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Establishing Sustainable Development for a Net Zero Future





1.1 Letter from our Chairman

Global climate-related environmental issues are no longer an afterthought for enterprises, but a social responsibility that they must fulfill. As the world's biggest high-tech manufacturer and service provider, Hon Hai knows that great responsibility comes with great power. Therefore, over the past few years, we have extended our pre-existing environmental protection actions and actively tracked environmental changes in the world, responded to international environmental and climate issues, and declared our own responsibilities and action goals. This year, we released our first Net Zero Vision Report to disclose Hon Hai's climate-related governance strategies, risks and opportunities, and indicators and goals, thereby demonstrating our internal values, consensus, and determination regarding implementation.

"Sustainable management = EPS + ESG" is a principle I proposed in 2020 to manage sustainability at Hon Hai. We constantly remind all colleagues to focus not only on continued EPS growth, but also active implementation of ESG measures. In environmental terms, Hon Hai is a member of the Taiwan Alliance for Net Zero Emission and has successively joined various initiatives such as Climate Action 100+, Carbon Disclosure Project, the Task Force on Climate-related Financial Disclosures, and the Science Based Targets initiative. We have publicly pledged to achieve net zero greenhouse gas emissions by 2050 and submitted a Business Ambition for 1.5°C Commitment Letter to the Science Based Targets initiative.

This year, apart from active participation in and response to international sustainability trends, we also renamed our CSR Committee to the Sustainability Committee, of which I serve as chairman. Three professional teams have been established under this Committee to promote Environmental (E), Social (S), and Governance (G) actions. We have also set detailed goals and indicators for our net zero vision goals (including carbon emission targets for 2050, green electricity ratios, zero waste management, and water treatments) which have been disclosed to the public. We encourage all teams to actively interact with external parties and participate in third-party

appraisals to gain external recognition, create a sense of team pride, and generate synergy through external attention and internal drive so that we can lead our employees in achieving a net zero vision from top to bottom and through internal and external collaboration. Hon Hai was recently recognized by FTSE Russell as one of the large-scale enterprises in Taiwan with the greatest ESG achievements.

To achieve our net zero vision, our action strategies and goals need to be in-depth and widespread to align with our operating scale and facilitate smooth implementation; these concepts should be incorporated into our DNA and every unit should contribute to our net zero plans. Our Shenzhen "Zero Waste Factory" received the UL 2799 Zero Waste to Landfill Operations Gold Certification in 2022, encompassing 14 corporate entities and an area covering 2.3 square kilometers (equivalent to 9 Daan Forest Parks) within our Shenzhen site. We have also completed greenhouse gas inventories for Scope 1 to Scope 3 emissions over our 870 subsidiaries and 6,000 suppliers, and hope to lead others in our industrial chain in multifaceted implementation of net zero actions.

Hon Hai adheres to high standards when carrying out net zero actions and works to maximize internal and external consensus through communication with multiple parties to demonstrate internal and external consistency, transparent net zero efforts, and net zero achievements. We hold weekly internal action meetings to communicate ESG-related issues and gradually establish our internal corporate culture focused on ESG. We have also hosted multiple training sessions themed around climate-related issues and provide digital teaching materials through our training website to enhance knowledge and awareness of climate-related issues and actions in all colleagues. Hon Hai further works with external institutes on various net zero projects, using the rich expertise

of external institutes to supplement our internal inadequacies related to knowledge and implementation. We also utilize diverse external communication channels to disclose our progress and goals on net zero actions.

Hon Hai is working to realize net zero achievements through top-down promotion of net zero vision goals and bottom-up creation of benefits through net zero actions. We actively embrace the opportunities and challenges brought on by climate-related issues, and hope to spread our positive energies through external communication, supervise our value chains, and work with other enterprises in achieving sustainable transformations and our ESG visions: Technology for Smart Living; Passion for Sustainable Development; Creation of a Better Future Together.

Young Liu, Hon Hai Precision Industry Co., Ltd. Chairman

Young Liu





1.2 About this Report

Hon Hai Precision Industry Co., Ltd. (also known as Hon Hai Technology Group or Foxconn Technology Group; hereinafter referred to as "the Group" or "Hon Hai") and its majority-owned subsidiary companies and controlled entities. This report is based solely on the activities of the legal entities controlled by the Group, and no significant changes have been made to company information. This report focusing on climate-related risks and opportunities is Hon Hai's first "Net Zero Vision Report" and is based on the Recommendations of the Task Force on Climate-related Financial Disclosures released by the Task Force on Climate-related Financial Disclosures (TCFD) in 2017. For more information on other environmental, social, and governance themes, please refer to our Sustainability Report (<https://www.honhai.com/en-us/CSR/csr-report>).

