



FEWI DEVELOPMENT CORP.

611 E. Wisconsin Avenue,
Milwaukee, WI, USA 53202

January 17, 2019

Mr. Mark R. Hogan
Secretary and CEO
Wisconsin Economic Development Corporation

Dear Mr. Hogan,

On behalf of the Foxconn leadership team and members of the Foxconn family here and around the world, I am pleased to share with you some highlights of our Wisconsin Valley Science and Technology Park (WVSTP) project and the development of the Innovation Centers established throughout Wisconsin to support the important initiative.

In 2018, Foxconn and our partners in academic and business communities made good progress on all fronts related to our significant investments in the state and our goal of contributing to Wisconsin's transformation into a high-tech hub. As part of our commitment to the state, below is a summary of some of the accomplishments thus far.

Overall Investment

- **Invested over \$200 million to date in Wisconsin** while adopting a "Wisconsin First" approach and awarding 95% of all contracts to date to Wisconsin companies, with almost 16% going to minority, women and veteran owned businesses. Contracts were awarded to 93 companies in 17 counties throughout Wisconsin.
- **Expanded our presence around the state** through the purchase of a total of three buildings and ongoing fit-out of what will become technology-focused Innovation Centers at our Foxconn Places in Racine, Green Bay, and Eau Claire. As a sign of our commitment to talent retention and attraction in the State of Wisconsin, we also purchased a building in Milwaukee and established that facility as our North American headquarters.

Construction and Environmental Sustainability

- **Moved 4 million cubic yards of dirt** in the construction of Wisconsin Valley Science and Technology Park (WVSTP) campus while construction moves forward on schedule.
- **Completed the construction of a 120,000 square foot Multipurpose Building at WVSTP.**

- **Ensured that the WVSTP project would meet our commitment to promote environmental sustainability** by selecting a \$30 million Zero Liquid Discharge water recycling system to dramatically reduce water usage at the facility.

Hiring

- **Created 1,032 direct jobs and many more indirect jobs in support of the Wisconsin project.** This figure includes 178 full-time Foxconn employees and 854 employees involved in the construction of WVSTP, who are residents of 54 counties in Wisconsin.
- **Initiated a veteran hiring program** by welcoming 22 veterans, including CAPT Christopher “Tank” Murdoch, USN (Ret.) as Foxconn’s first employee in Wisconsin. In line with Foxconn’s commitment to hire veterans, this was followed by the hire of LTC Scott E. Rubitsky, USA (Ret.) who became Foxconn’s Director of Business Development and Plans in Wisconsin, and COL Peter Buck, USMC (Ret.) who assumed the position of Executive Director of the WVSTP. Recently, MAJ GEN Timothy Zadalis, USAF (Ret.) also joined Foxconn as Senior Counselor. We are committed to hiring many other veterans as part of the project workforce.
- **Held and participated in 34 recruitment and job fairs** for the public (in Mount Pleasant, Racine, Green Bay, Eau Claire, and Milwaukee), for university students (at UW-Milwaukee, St. Norbert College, UW-Madison, UW-Platteville, Marquette University, UW-Eau Claire, Milwaukee School of Engineering, UW-Green Bay, UW-Stout, Waukesha County Technical College), and for former military personnel at various veteran career fairs such as the Milwaukee Vet Job Fair in Wisconsin, at Fort Bragg in North Carolina, and at Joint Base Lewis-McChord in Washington state.

Educational Initiatives & Community Engagement

- **Made a \$100 million commitment to the University of Wisconsin-Madison** to help establish the Foxconn Institute for Research in Science and Technology which will help develop the state’s research and engineering talent.
- **Supported Wisconsin students, staff, and faculty from higher education communities around the state through the ongoing \$1 million “Smart Cities – Smart Futures” competition.**
- **Co-established a \$100 million Wisconsin Valley Venture Fund** with Advocate Aurora Health, Johnson Controls, and Northwestern Mutual.
- **Established numerous other partnerships with Wisconsin educational institutions**, including The University of Wisconsin System, University of Wisconsin-Madison, Wisconsin Association of Independent Colleges and Universities, Wisconsin Technical College System, University of Wisconsin-Milwaukee, University of Wisconsin-Parkside Gateway Technical College, Carthage College, Milwaukee Area Technical College, Marquette University, and Medical College of Wisconsin.

- **Engaged the Wisconsin business community** to outline our project objectives and the opportunities for participation in our supply chain in a wide array of events hosted by Wisconsin Manufacturers and Commerce, Blackhawk Technical College, Madison College, the La Crosse Chamber Foundation, Chippewa Valley Technical College, Northeast Wisconsin Technical College, Superior Government Center, UW Platteville, Gateway Technical College, the Wausau Entrepreneurial Enterprise Center, the Metropolitan Milwaukee Association of Commerce, the Wisconsin Technology Council, the Racine County Economic Development Corporation, the Greater Milwaukee Committee, The New North, the Wisconsin Veterans Chamber of Commerce, the University Economic Development Association, the Wisconsin Economic Development Corporation, and Manufacturing First, among others.
- **Supported Wisconsin businesses** by investing in the state's ginseng industry and helping to facilitate and fund the participation of Wisconsin businesses at the first China International Import Expo (CIIE) in November 2018.

In 2018, we made the strategic decision to broaden the base of our investment within the State of Wisconsin, far beyond what we initially planned, to ensure the company and our workforce will be positioned for long-term success.

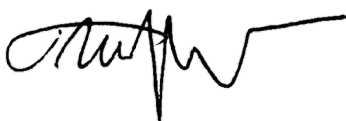
While we remain committed to creating 13,000 jobs in Wisconsin, we have adjusted our recruitment and hiring timeline. As a company with operations around the world, we need to have the agility to adapt to a range of factors including global economic conditions. We have done so while simultaneously progressing on other aspects of the project and achieving our foremost priority for 2018 – creating a solid foundation upon which the Wisconsin project can continue to grow further.

Among the 1,032 jobs we created in support of the project, 178 of those jobs met the requirement for the 2018 round of investment tax credits/co-investment from the state. For that reason, we will not seek the first round of co-investment from the state.

In 2019, we look forward to making continued progress on the construction of the Wisconsin Valley Science and Technology Park campus. We will be conducting further information sessions for contractors in coming months. As part of the first phase of the project, we expect to start construction of facilities to house cutting-edge display development, advanced manufacturing, and 8K+5G research and development capabilities in the spring.

Thank you for the support your agency has provided to our company throughout these important stages of our project; we assure you we will maintain regular contact with you regarding the continued progress of the project.

Regards,

A handwritten signature in black ink, appearing to read 'Louis Woo', with a long horizontal stroke extending to the right.

Dr. Louis Woo
Special Assistant to CEO