

Appendix

Appendix I: GRI Standard Reference

General Disclosures

Disclosure Number	Disclosure	Chapter	Page
GRI 101: Foundation 2016 (does not include any disclosures)			
GRI 102: General Disclosures 2016			
Organizational profile			
102-1	Name of the organization	Company Profile-Company Overview	P.7
102-2	Activities, brands, products, and services	Company Profile-Company Overview	P.8
102-3	Location of headquarters	Company Profile-Company Overview	P.7
102-4	Location of operations	Company Profile-Company Overview	P.7
102-5	Ownership and legal form	Company Profile-Company Overview	P.7
102-6	Markets served	Company Profile-Company Overview	P.18
102-7	Scale of the organization	Company Profile-Company Overview Chapter 1: Corporate Governance-Financial Performance	P.7 P.23
102-8	Information on employees and other workers	Chapter 2: Employee Overview-Employee Statistics	P.49
102-9	Supply chain	Chapter 4: Policies for Sustainable Management of Suppliers-Supplier Management System	P.77
102-10	Significant changes to the organization and its supply chain	No major changes occurred during the reporting period	--
102-11	Precautionary Principle or approach	Chapter 1: Corporate Governance-Risk Management	P.23
102-12	External initiatives	United Nations Sustainable Development Goals (SDGs), RBA Code of Conduct, Climate Action 100+, Carbon Disclosure Project (CDP), Task Force on Climate-Related Financial Disclosures (TCFD), and Science Based Targets initiative (SBTi)	P.14
102-13	Membership of associations	Taiwan Alliance for Net Zero Emission, Monte Jade Science and Technology Association of Taiwan, Taiwan Electrical and Electronic Manufacturers' Association, Taiwan Transportation Vehicle Manufacturers Association, Taiwan Association of Machinery Industry, Taipei Computer Association, Taiwan Mold & Die Industry Association, SINOCON Industrial Standards Foundation	--
Strategy			
102-14	Statement from senior decision-maker	Letter from our Chairman	P.4

Disclosure Number	Disclosure	Chapter	Page
Ethics and Integrity			
102-16	Values, principles, standards, and norms of behavior	Chapter 1: Ethical Management-Group Code of Conduct	P.30
Governance			
102-18	Governance structure	Chapter 1: Corporate Governance-Group Structure and the Board of Directors Chapter 1: Sustainability Committee	P.21 P.40
Stakeholder Engagement			
102-40	List of stakeholder groups	Chapter 1: Stakeholder Identification, Communication, and Responsibilities	P.41
102-41	Collective bargaining agreements	Chapter 2: Communication and Protection of Employee Rights-Protection of Employee Rights	P.56
102-42	Identifying and selecting stakeholders	Chapter 1: Stakeholder Identification, Communication, and Responsibilities	P.41
102-43	Approach to stakeholder engagement	Chapter 1: Stakeholder Identification, Communication, and Responsibilities	P.41
102-44	Key topics and concerns raised	Chapter 1: Stakeholder Identification, Communication, and Responsibilities	P.41
Reporting Practice			
102-45	Entities included in the consolidated financial statements	Chapter 1: Corporate Governance-Financial Performance 2021 Annual Report	P.23
102-46	Defining report content and topic Boundaries	About this Report Chapter 1: Stakeholder Identification, Communication, and Responsibilities	P.3 P.41
102-47	List of material topics	Chapter 1: Stakeholder Identification, Communication, and Responsibilities	P.45
102-48	Restatements of information	There were no restatements of information	--
102-49	Changes in reporting	Chapter 1: Stakeholder Identification, Communication, and Responsibilities	P.41
102-50	Reporting period	About this Report	P.3
102-51	Date of most recent report	About this Report	P.3
102-52	Reporting cycle	About this Report	P.3
102-53	Contact point for questions regarding the report	About this Report	P.3
102-54	Claims of reporting in accordance with the GRI Standards	About this Report	P.3
102-55	GRI content index	Appendix I: GRI Standard Reference	P.127
102-56	External assurance	Appendix IV: Independent Verification Statement	P.134

9 Material Issues

Disclosure Number	Disclosure	Chapter	Page
Material Issues			
Financial performance			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Chapter 1: Corporate Governance, Smart Innovation Chapter 1: Stakeholder Communication and Responsibilities - Scope of Material Issues and Materiality Analysis	P.20 P.45
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Chapter 1: Corporate Governance-Financial Performance	P.23
Occupational health and safety			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Chapter 3: Healthy Workplace, Safety Adherence Chapter 1: Stakeholder Communication and Responsibilities - Scope of Material Issues and Materiality Analysis	P.64 P.45
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Chapter 3: Healthy Workplace, Safety Adherence	P.65
		Chapter 3: Occupational Health and Safety	P.65
	403-2 Hazard identification, risk assessment, and incident investigation	Chapter 3: Occupational Health and Safety-Safety Audits and Risk Identification	P.66
		Chapter 3: Occupational Health and Safety-Health and Safety Training and Drills	P.70
		Employees can voluntarily depart from work conditions they believe may result in injury or disease without repercussions.	--
	403-3 Occupational health services	Chapter 3: Occupational Health and Safety-Safety Audits and Risk Identification	P.66
		Chapter 3: Employee Health Promotion-Health Promotion Activities	P.72
403-4 Worker participation, consultation, and communication on occupational health and safety	Chapter 3: Occupational Health and Safety	P.67	
403-5 Worker training on occupational health and safety	Chapter 3: Occupational Health and Safety-Health and Safety Training and Drills	P.70	

Disclosure Number	Disclosure	Chapter	Page
GRI 403: Occupational Health and Safety 2018	403-6 Promotion of worker health	Chapter 3: Employee Health Promotion	P.72
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Chapter 3: Occupational Health and Safety-Safety Audits and Risk Identification	P.66
		Chapter 3: Occupational Health and Safety-Safety Innovations and Improvement Projects	P.70
	403-8 Workers covered by an occupational health and safety management system	Chapter 3: Occupational Health and Safety	P.65
Climate change responses			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Chapter 5: Green Solutions, Circular Economy Chapter 1: Stakeholder Communication and Responsibilities - Scope of Material Issues and Materiality Analysis	P.91 P.45
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
Self-defined theme			
Energy and greenhouse gas management			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Chapter 5: Green Solutions, Circular Economy Chapter 1: Stakeholder Communication and Responsibilities - Scope of Material Issues and Materiality Analysis	P.91 P.45
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Chapter 5: Climate Change	P.97
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions 305-2 Energy indirect (Scope 2) GHG emissions 305-4 GHG emissions intensity	Chapter 5: Climate Change	P.95
Information security and customer privacy			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Chapter 1: Corporate Governance, Smart Innovation Chapter 1: Stakeholder Communication and Responsibilities - Scope of Material Issues and Materiality Analysis	P.20 P.45
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Chapter 1: Corporate Governance	P.26

Disclosure Number	Disclosure	Chapter	Page
Corporate governance and risk management			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Chapter 1: Corporate Governance, Smart Innovation Chapter 1: Stakeholder Communication and Responsibilities - Scope of Material Issues and Materiality Analysis	P.20 P.45
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
Self-defined theme			
Ethical management and legal compliance			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Chapter 1: Corporate Governance, Smart Innovation Chapter 1: Stakeholder Communication and Responsibilities - Scope of Material Issues and Materiality Analysis	P.20 P.45
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 205: Anti-Corruption 2016	205-3 Confirmed incidents of corruption and actions taken	Chapter 1: Ethical Management	P.30
GRI 206: Anti-Competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Chapter 1: Ethical Management	P.30
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	Chapter 5: Environmental Management System	P.99
Innovative Development and Low-Carbon Technologies			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Chapter 1: Corporate Governance, Smart Innovation Chapter 1: Stakeholder Communication and Responsibilities - Scope of Material Issues and Materiality Analysis	P.20 P.45
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
Self-defined theme			
Employee rights and diverse equality			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Chapter 2: Diverse Inclusiveness, Employee Satisfaction Chapter 1: Stakeholder Communication and Responsibilities - Scope of Material Issues and Materiality Analysis	P.47 P.45
	103-2 The management approach and its components		
	103-3 Evaluation of the management approach		
GRI 412: Human Rights Assessment 2016	412-1 Operations that have been subject to human rights reviews or impact assessments	Chapter 2: Communication and Protection of Employee Rights-Human Rights Policies	P.55

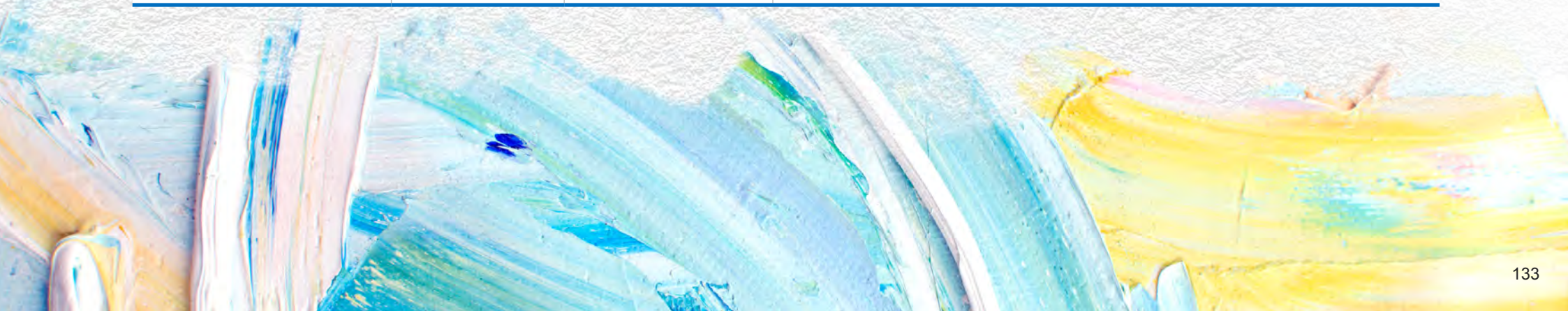
The Group defines substantial environmental incidents as those incurring fines of RMB¥ 100,000 (equivalent to NT\$ 440,000) or more, as fines of more than RMB¥ 100,000 affect the Group's credit rating.

Appendix II: SASB Standard Comparison Table

Disclosed Theme	Disclosed Metrics	Category	Indicator Code	Report Content or Descriptions	Corresponding Sections
Water Management	(1) Total water withdrawn, percentage in regions with High or Extremely High Baseline Water Stress (2) Total water consumed, percentage in regions with High or Extremely High Baseline Water Stress	Quantitative	TC-ES-140a.1	(1) Total volumes of water withdrawn amounted to 87,706 thousand tons, with 49.19% sourced from High Baseline Water Stress regions (2) Total volumes of water consumed amounted to 5,677 thousand tons, with 5.88% sourced from High Baseline Water Stress regions	Chapter 5: Water Management, P.100
Waste Management	Amount of hazardous waste from manufacturing, percentage recycled	Quantitative	TC-ES-150a.1	We generated 453,443 tons of hazardous waste. We are unable to disclose percentages of recycled waste as we are currently working to establish data compilation process, but plan to disclose relevant information in the future.	Chapter 5: Waste Management, P.102
Labor Practices	(1) Number of work stoppages (2) Total days idle	Quantitative	TC-ES-310a.1	(1) No employee strikes or work stoppages occurred in 2021 (2) There were no idle days due to employee strikes or work stoppages in 2021	--
Labor Conditions	(1) Total recordable incident rate (TRIR) and (2) Near miss frequency rate (NMFR) for (a) direct employees and (b) contract employees	Quantitative	TC-ES-320a.1	(1) The total recordable incident rates (TRIR) for direct employees and contract employees were 0.1151 and 0.0136, respectively (2) The near miss frequency rates (NMFR) for direct employees and contract employees were 0.0085 and 0, respectively Note: The data above were taken solely from the Greater China region. We are currently working to establish data compilation process for other regions, and plan to disclose global data in the future.	Chapter 3: Statistics on Disabling Injuries, P.69
	Percentage of (1) entity's facilities audited in the RBA Validated Audit Process (VAP) or equivalent, by (a) all facilities and (b) high-risk facilities Percentage of (2) Tier 1 supplier facilities audited in the RBA Validated Audit Process (VAP) or equivalent, by (a) all facilities and (b) high-risk facilities	Quantitative	TC-ES-320a.2	(1) In terms of our facilities, 27% have completed RBA VAP audits and 0% were determined to be high-risk Note: Group entities undergo RBA VAP audits in response to client requests or other requirements. If multiple entities from a single facility have undergone RBA VAP audits, we consider said facility to have completed RBA VAP audits. (2) In terms of key electronics suppliers, 24% supplier facilities have completed RBA VAP audits and 50% were determined to be high-risk Note: We are currently working to establish data compilation process and plan to include data from key institutional suppliers in future.	--
	(1) Non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent for (a) priority non-conformances and (b) other non-conformances, broken down for (i) the entity's facilities and (ii) the entity's Tier 1 supplier facilities (2) Associated corrective action rate for (a) priority non-conformances and (b) other non-conformances, broken down for (i) the entity's facilities and (ii) the entity's Tier 1 supplier facilities	Quantitative	TC-ES-320a.3	(1) In terms of non-conformance rates with RBA VAP audits, the priority non-conformance and other non-conformance rates for our facilities were 0% and 95%, respectively; the priority non-conformance and other non-conformance rates for our key electronics suppliers were 8% and 24%, respectively (2) The RBA VAP associated corrective rate for other non-conformances at our facilities was 100% (no priority non-conformances were discovered at our facilities); the RBA VAP associated corrective rates for priority non-conformances and other non-conformances at our key electronics suppliers were 100% and 88%, respectively.	--

Disclosed Theme	Disclosed Metrics	Category	Indicator Code	Report Content or Descriptions	Corresponding Sections
Product Lifecycle Management	Weight of end-of-life products and e-waste recovered, percentage recycled	Quantitative	TC-ES-410a.1	The Group has carefully reviewed the qualifications of our waste handling and recycling vendors, and we commission qualified vendors to recycle our e-waste products. We are unable to disclose related data as we are currently working to establish data compilation process, but plan to disclose relevant information in the future.	--
Materials Sourcing	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	TC-ES-440a.1	The Group adopts a circular mechanism with incorporated ESG management frameworks for supplier management processes which includes the four major stages of regulatory compliance, risk assessment, audit verification, and continued improvement. We do not accept or use conflict minerals. We have developed a platform for conflict mineral management to ensure that relevant data can be preserved and tracked. This platform has enabled us to complete conflict mineral surveys for 1,569 suppliers. We achieved a 100% survey response rate and did not discover any regulatory violations.	Chapter 4: Statistics on Disabling Injuries, P.69

Disclosed Metrics	Category	Indicator Code	Report Content or Descriptions
Number of manufacturing facilities	Quantitative	TC-ES-000.A	Around 70 locations
Area of manufacturing facilities	Quantitative	TC-ES-000.B	Around 226.04 million square feet
Number of Employees	Quantitative	TC-ES-000.C	946,111



Appendix III: Independent Assurance Statement



INDEPENDENT ASSURANCE OPINION STATEMENT

2021 HON HAI Sustainability Report

The British Standards Institution is independent to Hon Hai Precision Industry Co., Ltd. (hereafter referred to as HON HAI in this statement) and has no financial interest in the operation of HON HAI other than for the assessment and verification of the sustainability statements contained in this report.

This independent assurance opinion statement has been prepared for the stakeholders of HON HAI only for the purposes of assuring its statements relating to its sustainability report, more particularly described in the Scope below. It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person by whom the independent assurance opinion statement may be read.

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of information presented to it by HON HAI. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and accurate.

Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to HON HAI only.

Scope

The scope of engagement agreed upon with HON HAI includes the followings:

1. The assurance scope is consistent with the description of 2021 HON HAI Sustainability Report.
2. The evaluation of the nature and extent of the HON HAI's adherence to AA1000 AccountAbility Principles (2018) and assessment of sustainability disclosure to be in conformance with the applicable SASB industry standard(s) in this report as conducted in accordance with type 1 of AA1000AS v3 sustainability assurance engagement and therefore, the information/data disclosed in the report is not verified through the verification process.

This statement was prepared in English and translated into Chinese for reference only.

Opinion Statement

We conclude that the 2021 HON HAI Sustainability Report provides a fair view of the HON HAI sustainability programmes and performances during 2021. The sustainability report subject to assurance is free from material misstatement based upon testing within the limitations of the scope of the assurance, the information and data provided by the HON HAI and the sample taken. We believe that the performance information of Environment, Social and Governance (ESG) are fairly represented. The sustainability performance information disclosed in the report demonstrate HON HAI's efforts recognized by its stakeholders.

Our work was carried out by a team of sustainability report assurers in accordance with the AA1000AS v3. We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that HON HAI's description of their approach to AA1000AS v3 and their self-declaration in accordance with GRI Standards: Core option and SASB Standard(s) were fairly stated.

Methodology

Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- a review of issues raised by external parties that could be relevant to HON HAI's policies to provide a check on the appropriateness of statements made in the report.
- discussion with managers on approach to stakeholder engagement. However, we had no direct contact with external stakeholders.
- 8 interviews with staffs involved in sustainability management, report preparation and provision of report information were carried out.
- review of key organizational developments.
- review of the findings of internal audits.
- review of supporting evidence for claims made in the reports.
- an assessment of the organization's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness and Impact as described in the AA1000AP (2018).
- an assessment of the organization's use of metrics or targets of SASB Standard(s) to assess and manage topic-related risks and opportunities.

Conclusions

A detailed review against the Inclusivity, Materiality, Responsiveness and Impact of AA1000AP (2018), GRI Standards and SASB Standard(s) is set out below:

Inclusivity

This report has reflected a fact that HON HAI has continually sought the engagement of its stakeholders and established material sustainability topics, as the participation of stakeholders has been conducted in developing and achieving an accountable and strategic response to sustainability. There are fair reporting and disclosures for the information of Environment, Social and Governance (ESG) in this report, so that appropriate planning and target-setting can be supported. In our professional opinion the report covers the HON HAI's inclusivity issues.

Materiality

HON HAI publishes material topics that will substantively influence and impact the assessments, decisions, actions and performance of HON HAI and its stakeholders. The sustainability information disclosed enables its stakeholders to make informed judgements about the HON HAI's management and performance. In our professional opinion the report covers the HON HAI's material issues.

Responsiveness

HON HAI has implemented the practice to respond to the expectations and perceptions of its stakeholders. An Ethical Policy for HON HAI is developed and continually provides the opportunity to further enhance HON HAI's responsiveness to stakeholder concerns. Topics that stakeholder concern about have been responded timely. In our professional opinion the report covers the HON HAI's responsiveness issues.

Impact

HON HAI has identified and fairly represented impacts that were measured and disclosed in probably balanced and effective way. HON HAI has established processes to monitor, measure, evaluate and manage impacts that lead to more effective decision-making and results-based management within the organization. In our professional opinion the report covers the HON HAI's impact issues.

GRI Sustainability Reporting Standards (GRI Standards)

HON HAI provided us with their self-declaration of in accordance with GRI Standards: Core option (For each material topic covered by a topic-specific GRI Standard, comply with all reporting requirements for at least one topic-specific disclosure). Based on our review, we confirm that sustainable development disclosures with reference to GRI Standards' disclosures are reported, partially reported or omitted. In our professional opinion the self-declaration covers the HON HAI's sustainability topics.

SASB Standards

HON HAI provided us with their self-declaration of in accordance with SASB Standard(s) (Electronic Manufacturing Services & Original Design Manufacturing Sustainability Accounting Standard). Based on our review, we confirm that the sustainability disclosure topics & accounting metrics of SASB Standard(s) (Electronic Manufacturing Services & Original Design Manufacturing Sustainability Accounting Standard) are reported, partially reported or omitted. In our professional opinion the self-declaration covers disclosure topics, associated accounting metrics and activity metrics for applicable SASB industry standard(s).

Assurance level

The moderate level assurance provided is in accordance with AA1000AS v3 in our review, as defined by the scope and methodology described in this statement.

Responsibility

The sustainability report is the responsibility of the HON HAI's chairman as declared in his responsibility letter. Our responsibility is to provide an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

Competency and Independence

The assurance team was composed of Lead auditors experienced in relevant sectors, and trained in a range of sustainability, environmental and social standards including AA1000AS, ISO 14001, ISO 45001, ISO 14064 and ISO 9001. BSI is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.

For and on behalf of BSI:

Peter Pu, Managing Director BSI Taiwan



Statement No: SRA-TW-2021088

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