

3

Healthy Workplace, Safety Adherence

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

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

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

Material Topic of this Chapter

Occupational Health and Safety

Commitment to SDGs



Main GRI Standard Mapping:
GRI 403

Key Performance Indicators and Achievements in 2024:

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



Occupational Health and Safety

Occupational Health and Safety Policy

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



Occupational Health and Safety Management System

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

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

Occupational Health and Safety Management Framework



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

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

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

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

Safety Audit and Risk Identification

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



Risk Identification Chart



Plan (Policy Making / Audit Planning)

Policy Development:

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

Audit Plan:

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

Do (Risk Identification / Assessment / Control)

Risk identification and assessment:

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

Control measures and implementation:

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

Audit and Correction:

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





Act (Continuous Improvement)

Standardized Improvement:

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

Performance Driven:

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



Check (Rectification Verification /Effect Re-evaluation)

Tracking of Hazard Rectification:

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

Management Supervision:

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



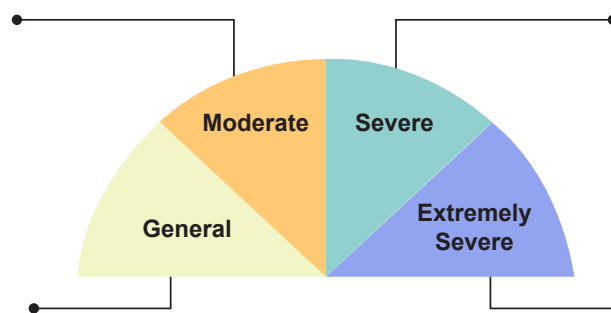
Occupational Health and Safety Risk Response

Occupational Safety Risk Management

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

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

1. Immediate measures must be taken to reduce the risk.
2. Review and optimize existing control measures and management plans to ensure that risks can be effectively controlled.
1. Strengthen management to ensure that all measures are effectively implemented.
2. Continuously promote training to enhance risk identification and response capabilities.



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

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

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

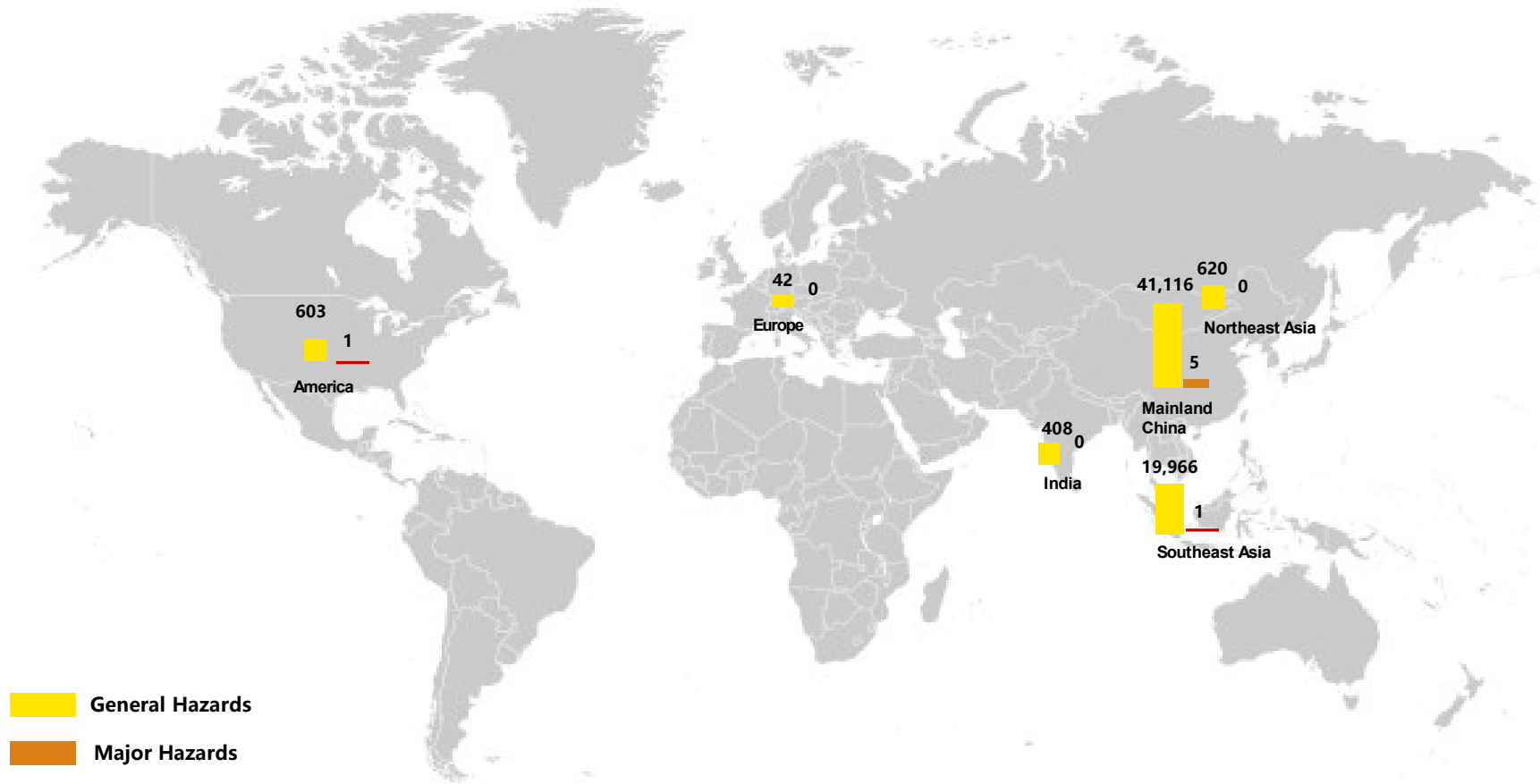
Key Risks and Their Consequences		Management Measures
	Machine Safety: Mechanical Injuries, Object Strikes	1. Train machinery risk assessors to enhance the safety design and safety evaluation capabilities of in-house developed equipment. 2. Establish equipment safety procurement specifications, ensuring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

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

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

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

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



Occupational Health and Safety Culture Development

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

Leadership by example

1. Safety Leadership Commitment Public

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

2. On-site safety inspection by senior executives

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

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

3. Global Work Safety Conference

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

Behavior Shaping

1. Factory safety meeting

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

2. Line group pre-shift meeting

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

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

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

Technology Empowerment

1. VR safety training

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

2. AI security control

① AI detection of roof fires

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

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

② Forklift AI collision avoidance system and driver monitoring:

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

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

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

Occupational Safety and Health Training and Drills

Safety Training

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

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

Disaster Response

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

Disaster Response Training Results

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

Statistical Analysis of Work-Related Injuries

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

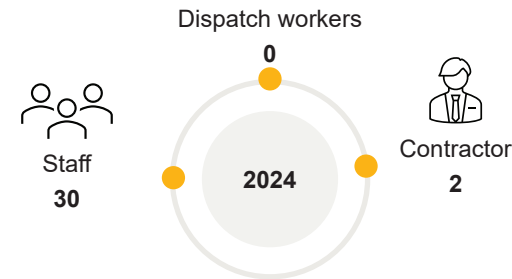
Additionally, to further enhance the standardization and effectiveness of accident investigations, the group has developed a new version of the workplace accident investigation report form, which includes six key sections: ‘Basic Information of Investigation Team Members, Statements from Involved Parties/Witnesses,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

Fatal Accidents Caused by Occupational Injuries

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

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

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

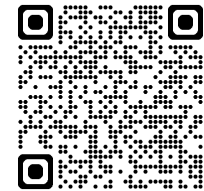


Please refer to the appendix - Key Quantitative Indicators for the statistical analysis data on disability injuries for the group over the past four years.

Chemical Safety

Chemicals Policy

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



Chemicals Management Commitments and Actions

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

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

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

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

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

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

Full Life Cycle Management of Hazardous Substances (Chemicals)

(1) Design

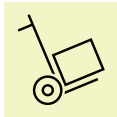


Adhering to the design principles of the Twelve Principles of Green Chemistry and following the 'General Principles of Product Eco-design,' 'Eco-design Product Evaluation Principles,' 'Principles for the Control of Organic Chemical Substances,' and 'Material

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

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

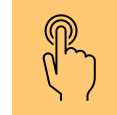
(2) Procurement



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

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

(3) Login



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

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

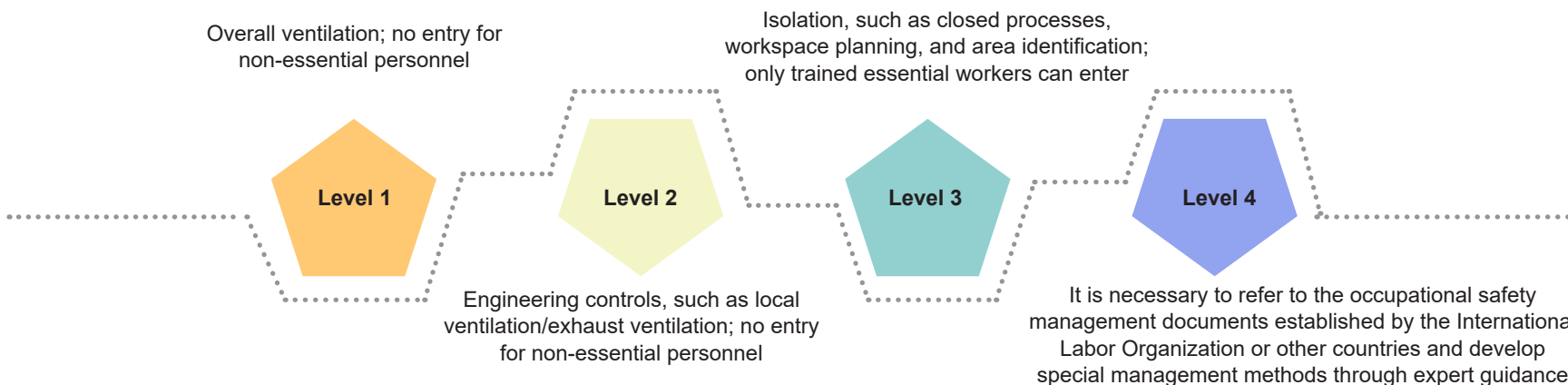
(4) Evaluation



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

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

Management Methods Corresponding to Different Risk Levels of Chemicals



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

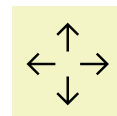
(5) Use



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

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

(6) Outflow



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

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

Hazardous Substances Management Performance

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

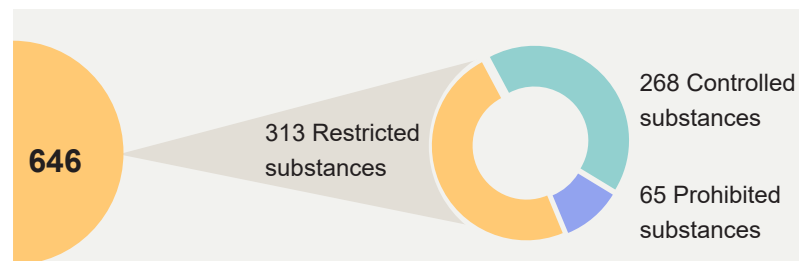
The group strictly adheres to international regulations, national standards of the countries where we operate, customer requirements, and our own risk assessment results to establish a 'Chemical Substance Control List' and implement a tiered management mechanism. As of the end of the reporting

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

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

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

Group Chemical Substance Control List



Listed on the banned list: Replace immediately

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

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

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

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

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

Progress and Effectiveness of Hazardous Substance Replacement in 2024

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

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

VOCs Reduction Action in 2024

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

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

Innovations in Hazardous Substance Management Improvements

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

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

Outstanding Improvement Cases

Improvements in Solder Paste Automation

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

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



Intelligent solder paste cabinet



Automatic solder paste adding machine

Improvements in Wave Soldering Process

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



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

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

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



Employee Health Promotion

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

Chemical Safety Training and Drills

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

Occupational Health and Wellness Practices

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

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

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

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

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

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



Mental Health and Workplace Stress

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

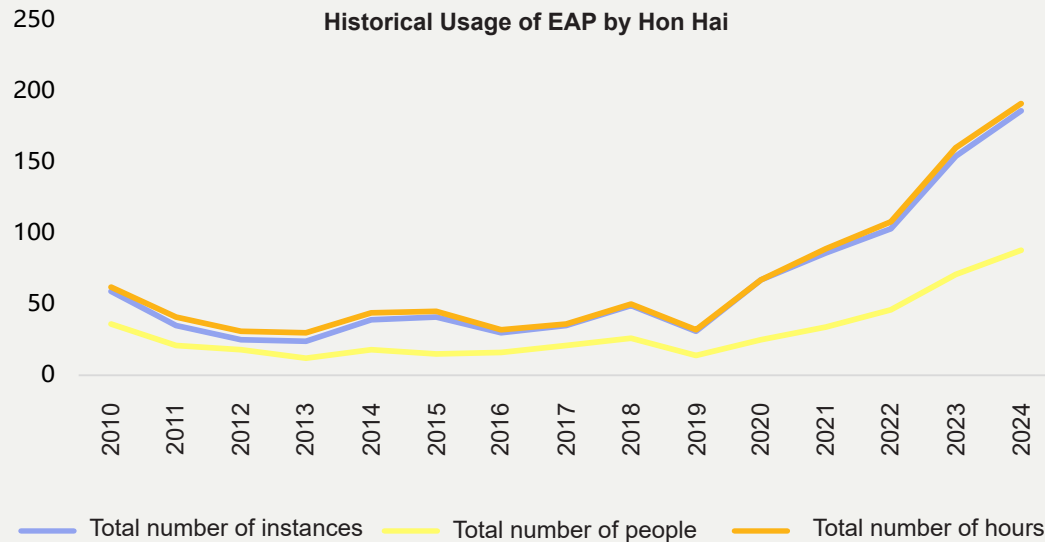
Additionally, the group distributed 14 promotional materials related to mental health care and held 4 psychological health seminars covering topics such as work-life balance, intergenerational communication, and emotional stress management. These initiatives aim to enhance employees' overall well-being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

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

(1) Employee Assistance Program (EAP)

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

Historical Usage of EAP by Hon Hai



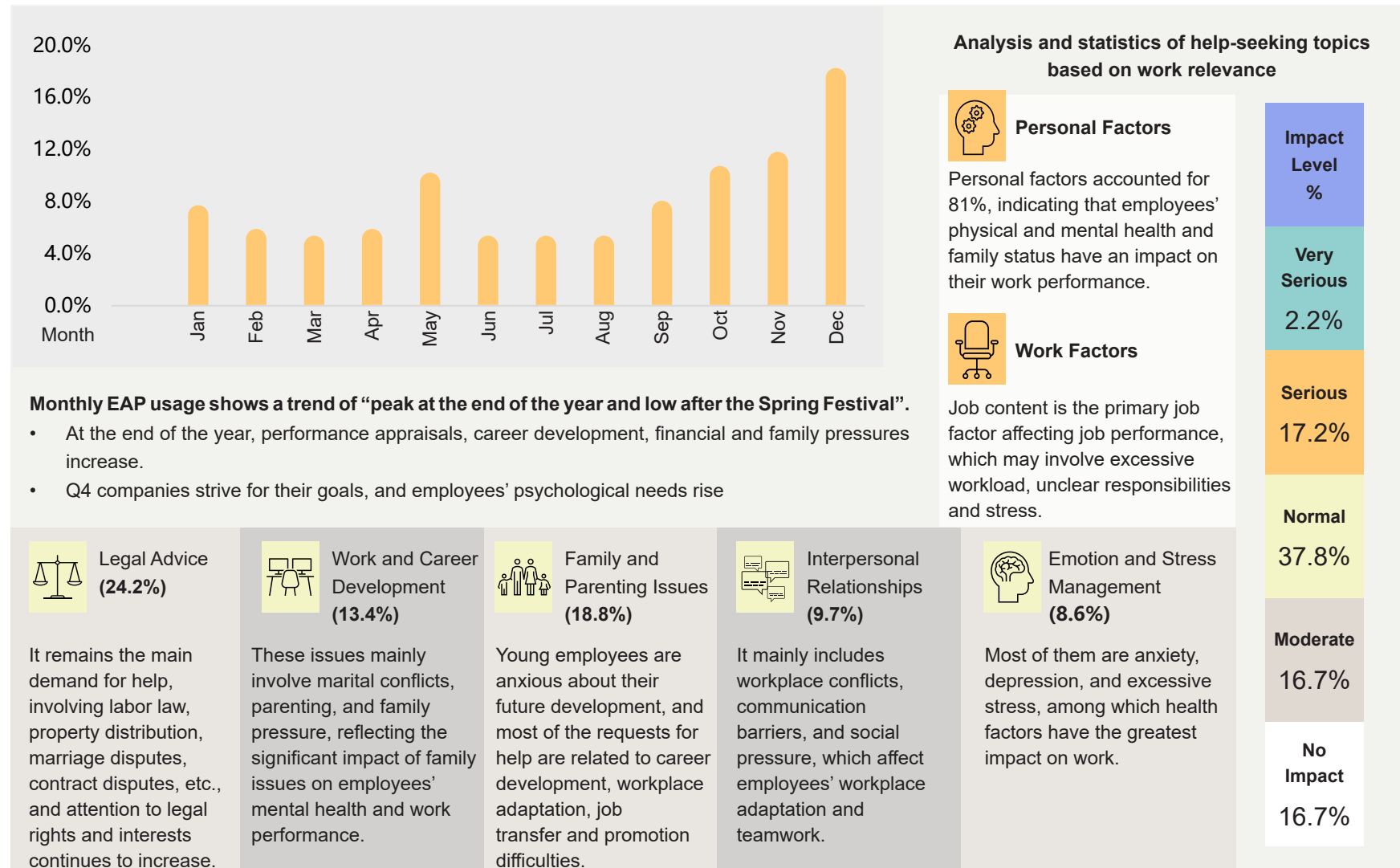
Age Analysis of EAP Usage

- Employees aged 30-34 have the highest usage rate, facing challenges related to workplace adaptation, career planning, and family pressures.
- Employees aged 35-39 have the second-highest demand, reflecting early career stress and job transition anxiety

Tenure Analysis of EAP Usage

- Employees with 1-3 years of tenure have a significant demand for stress management and career development.
- Employees with 3-7 years of tenure are related to career transitions and promotion planning.
- Senior employees with over 10 years of tenure primarily focus on family, financial, and health concerns.

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



Health Initiatives

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

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

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

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

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

Health training topics and cases

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

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

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

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

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