

Appendix

Appendix I. GRI Standard Reference

General Disclosures

Disclosure Number	Disclosure	Chapter	Page
GRI 101:	Foundation 2016 (GRI 101 does not include any disclosures)		
GRI 102:	General Disclosure 2016		
Organizational profile			
102-1	Name of the organization	Company Overview	P.13
102-2	Activities, brands, products, and services	Company Overview	P.14
102-3	Location of headquarters	Company Overview	P.13
102-4	Location of operations	Company Overview	P.18
102-5	Ownership and legal form	Company Overview	P.13
102-6	Markets served	Company Overview	P.13
102-7	Scale of the organization	Company Overview Chapter 1: Corporate Governance - Financial Performance	P.13 P.22
102-8	Information on employees and other workers	Chapter 2: Employee Overview	P.50
102-9	Supply chain	Chapter 4: Policies for Sustainable Management of Suppliers - Supplier Management System	P.79
102-10	Significant changes to the organization and its supply chain	No significant changes within the reporting scope	
102-11	Precautionary Principle or approach	Chapter 1: Corporate Governance - Risk Management	P.23
102-12	External initiatives	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 Foundation! Taiwan Inc.、Responsible Business Alliance (RBA)	
102-13	Membership of associations		

Disclosure Number	Disclosure	Chapter	Page
Strategy			
102-14	Statement from senior decision-maker	Letter from our Chairman	P.4
Ethics and integrity			
102-16	Values, principles, standards, and norms of behavior	Chapter 1: Corporate Integrity - Group Code of Conduct	P.29
Governance			
102-18	Governance structure	Chapter 1: Corporate Governance - Group Structure and the Board of Directors Chapter 1: Corporate Social Responsibility	P.21 P.39
Stakeholder engagement			
102-40	List of stakeholder groups	Chapter 1: Corporate Social Responsibility	P.40
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 Communication and Responsibilities	P.40
102-43	Approach to stakeholder engagement	Chapter 1: Stakeholder Communication and Responsibilities	P.40
102-44	Key topics and concerns raised	Chapter 1: Stakeholder Communication and Responsibilities	P.40
Reporting practice			
102-45	Entities included in the consolidated financial statements	Chapter 1: Corporate Governance - Financial Performance 2020 Annual Report	P.22 2020 Annual Report
102-46	Defining report content and topic Boundaries	About this Report Chapter 1: Stakeholder Communication and Responsibilities	P.3 P.40
102-47	List of material topics	Chapter 1: Stakeholder Communication and Responsibilities	P.44
102-48	Restatements of information	No restatements of information	
102-49	Changes in reporting	Chapter 1: Stakeholder Communication and Responsibilities	P.40
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

Disclosure Number	Disclosure	Chapter	Page
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.125
102-56	External assurance	Appendix II. Independent Verification Statement	P.130

8 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: Sustainable Governance	P.20
	103-2 The management approach and its components	Chapter 1: Stakeholder Communication and Responsibilities - Scope of Material Issues and Materiality Analysis	P.46
	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.22
Corporate governance and risk management			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Chapter 1: Sustainable Governance	P.20
	103-2 The management approach and its components	Chapter 1: Stakeholder Communication and Responsibilities - Scope of Material Issues and Materiality Analysis	P.46
	103-3 Evaluation of the management approach		
No applicable GRI topic			
Occupational health and safety			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Chapter 3: Health and Safety	P.64
	103-2 The management approach and its components	Chapter 1: Stakeholder Communication and Responsibilities - Scope of Material Issues and Materiality Analysis	P.46
	103-3 Evaluation of the management approach		

Disclosure Number	Disclosure	Chapter	Page
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Chapter 3: Health and Safety Chapter 3: Occupational Health and Safety	P.65 P.65
	403-2 Hazard identification, risk assessment, and incident investigation	Chapter 3: Occupational Health and Safety - Safety Audits and Risk Identification	P.67
		Chapter 3: Occupational Health and Safety - Health and Safety Trainings and Drills Employees can leave work conditions that they believe may cause injury or illness on their own without any sanctions.	P.72
	403-3 Occupational health services	Chapter 3: Occupational Health and Safety - Safety Audits and Risk Identification	P.67
		Chapter 3: Employee Health Promotion - Health Promotion Activities	P.74
	403-4 Worker participation, consultation, and communication on occupational health and safety	Chapter 3: Occupational Health and Safety	P.65
	403-5 Worker training on occupational health and safety	Chapter 3: Occupational Health and Safety - Health and Safety Trainings and Drills	P.72
	403-6 Promotion of worker health	Chapter 3: Employee Health Promotion	P.74
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.67	
	Chapter 3: Occupational Health and Safety - Shared platform for safety improvement and innovation	P.69	
403-8 Workers covered by an occupational health and safety management system	Chapter 3: Occupational Health and Safety	P.65	
Ethical management and legal compliance			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Chapter 1: Sustainable Governance	P.20
	103-2 The management approach and its components	Chapter 1: Stakeholder Communication and Responsibilities - Scope of Material Issues and Materiality Analysis	P.46
	103-3 Evaluation of the management approach		
GRI 205: Anti-corruption 2016	205-3 Confirmed incidents of corruption and actions taken	Chapter 1: Corporate Integrity	P.30
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Chapter 1: Corporate Integrity	P.29
GRI 307: Environmental Compliance 2016	307-1 Non-compliance with environmental laws and regulations	Chapter 5: Environmental Management System	P.105

Disclosure Number	Disclosure	Chapter	Page
Innovation and R&D			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Chapter 1: Sustainable Governance	P.20
	103-2 The management approach and its components	Chapter 1: Stakeholder Communication and Responsibilities - Scope of Material Issues and Materiality Analysis	P.46
	103-3 Evaluation of the management approach		
No applicable GRI topic			
Climate change responses			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Chapter 5: Environment	P.94
	103-2 The management approach and its components	Chapter 1: Stakeholder Communication and Responsibilities - Scope of Material Issues and Materiality Analysis	P.46
	103-3 Evaluation of the management approach		
GRI 201: Economic Performance 2016	201-2 Proportion of senior management hired from the local community	Chapter 5: Climate Change	P.96
Supply chain management			
RI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Chapter 4: Supply Chain Management	P.78
	103-2 The management approach and its components	Chapter 1: Stakeholder Communication and Responsibilities - Scope of Material Issues and Materiality Analysis	P.46
	103-3 Evaluation of the management approach		
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Chapter 4: Policies for Sustainable Management of Suppliers - Supplier Management Processes	P.82
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Chapter 4: Policies for Sustainable Management of Suppliers - Supplier Management Processes	P.82
Employee rights and diverse equality			
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Chapter 2 Employees	P.48
	103-2 The management approach and its components	Chapter 1: Stakeholder Communication and Responsibilities - Scope of Material Issues and Materiality Analysis	P.46
	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 Policy	P.56

¹Major environmental protection violations are defined as violations incurring penalties of more than 100,000 RMB (equivalent to 430,000 NTD). Penalties of more than 100,000 RMB impact on the Group's credit rating.

Appendix II: Independent Verification Statement

INDEPENDENT ASSURANCE OPINION STATEMENT

2020 HON HAI Corporate 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 corporate social responsibility (CSR), 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 2020 HON HAI Corporate Sustainability Report.
2. The evaluation of the nature and extent of the HON HAI's adherence to AA1000 AccountAbility Principles (2018) 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 2020 HON HAI Corporate Sustainability Report provides a fair view of the HON HAI CSR programmes and performances during 2020. The corporate 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 2020 economic, social and environmental performance information are fairly represented. The CSR performance information disclosed in the report demonstrate HON HAI's efforts recognized by its stakeholders.

Our work was carried out by a team of corporate 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 were fairly stated.

Methodology

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

- a top level 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.

Conclusions

A detailed review against the Inclusivity, Materiality, Responsiveness and Impact of AA1000AP (2018) and GRI Standards 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 economic, social and environmental information 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 social responsibility and 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 social responsibility and sustainability topics.

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 corporate 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



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