



**FIH Mobile Limited**

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 2038

# 2024

**Environmental, Social and  
Governance Report**

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# About FIH

## FIH Profile

**Company Name**

FIH Mobile Limited

**Established Date**

May 2003

**Geographical Distribution**

6 countries/regions

**2024 Revenue**

5,702.9 US\$M

**Number of Employees**

31,568 people

**Number of Suppliers**

1,086 global suppliers

**Ticker Symbol**

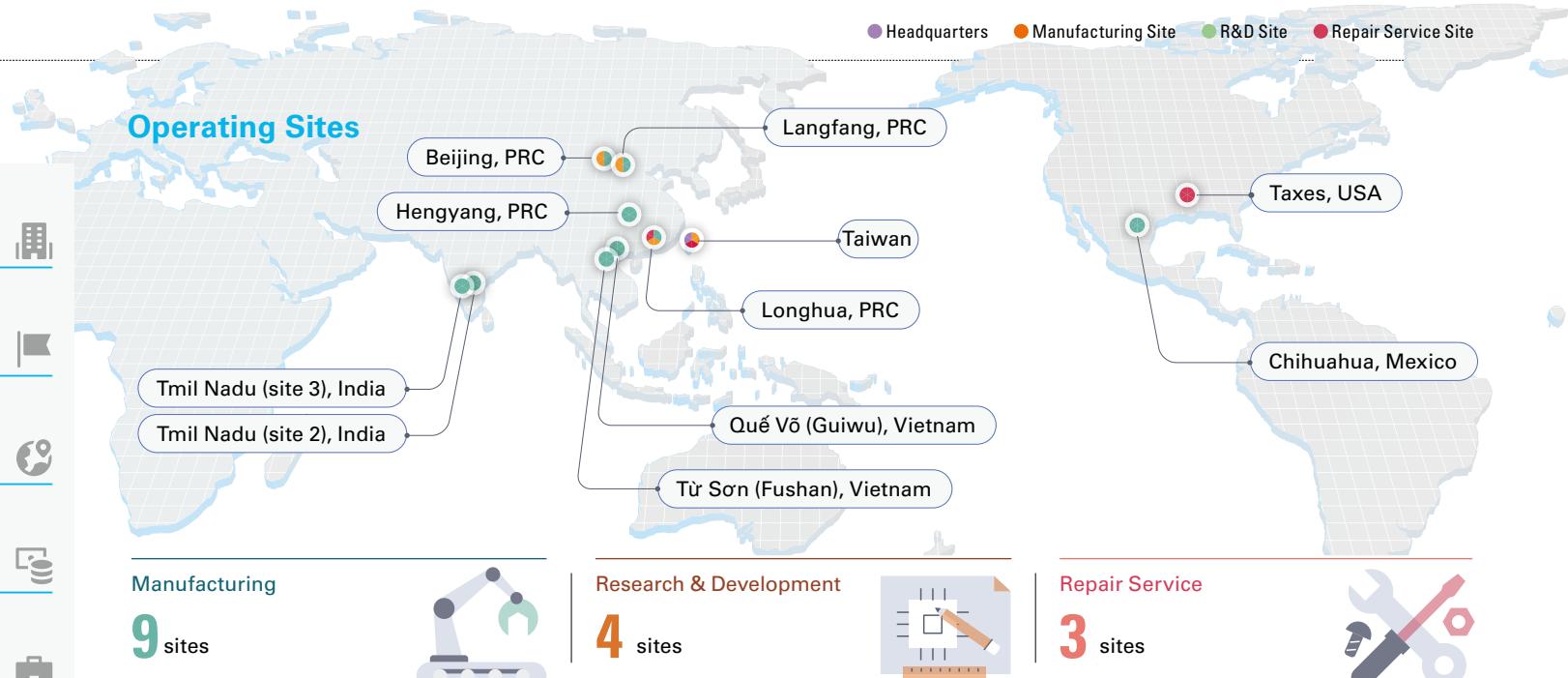
2038.HK

**Manufacturing and Services Space**

1,478,897.55 Square meter (m<sup>2</sup>)

**Headquarters**

No.4, Minsheng Street, Tucheng District,  
New Taipei City 23679, Taiwan



## Corporate Information

FIH Mobile Limited ("the Company") and its subsidiaries (together with the Company, collectively, "the Group") was established in May 2003 and listed on the Hong Kong Stock Exchange in February 2005 (Ticker: 2038.HK). As a member of Hon Hai Technology Group (as known as Foxconn) (TWSE: 2317), the Group provides vertical integration solutions and end-to-end design, development, and manufacturing services for handsets, mobile and wireless communication devices, and consumer electronics products. The Group focuses on three key business categories: smart manufacturing, automotive electronics, and manufacturing equipment/robotics, while implementing its "2+2" industry and technology strategy to explore new sectors.

The Group operates a network of sites, including research and development centres in Taiwan and the People's Republic of China ("the PRC"), manufacturing factories in the PRC, India, Vietnam, and Mexico, as well as after-market service centres in Taiwan, the United States, and the PRC, to flexibly meet the demands of the global market and support customers in navigating an increasingly dynamic business environment.

In line with its commitment to achieving Net Zero in 2050, the Group continues to embrace eco-friendly technologies and products, helping communities, enterprise, countries, and the Group itself to mitigate climate change and promote sustainability.

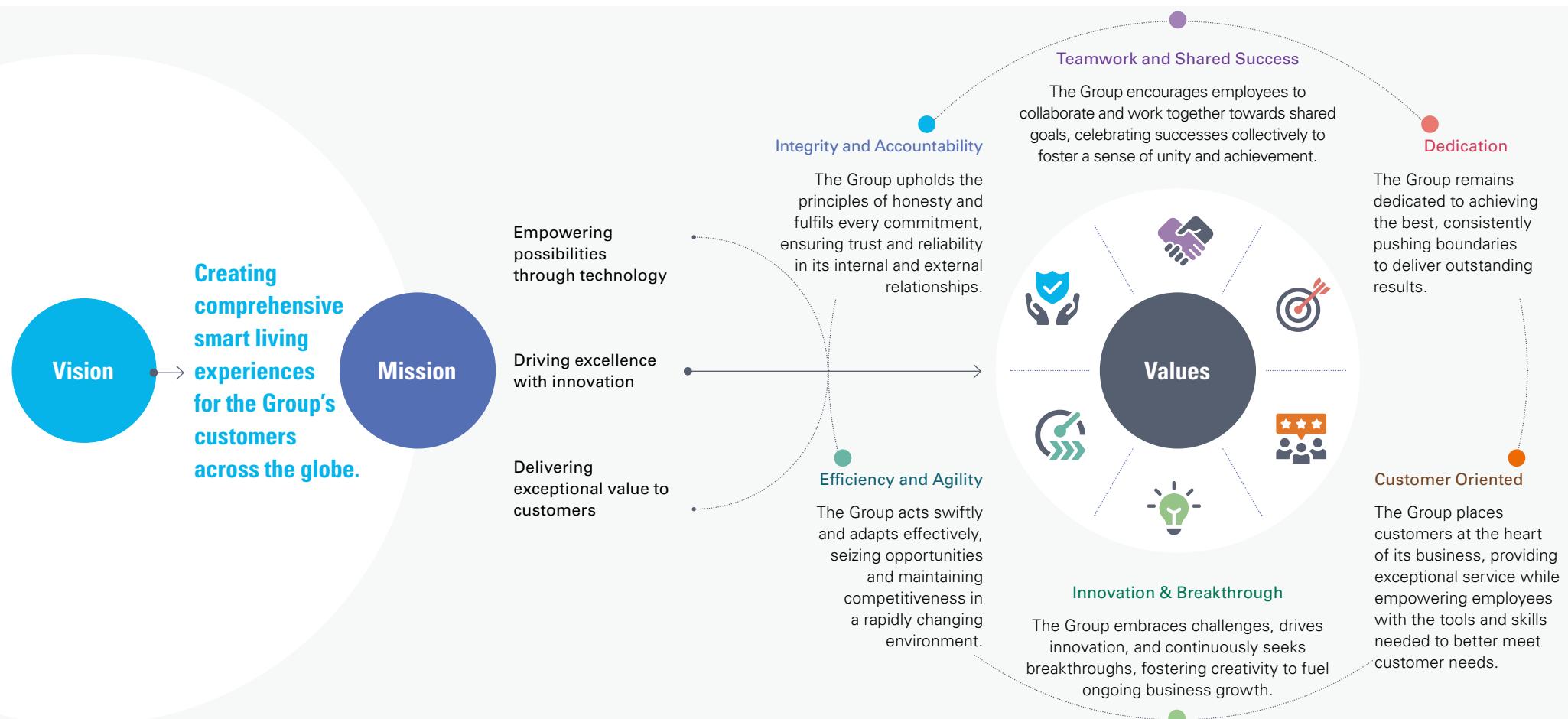
## Vision, Mission and Values

The Group's vision is to create comprehensive smart living experiences for customers around the world, enabling a seamless and connected lifestyle. It is driven by its mission to empower possibilities through technology, push the boundaries of innovation, and deliver exceptional value to its customers at every touchpoint.

The Group seeks to build a robust and stable foundation for sustainable growth, ready to embrace change through strategic planning and execution. To ensure

global competitiveness within the industry, both the Group and its employees are committed to achieving success and driving business excellence.

In pursuit of breakthroughs in science and technology, the Group is committed to researching and developing emerging technologies, acquiring and applying new knowledge, and safeguarding intellectual property. As a global industry leader, the Group offers customers advanced, integrated technologies and substantial production capabilities through its strategic global network.



## Global Code of Conduct and Responsibility Standard

As a member of Hon Hai Technology Group, which is part of the international business community and the Responsible Business Alliance ("RBA"), the Group acknowledges and is committed to fulfilling its social and environmental responsibilities as a responsible corporate citizen and a global industry leader. This commitment involves the integration of good governance practices across all facets of its operations and corporate structure.

The overarching objective of the Group's policy, [FIH Mobile Global Code of Conduct \("the CoC"\)](#), addressing Environmental, Social and Governance ("ESG") and Corporate Social Responsibility ("CSR"), is to serve as a guiding reference for all levels of the Group's management and employees. The CoC stands as the cornerstone of the Group, embodying its commitment to ethical business practices, responsible corporate governance, and sustainable operations. By integrating the principles outlined in the CoC into the fabric of the organisation, the Group solidifies its role as the core foundation upon which its success, integrity, and positive impact on society are built.

The principles outlined in the CoC were derived from three primary sources: (a) the member obligations of the industry association—such as the RBA—and the international standard institutes relevant to the Group's business; (b) the laws governing the jurisdictions where the Group operates; and (c) the internal leadership of the Group, responsible for voluntarily elevating performance standards. The CoC is established through the incorporation of international initiatives, including policies related to business ethics, labour and human rights, health and safety, environmental protection, management systems, responsible sourcing of minerals, anti-corruption, anti-slavery, and community engagement. The formulation of the CoC is partially based on the human rights stipulated in the "Universal Declaration of Human Rights" and the International Labor Organisation's "Declaration on Fundamental Principles and Rights at Work", with reference to the requirements of international standards such as ISO 45001 and ISO 14001.

To explicitly interpret the requirements of the CoC and supplement its definitions, the Group has also set the [Responsibility Standards](#) ("the Standards") to ensure that its business operations align with ethical, professional, and legal standards across all aspects. This approach fosters positive relationships with key stakeholders and integrates these principles into the Group's daily operations. In alignment with international trends and the Group's commitment to promoting social responsibility, all employees and suppliers are required to conduct business

activities and workplace behaviour in accordance with the CoC and the Standards.

Compliance with the CoC is implemented and monitored by the ESG Committee, the Internal Audit Department ("IA Team"), the Human Resources Department ("HR Team"), the ESG Task Force Team ("ESG Team"), and other relevant functional departments. Auditing, benchmarking, and design programs are performed as validation instruments for the execution of the CoC. Additionally, to ensure the effective implementation and understanding of the CoC, all management and employees are required to complete an annual mandatory 2-hour training course on the CoC.

In pursuit of continuous organisational improvement and innovative governance practices, the latest version of the CoC and the Standards, as approved by the Board and signed by the Chairman of the Board, were officially published in February 2025.

### Social Participation

Our commitment to contributing to society is built on our belief that "Whatever you take from society, you should give back to society".



# About this Report

## Report Frameworks

This report is the 2024 Environmental, Social and Governance ("ESG") Report ("this Report") issued by FIH Mobile Limited ("the Company") and its subsidiaries (together with the Company, collectively referred to as "the Group"), ensuring the sustainability of the Group's overall business unit/group operations. This Report is the 9th ESG Report released by the Group since its listing on the Hong Kong Stock Exchange. In the future, the Group shall continue to publish the report annually to uphold its sustainable development and address stakeholder concerns.

This Report aims to present the Group's ESG policies and performance during the Reporting Period (1 January 2024 to 31 December 2024) in a balanced and transparent manner. The selected contents are intended to reflect the impacts of the material ESG factors and aspects that have been identified and validated, as well as the Group's initiatives and efforts in addressing and tackling these impacts. The Group's management approach and strategy are outlined in the "Corporate Governance" section below.

This Report has been prepared in accordance with the Environmental, Social and Governance Reporting Code set out in Appendix C2 ("ESG Reporting Code", formerly the Environmental, Social and Governance Reporting Guide) to the Rules Governing the Listing of Securities ("Listing Rules") on The Stock Exchange of Hong Kong Limited, the Sustainability Accounting Standards Board ("SASB") standards for Electronic Manufacturing Services & Original Design Manufacturing sector, and the Task Force on Climate-Related Financial Disclosures ("TCFD") framework. Additionally, the Global Reporting Initiative ("GRI") standards are partially referred to in this report.

In June 2023, the International Sustainability Standards Board ("ISSB") issued International Financial Reporting Standards ("IFRS") S1 General Requirements for Disclosure of Sustainability-related Financial Information ("IFRS S1") and IFRS S2 Climate-related Disclosures ("IFRS S2"). The Group voluntarily discloses with reference to the applicable core content of the ISSB IFRS S1 and IFRS S2 to enhance the comprehensiveness and completeness of the ESG Report.

## Report Boundaries

### Reporting Period



This Report is prepared annually in alignment with the financial year. The reporting period of this Report covers the Group for the period from 1 January 2024 to 31 December 2024 ("Reporting Period")

### Reporting Boundary\*



This Report covers the Group's material ESG topics and related performance during the Reporting Period across its global operation sites. The quantitative disclosures for environmental and social Key Performance Indicators ("KPIs") are based on data collected from the Group's headquarters and global operation sites, including Taiwan, the PRC, Vietnam, India, Mexico, and the United States. However, references to relevant laws and regulations in this Report primarily pertain to the Group's core operation sites in the PRC, Vietnam and India. These jurisdictions are considered to have a comparatively greater impact due to the scale of business operations, the number of employees, and the presence of factory and office units, thereby reflecting the more significant ESG impacts within the Group's overall business operations.

The Group's headquarters and global operations are:

- Headquarters located in Taiwan;
- Four operation sites located in Langfang, Beijing, Longhua, and Hengyang in the PRC;
- Two operation sites located in Quế Võ (Guixi) and Tứ Sơn (Fushan) in Vietnam;
- Two operation sites located in Tamil Nadu (Site 2) and Tamil Nadu (Site 3) in India;
- One operation site located in Chihuahua, Mexico; and
- One operation site located in Dallas Fort Worth, the United States.

### Publication of the Report



The publication date: April 16, 2025.

This Report is published annually. An electronic version is available for viewing or download on [the Company's official website](#).

\* To align with the general requirements of ISSB, the Reporting Boundary for sustainability-related disclosure is consistent with that of financial reporting. This Report encompasses all subsidiaries whose principal activities involve manufacturing, repair, and research and development, thereby ensuring comprehensive and consistent ESG disclosure. As of FY2024, two subsidiaries have been excluded from the Reporting Boundary due to the Group's business adjustments—specifically, the subsidiaries located in Yantai, PRC, and Andhra Pradesh, India.



Official Website

# Letter from Chairman

As we reflect on 2024, I am proud to share FIH's continued progress in creating comprehensive smart living experiences for our customers worldwide while advancing our Environmental, Social, and Governance (ESG) commitments and navigating unprecedented global challenges.

Over the past few years, FIH has weathered industry fluctuations and market dynamics by continuously refining our operational strategies, promoting business diversification, leveraging our global manufacturing footprint, and accelerating automation upgrades to address global market uncertainties.

To ensure that FIH continues to strengthen our competitive advantage and pursues sustainable long-term growth in this rapidly changing market, we have made the strategic decision to refine our mission and realign our core values for the future. These refinements keep us aligned with current market realities while preserving our adaptability. Equally important, we firmly believe that a strong quality culture will guide FIH's future development and ensure our core values are deeply embedded into the very fabric of our corporate DNA. Therefore, we have strengthened our quality culture through enhanced training programs and the implementation of quality management systems across all our management and operations processes, ensuring that standards of excellence are integrated into every aspect of our business.

In 2024, we have made significant strides in our ESG initiatives across our global sites. Through expanding renewable energy usage, promoting organizational and business transformation, as well as enhancing energy efficiency, our carbon reduction progress is ahead of our 2030 targets. Currently, nearly 30% of our energy consumption comes from renewable sources. Additionally, seven out

of eleven of our manufacturing factories worldwide have obtained UL 2799 Zero Waste to Landfill certifications, demonstrating our firm commitment to the circular economy and resource management. In terms of talent development, we have launched comprehensive employee development programs to cultivate internal talent pipelines and succession plans. Regarding corporate governance, we have further strengthened compliance and ethical standards by formally implementing an anti-corruption management system, with plans to complete the relevant verification procedures in the coming months, ensuring that our corporate operations adhere to the highest standards of integrity and transparency.

Through the efforts of our team and the support of our partners, we have gradually established a firm footing in the latter half of 2024 and returned into growth phase. This reflects not only the success of our adjustment but also demonstrates our adaptability to market changes and forward-looking development direction.

Looking ahead, we will uphold this belief, continuously promoting technological innovation, strengthening our commitment to sustainable development, and deepening global partnerships to create greater value for industry, society, and the environment. On this path of growth and transformation, we look forward to advancing hand in hand with all our partners to create a more resilient and sustainable future together.



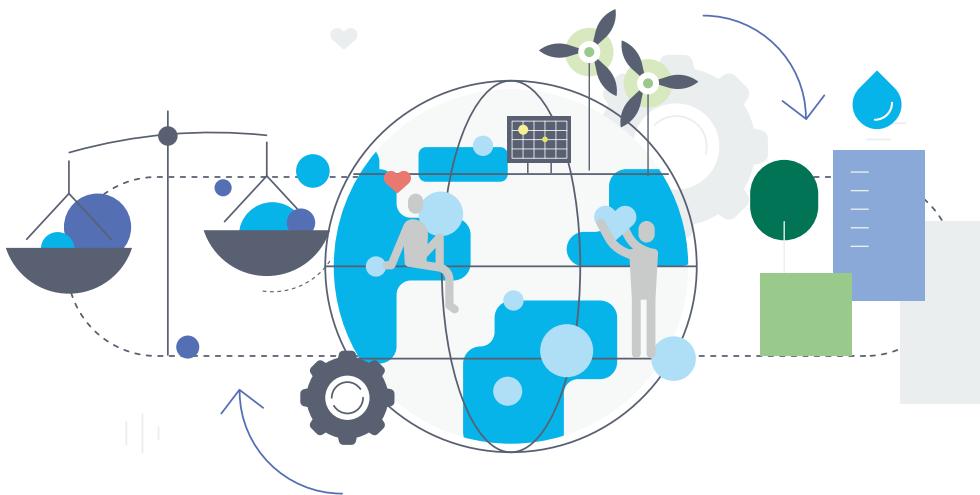
CHIH Yu Yang  
*Chairman of the Board*  
April 2025



# Sustainable Operational Goals and Strategies

As awareness of ESG issues rises on the global agenda, including customers' decarbonisation pledges and requests in the supply chain, the Group's business strategy is firmly grounded on values of sustainable development. Robust corporate governance plays a pivotal role in advancing sustainability initiatives while taking into account the interests of all significant internal and external stakeholders, namely employees, customers, suppliers, shareholders/investors, governments, non-governmental organisations ("NGOs"), charities, and media.

The Group is committed to the United Nations Sustainable Development Goals ("UNSDGs") and has proactively undertaken efforts to advance sustainable management practices. To this end, the Group has been developing ESG strategies and implementation plans, as well as enhancing specific targets across the three key pillars of Environmental, Social and Governance.



## E Environmental



Lead global industries in realising the targets of the Paris Agreement

### Vision

- **Green Solution** - Drive green manufacturing; Produce smart environment solutions; Increase renewable energy usage
- **Circular Economy** – Optimise resource utilisation; Maximise efficiency to build a zero-waste operation

Goals	Progress
• Achieve net-zero greenhouse gas emissions by 2050.	
• Using 2020 as the base year, reduce emissions by 21% before 2025; reduce emissions by 42% before 2030; and reduce emissions by 63% before 2035.	
• Half of the Group's factories obtain the UL 2799 "Zero Waste to Landfill" certification at Gold level by 2030.	
• Reduce water consumption intensity by 6% before 2025, using 2020 as the base year. <sup>i</sup>	
• Achieve 100% installation <sup>ii</sup> of industrial wastewater discharge and water quality monitoring system by 2025.	

<sup>i</sup> The water consumption intensity of 2024 calculated based on historical methodology is 52.16 (m<sup>3</sup>/US\$M), achieving a reduction of 34% compared to base year in 2020. With the installation of water discharge meters in 2024, more accurate data on water consumption is being obtained, contributing to a different water consumption figure disclosed in performance data table. With the current target achieved and enhanced water meter readings in place, the Group will consider revamping its water consumption target in the future reporting.

<sup>ii</sup> This target applies to the factories producing considerable industrial wastewater in the manufacturing process.

## S Social

Protect employee interests and welfare, and build better social environments



### Vision

- Employee Satisfaction - Create a safe and fair workplace; Nurture and empower our employees; Protect employees' human rights and provide better welfare
- Win-Win Strategy - Educate future generations on science and technology; Give back to society through corporate social responsibility programs and philanthropy efforts

Goals	Progress
Maintain zero major labour rights violation incident every year.	✓
Maintain zero occupational diseases caused by chemical agents every year.	✓
Constantly improve the workplace environments to retain talent key talent and maintain employee retention rate of 88% for indirect labour (IDL).	✓
Provides an average of 30 hours in professional training courses for professional and technical personnel.	✓
Conduct RBA compliance and audit	✓
Publish Employee Human Rights Policy	✓

## G Governance

Implement ethical management, complete corporate governance, and protect the rights of our stakeholders



### Vision

- Corporate Governance - Manage with integrity and trust; Build a good corporate governance environment; Strive for board diversity and inclusion
- Business Sustainability - Embrace operational excellence and transparency; Deepen partner relations for sustainable growth

Goals	Progress
At least half of the directors cannot be concurrently serving as the Group's employees or managers.	✓
At least 1 female Board director.	✓
Conduct vulnerability scanning for 10 major IT systems every year to ensure zero impact from significant information security incidents.	✓
Assist at least 80% of high-risk suppliers (supplying hazardous chemicals) in obtaining ISO 45001.	✓
Conduct ESG performance evaluation (covering green products, social and environmental responsibilities, and carbon management) for specific suppliers and increase the coverage to 100%.	✓
Require full materials declarations by all key electronics suppliers on "Restriction on Hazardous Substances Directive" (RoHS) and the European Union's Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) Regulation management platforms.	✓
By 2025, at least 10 of specific electronics suppliers with the UL 2799 "Zero Waste to Landfill" certification.	✓
By 2025, at least 15 of key electronics suppliers that commit to use 100% of renewable energy for production of the Group's product.	✓
Achieve 100% survey response rates regarding use of conflict minerals from suppliers to ensure that no conflict minerals are used.	✓
Increase the proportion of audits conducted on mechanical parts suppliers every 3 years to 90%.	✓

# 2024 Year in Review

As a quality-driven corporate, the Group continuously strives to enhance its ESG contributions while maintaining exceptional quality. Below are the Group's 2024 achievements:



The Group received the EcoVadis 2024 Bronze Medal. The overall score has shown a significant improvement compared to the previous year, jumping from the 48th percentile among global companies in the industry to the 74th percentile. Additionally, there have been significant advancements in labour practices, ethical standards, and sustainable procurement practices.



The Group remains "low risk" (15.3) in 2024 Sustainalytics ESG Risk rating. In particular, the Group was ranked in the top 12% of the global universe.



The Group continues to enhance its ESG performance and actively addressing the material topics mentioned in MSCI ESG Ratings.



In response to the external stakeholders' expectations regarding environmental issues, the Group actively participated in the CDP's questionnaires on Climate Change and Water Security. The Group's diligent effort in climate strategy, risk management, and setting decarbonisation targets has yielded improvements and received a B grade in both Climate and Water Security in 2024.



Factories in the PRC have been honoured with the "Happy Workplace Award" under the HRise 2024 Visionary Companies Awards, in recognition of the Group's commitment to fostering a positive and supportive work environment.



In June 2024, the headquarters in Taiwan organised a CPR+AED first aid training to enhance employees' emergency response skills. As a result, it received the "CPR+AED Safe Place" certification from the New Taipei City Health Bureau, valid until 2026. This recognition reaffirms the Group's commitment to maintaining a safe workplace and prioritising employees' health and well-being.



Seven factories—four in the PRC, two in Vietnam, and one in Mexico—have obtained the UL 2799 "Zero Waste to Landfill" certification with six achieving Platinum level and one achieving Gold level in 2024. This achievement reflects the Group's continuous efforts to minimise environmental impact through effective waste management.



Major factories in India and the headquarters in Taiwan obtained ISO 27001 certification in 2024. In the future, the Group will continue to establish a safe and reliable information operating environment and ensure the security of the Group's information to safeguard business.



All factories and the headquarters have obtained ISO 9001 certification. It helps the Group improve its performance, meet customer expectations and demonstrate their commitment to quality.



Major factories in Vietnam, India, and Mexico have obtained Responsible Business Alliance (RBA) Validated Audit Process (VAP) in 2023 and 2024, underscoring the Group's commitment to responsible labour practices and ethical supply chain management.



All factories and the headquarters in Taiwan have obtained ISO 14001 certification. The implementation of environmental management contributes to reducing negative environment impacts and enhancing the Group's operational efficiency.



Major factories in the PRC and Vietnam obtained ISO 14064 certification in 2024. Additionally, all operation sites obtained a group-wide limited assurance under ISAE 3410. The Group carefully monitors the energy usage and carbon emissions in order to actively manage the Group's impact on climate change, while mitigating potential climate-related risks and implementing climate governance.



Major factories in Vietnam and India have obtained SA 8000 certification in 2024. The social management system contributes to providing an industry-leading place to work and protecting the Group's employee rights related to forced and child labour, occupational health and safety, discrimination, working hours and management systems.



Major factories in the PRC and India obtained the IECQ QC 080000 certification in 2024, which supports the responsible management of hazardous substances and helps minimise environmental and health impacts.



Major factories in the PRC, Vietnam, India the United States, and Mexico have obtained ISO 45001 certification. The standard enables the Group to systematically assess hazards and risk control measures. It plays a key role in reducing workplace incidents and demonstrates occupational health and safety commitment.



Major factories in the PRC, India and Vietnam have obtained ISO 50001 certification. It helps the Group integrate energy management into its overall efforts to improve quality and environmental management.



Longhua factory in the PRC has obtained ISO 22301 certification in 2024. It helps the Group integrate business continuity management into its operations thereby enhancing resilience and mitigating potential operational risks.



Major factories in the PRC, Vietnam, India, Mexico, and the headquarters in Taiwan obtained IATF 16949 certification, which ensures a robust quality management system that meets the stringent requirements of the automotive industry.

# Stakeholder Engagement and Materiality Assessment

In preparation for this Report, the Group engaged an independent consultant to conduct a stakeholder engagement exercise. This process identified the Group's key stakeholders in alignment with the five major principles outlined in the AA1000 Stakeholder Engagement Standard ("SES") and followed the reporting principles of the GRI Standards to assess the significance of material issues annually in terms of their economic, environmental, and social impact. This approach aims to understand stakeholders' views on the Group's initiatives, performance, and future ESG strategies. An online survey is conducted annually to gather stakeholders' perspectives on the Group's ESG disclosure. In February 2025, an online survey was distributed to a group of key external and internal stakeholders, including shareholders/investors, customers, employees, suppliers, NGOs, and media representatives, to collect feedback and suggestions on various ESG issues. The stakeholders were also invited to express their views and expectations regarding the Group's ESG performance. The Group believes that effective engagement with stakeholders is a crucial aspect of communication. To facilitate this, the Group provides multiple communication channels for ongoing stakeholder engagement, ensuring transparency, addressing stakeholder concerns, and keeping them informed of relevant updates.

## Stakeholder Identification and Communication

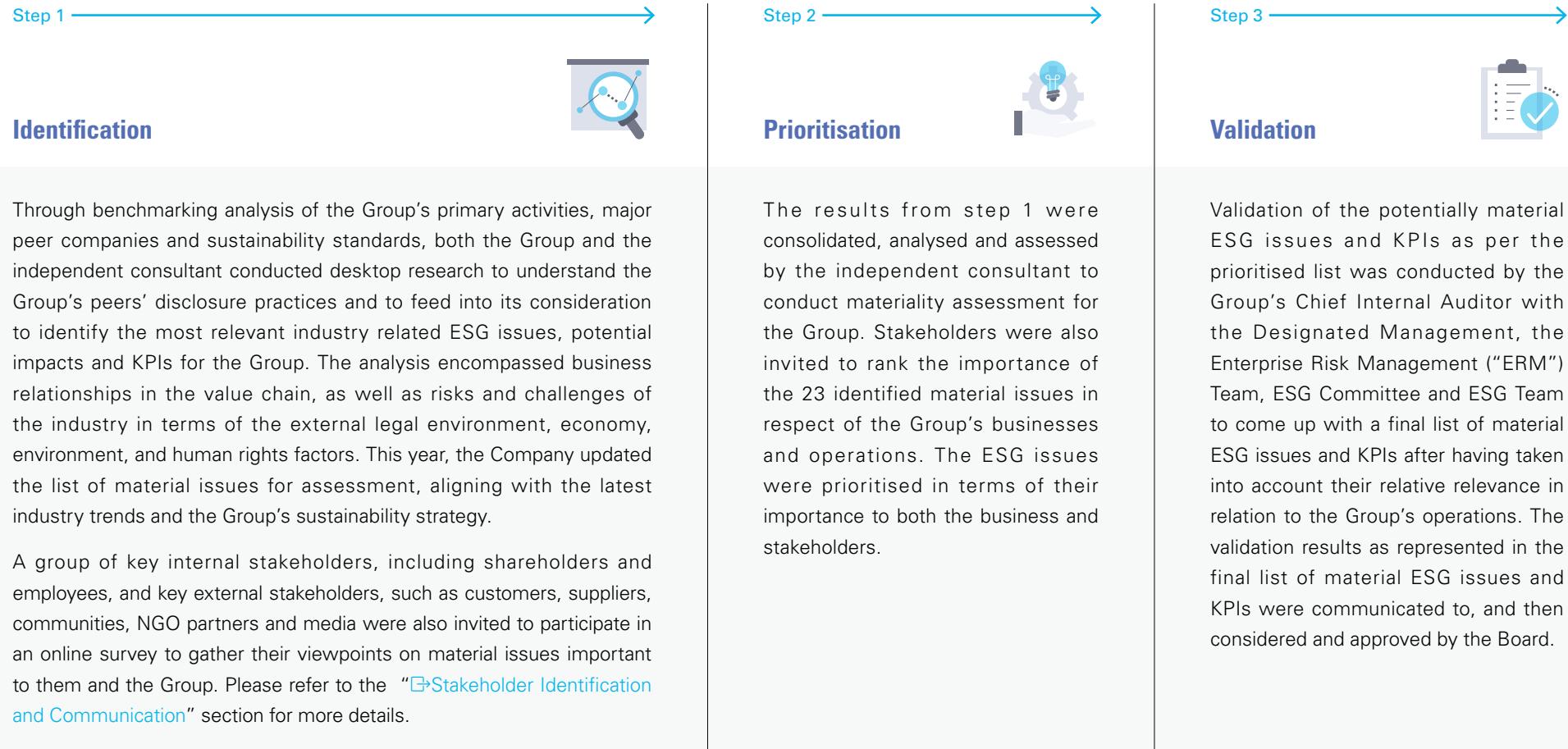
Stakeholder	Employees
Importance	Employees are greatest asset of the Group, contributing significantly to the group's competitiveness. 
Communication Channels & Frequency	<ul style="list-style-type: none"><li>Quarterly labour-management meeting</li><li>employee hotlines and mailboxes (ext.) 512-60210 / 512-64649</li><li>Satisfaction survey</li><li>Publish regular news update and collect feedback questionnaire</li><li>Hold cultural and sports team building activities</li><li>Provide regular trainings and seminars on various ESG and OHS issues</li><li>Provide welfare and benefits</li></ul>
Concern Issues & Expectations	<ul style="list-style-type: none"><li>Employee rights and diversity equality</li><li>Integrity management and regulatory compliance</li><li>Occupational health and safety</li><li>Fair employment opportunities</li><li>Progressive career development channel</li><li>Sufficient welfare and compensation</li></ul>
Response Method and Outcome	<ul style="list-style-type: none"><li>Recruit people with disabilities to work in the group and try our best to help disadvantaged groups</li><li>Set up funds for employees in difficulties</li><li>Establish a barrier-free communication system</li><li>Set up a 24-hour hotline to allow employees to express their opinions or provide suggestions</li></ul>

Stakeholder	Customers	Suppliers	Shareholders/ Investors
Importance	<p><b>Customers</b></p> <p>Customers are the primary source of economic creation for the Group, and the Group is committed to providing the highest quality products and services according to customer needs.</p> 	<p>Suppliers provide raw materials and services for the group's production. The Group will collaborate with suppliers to jointly create a sustainable supply chain.</p> 	<p>Shareholders and investors are essential to the Group, providing vital financial resources, strategic guidance, and market credibility that fuel growth and contribute to the Group's long-term success.</p> 
Communication Channels & Frequency	<ul style="list-style-type: none"> <li>Quarterly or annually ESG activities</li> <li>Irregular customers visit and audit</li> <li>Set up customer feedback and complaint hotline</li> <li>Conduct customer satisfaction survey and complaint return visit</li> <li>Perform customer demand research</li> </ul>	<ul style="list-style-type: none"> <li>Supplier management platform</li> <li>Conduct supplier screening and assessments</li> <li>Set up supplier feedback mailbox</li> <li>Organise regular supplier meetings to understand manufacturer's opinion</li> </ul>	<ul style="list-style-type: none"> <li>Hold regular Shareholders' Meetings</li> <li>Regularly publish the Group's annual report and ESG report</li> <li>Establish investor-relationship communication channels</li> <li>Participate in performance evaluations</li> <li>Participate in investment strategy meetings and seminars</li> <li>Respond questions from shareholders and investors</li> <li>Provide comments through Shareholders' Mailbox</li> </ul>
Concern Issues & Expectations	<ul style="list-style-type: none"> <li>Information security and customer privacy</li> <li>Innovative R&amp;D and low-carbon technologies</li> <li>Climate change response strategies</li> <li>High quality products</li> </ul>	<ul style="list-style-type: none"> <li>Supplier management</li> <li>Procurement practices and management</li> <li>Integrity management and regulatory compliance</li> <li>Integral and transparent procurement</li> <li>Close communication and collaboration in new business opportunities</li> </ul>	<ul style="list-style-type: none"> <li>Corporate governance and risk management</li> <li>Financial performance</li> <li>Innovative R&amp;D and low-carbon technologies</li> <li>Sustained growth in market value</li> <li>Good company reputation</li> <li>Open and transparent corporate information</li> </ul>
Response Method and Outcome	<ul style="list-style-type: none"> <li>Maintain close communication with customers, protect customer privacy, and always be open to customer audits</li> <li>Report to customers on the ESG situation and the ESG management status of upstream suppliers</li> <li>Continuously improve customer service by providing high-quality, and economically innovative products and services</li> <li>Actively save energy and reduce carbon emissions, and provide customers with low-carbon emission products</li> </ul>	<ul style="list-style-type: none"> <li>Hold annual supplier conference</li> <li>Hold irregular ESG audits to communicate the group's requirements for the supply chain</li> <li>Establish an ESG management platform to enable suppliers to learn RBA standards and group ESG related requirements</li> </ul>	<ul style="list-style-type: none"> <li>The Group informs shareholders/investors about the company's prospects, market trends, growth strategies, profitability, and ESG performance through shareholder meetings and other forums</li> </ul>

Stakeholder	Government	Charities/ NGO Partners	Media
Importance	<p><b>Government</b></p> <p>Governments shape the regulatory environment, provide infrastructure and resources, and influence economic conditions, all of which significantly impact the Group's business landscape.</p> 	<p><b>Charities/ NGO Partners</b></p> <p>NGOs and charities are important partners for the Group, collaborating to address local communities' issues through various approaches.</p> 	<p><b>Media</b></p> <p>Media serves as a crucial bridge between the Group and stakeholders. By timely conveying information, it helps stakeholders understand the Group's up-to-date status and contributes to building the Group's public image.</p> 
Communication Channels & Frequency	<ul style="list-style-type: none"> <li>Irregular correspondence, mail and telephone communication</li> <li>Unscheduled on-site audit</li> <li>Establish public-relationship communication channels</li> </ul>	<ul style="list-style-type: none"> <li>Irregular telephone communication</li> <li>Annual ESG activities and evaluations</li> <li>Annual NGOs meeting</li> <li>Establish public-relationship communication channels</li> <li>Charitable donations</li> <li>Participate in voluntary community services</li> <li>Publish service activity summary and photos on social media</li> </ul>	<ul style="list-style-type: none"> <li>Immediate press releases</li> <li>Respond to media related questions</li> <li>Establish public-relationship communication channels</li> <li>Company website</li> </ul>
Concern Issues & Expectations	<ul style="list-style-type: none"> <li>Integrity management and regulatory compliance</li> <li>Corporate governance and risk management</li> <li>Financial performance</li> </ul>	<ul style="list-style-type: none"> <li>Integrity management and regulatory compliance</li> <li>Social care</li> <li>Occupational Health and Safety</li> <li>Climate change response strategies</li> <li>Support of community development</li> </ul>	<ul style="list-style-type: none"> <li>Innovative R&amp;D and low-carbon technologies</li> <li>Integrity management and regulatory compliance</li> <li>Timely updates on Company's performance, annual operation condition and operation goals for the new year</li> <li>Highlights of initiatives on material issues</li> </ul>
Response Method and Outcome	<ul style="list-style-type: none"> <li>Communicate with local government agencies through visits, meetings and documents</li> <li>Actively respond to government policies and provide advice</li> <li>Provide relevant reports regularly according to local government regulations</li> </ul>	<ul style="list-style-type: none"> <li>Collaborative activities with NGOs</li> <li>Advocating related environmental issues with NGOs</li> <li>Holding activities with charitable organisations to give back to society and local communities</li> </ul>	<ul style="list-style-type: none"> <li>Regularly accepting media interviews</li> <li>Publishing press releases to present the current situation and future development of the Group</li> <li>Publishing press releases on FIH website</li> <li>Integrating media comments to report to the group management team as a reference for improving group operations</li> </ul>

## Materiality Assessment

According to the ESG Reporting Code and the reporting principles of GRI Standards, the Group, as a listed issuer, is encouraged to identify and disclose information on ESG issues that are deemed "material" to its operations. To determine material ESG issues for disclosure in this ESG Report, the Group applies a three-step approach for materiality assessment with the assistance of the independent consultant.



## Materiality Matrix and Identified Topics

During the Reporting Period, the Group updated the list of material based on an assessment aligned with both domestic and international sustainability development guidelines, as well as peers' ESG disclosures. In response to stakeholder feedback, the Group also placed increased emphasis on risk management for ESG issues and employees' well-being and rights, ensuring these key concerns are more comprehensively addressed in the Report.

### FIH Materiality Matrix 2024



Material Importance (Level 3 as most material)		
Customers	1 Product Quality	Level 3
Customers	2 Customer Service	Level 3
Customers	3 Information Security and Customer Privacy	Level 3
Operation	4 Compliance Operations	Level 3
Operation	5 Anti-corruption & Ethical Operation	Level 3
Operation	6 Supply Chain Management	Level 3
Operation	7 Intellectual Property Protection	Level 3
Operation	8 Technology Innovation and R&D	Level 2
Operation	9 Risk Management for ESG Issues	Level 2
Employment	10 Corporate Governance	Level 3
Employment	11 Occupational Health and Safety	Level 2
Employment	12 Employee Training and Development	Level 2
Employment	13 Diversity, Equality and Inclusion	Level 2
Employment	14 Employee Human Rights	Level 3
Employment	15 Employee Wellbeing and Benefit	Level 3
Employment	16 Talents Attraction and Retention	Level 2
Environment	17 Energy and GHG Emissions Management	Level 3
Environment	18 Water Resources Management	Level 2
Environment	19 Climate Change Mitigation and Adaptation	Level 2
Environment	20 Waste Management and Reduction	Level 3
Environment	21 Hazardous Substance Management	Level 3
Environment	22 Clean Tech and Green Products	Level 1
Community	23 Community Investment	Level 1



CHAPTER

# 01

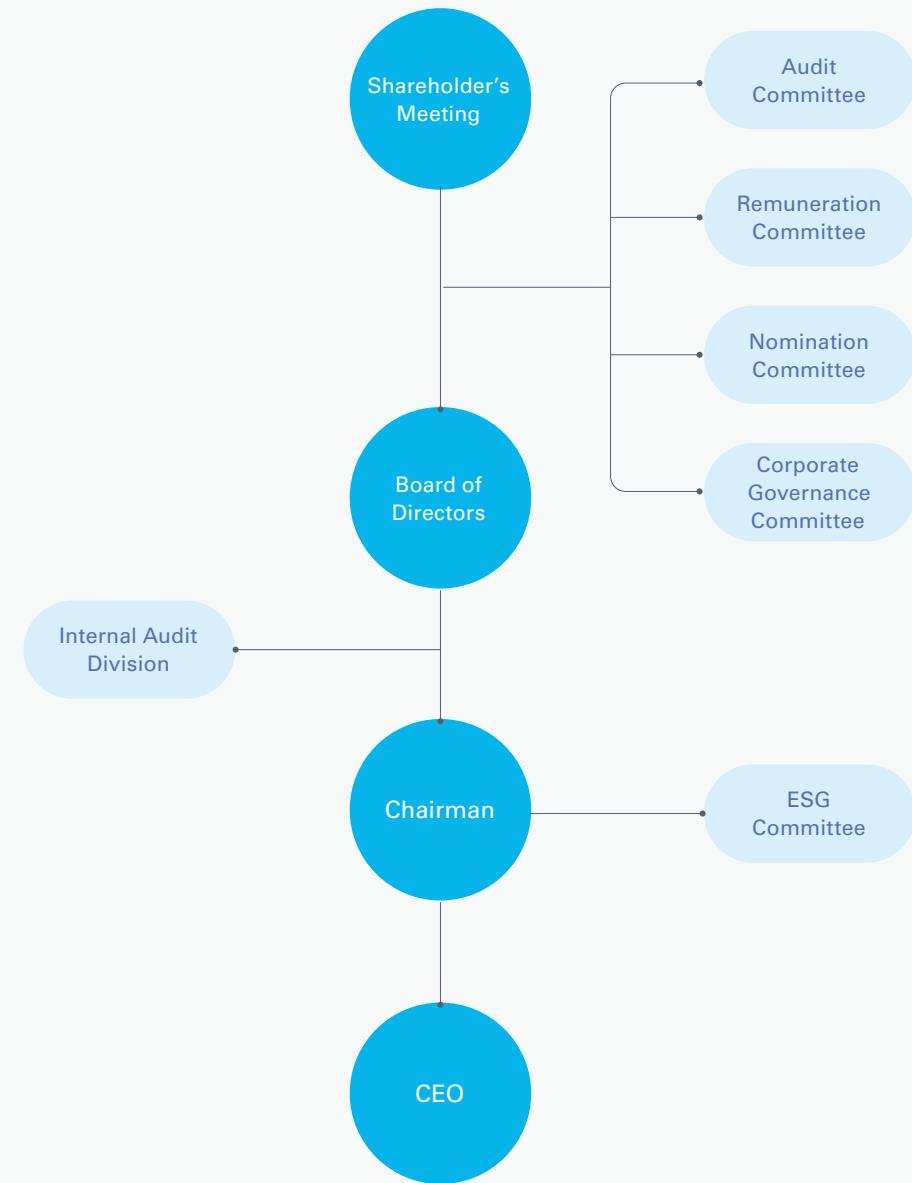
## CORPORATE GOVERNANCE

# 01 CORPORATE GOVERNANCE

## Sustainability Accountability

### Responsibilities of the Board

The Board oversees the Group's business and ESG-related strategy, as well as its enterprise risk management, including those related to ESG. It holds overall responsibility for the Group's ESG strategy and disclosures. Specifically, the Board monitors and evaluates the Group's ESG-related performance, key issues, objectives and targets, and reviews the materiality assessment on a quarterly basis. Acknowledging the potential impact of ESG factors on the Company's financial performance, reputation, and long-term objectives, the Group places strong emphasis on maintaining a sound governance system. For more information on the Company's profile of directors, senior management and the Group's corporate governance practices, please refer to the "Annual Report 2024" and the Company's website.



Board  
Members  
Introduction



Annual  
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Committee	Principle Duties	Frequency of Meeting
Audit Committee*	<p></p> <ul style="list-style-type: none"> <li>Reviews the Group's financial reporting and accounting policies and practices as well as financial controls, internal controls and enterprise risk management systems and provide advice and comments to the Board.</li> <li>Advises on the appointment, re-appointment and removal of external auditor, and approves the remuneration and terms of engagement of the external auditor.</li> <li>Reviews and monitors the independence and objectivity of external auditors and the effectiveness of the audit process.</li> </ul>	The Committee convened eight times in 2024.
Remuneration Committee	<p></p> <ul style="list-style-type: none"> <li>Provides recommendation to the Board on policy and structure for the remuneration of the directors and senior management.</li> <li>Considers and reviews the remuneration of the directors and senior management by reference to corporate goals and objectives.</li> <li>Provides recommendations to the Board on the remuneration packages of directors and senior management.</li> </ul>	The Committee convened three times in 2024.
Nomination Committee	<p></p> <ul style="list-style-type: none"> <li>Reviews the Board's structure, size and composition annually and provides suggestions for any proposed modifications.</li> <li>Provides recommendations to the Board regarding the appointment or reappointment of directors and succession planning for directors, particularly the Chairman of the Board and the Company's Chief Executive Officer ("CEO").</li> <li>Evaluates the independence of the independent non-executive directors.</li> <li>Identifies qualified individuals for Board members and recommends nominees for directorships in accordance with the Nomination Policy and the Board Diversity Policy.</li> <li>Reviews the Nomination Policy and the Board Diversity Policy to ensure its effectiveness, relevance to the Company's needs and alignment with the current regulatory requirements and adherence to good corporate governance practice, and discusses any proposed changes to the existing Policy for the consideration of the Board.</li> </ul>	The Committee convened two times in 2024.
Corporate Governance Committee	<p></p> <ul style="list-style-type: none"> <li>Develops and reviews the Company's policies and practices on corporate governance and to make recommendations to the Board.</li> <li>Oversees the training and professional development of the directors and senior management.</li> <li>Reviews and monitors the Company's policies and practices on compliance with legal and regulatory requirements.</li> <li>Develops, reviews and monitors the CoC and compliance manual applicable to employees and the directors, and reviews the Company's compliance with the CG Code.</li> </ul>	The Committee convened one time in 2024.

\* The Company has established and maintained an Audit Committee in accordance with the requirements of the Listing Rules, particularly the Corporate Governance Code as set out in Appendix C1 to the Listing Rules ("CG Code")

## Responsibilities of the ESG Committee

The ESG Committee, also known as the Sustainability Committee, operates under the authority of the Chairman of the Board. It is composed of the Chairman, Chief Financial Officer, ESG Head, Human Resources Head, Internal Audit Head, and Spokesperson. The ESG Committee is primarily responsible for developing and implementing the Group's ESG-related development plan, which is integrated into its overall operational strategy. It also oversees ESG performance monitoring, formulates strategies and policies, sets targets, and provides quarterly ESG progress reports to the Board. In addition, the ESG Committee is responsible for overseeing the communications with stakeholders and coordinating resource integration among the ESG Committee, internal business units, and functional departments.

## Responsibilities of the ESG Task Force Team

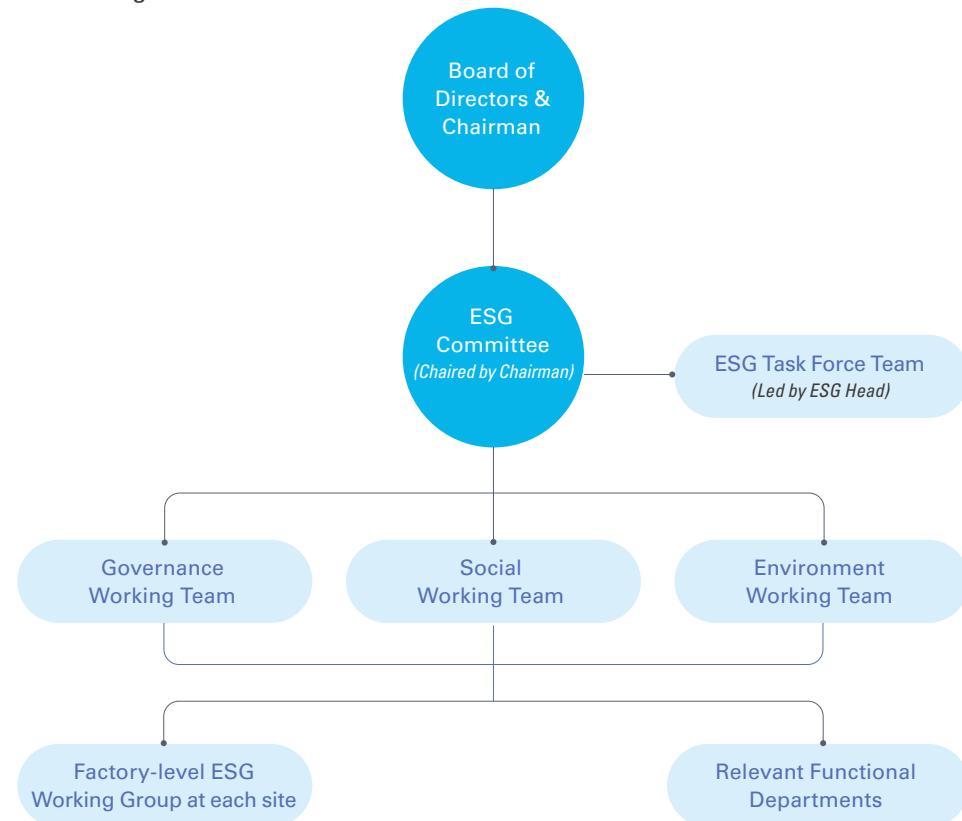
The ESG Task Force Team ("ESG Team"), led by the ESG Head, operates under the ESG Committee and is responsible for executing the Group's ESG-related standards and initiatives. The ESG Team identifies material ESG issues, conducts gap analyses, and implements proposals for improvement. Additionally, it collaborates with the Sustainability Development Office of Hon Hai Technology Group, the parent company, to jointly promote sustainability initiatives. The ESG Team also supports all operational sites in addressing the Group's significant ESG issues, as well as in assessments conducted by customers and third parties. It is also principally responsible for formulating the Group's ESG policies and establishing effective communication and coordination channels with stakeholders. Furthermore, the ESG Team collaborates with the ERM Team to evaluate ESG-related risks and provide appropriate solutions to strengthen the Group's resilience. It also works closely with the IA Team to conduct regular audits on ESG-related matters.

Three working teams have been established to manage and execute affairs related to E (Environmental), S (Social), and G (Governance) aspects. The Environmental Working Team, Social Working Team, and Governance Working Team are led respectively by the heads of the Energy and Industrial Safety Management Office, the HR Department, and the IA Department. These teams are responsible for setting short-, medium-, and long-term goals, as well as coordinating with various operational sites and departments to implement ESG projects. Additionally, monthly meetings across three teams are held

to track progress, with attendance formally recorded. To encourage active participation, performance-based reporting scores are assigned to each team. During the Reporting Period, the Group held twelve ESG monthly meetings.

To foster the Group's ESG culture, and to ensure effective ESG governance, each of the Group's global factories has designated ESG supervisors and contact points. These personnel work in close coordination with the ESG Team and the three working teams to implement Group ESG policies, monitor local ESG performance indicators, and report status updates and progress to headquarters on a regular basis, ensuring alignment with the Group's ESG development strategy.

## ESG Organisation of FIH



## Board Independence

The Group's Board of Directors consists of seven directors, including three independent non-executive directors.



The **Audit Committee** comprises three directors, all of whom are independent directors.



The **Remuneration Committee** comprises three directors, all of whom are independent directors.



The **Nomination Committee** comprises three directors, all of whom are independent directors.



The **Corporate Governance Committee** comprises two directors, all of whom are executive directors.

For details on the number and nature of significant external positions held by each Board member, please refer to the "Profile of Directors and Senior Management" section of the Company's "[Annual Report 2024](#)".

## Separation of Chairman of the Board of Directors and CEO

Since 2024, the Group has separated the roles of CEO and Chairman of the Board to acknowledge the distinct responsibilities of each position and enhance corporate governance. The CEO is responsible for setting the strategic direction and managing the Group's daily operation and performance, while the Chairman leads the Board and provides oversight and guidance to the CEO.

## Board Diversity and Effectiveness

The Group recognises the significance of board diversity as a critical driver in maintaining competitive advantages, achieving strategic objectives, and ensuring long-term sustainable development. To foster a diverse composition of the Board in terms of skills, knowledge, expertise, and background, the Group has implemented a Board Diversity Policy since 2013. As of the Reporting Period, the Board of Directors comprises seven members: three executive directors, one non-executive director, and three independent non-executive directors. The Board reflects diversity in terms of age, gender, ethnicity, tenure, profession, and experience. The Company will continue to have due regard to the various aspects of diversity in the consideration of potential candidates for the Board in accordance with the Board Diversity Policy.

In 2023, the Group appointed two new independent non-executive directors with extensive backgrounds in finance, operational and risk management, corporate governance, and ESG. One of the new directors also possesses expertise in sustainable finance, offshore wind and solar project financing, and serves as an academic lecturer. Notably, the Group achieved its goal of appointing at least one female director.

Looking forward, the Nomination Committee will continue its efforts to identify and recommend suitable candidates to the Board that further enhance the Board's professionalism and diversity, including gender diversity and professional diversity. For comprehensive details regarding the principal duties and members of each committee, please refer to "Corporate Governance Report," which forms part of the Company's "[Annual Report 2024](#)" and "[the Company's website](#)".

## ☰ Board of Directors

 Average tenure **6.4** year

CHIH Yu Yang	LIN Chia-Yi	Dr. KUO Wen-Yi	CHANG Chuan-Wang	LAU Siu Ki	CHEN Shu Chuan	CHIU Yen-Tsen
Chairman of the Board, Executive director	Executive director, CEO	Executive director	Non-executive director	Independent non-executive director	Independent non-executive director	Independent non-executive director
Aged 66	Aged 54	Aged 59	Aged 55	Aged 66	Aged 56	Aged 60
Male	Male	Male	Male	Male	Female	Male
Taiwan	Taiwan	The United States	Taiwan	Hong Kong SAR, China	Taiwan	Taiwan
15 Years	2 Years	6 Years	1 Year	20 Years	1 Year	1 Year

**Effectiveness and Competences**

The individual attendance records of each member of the Board of Directors (represented in the following format: number of meeting(s) attended by each director / total number of corresponding meeting(s) held during the director's term of appointment) are set out below:

Name of board members	Board Meeting	Audit Committee Meeting	Remuneration Committee Meeting	Nomination Committee Meeting	Corporate Governance Committee Meeting	Annual General Meeting
<i>Executive Directors</i>						
CHIH Yu Yang	7/7	N/A	N/A	N/A	1/1	1/1
LIN Chia-Yi	7/7	N/A	N/A	N/A	N/A	1/1
Dr. KUO Wen-Yi	7/7	N/A	N/A	N/A	1/1	1/1
<i>Non-executive Director</i>						
CHANG Chuan-Wang	7/7	N/A	N/A	N/A	N/A	1/1
<i>Independent Non-executive Directors</i>						
LAU Siu Ki	7/7	8/8	3/3	2/2	N/A	1/1
CHEN Shu Chuan	7/7	8/8	3/3	2/2	N/A	1/1
CHIU Yen-Tsen	7/7	8/8	3/3	2/2	N/A	1/1

## Directors' Remuneration

The remuneration payable to the directors of the Company is determined by the Board periodically in accordance with the Company's [Directors' Remuneration Policy](#). The Company's Remuneration Committee assists the Board in formulating and regularly reviewing remuneration policies, systems, standards, and structures, as well as evaluating directors' and executives' overall performance. The review process takes into account multiple factors, including the Group's overall performance, ESG performance, directors' duties and responsibilities, individual contributions to the Company, and prevailing market conditions. Details regarding the remuneration of directors and the Chief Executive are disclosed in the Company's [Annual Report 2024](#).

## Financial Performance

Corporate governance practices play a pivotal role in shaping the Company's strategic direction and operational decisions, directly affecting both financial performance and long-term sustainability. Key factors influencing financial performance include the roles of the Board and senior management, as well as the levels of transparency and accountability. These elements are essential for attracting external capital, sustaining high growth, and reducing information asymmetry between insiders (such as board members and executives) and outsiders (such as investors and other stakeholders). Enhancing transparency in corporate governance disclosures will further strengthen stakeholder trust and confidence.

Aspects	2021	2022	2023	2024
Revenue US\$M	8,582	9,394	6,446	5,703
Gross Profit US\$M	224	192	110	135
Income Tax US\$M	14	12	21	26
Net Profit US\$M	56	(72)	(120)	(20)
Earnings (losses) per Share US cents (€)	0.70	(0.91)	(1.52)	(0.26)



Directors'  
Remuneration  
Policy



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2024



## Risk Management

The Board of Directors holds ultimate responsibility for the Group's internal control and ERM systems, ensuring their effectiveness, including assessing and determining the nature and extent of risks. The Board is well positioned to take necessary action to achieve the Group's business and strategic objectives while maintaining an adequate and effective internal control and ERM framework. The Board specifically oversees the Group's management within its ERM and internal control framework ("Designated Management"), which includes the design, implementation, and ongoing monitoring of the risk management process. This framework ensures that risks are identified, evaluated, managed, and mitigated to acceptable levels while supporting the Group's strategic objectives. To strengthen ESG risk integration, the ERM Team collaborates with the ESG Team to incorporate ESG-related risks into the daily risk assessment procedures and internal control system. Additionally, the ERM Team provides comprehensive risk management training to the Board of Directors, equipping them with essential skills in strategic risk management and internal control systems. This training covers key areas such as crisis prevention, preparedness, and early detection, crisis mitigation, with a strong focus on recovery and planning for business continuity. The training also emphasised the importance of learning from past crises through evaluation to enhance future risk management practices. Furthermore, a training is provided to senior management to reinforce their risk management knowledge at the operation level. Overall, the training provided a coherent and comprehensive approach for the Board of Directors to effectively evaluate, understand, and manage serious incidents.

Since 2010, the Group has implemented an E-system that enables all risk assessment units to conduct evaluations in a standardised and systematic manner. This system enhances efficiency, facilitates data collection, and improves the overall quality of risk assessments and analysis. The ERM Team, in collaboration with the IT Department, manages and continuously optimises the system to meet the evolving needs of users and processes.

The ERM Team regularly reviews risk assessment reports to ensure proper programme execution, monitor business processes, and control the Group's risk exposures, including ESG-related factors identified by the ESG Committee. ESG risk management covers key areas such as pollution risks, by comprehensively considering social, economic, managerial, technological, production-related, and other relevant aspects. Scientific methods are applied to analyse risk conditions across business units, propose effective control measures, and track implementation effectiveness to ensure ESG objectives are achieved. All risk assessment results are consolidated into a Group-level risk assessment report, which is presented to the Chief Financial Officer, with an annual update provided to the Audit Committee. For more details on the Group's ESG-related risk management and internal control system, please refer to the "Accountability and Audit" section of the Company's [Annual Report 2024](#).

The assessment identified several ESG-focused human resource and environmental risks, including industry risk, regional risk, natural disaster risk, and human resource risk. The identified industry risks encompass industrial safety, occupational health, and environmental protection. Regional risks refer to politically and culturally driven incidents. Natural disaster risks include extreme weather events, geophysical hazards (e.g., earthquakes), and biological crises (e.g., COVID-19 pandemic). Human resource risks involve employment-related challenges such as talent retention and competitive remuneration. Based on these findings, the Group has set a 2025 target to review and identify potential risks in each department on a monthly basis, enabling timely preparation of response plans. To enhance resilience, the Group continues to strategically diversify its factory locations. This approach helps mitigate the risk of overreliance on a single region and bolsters supply chain resilience, particularly in the face of geopolitical challenges. By avoiding concentration in one area, the Group reduces potential disruptions and enhances its ability to adapt to dynamic global conditions.

## Integrity, Ethics and Compliance

The Group's commitment to business ethics is embodied in the CoC and the Standard, and is further demonstrated through the systematic and comprehensive approach undertaken by the Internal Audit Department ("IA Team"). The IA Team formulates an annual audit plan covering various aspects of operational activities and ethical business conduct, and submits audit reports to the Group's CEO, CFO, and senior management on a quarterly basis. The audit scope includes major operation sites, notably in Vietnam, the PRC, India, and Mexico. Additionally, the IA Team consolidates annual and semi-annual audit reports for the Audit Committee's oversight. In 2024, the IA Team introduced a dedicated bribery risk assessment as part of department-level risk interviews, further reinforcing the Group's ethical governance practices. Through in-depth dialogue with departmental management, the IA Team focused on identifying potential bribery risk points, assessing the effectiveness of existing controls, and collecting recommendations for improvement. This initiative not only uncovered areas for enhancement within the Group's ethical management systems but also elevated compliance awareness across departments. By aligning the Group's operations more closely with RBA standards and relevant laws and regulations, it reinforces the Group's commitment to upholding integrity and ethical conduct. Furthermore, to actively promote awareness of integrity and business ethics, all employees—both full-time and part-time—are required to complete training on integrity and anti-corruption policies as part of the onboarding process. Completion of this training is a mandatory prerequisite for completing the onboarding process. Following induction, all employees are also required to complete a mandatory annual 2-hour CoC training. During the Reporting Period, the Group also established a target for 2025 to achieve zero non-compliance incidents, thereby ensuring that all business operations are conducted in full compliance with applicable international laws and regulations.

### Anti-corruption and Whistle-blowing Policies

The Group upholds a corporate culture of integrity and dignity in its management practices and expects all directors, management, and employees to maintain the highest ethical standards. It is fully committed to complying with all applicable national and international laws and regulations related to anti-corruption, anti-bribery, anti-extortion,

and anti-money laundering. In line with this commitment, the Group's CoC outlines behaviours that are strictly prohibited. All directors, management, and employees are required to comply with the CoC. Acts of corruption, bribery, embezzlement, and any other form of misconduct are explicitly forbidden, and the Group enforces a zero-tolerance policy toward any violation of its anti-corruption policies. To enhance its anti-corruption governance, the Group has developed a comprehensive Anti-Corruption Manual and implemented an ISO 37001 Anti-corruption Management System, which strengthens preventive mechanisms and enhances the organisation's credibility. All levels of management and employees are required to complete annual mandatory anti-corruption training. In addition, the Group provides ongoing updates and refresher courses to directors, management, and employees to ensure they remain informed of the latest developments in anti-corruption policies and related regulatory requirements. During the Reporting Period, the Group delivered a series of targeted anti-corruption training sessions to its Board of Directors, focusing on raising awareness of anti-bribery controls and the Group's Anti-Bribery Management Manual. Annual training for employees also covered topics such as CSR regulations, the CoC, the Group's Anti-Corruption and Integrity Guidelines, various types of misconduct, relevant laws and regulations, internal controls, and whistle-blowing procedures. In 2024, the total cumulative training hours on anti-corruption for board members and employees at all levels exceeded 31,000 hours. Furthermore, the Group requires all partnerships with suppliers, vendors, and customers to adhere strictly to its anti-corruption policy.



According to the Group's whistle-blowing policies and procedures, the Internal Audit function, under the leadership of the Chief Internal Auditor, is responsible for investigating any reported instances of improper business conduct, including bribery. This function operates independently to assess risks across various operational areas and evaluate the adequacy, effectiveness, and compliance of the Group's policies, procedures, and controls.

Additionally, the Group has also developed a comprehensive whistle-blowing framework that is accessible to key stakeholders, including employees, suppliers, and customers. Local-language promotional materials have been posted at all major factory locations—including those in India, Vietnam, and the PRC—to ensure broad awareness. Through designated hotlines and other means, fraudulent, unethical or improper conduct can be reported. Confidentiality is strictly maintained, and whistle-blowers are protected from retaliation, victimisation, discrimination, or any other adverse consequences. All reported incidents are handled fairly, professionally, and discreetly by the Chief Internal Auditor, with appropriate investigations and follow-up actions taken as necessary. Relevant personnel may submit reports to any of the following:

During the Reporting Period, there were no legal cases involving corrupt practices brought against the Group or its employees, including any incidents related to inappropriate exchanges of benefits or conflicts of interest between suppliers and employees. In addition, the Internal Audit function reviewed the Group's anti-corruption and whistle-blowing policies and confirmed that the Group complied with all relevant Hong Kong Stock Exchange guidance and expectations in all material respects.

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#### WeChat



- Foxconn Report Centre

#### In writing



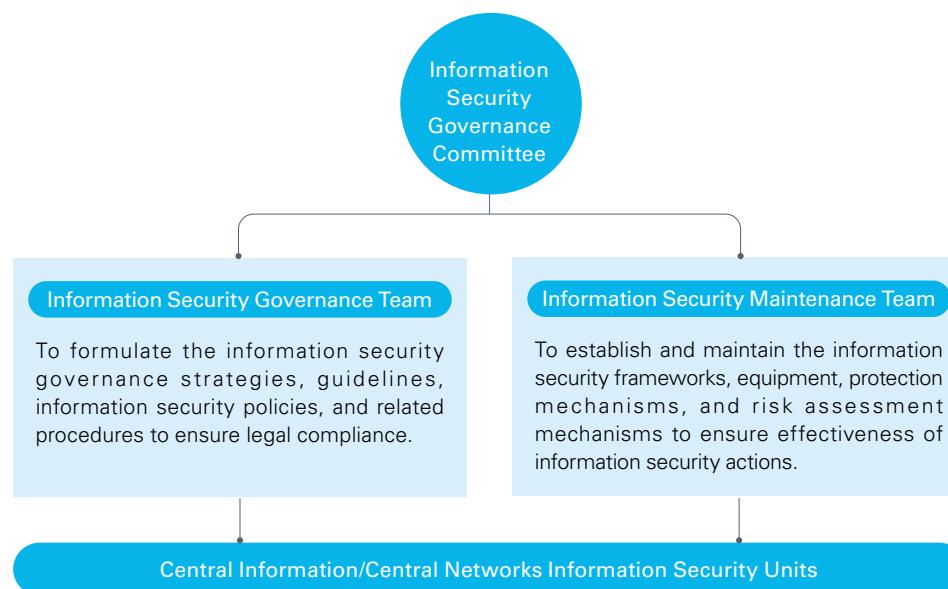
- No.4, Minsheng Street, Tucheng District, New Taipei City 23679, Taiwan

## Data Protection and Information Security

### Information Security Management

The Group is committed to protecting the information security, privacy, sensitive information and intellectual property rights ("IPR") of key stakeholders with whom it conducts business, including suppliers, customers, consumers and employees. The Group has adopted the ISO 27001 Information Security Management System and has maintained its validity to assure the effective management of information security by its designated information security teams. In 2024, the Group's Taiwan headquarters and major factories in India continued to maintain ISO 27001, which demonstrates the Group's commitment to information security. The information security management reinforces the Group's capacity to safeguard networks, data, systems, equipment, and the privacy of customers across its operations.

Under the supervision of Hon Hai Technology Group's Information Security Committee, the Group has formulated two specialised teams, namely the Information Security Governance Team and the Information Security Maintenance Team. These teams are responsible for protecting both the Group's and customers' privacy and IPR, as well as addressing broader information security matters. Each team is entrusted with the following responsibilities:



### Information Security Policy

To achieve the Group's information security objectives of "establishing a safe and reliable information operating environment, and ensuring the security of the Group's computer data, systems, equipment, and networks, and protecting the confidentiality, integrity, availability, authentication, and non-repudiation of corporate and customer information assets, to ensure the company's business continuity" as stated in the ISO 27001 Information Security, a continuous quality improvement process of planning, implementation, monitoring and improvement is adopted.

### Network and System Security

The Group has implemented multiple technological solutions to strengthen its cybersecurity. These include internet firewalls, Unified Threat Management (UTM) protection, Endpoint Detection and Response (EDR/MDR) systems, email security systems, automatic operating system updates, antivirus software, and security monitoring systems. In the event of potential cyber threats, the information security team promptly issues notifications to affected employees to minimise exposure. Additionally, the Group actively shares and receives cybersecurity intelligence with both internal and external organisations to issue timely alerts for high-risk threats and take early preventive measures to reduce exposure risks. Furthermore, the information security team performs biannual vulnerability scans of all major IT systems, to help ensure the Group remains free from any significant information security incident. Approximately 1,400 key computers and over 300 systems, including Product Lifecycle Management (PLM), Email, Enterprise Resource Planning (ERP), Finance, Human Resources (HR), Quality Control (QC), Business Management (BC), Business-to-Business (B2B/EDI), Manufacturing Execution (MES), Industrial Engineering (IE), Supply Chain Management (SCM), are included in the scanning process. These continued efforts in information security yielded positive results in the reporting year. The Group did not experience any significant incidents of intrusion into business operations or customer privacy during the Reporting Period.

## Information Security Training for Employees

Fundamental information security training is provided to all new employees as part of the induction process, while regular information security training is provided to existing employees. The key training concepts include strong password policy, regular computer system updates and anti-virus status checks, and recognition of phishing emails with suspicious links or attachments. Posters and videos are also in use to further raise employee awareness of information security issues. Under certain conditions, the Information team also updates the latest information security instructions and protocols by email to remind employees to be aware or take necessary actions.

## Data Privacy

The Group is aware that its daily operations involve the handling and collection of sensitive data for various purposes involving key stakeholders, including suppliers, customers and employees. It recognises its responsibilities in the collection, storage, processing, use, transfer, and disposal of such data, and strictly complies with all applicable laws and regulations. Personal data is collected only for lawful and legitimate purposes, and takes all reasonable steps to ensure the accuracy of personal data under its control.

The Group is committed to the protection of personal data from unauthorised access and misuse. Employee contracts clearly outline the obligation to safeguard sensitive and confidential information that may be accessed during the course of employment. The protection of customer information remains a top priority. In the event of an accident, the Group is dedicated to working closely with its customers to conduct investigations and enhance training and regulations to mitigate future risks.

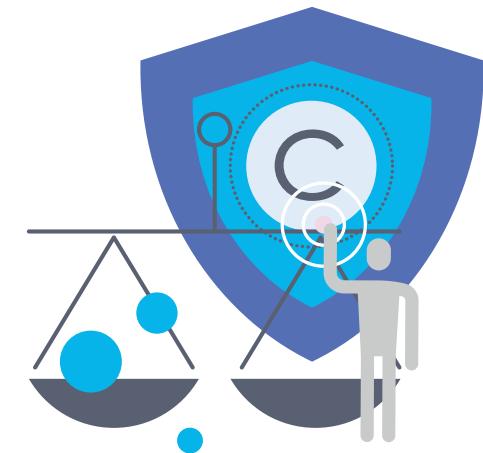
## Intellectual Property Rights

The Group remains committed to ongoing investment in innovative technology research and development to create outstanding value for customers. As of December 2024, the Group has accumulated a total of 1,359 patent applications worldwide, including 82 in software and 1,277 in areas related to antenna design, mobile devices, and other hardware. With 1,084 patents granted, distribution primarily spans regions such as the United States, the PRC, Taiwan, and Europe. As the Group has relied in part on its capacity to provide customers with technologically sophisticated manufacturing

and production processes, as well as innovative mechanical product designs and developments, thereby safeguarding both its own and its customers' respective IPR.

The Group values IPR and is committed to ensuring that none of its products or services infringe on any IPR. It recognises the importance of protecting intellectual property while facilitating the transfer of technology and know-how. To this end, the Group has implemented strict information security measures for both customers and suppliers. All employees, customers, and suppliers are required to sign non-disclosure agreements ("NDAs") related to intellectual property in accordance with the CoC, further safeguarding proprietary information. Employees are strictly prohibited from disclosing any protected information to competitors or third parties without the explicit authorization of the disclosing party. The Group's policy strictly forbids any form of infringement, whether direct or indirect, through duplication, misappropriation, misuse, or unauthorized use of the Group's, its stakeholders', or third parties' intellectual property and trade secrets. The policy also outlines the procedures for the legal department to review suspected violations and determine appropriate legal actions when necessary.

As of December 2024, the Group has accumulated a total of **1,359** patent



CHAPTER

02

PEOPLE-ORIENTED

## 02 PEOPLE-ORIENTED

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### Compliance with Relevant Laws and Regulations

The Group operates in compliance with applicable laws and regulations that have significant impacts on various aspects, including compensation, dismissal, recruitment, promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination and non-harassment, as well as employee benefits and welfare such as maternity and paternity leave, ensuring a safe working environment, protecting employees from occupational hazards, and preventing child and forced labour. To ensure compliance with these laws and regulations, the Group has implemented a thorough internal evaluation and audit process known as the "Law Identification Procedure". This procedure assesses the Group's compliance with relevant laws and regulations, including those related to occupational health and safety and labour practices. Please refer to the "[Relevant Laws and Regulations](#)" section below for more details.

### Employee Human Rights

The Group upholds international human rights standards, including the UN Universal Declaration of Human Rights, the UN Guiding Principles on Business and Human Rights, the Ten Principles of the United Nations Global Compact, and the International Labour Organization's ("ILO") Declaration on Fundamental Principles and Rights at Work. The Group has also developed an internal "Chapter on Employee Human Rights" to formalise and promote its commitment to respecting human rights.

As part of this commitment, the Group strictly prohibits any practices that infringe on employees' freedom and dignity, such as unlawful retention of identification documents or wages, restrictions on personal movement, and forced overtime. All employees are entitled to a safe, healthy, and harassment-free working environment. There shall be no unreasonable restrictions imposed on employees' freedom of movement within the workplace or access to company-provided facilities (e.g., dormitories or living areas). An effective grievance mechanism has been established to ensure labour rights protection for

all types of workers, including temporary, migrant, student, contract, direct, and outsourced personnel. These rights are embedded in the Group's CoC, which covers freely chosen employment, child labour prohibition, protection of young workers, maternity protection, non-discrimination, non-harassment, humane treatment, fair wages and benefits, working hours, and freedom of association. In line with the RBA Code of Conduct, employees are entitled to at least one day off every six working days and must not work more than 60 hours per week, including overtime. Self-evaluations are conducted regularly to ensure compliance with relevant laws and regulations, customer requirements, and internal standards. According to the Group's employment contracts and policies that are applicable to all of its employees, the Group reserves the right to terminate employment contracts in accordance with applicable laws, particularly in cases of material violations such as corruption, fraud, extortion, money laundering, or other criminal conduct.

Furthermore, the Group maintains an unwavering commitment to fostering a respectful workplace that upholds dignity for all. Any form of harsh or inhumane treatment is strictly prohibited—including physical or verbal abuse, bullying, gender-based violence, sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, bullying, public shaming, or threats of such behaviour. To enforce these standards, the Group has developed and communicated comprehensive Disciplinary Policies and Procedures, supported by training, confidential reporting channels, and support services for those affected. In 2024, training programmes were conducted on sexual harassment regulations, real case analysis, and the workplace impact of Diversity, Equity, and Inclusion ("DEI").

With a dynamic and evolving approach, the Group remains committed to continually improving its policies and practices in line with global best practices. In the coming year, the Group will launch its first Human Rights Due Diligence ("HRDD") to assess risks across designated operational sites and drive continuous improvement in its human rights management system.

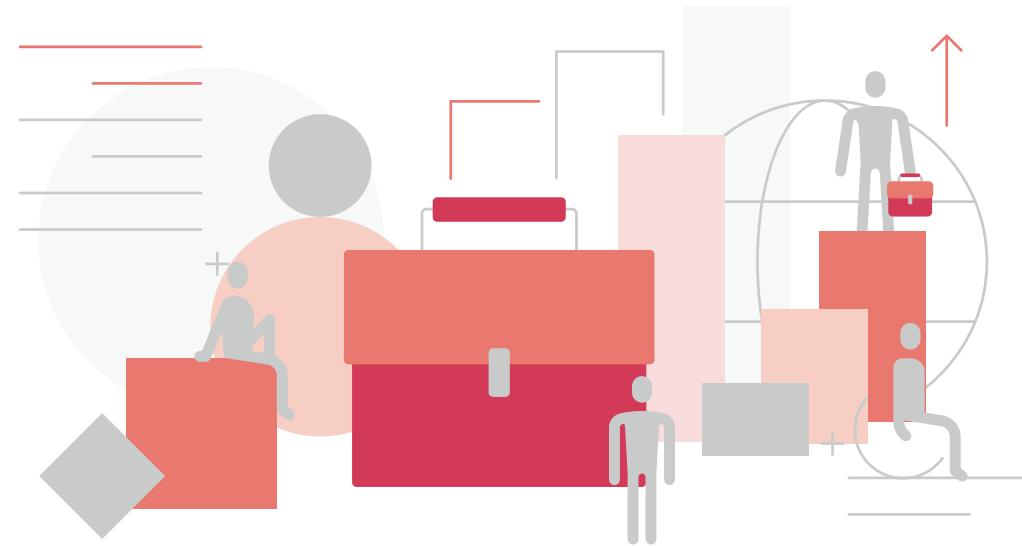
## Human Capital

The Group considers its employees to be the most valuable asset and a critical driver of long-term success. In line with international frameworks such as the United Nations' Universal Declaration of Human Rights, the RBA Code of Conduct, the ILO conventions, and the Ethical Trading Initiative ("ETI"), as well as applicable local laws and regulations, the Group is fully committed to fostering a positive and inclusive work environment for its employees while safeguarding their rights and interests. As outlined in the CoC, the Group upholds the human rights of its employees and treats them with dignity and respect. An effective grievance mechanism has been implemented to protect labour rights and facilitate timely remedies and corrective actions when necessary.

### Recruitment and Dismissal

The Group upholds the principles of legality, fairness, equality, voluntariness, integrity, and transparency throughout all stages of its employment practices. In addition to adhering to the CoC, the Group also adheres to the UN Universal Declaration of Human Rights, the RBA Code of Conduct, and applicable national labour regulations to continuously improve its human resources policies, safeguard employee rights, and provide a safe and healthy working environment. In accordance with regulatory requirements and the CoC, the Group ensures non-discrimination in all employment decisions—including recruitment, promotion, performance evaluation, compensation, and training opportunities. Discrimination on the basis of gender, age, nationality or birthplace, ethnicity or language, disability, marital or pregnancy status, sexual orientation or gender identity/expression, religion or political affiliation, union membership, or veteran status is strictly prohibited. The Group also strictly prohibits the employment of child labour. It complies with all applicable local laws regarding minimum wages, working hours, and employee benefits, and is committed to providing fair compensation and equal promotion opportunities based on performance and merit. To ensure effective employee management, the Group conducts probationary evaluations for all new hires, which may result in confirmation of employment, extension of the probationary period, or termination.

The Group has established clear policies on recruitment and dismissal to ensure consistency and fairness. To promote employee retention and motivation, the Group implements various incentive schemes, including performance-based bonuses for key



executives, retention rewards, and annual promotion and development programmes. In the event of dismissal, the Group follows a structured termination process, including providing clear notification to the employee, explaining the reasons for termination, specifying the effective date of dismissal, conducting an exit interview jointly with the employee's supervisor, HR, and/or labour union representatives, and providing severance pay in accordance with applicable local labour laws.

The Group also places a strong emphasis on workplace diversity and professional recruitment practices. It employs fair and non-discriminatory hiring procedures to ensure that the rights and dignity of all applicants are upheld. To prevent the employment of child labour, the Group has implemented a comprehensive age verification system, applicable to direct hires, labour dispatch agencies, and education-related programmes. In the PRC, the Group further utilises the identity authentication system provided by the Public Security Bureau as an added safeguard. All job applicants are required to submit valid age documentation as part of the recruitment process. The Group also enforces strict prohibitions against all forms of forced labour, including prison labour, bonded labour, and indentured labour.

## Employees Figures

As of 31 December 2024, the Group had a total of 31,568 employees. In terms of gender distribution, 60% of the workforce were male and 40% were female. With respect to age structure, the majority of employees fell within the under 30 and 30 to 50 age groups. The Group highly values talent localisation, with most employees being recruited from the regions in which operations are located. For more details, please refer to the "[Performance Data Table](#)". In addition, total staff costs incurred during the Reporting Period amounted to US\$269 million.

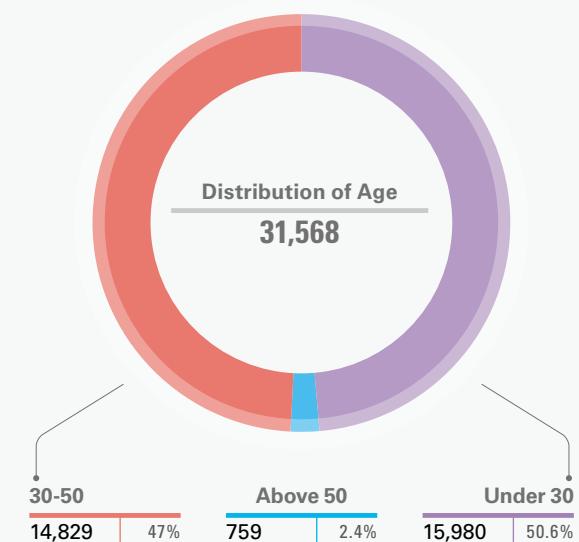
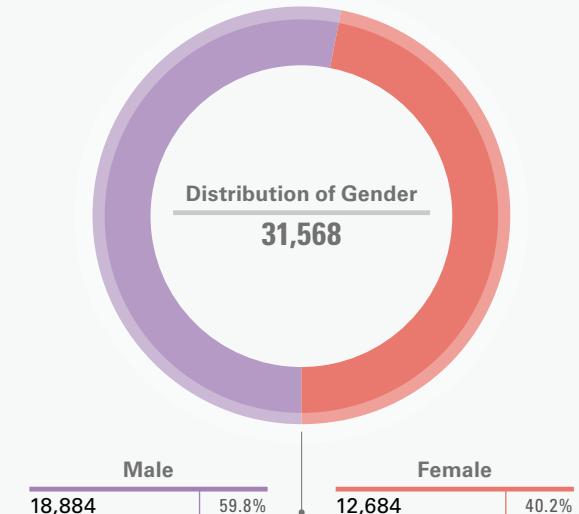
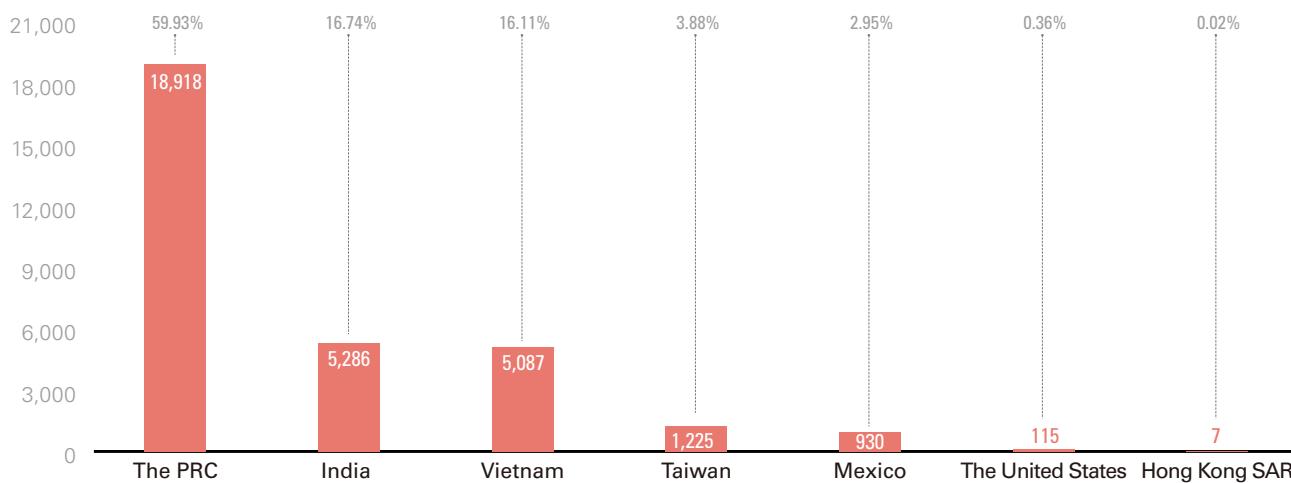
In 2024, the Group undertook a series of business adjustments aimed at optimising operations and aligning resources with evolving market demands and strategic priorities. These adjustments led to a reduction in total headcount. Additionally, the relocation and consolidation of certain key operation sites influenced the overall workforce distribution.

To ensure a smooth transition and uphold the rights of employees, the Group implemented the following measures:

- Strategic workforce and production planning to optimise operational efficiency and capacity utilisation.
- Internal redeployment and retraining opportunities to support employees in adapting to new business needs and skill requirements.
- Strict adherence to local labour laws and the Group's policies to safeguard employee rights and provide appropriate support throughout the transition process.

The Group remains committed to monitoring market trends and managing human resources in a responsible and flexible manner, supporting sustainable business growth while upholding its commitments to employees and stakeholders..

### ➤ Distribution of Nationality/Region



## Occupational Safety and Health

The Group is committed to a “safety-first” policy and places the highest priority on proactive and preventive measures to reduce workplace risks. Ensuring a safe and healthy work environment for all employees is regarded as a fundamental component of sustainable business operations and employee welfare. To protect employees from workplace hazards—such as mechanical, electrical, chemical, fire, and physical risks—the Group provides health and safety information and training in employees’ native language or a language they understand. Relevant health and safety instructions and signage are prominently posted throughout operational areas to ensure visibility and awareness.

The Group has put in place a comprehensive set of control and preventive mechanisms, conducted regular safety inspections, and installed advanced detection and monitoring systems to reduce workplace hazards. The preservation of workers’ rights to health and safety, as well as the enhancement of occupational health and safety management across all factories, is explicitly addressed in the collective agreement signed by the labour union of Hon Hai Technology Group, which also applies to the Group’s own labour union. The Group maintains adherence to pertinent local and international laws and regulations while placing a strong emphasis on the health and safety of its workforce. This includes following the standards such as SA 8000 Social Accountability Standard and ISO 45001 Occupational Health and Safety Management System. Furthermore, the Group demonstrates its commitment to maintaining a safe and healthy working environment by allocating substantial resources to Environmental, Health, and Safety (“EHS”) management. An EHS Committee has been established to address workplace health and

safety issues. To ensure compliance with applicable standards and regulations, the Group conducts internal audits and management reviews of its EHS management systems at least annually. In addition, quarterly internal audits, safety performance evaluations, and labour security supervision assessments are conducted at each factory. In 2024, occupational environment monitoring and hygiene assessments were completed across all factories, with no hazards identified. Beginning in 2025, the Group plans to increase the frequency of internal audits for occupational safety and chemical management to a monthly basis, ensuring timely identification and resolution of any issues.

To address occupational diseases and injuries—particularly given the seriousness of medical emergencies—the Group has developed and implemented efficient first aid protocols. Certified first responders are assigned across all shifts and areas to ensure adequate coverage. A documented procedure covering incident notification, root cause analysis, corrective actions, and reporting has also been established. Monitoring and auditing mechanisms are in place to verify the implementation of corrective measures. In addition, counselling services and psychological support may be offered to address mental health concerns. Emergency medical response procedures are integrated into the Group’s overall contingency planning, and health promotion initiatives are embedded into its management system. To ensure that all employees are well-informed and prepared, the Group provides regular training on occupational illnesses and injury prevention. In the event of a reported or suspected case of occupational disease, a structured process involving risk discussion, medical consultation, causality analysis, and health management planning is undertaken.

### The EHS Committee is responsible for the following functions:

Eliminating occupational risks by ensuring a healthy and safe working environment through proactive and preventive measures; overseeing comprehensive safety-related management at factory sites; and reviewing and approving safety policies and safety management programs.



Supervising the implementation of the production safety responsibility system and promoting the application of technological advancements in production safety.



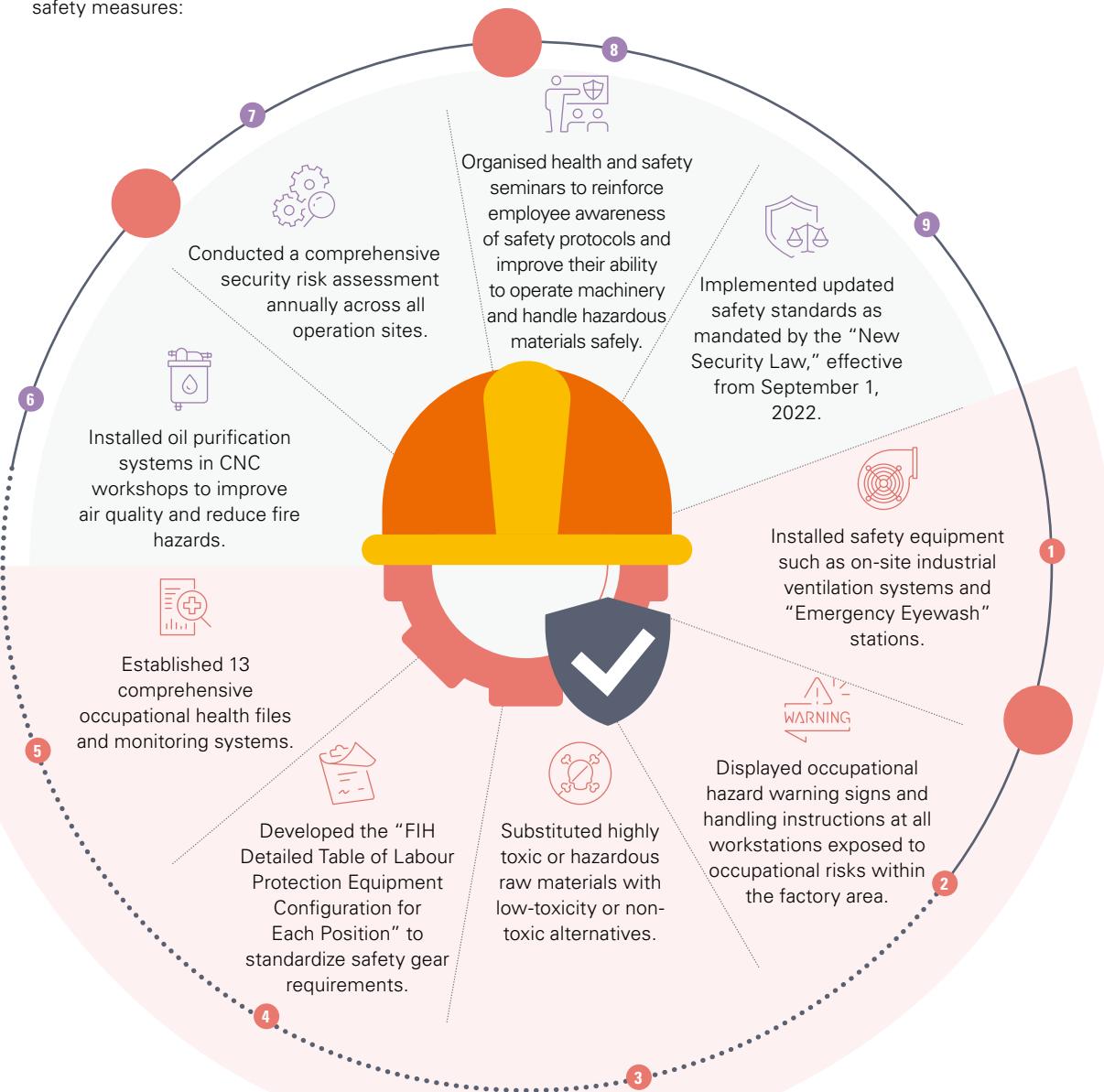
Conducting safety awareness campaigns, educational training, and routine inspections.



Managing and investigating all types of production safety incidents and conducting research and root cause analyses.



In addition, to safeguard the well-being of front-line employees, the Group has implemented the following proactive safety measures:



Case Study

### Health and Safety Training (Drill and lecture)

In order to provide a safe and healthy working environment, the Group has been consistently delivering health and safety training programs to strengthen staff awareness and competency in occupational safety. A training plan is formulated at the beginning of each year, followed by regular and pre-employment training sessions. These include occupational health training, work-related injury prevention, and other specialised programs promoted by the Group, such as hazardous chemical labelling, general safety regulations, and mechanical hazard prevention. Safety training is also provided to supervisors at least once annually to strengthen their leadership in safety management. During the Reporting Period, Longhua factory conducted training sessions on hazardous chemicals, dust control, lithium battery handling, and X-ray safety. Hengyang factory delivered training on occupational disease prevention and occupational health awareness.

To ensure that employees can respond in a timely manner upon the occurrence of emergencies, the Group regularly conducts emergency drills. These exercises are designed to improve team communication, emergency command and coordination, on-site response capabilities, emergency medical treatment, and production recovery procedures.



## Case Study

## Health and Safety Month

June is designated as “Health and Safety Month” to promote awareness and foster a culture of health and safety across the workplace. During this month, employees gather to formulate a comprehensive health and safety plan, clarify responsibilities, strengthen safety management, and share knowledge and best practices. In addition to planning, the Group organises various activities and training sessions to raise awareness of occupational health and safety. During the 2024 Health and Safety Month, the EHS and health-related departments organised engaging activities such as a food safety mini-game, fire extinguisher hands-on practice, and an earthquake simulation experience. A total of 334 employees participated in these activities, representing a twofold increase in participation compared to 2023.



## Case Study

## CPR + AED Training in Taiwan



In Taiwan, the Group received a Safe Space Certificate from the Ministry of Health and Welfare and the Department of Health, New Taipei City Government, verifying that the Group's AED is available on site and that over 70% of employees have completed CPR + AED training. This training has effectively equipped employees with essential first aid skills, further reinforcing the Group's commitment to maintaining a safe and healthy working environment.

The Group has consistently invested in automating key manufacturing processes related to its operations, such as replacing manual polishing and marking tasks with industrial manipulators and laser marking systems, to enhance occupational hygiene and industrial safety. As a result, employees are now able to shift their focus to higher-value and more complex aspects of the manufacturing process. These continuous efforts to integrate automation and other advanced manufacturing technologies across all factories aim to eliminate repetitive or high-risk tasks, thereby enabling employees to engage in more challenging and rewarding work.

In addition, the Group routinely assesses potential occupational health and safety risks associated with the production of new products, in order to determine the most effective policies and practices to safeguard employee wellbeing. The Group maintains strict compliance with all applicable laws and regulations, including those governing working hours and rest periods (or the provision of overtime compensation and/or paid leave in lieu), in accordance with labour standards outlined in the RBA Code of Conduct. To promote work-life balance, the Group also ensures that working time arrangements are managed efficiently. Please refer to the [Performance Data Table](#) for further details.

## Training and Development

Employees receive ongoing training to support their personal development and are subject to annual performance reviews. Using systematic and professional methods, the Group assesses and identifies employee needs in alignment with its operational requirements and corporate objectives. This enables the Group to develop appropriate plans for employee education and talent cultivation. The Group offers a wide range of training programmes as stipulated in the CoC. These cover social and environmental responsibility, technical and managerial skills, occupational safety, and regulatory compliance, all aimed at enhancing employees' knowledge and job performance. Training formats include on-the-job learning, specialised training camps for management personnel, internal auditor certification, academic advancement schemes, and external training programmes.

Foxconn University, a learning institution established by Hon Hai Technology Group, is extended to the Group and plays a pivotal role in cultivating talent, fostering innovation, and applying knowledge in practice. Its mission includes promoting human capital development, facilitating industry transitions, strengthening corporate culture, and supporting the Group's strategic goals. The Group links training credit achievements to annual performance evaluations, taking them into account when determining promotions and bonus distributions. A significant number of employees also participate in diverse development activities, including attending briefings, training sessions, and reviewing reading materials that cover business operations, sustainability along the value chain, the manufacturing and technology sectors, macroeconomic trends, and applicable legal and regulatory requirements. In particular, to deepen employees' understanding of ESG-related topics within and beyond the Group's operations, the Group organised a series of trainings in 2024, covering areas such as analysis of sexual harassment regulations and case studies, the impact of Diversity, Equity and Inclusion in the workplace, Scope 3 emissions across the value chain, and emerging technologies in the industry. For employees preparing to assume managerial positions, mandatory leadership training programmes are in place.

To further promote learning, the Group provides various courses in fields such as technical skills, legal compliance, ESG principles, regulatory developments, and physical

and mental wellbeing. The Group also launched the "E-learning zone" to support flexible, accessible, and self-paced learning. The platform offers a rich catalogue of professional, general, and managerial courses delivered by internal and external instructors. Additionally, the "E-Learning zone" examines the learning preferences and behaviours of the users, then utilises data analytics to assess employee learning behaviours and tailor content accordingly for a more personalised learning experience. On average, each employee underwent 68 hours of training or learning-related activities in 2024.

To comply with regulatory requirements, the Company's Chief Financial Officer and the Group's accounting departments have collaborated to develop a comprehensive continuing connected transaction ("CCTs") policy. In addition, the Group's accounting departments have been conducting training programs for employees involved in CCTs-related tasks, including those in our subsidiary companies across various jurisdictions. The training sessions are comprehensive, covering the background of CCTs, categorisation, applicable regulatory and related compliance requirements as per Listing Rules, employees' specific responsibilities and updates on the CCTs policy.

In addition, to ensure effective implementation of the Group's policies and guidelines, an annual mandatory training course titled "Corporate Social Responsibility and Employee Code of Conduct" is conducted for all employees. This course requires a minimum of two hours of participation per year. Please refer to the "Integrity, Ethics and Compliance — Anti-corruption and Whistle-blowing Policies" section for details on anti-corruption training provided to directors, officers, and employees.





### Case Study Employee Professional Sharing

In order to foster a diverse learning and knowledge-sharing environment, the Group encourages employees to serve as internal professional lecturers. This sharing program not only encourages employees to share their expertise and experiences but also offers a wide range of learning opportunities for all staff. The Group has established a platform that enables employees to take on the role of instructors. Additionally, in celebration of Teacher's Day, the Group organised appreciation events to publicly recognise outstanding internal lecturers. Gratitude was expressed through thank-you notes and the gifting of small plants as tokens of appreciation for their dedicated contributions in sharing technical knowledge.

### Case Study Vietnam Kaizen Workshop

The Group firmly believes that long-term success can only be achieved with small, incremental changes in processes and systems. In Fushan factory, the Group established a workshop incorporating the Japanese philosophy of "Kaizen", encouraging employees to share knowledge and practical tips with colleagues, and to collaborate together in driving continuous improvement.



### Case Study Recognising Outstanding Employees

In 2024, the Group honoured young and high-potential talents who demonstrated innovation and made significant contributions in their respective professional fields, supporting the Group's continued growth. Through public acknowledgment, the Group further reinforces its corporate culture, promotes a positive work environment, and lays a strong foundation for sustainable development in the future.

## Employee Right, Diversity and Equality

### Whistleblowing

Employees may report any suspected instances of child labour or forced labour through the Group's whistleblower system. If such cases are identified and confirmed following an investigation, the Group will take appropriate actions, which may include but are not limited to, initiating disciplinary procedures, pursuing legal action, and/or reporting the incident to relevant governmental or regulatory authorities. The Group and all its factories conduct internal audits annually to detect potential instances of child labour and forced labour. Child labour will not be tolerated. Should any instance of child labour be identified, the local HR team would be notified immediately. The affected child would be safely returned to their guardian, and the HR team would provide appropriate support and assistance.

### Anti-discrimination

Comprehensive maternity benefits, including paid maternity leave and designated lactation breaks, are guaranteed to all female employees. The Group also supports nursing mothers by making appropriate accommodations. To ensure the safety of expectant and nursing mothers, the Group avoids assigning them to high-risk work environments and implements measures to reduce or eliminate health and safety hazards associated with their duties. Additionally, in compliance with applicable local laws and regulations, female employees are entitled to maternity leave, and upon its completion, they are guaranteed reinstatement to their previous position or an equivalent role with the same compensation level. Termination of employment for female employees during pregnancy or while on maternity leave is strictly prohibited. The Group encourages the reporting of any illegal activity, protects the anonymity of whistle-blowers, and allows for anonymous reporting mechanisms to safeguard the identities of employees and suppliers who come forward.

#### External Reporting Email



- [fih-hb-ias@foxconn.com](mailto:fih-hb-ias@foxconn.com)

#### Internal Reporting Email



- [fih-hb-ias@mail.foxconn.com](mailto:fih-hb-ias@mail.foxconn.com)

## Employee Wellbeing and Benefit

The management periodically reviews the Group's comprehensive and competitive compensation policies. Employees are generally recognised and rewarded for their outstanding performance, contributions, and productivity under the Group's merit-based compensation system. The skills, merits, and competencies of each employee are evaluated to determine eligibility for promotions and salary adjustments. To support talent retention, the Group has implemented a variety of incentive programs, including time-based and performance-based rewards, as well as annual bonuses. In addition, managers regularly assess employees' performance and provide guidance and recommendations to support future development. Specifically, the Company, together with its subsidiary Bharat FIH Limited, has implemented a share scheme and a share option scheme, which is fully compliant with the requirements under Chapter 17 of the Listing Rules.

The Group provides comprehensive insurance coverage to employees, along with a wide range of non-monetary benefits, such as group insurance, routine health check-ups, unpaid parental leave, childbirth incentives, birthday cash rewards, and subsidies for pregnancy, weddings, funerals, and other special occasions. Each factory has also developed site-specific incentive programs to recognise and reward exceptional performance and long-term service. These include year-end bonuses, performance-based awards, long-service awards, and special commendations for outstanding contributions.

For more information on employee benefits, please refer to the "Report of the Directors", which forms part of the Company's [Annual Report 2024](#).

#### Reporting Phone Number



- 0316-5898888-79208 (North China Region)
- 0755-28129588-62807 (South China Region)
- +86-755-28129588-62807 (Overseas Region)

#### The Group's APP



- iProud "員寶"
- Believe "相信"

## Case Study

## Childcare Subsidy Program

The Group has established a childcare subsidy program to alleviate the pressures associated with parenting and to allow employees to work with peace of mind. The program offers a wide range of subsidies to expectant mothers, covering various stages from pregnancy through postpartum care. These subsidies include transportation allowances, maternity allowances, childcare allowances, nutritional supplement packages, and partnerships with childcare agencies to care for employees' children aged 0 to 3 years. This comprehensive approach plays a crucial role in enhancing employee retention by providing a strong sense of security and support throughout the maternity journey. In addition to daycare services, the Group also provides kindergarten and after-school care for employees' children, ensuring continuous support and helping to reduce employees' stress after working hours.

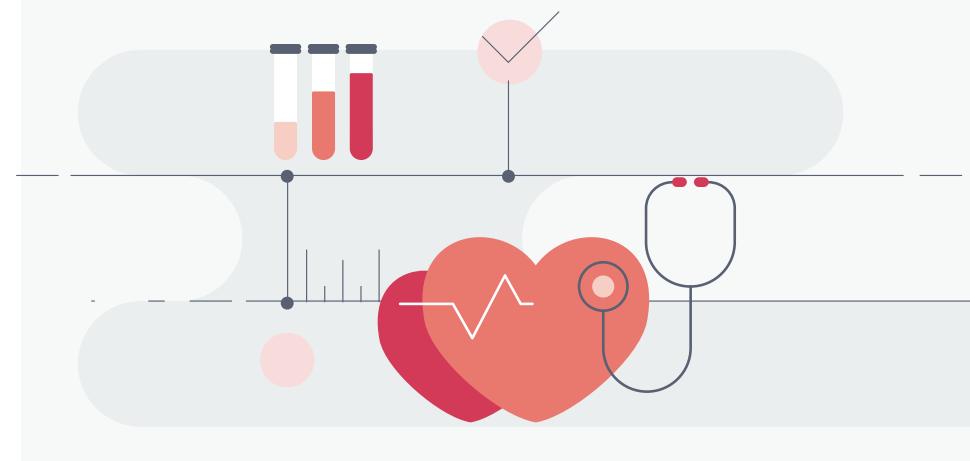


## Case Study

## Health Care Programs

The Group prioritises the health and welfare of its employees by offering a comprehensive healthcare benefits program. Full-time employees who have been with the Group for over a year are eligible for annual health check-ups, with package coverage customised according to different employee categories. To further support the well-being of employees and their families, insurance coverage has been extended to include spouses and children, who can enjoy discounted rates for various services. Additionally, employees have the option to voluntarily enrol in supplementary insurance plans tailored to their specific needs and preferences. Employees undertaking business trips are provided with travel insurance to ensure their safety and peace of mind.

Furthermore, the Group's headquarters in Taiwan offers massage services to employees, helping to relieve muscle tension, promote relaxation, and reduce stress level. Each employee is entitled to book two 25-minute sessions per month. The Group also provides on-site medical consultations six times a year across various operation sites. Most of the Group's factories also organise pre-employment and periodic on-the-job occupational health check-ups for employees, reinforcing the Group's commitment to maintaining a healthy workforce.



The Group believes that a solid and cordial working relationship is essential to long-term business growth, and strives to foster an open, inclusive, and respectful corporate culture where employees feel valued and a strong sense of belonging. To strengthen this relationship, the Group continues to make substantial investments in the infrastructure of its manufacturing factories and the overall working environment, thereby supporting a healthy lifestyle and promoting work-life balance. The Group plans to launch a global Employee Assistance Program ("EAP") in 2025, with a target satisfaction score of 8.5 out of 10.

The Group places a high priority on the physical and mental well-being of its employees. In addition, it has integrated charitable and family-friendly initiatives by organising a variety of outdoor health activities—such as Profession Experience Day, wetland conservation events, and other family-inclusive workshops. These activities are designed to foster positive health values and promote holistic wellness among employees.



The Group plans to launch a global "EAP" in 2025, with a target satisfaction score of **8.5** out of 10.



#### Case Study

#### "Little Firefighter" Family Activity

To provide a valuable opportunity for employees to enjoy quality family time while gaining meaningful experiences, the Group collaborated with the Tucheng Fire Department in Taiwan to host a Profession Experience Day. The event was designed for employees' children to learn fire safety knowledge through hands-on experience, practice first aid skills, and enhance their safety awareness, thereby laying a solid foundation for future emergency response. Through this initiative, the Group aims to foster a supportive and family-friendly environment for employees and their loved ones.

## Community Contribution

The Group's culture is based on the fundamental principles of sharing, giving, and community service. Through active participation in various social and community-based initiatives, the Group is committed to making meaningful and lasting contributions to society. This includes supporting and organising volunteer programs and charitable endeavours aimed at improving community wellbeing. As a responsible corporate citizen, the Group is dedicated to fostering an inclusive society by supporting underprivileged groups and promoting care, dignity, and respect for those in need.



In the financial year ended 31 December 2024, the Group made charitable donations totalling approximately US\$442,663.

### Care and Dedication

In line with its commitment to social responsibility, the Group has consistently demonstrated its dedication to supporting communities in need by organising and participating in events that provide meaningful assistance and foster a sense of unity and compassion within community. During the Reporting Period, the Group extended its support to underprivileged communities in Vietnam, Mexico, and Taiwan by engaging in various fundraising activities.

In Taiwan, the Group partnered with the Taipei Blood Donation Centre to host two charity blood donation drives in April and November, aiming to ignite the light of life to those in need. A mobile blood donation vehicle was stationed within the factory, encouraging employees to participate. With strong enthusiasm and a spirit of giving, a total of 108 employees took part in the two events, contributing 181 bags of blood (equivalent to 45,250 c.c.) Through these initiatives, employees not only provided vital resources but also demonstrated compassion and social responsibility through concrete actions, spreading warmth and solidarity across the community. A similar Blood Donation Day was also organised at Fushan factory in Vietnam, further reinforcing the Group's commitment to public welfare across its operational locations.



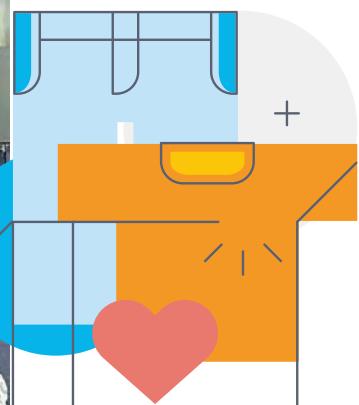
### Caring for People with Disabilities

The Group continues to support diverse social groups within its operating communities through various community outreach programs, fulfilling its corporate social responsibility. The Group remains dedicated to supporting diverse social groups within the communities in which it operates. In 2024, the Group partnered with “愛不囉嗦” (Down Syndrome Foundation), a sheltered factory established for individuals with Down syndrome and other physical or mental disabilities, to organise a fundraising market event on Thanksgiving Day. This sheltered factory provides employment opportunities to individuals with disabilities, who, through years of training and perseverance, have developed the ability to create high-quality products infused with care and dedication. On the day of the event, employees actively participated by purchasing products and engaging in meaningful interactions with the workshop members. As a result of the overwhelming support, all items were sold out, and the Group successfully raised NT\$49,768, delivering tangible support and encouragement to the participants. This

initiative not only strengthened the Group's ties with local NGOs but also demonstrated its commitment to social inclusion by promoting goodwill and making a positive impact. The event served as a platform to spread warmth and positive energy throughout the community.

### Caring for Underprivileged Children

Recognising the challenges faced by the underprivileged children in underserved regions, the Group organised a range of donations and outreach efforts in Vietnam and Mexico. In Quế Võ, Vietnam, the Group donated scholarships, backpacks, and milk to 92 students across four schools in Bắc Giang Province on Children's Day. In Mexico, the Group donated to Teletón Foundation, supporting children and adolescents with disabilities, and organised a Christmas party for children at Orphanage Getsemani, bringing joy and hope during the holiday season.





CHAPTER

# 03

CLIMATE  
CHANGE

## 03 CLIMATE CHANGE

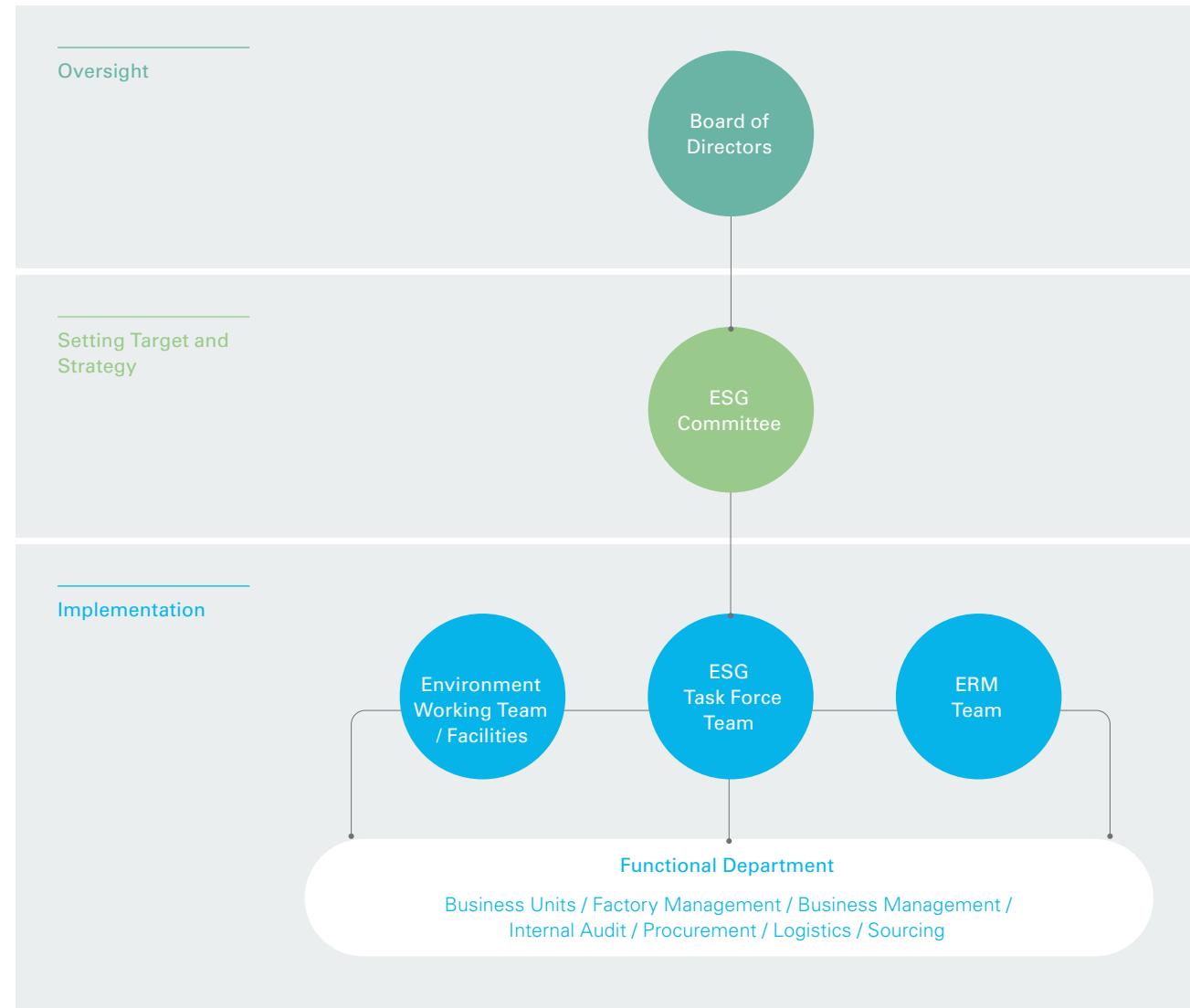
Climate change impacts all economies across the globe and has profound effects on global sustainable development. The Group is committed to mitigating and adapting to the risks and opportunities arising from climate change. Through adopting the TCFD-recommended framework, the Group identifies its climate-related risks and opportunities in developing effective strategy, indicators, and targets for management, as well as publicly disclose its work plans in accordance with the four core elements of TCFD framework: "Governance", "Strategy", "Risk Management" and "Metrics and Targets".

### Governance

#### Climate Change Governance Framework

The Group's climate-related matters are overseen by the Board of Directors, which delegates responsibilities to functional units to ensure effective governance.

The Board of Directors is responsible for monitoring and evaluating the targets and progress against climate-related risks and opportunities, ensuring alignment between the Group's corporate strategy and sustainability objectives. To enhance their expertise and decision-making capabilities, as well as strengthen climate-related governance, the Directors receive regular ESG-focused training, conducted at least once per year. This reinforces their accountability and commitment to advancing the Group's sustainability initiatives.



The ESG Committee supports the Board in overseeing and managing climate-related issues. The committee is composed of the Chairman, Chief Financial Officer, ESG Head, Human Resources Head, Internal Audit Head, and Spokesperson. It is responsible for setting strategies, establishing targets, and providing quarterly progress reports to the Board. The committee also delivers assessments of climate-related risks and opportunities, proposes improvement measures, and ensures progress toward the Group's sustainability goals.

The ESG Team is responsible for executing climate- and energy-related initiatives, collaborating with external consultants to integrate the TCFD framework, and fostering cross-departmental coordination and communication. The team evaluates climate-related risks and opportunities and works closely with factories that have material climate impacts to ensure comprehensive and effective corporate-wide climate risk management.

The Environment Working Team and facilities department are responsible for emissions reduction, water resource management, and waste management across all operation sites. They also collect environmental data to support TCFD disclosures. In 2024, the Environment Working Team held weekly cross-site, cross-functional meetings, conducting a total of 46 sessions throughout the year. These meetings focused on energy and resource management, conservation, emissions reduction initiatives, and progress tracking of GHG emissions, as well as the exchange of climate-related knowledge and best practices. This collaborative mechanism fosters communication, learning, and the integration of resources across various sites, strengthening cross-regional climate action efforts.

Additionally, the remuneration of the Environment Working Team is linked to climate-related performance indicators. In addition, the Remuneration Committee also continues to review remuneration policies for Directors and senior management, identifying material ESG factors that align with corporate goals and linking them to compensation packages. This approach aims to motivate stronger ESG oversight and active engagement from senior management to the Board level.

The ERM Team is responsible for reviewing climate-related risks and opportunities, integrating TCFD-related indicators into the corporate risk assessment matrix, and providing annual risk updates to the Board of Directors. By implementing climate risk control measures, the team helps enhance the Group's overall resilience to climate-related challenges.

Other functional departments contribute to TCFD-related topics by leveraging their technical expertise. These contributions include collecting and analysing climate-related data, collaborating with the core teams on carbon reduction programs, conducting climate risk assessments, and ensuring the accuracy and completeness of disclosures. Together, these governance structures and processes enable the Group to address climate change systematically and enhance its overall climate resilience.

Unit	Duties	Meeting
Board of Directors	Oversee the Group's overall climate issue management and annually review the achievement of the Group's climate-related targets.	Annually
ESG Committee	Set strategies and establish sustainability targets, provide quarterly progress reports to the Board, and propose improvement measures to achieve sustainability goals.	Quarterly
ESG Task Force Team	Execute climate and energy-related projects, promote cross-departmental collaboration, and share best practices across production sites.	Weekly
Environment Working Team	Review climate risk assessments, identify risks, integrate TCFD indicators into the risk matrix, update risks annually, and implement control measures to enhance climate resilience.	Monthly
ERM Team	Support TCFD initiatives through data analysis and implementation of carbon reduction, risk assessments, and disclosures.	Monthly
Functional Department		

## Risk Management

### Risk Management Framework

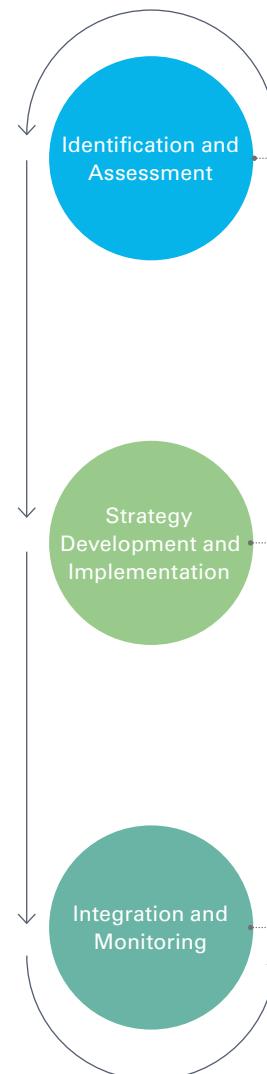
The Group has integrated climate-related risks and opportunities into its ERM framework to strengthen business resilience and maintain competitiveness in the face of rapidly evolving climate challenges. By adopting a multidisciplinary approach that incorporates the TCFD framework and science-based scenario analysis, the Group systematically identifies, assesses, and manages climate-related risks and opportunities.

To address these risks and adapt to emerging challenges, the Group has established a robust climate risk management system. It engages both external experts and internal stakeholders to enhance the organisation's capacity to respond effectively to climate-related issues. Regular stakeholder engagement enables the Group to incorporate diverse perspectives into its climate strategy, ensuring alignment with its business objectives and the global goal of achieving net-zero emissions.

In accordance with TCFD recommendations, the Group adopted the Turquoise and Brown Scenarios to assess the potential impacts of climate change. These scenarios are based on publicly available models developed by reputable institutions such as the Intergovernmental Panel on Climate Change ("IPCC"), the International Energy Agency ("IEA"), and the Network for Greening the Financial System ("NGFS"). They incorporate a wide range of political, environmental, economic, and social indicators, with projections covering both the short- to medium-term (up to 2030) and medium- to long-term (up to 2050).

The Group follows a structured procedure to identify and prioritise material physical and transition risks and opportunities, evaluate the associated business and financial impacts, and define corresponding resilience strategies. In addition, the Group plans to further integrate climate-related considerations into its ERM framework and compile a dedicated ERM report to facilitate continuous risk monitoring and proactive management.

### Risk Management Process



#### Identify Risks and Opportunities:

Follow the TCFD framework and integrate research from organisations such as IPCC, NGFS, and IEA to identify physical and transition risks.

#### Stakeholder Engagement:

- Gather input from management and stakeholders to assess the relevance and impact of climate-related risks and opportunities.

#### Scenario Analysis:

Use RCP 2.6 and RCP 8.5 scenarios, combining historical data and dynamic climate models to simulate short-term (2030) and medium-term (2050) impacts.

#### Develop Response Strategies:

Design mitigation and adaptation plans for physical and transition risks, including low-carbon product development, energy efficiency improvements, and supply chain optimisation.

#### Capacity Building:

- Collaborate with external and internal experts to organise workshops and training sessions, enhancing the ability of management and operational teams to address climate risks.

#### Foster Cross-Departmental Collaboration:

Promote cooperation across the value chain to ensure effective implementation of response strategies.

#### Integrate Risk Management Systems:

Incorporate climate risks into the ERM framework for dynamic monitoring and regular updates.

#### Periodic Review and Improvement:

- Regularly review the climate risk register and response strategies, and adjust plans based on changes in policies, technologies, and market conditions.

#### ERM Reporting and Monitoring:

Publish regular reports to track progress in climate risk management, ensuring alignment with the company's business objectives.

## Climate Scenario Description

	Turquoise Scenarios	Brown Scenarios
Selected Scenario	<ul style="list-style-type: none"> <li>• RCP 2.6</li> <li>• SSP 1</li> <li>• IEA SDS*</li> <li>• NGFS Orderly Pathways</li> </ul>	<ul style="list-style-type: none"> <li>• RCP 8.5</li> <li>• SSP 5</li> <li>• IEA STEPS*</li> <li>• NGFS Hot house world pathways</li> </ul>
Increase in Temperature by End of Century	<ul style="list-style-type: none"> <li>• 1.5°C to 2°C</li> </ul>	<ul style="list-style-type: none"> <li>• Above 3°C</li> </ul>
Economic and Policy Development	<ul style="list-style-type: none"> <li>• Inclusive and respectful of environmental boundaries, countries are committed to achieving net-zero by 2050 and implementing stringent climate policies efficiently</li> </ul>	<ul style="list-style-type: none"> <li>• Economic growth and technological advancement, driven by fossil fuels, lead to increased greenhouse gas emissions and more severe extreme weather events</li> <li>• The lack of new climate policies and inadequate short-term action plans are hindered by institutional, political, and economic challenges</li> </ul>
Business Model	<ul style="list-style-type: none"> <li>• A swift transition from fossil fuels to renewable energy</li> </ul>	<ul style="list-style-type: none"> <li>• A profit-driven business model prioritises financial gains over environmental and social considerations</li> </ul>
Level of Commitment	<ul style="list-style-type: none"> <li>• Corporations committed to low-carbon operations are actively contributing to climate action goals. They have established detailed plans with short-term targets, leading to a decarbonised economy</li> </ul>	<ul style="list-style-type: none"> <li>• Insufficient public awareness hinders widespread transformation</li> </ul>
Result	<ul style="list-style-type: none"> <li>• Low physical risk and high transition risk</li> </ul>	<ul style="list-style-type: none"> <li>• High physical risk and low transition risk</li> </ul>

\*Data considered in the scenario analyses were up to 2021.

## Major Climate Risks and Opportunities

### Physical Risks

The Group places strong emphasis on assessing physical climate risks and has conducted qualitative analyses across twelve projects located in Taiwan, the PRC, Vietnam, India, Mexico, and the United States. These sites were selected based on their strategic importance, potential financial exposure, and geographic distribution. The Group adopted the IPCC Representative Concentration Pathways ("RCP") 2.6 and RCP 8.5 scenarios to simulate the impacts of global average temperature rises below 2°C and above 3°C, respectively. These scenarios were used to evaluate the potential effects of climate change on each assessed asset.

The assessment integrated historical climate data with projections from dynamic climate models, analysing eight key climate variables, including extreme weather events (e.g., floods and hurricanes), temperature increases, and precipitation anomalies. Through these scientific methodologies, the Group conducted a comprehensive evaluation of both short- and long-term physical risks affecting infrastructure, supply chains, and operational continuity. Based on the assessment findings, the Group formulated targeted mitigation and adaptation measures to reduce the potential impacts of physical climate risks on its business operations.

Risk Type	Climate	Description
<b>Acute Risks</b> (Short - Medium term)	Increase in Hot Days Above 30°C and/or 35°C	More frequent extreme heat days impact health, agriculture, and energy demand.
	Increase in Longest Dry Spell Days	Longer dry periods highlight trends in drought and water scarcity.
	Increase in Extreme Rain Days	More frequent heavy rain events lead to flooding and water-related hazards.
	Decrease in Frost Days and Ice Days	Fewer frost/ice days indicate warming, affecting winter weather patterns.
	Increase in Extreme Storm Surge	Higher storm surges increase coastal flooding risks from intense storms.
<b>Chronic Risks</b> (Medium - Long term)	Increase in Annual Mean Temperature	Higher average temperatures indicate long-term warming.
	Increase in Total Annual Rainfall	Increased rainfall affects water resources.
	Relative Sea Level Rise	Rising sea levels increase flooding and erosion in coastal areas.

## Transition Risks & Opportunities

The Group conducted an in-depth analysis of transition risks with a focus on their potential impacts across the entire value chain. The assessment covered six key regions—Taiwan, the PRC, Vietnam, India, Mexico, and the United States—and involved collaboration among various departments, including business strategy planning, factory management, procurement, logistics, customer service, and business control/finance. The analysis centred on critical transition factors such as policy and regulatory changes, technological advancements, and shifts in market demand, simulating their impacts throughout the low-carbon transition process.

To support this analysis, the Group utilised climate research from leading institutions such as the IPCC, the NGFS, and the IEA. The Group also collaborated with external experts to organise climate-related workshops and disseminate internal surveys. These efforts enabled the collection of insights from cross-functional teams and enhanced the understanding of how low-carbon policy enforcement, emerging technologies, and evolving customer expectations may present both challenges and opportunities.

The findings from both quantitative and qualitative analyses indicated that increased regulatory compliance costs, the need for technological upgrades, and changing market preferences are the primary sources of transition risk. However, these changes also present significant strategic opportunities, including the development of low-carbon products and improvements in operational efficiency. In response, the Group has formulated targeted strategies to manage transition risks, enhance competitiveness during the low-carbon transition, and promote sustainable development across the value chain.

 Risk  Opportunity

Risk Type	The type of risk/opportunity	Description
Carbon Price 	 Policy & Legal  Technology  Resilience	Carbon taxes increase costs but drive adoption of low-carbon technologies, creating opportunities for compliance leadership.
Price of Liquid Fuel 	 Market  Energy Source  Resource Efficiency	Fuel price volatility raises costs, encouraging a shift to renewable energy for stability and resilience.
Investment on Energy Efficiency 	 Technology  Resource efficiency	Energy-efficient investments lower costs and align with market demands for sustainability.
Market Awareness on Sustainability 	 Reputation  Market  Products and Services	Growing sustainability expectations pose reputational risks but open markets for eco-friendly products.
Climate Policy Trend for Manufacturing Industry 	 Policy & Legal  Reputation  Market	Stricter regulations increase costs but incentivise green innovation and competitiveness.

## Strategy

### The Path to Net-Zero

The Group leverages the evaluation of climate-related risks and opportunities as a foundation for systematically integrating climate considerations into its strategies, policies, and actions. This approach serves as a guiding framework for advancing toward the Group's 2050 net-zero emissions target. The Group is committed to reducing GHG emissions across its value chain, optimising resource efficiency, and accelerating the adoption of renewable energy, in alignment with Hon Hai Technology Group's SBTi pathway and Climate Action 100+ initiatives.

Several business units have already implemented successful low-carbon initiatives, serving as benchmarks for broader emissions reduction efforts. The Group allocates resources to replicate and scale these practices across other operation sites, encouraging the adoption of effective decarbonisation measures corporate-wide. In line with the TCFD framework, the Group continues to evaluate and disclose climate-related risks and opportunities systematically, while strengthening climate governance and accelerating the low-carbon transition. These efforts form a solid foundation for achieving the Group's 2050 net-zero emissions goal.

### Five Strategies

To reach its climate objectives, the Group has formulated five major strategies and implementation approaches:



## India

- Adjust holidays for employee safety with compensation for revenue impact.
- Establish disaster procedures and conduct regular business continuity (BCP) and annual BCM reviews for smooth production.
- Use PPAs for green energy certificates (40-43%) and wind energy (45-60%).
- Implement low-energy measures, reducing energy usage by 3-5%.
- Plan rooftop solar PV installations with certification upon request.

## The PRC

- Explore green energy purchases, carbon trading, and solar panel installation (10-20% energy generation).
- Develop 50-100 year plans, including raising factories by 2m (costing millions of RMB).
- Pursue environmental and safety certifications.
- Replacement with low volatile organic compounds (VOCs) and environmentally friendly refrigerants

## Vietnam

- Elevate sites to reduce flood risks through maintenance.
- Explore solutions for energy supply issues.
- Promote green energy with rooftop solar panel installations.

## Taiwan

- Consider replacing air conditioning units

## Strategy for Physical Risks

Risk Type	Climate	Impacts on Operation	Financial Impacts	Strategy
Acute Risk	Increase in Hot Days Above 30°C and/or 35°C	<ul style="list-style-type: none"> <li>Delays in manufacturing and repair services due to employee health challenges.</li> <li>Overheating increases equipment failure, reducing efficiency.</li> </ul>	<ul style="list-style-type: none"> <li>Cooling measures increase capital expenditures.</li> <li>Health and safety costs may cause liability issues.</li> </ul>	<b>Current Action</b> <b>The PRC</b> <ul style="list-style-type: none"> <li>Explore green energy purchases and carbon trading.</li> <li>Plan for 50-100 years, including raising factories by 2m, costing millions of RMB.</li> <li>Pursue certification for environmental and safety standards.</li> </ul>
	Increase in Longest Dry Spell Days	<ul style="list-style-type: none"> <li>Drought may delay in production due to raw materials disruptions.</li> <li>Water scarcity may disrupt labour due to conservation measures.</li> </ul>	<ul style="list-style-type: none"> <li>Water-saving measures and alternatives strain finances.</li> </ul>	<b>Vietnam</b> <ul style="list-style-type: none"> <li>Elevate sites to mitigate floods, with effective maintenance reducing physical risks.</li> </ul>
	Increase in Extreme Rain Days	<ul style="list-style-type: none"> <li>Supply chain disruptions from transport delays and raw materials challenges during heavy rain and flooding.</li> <li>Water intrusion damages office infrastructure, increasing repairs and maintenance costs.</li> </ul>	<ul style="list-style-type: none"> <li>Securing assets from water damage increase costs and strains budgets.</li> <li>Rising Insurance premiums for water-related risks add financial strain.</li> </ul>	<b>India</b> <ul style="list-style-type: none"> <li>Adjust holidays for employee safety, with compensation to offset revenue impact.</li> </ul>
	Decrease in Frost Days and Ice Days	<ul style="list-style-type: none"> <li>Changing weather patterns may disrupt raw materials and components supply.</li> <li>Reduced maintenance and repair costs for office facilities.</li> </ul>	<ul style="list-style-type: none"> <li>Lower energy consumption reduces utility costs for climate control and frost prevention.</li> <li>Demand for repair services may decline due to fewer cold-weather damages, affecting revenue.</li> </ul>	<b>All Regions</b> <ul style="list-style-type: none"> <li>Hon Hai's insurance covers physical risk damages at the company level.</li> </ul>
	Increase in Extreme Storm Surge	<ul style="list-style-type: none"> <li>Inundation damages to facilities, machinery, and inventory result in high repair or replacement costs.</li> <li>Transportation delays disrupt raw material supply chains.</li> </ul>	<ul style="list-style-type: none"> <li>Insurance premiums rise to cover storm surge risks across all sites.</li> <li>Capital expenditures increase for repairing or replacing damaged infrastructure and equipment.</li> </ul>	<b>Future Action</b> <b>Taiwan</b> <ul style="list-style-type: none"> <li>Consider replacing air conditioning units, with cost responsibility to be confirmed, while lighting replacement will be borne by FIH.</li> </ul>
Chronic Risks	Increase in Annual Mean Temperature	<ul style="list-style-type: none"> <li>Heat stress lowers productivity and increases labour costs across all sites.</li> <li>Rising temperatures accelerate wear and tear, increasing maintenance and machinery repair costs.</li> </ul>	<ul style="list-style-type: none"> <li>Cooling systems drive higher energy costs in repair services, R&amp;D, and manufacturing.</li> <li>Compliance with sustainability regulations adds financial strain to all sites.</li> </ul>	<b>Vietnam</b> <ul style="list-style-type: none"> <li>Investigate new planning options to address energy supply issues.</li> </ul>
	Increase in Total Annual Rainfall	<ul style="list-style-type: none"> <li>Flooding causes inventory losses and delays in order fulfilment, impacting revenue and customer satisfaction.</li> <li>Service and order delays lead to customer dissatisfaction and financial penalties.</li> </ul>	<ul style="list-style-type: none"> <li>Maintenance, flood prevention, and regulatory compliance raise operational costs.</li> <li>Decreased service demand and weather-related disruptions impact financial performance.</li> </ul>	<b>India</b> <ul style="list-style-type: none"> <li>Establish procedures for handling natural disasters and conducts regular reviews of the business continuity plan.</li> <li>Conduct annual business continuity management (BCM) reviews to ensure smooth production.</li> </ul>
	Relative Sea Level Rise	<ul style="list-style-type: none"> <li>Flood and water damage drive property repair costs at manufacturing, R&amp;D, and repair sites.</li> <li>Operational downtime from business interruptions decreases productivity and revenue.</li> </ul>	<ul style="list-style-type: none"> <li>Business interruptions cause revenue loss and higher operational costs.</li> <li>Relocation and compliance costs further reduce profitability.</li> </ul>	<b>All Regions</b> <ul style="list-style-type: none"> <li>Assess risks of increased costs due to climate change, including energy demand and damage from extreme weather.</li> <li>Evaluate the impact of extreme weather on operational continuity to update and revise business contingency plans.</li> </ul>

## Strategy for Transition Risks

R Risk O Opportunity

Risk Type	The type of risk/opportunity	Impacts on Operation	Financial Impacts	Strategy
Carbon Price	<span style="color: #808080;">R</span> Policy & Legal <span style="color: #808080;">R</span> Technology <span style="color: #4CAF50;">O</span> Resilience	<ul style="list-style-type: none"> <li>Carbon tax regulations impact operational strategies and compliance requirements.</li> <li>Carbon reduction initiatives align businesses with climate targets, influencing overall strategies.</li> </ul>	<ul style="list-style-type: none"> <li>Budget shifts focus on carbon reduction initiatives and compliance measures.</li> <li>Carbon taxes affect profitability, requiring adjustments in pricing strategies.</li> </ul>	<p><b>Current Action</b></p> <p><b>The PRC</b></p> <ul style="list-style-type: none"> <li>Implement solar panels to achieve a 10-20% energy generation ratio.</li> </ul> <p><b>India</b></p> <ul style="list-style-type: none"> <li>Green energy certificates through Power Purchase Agreements (PPAs) cover 40-43% of energy needs.</li> <li>Low-energy consumption measures in lighting and plant operations have reduced energy usage by 3-5%.</li> <li>Wind energy accounts for 45-60% of energy sourcing.</li> </ul> <p><b>All Regions</b></p> <ul style="list-style-type: none"> <li>Offer internal training program on a learning portal for all employees.</li> <li>A team monitors transition risks associated with sustainable operations.</li> </ul> <p><b>Future Actions</b></p> <p><b>The PRC</b></p> <ul style="list-style-type: none"> <li>Develop green energy by installing rooftop PV solar panels.</li> </ul>
Price of Liquid Fuel	<span style="color: #808080;">R</span> Market <span style="color: #4CAF50;">O</span> Energy Source <span style="color: #4CAF50;">O</span> Resource Efficiency	<ul style="list-style-type: none"> <li>Higher transportation costs affect pricing, distribution, and sales strategies.</li> </ul>	<ul style="list-style-type: none"> <li>Higher operational costs reduce profitability and may create cash flow issues.</li> </ul>	
Investment on Energy Efficiency	<span style="color: #808080;">R</span> Technology <span style="color: #4CAF50;">O</span> Resource efficiency	<ul style="list-style-type: none"> <li>Market pressure drives investment in low-carbon technologies, requiring equipment upgrades.</li> <li>Transitioning to renewable energy sources demands strategic planning and adaptation.</li> </ul>	<ul style="list-style-type: none"> <li>Renewable energy investments initially strain finances but are necessary for sustainability.</li> <li>Improved energy efficiency reduces long-term operational costs, creating potential savings.</li> </ul>	
Market Awareness on Sustainability	<span style="color: #808080;">R</span> Reputation <span style="color: #808080;">R</span> <span style="color: #4CAF50;">O</span> Market <span style="color: #4CAF50;">O</span> Products and Services	<ul style="list-style-type: none"> <li>Public expectations push companies to take climate actions, integrating economic, political, and social factors.</li> <li>Peer pressure encourages alignment with sustainability goals to protect brand reputation.</li> </ul>	<ul style="list-style-type: none"> <li>Sustainable initiatives require significant investments, impacting short-term financial performance.</li> <li>Expanding into sustainable markets offers new revenue opportunities and boosts long-term profitability.</li> </ul>	<p><b>Vietnam</b></p> <ul style="list-style-type: none"> <li>Focus on green energy through rooftop PV solar panel installations.</li> </ul> <p><b>India</b></p> <ul style="list-style-type: none"> <li>Plans to install rooftop solar PV panels, with certification available upon customer request.</li> </ul> <p><b>All Regions</b></p> <ul style="list-style-type: none"> <li>Commit to compliance across all global sites, providing regular updates and addressing issues promptly.</li> <li>Promote green procurement for upstream activities by incorporating ESG criteria into supplier selection.</li> <li>Set annual ESG targets for suppliers, with regular inspections to ensure compliance.</li> <li>Consider green bonds as a financing mechanism for sustainability initiatives.</li> </ul>
Climate Policy Trend for Manufacturing Industry	<span style="color: #808080;">R</span> Policy & Legal <span style="color: #808080;">R</span> Reputation <span style="color: #808080;">R</span> <span style="color: #4CAF50;">O</span> Market	<ul style="list-style-type: none"> <li>Stricter emissions regulations require continuous improvements in environmental performance.</li> <li>Increased scrutiny on greenwashing leads to heavier penalties and higher compliance costs.</li> </ul>	<ul style="list-style-type: none"> <li>Stricter compliance regulations increase costs, straining short-term financial resources.</li> <li>Addressing sustainability opens market opportunities, increasing revenue and improving market positioning.</li> </ul>	

## Metrics and Targets

The Group is committed to developing and implementing action plans to further enhance the disclosure of the financial impacts associated with climate-related risks and opportunities. Throughout the Reporting Period, efforts have been focused on integrating climate-related risks into the Group's corporate strategy, governance, and disclosure practices. This integration will deliver performance metrics that strengthen the assessment of likelihood and severity of climate-related risks within the ERM framework. The results will further enable the Group to prioritise, quantify, and manage climate and other enterprise risks more effectively.

- >To support the transition toward a low-carbon economy and society, the Group has established the following three climate targets:

Comply with Nationally Determined Contributions ("NDCs") and local government carbon emissions policies in all jurisdictions where the Group's factories operate.

Ensure that GHG emissions reduction policies across the value chain are aligned with the goals of the Paris Agreement.

Aims to achieve net-zero GHG emissions by 2050.

- To fulfil the left three targets, the Group is taking the following actions:

Strengthen climate change governance through clear accountability mechanisms and cross-functional collaboration.

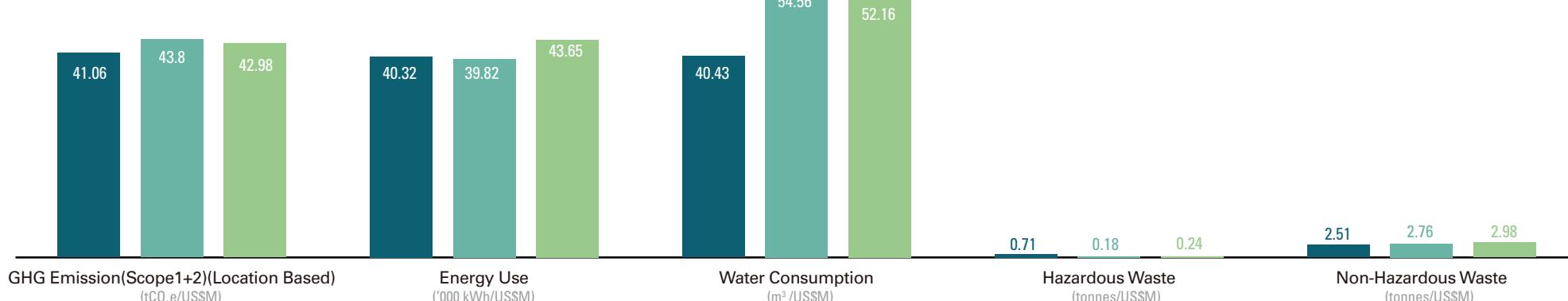
Implement GHG emissions reduction measures across the entire value chain, including direct operations and supplier engagement.

Provide transparent and consistent climate disclosures in alignment with the TCFD framework.



## Net-Zero Achievements

2022 2023 2024



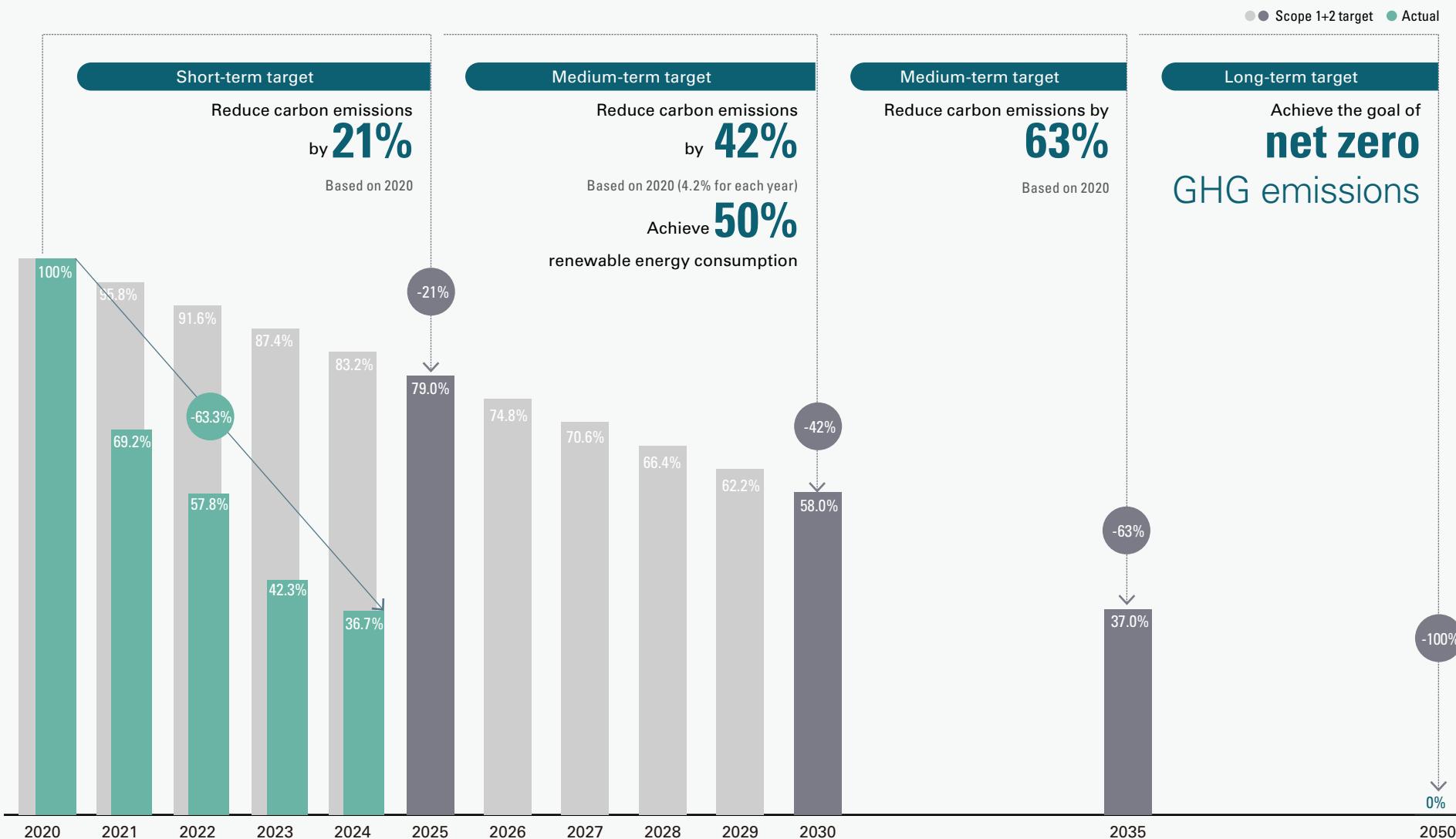
\*For more details about climate-related data and targets, please refer to: 1. Chapter 3 – Environmental Stewardship, pages 61 to 67; 2. Performance Data Table, pages 84 to 85

As the Group continues to advance its energy and carbon reduction initiatives in response to climate change, and exerts its influence across global industrial supply chains, it is steadily progressing toward achieving its three climate targets and fulfilling its environmental responsibilities.

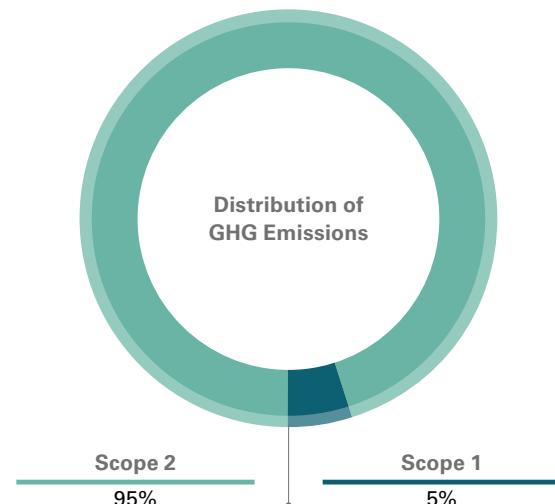
Target	Short-term			Medium-term		Long-term		
	In 2024, carbon emissions were lowered by 63.26% compared with the baseline.		In 2024, electricity consumption was reduced by 65.52% compared with the baseline.		2020-2023 Scope 3 emissions disclosed		The Group implemented the TCFD framework	
Progress	<ul style="list-style-type: none"> <li>Reduce carbon emissions by 21% by 2025 compared with 2020</li> <li>Lower electricity consumption (absolute value) by 4.2% annually</li> <li>Expand on-site solar power generation capacity</li> <li>Achieve a 100% installation rate of industrial wastewater discharge and water monitoring systems by 2025</li> <li>Reduce water consumption intensity by 6% by 2025 against 2020 baseline</li> </ul>		<ul style="list-style-type: none"> <li>Half of the Group's operation sites to obtain UL 2799 certification at Gold level by 2030</li> <li>Obtain carbon emission data from 50 suppliers and conduct carbon audits by 2025</li> <li>Engage 4 new suppliers to sign renewable energy agreement to jointly lower carbon emissions by 2025</li> </ul>		<ul style="list-style-type: none"> <li>Reduce emissions by 42% before 2030</li> <li>Reduce carbon emissions by 63% by 2035 compared with 2020</li> <li>Disclose Scope 3 emissions data</li> <li>Implement TCFD Framework</li> </ul>		<ul style="list-style-type: none"> <li>Achieve net-zero GHG emissions by 2050</li> </ul>	

The Group is committed to meeting its energy-efficiency targets, which have been communicated to all relevant business units and departments. As part of Hon Hai Technology Group's SBTi submission in 2022, the Group is included within the scope of their SBTi target and is committed to reducing carbon emissions accordingly.

## FIH Carbon Reduction Roadmap



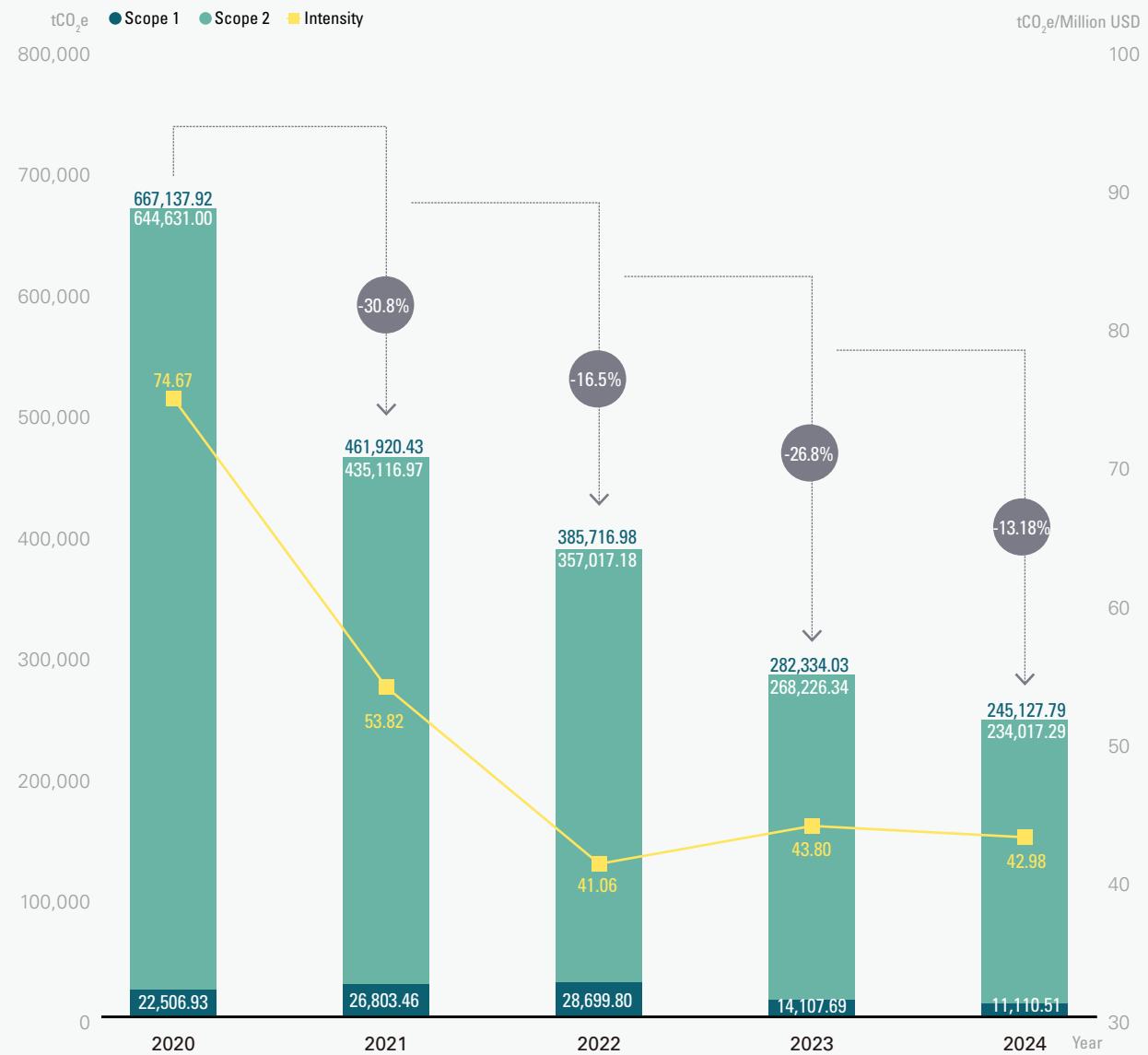
## Distribution of GHG Emissions



The Group has identified the following industry-based metrics as relevant to its operational and sector-specific characteristics. Ongoing efforts are focused on assessing the potential financial and business impacts of these material metrics through a qualitative approach. Looking ahead, the Group is preparing to enhance disclosure by collecting and reporting quantitative data, including the development of estimation and calculation methodologies to reduce measurement uncertainty and improve the reliability of reported data.

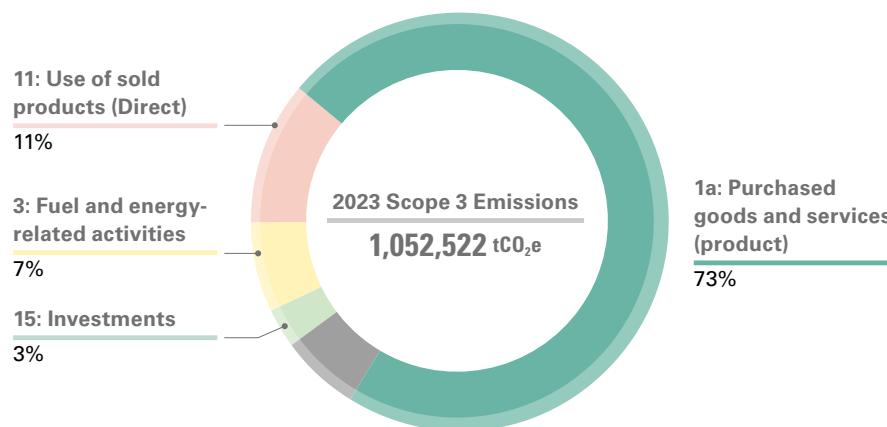
In 2024, the Group achieved a 63.26% reduction in Scope 1 and Scope 2 GHG emissions compared to the 2020 baseline. Notably, the Group's short-term decarbonisation target—reducing GHG emissions by 21% before 2025—was already met in 2021. GHG emissions have continued to decline year over year, demonstrating consistent progress on the Group's climate goals.

## 2020-2024 Scope 1+2 emissions

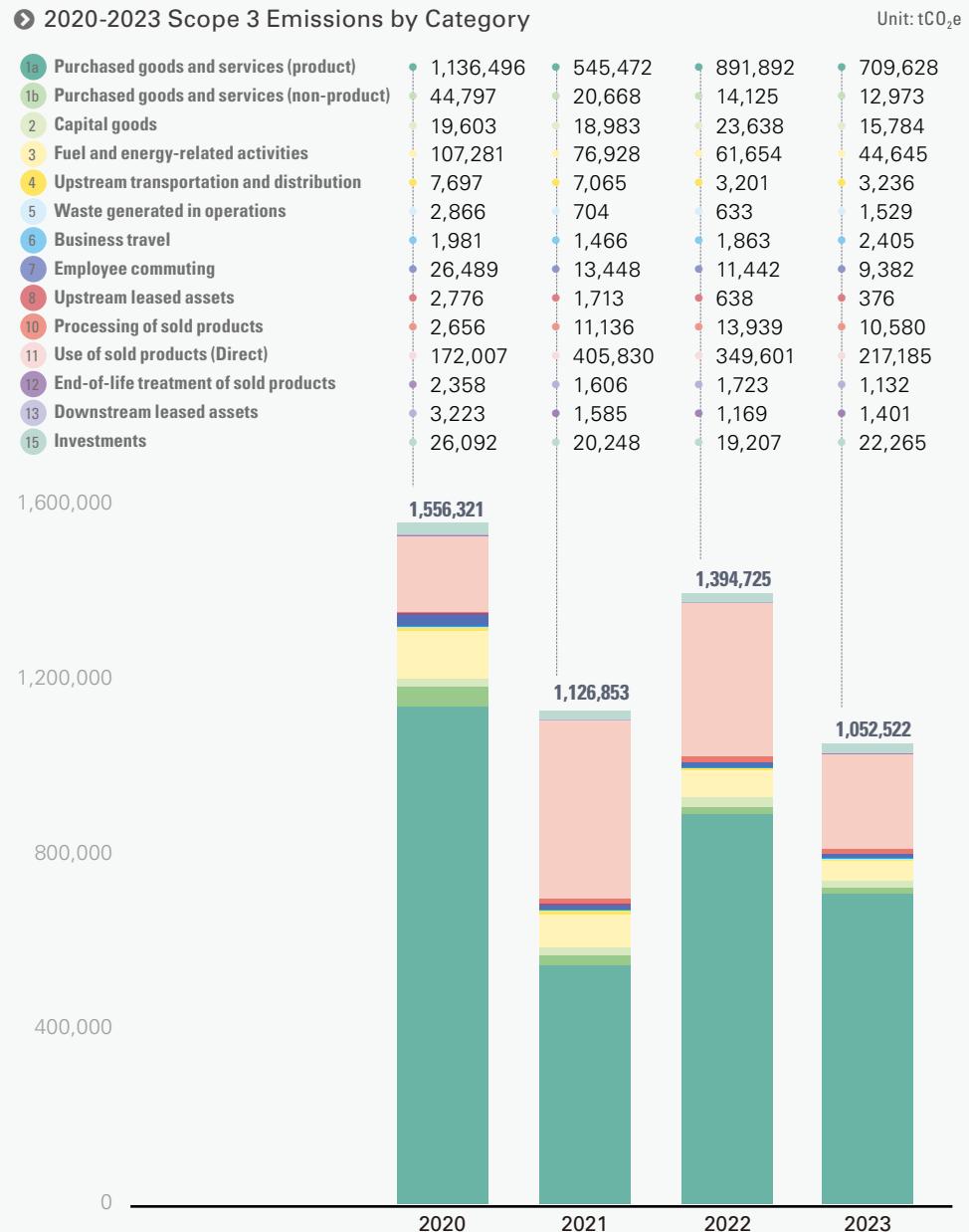


The Group has conducted a Scope 3 GHG emissions inventory covering the years 2020 to 2023. Scope 3 emissions totalled 1,556,321 tCO<sub>2</sub>e in 2020 and decreased to 1,052,522 tCO<sub>2</sub>e in 2023. This reduction is primarily attributed to the Group's business transformation—from primarily manufacturing consumer electronics to diversifying on industrial equipment and vehicle electronic components. Furthermore, due to the nature of the Group's industry, in which most commodities are designated by customers, the Group only accounts for 10% of emissions under Category 11 (Use of Sold Products). This is because the Group has less than 10% decision-making authority over the raw materials and commodities used in final products.

In addition, the Group has excluded Category 9 (Downstream Transportation and Distribution) and Category 14 (Franchises) from its Scope 3 emissions boundary, based on materiality and relevance. Category 9 is omitted because the majority of downstream transportation is managed by customers, making data collection challenging. Meanwhile, its emissions are estimated to account for less than 5% of total Scope 3 emissions and, are thus considered immaterial under GHG Protocol guidelines. Category 14 relates to emissions from franchised operations under license agreements, which are applicable to the retail sector. As the Group operates within the electronic manufacturing industry, Category 14 is not relevant to its business model.



#### 2020-2023 Scope 3 Emissions by Category



## Clean technology Innovation and Investment

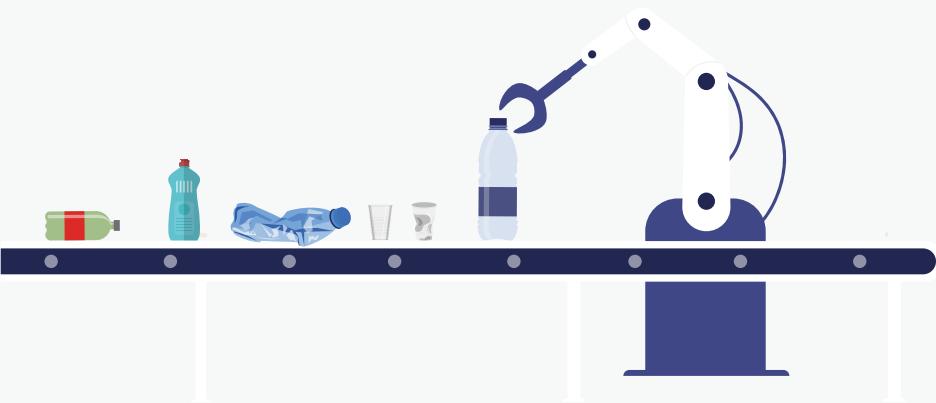
To consistently deliver highly efficient, energy-saving, and environmentally friendly products and solutions to the Group's customers, as well as assist to reduce their operational costs and carbon emissions, the Group continues to expand its investment in green and clean technologies.



### the 3<sup>rd</sup> Generation AI-Sorting Recycle Robot

The Group has revolutionised the labour-intensive recycling industry and advanced sustainability by integrating its AI technology with extensive expertise in hardware and software integration. The fifth-generation AI-Sorting Recycling Robot represents a significant advancement in waste management technology. The latest version is capable of identifying and sorting over 39 types of recyclable materials with a high recognition and successful pick-up rate. It can also categorise recyclables by brand and colour, while analysing data in real time to monitor recycling efficiency.

This innovation strengthens Rovox, the brand of the Group's AI-Sorting Recycling Robot, leadership in the Taiwan and North American market. The third-generation robot embodies the Group's commitment to innovation, circular economy practices, and sustainability. By delivering advanced AI-driven precision and efficiency in sorting processes, the Group is contributing to a smarter, greener future—fully aligned with its long-term sustainability vision.



### Industrial automation solution accelerates sustainable transformation

As part of the Group's commitment to advancing clean technology and sustainable manufacturing, the Group partnered with a global leader in commercial Internet of Things (IoT) and automotive industries to fully automate their production line in the Group's manufacturing process. This strategic collaboration has resulted in a significant reduction in labour requirements, while simultaneously enhancing product quality and process stability. By implementing advanced automation, the Group not only supports digital transformation across industries but also enables customers to adopt clean and responsible production methods.

To meet the increasing demand for from customers focused on operational efficiency and reduced environmental impact, the Group has invested tens of millions of dollars to establish tailor-made, intelligent production lines. These state-of-the-art facilities feature end-to-end automation. The component and materials are handled by fully automated systems for loading, assembly, testing, and packaging. This transformation has enabled higher production yields, minimised human error, and ensured continuous operation. Additionally, by leveraging its global manufacturing footprint, the Group strategically allocates production between locations to optimise logistics and reduce emissions, reinforcing its role in driving clean technology and sustainable supply chains.





CHAPTER

# 04

## ENVIRONMENTAL STEWARDSHIP

# 04 ENVIRONMENTAL STEWARDSHIP

Maintaining environmental sustainability is the Group's top priority. In order to minimise the negative effects of the Group's operations on the environment and natural resources, the Group has adopted a systematic approach to incorporating green and sustainable practices into its operations. These measures include environmentally friendly product design, greenhouse gas ("GHG") emission reduction, process management, energy and resource management, and supply chain management.

## Compliance with Relevant Laws and Regulations

The Group operates in compliance with relevant laws and regulations that have a significant impact on the Group, relating to air and GHG emissions, discharges into water and land, and the generation of hazardous and non-hazardous waste. To guarantee continued compliance, the Group has put in place a "Law Identification Procedure", which is an internal evaluation and audit process to ensure adherence to relevant environmental laws and regulations. Furthermore, the Group complies with relevant laws and regulations in obtaining, maintaining, and renewing the necessary environmental permits, as well as meeting the requirements regarding the use and reporting of those permits.

In order to maintain compliance, the Group has established well-managed documented processes for controlling environmental permits. As stipulated in the CoC, adequate and effectively recorded procedures should be developed and implemented for the control of environment-related permits, and a tracking mechanism for monitoring the expiration and update dates of various permits should be executed. Any changes that may alter the status of registration and result in a change in the content of an approved environmental permit should be reported to the relevant local and national regulatory authorities. All environmental permits, approval documents, registrations, and licenses required by regulations should be available for review and kept within their validity periods, including but not limited to exhaust gas emissions, sewage discharge, stormwater discharge, storage and use of hazardous materials, and treatment of waste.

Please refer to the "[Relevant Laws and Regulations](#)" section below for more details.

## Environmental Management

The Group aims to meet international standards set forth by the ISO 14001 Environmental Management System and the European Eco-Management and Audit Scheme. Furthermore, as a member of Hon Hai Technology Group, the Group is included into Hon Hai Technology Group's climate-related commitments and targets, including the Science Based Targets initiative ("SBTi") and Climate Action 100+. By joining SBTi and Climate Action 100+, the Group is committed to strengthening climate governance, reducing GHG emissions across the value chain, disclosing in accordance with the TCFD framework, and aligning with Hon Hai Technology Group's SBTi target of achieving net-zero emissions by 2050.

To make sure that the Group's operations comply with the CoC, the Group proactively monitors the following key areas, including air pollution control, energy management, GHG emission reduction, waste management, and water treatment and utilisation. The CoC aligns with the Group's environmental stewardship and policies aimed at promoting sustainability. In accordance with the CoC, the Group has established specific policies and guidelines that are strictly implemented throughout the supply chain, covering procurement, production, and delivery. To reduce energy use and improve energy efficiency, the Group has developed the "Audit Procedures for Energy-Saving Management" to guide the continued implementation and advancement of energy-saving technologies. As a result of these efforts, the Group's headquarters in Taiwan and all manufacturing sites in the PRC, India, Vietnam, the United States, and Mexico have obtained ISO 14001 Environmental Management System. In particular, the Group's manufacturing factories regularly upgrade their environmental protection infrastructure, enhancing capabilities to manage air emissions, wastewater, general waste, and recycled materials. To create a mutually beneficial outcome—for the Group, the targeted companies, and the sustainable development of the environment and society, the Group internally invests in energy-saving and carbon-reduction technologies and equipment. Simultaneously, the Group also explores external investment opportunities in environmental protection-related industries.

## Energy Management

To enhance resource efficiency going forward, the Group has set a target to reduce the absolute value of GHG emissions and electricity consumption by 4.2% annually, using 2020 as the baseline year. The Group has successfully reduced GHG emissions reduction by 63.26% and electricity consumption by 65.51%. Through policies, systems, and measures—such as the implementation and maintenance of the ISO 50001 energy management system—the Group actively promotes energy efficiency, the use of renewable energy, and the corresponding reduction of GHG emissions. It also monitors, reviews, and evaluates the energy use of each business unit/group, rewarding top performers, and applying a variety of energy-saving and GHG emission reduction technologies.

### Deployment of Renewable Energy

During the Reporting Period, all operation sites obtained limited assurance under International Standard on Assurance Engagements ("ISAE") 3410 for Assurance Engagements on Greenhouse Gas Statements. Additionally, manufacturing factories in Langfang, Longhua, Beijing, and Hengyang in the PRC were certified under ISO 14064 GHG Emissions Accounting and Verification. To reduce GHG emissions and improve energy efficiency, five of the Group's factories installed rooftop solar photovoltaic power generation systems in the PRC and Vietnam, accounting for 5% of total electricity consumption. In 2025, the Group will continue expanding its solar power generation capacity and has hired professionals to conduct site investigations and project planning. The rooftop solar installation at Fushan factory was partially completed in May 2024 and is scheduled to cover all buildings by the end of 2025.

In addition to expanding on-site renewable energy, the Group has explored options to procure green electricity. Four factories in the PRC and India have purchased renewable energy through Power Purchase Agreements ("PPAs"), including solar and wind power, for own consumption as a substitute for fossil fuel-based electricity. These sustainability efforts have had a significant impact, with PPA-based electricity accounting for 11% of total electricity consumption. This remarkable achievement underscores the Group's commitment to reducing carbon emissions and adopting cleaner energy sources. Additionally, the factories in Longhua, Fushan, and Chihuahua have made significant progress by purchasing Renewable Energy Certificates ("RECs") as an alternative method to utilise renewable energy, compensating for 14% of total electricity consumption. These certificates serve as proof that the electricity consumed originated from renewable sources beyond the conventional grid.

The above-mentioned comprehensive approaches—combining rooftop solar installations, renewable energy procurement, and REC acquisition—demonstrate the Group's commitment to reducing GHG emissions and embedding sustainable practices into its operations. Moving forward, the Group aims to steadily increase the proportion of renewable energy in its overall energy mix.



Esta declaración de redención ha sido preparada para

FIH MEXICO INDUSTRY, S.A. DE C.V.

por

IBERDROLA CLIENTES SA DE CV

confirmando la redención de

484.000000

Certificados I-REC, que representan 484.000000 MWh de electricidad generada a partir de fuentes renovables

Esta declaración se refiere a la electricidad consumida en

Chihuahua  
Mexico

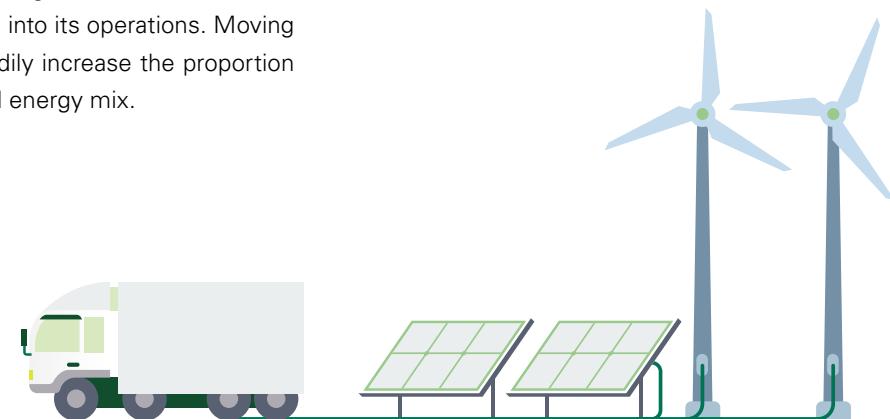
en el periodo informado

2023-08-01 to 2023-10-31

El propósito declarado es

Certificación de Energía

Ev.

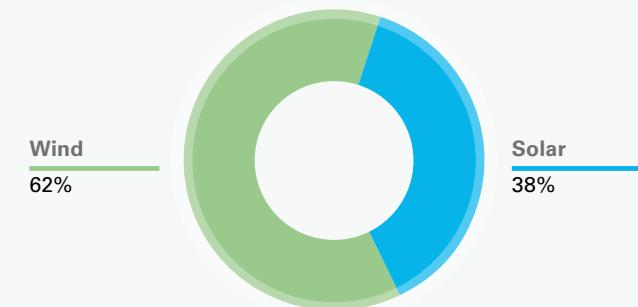


Notably, the Group is continuously exploring investment opportunities in renewable energy. Currently, its renewable energy investments account for 29.1% of total electricity consumption, including 11% from solar and 18% from wind energy. The Group is engaged in active negotiations with sustainable energy companies, reinforcing its strong commitment to renewable energy and supporting the transition to a low-carbon future. These investments are expected to yield long-term financial and environmental benefits by fostering innovation, reducing emissions, and securing a stable renewable energy supply for the Group.

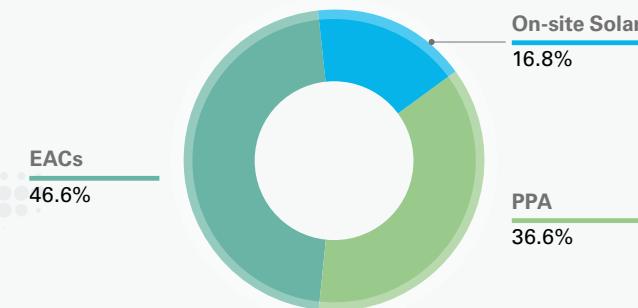
● Total elect. consumption ● RE consumption



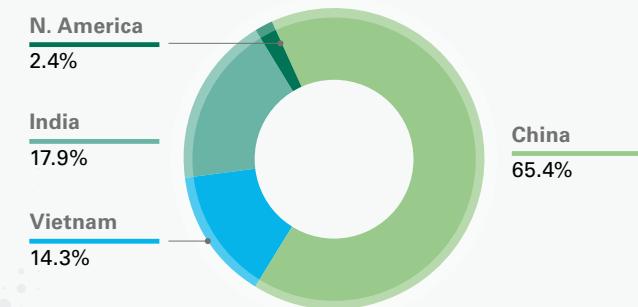
renewable energy sources mainly come from wind and solar power.



There are three main types of renewable energy sources: self-generated solar energy, power purchase agreements, and energy attribute certificates.



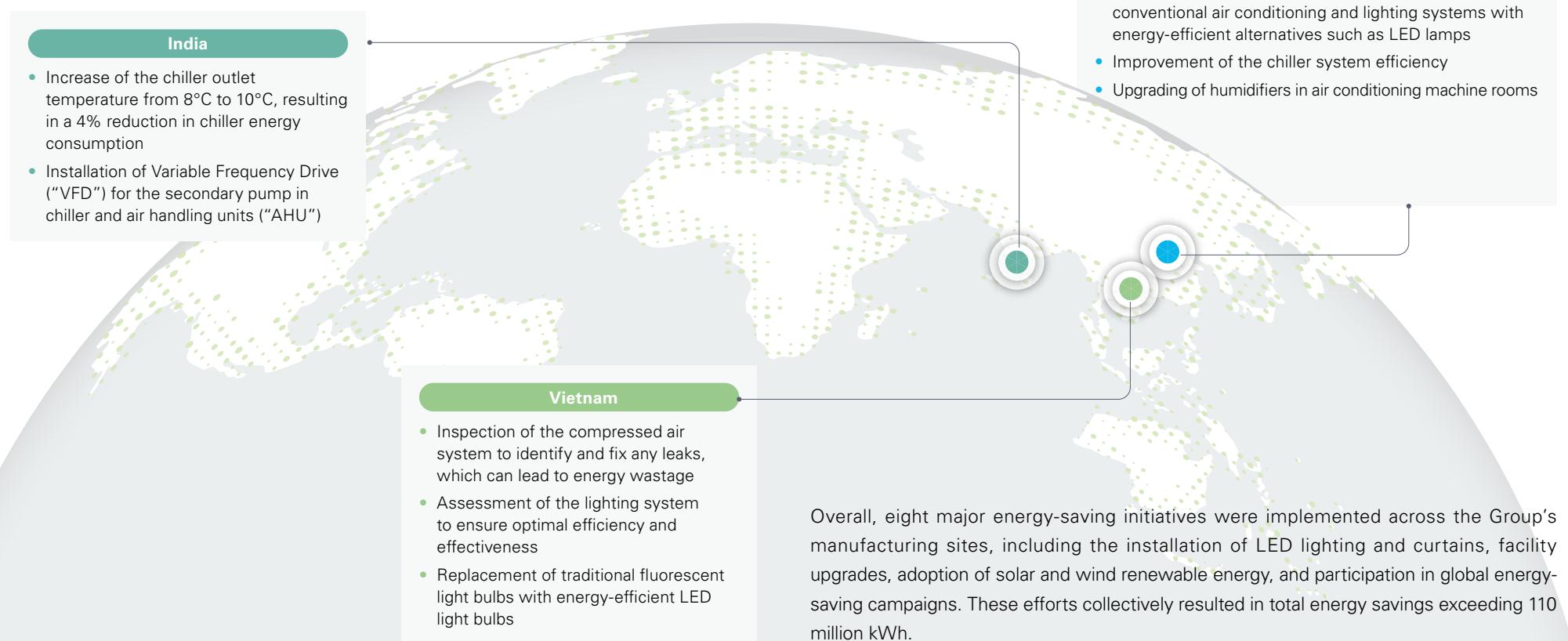
The proportion of green electricity used in each region is compared with total green electricity consumption.



## Enhancement of Equipment Energy Efficiency

In addition to maintaining high standards of energy efficiency and GHG emission reduction across all lighting and air conditioning systems, the Group is adopting a phased approach to replace existing equipment with energy-efficient and low-emission models. Many of the Group's manufacturing sites have implemented energy-saving and emission-reducing technologies, as described below:

### ④ Technology and actions adopted to reduce energy consumption or emission in operation:

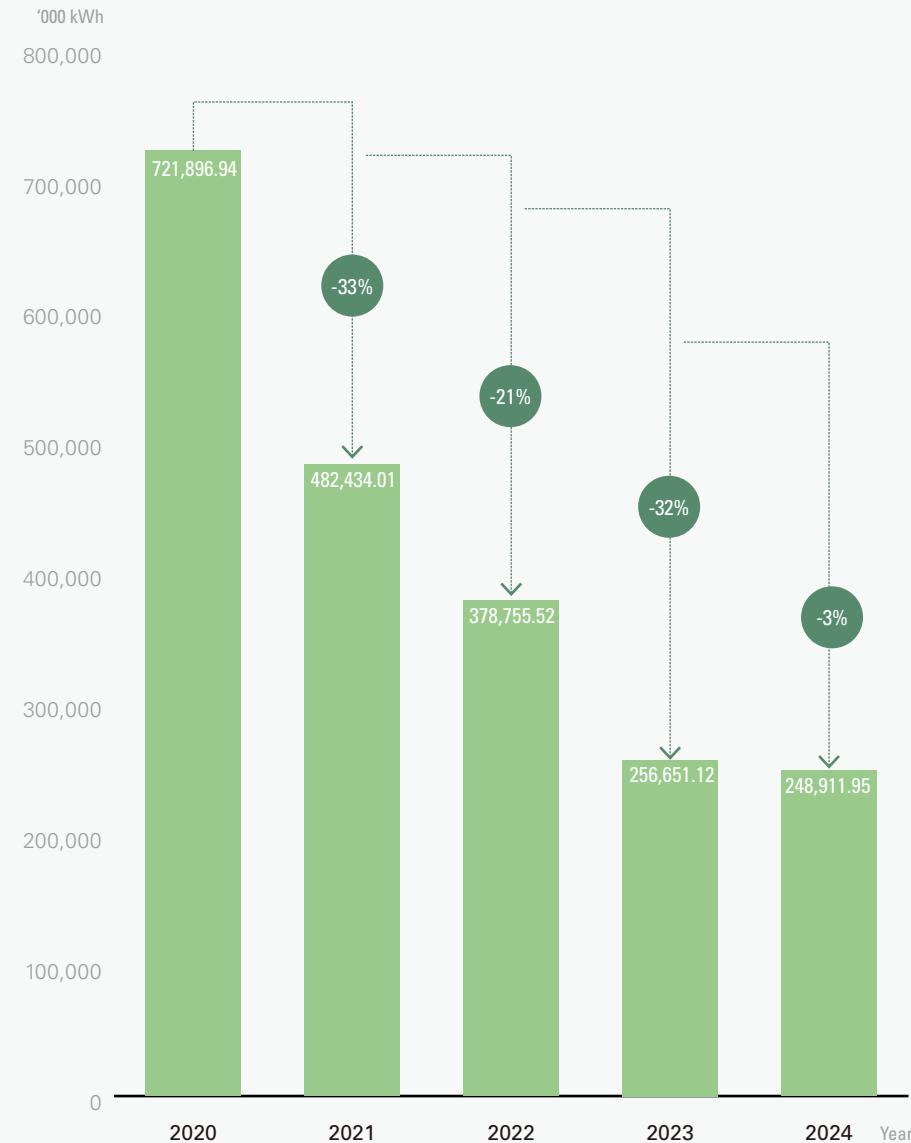


The Group's continual efforts resulted in the reduction of energy consumption and GHG emissions during the Reporting Period, as detailed in the following sections:

Energy-saving and GHG Emission Reduction Initiatives	Results	
	Energy Saved (kWh)	GHG Emissions Reduction (tonnes of CO <sub>2</sub> e)
Replaced obsolete lights with LED light fixtures in pursuit of greater energy efficiency	3,220,190.48	1,785.75
Upgraded air conditioners, AHUs and ancillary water pumps	6,141,222.00	4,602.51
Installed industrial curtains at the entrances of production facilities	463,786.45	311.67
Installed solar photovoltaic panels to utilise renewable energy	14,421,854.10	9,987.23
Procurement of wind energy from third party	81,405,046.32	62,662.68
Turn off non-essential electric lights such as during "Earth Hour" and lunch time	27,884.24	22.57
Utilised air source heat pumps and recovered waste heat from air compressors to replace steam for producing hot water for domestic use	2,211,280.00	1,335.61
Replaced the existing centrifugal air compressor with a high-efficiency permanent magnet variable frequency air compressor	1,097,130.00	662.67
Improved energy efficiency through product upgrades and power supply enhancements	1,781,583.09	1,641.24
Installed timing controllers on water dispensers and canteen AHUs to reduce energy consumption	158,710.00	150.05

### 2020-2024 electricity consumption

Reduced electricity consumption by **65.51%**





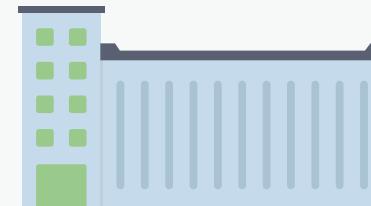
### Hengyang Factory's Comprehensive Approach to Energy Efficiency

The Hengyang factory has adopted a comprehensive approach to energy efficiency encompassing management, technology, and product initiatives. It has established a robust energy management system by conducting regular energy audits, clarifying departmental responsibilities for energy conservation at all levels, and promoting rational energy use within the factory to eliminate energy waste. This approach has helped to reduce energy waste and foster a culture of sustainability across the organization. By reforming inefficient production processes and adopting new processes, equipment, and technologies, as well as enhancing comprehensive energy utilisation, the factory has successfully increased energy efficiency and reduced waste.



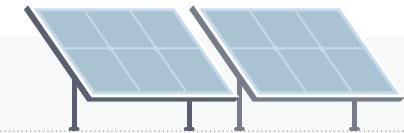
### Heat Pump Upgrade

The Langfang factory replaced its conventional steam heating system with low-temperature heat pump units, resulting in a significant reduction of 1.03 million kWh in energy consumption and cost savings of RMB 700,000. The equipment upgrade has improved the factory's energy efficiency and provided a more sustainable and cost-effective heating solution for operations.



### Solar Panel Project

During the Reporting Period, the Group actively expanded its rooftop solar capacity by developing additional photovoltaic power stations. Rooftop solar systems have been installed at the Beijing, Langfang, Longhua, Fushan, and Guiwu sites, with a total installed capacity exceeding 8 MW. In 2024, the Beijing site generated 3.56 million kWh of electricity; Langfang generated 4.38 million kWh; Fushan generated 5.52 million kWh; and Guiwu generated 0.61 million kWh.

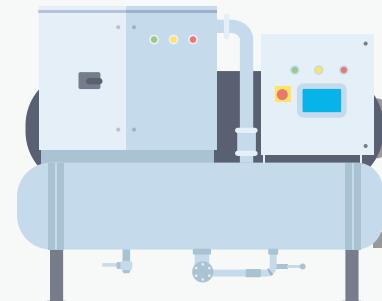


The Group is continuing to expand rooftop solar power systems at its operation sites. At the Fushan site in Vietnam, part of the solar system installation has been completed, with additional systems being installed on newly constructed buildings. Full completion is expected by the end of 2025.



### Magnetic Bearing Centrifugal Chillers

The Longhua factory replaced its conventional chiller system with magnetic bearing centrifugal chillers, achieving energy savings of 1.45 million kWh due to their exceptional cooling capacity and efficient controls. The new system, which operates without a complex oil circuit and mechanical gears, also offers low maintenance costs and reduced noise levels. This system upgrade represents a significant step towards achieving the Group's energy-saving and sustainability goals.



The Group collaborates closely with its suppliers on GHG emission reduction initiatives, supporting its broader efforts to reduce emissions across the value chain. Suppliers are required to adhere to the Group's GHG emission reduction policies and establish monitoring systems for GHG emissions at both the organisational and product levels. Please refer to the "The Group's Value Chain — Supply Chain Management" and "The Group's Value Chain — Sustainable Product Management" sections below for further details on the Group's supplier engagement in green product management.

## Air Pollution Control

The Group strictly controls and monitors any air pollutants that may be generated during manufacturing and transportation processes. Air pollutant emission systems are regularly inspected to ensure proper functioning. To minimise air pollution, some manufacturing sites have replaced diesel-powered operational vehicles with electric vehicles. Additionally, the Group has adopted low-VOC adhesives in the manufacturing process to reduce volatile emissions. Please refer to the "[Performance Data Table](#)" for the Group's air emissions data.

The Group has implemented robust air pollution control measures across its manufacturing operations. These measures include:



## Utilisation of Advanced Exhaust Gas Treatment Facilities

To further reduce pollutant emissions and ensure compliance with stringent environmental regulations, the Group employs advanced exhaust gas treatment systems. These include pre-treatment processes, zeolite wheel concentration adsorption, and either regenerative catalytic oxidizers ("RCO") or regenerative thermal oxidizers ("RTO"), which provide effective treatment of volatile organic compounds ("VOCs").

Adopting advanced exhaust gas treatment to further lower the concentration of the gas emissions



## Regular Monitoring

The Group conducts regular monitoring to uphold air quality standards. A professional third-party environmental monitoring agency is entrusted with measuring emissions to ensure accuracy and reliability.

Regular monitoring to ensure the accuracy of the exhaust gas emissions meeting the criteria



## Environmental Information Disclosure

The Group prioritises transparency and actively discloses environmental information. A pollution source monitoring system serves as a data management and sharing platform, enabling real-time environmental performance disclosure, fostering accountability, and raising public awareness.

## Environmental information disclosure

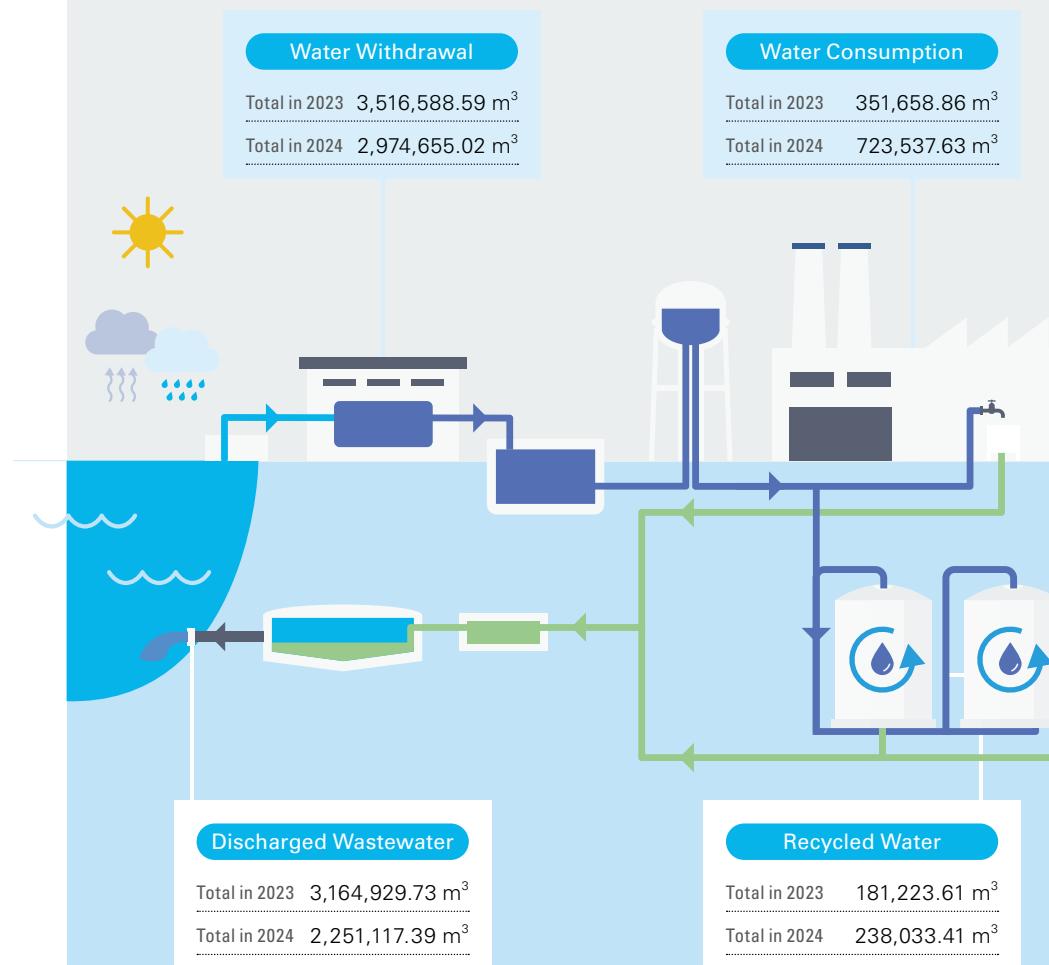


## Water Treatment and Utilisation

The Group fully complies with local laws and regulations regarding wastewater discharge. All wastewater is classified, monitored, controlled, and treated as required prior to discharge or disposal. Routine performance checks are conducted on wastewater treatment and containment systems to ensure efficiency and regulatory compliance. Effective treatment facilities are installed at each factory to reduce pollutant concentrations and meet regulatory standards. Wastewater discharge is monitored according to local regulations, or at least once per month if not specifically required by regulations, to ensure that discharges are in compliance with applicable legal and regulatory requirements. In 2024, the Group achieved a 100% implementation rate for industrial wastewater discharge monitoring systems. Industrial wastewater is treated using vacuum distillation systems, and regular inspections are conducted to ensure proper system operation.

The Group has set a target to reduce water consumption intensity (based on intensity value rather than absolute value) by 6% by 2025, using 2020 as the base year. Historically, water consumption was calculated based on total extraction percentage. During the Reporting Period, the Group achieved this intensity-based target, with a 34% reduction from the 2020 baseline. In 2024, the installation of water discharge meters enabled more accurate consumption data, revealing a 105.75% increase in absolute water usage due to updated measurement methods. With the current intensity target met and improved data accuracy, the Group is considering revamping its water consumption targets in future disclosures. Efforts remain focused on further reducing water consumption through policy implementation, system improvements, and operational measures. The Group supports water reuse and has adopted reclaimed water use across production lines to minimise operational impact on the environment.

In addition to installing water-saving devices, such as smart sensors and water-efficient faucets, the Group treats discharge from cooling towers using reverse osmosis and reuses it for flushing. Recycled water is also collected, treated, and reused for dormitory flushing and watering plants. Furthermore, the Group proactively reduces freshwater consumption by purchasing reclaimed water, recognising the potential for water stress and promoting sustainable water resource management.



- The Group achieved its target of a **100%** implementation rate for industrial wastewater discharge monitoring systems in 2023.
- Using 2020 as the base year, the Group has set a target to reduce water consumption intensity by **6%** by 2025.

 Case Study

## Water Treatment / Recycling

The Group puts forward both large-scale water treatment facilities and installs small-scale water-saving appliances to enhance the overall water efficiency in operations. The Group has established wastewater treatment plants in factories located in India, Vietnam, Mexico and the PRC.

Our India factories installed more than 120 aerator filters in water faucets to save water consumption of more than 200 litres per hour. The wastewater treatment plant at the India site can supply 16% of the factory's water use.

In Vietnam, condensed water from the AHU is reused for the cooling tower of the chiller and air compressor system to reduce water consumption.

In Mexico, the Group installed a wastewater treatment plant. The sewage goes through primary treatment tanks and then passes through a tertiary process with ozone. The treated water is then reused in irrigation processes of green areas and bathrooms. Sludge produced during the wastewater treatment is also internally treated and utilised as fertilisers in green areas.

In the PRC, wastewater that contains heavy metals is treated to meet the local standards for reuse. Organic wastewater is treated by membrane bioreactors and is reused as flushing water. In Langfang, the total volume of reused water in 2024 amounted to around 109,500 m<sup>3</sup>. Meanwhile, the total volume of reused water in 2024 amounted to around 84,590 m<sup>3</sup> in Beijing, accounting for 39.76% of the total water consumption at the site. In Hengyang, to enhance water efficiency, water-saving plans and objectives were established. Water-saving faucets have been installed in the factory restrooms. Additionally, the factory utilizes reclaimed water by treating and purifying the industrial wastewater generated from the SMT workshop, ensuring it meets the standards for reuse.

## Waste Management

Solid waste, chemicals, and hazardous materials are classified, controlled, reduced, disposed of, transported, stored, and recycled in accordance with the Group's solid waste management principles. All relevant waste is treated and disposed of in full compliance with applicable environmental laws and regulations. In particular, the Group strictly adheres to local laws and regulations regarding sludge disposal. To reduce the cost of outsourced sludge collection, the Group utilises sludge drying and engages only qualified collectors licensed by local authorities.

The Group strives to optimise waste recycling and convert waste into valuable resources through design and technology. At its manufacturing facilities, used wooden and plastic pallets are collected, cleaned, and reused, reducing unnecessary waste generation.

Factories in India achieved a 100% recycling rate for non-hazardous waste, while sites in Mexico and Vietnam set a target of attaining a 90% waste recovery rate. The Longhua factory also achieved 100% waste collection and treatment through conversion and recycling. During the Reporting Period, approximately 12,090 tonnes of industrial waste were recycled rather than disposed of. In its efforts to demonstrate leadership in circular economy practices, the Group processed around 1,500 tonnes of food waste through anaerobic decomposition and biological composting, ensuring harmless and resource-efficient treatment.

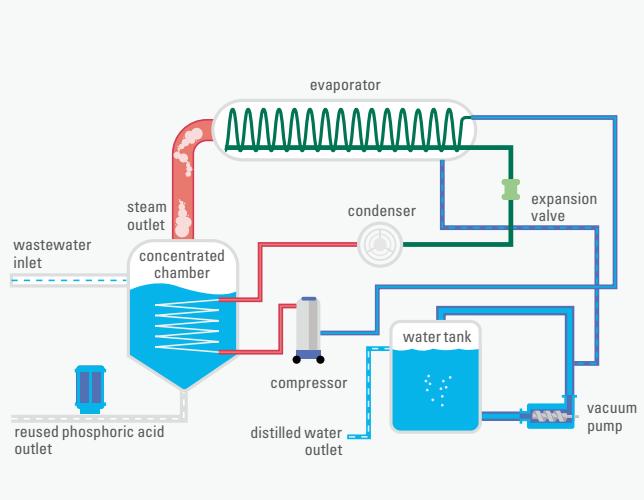
In 2024, factories in Longhua, Langfang, Hengyang, Beijing, Fushan, and Guiwu obtained UL 2799 Platinum-level "Zero Waste to Landfill" certification, each with a 100% diversion rate. As of the end of the Reporting Period, all six sites remain within their certification validity period. This achievement highlights the Group's strong commitment to effective waste management and its efforts to minimize waste generation through sustainable disposal methods. The Group originally set a goal for half of its sites to achieve UL 2799 certification by 2030 and reached this goal ahead of schedule.

At the Hengyang factory, a comprehensive range of waste treatment method for both hazardous and non-hazardous materials has been developed. Wastewater generated from SMT steel mesh cleaning is treated on-site and recycled, while the resulting sludge is sent to treatment plants for incineration and energy recovery. Similarly, hazardous materials such as cleaning paper and empty containers are incinerated for energy rather than being directly disposed of. Kitchen waste is also processed through anaerobic treatment to further support sustainable waste management.

## Case Study

## Phosphoric Acid Reuse

The implementation of a phosphoric acid reuse system in the anodizing process has delivered substantial environmental benefits. By concentrating phosphorus-containing wastewater and reusing the recovered acid, the Group has significantly reduced liquid waste discharge. This initiative also decreases hazardous waste generation and results in lower disposal costs. Furthermore, it enhances the Group's environmental competitiveness and reinforces its commitment to sustainable practices.



## Case Study

## CUU's E-Waste Collection Campaign

Employees at CUU demonstrated their commitment to environmental sustainability by participating in an e-waste collection campaign organized by the City Environmental Department. Staff were encouraged to bring discarded electronic devices from home, resulting in the collection of over 1,000 kilograms of items, including old computers, phones, and appliances. This initiative not only raised awareness about proper e-waste disposal but also offered a convenient channel for responsible recycling. The collected e-waste was sent to certified recycling facilities for environmentally friendly processing, minimizing harm to the ecosystem. Through employee engagement, the campaign fostered a culture of sustainability within CUU and supported the city's broader e-waste reduction and recycling goals.



## Product Content Restrictions

The Group complies with all relevant laws, regulations, and customer requirements by prohibiting or restricting certain substances in its products and manufacturing processes. This includes appropriate labelling for recycling and disposal, in line with legal and customer-driven initiatives. To ensure the safety of both people and the environment, the Group takes proactive steps to identify, label, and manage chemicals, waste, and other potentially hazardous materials. These steps include safe handling, transportation, storage, use, recycling, reuse, and disposal of such substances.



## Recycled Packing Materials

The Group is committed to promoting the use of eco-friendly products by investing in the design and developing sustainable alternatives. Its dedication to waste recycling and the use of renewable materials not only offers economic benefits, but also optimises resource efficiency and minimizes environmental impact. During product manufacturing, the Group typically packages finished goods according to customer specifications, using appropriate packaging materials such as paper and plastic. However, as specific information regarding the types and quantities of packaging materials is considered commercially sensitive for both the Group and its customers, this information cannot be disclosed. Nonetheless, the Group actively works to reduce the environmental impact of packaging by collaborating with suppliers and customers. Efforts have been made to minimize the use of single-use plastics in production by replacing or reducing packaging materials, including the use of wooden and plastic pallets as well as paper shells. Additionally, plastic materials that are not recyclable due to quality control or process limitations are collected and handled by certified recycling contractors.

### Case Study Recycled Plastic

In an effort to minimise the consumption and disposal of single-use plastics, the Group actively incorporates reusable wooden trays, plastic trays, and cardboard boxes into its production processes. This strategic approach helps lessen dependence on disposable plastics. Furthermore, the Group implements proactive measures to recycle plastic scraps and secondary plastics generated during manufacturing by transforming them into recycled plastic trays and boxes. The production process includes crushing, heating, extruding, granulating, and packaging of raw materials to create sustainable alternatives. These recycled plastic trays and boxes serve primarily as moulds and component carriers in production, supporting efficient and sustainable manufacturing operations.

## Preserve Natural Ecology and Biodiversity

Preserving biodiversity and natural ecosystems is one of the Group's top environmental priorities. To minimize ecological impact on the surrounding environment, none of the Group's manufacturing factories are located near biological reserves. All sites are equipped with proper waste storage areas and qualified chemical warehouses. As a member of Hon Hai Technology Group, the Group adheres to the "[Hon Hai Technology Group Biodiversity and Non-Deforestation Commitment](#)," aligns with the UN Convention on Biological Diversity, complies with forest regulations in its operating areas, and strives to achieve zero net deforestation.

### Case Study

### Fushan Factory's Eco-Friendly Nesting Habitats

The Fushan factory launched an innovative initiative to protect local biodiversity by constructing nesting habitats using recyclable materials generated during operations. The project includes the creation of bird nests to provide safe living spaces for small wildlife within the factory grounds. By using recycled plastics and repurposed wood, the factory not only reduces waste but also encourages coexistence between industrial activity and local biodiversity. These eco-habitats support the presence of multiple species, contributing to a healthier ecosystem and promoting sustainability within the community.



## Case Study

## Wetlands Conservation Event

The “Wetlands Conservation Event” integrates ecological exploration with habitat conservation, inviting employees and their families to participate in an ecological conservation initiative. Wetlands are indispensable ecosystems that play a crucial role in climate regulation, water purification, flood mitigation, and serving as carbon sinks. During the event, under the guidance of professional instructors, participants explored the biodiversity and ecological functions of wetlands. Through guided tours and interactive experiences, they gained a deeper understanding of wetland importance and strengthened their environmental awareness. Participants also engaged in targeted habitat maintenance tasks to support wetland restoration and ecological rehabilitation. This initiative fostered a closer connection with nature and strengthened community participation in conservation.

The event not only deepened participants' appreciation for natural resources but also inspired a sense of environmental responsibility. By raising awareness and cultivating appreciation for wetlands, the program aims to foster long-term commitment to ecosystem protection and inspire future conservation action.



## Employees' Environmental Awareness

The Group actively promotes environmental education and awareness among its employees by organizing a variety of engagement programs. In alignment with its social and environmental obligations, these initiatives are designed to enhance employees' understanding of environmental protection and their role in contributing to sustainability. In 2024, the Group hosted a weekend “edutainment” event in Taiwan for employees

and their families, combining outdoor activities with environmental learning. The event aimed to promote physical well-being while nurturing a deeper appreciation for nature. Participants enjoyed a blend of recreational and educational experiences that not only encouraged healthy living but also increased awareness of biodiversity and ecological conservation.

CHAPTER

# 05

THE GROUP'S  
VALUE CHAIN

## 05 THE GROUP'S VALUE CHAIN

The Group is actively engaging in implementing effective supply chain management practices while fostering long-term partnerships with suppliers to enhance operational efficiency. Through comprehensive risk assessments and audits covering economic, environmental, and social dimensions, the Group promotes the sustainable development of its suppliers. This approach not only strengthens the resilience of the supply chain but also mitigates operational risks, enabling the Group to achieve its sustainable management objectives. All suppliers are required to comply with local laws and regulations, as well as the Group's Supplier Social and Environmental Responsibility Code of Conduct ("Supplier SER CoC").

In addition, the Group prioritises the procurement of environmentally friendly products and services and strives to balance economic and environmental benefits by integrating social responsibility and environmental sustainability considerations into its procurement processes. The Group continues to enhance its green procurement standards and management systems, collaborating with both upstream and downstream manufacturers to establish a sustainable supply chain that emphasises environmental protection, energy conservation, carbon reduction, zero waste, and green product management.

### Compliance with Relevant Laws and Regulations

The Group complies with relevant laws and regulations related to health and safety, advertising, labelling, product and service privacy, methods of redress, bribery, extortion, fraud, and money laundering. To ensure continued compliance, the Group has implemented a "Law Identification Procedure"—an internal evaluation and audit mechanism to ensure adherence to relevant legal requirements, including those pertaining to anti-corruption, customer data protection, and intellectual property rights. Please refer to the "[Relevant Laws and Regulations](#)" section for further information.

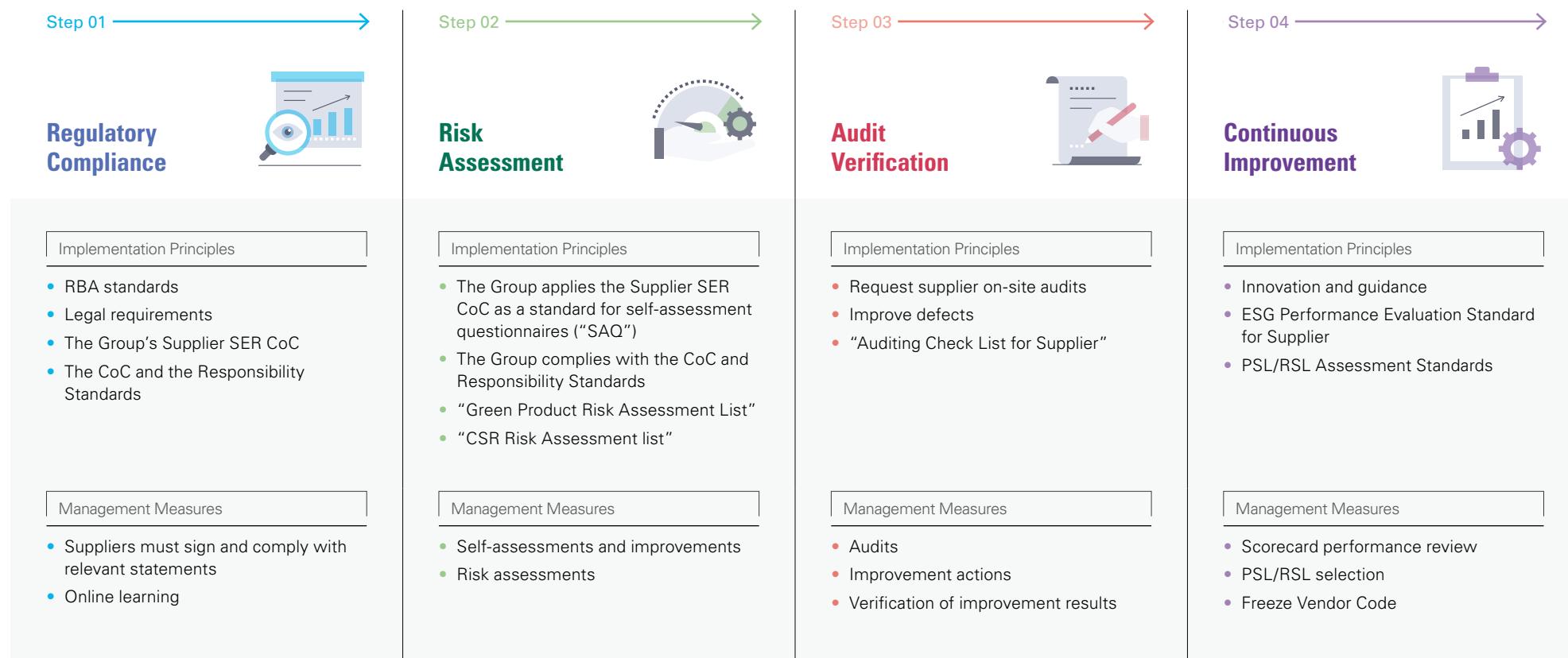
### Supply Chain Management

The Group has established ESG-related goals and targets for supply chain management to drive continuous improvement in supplier performance across all stages of the supplier management process.

Supply Chain Management ESG Goals and Targets	Progress in 2024
Assist at least 80% of high-risk suppliers (supplying hazardous chemicals) in obtaining ISO 45001.	95%
Conduct performance appraisals of specific supplier ESG items (including green products, social and environmental responsibilities, and carbon management), and increase the coverage to 100%.	100%
Require full materials declarations by all key electronics suppliers on RoHS and REACH management platforms.	100%
By 2025, increase the number of specific electronics suppliers with the UL 2799 "Zero Waste to Landfill" certification to at least 10.	9 suppliers
By 2025, increase the number of key electronics suppliers that commit to using 100% renewable energy for the production of FIH's products to at least 15.	12 suppliers
Achieve 100% survey response rates regarding the use of conflict minerals from suppliers to ensure that no conflict minerals are used.	100%
Increase the proportion of audits conducted on mechanical parts suppliers every 3 years to 90%.	94%

The Group has introduced a circular mechanism into its supplier management process, comprising four key stages: regulatory compliance, risk assessment, audit verification, and continuous improvement. To support this framework, the Group has established social and environmental management structures within its supplier management system, analysing supplier-related data to assess compliance with social and environmental standards. This enables the Group to assist suppliers in identifying vulnerabilities and improving their social and environmental performance.

#### ④ Circular Mechanisms of Supplier Management Policies and Processes



## 1. Regulatory Compliance

The Group strictly adheres to "Supplier SER CoC" and "Supplier Green Management Requirements." In addition, the Group also established its own CoC to guide suppliers and stakeholders in aligning with the Group's core values, integrating CSR and sustainability into business practices. This includes supplier expectations related to ethics, labour and human rights, health and safety, environmental protection, management systems, responsible mineral sourcing, and anti-corruption. All upstream suppliers are required to comply with this CoC to the same level of standards set by industry associations and supply chain partners. New suppliers must pass risk assessments concerning social and environmental responsibility, and are required to sign "Procurement Contracts" and "Environmental and Social Responsibility Commitments" to ensure alignment with "Supplier SER CoC" and "Supplier Green Management Requirements". These compliance measures serve as the foundational criteria for supplier selection. Supplier CSR performance is considered a key factor in procurement

decisions. To promote a sustainable value chain, the Group incorporates environmental criteria into its procurement standards and requires all 1,086 suppliers, along with its Procurement Department, to comply with the "Supplier SER CoC".

Furthermore, all suppliers are required to sign "Vendor Commitments" and "Proactive Supplier Declarations," pledging not to engage in bribery or offer improper benefits to Group affiliates, related parties, or designated personnel. Suppliers must understand and strictly comply with the Group's requirements for responsible supply chains.

All **1,086** suppliers have committed to the "Supplier SER CoC" through the implementation of the following policies:

Prohibition of corruption, fraud, extortion, money laundering, discrimination, and non-competitive practices, through signed undertakings to uphold fair competition and transparency



Non-discrimination in the supplier verification, evaluation and optimisation process, including nationality, race, culture, or political affiliation, among other things.



Compliance with the Group's Supplier SER Risk Assessment and Management Measures, including criteria such as low GHG emissions, energy efficiency, high recycling rates, green logistics, passing the on-site sampling inspection, no violation of SER laws and regulations and absence of legal or environmental violations in the screening system.



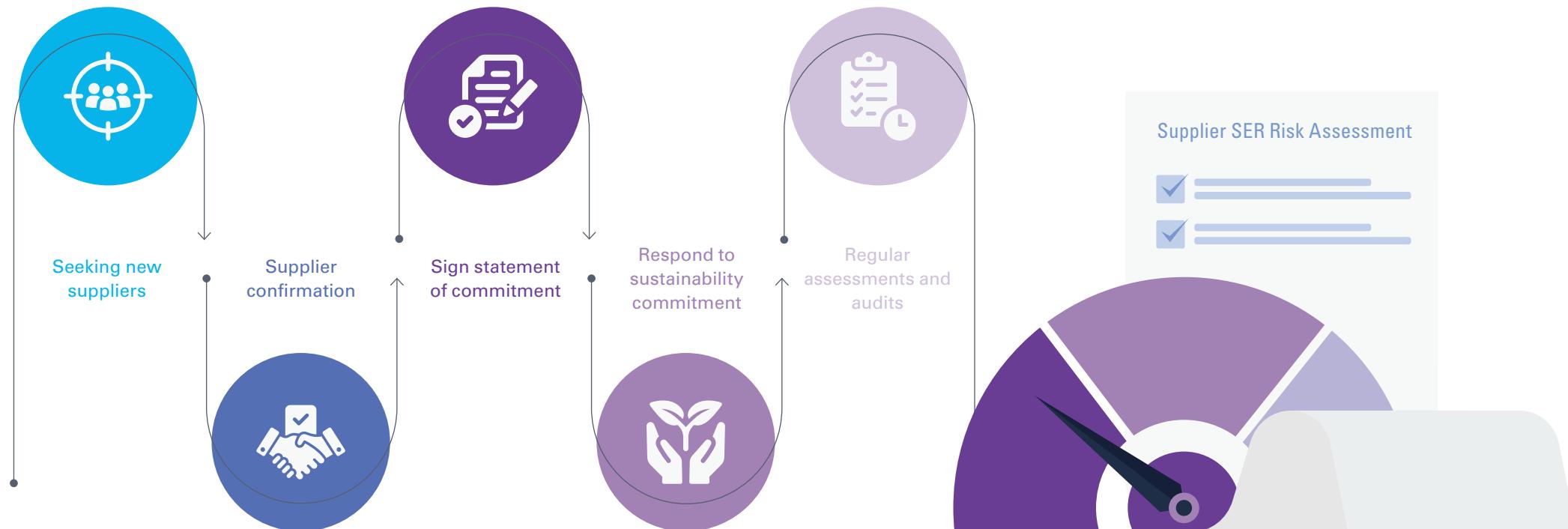
## 2. Risk Assessment

The Group requires its current suppliers to establish comprehensive management systems for sustainable and hazardous materials and products, supported by third-party certifications. This ensures alignment with the Group's sustainable supply chain practices across the value chain. From product sourcing to risk management and auditing, suppliers are expected to integrate sustainability into their operations and uphold high standards throughout the supply chain.

The evaluation of new suppliers is a critical component of the Group's supplier

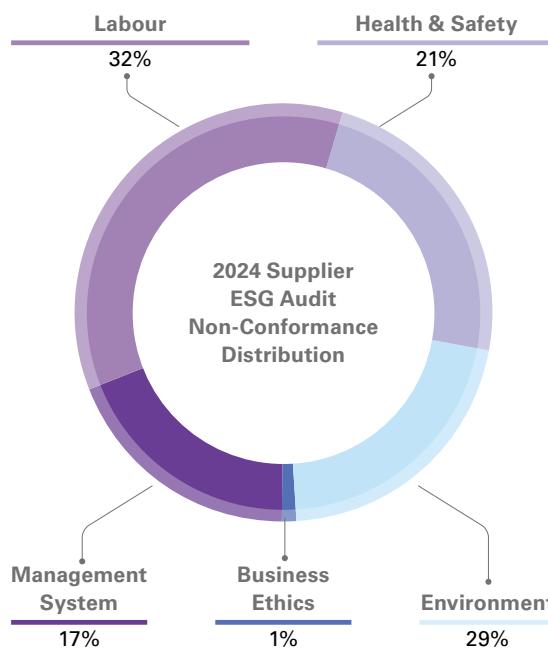
management system. New suppliers must submit basic information, component certification, environmental and social responsibility commitments, and conflict minerals due diligence documentation. The Group's Supplier Evaluation System assesses suppliers based on quality, green product performance, ESG responsibility, and environmental impact. This system determines ESG risk levels, evaluates production capabilities, and gauges willingness to engage in long-term partnerships with the Group. All new suppliers undergo annual reviews and on-site audits. In 2024, all new suppliers passed the Supplier SER Risk Assessment.

### Supplier Risk Assessment Process

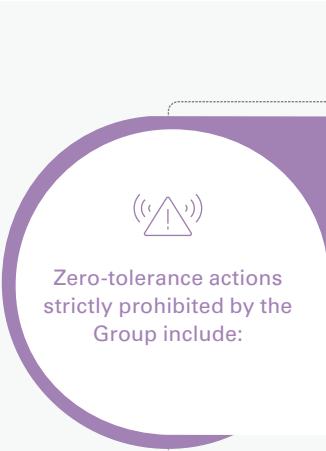


### 3. Audit Verification

The Group conducts audits on medium- and high-risk suppliers covering quality, operational processes, social and environmental responsibility, green product compliance, and GHG emissions. Suppliers must meet audit standards or show acceptable improvement results to be included on the Group's qualified supplier list. The Group also strengthens oversight of its top 15 commodity suppliers and non-designated suppliers. Since 2023, the Group has implemented ISO 37001 standards to assess supplier business ethics risks, perform due diligence, and conduct internal control audits focusing on anti-corruption and bribery. In 2024, the Group completed anti-corruption and bribery audits on 91 suppliers. Regular online surveys and on-site audits are conducted via the Supplier Management Platform. Zero-tolerance violations identified during audits lead to disqualification from new projects. For non-zero-tolerance issues, suppliers must submit corrective action plans within a defined period based on the severity of the issue. Suppliers failing to complete the required improvements within the given timeframe will be listed as restricted suppliers.



- Use of child labour
- Use of forced labour/prison labour
- Discharge of untreated toxic and hazardous substances or materials
- Actions and working environments that could cause immediate physical harm to employees
- Provision of false information to the Group
- Retaliation against employees who provide factual information



#### Management System

Obtaining ISO 14001, ISO 14064, ISO 45001, and QC 080000 system certification

#### ESG Risk Assessment

Considering supplier's working hours, salary and benefits, environmental assessment approval, environmental violations, dangerous procedures, and management systems

#### ESG Audit

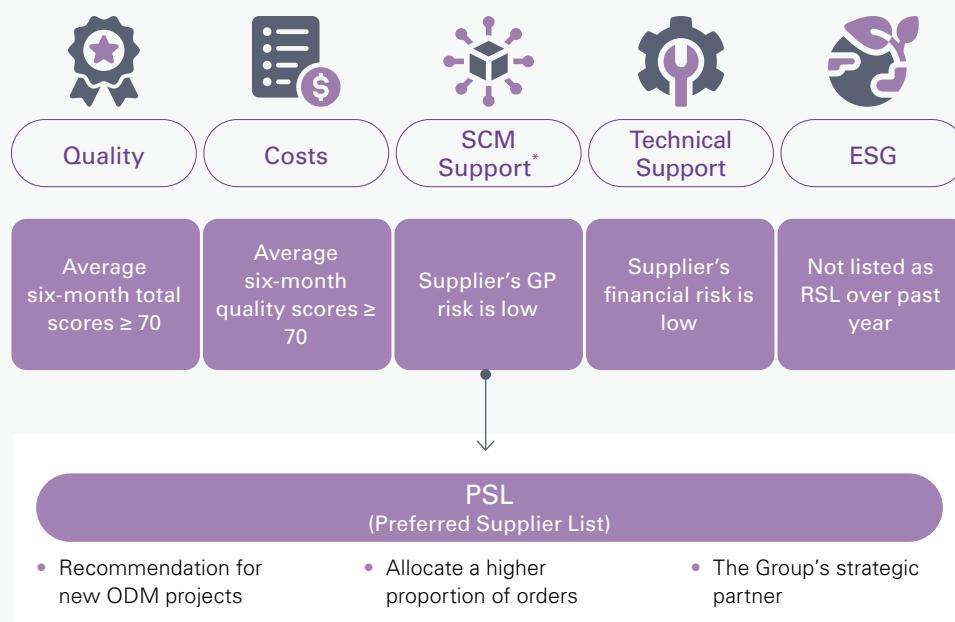
Adopting the RBA VAP Audit Checklist

In the Reporting Period, the Group conducted comprehensive ESG audits on 112 major suppliers using the RBA VAP tool. These audits were carried out by professional audit teams composed of experts from supplier management, HR, occupational safety, and environmental protection departments. The audits covered five core areas: labour, health and safety, ethics, environment, and supply chain management systems. In 2024, 433 non-conformances were identified, none of which were classified as priority-level. Most findings were minor or other-level issues. Corrective actions and follow-up measures were required within a specific timeframe. The Group continues to monitor supplier progress and ensure resolution of identified deficits.

#### 4. Continuous Improvement

The Group requires suppliers to address audit findings and tracks their performance using a Scorecard system. Priority evaluation items include net-zero emissions, zero waste initiatives, and green product development. The Group has established supplier ESG performance evaluation standards based on international ESG indicators, relevant regulatory frameworks, and customer requirements. The Scorecard Platform applies a progressive scoring methodology that adjusts scores based on actual performance, thereby incentivising improvement. Based on performance reviews, suppliers are periodically updated into the Group's "Approved Supplier List," "Preferred Supplier List ("PSL")," or "Restricted Supplier List ("RSL")."

##### Supplier Performance (Scorecard) Review



The Group provides guidance to suppliers in the implementation of their correction plans. Suppliers failing to complete the required improvements within the specified timeframe may prompt the Group to take further action including reducing, limiting or restricting the supplier's involvement in new cases, or even terminating the collaborative relationship.

With a significant emphasis on its supplier relationships, the Group engages with suppliers regularly throughout the year to build stronger strategic partnerships and foster a sustainable supply chain culture.

##### Social and Environmental Responsibilities

- CSR management system
- Audit results and improvement of non-compliance items
- Survey of conflict minerals
- Energy and carbon reduction and management of hazardous materials



\* SCM: Supply Chain Management

## Sustainable Product Management

From product design and material sourcing to procurement practices, the Group is committed to embedding sustainability throughout its whole supply chain. To ensure alignment with environmental standards set by industry, customers, regulators, and stakeholders, the Group has established specialised divisions responsible for regulatory compliance. These divisions ensure adherence to key standards, including the Product Quality Law of the People's Republic of China, the Restriction of Hazardous Substances Directive ("RoHS"), the European Union's Registration, Evaluation, Authorisation and Restriction of Chemicals ("REACH") Regulation, Halogen-free ("HF") certifications, conflict minerals restrictions, and GHG emissions reduction expectations. These regulatory requirements are translated into practical internal measures integrated into the Group's operations.

In order to improve chemical safety and storage, protect employee health and assets, and prevent incidents, the Group has formed a Chemical Management Committee consisting of representatives from safety, procurement, HR, environmental protection, and testing departments. Key measures include "Material Safety Data Sheet ("MSDS") Management Process," "Specifications for Chemical Substance and Materials Management," and "Specifications for Safety Management of Hazardous Chemicals." In order to progressively replace hazardous substances, the Group has also created the "Specification for Chemical Substance Replacement" and the "Specification for Chemical Substance Classification Management." These protocols aim to minimise environmental impacts and safeguard the health, safety, and property of employees. For example, the Longhua factory has completed a full chemical inventory, and currently no hazardous substances require phase-out. The Hengyang factory has implemented a Chemical Warehouse Management Protocol based on national chemical safety regulations, labelling standards, and guidelines for safe storage and use.



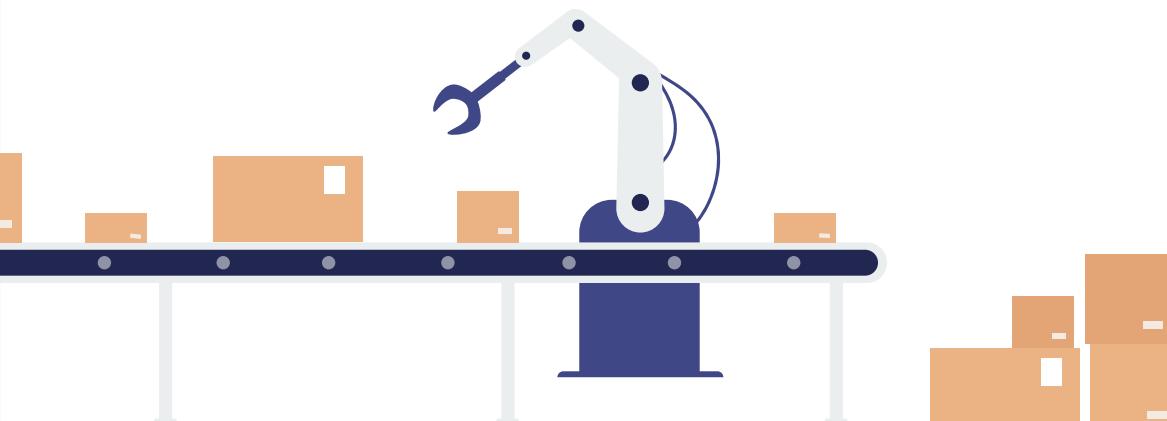
Under Hon Hai Technology Group's Design for Environment programme, the Group incorporates five core principles into product development: eco-friendliness, energy and resource efficiency, waste reduction, recyclability, and ergonomic design. Suppliers are required to ensure that their upstream suppliers comply with relevant restrictions on toxic substance, limiting the use of hazardous substances. They must also adopt GHG emissions reduction measures and, where feasible, manufacture eco-friendly products using recyclable materials. Hon Hai Technology Group has developed the "Foxconn Supplier GHG Management Process," which outlines expectations for suppliers to implement GHG management systems in accordance with ISO 14064-1, verify GHG data through third-party audits, and obtain energy management certification. Suppliers are also encouraged to use renewable energy, participate in carbon trading markets, and set carbon reduction and neutrality goals.

In 2024, as part of the Group's response to digital transformation, the "FIH Supplier Quality Management and Green Procurement Platform" was launched, integrating a supplier ESG scorecard. This platform facilitates digital tracking of supplier material compliance and manufacturing compliance for the Group's sourcing team. It has received over 3,300 visits and manages more than 300 suppliers. In the event of environmental non-compliance in materials or components, the Group will immediately initiate recall procedures, including segregation and inventory investigation. In 2025, the Group aims to promote four suppliers to sign renewable energy agreements to reduce the carbon footprint of the Group's products and complete carbon emission data collection and inventory for 50 suppliers. These initiatives support its efforts to reduce product carbon footprints and build a more sustainable value chain.

## Responsible Mineral Procurement Management

As a member of the Responsible Minerals Initiative ("RMI"), Hon Hai Technology Group is committed to managing mineral procurement in an ethical and responsible manner. In alignment with this commitment, and as part of Hon Hai Technology Group, the Group has developed the "Environmental Protection and Social Responsibility Commitment" and the "FIH Social Accountability Management Manual." These documents reflect the Group's stance on responsible mineral sourcing and establish clear expectations for suppliers regarding mineral traceability, avoidance of conflict minerals, and adherence to international best practices.

To further support responsible sourcing, the Group has implemented the "[Supplier Responsible Mineral Sourcing Management Process](#)," which provides specific guidelines to prevent indirect use of conflict minerals in the supply chain. The Group does not directly purchase raw materials from smelters or refineries, nor does it intentionally use conflict minerals in its operations. However, it recognises the potential presence of such materials in upstream components. To mitigate this risk, the Group actively conducts supplier evaluation and traceability protocols. To enhance transparency and demonstrate external recognition, the Group plans to disclose the number and percentage of suppliers undergoing international third-party audits, such as RBA VAP, related to responsible minerals sourcing.



The Group requires new suppliers to use smelters or refineries that follow the Responsible Minerals Assurance Process ("RMAP") and performs a due diligence process on suppliers using the Conflict Minerals Reporting Template ("CMRT") and Cobalt Reporting Template ("CRT"). To prevent mineral sourcing from areas with high-risk conflict and human rights crises, including the Democratic Republic of the Congo ("RDC") or its adjoining countries as well as other high-risk areas, its suppliers must track the origin of products that might contain conflict minerals, such as gold (Au), tantalum (Ta), tin (Sn), and tungsten (W). They must also provide detailed information about the sources of these minerals. To become a qualified Group supplier, new suppliers must submit verified CMRT reports and sign the "Environmental Protection and Social Responsibility Commitment" form, which commits them to adhering to the Group's responsible mineral procurement policies. Suppliers' responsible minerals sourcing performance will be managed through a scoreboard system of risk developed by the Group.

As part of the commitment, and as listed in "[Supplier Responsible Minerals Sourcing Management Process](#)" supplier requirements, the Group hereby declares:



1. \_\_\_\_\_

Suppliers are required to fulfil their social and environmental responsibilities.

3. \_\_\_\_\_

To develop and implement risk avoidance strategy, suppliers must ensure that the components and products provided to the Group do not contain Ta, Sn, W, Au, or Co sourced from the RDC and its surrounding high-risk conflict areas by using the CMRT and EMRT to fully disclose.

2. \_\_\_\_\_

Suppliers should ensure that they are working with smelters or refineries which adhere to the RMAP of the RMI, and carry out independent third-party audit of smelter/refiner's due diligence practices (if procuring material directly from smelter).

4. \_\_\_\_\_

Suppliers should establish effective responsible mineral procurement management systems following the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

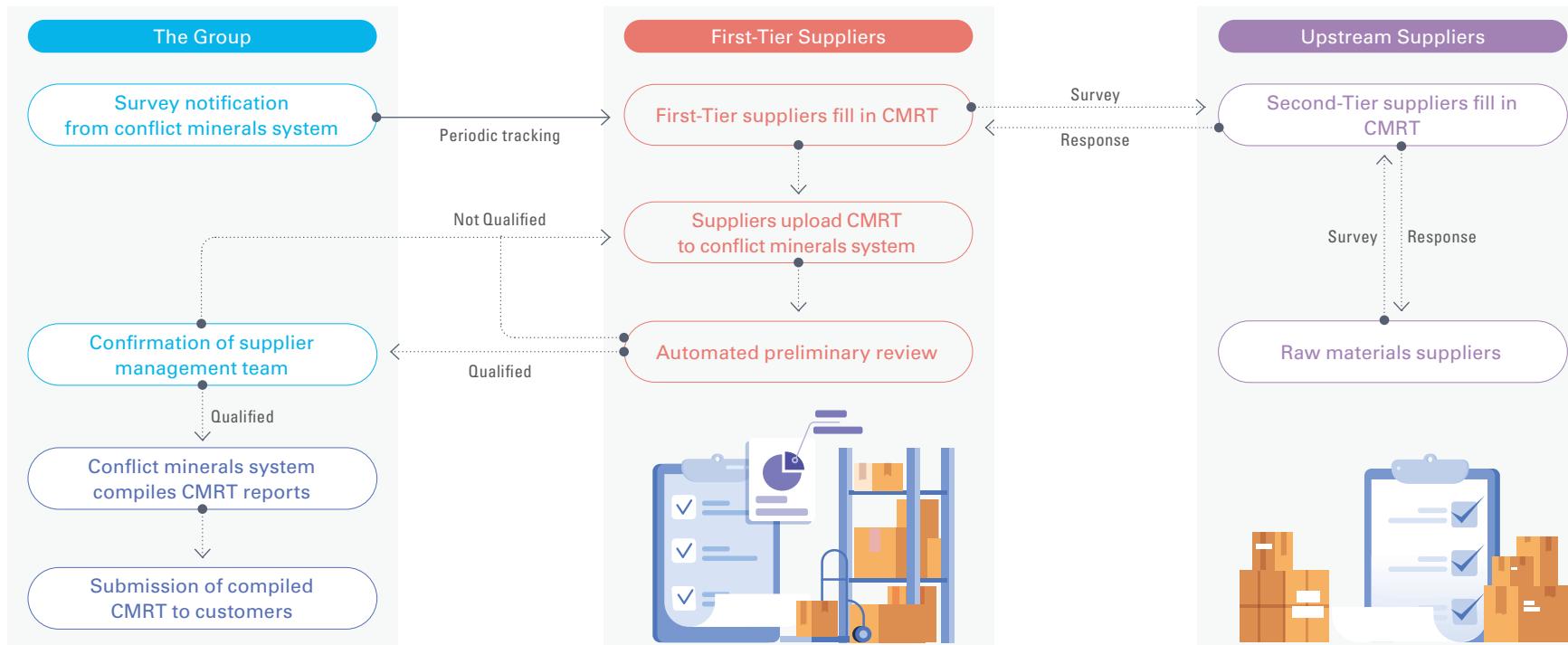
5. \_\_\_\_\_

Suppliers should identify and assess the risk in their own supply chain by requiring the same of their upstream vendors.

6. \_\_\_\_\_

Suppliers should publicly disclose their supply chain due diligence and findings.

## Flowchart of Management Operations for Conflict Minerals



FIH Supplier Social and Environmental Responsibility Code of Conduct

The Group has implemented a conflict minerals management platform for the business units. The Supplier Quality Management department is responsible for monitoring conflict minerals use and conducting reviews annually. This platform serves as a centralised system to collect, review, and consolidate supplier conflict minerals due diligence reports. Data gathered through the platform is then stored and tracked over the long term. Additionally, the data is used to create a digital dashboard to track the use of conflict minerals by suppliers and to disclose this information to end customers. In order to facilitate the sharing and statistics of responsible mineral procurement management data within the group, BU supplier management departments utilise this system platform to conduct due diligence survey for suppliers.

In 2024, after preliminary screening, a total of 416 suppliers were investigated regarding conflict minerals through the conflict minerals management system platform. Among them,

126 suppliers were not involved in sourcing conflict metals, while 290 suppliers completed the CMRT/EMRT survey forms, achieving a 100% response rate. A total of 315 smelters and refiners were identified, of which 288 have been certified as compliant by the RMI RMAP program. The remaining 27 are either in the process of or need to undergo RMAP certification. None of the smelters or refiners were found to be non-compliant with RMI RMAP standards. The Group requires its suppliers to push these 27 non-RMAP smelters/refineries to achieve RMAP compliance within a specified timeframe or face elimination from the supply chain. The Group did not identify any supplier products containing tantalum, tin, tungsten, gold, or cobalt from conflict countries and surrounding areas. For the next step, the Group plans to develop a Conflict Minerals Report, which will include statistical analysis and traceability investigations of suppliers. The results will be disclosed on the official website and in the ESG report.

## Product Quality Control

While the Group prioritises making products more environmentally friendly, it also considers the products' quality and safety. The Group's ongoing efforts are always focused on producing high-quality and dependable products, which are its duty to all customers. Every business unit must set a goal as part of the Group's overall quality control management system. Every business unit is equipped with a Quality Assurance department to safeguard product quality.

To standardise the quality control management between business units, The Group has established quality assurance processes, which contain the quality manual and corresponding quality-related documents. By the end of the Reporting Period, all production and operation sites have acquired ISO 9001:2015 Quality Management System and have been audited by an auditing company to maintain its effectiveness. The Group is committed to ensuring that the quality of its products and services reaches world-class standards through continuous improvement and innovation to meet customer needs and enhance customer satisfaction. In response to product recalls, the Group has also established product emergency procedures for reference to maintain its corporate image, product reputation and the rights of customers. By doing this, the Group aims to minimise the scope of damage and loss, thereby reaching a consensus beneficial to both parties.

## Labelling and Advertising

The Group provides packaging and product information labelling in accordance with applicable laws and regulations of the relevant exporting and importing jurisdictions as well as their instructions. These services help customers identify manufacturing sites and enable inquiries related to product returns or service needs. As the Group does not sell directly to end consumers, it does not engage in direct advertising. Instead, its customers are responsible for product marketing and promotional activities.



## Customer Relationship Management

The Group greatly values the opportunity to interact with its customers. Building long-lasting customer relationships is essential to the Group's long-term business success. It is committed to improving product performance, providing tailored services, and maintaining close communication with its diverse customer base.

Customer feedback is a top priority for the Group. The Group's business units conduct regular customer satisfaction surveys and distribute questionnaires to its key customers. In order to understand customers' overall perception of the Group, feedback is collected to assess satisfaction across four dimensions: product quality, service quality, delivery performance, and responsiveness. This data enables the Group to optimise production capacity, tailor product functionality, and meet evolving customer demands. Proactive customer engagement strategies are implemented, and each business unit sets annual customer satisfaction goals. If a business unit fails to meet its target, it is required to develop an improvement plan and implement corrective measures based on the feedback.

## Customer Complaint Handling Procedures

The Group places a great importance on customer feedback regarding the quality of its products and services. To ensure that all complaints are addressed effectively, the Group has set up customer complaint handling procedures for both product- and service-related issues. Upon receiving a complaint, the responsible business unit verifies the information provided and investigates the production process to determine the root cause of the issue. If the complaint is determined to be legitimate, corrective actions are proposed and implemented, and performance is monitored to ensure resolution. Once a complaint case is closed, it is documented and incorporated into a continuous improvement process. This practice helps strengthen internal quality controls and prevent recurrence of similar issues. During the Reporting Period, the Group received zero product- or service-related complaints. For further details, please refer to the ["Performance Data Table"](#).

# Performance Data Table

Environmental Performance <sup>i</sup>	Year 2024	Year 2023	Year 2022	Year 2021
<b>The types of emissions and respective emissions data (kg)</b>				
Nitrogen oxides (NOx) emissions	20,056.83	28,384.15	33,251.61	32,338.05
Sulphur oxides (SOx) emissions	3.41 <sup>ii</sup>	21.87	36.21	9.61
Particulate matter (PM) emissions	43.60 <sup>ii</sup>	875.30	458.28	12.84
<b>Total greenhouse gas emissions (tCO<sub>2</sub>e)</b>				
Scope 1 emissions	11,110.51	14,107.69	28,699.80	26,803.46
Scope 2 emissions (Location-based)	234,017.29	268,226.34	357,017.18	435,116.97
Scope 2 emissions (Market-based)	174,733.98	197,497.77	347,712.61	433,031.11
Scope 1 and 2 emissions (Location-based)	245,127.79	282,334.03	385,716.98	461,920.43
Scope 1 and 2 emissions (Market-based)	185,844.49	211,605.46	376,412.41	459,834.57
<b>Greenhouse gas emissions in intensity (tCO<sub>2</sub>e/US\$M)</b>				
Scope 1 and 2 emissions (Location-based) / Revenue	42.98	43.80	41.06	53.82
Scope 1 and 2 emissions (Market-based) / Revenue	32.59	32.83	40.07	53.58

Environmental Performance <sup>i</sup>	Year 2024	Year 2023	Year 2022	Year 2021
<b>Total energy consumption<sup>iii</sup> ('000 kWh)</b>				
Total energy consumption <sup>iii</sup> ('000 kWh)	353,483.03	455,829.38	565,528.55	650,633.65
<b>Total energy consumption by type ('000 kWh)</b>				
Purchased electricity	248,911.95	256,651.12	378,755.52	482,434.01
Fuel (Diesel, Petrol, LPG <sup>iv</sup> and PNG <sup>v</sup> )	40,797.22	47,492.48	70,682.41	67,300.18
Purchased steam	17,968.47 <sup>vi</sup>	59,608.73	93,337.98	87,751.55
Renewable energy — solar (self-generated, PPA and RECs)	32,853.04	10,141.68	12,470.45	10,842.89
Renewable energy — wind (self-generated, PPA and RECs)	52,896.65	81,935.37	10,282.20	2,305.02
<b>Energy consumption by type in intensity ('000 kWh/US\$M)</b>				
Purchased electricity	43.65	39.82	40.32	56.21
Fuel (Diesel, Petrol, LPG and PNG)	7.15	7.37	7.52	7.84
Purchased steam	3.15	9.25	9.94	10.22
Renewable energy — solar	5.76	1.57	1.33	1.26
Renewable energy — wind	9.28	12.71	1.09	0.27

<sup>i</sup> Emission factors for energy were adopted from "How to prepare an ESG Report — Appendix 2: Reporting Guidance on Environmental KPIs" published by HKEX. Emission factor for natural gas was derived from UK Government GHG Conversion Factors for Company Reporting. Emission factor for countries' electricity was derived from Institute for Global Environmental Strategies ("IGES") List of Grid Emission Factors, Energy Administration - Ministry of Economic Affairs, and Carbon Footprint. Emission factor for steam was derived from 工業其他行業企業溫室氣體排放核算方法與報告指南(試行). The Global Warming Potential ("GWP") was taken from the "IPCC Fourth Assessment Report (2017)." GHGs include CO<sub>2</sub>, CH<sub>4</sub> and N<sub>2</sub>O.

<sup>ii</sup> During the Reporting Period, diesel forklifts were replaced with electric forklifts. Additionally, the calculation method for air pollutant particulate emissions has been adjusted. In previous years, emissions were estimated based on mileage, whereas starting this year, actual fuel consumption is used for more scientific emission calculations.

<sup>iii</sup> Total energy consumption is calculated by summing purchased electricity, fuel, steam, and renewable energy, while deducting RECs to prevent double-counting.

<sup>iv</sup> LPG: Liquefied petroleum gas.

<sup>v</sup> PNG: Piped natural gas.

<sup>vi</sup> During the Reporting Period, the DFW site did not experience severe cold weather, resulting in no steam usage. Additionally, the Reporting Boundary was adjusted to exclude the Yantai site, leading to a significant decrease in steam consumption.

Environmental Performance <sup>i</sup>	Year 2024	Year 2023	Year 2022	Year 2021
<b>Water utilization (m³)</b>				
Water withdrawal in total	2,974,655.02	3,516,588.59	3,797,994.80	5,470,654.31
Water consumption in total	723,537.63	351,658.86	379,799.48	547,065.43
Wastewater discharged in total	2,251,117.39	3,164,929.73	3,418,195.32	4,923,588.88
<b>Water consumption intensity (m³/US\$M)</b>	<b>126.87<sup>vii</sup></b>	<b>54.56</b>	<b>40.43</b>	<b>63.74</b>
<b>Total waste (tonnes)</b>	<b>18,361.86</b>	<b>18,943.71</b>	<b>30,241.24</b>	<b>33,512.10</b>
<b>Total hazardous waste by disposal method (tonnes)</b>	<b>1,370.03</b>	<b>1,137.04</b>	<b>6,652.35</b>	<b>9,295.25</b>
Landfill	5.82	7.22	43.91	109.78
Anaerobic decomposition (Biodegradable)	0.00	0.00	0.00	0.00
Recycling	1,080.48	818.15	2,600.57	2,956.86
Energy Recovery Incineration	208.12	211.97	1,073.95	1,054.07
Non-energy Recovery Incineration	35.54	35.77	0.00	0.00
Composting	0.00	0.00	0.00	0.00
Other	40.07	63.92	2,933.91	5,174.54

Environmental Performance <sup>i</sup>	Year 2024	Year 2023	Year 2022	Year 2021
<b>Hazardous waste in intensity (tonnes/US\$M)</b>	<b>0.24</b>	<b>0.18</b>	<b>0.71</b>	<b>1.08</b>
<b>Total non-hazardous waste by disposal method (tonnes)</b>	<b>16,991.83</b>	<b>17,806.67</b>	<b>23,588.89</b>	<b>24,216.84</b>
Landfill	0.00 <sup>viii</sup>	47.93	775.45	1,587.83
Anaerobic decomposition (Biodegradable)	876.78 <sup>ix</sup>	425.96	1,986.50	1,615.24
Recycling	11,211.62	8,285.67	13,889.58	16,579.20
Energy Recovery Incineration	1,558.47 <sup>ix</sup>	3,282.27	0.00	0.00
Non-energy Recovery Incineration	129.58 <sup>x</sup>	516.89	4,931.05	4,434.57
Composting	660.60	529.84	0.00	0.00
Other	2,554.78	4,718.11	2,006.31	0.00
<b>Non-hazardous waste in intensity (tonnes/US\$M)</b>	<b>2.98</b>	<b>2.76</b>	<b>2.51</b>	<b>2.82</b>
<b>Total materials recycled (tonnes)</b>	<b>12,292.10</b>	<b>9,103.82</b>	<b>16,490.15</b>	<b>19,536.06</b>

<sup>vii</sup> The water consumption intensity of 2024 calculated based on historical methodology is 52.16 (tCO<sub>2</sub>e/US\$M), achieving a reduction of 34% compared to base year in 2020. With the installation of water discharge meters in 2024, a more accurate data on water consumption is being obtained, contributing to a different water consumption figure disclosed in performance data table.

<sup>viii</sup> The Group actively implements UL 2799 Zero Waste to Landfill certification. During the Reporting Period, all sites managed waste through various transformation methods, ensuring no direct landfill disposal.

<sup>ix</sup> During the Reporting Period, the Reporting Boundary was adjusted and all sites actively implemented waste reduction measures, leading to a significant decrease in waste volume.

Social Performance <sup>x</sup>		Year 2024	Year 2023	Year 2022	Year 2021
<b>Total workforce (people)<sup>xi</sup></b>		<b>31,568</b>	<b>36,657</b>	<b>44,055</b>	<b>73,993</b>
<b>Total workforce by gender (people)</b>					
Male		18,884	19,393	23,333	41,486
Female		12,684	17,264	20,722	32,507
<b>Total workforce by employment type (people)</b>					
Full-time		20,214	23,127	28,824	47,091
Part-time/Temporary		11,354	13,530	15,231	26,902
<b>Total workforce by age group (people)</b>					
Under 30		15,980	17,793	21,290	42,321
30–50		14,829	18,114	21,950	30,897
Above 50		759	750	815	775
<b>Total workforce by geographical region (people)</b>					
Taiwan		1,225	1,220	1,194	1,335
The PRC		18,918	21,465	27,592	51,071
Vietnam		5,087	4,513	4,253	5,074
India		5,286	8,277	9,791	14,995
Mexico		930	1,028	913	1,319
The United States of America		115	146	303	185
Hong Kong Special Administrative Region of the PRC		7	8	9	9
Brazil		0	0	0	5

x Data not collected in 2021 and 2022 is presented as N/A. Similarly, data in 2023 and 2024 that is not applicable for calculation or collection is also presented as N/A.

xi The total workforce is presented as of 31 December 2024.

xii Full-time employees only, excluding part-time/temporary employees. Turnover includes voluntary resignation, retirement, dismissal, or death.

xiii Full-time employees only, excluding part-time/temporary employees.

Social Performance <sup>x</sup>		Year 2024	Year 2023	Year 2022	Year 2021
<b>Employee turnover rate by gender (%)<sup>xii</sup></b>					
Male					
		44.33	46.83	74.00	41.27
Female					
		36.84	36.47	59.10	28.48
<b>Employee turnover rate by age group (%)</b>					
Under 30		73.18	75.09	126.24	38.72
30–50		25.22	27.28	38.45	31.75
Above 50		21.15	18.81	18.07	23.61
<b>Employee turnover rate by geographical region (%)</b>					
Taiwan		11.70	12.38	14.42	12.06
The PRC		30.00	28.66	71.53	42.99
Vietnam		61.17	44.74	62.87	27.00
India		56.41	13.72	69.92	7.14
Mexico		117.63	41.44	76.78	134.19
The United States of America		22.00	0.68	30.23	30.27
Hong Kong Special Administrative Region of the PRC		0.00	12.50	0.00	0.00
Brazil		0.00	0.00	0.00	0.00
<b>Number and rate of work-related fatalities<sup>xiii</sup></b>					
Number of work-related fatalities (people)		0	0	0	0
Work-related fatality rate (%)		0.00	0.00	0.00	0.00

Social Performance <sup>x</sup>		Year 2024	Year 2023	Year 2022	Year 2021
<b>Lost days due to work injury (day)<sup>xiv</sup></b>		2,032	1,951	2,386	1,525
<b>Number of work stoppages</b>		0	0	N/A	N/A
<b>Lost days due to work stoppages (day)</b>		0.00	0.00	N/A	N/A
<b>Total recordable incident rate (TRIR) (%)</b>					
Full-time		0.02	1.06	N/A	N/A
Part-time/Temporary		0.00	1.06	N/A	N/A
<b>Near miss frequency rate (NMFR) (%)</b>					
Full-time		0.00	0.00	N/A	N/A
Part-time/Temporary		0.01	0.71	N/A	N/A
<b>Disabling Injury Frequency Rate (FR) (%)</b>		0.02	0.09	N/A	N/A
<b>Disabling Injury Severity Rate (SR) (%)</b>		0.09	1.68	N/A	N/A
<b>The percentage of employees trained by gender (%)</b>					
Male		59.82	52.90	52.96	56.07
Female		40.18	47.10	47.04	43.93
<b>The percentage of employees trained by employee category (%)<sup>x</sup></b>					
Senior Management		2.28	2.13	1.77	1.07
Middle Management		23.44	22.79	21.85	16.38
General Staff		74.28	75.08	76.37	82.56

Social Performance <sup>x</sup>		Year 2024	Year 2023	Year 2022	Year 2021
<b>Average training hours completed per employee (hours)</b>		67.86	54.25	63.93	46.15
<b>Average training hours completed per employee by gender (hours)</b>					
Male		64.23	56.68	72.74	41.85
Female		73.28	51.52	54.01	51.64
<b>Average training hours completed per employee by employment type (hours)</b>					
Senior Management		55.73	58.25	58.44	49.39
Middle Management		81.55	86.60	148.98	71.30
General Staff		63.92	44.32	39.72	41.12
<b>Number of product- and service-related complaints received</b>		0	61	89	0
<b>Number of concluded legal cases regarding corrupt practices brought against the Group or its employees and outcomes of the cases</b>		0	0	0	0

<sup>xiv</sup> The count of lost days begins when an absence exceeds 3 consecutive lost days.

Social Performance <sup>x</sup>		Year 2024	Year 2023	Year 2022	Year 2021
<b>Number of top 100 suppliers by geographical region<sup>xv</sup></b>					
Cyprus		1	1	1	1
Finland		1	1	0	0
Hong Kong Special Administrative Region of the PRC		18	18	21	20
India		8	8	10	6
Japan		1	1	0	0
Netherlands		0	0	0	1
The PRC		40	40	34	31
Singapore		3	3	3	6
South Korea		2	2	2	2
Taiwan		22	22	24	24
The United States of America		3	3	3	9
Vietnam		1	1	2	0
<b>The percentage of facilities audited in RBA Validated Audit Process (VAP) (%)</b>					
The Group's fatalities		18.18	15.38	N/A	N/A
The Group's high-risk facilities		100	100	N/A	N/A
<b>The percentage of supplier facilities audited in RBA Validated Audit Process (VAP) (%)</b>					
The Group's Tier 1 supplier facilities		10.31	50.08	N/A	N/A
The Group's high-risk Tier 1 supplier facilities		N/A	N/A	N/A	N/A

Social Performance <sup>x</sup>		Year 2024	Year 2023	Year 2022	Year 2021
<b>Non-conformance with the RBA Validated Audit Process (VAP)</b>					
Non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent for (a) priority non-conformances for (i) the FIH's facilities		0	1.11	N/A	N/A
Non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent for (b) other non-conformances for (i) the Group's facilities		8.89	12.78	N/A	N/A
Associated corrective action rate for (a) priority non-conformances, for (i) the Group's facilities		N/A	N/A	N/A	N/A
Associated corrective action rate for (b) other non-conformances, for (i) the Group's facilities		43.75	100	N/A	N/A
Non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent for (a) priority non-conformances for (ii) the Group's Tier 1 supplier facilities		0	0	N/A	N/A
Non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent for (b) other non-conformances, for (ii) the Group's Tier 1 supplier facilities		100	100	N/A	N/A
Associated corrective action rate for (a) priority non-conformances, for (ii) the Group's Tier 1 supplier facilities		N/A	N/A	N/A	N/A
Associated corrective action rate for (b) other non-conformances, for (ii) the Group's Tier 1 supplier facilities		100	100	N/A	N/A

<sup>xv</sup> The above table relates to the top 100 suppliers (out of over 1,000 suppliers) of the Group during the Reporting Period. The Group's purchases from such top 100 suppliers in the aggregate accounted for the majority of the Group's total purchases during the Reporting Period. Also, to provide similar information relating to all the other suppliers of the Group and/or the number of suppliers where the Group's practices relating to engaging suppliers are being implemented would lead to particulars of excessive length. Accordingly, in the Group's opinion, the above disclosure is sufficient for the present purposes.

# HKEX ESG Code Content Index<sup>xvi</sup>

Aspect	HKEX KPI	Description	Page Number of this ESG Report / Remarks
<b>A. Environmental</b>			
<b>A1</b> <b>Emissions</b>	A1	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste.	Environmental Stewardship, P.60; Relevant Laws and Regulations, P.60,93
	A1.1	The types of emissions and respective emissions data	Refer to Performance Data Table
	A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Refer to Performance Data Table
	A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Refer to Performance Data Table
	A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity (e.g. per unit of production volume, per facility)	Refer to Performance Data Table
	A1.5	Description of emissions target(s) set and steps taken to achieve them	Climate Change, P.53-55
	A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them	Environmental Stewardship, P.68-69
<b>A2</b> <b>Use of Resources</b>	A2	General Disclosure Policies on the efficient use of resources, including energy, water and other raw materials.	Environmental Stewardship, P.60
	A2.1	Direct and/or indirect energy consumption by type (e.g. electricity, gas or oil) in total (kWh in '000s) and intensity (e.g. per unit of production volume, per facility)	Refer to Performance Data Table
	A2.2	Water consumption in total and intensity (e.g. per unit of production volume, per facility)	Refer to Performance Data Table
	A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them	Environmental Stewardship, P.61-64
	A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them	Climate Change, P.54 Environmental Stewardship, P.67-68
	A2.5	Total packaging material used for finished products (in tonnes) and, if applicable, with reference to per unit produced	The Group generally utilises packaging materials for finished products in accordance with customers' specific instructions and requirements. The volume of packaging materials corresponds to the volume of finished products, particularly for major customers, which may indirectly reveal commercially sensitive information. Therefore, specific details on the types and volumes of materials used are considered commercially sensitive and not disclosed.

xvi This Content Index follows the version of the ESG Code effective from January 2025 onwards.

Aspect	HKEX KPI	Description	Page Number of this ESG Report / Remarks
<b>A3</b> <b>The Environment and Natural Resources</b>	A3	General Disclosure Policies on minimising the issuer's significant impacts on the environment and natural resources.	Environmental Stewardship, P.60
	A3.1	Description of the significant impacts of activities on the environment and natural resources and actions taken to manage them	Environmental Stewardship, P.60
<b>A4</b> <b>Climate Change</b>	A4	General Disclosure Policies on identification and mitigation of significant climate-related issues which have impacted, and those which may impact, the issuer.	Climate Change, P.43-44
	A4.1	Description of the significant climate-related issues which have impacted, and those which may impact, the issuer, and the actions taken to manage them	Climate Change, P.47-52
<b>B. Social</b>			
<b>Employment and Labour Practices</b>			
<b>B1</b> <b>Employment</b>	B1	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	People-oriented, P.29; Relevant Laws and Regulations, P.94
	B1.1	Total workforce by gender, employment type (for example, full-time or part-time), age group and geographical region	Refer to Performance Data Table
	B1.2	Employee turnover rate by gender, age group and geographical region	Refer to Performance Data Table
<b>B2</b> <b>Health and Safety</b>	B2	General Disclosure Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	People-oriented, P.32; Relevant Laws and Regulations, P.94
	B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year	Refer to Performance Data Table
	B2.2	Lost days due to work injury	Refer to Performance Data Table
	B2.3	Description of occupational health and safety measures adopted, and how they are implemented and monitored	People-oriented, P.32-34
<b>B3</b> <b>Development and Training</b>	B3	General Disclosure Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	People-oriented, P.35-36
	B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management)	Refer to Performance Data Table
	B3.2	The average training hours completed per employee by gender and employee category	Refer to Performance Data Table

Aspect	HKEX KPI	Description	Page Number of this ESG Report / Remarks
<b>B4</b> <b>Labour Standards</b>	B4	General Disclosure  Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labour.	People-oriented, P.29-30 Relevant Laws and Regulations, P.94  Also, the Group abides by relevant employment ordinances and statutory requirements of Hong Kong. No relevant cases of non-compliance were recorded.
	B4.1	Description of measures to review employment practices to avoid child and forced labour	People-oriented, P.29-30
	B4.2	Description of steps taken to eliminate such practices when discovered	People-oriented, P.37
<b>Operating Practices</b>			
<b>B5</b> <b>Supply Chain Management</b>	B5	General Disclosure  Policies on managing environmental and social risks of the supply chain.	The Group's Value Chain, P.73
	B5.1	Number of suppliers by geographical region	Refer to Performance Data Table
	B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how they are implemented and monitored	The Group's Value Chain, P.73-82  As to the number of suppliers where the practices are being implemented, refer to Performance Data Table (B5.1).
	B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored	The Group's Value Chain, P.74-78
	B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored	The Group's Value Chain, P.79-80
<b>B6</b> <b>Product Responsibility</b>	B6	General Disclosure  Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	The Group's Value Chain, P.83; Relevant Laws and Regulations, P.95
	B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons	Due to the nature of the Group's business, this KPI is considered not material, especially as the Group does not sell its products directly to end consumers.
	B6.2	Number of products and service related complaints received and how they are dealt with	The Group's Value Chain, P.83 and refer to Performance Data Table
	B6.3	Description of practices relating to observing and protecting intellectual property rights	Corporate Governance, P.27
	B6.4	Description of quality assurance process and recall procedures	The Group's Value Chain, P.83
	B6.5	Description of consumer data protection and privacy policies, and how they are implemented and monitored	Corporate Governance, P.26

Aspect	HKEX KPI	Description	Page Number of this ESG Report / Remarks
<b>B7</b> <b>Anti-corruption</b>	B7	General Disclosure  Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering.	Corporate Governance, P.24-25; Relevant Laws and Regulations, P.95
	B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases	Refer to Performance Data Table
	B7.2	Description of preventive measures and whistle-blowing procedures, and how they are implemented and monitored	Corporate Governance, P.24-25
	B7.3	Description of anti-corruption training provided to directors and staff	Corporate Governance, P.24
<b>Community</b>			
<b>B8</b> <b>Community Investment</b>	B8	General Disclosure  Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests.	People-oriented, P.40
	B8.1	Focus areas of contribution (e.g. education, environmental concerns, labour needs, health, culture, sport)	People-oriented, P.40-41
	B8.2	Resources contributed (e.g. money or time) to the focus area	People-oriented, P.40

# Relevant Laws and Regulations

The laws and regulations (as amended from time to time) that the Group considers to be the most relevant to the Group in terms of a significant impact on the Group relating to the following aspects include, but are not limited to, the corresponding relevant laws and regulations below as well as other applicable laws and regulations in the PRC, India and Vietnam:

Aspect	PRC	India	Vietnam
<b>Aspect A1: Emissions</b> Air and greenhouse gas emissions, discharges into water and land, and generation of hazardous and non-hazardous waste	<ul style="list-style-type: none"> <li>“Environmental Protection Law of the People’s Republic of China”</li> <li>“Energy Conservation Law of the People’s Republic of China”</li> <li>“Law of the People’s Republic of China on the Prevention and Control of Atmospheric Pollution”</li> <li>“Law of the People’s Republic of China on the Prevention and Control of Water Pollution”</li> <li>“Law of the People’s Republic of China on the Prevention and Control of Environmental Pollution Caused by Solid Waste”</li> <li>“Law of the People’s Republic of China on the Prevention and Control of Soil Pollution”</li> <li>“Regulations on the Administration of Pollutant Discharge Licensing”</li> <li>“Law of the People’s Republic of China on the Prevention and Control of Noise Pollution”</li> <li>“Marine Environmental Protection Law of the People’s Republic of China”</li> </ul>	<ul style="list-style-type: none"> <li>“Factories Act, 1948”</li> <li>“E-Waste (Management) Rules, 2016”</li> <li>“Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016”</li> <li>“Environment (Protection) Act, 1986”</li> <li>“Environment (Protection) Rules, 1986”</li> <li>“Environmental Impact Assessment Notification, 2006”</li> <li>“Bio-Medical Waste Management Rules, 2016”</li> <li>“Batteries (Management and Handling) Rules, 2001”</li> <li>“Tamil Nadu Factories Rules, 1950”</li> <li>“Water (Prevention and Control of Pollution) Act, 1974”</li> <li>“Water (Prevention and Control of Pollution) Cess Rules, 1978”</li> <li>“Plastic Waste Management Rules, 2016”</li> <li>“Manufacture, Storage, and Import of Hazardous Chemical Rules, 1989”</li> <li>“Air (Prevention and Control of Pollution) Act, 1981”</li> <li>“Noise Pollution (Regulation and Control) Rules, 2000”</li> <li>“Coastal Regulation Zone Notification, 2011”</li> <li>“Public Liability Insurance Act, 1991”</li> <li>“Petroleum Act, 1934”</li> <li>“Petroleum Rules, 2002”</li> <li>“Atomic Energy Act, 1962”</li> <li>“Atomic Energy (Radiation Protection) Rules, 2004”</li> </ul>	<ul style="list-style-type: none"> <li>“Law on Environmental Protection No. 72/2020/QH14”</li> <li>“Decree No. 08/2022/ND-CP on Detailing of a number of Articles of the Law on Environmental Protection”</li> <li>“Decree No. 05/2025/ND-CP, dated and taking effect on 6 Jan 2025, on amending Decree No. 08/2022/ND-CP on Detailing of a number of Articles of the Law on Environmental Protection”</li> <li>“Decree No. 153/2024/ND-CP, dated on 21 Nov 2024 and taking effect on 5 Jan 2025 on Regulations on Environmental Protection Fees for Emissions”</li> <li>“Decision of Prime Minister No. 13/2024/QD-TTg, dated on 13 August 2024 on issuance of list of fields and facilities on emission greenhouse gas that must implement greenhouse gas inventory”</li> <li>“Decree No. 06/2022/ND-CP on Mitigation of Greenhouse Gas (GHG) Emission and Protection of Ozone Layer”</li> <li>“Circular No. 02/2022/TT-BTNMT on Detailing of a number of Articles of the Law on Environmental Protection and Decree No. 08/2022/ND-CP”</li> <li>“Decree No. 45/2022/ND-CP on Penalties for Administrative Environmental Protection Offenses”</li> <li>“Decree No. 53/2020/ND-CP on Environmental Protection Charge for Wastewater”</li> <li>“Decree No. 80/2014/ND-CP on the Drainage and Treatment of Wastewater”</li> </ul>
<b>Aspect B1: Employment</b> Compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	<ul style="list-style-type: none"> <li>“Civil Code of the People’s Republic of China”</li> <li>“Labour Law of the People’s Republic of China”</li> <li>“Provisions on the Prohibition of Using Child Labour”</li> <li>“Regulations on Labour Security Supervision”</li> <li>“Labour Contract Law of the People’s Republic of China”</li> <li>“Social Insurance Law of the People’s Republic of China”</li> <li>“Regulations on the Administration of Housing Provident Funds”</li> <li>“Interim Regulations on the Collection and Payment of Social Insurance Premiums”</li> <li>“Interim Provisions on Labour Dispatch”</li> <li>“Trade Union Law of the People’s Republic of China”</li> </ul>	<ul style="list-style-type: none"> <li>“Factories Act, 1948”</li> <li>“Tamil Nadu Industrial Establishments (National and Festival Holidays) Act, 1958”</li> <li>“Contract Labour (Regulation and Abolition) Act, 1970”</li> <li>“Minimum Wages Act, 1948”</li> <li>“Payment of Wages Act, 1936”</li> <li>“Payment of Bonus Act, 1965”</li> <li>“Equal Remuneration Act, 1976”</li> <li>“Trade Unions Act, 1926”</li> <li>“Industrial Employment (Standing Orders) Act, 1946”</li> <li>“Industrial Disputes Act, 1947”</li> <li>“Bonded Labour System (Abolition) Act, 1976”</li> <li>“Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979”</li> <li>“Employees’ Compensation Act, 1923”</li> <li>“Employees’ Provident Funds and Miscellaneous Provisions Act, 1952”</li> <li>“Employees’ State Insurance Act, 1948”</li> <li>“Maternity Benefit Act, 1961”</li> </ul>	<ul style="list-style-type: none"> <li>“Labour Code No. 45/2019/QH14”</li> <li>“Decree No. 135/2020/ND-CP on Retirement Age”</li> <li>“Decree No. 145/2020/ ND-CP on Detailing and Guiding the Implementation of the Labour Code on Working Conditions and Labour Relations”</li> <li>“Decree No. 152/2020/ND-CP on Foreign Workers Working in Vietnam and Recruitment and Management of Vietnamese Workers Working for Foreign Employers in Vietnam”</li> <li>“Decree No. 70/2023/ND-CP, dated and taking effect on 18 Sep 2023 on amending and supplementing Decree No. 152/2020/ND-CP”</li> <li>“Circular No. 09/2020/TT-BLDTBXH on Elaborating some Articles of the Labour Code on Minor Workers”</li> <li>“Circular No. 10/2020/TT-BLDTBXH on Elaborating and Guiding Certain Articles of the Labour Code Concerning Employment Contracts, Collective Bargaining Council and Jobs with Hazards to Reproductive Function and Children Raising”</li> <li>“Circular No. 11/2020/TT-BLDTBXH on Promulgating List of Arduous, Hazardous and Dangerous Occupations and Works, and Extremely Arduous, Hazardous and Dangerous Occupations and Works”</li> <li>“Law on Social Insurance No.41/2024/QH15”</li> </ul>
<b>Aspect B4: Labour Standards</b> Preventing child and forced labour			

Aspect	PRC	India	Vietnam
<b>Aspect B1: Employment</b> Compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare	<ul style="list-style-type: none"> <li>“Law of the People’s Republic of China on the Protection of Women’s Rights and Interests”</li> <li>“Regulations on the Administration of Social Insurance”</li> <li>“Special Provisions on the Labour Protection of Female Employees”</li> <li>“Regulations on Paid Annual Leave for Employees”</li> </ul>	<ul style="list-style-type: none"> <li>“Payment of Gratuity Act, 1972”</li> <li>“Building and Other Construction Workers’ Welfare Cess Act, 1996”</li> <li>“Labour Laws (Exemption from Furnishing Returns and Maintaining Registers by Certain Establishments) Act, 1988”</li> <li>“Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013”</li> <li>“Passport (Entry into India) Act, 1920”</li> <li>“Foreigners Act, 1946”</li> <li>“Registration of Foreigners Act, 1939”</li> <li>“Registration of Foreigners Rules, 1992”</li> <li>“Apprentices Act, 1961”</li> <li>“Rights of Persons with Disabilities Act, 2016”</li> <li>“Child and Adolescent Labour (Prohibition and Regulation) Act, 1986”</li> <li>“Transgender Persons (Protection of Rights) Act, 2019”</li> <li>the other state-specific labour welfare fund acts.</li> </ul>	<ul style="list-style-type: none"> <li>“Decree No. 58/2020/ND-CP on Rates of Compulsory Insurance Contributions to the Occupational Accident and Disease Benefit Fund”</li> <li>“Decree No. 143/2018/ND-CP Elaborating on Law on Social Insurance and Law on Occupational Safety and Hygiene regarding Compulsory Social Insurance for Employees who are Foreign Nationals Working in Vietnam”</li> <li>“Law on Employment No. 38/2013/QH13”</li> <li>“Decree No. 28/2015/NDCP on Detailing the Implementation of a Number of Articles on Unemployment Insurance of the Law on Employment”</li> <li>“Circular No. 28/2015/TT-BLDTBXH on Guiding Article 52 of the Law on Employment and the Decree No. 28/2015/ND-CP”</li> <li>“Law on Health Insurance No. 25/2008/ QH12”</li> <li>“Law Amendments to the Law on Health Insurance No. 46/2014/QH13”</li> <li>“Law on Amendments to a Number of Articles of the Law on Health Insurance No. 51/2024/QH15, dated on 27 Nov 2024”</li> </ul>
<b>Aspect B4: Labour Standards</b> Preventing child and forced labour			
<b>Aspect B2: Health and Safety</b> Providing a safe working environment and protecting employees from occupational hazards	<ul style="list-style-type: none"> <li>“Civil Code of the People’s Republic of China”</li> <li>“Work Safety Law of the People’s Republic of China”</li> <li>“Law of the People’s Republic of China on the Prevention and Control of Occupational Diseases”</li> <li>“Fire Protection Law of the People’s Republic of China”</li> <li>“Criminal Law of the People’s Republic of China”</li> <li>“Regulations on Work-Related Injury Insurance”</li> </ul>	<ul style="list-style-type: none"> <li>“Factories Act, 1948”</li> <li>“Tamil Nadu Fire Service Rules, 1990”</li> <li>“Tamil Nadu Fire Service Act, 1985”</li> <li>“Air (Prevention and Control of Pollution) Act, 1981”</li> <li>“Water (Prevention and Control of Pollution) Act, 1974”</li> <li>“Tamil Nadu Factories Rules, 1950”</li> <li>“Tamil Nadu Lifts and Escalators Rules, 1997”</li> <li>“Employees’ Compensation Act, 1923”</li> <li>“Explosives Rules, 2008”</li> <li>“Tamil Nadu Manual Workers (Regulation of Employment and Conditions of Work) Act, 1982”</li> <li>“Explosives Act, 1884”</li> <li>“Boilers Act, 1923”</li> <li>“Epidemic Diseases Act, 1897”</li> <li>“Gas Cylinders Rules, 2016”</li> <li>“Motor Vehicles Act, 1988”</li> <li>“Tamil Nadu Motor Vehicles Rules, 1989”</li> <li>“Static and Mobile Pressure Vessels (Unfired) Rules, 2016”</li> <li>“Disaster Management Act, 2005”</li> <li>“Disaster Management (National Institute of Disaster Management) Rules, 2006”</li> </ul>	<ul style="list-style-type: none"> <li>“Law on Occupational Safety and Health No. 84/2015/QH13”</li> <li>“Decree No. 39/2016/ND-CP on Detailing the Implementation of some Articles of the Law on Occupational Safety and Health”</li> <li>“Decree No. 88/2020/ND-CP elaborating on some Articles of the Law on Occupational Safety and Health regarding Compulsory Insurance for Occupational Accidents and Occupational Diseases”</li> <li>“Circular No. 29/2021/TT-BLDTBXH on Work Classification Standards based on Working Conditions”</li> <li>“Circular No. 36/2019/TT-BLDTBXH on Promulgating the List of Machinery, Equipment, Materials and Substances Subject to Strict Occupational Safety and Health Requirements”</li> <li>“Decree No. 23/2018/ND-CP on Compulsory Fire and Explosion Insurance” as amended by the “Decree No. 97/2021/ND-CP”</li> <li>“Decree No. 136/2020/ND-CP on guiding and detailing the implementation of the Law on Fire Prevention and Fighting”</li> <li>“Decree No. 50/2024/ ND-CP on amending some of articles of Decree No. 136/2020/ND-CP”</li> <li>“Circular No. 06/2020/TT-BLDTBXH on Promulgation of List of Occupations Bound by Strict Requirements for Occupational Safety and Health”</li> <li>“Decree No. 58/2020/ND-CP on Regulating Rates of Compulsory Insurance Contributions to the Occupational Accident and Occupational Disease Benefit Fund”</li> <li>“Law on Fire Prevention and Fighting No. 27/2001/QH10”</li> <li>“Law on Amendments and Supplements to a number of Articles of the Law on Fire Prevention and Fighting No. 40/2013/QH13”</li> <li>“Labour Code No. 45/2019/QH14”</li> <li>“Decree No. 145/2020/ND-CP” as more particularly described above</li> <li>“Circular No. 18/2021/TT-BLDTBXH on Regulations for Hours of Work and Hours of Rest Applicable to Employees Doing Seasonal Production Work and Processing of Goods under Orders”</li> <li>“Decree No. 25/2022/ND-CP on Guiding Implementation of Regulations on Personal Protective Equipment”</li> <li>“Circular No. 14/2013/TT-BYT on Guiding Medical Examination”</li> <li>“Circular No. 24/2022/TT-BLDTBXH on Provision of Perquisites for Workers in Harmful or Dangerous Environments”</li> <li>“Decree No. 144/2021/ND-CP on Sanctioning of Administrative Violation in Social Security, Order and Safety, Prevention and Fighting of Social Evils, Fire Prevention and Fighting, Rescue and Domestic Violence”</li> </ul>

Aspect	PRC	India	Vietnam
<b>Aspect B6: Product Responsibility</b> Health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress	<ul style="list-style-type: none"> <li>“Civil Code of the People’s Republic of China”</li> <li>“Product Quality Law of the People’s Republic of China”</li> <li>“Trademark Law of the People’s Republic of China”</li> <li>“Advertising Law of the People’s Republic of China”</li> <li>“Data Security Law of the People’s Republic of China”</li> </ul>	<ul style="list-style-type: none"> <li>“Bureau of Indian Standards Act, 2016”</li> <li>“Legal Metrology (Packaged Commodities) Rules, 2011”</li> <li>“Legal Metrology Act, 2009”</li> <li>“Intellectual Property Rights (Imported Goods) Enforcement Rules, 2007”</li> <li>“Customs Act, 1962”</li> <li>“Consumer Protection Act, 2019”</li> <li>“Customs (Import of Goods at Concessional Rate of Duty) Rules, 2017”</li> <li>“Information Technology Act, 2000”</li> <li>“Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) Rules, 2011”</li> <li>“Copyright Act, 1957”</li> <li>“Trademarks Act, 1999”</li> <li>“Designs Act, 2000”</li> <li>“Patents Act, 1970”</li> <li>“Customs Tariff Act, 1975”</li> <li>“Indian Telegraph Act, 1885”</li> <li>“Indian Telegraph Rules, 1951”</li> <li>“Indian Wireless Telegraphy Act, 1933”</li> <li>“Department of Telecommunications Notifications”</li> <li>“Procedure for Mandatory Testing and Certification of Telecommunication Equipment (MTCTE), 2018”</li> <li>“Bureau of Indian Standards Rules, 2018”</li> <li>“Indian Contract Act, 1872”</li> </ul>	<ul style="list-style-type: none"> <li>“Law on Product and Goods Quality No. 05/2007/QH12”</li> <li>“Decree No. 119/2017/ ND-CP on Penalties for Administrative Violations against Regulations on Standards, Measurement and Quality of Goods”</li> <li>“Decree No. 43/2017/ND-CP on Labelling of Goods”</li> <li>“Law on Advertising No. 16/2012/QH13”</li> <li>“Decree No. 38/2021/ND-CP on Prescribing Penalties for Administrative Violations involving Cultural and Advertising Activities”</li> <li>“Law on Intellectual Property No. 50/2005/QH11”</li> <li>“Law on Amendments and Supplements to the Law on Intellectual Property No. 36/2009/QH12”</li> <li>“Law on Amendments and Supplements to a Number of Articles of Law on Intellectual Property No. 42/2019/QH14”</li> <li>“Decree No. 103/2006/ND-CP on Detailed Regulations and Guidelines for Implementation of the Law on Intellectual Property regarding Industrial Property”</li> <li>“Decree No. 122/2010/ND-CP on Amending and Supplementing a Number of Articles of the Government’s Decree No. 103/2006/ND-CP on Detailing and Guiding a number of Articles of the Law on Intellectual Property regarding Industrial Property”</li> <li>“Civil Code No. 91/2015/QH13”</li> <li>“Law on Cyber Information Security No. 24/2018/QH14”</li> <li>“Decree No. 53/2022/ND-CP on Guiding the Implementation of the Law on Cybersecurity”</li> <li>“Decree No. 13/2023/ND-CP” on Personal Data Protection”</li> <li>“Law No. 60/2024/QH15 on data”</li> </ul>
<b>Aspect B7: Anti-corruption</b> Bribery, extortion, fraud and money laundering	<ul style="list-style-type: none"> <li>“Interim Provisions of the State Administration for Industry and Commerce on the Prohibition of Commercial Bribery”</li> <li>“Regulations of the State Administration for Industry and Commerce on Prohibiting Infringement upon Trade Secrets”</li> <li>“Anti-Unfair Competition Law of the People’s Republic of China”</li> <li>“Anti-Money Laundering Law of the People’s Republic of China”</li> <li>“Criminal Law of the People’s Republic of China”</li> <li>“Anti-Monopoly Law of the People’s Republic of China”</li> <li>“Provisions on Prohibiting the Abuse of Intellectual Property Rights to Exclude or Restrict Competition”</li> </ul>	<ul style="list-style-type: none"> <li>“Prevention of Corruption Act, 1988”</li> <li>“Benami Transactions (Prohibition) Act, 1988”</li> <li>“Prevention of Money Laundering Act, 2002”</li> <li>“Indian Penal Code, 1860”</li> </ul>	<ul style="list-style-type: none"> <li>“Law on Anti-Corruption No. 36/2018/QH14”</li> <li>“Decree No. 59/2019/ND-CP Elaborating on a Number of Articles and Measures for Implementation of the Law on Anti-Corruption” as amended by the “Decree No. 134/2021/ ND-CP”</li> <li>“Law on Anti-Money Laundering No. 14/2022/QH15”</li> <li>“Decree No. 19/2023/ND-CP on Detailing Implementation of a number of Articles of the Law on Anti-Money Laundering”</li> <li>“Circular No. 09/2023/TT-NHNN on Detailing Implementation of a number of Articles of the Law on Anti-Money Laundering”</li> <li>“Criminal Code No. 100/2015/QH13”</li> <li>“Law on Amendments to the Criminal Code No. 12/2017/QH14”</li> </ul>

# TCFD Disclosure Index

Core Elements	Recommend Disclosures	Chapters in This Report	Page
<b>Governance</b>	Board's oversight of climate-related risks and opportunities	03 Climate Change - Governance	P.43-44
	Management's role in assessing and managing climate-related risks and opportunities	03 Climate Change - Governance	P.43-44
<b>Strategy</b>	The climate-related risks and opportunities the organisation has identified over the short, medium, and long term	03 Climate Change - Risk Management	P.45-48
	The impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning	03 Climate Change - Strategy	P.49-52
	The Company scenario analysis (including a 2°C or lower scenario)	03 Climate Change - Risk Management	P.46
<b>Risk Management</b>	The organisation's processes for identifying and assessing climate-related risks	03 Climate Change - Risk Management	P.45
	The organisation's processes for managing climate-related risks	03 Climate Change - Risk Management	P.45
	How processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management	03 Climate Change - Risk Management	P.45
<b>Metrics and Targets</b>	The metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process	03 Climate Change - Metrics and Targets	P.53-57
	Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks	03 Climate Change - Metrics and Targets	P.53-57
	Management targets and related performances	03 Climate Change - Metrics and Targets	P.53-57

# TCFD Index on industry, Climate-related Metric Categories

Metric Category	Metrics	Result	Page
<b>GHG Emissions</b>	<ul style="list-style-type: none"> <li>Unit GHG emissions (tCO<sub>2</sub>e/revenue US\$M)</li> <li>Total GHG emissions (tCO<sub>2</sub>e)</li> </ul>	42.98 245,127.79	P.84
<b>Transition Risks</b>	<ul style="list-style-type: none"> <li>Percent of renewable energy consumption in all operation sites (%)</li> <li>Cumulative energy savings rate of energy conservation measures ('000 kWh)</li> </ul>	29.1 83,161.98	P.62-64
<b>Physical Risks</b>	<ul style="list-style-type: none"> <li>Number of production days interrupted by climate disasters (days)</li> <li>Unit water consumption (m<sup>3</sup>/revenue US\$M)</li> </ul>	2 126.87	P.85
<b>Capital Deployment</b>	<ul style="list-style-type: none"> <li>Deploy investments for mitigation, adaptation, R&amp;D, and the supply chain, including but not limited to:           <ul style="list-style-type: none"> <li>GHG abatement facilities: purchase green energy, carbon credits, and energy-efficient equipment</li> <li>Deployment, operations, and maintenance of water-saving and water recycling equipment</li> <li>R&amp;D of sustainable products</li> <li>Green equipment and low-carbon supply chain management</li> </ul> </li> </ul>	In Progress	P.49-69
<b>Decarbonisation</b>	Net zero emissions performance evaluations and commitments	In Progress	P.49,55
<b>Remuneration</b>	Linked shareholders' interests and ESG (including climate change management) achievements to senior executives' compensation by introducing the employee restricted stock awards (RSAs) issuance plan	Under Evaluation	P.44

# SASB Standards Content Index

Disclosed Metrics	Indicator Code	Report Content or Descriptions	Page Number of this ESG Report / Remarks
<b>Water Management</b>			
(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	TC-ES-140a.1	(1) 2,974,655.02 m <sup>3</sup> (2) 723,537.63 m <sup>3</sup> , 84%	Performance Data Table
<b>Waste Management</b>			
(1) Amount of hazardous waste from manufacturing, (2) percentage recycled	TC-ES-150a.1	(1) 1,137.04 tonnes (2) 78.9%	Performance Data Table
<b>Labour Practices</b>			
(1) Number of work stoppages and (2) total days idle	TC-ES-310a.1	(1) 0 (2) 0	Performance Data Table
<b>Labour Conditions</b>			
(1) Total recordable incident rate (TRIR) and (2) near miss frequency rate (NMFR) for (a) direct employees and (b) contract employees	TC-ES-320a.1	(1a) 0 (1b) 0 (2a) 0 (2b) 0	Performance Data Table
Percentage of (1) entity's facilities and (2) Tier 1 supplier facilities audited in the RBA Validated Audit Process (VAP) or equivalent, by (a) all facilities and (b) high-risk facilities	TC-ES-320a.2	(1a) 18.18% (1b) 100% (2a) 10.31% (2b) N/A	N/A
(1) Non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent and (2) associated corrective action rate for (a) priority nonconformances and (b) other non-conformances, broken down for (i) the entity's facilities and (ii) the entity's Tier 1 supplier facilities	TC-ES-320a.3	(1a-i) 0% (1a-ii) 0% (1b-i) 8.89% (1b-ii) 100% (2a-i) N/A (2a-ii) N/A (2b-i) 43.75% (2b-ii) 100%	N/A

Disclosed Metrics	Indicator Code	Report Content or Descriptions	Page Number of this ESG Report / Remarks
<b>Product Lifecycle Management</b>			
Weight of end-of-life products and e-waste recovered; percentage recycled	TC-ES-410a.1	The Group is not able to disclose this information as it is treated as confidential.	N/A
<b>Materials Sourcing</b>			
Description of the management of risks associated with the use of critical materials	TC-ES-440a.1	Please see the referenced section of the report.	The Group's Value Chain, P.79-82
<b>Activity Metric</b>			
Number of manufacturing facilities	TC-ES-000.A	11	About FIH, P.2
Area of manufacturing facilities	TC-ES-000.B	1,478,897.55m <sup>2</sup>	N/A
Number of employees	TC-ES-000.C	31,568	N/A

# IFRS S1 Content Index

Reference Paragraph	IFRS Core Content	Relevant Chapter(s) of This Report or Other References/Explanation
<b>Governance</b>		
26	The objective of sustainability-related financial disclosures on governance is to enable users of general purpose financial reports to understand the governance processes, controls and procedures an entity uses to monitor, manage and oversee sustainability-related risks and opportunities.	
27	To achieve this objective, an entity shall disclose information about:	
	<ul style="list-style-type: none"> <li data-bbox="258 595 1237 659">(a) the governance body(s) or individual(s) responsible for oversight of sustainability-related risks and opportunities. Specifically, the entity shall identify that body(s) or individual(s) and disclose information about: <ul style="list-style-type: none"> <li data-bbox="325 659 1237 722">(i) how responsibilities for sustainability-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s);</li> <li data-bbox="325 722 1237 786">(ii) how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to sustainability-related risks and opportunities;</li> <li data-bbox="325 786 1237 849">(iii) how and how often the body(s) or individual(s) is informed about sustainability-related risks and opportunities;</li> <li data-bbox="325 849 1237 944">(iv) how the body(s) or individual(s) takes into account sustainability-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; and</li> <li data-bbox="325 944 1237 1040">(v) how the body(s) or individual(s) oversees the setting of targets related to sustainability-related risks and opportunities, and monitors progress towards those targets, including whether and how related performance metrics are included in remuneration policies.</li> </ul> </li> </ul>	<p>P.17-22</p> <p>01 Corporate Governance – Sustainability Accountability 01 Corporate Governance – Board Diversity and Effectiveness</p>
	<ul style="list-style-type: none"> <li data-bbox="258 1040 1237 1103">(b) management's role in the governance processes, controls and procedures used to monitor, manage and oversee sustainability-related risks and opportunities, including information about: <ul style="list-style-type: none"> <li data-bbox="325 1103 1237 1167">(i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and</li> <li data-bbox="325 1167 1237 1243">(ii) whether management uses controls and procedures to support the oversight of sustainability-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.</li> </ul> </li> </ul>	

Reference Paragraph	IFRS Core Content	Relevant Chapter(s) of This Report or Other References/Explanation
<b>Strategy</b>		
28	The objective of sustainability-related financial disclosures on strategy is to enable users of general purpose financial reports to understand an entity's strategy for managing sustainability-related risks and opportunities.	
29	<p>Specifically, an entity shall disclose information to enable users of general purpose financial reports to understand:</p> <ul style="list-style-type: none"> <li>(a) the sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects;</li> <li>(b) the current and anticipated effects of those sustainability-related risks and opportunities on the entity's business model and value chain;</li> <li>(c) the effects of those sustainability-related risks and opportunities on the entity's strategy and decision-making;</li> <li>(d) the effects of those sustainability-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those sustainability-related risks and opportunities have been factored into the entity's financial planning; and</li> <li>(e) the resilience of the entity's strategy and its business model to those sustainability-related risks.</li> </ul>	<p>P.23</p> <p><b>01 Corporate Governance - Risk Management</b> Please refer to chapter 03 Climate Change for climate-related risks and opportunities disclosures.</p>
<b>Sustainability-related risks and opportunities</b>		
30	<p>An entity shall disclose information that enables users of general purpose financial reports to understand the sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects. Specifically, the entity shall:</p> <ul style="list-style-type: none"> <li>(a) describe sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects;</li> <li>(b) specify the time horizons—short, medium or long term—over which the effects of each of those sustainability-related risks and opportunities could reasonably be expected to occur; and</li> <li>(c) explain how the entity defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.</li> </ul>	<p>P.23</p> <p><b>01 Corporate Governance - Risk Management</b> Currently, the Group does not consider the time horizon in the sustainability-related risks and opportunities assessment, except for the climate-related risks and opportunities. Please refer to chapter 03 Climate Change for climate-related risks and opportunities disclosures.</p>
<b>Business model and value chain</b>		
32	<p>An entity shall disclose information that enables users of general purpose financial reports to understand the current and anticipated effects of sustainability-related risks and opportunities on the entity's business model and value chain. Specifically, the entity shall disclose:</p> <ul style="list-style-type: none"> <li>(a) a description of the current and anticipated effects of sustainability-related risks and opportunities on the entity's business model and value chain; and</li> <li>(b) a description of where in the entity's business model and value chain sustainability-related risks and opportunities are concentrated.</li> </ul>	<p>P.11-15, P.23</p> <p><b>00 Overview – Stakeholder Engagement and Materiality Assessment</b> <b>01 Corporate Governance - Risk Management</b> Please refer to chapter 03 Climate Change for climate-related risks and opportunities disclosures.</p>

Reference Paragraph	IFRS Core Content	Relevant Chapter(s) of This Report or Other References/Explanation
<b>Strategy and decision-making</b>		
33	An entity shall disclose information that enables users of general purpose financial reports to understand the effects of sustainability-related risks and opportunities on its strategy and decision-making. Specifically, the entity shall disclose information about:	
	(a) how the entity has responded to, and plans to respond to, sustainability-related risks and opportunities in its strategy and decision-making;	P.23 01 Corporate Governance - Risk Management
	(b) the progress against plans the entity has disclosed in previous reporting periods, including quantitative and qualitative information; and	P.7-10 00 Overview - Sustainable Operational Goals and Strategies 00 Overview - 2024 Year in Review
	(c) trade-offs between sustainability-related risks and opportunities that the entity considered.	P.23 01 Corporate Governance - Risk Management
<b>Financial position, financial performance and cash flows</b>		
34	An entity shall disclose information that enables users of general purpose financial reports to understand:	
	(a) the effects of sustainability-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period; and	
	(b) the anticipated effects of sustainability-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how sustainability-related risks and opportunities are included in the entity's financial planning.	
35	Specifically, an entity shall disclose quantitative and qualitative information about:	
	(a) how sustainability-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period;	
	(b) the sustainability-related risks and opportunities identified for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements;	
	(c) how the entity expects its financial position to change over the short, medium and long term, given its strategy to manage sustainability-related risks and opportunities, taking into consideration:	Currently, the Group is evaluating the feasibility of assessing the anticipated financial implications for the climate-related risks and opportunities. Relevant information will be disclosed in future reports. Please refer to the 03 Climate Change - Strategy for more details. The Group will evaluate the feasibility of assessing the effects of other sustainability-related risks and opportunities in the future reporting.
	(i) its investment and disposal plans, including plans the entity is not contractually committed to; and	
	(ii) its planned sources of funding to implement its strategy; and	
	(d) how the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage sustainability-related risks and opportunities.	

Reference Paragraph	IFRS Core Content	Relevant Chapter(s) of This Report or Other References/Explanation
<b>Resilience</b>		
41	An entity shall disclose information that enables users of general purpose financial reports to understand its capacity to adjust to the uncertainties arising from sustainability-related risks. An entity shall disclose a qualitative and, if applicable, quantitative assessment of the resilience of its strategy and business model in relation to its sustainability-related risks, including information about how the assessment was carried out and its time horizon. When providing quantitative information, an entity may disclose a single amount or a range.	P.23 <b>01 Corporate Governance - Risk Management</b> Currently, the Group is evaluating the feasibility of assessing the anticipated financial implications for the climate-related risks and opportunities. Relevant information will be disclosed in future reports. Please refer to the 03 Climate Change - Strategy for more details. The Group will evaluate the feasibility of assessing the effects of other sustainability-related risks and opportunities in the future reporting.
<b>Risk Management</b>		
43	The objective of sustainability-related financial disclosures on risk management is to enable users of general purpose financial reports:  (a) to understand an entity's processes to identify, assess, prioritise and monitor sustainability-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process; and  (b) to assess the entity's overall risk profile and its overall risk management process.	<b>01 Corporate Governance - Risk Management</b> Currently, the Group is evaluating the feasibility of assessing the anticipated financial implications for the climate-related risks and opportunities. Relevant information will be disclosed in future reports. Please refer to the 03 Climate Change - Strategy for more details. The Group will evaluate the feasibility of assessing the effects of other sustainability-related risks and opportunities in the future reporting.
44	To achieve this objective, an entity shall disclose information about:  (a) the processes and related policies the entity uses to identify, assess, prioritise and monitor sustainability-related risks, including information about:  (i) the inputs and parameters the entity uses; (ii) whether and how the entity uses scenario analysis to inform its identification of sustainability-related risks; (iii) how the entity assesses the nature, likelihood and magnitude of the effects of those risks; (iv) whether and how the entity prioritises sustainability-related risks relative to other types of risk; (v) how the entity monitors sustainability-related risks; and (vi) whether and how the entity has changed the processes it uses compared with the previous reporting period;  (b) the processes the entity uses to identify, assess, prioritise and monitor sustainability-related opportunities; and  (c) the extent to which, and how, the processes for identifying, assessing, prioritising and monitoring sustainability-related risks and opportunities are integrated into and inform the entity's overall risk management process.	P.11-15, P.23 <b>00 Overview – Stakeholder Engagement and Materiality Assessment</b> <b>01 Corporate Governance - Risk Management</b> Currently, scenario analysis is only used to inform its identification of climate-related risks. For more details, please refer to chapter 03 Climate Change - Strategy.
<b>Metrics and Targets</b>		
45	The objective of sustainability-related financial disclosures on metrics and targets is to enable users of general purpose financial reports to understand an entity's performance in relation to its sustainability-related risks and opportunities, including progress towards any targets the entity has set, and any targets it is required to meet by law or regulation.	

Reference Paragraph	IFRS Core Content	Relevant Chapter(s) of This Report or Other References/Explanation
46	<p>An entity shall disclose, for each sustainability-related risk and opportunity that could reasonably be expected to affect the entity's prospects:</p> <p>(a) metrics required by an applicable IFRS Sustainability Disclosure Standard; and</p> <p>(b) metrics the entity uses to measure and monitor:</p> <p>(i) that sustainability-related risk or opportunity; and</p> <p>(ii) its performance in relation to that sustainability-related risk or opportunity, including progress towards any targets the entity has set, and any targets it is required to meet by law or regulation.</p>	<p>P.97-98 SASB Standards Content Index TCFD Index on industry, Climate-related Metric Categories</p> <p>P.7-10 00 Overview - Sustainable Operational Goals and Strategies 00 Overview - 2024 Year in Review</p>
48	Metrics disclosed by an entity shall include metrics associated with particular business models, activities or other common features that characterise participation in an industry.	P.98 SASB Standards Content Index
49	If an entity discloses a metric taken from a source other than IFRS Sustainability Disclosure Standards, the entity shall identify the source and the metric taken.	P.5 00 Overview - About this Report
50	<p>If a metric has been developed by an entity, the entity shall disclose information about:</p> <p>(a) how the metric is defined, including whether it is derived by adjusting a metric taken from a source other than IFRS Sustainability Disclosure Standards and, if so, which source and how the metric disclosed by the entity differs from the metric specified in that source;</p> <p>(b) whether the metric is an absolute measure, a measure expressed in relation to another metric or a qualitative measure;</p> <p>(c) whether the metric is validated by a third party and, if so, which party; and</p> <p>(d) the method used to calculate the metric and the inputs to the calculation, including the limitations of the method used and the significant assumptions made.</p>	<p>The Group does not develop metrics, all the metrics included in this report adhere to the disclosure standards the Group is reporting in accordance with.</p>
51	<p>An entity shall disclose information about the targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation. For each target, the entity shall disclose:</p> <p>(a) the metric used to set the target and to monitor progress towards reaching the target;</p> <p>(b) the specific quantitative or qualitative target the entity has set or is required to meet;</p> <p>(c) the period over which the target applies;</p> <p>(d) the base period from which progress is measured;</p> <p>(e) any milestones and interim targets;</p> <p>(f) performance against each target and an analysis of trends or changes in the entity's performance; and</p> <p>(g) any revisions to the target and an explanation for those revisions.</p>	<p>P.7-10 00 Overview - Sustainable Operational Goals and Strategies 00 Overview - 2024 Year in Review</p>

# IFRS S2 Content Index

Reference Paragraph	IFRS Core Content	Relevant Chapter(s) of This Report or Other References/Explanation
<b>Governance</b>		
5	The objective of climate-related financial disclosures on governance is to enable users of general purpose financial reports to understand the governance processes, controls and procedures an entity uses to monitor, manage and oversee climate-related risks and opportunities.	
6	According to paragraph 7 of the IFRS S2, an entity shall avoid unnecessary duplication in preparing disclosures to fulfil the requirements in paragraph 6. For the Governance pillar in IFRS S2, please refer to the same pillar in IFRS S1 Content Index in this Report.	
<b>Strategy</b>		
8	The objective of climate-related financial disclosures on strategy is to enable users of general purpose financial reports to understand an entity's strategy for managing climate-related risks and opportunities.	
9	Specifically, an entity shall disclose information to enable users of general purpose financial reports to understand: <ul style="list-style-type: none"> <li>(a) the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects;</li> </ul>	03 Climate Change - Risk Management - Major Climate Risks and Opportunities P.47-48, -
		P.51-52 03 Climate Change - Strategy - Strategy for Physical Risks 03 Climate Change - Strategy - Strategy for Transition Risks
(b)	the current and anticipated effects of those climate-related risks and opportunities on the entity's business model and value chain;	
(c)	the effects of those climate-related risks and opportunities on the entity's strategy and decision-making, including information about its climate-related transition plan;	
(d)	the effects of those climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period, and their anticipated effects on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those climate-related risks and opportunities have been factored into the entity's financial planning; and	P.51-52 03 Climate Change - Strategy - Strategy for Physical Risks 03 Climate Change - Strategy - Strategy for Transition Risks
(e)	the climate resilience of the entity's strategy and its business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities.	

Reference Paragraph	IFRS Core Content	Relevant Chapter(s) of This Report or Other References/Explanation
<b>Climate-related risks and opportunities</b>		
10	An entity shall disclose information that enables users of general purpose financial reports to understand the climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects. Specifically, the entity shall:	
	(a) describe climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects;	P.47-48, P.51-52 03 Climate Change - Risk Management - Major Climate Risks and Opportunities 03 Climate Change - Strategy - Strategy for Physical Risks 03 Climate Change - Strategy - Strategy for Transition Risks
	(b) explain, for each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk;	P.47-48, P.51-52 03 Climate Change - Strategy - Strategy for Physical Risks 03 Climate Change - Strategy - Strategy for Transition Risks
	(c) specify, for each climate-related risk and opportunity the entity has identified, over which time horizons—short, medium or long term—the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	P.47-48, P.51-52 03 Climate Change - Risk Management - Major Climate Risks and Opportunities 03 Climate Change - Strategy - Strategy for Physical Risks 03 Climate Change - Strategy - Strategy for Transition Risks
	(d) explain how the entity defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.	P.47-48, P.51-52 03 Climate Change - Risk Management – Risk Management Framework
<b>Business model and value chain</b>		
13	An entity shall disclose information that enables users of general purpose financial reports to understand the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain. Specifically, the entity shall disclose:	
	(a) a description of the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain; and	P.51-52 03 Climate Change - Strategy - Strategy for Physical Risks 03 Climate Change - Strategy - Strategy for Transition Risks
	(b) a description of where in the entity's business model and value chain climate-related risks and opportunities are concentrated.	
<b>Strategy and decision-making</b>		
14	An entity shall disclose information that enables users of general purpose financial reports to understand the effects of climate-related risks and opportunities on its strategy and decision-making. Specifically, the entity shall disclose:	

Reference Paragraph	IFRS Core Content	Relevant Chapter(s) of This Report or Other References/Explanation
14	<p>(a) information about how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the entity shall disclose information about:</p> <ul style="list-style-type: none"> <li>(i) current and anticipated changes to the entity's business model, including its resource allocation, to address climate-related risks and opportunities;</li> <li>(ii) current and anticipated direct mitigation and adaptation efforts;</li> <li>(iii) current and anticipated indirect mitigation and adaptation efforts;</li> <li>(iv) any climate-related transition plan the entity has, including information about key assumptions used in developing its transition plan, and dependencies on which the entity's transition plan relies; and</li> <li>(v) how the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets.</li> </ul> <p>(b) information about how the entity is resourcing, and plans to resource, the activities disclosed.</p> <p>(c) quantitative and qualitative information about the progress of plans disclosed in previous reporting periods.</p>	<p>P.51-52</p> <p>P.54-55</p> <p>03 Climate Change - Metrics and Targets - Net-Zero Achievements</p> <p>03 Climate Change - Strategy - Strategy for Physical Risks</p> <p>03 Climate Change - Strategy - Strategy for Transition Risks</p>
<b>Financial position, financial performance and cash flows</b>		
15	<p>An entity shall disclose information that enables users of general purpose financial reports to understand:</p> <p>(a) the effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period; and</p> <p>(b) the anticipated effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in the entity's financial planning.</p>	<p>P.47-48, P.51-52</p> <p>03 Climate Change - Risk Management - Major Climate Risks and Opportunities</p> <p>03 Climate Change - Strategy - Strategy for Physical Risks</p> <p>03 Climate Change - Strategy - Strategy for Transition Risks</p> <p>The anticipated effects of climate-related risks and opportunities are disclosed over short, medium and long term. The Group will evaluate the feasibility of assessing the financial implications on climate-related risks and opportunities of the reporting period in the future reporting.</p>
16	<p>Specifically, an entity shall disclose quantitative and qualitative information about:</p> <p>(a) how climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period;</p> <p>(b) the climate-related risks and opportunities identified for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements;</p> <p>(c) how the entity expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration:</p> <ul style="list-style-type: none"> <li>(i) its investment and disposal plans, including plans the entity is not contractually committed to; and</li> <li>(ii) its planned sources of funding to implement its strategy; and</li> </ul> <p>(d) how the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.</p>	<p>-</p> <p>-</p> <p>-</p> <p>-</p> <p>The anticipated effects of climate-related risks and opportunities are disclosed over short, medium and long term. The Group will evaluate the feasibility of assessing the financial implications on climate-related risks and opportunities of the reporting period in the future reporting.</p> <p>There is no significant risk of a material adjustment within the next annual reporting period.</p> <p>The Group will evaluate the anticipated effect of its strategy on financial positioning in the future reporting.</p> <p>The Group will evaluate the anticipated effect of its strategy on financial performance and cash flows in the future reporting.</p>

Reference Paragraph	IFRS Core Content	Relevant Chapter(s) of This Report or Other References/Explanation
	<b>Climate resilience</b>	
22	<p>An entity shall disclose information that enables users of general purpose financial reports to understand the resilience of the entity's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities. The entity shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with the entity's circumstances. In providing quantitative information, the entity may disclose a single amount or a range. Specifically, the entity shall disclose:</p>	
	<p>(a) the entity's assessment of its climate resilience as at the reporting date, which shall enable users of general purpose financial reports to understand:</p>	
	<ul style="list-style-type: none"> <li>(i) the implications, if any, of the entity's assessment for its strategy and business model, including how the entity would need to respond to the effects identified in the climate-related scenario analysis;</li> <li>(ii) the significant areas of uncertainty considered in the entity's assessment of its climate resilience;</li> </ul>	P.46      03 Climate Change - Risk Management - Climate Scenario Description
	<ul style="list-style-type: none"> <li>(iii) the entity's capacity to adjust or adapt its strategy and business model to climate change over the short, medium and long term, including: <ul style="list-style-type: none"> <li>(1) the availability of, and flexibility in, the entity's existing financial resources to respond to the effects identified in the climate-related scenario analysis, including to address climate-related risks and to take advantage of climate-related opportunities;</li> <li>(2) the entity's ability to redeploy, repurpose, upgrade or decommission existing assets; and</li> <li>(3) the effect of the entity's current and planned investments in climate-related mitigation, adaptation and opportunities for climate resilience; and</li> </ul> </li> </ul>	P.46      03 Climate Change - Risk Management - Climate Scenario Description
	<p>(b) how and when the climate-related scenario analysis was carried out, including:</p>	
	<ul style="list-style-type: none"> <li>(i) information about the inputs the entity used, including: <ul style="list-style-type: none"> <li>(1) which climate-related scenarios the entity used for the analysis and the sources of those scenarios;</li> <li>(2) whether the analysis included a diverse range of climate-related scenarios;</li> <li>(3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks;</li> <li>(4) whether the entity used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change;</li> <li>(5) why the entity decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties;</li> <li>(6) the time horizons the entity used in the analysis; and</li> <li>(7) what scope of operations the entity used in the analysis;</li> </ul> </li> </ul>	P.46      03 Climate Change - Risk Management - Climate Scenario Description
	<ul style="list-style-type: none"> <li>(ii) the key assumptions the entity made in the analysis, including assumptions about: <ul style="list-style-type: none"> <li>(1) climate-related policies in the jurisdictions in which the entity operates;</li> <li>(2) macroeconomic trends;</li> <li>(3) national- or regional-level variables;</li> <li>(4) energy usage and mix; and</li> <li>(5) developments in technology; and</li> </ul> </li> </ul>	P.46      03 Climate Change - Risk Management - Climate Scenario Description
	<p>(iii) the reporting period in which the climate-related scenario analysis was carried out.</p>	P.46      03 Climate Change - Risk Management - Climate Scenario Description

Reference Paragraph	IFRS Core Content	Relevant Chapter(s) of This Report or Other References/Explanation
<b>Risk Management</b>		
24	The objective of climate-related financial disclosures on risk management is to enable users of general purpose financial reports to understand an entity's processes to identify, assess, prioritise and monitor climate-related risks and opportunities, including whether and how those processes are integrated into and inform the entity's overall risk management process.	
25	According to paragraph 26 of the IFRS S2, an entity shall avoid unnecessary duplication in preparing disclosures to fulfil the requirements in paragraph 25. For the Risk Management pillar in IFRS S2, please refer to the same pillar in IFRS S1 Content Index in this Report.	
<b>Metrics and Targets</b>		
27	The objective of climate-related financial disclosures on metrics and targets is to enable users of general purpose financial reports to understand an entity's performance in relation to its climate-related risks and opportunities, including progress towards any climate-related targets it has set, and any targets it is required to meet by law or regulation.	
28	To achieve this objective, an entity shall disclose:	
	(a) information relevant to the cross-industry metric categories;	SASB Standards Content Index P.98,
	(b) industry-based metrics that are associated with particular business models, activities or other common features that characterise participation in an industry; and	P.56-57 03 Climate Change – Metrics and Targets - Distribution of GHG Emissions
	(c) targets set by the entity, and any targets it is required to meet by law or regulation, to mitigate or adapt to climate-related risks or take advantage of climate-related opportunities, including metrics used by the governance body or management to measure progress towards these targets.	P.54-56 03 Climate Change – Metrics and Targets - Net-Zero Achievements
<b>Climate-related metrics</b>		
29	An entity shall disclose information relevant to the cross-industry metric categories of:	
	(a) greenhouse gases—the entity shall:	
	(i) disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO <sub>2</sub> equivalent, classified as:	
	(1) Scope 1 greenhouse gas emissions;	P.56-57 03 Climate Change - Metrics and Targets - Distribution of GHG Emissions
	(2) Scope 2 greenhouse gas emissions; and	P.84-85 Performance Data Table – Environmental Performance
	(3) Scope 3 greenhouse gas emissions;	
	(ii) measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or an exchange on which the entity is listed to use a different method for measuring its greenhouse gas emissions;	
	(iii) disclose the approach it uses to measure its greenhouse gas emissions including:	
	(1) the measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions;	03 Climate Change - Metrics and Targets - Distribution of GHG Emissions
	(2) the reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and	P.56-57 Performance Data Table – Environmental Performance
	(3) any changes the entity made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;	P.84-85 The operational control approach is used when measuring its greenhouse gas emissions.

Reference Paragraph	IFRS Core Content	Relevant Chapter(s) of This Report or Other References/Explanation
29	<p>(a) (iv) for Scope 1 and Scope 2 greenhouse gas emissions disclosed, disaggregate emissions between:</p> <ul style="list-style-type: none"> <li>(1) the consolidated accounting group; and</li> <li>(2) other investees;</li> </ul>	<p>P.5</p> <p><b>00 Overview – About this Report – Report Boundaries</b> Please refer to its Report Boundaries for the Scope 1 and 2 GHG emissions disclosed. The quantitative information provided for the environmental and social key performance indicators ("KPIs") is based on the Group's headquarters and global operations, encompassing Taiwan, Mainland China ("the PRC"), Vietnam, India, Mexico, and the United States. The Group will evaluate the feasibility of including the greenhouse gas emissions of the consolidated accounting group and other investees in the future reporting.</p>
	<p>(v) for Scope 2 greenhouse gas emissions disclosed, disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to inform users' understanding of the entity's Scope 2 greenhouse gas emissions; and</p>	<p>P.84</p> <p><b>Performance Data Table – Environmental Performance</b> Starting from this year, the group will report its GHG emissions in both market-based and location-based approaches.</p>
	<p>(vi) for Scope 3 greenhouse gas emissions disclosed, disclose:</p> <ul style="list-style-type: none"> <li>(1) the categories included within the entity's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011); and</li> <li>(2) additional information about the entity's Category 15 greenhouse gas emissions or those associated with its investments (financed emissions), if the entity's activities include asset management, commercial banking or insurance;</li> </ul>	<p>P.56-57</p> <p><b>03 Climate Change – Metrics and Targets - Distribution of GHG Emissions</b></p>
	<p>(b) climate-related transition risks—the amount and percentage of assets or business activities vulnerable to climate-related transition risks;</p>	<p>P.45-52</p> <p><b>03 Climate Change - Risk Management - Major Climate Risks and Opportunities</b> <b>03 Climate Change - Strategy - Strategy for Physical Risks</b> <b>03 Climate Change - Strategy - Strategy for Transition Risks</b></p>
	<p>(c) climate-related physical risks—the amount and percentage of assets or business activities vulnerable to climate-related physical risks;</p>	
	<p>(d) climate-related opportunities—the amount and percentage of assets or business activities aligned with climate-related opportunities;</p>	
	<p>(e) capital deployment—the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities;</p>	<p>P.49-52</p> <p><b>03 Climate Change - Strategy - Strategy for Physical Risks</b> <b>03 Climate Change - Strategy - Strategy for Transition Risks</b></p>
	<p>(f) internal carbon prices—the entity shall disclose:</p> <ul style="list-style-type: none"> <li>(i) an explanation of whether and how the entity is applying a carbon price in decision-making; and</li> <li>(ii) the price for each metric tonne of greenhouse gas emissions the entity uses to assess the costs of its greenhouse gas emissions;</li> </ul> <p>(g) remuneration—the entity shall disclose:</p> <ul style="list-style-type: none"> <li>(i) a description of whether and how climate-related considerations are factored into executive remuneration; and</li> <li>(ii) the percentage of executive management remuneration recognised in the current period that is linked to climate-related considerations.</li> </ul>	<p>The Group currently has not applied internal carbon price in decision-making. The Group will evaluate the feasibility of using internal carbon price in the future reporting.</p> <p>The Group currently has not factor climate-related considerations into executive remuneration. The Group will evaluate the feasibility of doing so in the future reporting.</p>

Reference Paragraph	IFRS Core Content	Relevant Chapter(s) of This Report or Other References/Explanation
32	An entity shall disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry.	P.98, P.56-57 SASB Standards Content Index 03 Climate Change – Metrics and Targets - Distribution of GHG Emissions
<b>Climate-related targets</b>		
33	An entity shall disclose the quantitative and qualitative climate-related targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the entity shall disclose:	
	(a) the metric used to set the target;	
	(b) the objective of the target;	
	(c) the part of the entity to which the target applies;	
	(d) the period over which the target applies;	
	(e) the base period from which progress is measured;	P.54-55 03 Climate Change – Metrics and Targets - Net-Zero Achievements
	(f) any milestones and interim targets;	
	(g) if the target is quantitative, whether it is an absolute target or an intensity target; and	
	(h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	
34	An entity shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target, including:	
	(a) whether the target and the methodology for setting the target has been validated by a third party;	P.60 04 Environmental Stewardship – Environmental Management As a member of Hon Hai Technology Group, the Group adheres to its parent company's GHG reduction targets with ambitious 1.5°C scenario, which were submitted to SBTi in 2021 and were validated by SBTi in 2023.
	(b) the entity's processes for reviewing the target;	P.43 03 Climate Change – Governance - Climate Change Governance Framework
	(c) the metrics used to monitor progress towards reaching the target; and	P.54-55 03 Climate Change – Metrics and Targets - Net-Zero Achievements
	(d) any revisions to the target and an explanation for those revisions.	- No revision has been made to the target.
35	An entity shall disclose information about its performance against each climate-related target and an analysis of trends or changes in the entity's performance.	P.54-55 03 Climate Change – Metrics and Targets - Net-Zero Achievements

Reference Paragraph	IFRS Core Content	Relevant Chapter(s) of This Report or Other References/Explanation
36	<p>For each greenhouse gas emissions target disclosed, an entity shall disclose:</p> <ul style="list-style-type: none"> <li>(a) which greenhouse gases are covered by the target.</li> <li>(b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target.</li> <li>(c) whether the target is a gross greenhouse gas emissions target or net greenhouse gas emissions target. If the entity discloses a net greenhouse gas emissions target, the entity is also required to separately disclose its associated gross greenhouse gas emissions target.</li> <li>(d) whether the target was derived using a sectoral decarbonisation approach.</li> <li>(e) the entity's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits the entity shall disclose information including:           <ul style="list-style-type: none"> <li>(i) the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits;</li> <li>(ii) which third-party scheme(s) will verify or certify the carbon credits;</li> <li>(iii) the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and</li> <li>(iv) any other factors necessary for users of general purpose financial reports to understand the credibility and integrity of the carbon credits the entity plans to use.</li> </ul> </li> </ul>	<p>P.54-55 03 Climate Change – Metrics and Targets - Net-Zero Achievements</p> <p>The Group considers its target is a gross greenhouse gas target as the group currently has not planned to purchase carbon credits to offset its emissions to achieve the target.</p> <p>The SBTs are not derived using a sectoral decarbonisation approach.</p> <p>The Group currently has not purchased carbon credits to offset its emissions. The Group is committed to optimising properties and construction sites for energy efficiency and climate resilience. The Group will keep evaluating the necessity of purchasing carbon credits in the future.</p>