



FOXCONN GLOBAL CODE OF CONDUCT POLICY

Social and Environmental Responsibility (SER)

1. STATEMENT

As a member of the international business community and the EICC, Foxconn Technology Group (hereinafter also called “the Group” or “Foxconn”) recognizes and is committed to social and environmental responsibility. The objective of the Group’s overall policy with regard to SER is to provide a reference point to guide all Foxconn global facilities, including all management and employees, on the elements that drive the conduct of Foxconn’s business and relationships with the world in which it operates.

The companies covered by this Code of Conduct (hereinafter, “CoC”) include companies in the Foxconn Technology Group, Hon Hai Precision Industry Co., Ltd., and other legal entities, companies or any form of business organizations which are directly or indirectly controlled by Hon Hai Precision Industry Co., Ltd. These include but are not limited to Foxconn Precision Industry Co., Ltd., Hon Fujin Precision Industry (Shenzhen) Co., Ltd., Fu Tai Hon Precision Industry (Shenzhen) Co., Ltd., Hon Futai Precision Electronics (Yantai) Co., Ltd. and Fu Tai Hua Precision Electronics (Zhengzhou) Co., Ltd., and their subsidiaries and affiliates.

Codes set out in this CoC policy were derived from three disciplined sources which are: a) the member obligations of the industrial associations and the EICC of which Foxconn is a member, and the international standard institutes to which Foxconn’s business is related; b) the laws covering national regions where Foxconn deploys operations; and c) the internal leadership of Foxconn who determine voluntary upgrading of performance standards. Each source represents a different commitment level of Foxconn’s promised delivery to the diverse stakeholders, which include Foxconn’s employees, customers, suppliers, the community, investors, and non-governmental organizations.

In recognizing inherent discrepancies that may exist among the above three sources, Foxconn pledges to live up to the most stringent rules based on whichever source determines a higher standard. On the policy level, none of Foxconn’s documented codes should override local laws, and all the codes should defer substantially to any national and international organization whose provisions subsume Foxconn’s operational or product areas. In terms of policy implementation, Foxconn should on a continuous and constant basis compare its Global CoC policy with the provisions set by international organizations and local applicable laws. To ensure compliance with such provisions and laws, Foxconn should honor the above principle as paramount in any version of the CoC policy, and should work closely with local law-enforcement entities to close any gap between the released CoC policy and the current law. Any non-conformance with laws should be notified to customers together with continuous improvement plans so as to achieve industrial collaboration, establish industrial benchmarking, and improve capability building programs.



Foxconn is hence committed to ensuring that our business is in all respects conducted in conformance with ethical, professional and legal standards. With the aim of becoming an SER-compliant supply-chain partner with customers, Foxconn declares in its CoC policy to respect all industrial rules, applicable laws, human rights, environmental conservation, and safety of products and services in the countries and regions in which it operates, and to conduct its business activities in an honest and ethical manner. Simultaneously, Foxconn's downstream suppliers are required to comply with this CoC policy to the same level of standards which the supply-chain partners and industrial associations set for the ICT industry.

2. PURPOSE

This CoC policy, for internal purposes, is to make SER become part of the Group's core competencies. For external purposes, this CoC is to demonstrate Foxconn's core values of global operation. Maintaining high standards for implementing the CoC policy is Foxconn's goal, to ensure continued customer trust in us and to enhance Foxconn's image as a competitive company in the industry in both business and SER respects.

3. RESPONSIBILITIES

This Code is to set up the standards which Foxconn will support and be guided by in the conduct of its business. It determines the responsibilities of the Group's functionaries and business groups in substantiating the CoC principles. The Chairman of the Foxconn Global SER Committee (hereinafter, "FGSC") and all business group heads (general managers) are the main sponsors of this CoC policy. The executive of FGSC will monitor adherence to this CoC policy under the guidance of the FGSC Chairman. The SER teams of all business groups are responsible for entrenching and monitoring compliance with this Code, and providing feedback to FGSC regarding local practices contravening the CoC policy.

Meanwhile, FGSC continues to develop an internal validation audit mechanism to ensure conformance with and fulfillment of this CoC policy on the international scale in which Foxconn operates. General managers of all business groups should require related management who are most tied to the local conditions and constraints to build capabilities in both SER training and auditing knowledge to promote the audit mechanism. Foxconn internal audits are carried out by using internal professional staff teams or by resorting to external third-party service institutes annually or quarterly as per the Group's demands. Audits cover the areas of labor, ethics, environment, health and safety, and SER management systems, which are required under the EICC standard.

4. SCOPE

This CoC policy applies to all sites of Foxconn worldwide. Given that the Foxconn Technology group embodies all entities defined by both the concepts of legal incorporation and business operations, the term "site" here refers to locations of any entities incorporated by companies or subsidiaries where Foxconn possesses major shareholding and management operations. Hon Hai Precision Industry Co., Ltd., the parent company of Foxconn, is set as the top driver for the scope of this CoC policy; and

the scope should not be limited to manufacturing entities, but also include all the various Foxconn business units, companies and subsidiaries.

Failure to comply with this Code will be taken seriously and, depending upon the circumstances, could result in disciplinary action. To ensure that all business units around the world manage and conduct their business in line with the CoC policy, all business units will determine how this CoC policy impacts on their operations and report periodically. Business units are required by this CoC policy to report on their performance against this standard annually, submit corresponding improvement plans, and jointly work with FGSC on social and environmental events related to the matters specified in this CoC policy.

5. CoC STANDARD

The CoC policy is founded on the basis of Foxconn's SER philosophy and is composed of seven sections. Section one sets out Foxconn's standards relating to business ethics. Sections two, three, and four respectively detail the standards on labor and human rights, health and safety, and the environment. Section five specifies the elements of a minimally acceptable management system to enable conformity to this CoC policy. Sections six and seven state the Group's policy on conflict minerals and anti-corruption, which are mandated to be obeyed in the Group.

I. Ethics

To meet social responsibilities and to achieve sustainable development, Foxconn upholds the highest standards of ethics.

Foxconn's Ethic Codes includes:

1) Business Integrity

No corruption, extortion, or embezzlement: The highest standards of integrity are to be expected in all business interactions. Any and all forms of corruption, extortion and embezzlement are strictly prohibited, and result in immediate termination of services and legal action.

2) Disclosure of Information

Information regarding business activities, business structure, financial situation and performance is to be disclosed in accordance with applicable regulations and prevailing industry practices. Falsification of records, misrepresentation of conditions, or practices in the supply chain are unacceptable.

3) No Improper Advantage

Bribes, any means of undue or improper advantage, and gratuities of commercial value should not be offered or accepted.

4) Fair Business, Advertising and Competition

Standards of fair business, advertising and competition are to be upheld. Means for safeguarding customer information should be available.

5) Whistleblowers and Anonymous Complaints

Programs that ensure the confidentiality and protection of supplier and employee whistleblower are to be maintained. Anonymous complaints with clear and specific descriptions of person/time/place/event are to be accepted and protected.

6) Community Engagement

Community engagement is encouraged to help foster social and economic development.

7) Protection of Intellectual Property

Intellectual property rights are to be respected. Transfer of technology and know-how is to be done in a manner that protects intellectual property rights.

8) Privacy

Foxconn is committed to protection the reasonable privacy expectations of personal information of everyone we do business with, including suppliers, customers, consumers and employees. Comply with privacy and information security laws and regulatory requirements when personal information is collected, stored, processed, transmitted, and shared.

9) Non-Retaliation

Foxconn has a communicated process for our personnel to be able to raise any concerns without fear of retaliation.

II. Labor and Human Rights

Foxconn is committed to uphold the human rights of workers, and to treat them with dignity and respect as understood by the international community and applicable laws and regulations. This applies to all workers including direct, contract, student, temporary employees, and any other type of worker.

The recognized standards such as the Universal Declaration of Human Rights (UDHR), the International Labor Organization (ILO) and the Ethical Trading Initiative (ETI) have been used as references in preparing this Code.

Foxconn’s Labor and Human Rights Codes include:

1) Freely Chosen Employment

Forced, bonded (including debt bondage) or indentured labor, involuntary prison labor, slavery or human trafficking shall not be used. This includes transporting, harboring, recruiting, transferring or receiving vulnerable persons by means of threat, force, coercion, abduction or fraud for the purposes of exploitation. All work must be voluntary and workers shall be free to leave upon work at any time or terminate their employment. Workers must not be required to surrender any government-issued identification, passports or work permits as a condition of employment. Excessive fees are unacceptable and all fees charged to workers must be disclosed.

2) Child Labor Avoidance and Juvenile Workers Protection

Child labor is not to be used in any stage of manufacturing. The term “child” refers to any person under the age of 16, or under the age of 15 specified by the Electronic Industry Citizenship Coalition Code of Conduct (hereinafter, “EICC CoC”), or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest. The use of legitimate workplace apprenticeship programs, which comply with all laws and regulations, is supported. Workers under the age of 18 should not perform hazardous work, and should be arranged to participate in periodical physical examinations in accordance with legal requirements. A worker may be restricted from a certain kind of job unfit for the worker’s condition.

3) Protection of Maternity and the Health of Female Workers

Foxconn is committed to protecting female workers’ rights and health. Health protection at work, maternity leave, social benefits, breast-feeding breaks, and protection against dismissal and discrimination based on maternity should be provided. It is unlawful to terminate the employment of a female worker during her pregnancy or absence on maternity leave. Female workers shall be entitled to have a period of maternity leave of no less than the legal requirement. A woman is guaranteed the right to return to the same or equivalent position paid at the same rate at the end of her maternity leave.

4) Non-Discrimination

Foxconn is committed to a workforce free of harassment and unlawful discrimination. Foxconn shall not engage in discrimination based on nationality, language, race, color, age, gender, sexual orientation, ethnicity, disability, pregnancy, religion, political affiliation, union membership or marital status in hiring and employment practices such as promotions, rewards, and access to training. In addition, workers or potential workers should not be subjected to medical/pregnancy tests that could be used in a discriminatory way.

5) Harsh or Inhumane Treatment

There is to be no harsh or inhumane treatment, including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, or verbal abuse of workers; and there is to be no threat of any such treatment. Disciplinary policies and procedures in support of these requirements shall be clearly defined and communicated to workers.

6) Wages and Benefits

Compensation paid to workers shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. In compliance with local laws, workers shall be compensated for overtime at pay rates greater than regular hourly rates. Deductions from wages as a disciplinary measure shall not be permitted. The basis on which workers are being paid is to be clearly conveyed to them in a timely manner via pay stubs or similar documentation.

7) Working Hours

Foxconn recognizes that unreasonable overtime for workers will result in reduced productivity, increased turnover, and increased injury and illness rates. Except in

emergency under some unusual situations, a workweek shall be restricted to 60 hours including overtime, and workers shall be allowed at least one day off for every six days worked as stipulated in the EICC CoC. Based on that minimum requirement, Foxconn shall also comply with local laws in this regard and develop gap-closing and improvement plans on a continuous basis that are made known to the business group management. Foxconn shall also conduct review/discussion sessions with key stakeholders including employees, law enforcement agencies and relevant customers to ensure legal observance globally and locally. In addition, overtime shall be voluntary, and vacation, leave periods, and holidays should be rendered consistently with applicable laws and regulations.

8) Freedom of Association

Open communication and direct engagement between workers and management are the most effective ways to resolve workplace and compensation issues. Foxconn respects the rights of workers to associate freely, join or not join labor unions, and seek representation from or join workers' councils in accordance with local laws. Workers shall be able to communicate openly with management regarding working conditions without fear of harassment, intimidation, penalty, or reprisal.

III. Health and Safety

Recognized management systems such as OHSAS 18001 and ILO guidelines on occupational safety and health have been used as references in preparing this Code.

Foxconn's policy on health and safety includes:

1) Machine Safeguarding

Production and other machinery is to be evaluated for safety hazards. Physical guards, interlocks and barriers are to be provided and properly maintained for machinery used by workers.

2) Industrial Hygiene

Worker exposure to chemical, biological and physical agents is to be identified, evaluated, and controlled. When hazards cannot be adequately controlled by engineering and administrative means, workers are to be provided with appropriate personal protective equipment, and sufficient first aid items or medical facilities should be available in the workplace.

3) Occupational Safety

Worker exposure to workplace safety hazards (e.g. electrical and other energy sources, fire, vehicles, and slip, trip and fall hazards) are to be controlled through proper design, engineering and administrative controls, preventative maintenance and safe work procedures, and ongoing safety training. Where hazards cannot be adequately controlled by these means, workers are to be provided with appropriate, well-maintained personal protective equipment. Workers shall not be disciplined for raising safety concerns. It is required that continuous training and education be used rather than disciplinary action to raise workers' safety consciousness.

4) Emergency Preparedness and Response

Emergency situations and events are to be identified and assessed, and their potential impact minimized by implementing emergency resources, plans and response procedures. These include appropriate fire detection and suppression equipment, adequate exit facilities, emergency reporting, employee notification and evacuation procedures, worker training and drills, and recovery plans.

5) Occupational Injury and Illness

Procedures and systems are to be put in place to manage, track and report occupational injury and illness, including provisions to: a) encourage worker reporting; b) classify and record injury and illness cases; c) provide necessary medical treatment; d) investigate cases and implement corrective action to eliminate their causes; and e) facilitate workers returning to work.

6) Ergonomics

Worker exposure to physically demanding tasks, including manual material handling and heavy lifting, prolonged standing, and highly repetitive or forceful assembly tasks is to be identified, evaluated and controlled. The integration of human factors via reasonable evaluation is to increase staff efficiency and reduce work accidents.

7) Dormitory and Canteen

Workers are to be provided with clean toilet facilities, access to potable water, and sanitary food preparation and storage facilities. Worker dormitories should be clean, safe, and provided with emergency exits, hot water for showering, and adequate heat and ventilation, and reasonable personal space along with reasonable entry and exit privileges.

IV. Environment

All activities of Foxconn shall be carried out with respect for the environment. Foxconn's three main areas of environmental impact are products, campus sites, and ecology. The first two areas are accounted for in our following codes and implementation guidelines, whereas the third area is concerned with developing programs in accordance with the CoC policy on the environmental protection. Recognized management systems such as ISO14001 and the Eco Management and Audit System (EMAS) have been used as references in preparing this Code and may be a useful source of additional information.

Foxconn's environmental standards include:

1) Product Content Restrictions

Foxconn is to adhere to all applicable laws and regulations regarding prohibition or restriction of specific substances, including labeling for recycling and disposal. Foxconn should also ensure that our products and manufacturing processes meet every agreed customer-specific restricted and hazardous materials list. Upon the best knowledge of Foxconn, in addition, Foxconn will make its best effort to urge suppliers who are identified by Foxconn and are approved by the Green Partner Environmental Approval Program to adhere to requirements specified by the Program.

2) Chemicals and Hazardous Materials

Chemicals and other materials posing a hazard if released to the environment are to be identified and managed to ensure their safe handling, movement, storage, use, recycling reuse and disposal.

3) Wastewater and Solid Waste

Wastewater and solid waste generated from operations, industrial processes and sanitation facilities are to be characterized, monitored, controlled and treated as required prior to discharge or disposal.

4) Air Emissions

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations are to be classified, monitored, controlled and treated as required prior to discharge.

5) Environmental Permits and Reporting

All required environmental permits (e.g. discharge monitoring) and registrations are to be obtained, maintained and kept current, and their operational and reporting requirements are to be followed.

6) Pollution Prevention and Resource Reduction

Waste of all types, including water and energy, is to be reduced or eliminated at the source, or by practices such as modifying production, maintenance and facility processes, materials substitution, conservation, recycling, and reusing materials.

V. Management systems

Foxconn has established management systems whose scopes are related to the content of this Code. The management systems shall be designed to ensure (a) compliance with applicable laws, regulations and customer requirements related to suppliers' operations and products; (b) conformance with this Code; and (c) identification and mitigation of operational risks related to this Code. The management systems should also facilitate continual improvement.

Foxconn's requirements on management systems include:

1) Company Commitment

Corporate social and environmental responsibility statements affirming commitment to compliance and continual improvement are endorsed by each company's executive management.

2) Management Accountability and Responsibility

Clearly identify company representatives responsible for ensuring implementation and periodic review of the status of the SER management systems. Executives review the status of the management systems on a regular basis.

3) Legal and Customer Requirements

Identification, monitoring and understanding of applicable laws, regulations and customer requirements

4) Risk Assessment and Risk Management

Processes to identify the environmental, health and safety, and labor practice risks associated with operations. Determination of the relative significance of each risk, and implementation of appropriate procedural and physical controls to ensure regulatory compliance to control the identified risks.

5) Performance Objectives with Implementation Plan and Measures

Written standards, performance objectives, targets and implementation plans, including a periodic assessment of performance against those objectives.

6) Training

Programs for training managers and workers to implement policies, procedures and improvement objectives. Core curriculums such as orientation training and SER CoC training should be arranged for new employees, and employees in service should take at least two hours of CoC training per year.

7) Communication

Processes for communicating clear and accurate information about performance, practices and expectations to workers, suppliers and customers.

8) Worker Feedback and Participation

Ongoing processes to assess employees' understanding of practices and conditions covered by this CoC, to obtain employees' feedback on the practices and conditions, and to foster continuous improvement.

9) Audits and Assessments

Periodic self-evaluations to ensure conformity to legal and regulatory requirements, the content of the CoC, and customer contractual requirements related to social and environmental responsibility.

10) Corrective Action Processes

Processes for timely correction of deficiencies identified by internal or external assessments, inspections, investigations and reviews.

11) Documentation and Records

Creation and maintenance of documents and records to ensure regulatory compliance and conformity to company requirements, along with appropriate confidentiality to protect privacy.

12) Supplier Responsibility

Process to communicate Code requirements to suppliers and to monitor supplier compliance to the Code.

VI. Restriction on the Use of Conflict Minerals

Foxconn hereby pledges its commitment to obey international and industrial provisions on conflict minerals. Foxconn does not accept and does not use conflict minerals originating from the Democratic Republic of the Congo and its adjoining countries and regions. Foxconn requires suppliers to trace the origins of all products containing potential conflict minerals, including gold (Au), tantalum (Ta), tin (Sn) and tungsten (W), and provide relevant information sources to Foxconn. In addition, Foxconn's downstream suppliers are required to fulfill their due diligence on free conflict minerals pursuant to the relevant laws requirements.

VII. Anti-Corruption Policy

Foxconn upholds a culture of honesty and trust, conducts itself with integrity, and is committed to full compliance with the national and international anti-corruption and anti-bribery laws and regulations, and imposes a no-tolerance policy on any unlawful activities. Any and all means of corruption, extortion, embezzlement, and undue or improper advantage are strictly prohibited in Foxconn. All employees should take at least two hours of anti-corruption training per year. In addition, Foxconn assists downstream suppliers, manufacturers and customers in adhering to the highest anti-corruption laws as a binding condition and an integral part of doing business.

6. ENFORCEMENT OF THE CoC POLICY

The CoC policy approved by the FGSC Chairman and all business groups' executives will be defined as an ethical commitment that includes basic principles and standards for the appropriate development of relations between Foxconn and its main stakeholders (employees, customers, shareholders, suppliers, the community, investors, and non-governmental organizations). The spirit and guidance embodied in the standards of business conduct policy must be followed by all our employees, in particular by our managers across our businesses to set an example for others to follow. Business groups must provide annual assurance that the CoC policy is being adhered to within their business operations.


The corporate and business group management also needs to roll out the approved CoC policy to our employees. This should take place in a variety of ways, reflecting the different cultures and sizes of our businesses around the world. Employees' rights, the Code requirements, and expectations documented in this CoC policy should be communicated to all staff through employees' labor contracts, employees' handbooks, and other channels which convey the need for effective and exact implementation of and adherence to this CoC policy.

Foxconn should also perform auditing and benchmarking, and design programs as validation instruments for ongoing training and awareness of candid execution of the CoC policy. The SER programs to substantiate SER policy should employ a comprehensive audit protocol, which is designed to assess performance at Foxconn's international sites

and yield a standardized scorecard system to establish a baseline for tracking improvements and making comparisons with peer companies. Furthermore, it is considered that any deployed system should provide for complaints and suggestions from our ground operations, and therefore whistle-blowing mechanisms and grievance channels must be established in order to seek improvements. By formally documenting and revising this CoC policy, Foxconn aims for continuous organizational improvement and innovative governance practices. Foxconn is devoted to sustainable development and an all-win outcome for stakeholders with the following public statements and progress benchmarks:

- Commitment to corporate citizenship of sustainable business for all stakeholders;
- Integration of economic bottom line with social and environmental performance to protect corporate reputation and public image;
- Transparency of information and disclosure to interest holders;
- Alignment of communication with industrial partners for best SER practices, risk management, and media crisis handling;
- Incorporation of SER principles into Foxconn's culture and daily business operations;
- To continue FGSC as Foxconn's global SER strategic driver and tactical mechanism for SER;
- To produce an annual GRI-compliant SER report and deliver Foxconn's SER value propositions and achievements;
- To enforce Foxconn global policy for international establishments across customer groups, business units and suppliers; and
- To conduct periodic self-audit programs and implement self-audit actions, make corrective action plans, and timely feed back to customers about our improvements; and to establish a standard mechanism for better interacting with customers.

Issued by:


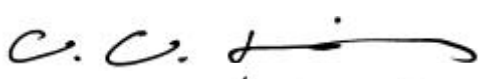











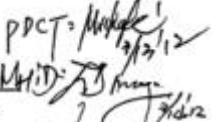

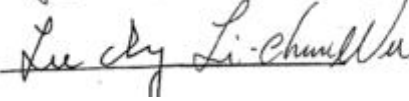
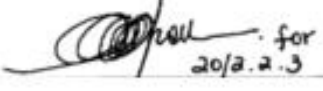

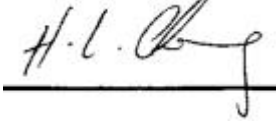
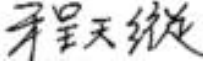
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Foxconn Technology Group

Foxconn Global SER Code of Conduct Policy Approval

Document No.: FGSC-20120403

Units	Approval	Subscribed by SER Chairman and BGs' Executives
Foxconn Global SER Committee	Issue of the SER CoC Policy	 4/3-12
CCPBG	Comply with SER CoC Policy	 <u>Feb. 21, 2012</u>
CESBG	Comply with SER CoC Policy	 3/27/12
CMMSG	Comply with SER CoC Policy	 Mar. 30, 2012
CNSBG	Comply with SER CoC Policy	 3/1/12
CHIMEI	Comply with SER CoC Policy	 <u>Feb. 21, 2012</u>  3/4 12
		 Feb. 14th. 2012

IDPBG	Comply with SER CoC Policy	
IDSBG	Comply with SER CoC Policy	 2012-2-24
NWInG	Comply with SER CoC Policy	<p>ACET:  2/10/12 PDC:  2/23/12</p> <p>WHD:  2/12/12</p> <p>Lee ching Li-chun </p>
PCEBG	Comply with SER CoC Policy	 for 2012.2.3
SHZBG	Comply with SER CoC Policy	Mu-Chi Idan  Jing ching kuni
TMSBG	Comply with SER CoC Policy	 2/2/12
WLBG	Comply with SER CoC Policy	程天縱  2/15/2012
ZDT	Comply with SER CoC Policy	