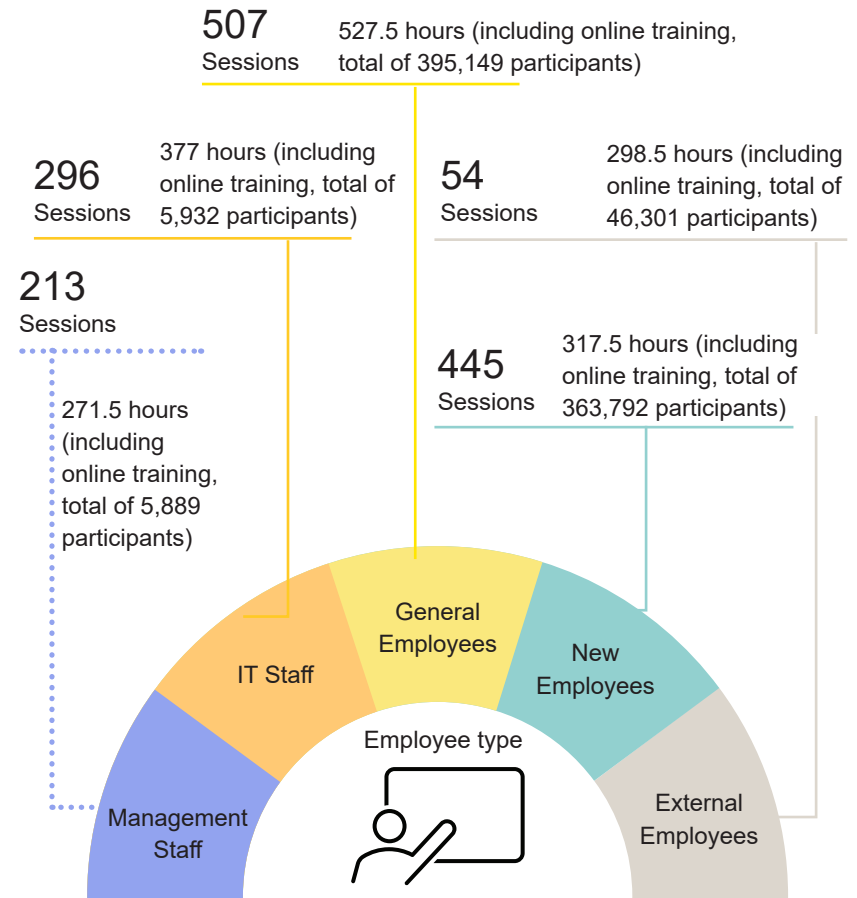
The Group continuously conducts information security reviews and controls in areas such as network and application system architecture, software versions and configuration settings, user behavior, system maintenance and change management, input and output control, and vulnerability scanning.

IT Security Talent Training

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

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

2024 Information Security Awareness Trainings



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

IT Security Process

Management Procedures Overview

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

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

Risk Identification and Reporting Mechanism

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

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

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

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

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

Incident Handling Process

Incident Reporting and Emergency Response



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

Root Cause Investigation and Threat Elimination



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

System Recovery and Strengthening



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

Experience Summary and Horizontal Expansion



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

Information Security Audits

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

Internal and External Vulnerability Identification Mechanism

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

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

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

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

Privacy Protection

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

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

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

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

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

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

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

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

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

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

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

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

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

Innovation and Business Resilience

Innovation Strategies Overview

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

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



Electric Vehicles

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



Digital Health

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

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

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

Robotics



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

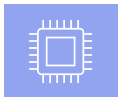
Hon Hai's electric passenger vehicle Model D





Artificial Intelligence

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



Semiconductors

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



Next-Generation Communication

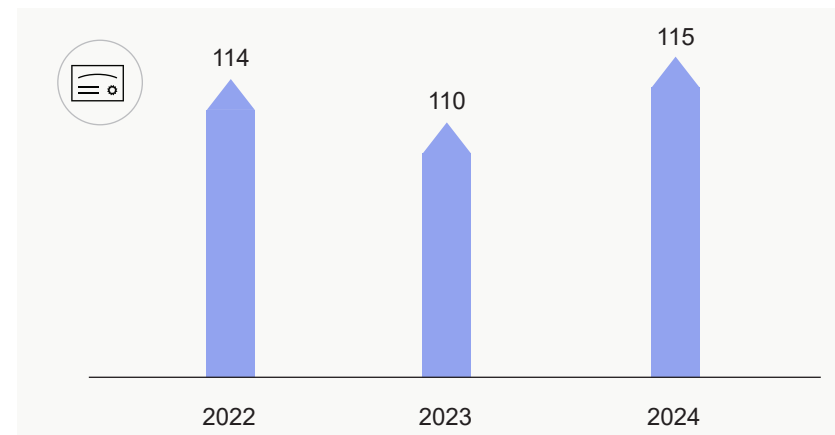
From 2020 to 2030, the era of connectivity will be transformed through various generations of communication technologies, from 5G to B5G (Beyond 5G), linking a multitude of possibilities. Whether it is enhancing the ideal future of autonomous driving through V2X technology connecting each vehicle or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

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

Practices on Patents and R&D

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

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



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

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

Innovative Technologies

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

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

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

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

Semiconductors	 Hon Hai is focused on developing advanced nano-scale semiconductor manufacturing technologies to enhance computational power and promote AI applications across various industries, thereby establishing an "AI+" ecosystem. The Group is committed to innovation that reduces energy consumption while meeting the market demand for high-performance semiconductor products. Additionally, Hon Hai is building a semiconductor industrial internet ecosystem to tackle global energy challenges. Hon Hai actively explores business opportunities in the semiconductor sector, integrating advanced packaging resources and investing in companies such as Qingdao New Core Technology Co., Ltd. ("New Core") and UTAC Holdings. New Core provides comprehensive services from design, simulation, mid-process, testing, back-end process to assembly and final testing, offering strong support for AI chip development.
New Energy Transportation	 Hon Hai optimizes the production of lightweight and energy-efficient new energy vehicles by establishing digital manufacturing factories, achieving efficiency across the entire value chain. The Group focuses on innovation in electric drive and control, smart in-vehicle systems, and automotive internet technologies to reduce energy consumption and improve battery efficiency, advancing new energy transportation technology. Hon Hai has acquired Shenzhen Hengqu Electric Motor Co., Ltd., and joined the Shenzhen Automotive Electronics Industry Association, continuously exploring development and collaboration in new energy vehicles. Furthermore, during the reporting period, Hon Hai's subsidiary Nanning Foxconn Precision Industry Co., Ltd. established a cybersecurity product development process system and obtained ISO/SAE 21434:2021 Road Vehicles - Cybersecurity Engineering Process Certification, further enhancing the security capabilities of in-vehicle products.

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

Hon Hai's Low-carbon Technology in 2024

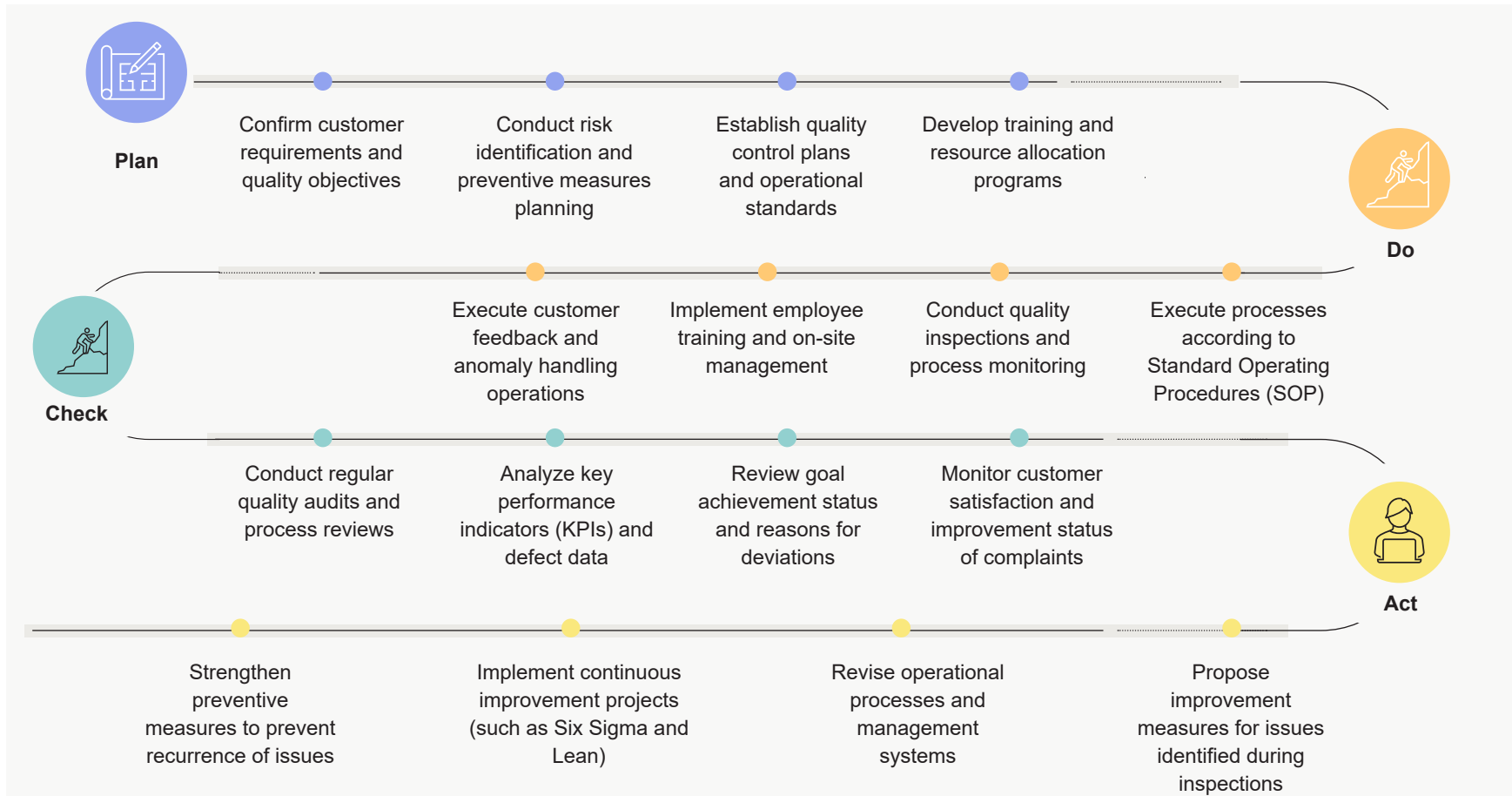
Category	Number of Patents granted in 2024	Total Number of Valid Patents
Energy Saving and Energy Management Related Patents	44	581
Industrial Automation Related Patents	298	1,726
Process/Workflow Optimization Related Patents	63	374
Pollution Prevention and Environmental Protection Related Patents	21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

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

Product Stewardship

Product Quality Management

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



Product Design and Development

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

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

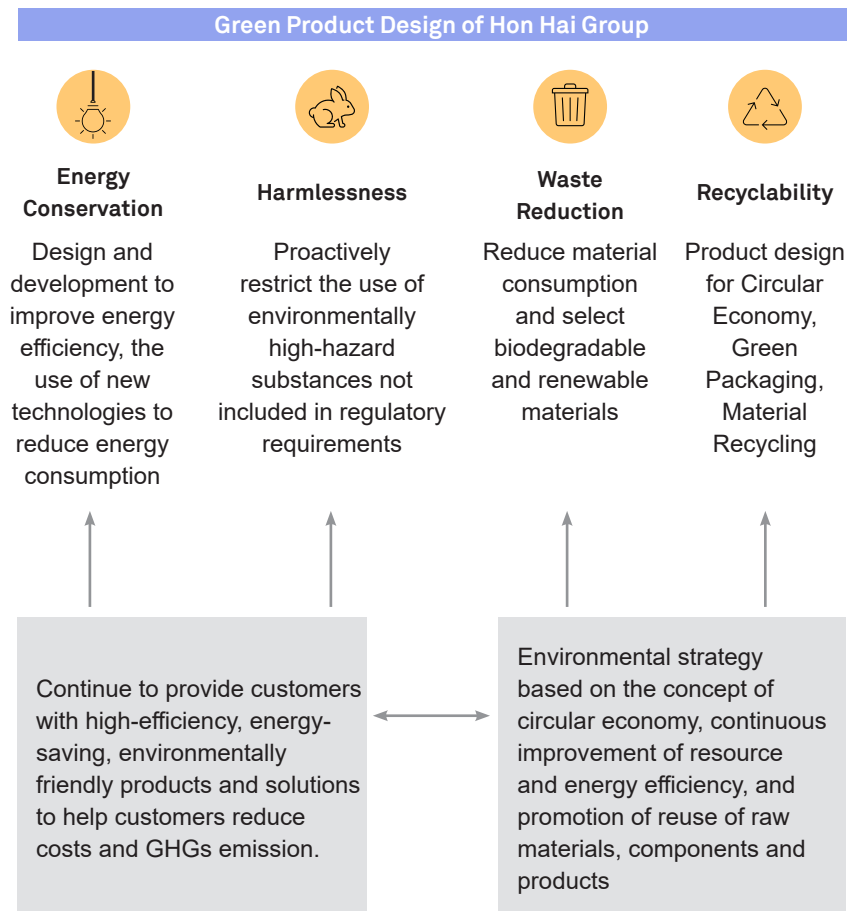
In addition to strictly controlling that the raw materials supplied by vendors comply with environmental regulations, the Group also focuses on environmentally friendly product design at the source. We consistently uphold the principles of green design, incorporating environmental factors and pollution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

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

Green Product Design

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

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



Green Product Screening

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

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

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

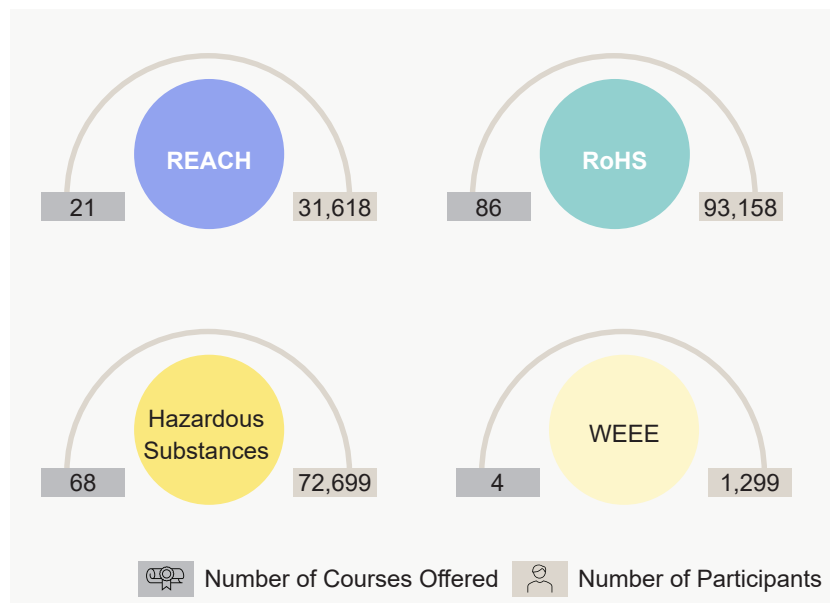
Hon Hai's Product RoHS Compliance Declarations



Green Education

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

2024 Hon Hai Green Education Curriculum



Product Life Cycle Assessment

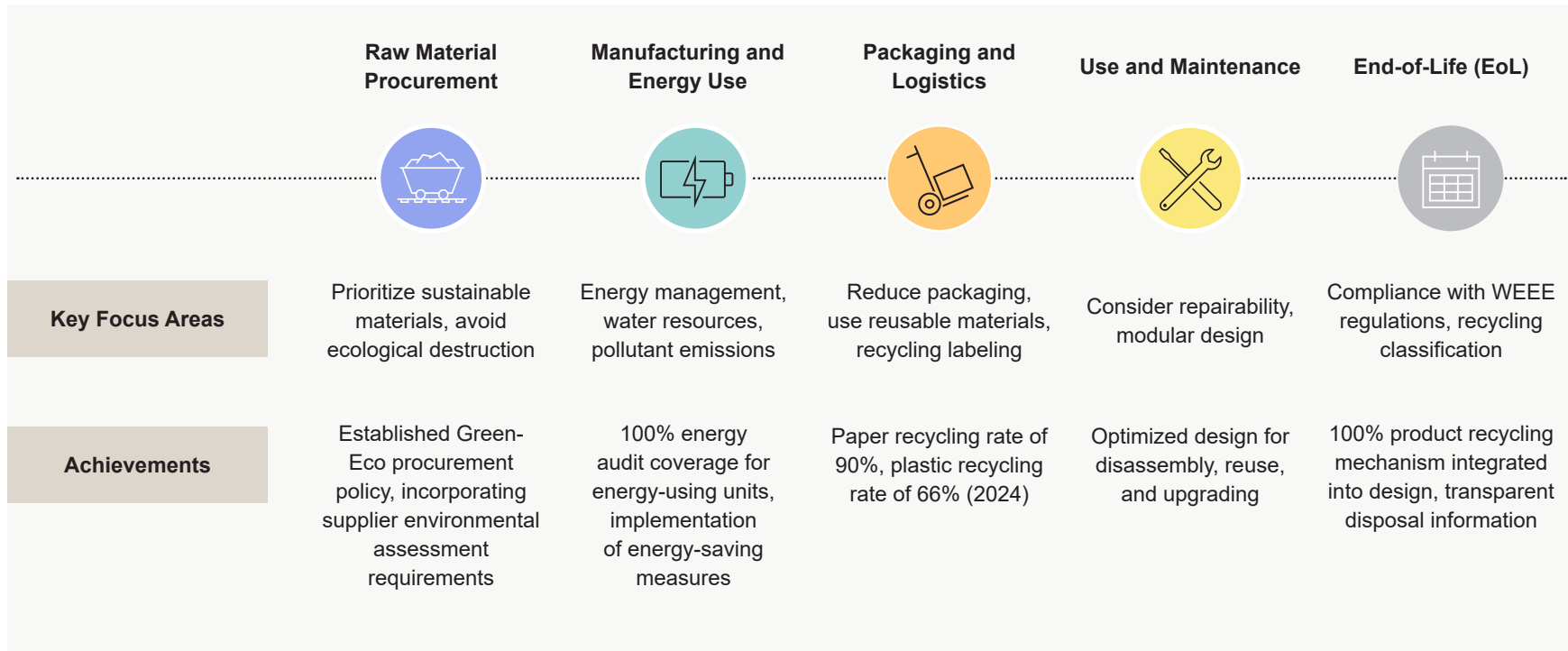
Through Life Cycle Assessment (LCA) of products, the group can systematically evaluate the environmental impacts associated with each stage of the product or service life cycle, including inputs and outputs. This assessment is crucial for continuously providing eco-friendly products, as it applies the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

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

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

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

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



Green Labeling

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