



2023

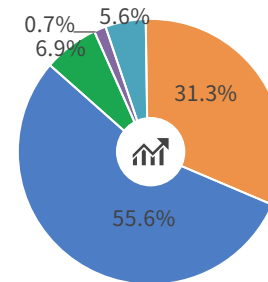
Hon Hai's Third-Party Audit Summary Report

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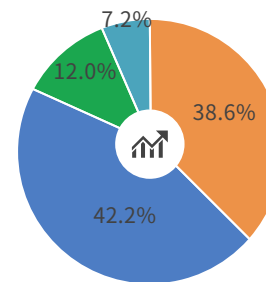
To ensure the Company's sustainability, the key audit includes factories in Mainland China and India. The purpose of the audit is to make sure all factories comply with ESG standards and effectively manage potential risks. Furthermore, the audit outcome is disclosed to increase the Company's operational transparency. According to the audit, there were 144 non-compliances, achieving an overall compliance rate of 90%. **No significant non-compliance was found in labor rights (including forced labor), environment, corporate ethics, supply chain management and management systems.**

Dimension	Non-Compliance count	Compliance count	Compliance rate
Labor rights	45	447	90.9%
Occupational health and safety	80	526	86.8%
Environment	10	144	93.5%
Corporate ethics	1	115	99.1%
Supply chain management (RBA VAP)/ Management systems (ERSA 3.0)	8	66	89.2%
Subtotal	144	1298	90.0%

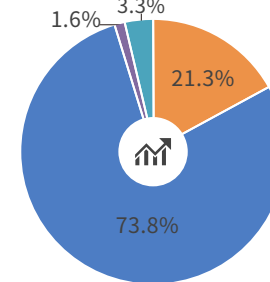
Distribution of overall non-compliance



Distribution of non-compliance in China



Distribution of non-compliance in India



The Group has been closely monitoring the corrective actions for audit findings, achieving a 78% improvement rate for identified non-compliance as of September 2024. Monitoring efforts will continue to address the remaining issues.

I The audit outcome based on RBA VAP 7.1 standards

Dimension	Non-Compliance				Compliance count	Compliance rate
	Priority	Major	Minor	Risk		
Labor rights	0	24	6	2	103	76.3%
Occupational health and safety	1	27	5	2	85	70.8%
Environment	0	9	0	1	75	88.2%
Corporate ethics	0	0	0	0	80	100%
Supply chain management	0	6	0	0	29	82.9%
Subtotal	1	66	11	5	372	81.8%

The priority non-compliance in occupational health and safety is inadequate maintenance of emergency exits, evacuation routes, emergency exit signage, and emergency lighting. On-site repairs and installations of fire safety equipment are completed, and all obstructions have been removed to ensure clear evacuation routes. Relevant functional units have been assigned to enhance safety audits and consolidate safety management resources. As of September 2024, the improvement rate of RBA VAP 7.1 and ERSA 3.0 audit non-compliance has reached 70% and 89%, respectively. Furthermore, the remainder are being tracked and rectified.

I The audit outcome based on ERSA 3.0 standards

Dimension	Non-Compliance					Compliance count	Compliance rate
	Zero Tolerance	Critical	Major	Moderate	Minor		
Labor rights	0	1	4	8	0	344	96.4%
Occupational health and safety	0	2	15	23	5	441	90.7%
Environment	0	0	0	0	0	69	100%
Corporate ethics	0	0	1	0	0	35	97.2%
Management systems	0	0	0	2	0	37	94.9%
Subtotal	0	3	20	33	5	926	93.8%

I Audit background

The comprehensive third-party audit was conducted by professional external certification bodies, BSI and LRQA (formerly ELEVATE) using international ESG auditing standards. In Mainland China, the audit was conducted according to the RBA VAP 7.1 standard, while in India, the ERSa 3.0 standard was applied. The audit scope encompasses labor rights, corporate ethics, occupational health and safety, environment, and management systems. The audit operation lasted 81.5 man-days, and 904 employees were interviewed.

Group name	Hon Hai Technology Group
Auditing party	BSI, LRQA (formerly ELEVATE)
Auditing standard	1. RBA VAP 7.1 (Mainland China) 2. ERSa 3.0 (India) 3. Local laws and regulations
Audit method	1. On-site investigation 2. Inspection procedures/documents/execution 3. Employee interviews
Audit scope	Labor rights, corporate ethics, occupational health and safety, environment, and management systems
Audit man-days	81.5 man-days
Number of employees interviewed	904

In light of the global locations of the Group’s factories, to ensure that the third-party audit can be carried out in key factories, Hon Hai has applied systematic identification to select factories with higher risk and stakeholder concerns. These include eight factories/legal entities in Mainland China and India, and ESG third-party audits for various legal entities across different groups in Q1 2024.

Location	Audited party	Auditing party
Zhengzhou	Hong Fu Jin Precision Electronics (Zhengzhou) Ltd	BSI
Zhengzhou	Foxconn Internet Yuzhan Precision Technology Co., Ltd	BSI
Chengdu	Hong Fu Jin Precision Electronic (Chengdu) Ltd	LRQA
Shenzhen	Fulian Yuzhan Technology (Shenzhen) Co., Ltd.	LRQA
Hengyang	Hengyang Futaihong Precision Industrial Co., Ltd	BSI
Tamil Nadu	Foxconn Hon Hai Technology India Mega Development Pvt Ltd.	LRQA
Tamil Nadu	Bharat FiH Ltd	LRQA
Andhra Pradesh	Bharat FiH Ltd	LRQA