

Five execution aspects

Friendly workplace

- 3.1 Respect human rights
- 3.2 Diversity, Equity and Inclusion (DEI)
- 3.3 Talent attraction and retention
- 3.4 Talent development
- 3.5 Occupational health and safety

Focusing on SDGs

3GOOD HEALTH AND WELL-BEING

8DECENT WORK AND ECONOMIC GROWTH

10REDUCED INEQUALITIES

Highlights of Sustainability

Paid leave for encouraging childbearing and parenting

We offer better-than-legal paid leave for maternity leave, pregnancy checkup accompaniment and paternity leave, paternity caring leave, and maternity and baby safe leave. In addition to the mandated 63 days of maternity leave and pregnancy checkup accompaniment and paternity leave, employees are entitled to an additional 25 days of paid leave

High compensation 100

Selected as a constituent stock in “TWSE RAFI Taiwan High Compensation 100 Index” for over 10 consecutive years

Proportion of female colleagues

Puts high emphasis on career development of “female power” with female employees accounting for 32%

Retention rate of new recruits

A complete mechanism for learning, caring, and guiding new recruits to shorten their learning curve and improve their retention rate; the retention rate of new recruits is as high as 94% in average within one year on-boarding

Internal promotion rate of management talent

Actively cultivate and promote management talents, with the internal promotion rate of management talents accounting for 77%

Outstanding enterprise of occupational health and safety

“Outstanding enterprise” for “Active Evaluation of Corporate Sustainability Report Disclosure of Occupational Health and Safety Performance” by Occupational Safety and Health Administration, Ministry of Labor



Management Policy

Material sustainability issues	Performance indicators	Target in 2024	Result in 2024	Target in 2025	2030/Long-term direction
Diversity, Equity and Inclusion	Human rights and DEI training completion rate	100%	100%	100%	100%
	Human rights due diligence execution rate (Employee: Once every three years; Supplier: Every year)	100%	100%	100%	100%
	Human rights violations	0 case	0 case	0 case	0 case
	Hire disabled employees	≥ Quorum	Exceeding quorum	≥ Quorum	≥ Quorum
	Gender equality awareness/Sexual harassment prevention training completion rate	100%	100%	100%	100%
	Guarantee for the fairness of remuneration and promotion	100%	100%	100%	100%
	Regularly hold employee forum and labor management conference	Hold quarterly	Hold quarterly	Hold quarterly	Hold quarterly
	Establish employee resource groups/communities	-	1	≥ 1	≥ 2
	Female employees proportion	-	32%	≥ 20%	≥ 20%
	Female supervisor proportion	-	21%	≥ 20%	≥ 20%
Talent attraction and retention	Average retention rate of new recruits within one year of employment	≥ 80%	94%	≥ 80%	≥ 80%
	“TWSE RAFI Taiwan High Compensation 100 Index”	Listed in the constituent stock	Listed in the constituent stock	Listed in the constituent stock	Listed in the constituent stock
	Provide better-than-legal working hours and leave system	Exceeding regulatory standards	Exceeding regulatory standards	Exceeding regulatory standards	Exceeding regulatory standards
	Employee satisfaction rate	≥ 90%	92%	≥ 90%	≥ 90%
	Employee Stock Ownership Plan (ESOP) participation rate	-	75%	≥ 70%	≥ 80%
	Remuneration competitiveness reaching the market median ratio	-	100%	100%	100%
	Application rate for thematic physical examinations subsidies	>85%	100%	≥ 90%	≥ 90%
Talent development	R&D key training courses completion rate	100%	100%	100%	100%
	Proportion of internal trainer in R&D quality courses	≥ 80%	93%	≥ 80%	≥ 80%
	Average retention rate of excellent talents in recent three years	≥ 70%	87%	≥ 70%	≥ 70%
	Internal promotion rate of management talent	≥ 70%	77%	≥ 70%	≥ 70%

Material sustainability issues	Performance indicators	Target in 2024	Result in 2024	Target in 2025	2030/Long-term direction
Occupational health and safety	Number of occupational accidents	≤1	0	≤1	≤1
	Verify ISO 45001:2018	100% completion rate for architecture gap analysis	100% completion rate for architecture gap analysis	Pass the verification	<ul style="list-style-type: none">Maintain the validity, relevance, and appropriateness of the certificate.Continuous improvement
	Obtain relevant national healthy workplace certifications and competition	≥ 2 items	<ul style="list-style-type: none">Within the validity period of certification: 2 itemsAwarded excellence in “Shake in workplace, stay in health” from Health Promotion Administration, Ministry of Health and WelfareAwarded as “Outstanding enterprise” for “Active Evaluation of Corporate Sustainability Report Disclosure of Occupational Health and Safety Performance” by Occupational Safety and Health Administration, Ministry of Labor	≥ 2 items	≥ 2 items
	Multiple health promotion activities	≥ 3 items	4 items (1 item as globally)	≥ 3 items	≥ 3 items
	Coverage of CPR + AED accumulated up to three times per individual	≥ 10%	10%	≥ 15%	≥ 20%

Management of Material Sustainability Issues

Diversity, Equity and Inclusion

Policies/Commitment

"Faraday Technology Human Rights Policy"

"Faraday Technology Declaration of Diversity, Equity and Inclusion"

Impact description

If a workplace cannot accommodate diverse talents, protect the labor rights of different groups, and create an inclusive culture where everyone feels valued, then employees will be unable to express themselves freely and utilize their strengths. This will consequently impact talent sustainability and the Company's competitiveness.

Key actions

- Promote the workplace culture and environment in line with the values of diversity, equity, and inclusion
- Equal employment of disabled or disadvantaged groups, guarantee the right to work
- Provide a workplace environment of gender equality and opportunities for development, put an end to discrimination
- Provide multiple and transparent communication and grievance channels

Talent attraction and retention

Policies/Commitment

Faraday provides a competitive total remuneration and welfare system, implementing elite selection and continuously optimizing talent retention measures. We actively pay attention to physical and mental health of employee and learning growth. We are committed to fostering a friendly workplace where joy and professionalism in harmony, in order to maximize the sustainable value of our talent.

Impact description

Insufficient talent quality may affect R&D driving force and technical services, thereby impacting the Company's operational performance and competitiveness.

Key actions

- Global talent strategic deployment; actively recruiting international elites
- Improve operational performance of the company, guarantee the employees' overall rewards with highly competitiveness
- Faraday positively implements systems of talent performance management
- Create a friendly workplace where joy and professionalism in harmony, focusing on employees' work-life balance and professional growth

Talent development

Policies/Commitment

Faraday emphasizes on talent cultivation and development, aligns with the Company's operational strategies and targets, and is committed to cultivating and inheriting high-quality technological talents, while providing comprehensive training resources and a learning environment to ensure talent sustainability and strengthen institutional value.

Impact description

Without a well-organized talent development strategy, it is possible to cause employees' professional skills to stagnate, hinders the organization's talent inheritance, and thus affects the Company's technological development and corporate sustainability.

Key actions

- Establish systematic digital education training mechanism to effectively inherit knowledge of the organization
- Grasp key talents, driving professional competency and strengthening career development
- Cultivate excellent management talents, improving talent inheritance and organization sustainability

Occupational health and safety

Policies/Commitment

"Environmental Safety and Health Policy"

Impact description

Failure to implement occupational safety and health management may cause potential hazards during operation activities, leading to employee injuries or disabilities.

Key actions

- Implement and verify ISO 45001:2018 management system in 2025, strengthening the standardization of environmental safety and health management
- Handle and eliminate the risk of exposure to hazards in personnel operations through systematic and comprehensive risk assessment
- Protect safety and health for workers



3.1 Respect human rights

3.1.1 Human rights policy

Faraday Technology has always put great emphasis on human rights, actively creates a fair and dignified working environment, and practices its commitment and responsibility to human right. The Company is committed to supporting the following international relevant labor and human rights standards and norms: International Bill of Human Rights, Universal Declaration of Human Right (UDHR), United Nations Global Compact (UNGC), United Nations Guiding Principles on Business and Human Rights (UNGPs), Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (MNE Declaration), ILO Declaration on Fundamental Principles and Rights at Work, OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, OECD Due Diligence Guidance for Responsible Business Conduct, and RBA Code of Conduct.

Faraday reviews its human rights policy annually to ensure compliance with the latest international human rights conventions and incorporates human rights issues into all aspects of business operations, aiming to prevent and avoid any human rights impacts. In 2024, Faraday carefully revised the “Human Rights Policy”, aligning with the National Human Rights Commission of Taiwan’s active advocacy for the domestication or domestic effective legal status of core United Nations human rights conventions. This revision further commits Faraday to supporting multiple international standards and regulations related to female and children rights. At the same time, the scope of human rights protection is extended from employees and supply chain partners to a broader range of stakeholders, including clients, communities, and other individuals connected to Faraday’s operational development.

The main management policies are as follows:

- Respect the rights to work
- Ensuring workplace equality
- Providing a safe and healthy working environment
- Build up open communication channels
- Respect freedom of association
- Implement the privacy protection and information security
- Execute risk assessment of human rights and information

Faraday Human Rights Policy

3.1.2 Human right governance mechanism

The Board of Directors is the highest-level human rights governance unit of Faraday, responsible for supervising and guiding the implementation and management of human rights issues. Faraday’s human rights issues are coordinated and executed by a task force under the Corporate Sustainability Committee, known as the “Friendly Workplace Task Force.” The task force includes representatives from Human Resources, Environmental, Safety and Health, and Remuneration & Welfare, and is responsible for integrating and coordinating cross-functional resources to advance human rights management. It regularly reports the outcomes of human rights governance to the “Corporate Sustainability Committee” and the Board of Directors.

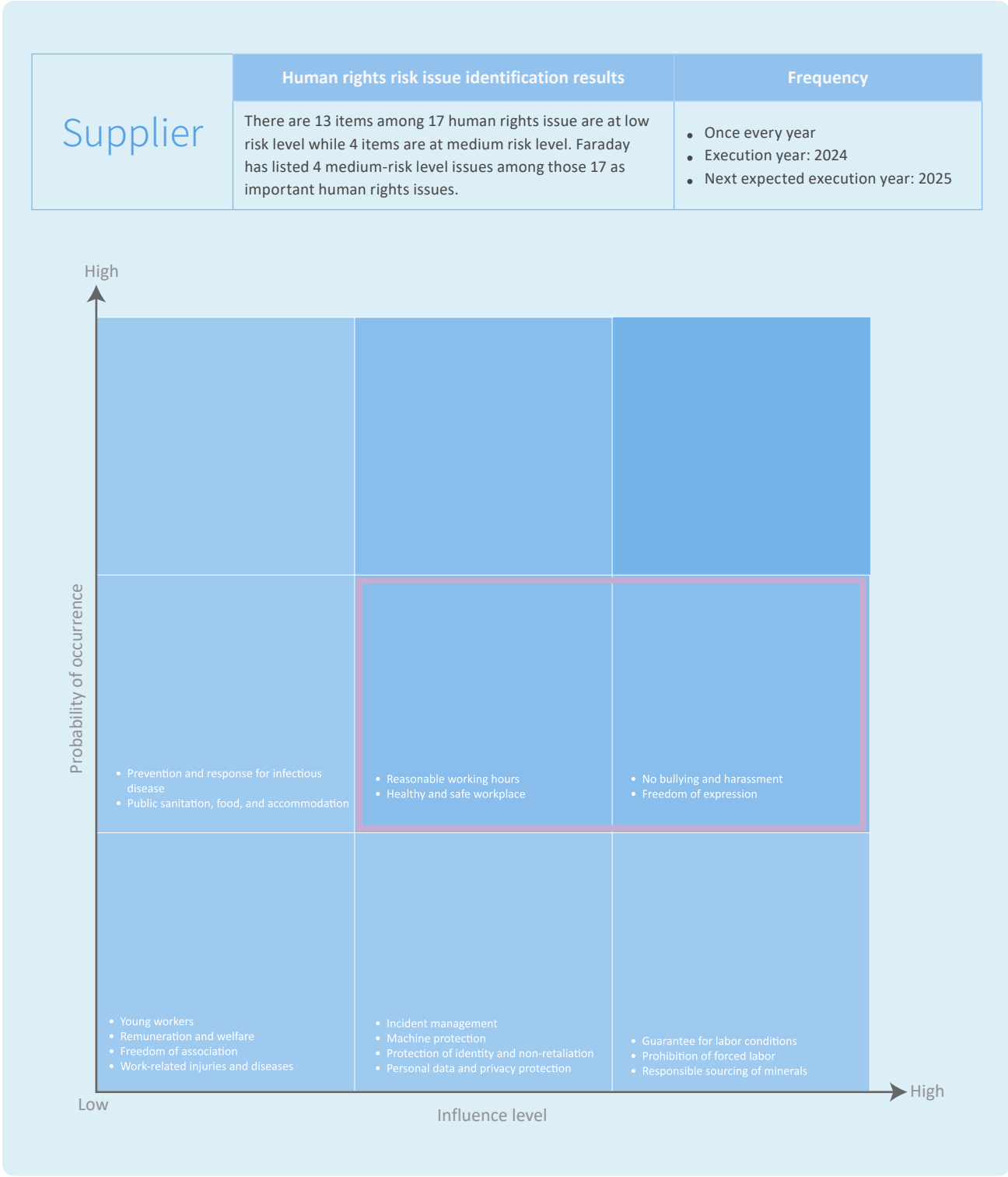
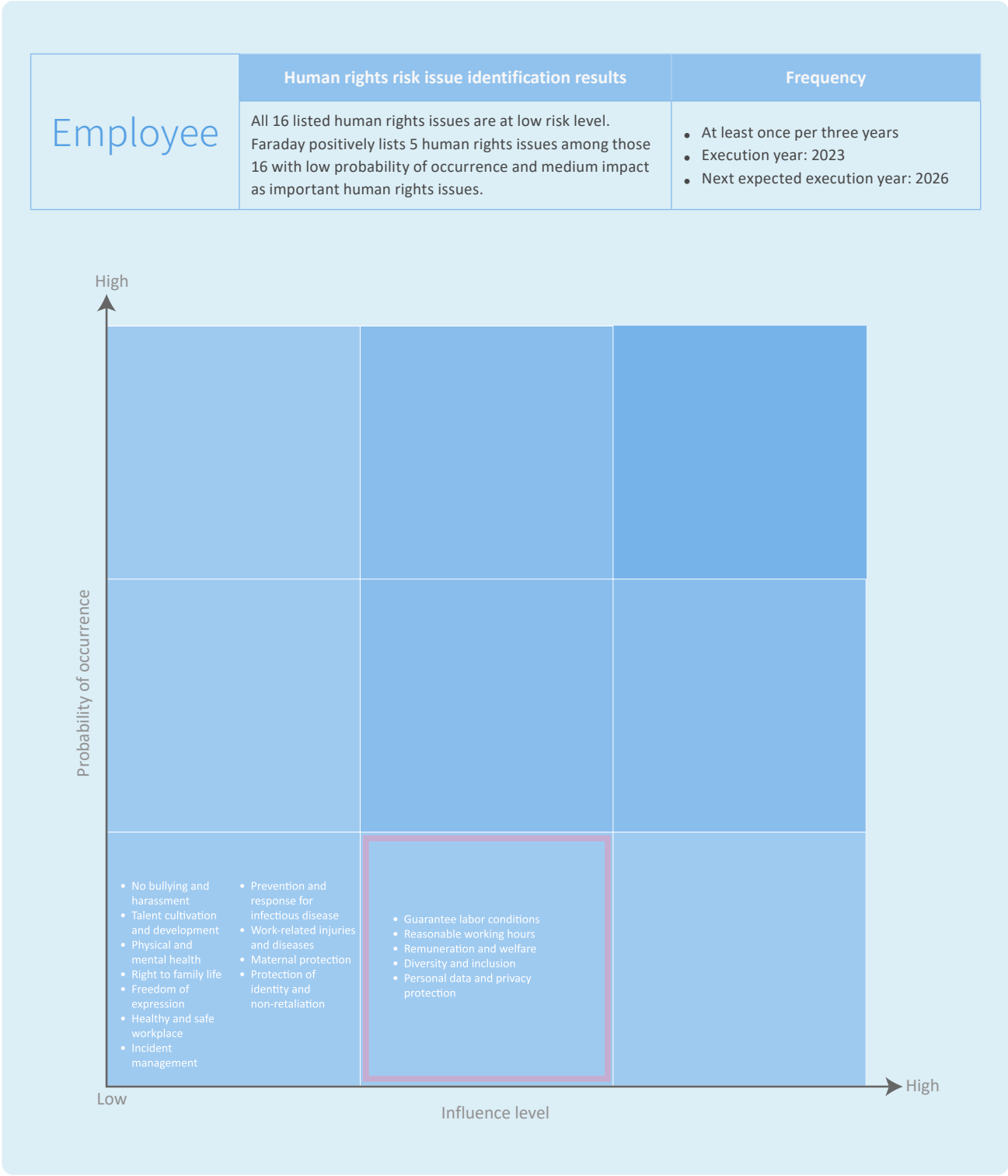
3.1.3 Human rights due diligence

To fulfill its corporate social responsibilities and ensure the effective implementation of human rights policies, Faraday regularly conducts human rights due diligence. In addition to monitoring global human rights regulatory trends, the company also reviews human rights risks specific to the IC design services industry, as well as the human rights-related material sustainability issues identified in its sustainability

assessments. Faraday identifies, evaluates, and addresses the actual or potential impacts of its operations on human rights. The human rights due diligence process follows the United Nations Guiding Principles on Business and Human Rights (UNGPs) and the GRI Standards. It regularly assesses the performance of human rights management, establishes preventive and remedial measures, and publicly discloses the results of its due diligence.



Human Rights Risk Issue Identification Results in 2024



Important management measures and effectiveness check for human rights risk issues:

Faraday regularly reviews human rights risk management measures and effectiveness, and continuously improves based on internal and external recommendations and evaluation results to implement our commitment to human rights protection. Once a human rights violation is confirmed, Faraday will initiate appropriate mitigation and remediation measures based on the type of incident, and cooperate with relevant stakeholders when necessary to prevent the incidents from happening again.

Human rights risk issues	Impact targets	Prevention/mitigation measures	Remediation measures	Effectiveness evaluation for 2024
		Adaptation measures/system management/audit enhancement/facility upgrading/training/warring system	Restoring the affected stakeholders to the situation they would be in had the adverse impact not occurred /providing appropriate financial or non-financial compensation/discipline/correction measures	
Reasonable working hours	Employee	<ul style="list-style-type: none">Formulate attendance management regulation and set up an overtime application system, stipulating that employees must apply for overtime in advance and can only work overtime after the approval from their managerManage the maximum hours of overtime application for employees through the system to guarantee that monthly working hours comply with labor laws and regulationsReasonable work schedule planning to avoid manpower shortages and reduce the overtime requirement	<ul style="list-style-type: none">After working overtime for emergency or temporary requirements, the necessary rest shall be provided and overtime payment or compensatory leave hours shall be paid to protect the rights and interests of employeesGrasp the overtime status of employees based on the overtime system, and notify division managers to promptly assist employees with longer working hours for proper allocation of work	<ul style="list-style-type: none">Both working hours and attendance management comply with the laws and regulations
	Supplier	<ul style="list-style-type: none">Include this item into the annual audit checklist for new suppliers and qualified suppliers; request to provide supporting data for confirming during on-site audit	<ul style="list-style-type: none">If the supplier fails to meet the requirements and is unwilling to improve within the time limit requested by Faraday, the commercial partnership between the supplier and Faraday may be damaged; the most serious case may include the termination of the partnership	<ul style="list-style-type: none">For annual supplier audits; three employees are sampled from each supplier, covering both day and night shift direct staffs; the working hours and overtime pay are in compliance with regulations of Labor Standards Act
Guarantee for labor conditions	Employee	<ul style="list-style-type: none">Strictly abide by various labor laws and regulations to guarantee that the working environment or labor conditions meet legal requirements, and protect employees' basic work rights	<ul style="list-style-type: none">If there is a change in labor conditions that affects the rights and interests of employees, then the adjustments and reviews of the adverse effects will be made immediately	<ul style="list-style-type: none">No violation of labor laws and regulations
Remuneration and welfare	Employee	<ul style="list-style-type: none">Ensure compliance of employee wages with relevant labor laws, including minimum wage and overtime payment requirementsAppropriate adjustments are made regularly every year based on macroeconomic indicators and overall market remuneration levelsThe overall reward mechanism is linked with the Company's revenue, and performance rewards are differentiated based on positions and individual contributionsProvide multiple welfare subsidies and emergency consolation money	<ul style="list-style-type: none">If any wage discrepancies, it will be repaid and reviewed immediately to avoid being happened again.Re-exam the Company's remuneration and welfare system, set up and execute adjustment plans	<ul style="list-style-type: none">Remuneration and welfare are in compliance with remuneration strategy and laws and regulations.
Diversity and inclusion	Employee	<ul style="list-style-type: none">Implement and promote diversity, equity, and inclusion (DEI) policies to enhance human rights protection awareness, and arrange all employees to participate in human rights and DEI-related training courses annuallyEqually employ people with disabilities or disadvantaged groups to protect equal right to workPromote and implement the Company's "Prevention, Reporting, and Punishment Policy of Work Violence" and "Reporting and Punishment Policy of Sexual Harassment Preventive Measure"	<ul style="list-style-type: none">If illegal or sexual harassment occurs in the workplace, guarantee smooth channels for complaints and conduct confidential investigations. Those found to be involved will be punished	<ul style="list-style-type: none">No complaints were reported100% completion rate of Human rights and DEI training
Personal data and privacy protection	Employee	<ul style="list-style-type: none">Comply with privacy and information security laws and regulatory requirements while collecting, storing, processing, spreading, and sharing personal dataFormulate and implement regulations to strengthen personal data protection, formulate information security policies to manage and protect the security and privacy of information assetRegularly obtain ISO 27001 certification and perform internal information security auditsInformation security policy awareness and training to reduce the chance of privacy leakageAccount and data access control	<ul style="list-style-type: none">Establish and implement an information security monitoring system, plan and conduct simulated data leakage drills, and perform vulnerability scanning to prevent hacker intrusionsIf relevant incidents occur, notify the case party immediately and handle the incidents appropriately	<ul style="list-style-type: none">No personal data breaches occurred
No bullying and harassment	Supplier	<ul style="list-style-type: none">Include this item in the annual audit checklist for new suppliers and qualified suppliers, and confirm the environment and acting methods during on-site auditsQuarterly check through government websites to determine if there are any violations of relevant laws and regulations resulting in penalties	<ul style="list-style-type: none">If the supplier fails to meet the requirements and is unwilling to improve within the time limit requested by Faraday, the commercial partnership between the supplier and Faraday may be damaged; the most serious case may include the termination of the partnership	<ul style="list-style-type: none">A supplier experienced conflict incident on its production line. During the audit, it was confirmed that the supplier had implemented corrective counter measurement to prevent recurrence. No abnormalities were found in the remaining suppliers
Healthy and safe workplace	Supplier			<ul style="list-style-type: none">Except for one supplier who has not obtained the ISO 45001 certification, all other suppliers have successfully acquired the ISO 45001 certificationSuppliers who have not obtained certification have established relevant standards to construct a healthy and safe workplace environment
Freedom of expression	Supplier			<ul style="list-style-type: none">New issue; continuously track the effectiveness

*Note: "Prevention and Response to Infectious Diseases" was identified as a medium-level human rights risk issue among suppliers in 2023 and was included in the management of important human rights risk topics. As the epidemic has been eased in 2024, all suppliers have established legally mandated emergency procedures for infectious diseases. As a result, the 2024 identification result categorized it as a low-level human rights risk issue and it was not included in the list of important human rights risk issues.

Human rights mitigation measures

- Implement training and awareness programs: Regularly conduct advocacy and training on human rights protection-related laws and regulations for all global employees, contract and temporary employee, interns, and workers to enhance all employees’ awareness and sense of responsibility for human rights protection
- Human rights awareness and training hours in 2024: 4,002.5 hours

Course categories	Training hours
Human rights policy awareness and training courses	742.5
Sexual harassment prevention, gender equality, and DEI courses	664.0
Information security awareness and intellectual property confidential information protection courses	800.5
Ethics and integrity awareness and training course	1441.5
Environmental and occupational health and safety education course	354.0
Total	4,002.5

- Establish a human rights communication/ grievance mechanism: Establish an independent and confidential grievance channel where anyone can anonymously report human rights-related issues, and ensure prompt response and implementation of subsequent remedial restoration, compensation, punishment and corrective measures
- Disciplinary violations, sexual harassment incidents, and illegal violations in the workplace: 0 case

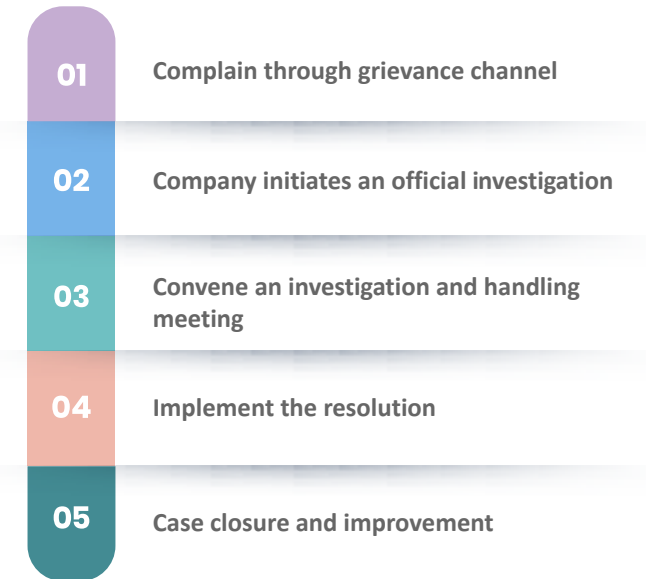
Human rights communication/grievance channel/ grievance flow

Human rights complaint and reporting hotline

- Discrimination, illegal violations in the workplace, violence, bullying, and other human rights-related issues
- Tel: 886-3-5787888 ext. 84885
- e-mail: grievance@faraday-tech.com

Sexual harassment and gender equality complaint hotline

- Sexual harassment and gender equality-related issues
- Tel: 886-3-5787888 ext. 88995
- e-mail: sexhara@faraday-tech.com
- Anyone who experiences, witnesses, or hears of illegal infringements such as workplace discrimination or harassment can complain through the above channels
- After receiving complaint, it will be strictly abided by the whistleblower protection system (anonymous reporting, non-retaliation); investigate in a confidential manner, and punish those found to be involved



3.2 Diversity, Equity, and Inclusion (DEI)

3.2.1 DEI Commitment and performance

Faraday Technology is committed to providing a workplace culture and working environment with diversity, equity and inclusion (DEI). Faraday Technology recruits diverse talents, welcomes talents of different races, nationalities, religions, political parties, genders, ages, sexual orientations, identities, backgrounds, and personalities to join Faraday Technology. Faraday Technology also actively eliminates any forms of discrimination and harassment and strives to build a combination of diverse management and employees; gives full play to the synergy of the team and creates excellence together.

Faraday Technology respects the differences and uniqueness of each employee, commits to equal employment of disabled or disadvantaged groups, protects equal rights to work, and provides opportunities and resources based on individual differences. Faraday Technology also attaches importance to the fairness of employee remuneration and promotion opportunities, and is diligently in creating the environment where every employee can bring into full play and be treated equally, and gain a sense of value and accomplishment at work.

Faraday Technology is committed to creating a friendly and inclusive workplace atmosphere. Through diverse and open communication channels, employees can freely express their opinions and maintain good mutual trust and communication with the management, so that everyone can gain a sense of trust and the feeling of belonging at workplace.

Faraday Technology firmly believes that only by embracing diverse talents, respecting the uniqueness of each employee, and creating an equal and inclusive workplace culture can we inspire more innovation and breakthroughs among our employees. Faraday Technology also actively conveys the management and employees’ understanding and recognition for the value of diversity, equity and inclusion, and work together to implement the goal of talent sustainability.

2024 TALENT, in Taiwan, Taiwan Talent Sustainability Action Alliance

Faraday attaches great importance to the sustainable development of talents. Implementing the “Human Rights Policy” and the “Declaration of Diversity, Equity and Inclusion” through action; joining the “2024 TALENT, in Taiwan, Taiwan Talent Sustainability Action Alliance” to support six major talent sustainability actions with practical actions, including meaning and value, diversity and inclusion, rewards and motivation, physical & mental and health, cultivation and growth, communication and experience.

Won the honor of the “Outstanding Institution for Promoting Workplace Gender Equality - Premium Award” of Hsinchu Science Park, National Science and Technology Council

Faraday promotes workplace equality and implement values such as diversity, equity, and inclusion within the Company. We positively create a friendly workplace atmosphere. Faraday won the honor of “Outstanding Institute for Promoting Workplace Gender Equality – Premium Award” from the Hsinchu Science Park, National Science and Technology Council.



DEI promotion strategy and effectiveness

Faraday is actively devoting in DEI, hoping to have a positive influence on society. We aim to create a diverse, equity, and inclusive (DEI) work environment. The president and senior executives supervise and oversee the establishment of a dedicated unit to coordinate planning for formulating management strategies and action plans, and review the implementation progress and promotion results through regular meetings to ensure the DEI implementation.

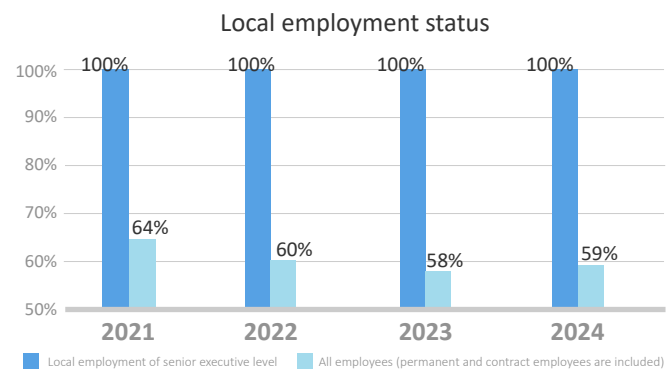
Strategy Promotion	Key plan	Management actions and performances
Respect talent diversity; provide equal opportunities, and promote career development	Promote youth employment	<ul style="list-style-type: none">• Industry-academia collaboration (National Chung Cheng University/National Taipei University/National Taiwan University of Science and Technology)• Campus lecture (National Taiwan University/National Tsing Hua University/National Yang Ming Chiao Tung University/National Cheng Kung University)• Early Win workplace learning program• The Youth’s Employment Ultimate Program• Proportion of the youth under 30 years old in the past three years: 22% of employed employees and over 58% of new employees
	Emphasis on career development of “female power”	<ul style="list-style-type: none">• The proportion of new female employees in 2024 was 30%, which is three times higher than the proportion of female graduates in Taiwan’s electronic engineering majors• The proportion of female colleagues in recent five years has been increased from 26% to 32%• The proportion of female supervisors has been increased from 19% to 21% in recent five years
	Respect individual differences and have equal development opportunities	<ul style="list-style-type: none">• Respect the diversity and uniqueness of talents, have equal opportunities of interview and recruitment, and ensure equal employment rights• Fair and open selection and recruitment of employees, securing high-quality talents• Ensure fairness in remuneration and promotion, formulate an open talent promotion system, and ensure that every employee has equal promotion opportunities
Build an inclusive workplace that values employees’ needs and their physical and mental development	Emphasis on human rights and gender equality, and strengthen awareness among all employees	<ul style="list-style-type: none">• Establish grievance channels for human rights, sexual harassment, and gender equality• Formulate human rights policies and implement awareness and training programs related to human rights• Formulate measures to prevent sexual harassment and implement awareness programs on gender equality and sexual harassment prevention
	Establish a diverse community and create a harmonious communication channel	<ul style="list-style-type: none">• Encourage employees to voice their opinions by forming the “Voice of the Workplace” team composed of cross-unit colleagues, integrating employees’ feedback into company policies• Regularly hold employee forum and labor management conference
	Focus on employees of different nationalities; promote cultural integration and accelerate the learning curve	<ul style="list-style-type: none">• Establish global information platform- Faraday News• Break through language barriers and establish multilingual eCourse• Assign a dedicated mentor to foreign new recruits and provide them with an environmental orientation manual
	Enhance employees' sense of belonging and assist them in family care	<ul style="list-style-type: none">• Encourage employee childbearing and parenting and provide a system that is better-than-legally-mandated: maternity gifts, family care leave, maternity leave up to 70 days, pregnancy checkup accompaniment and paternity leave up to 10 days, maternity care leave, baby safety leave• Corporate fertility rate has reached 5%, and it was awarded as the platinum level of the corporate fertility survey by “Global Views Monthly”• Promote flexible working hours for employees to balance individual and family care• Value employees’ families and warmly invite their participation in company events and theme lecture
	Actively hold team build team morale; support for employee club activities	<ul style="list-style-type: none">• Annual road running and walking• Lawn concert• Executive service day• Cross-department competition• Generous subsidies for club lecturers and registration costs
	Fully equipped working environment and facilities, emphasize employees’ mental and physical health	<ul style="list-style-type: none">• Free parking space; dedicated parking space for pregnant and disabled employees• Fitness center and sport field over thousands of square feet• Roof garden

3.2.2 Respect talent diversity and promote career development

Diversified talent recruitment

● Gather global elites to guarantee operating driving force
Faraday and its subsidiaries have set up 10 R&D centers and 4 sales and service locations globally, and positively recruits international scientific and technological talents to guarantee R&D driving force and helps to enhance talent development and technology inheritance, to reduce the risk of industrial talent competition. Employees of Faraday and its subsidiaries come from all over the world, including Taiwan, China, the United States, Canada, Japan, South Korea, India, Vietnam, Malaysia, Singapore, the Philippines, and Armenia. When hiring foreign employees or expatriates, we implement the potential risks assessment in the process of recruitment, appointment, and expatriation, complies with local and international regulations on employment or expatriation, and considers the protection of trade secrets, and sets up relevant procedures for staffing management to effectively manage the possible risks of recruiting foreign talents and expatriates. Meanwhile, all applications such as visas and work permits are handled in accordance with the local foreigner employment regulations to guarantee that the Company and employees comply with government regulations to prevent from potential risks.

● Positively recruit talents of local nationality to enhance local community identity and development
Faraday positively recruits talents of local nationality; employees of 99% from nationals of the Republic of China, and 100% employment of senior executive level from nationals of the Republic of China. Faraday attaches great importance to the community identity and development of the Company’s operating locations, positively promotes local employment, and continuously recruits students and talents from the Company’s operating locations (Hsinchu, Taipei, and Tainan) every year; by the end of 2024, the number of employees employed in the Company’s operating locations was 59%. It is expected to assist local development, increase local employment opportunities, and activate local industry-academia cooperation.



Note 1: The definitions for local appointment are as follows:
Employees with office location in Hsinchu: Registered in Taoyuan, Hsinchu, and Miaoli areas
Employees with office location in Taipei: Registered in Taipei, New Taipei City, and Keelung areas
Employees with office location in Tainan: Registered in Tainan area

● Collect a diverse talent pool and ensure equitable access to

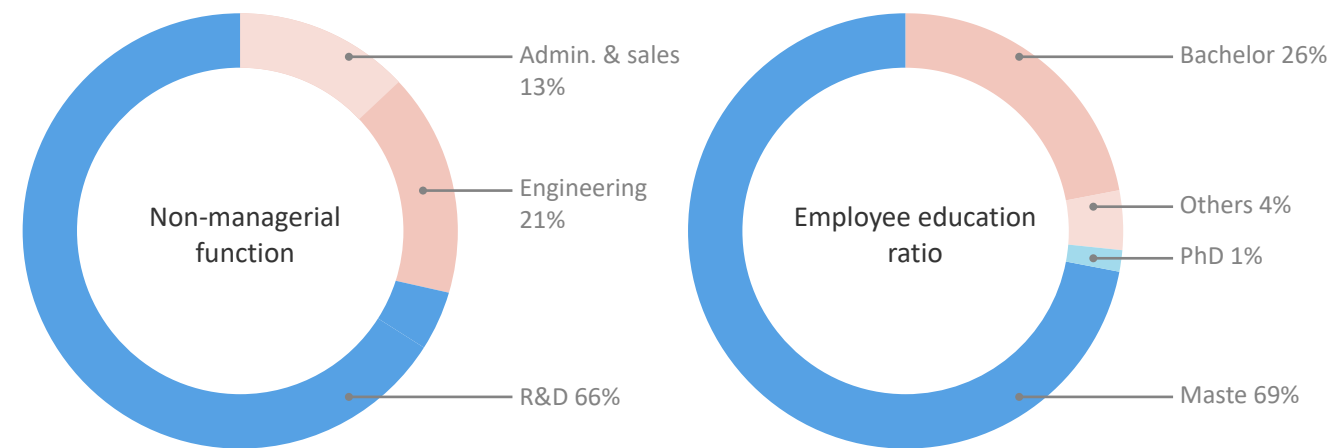
- employment opportunities
- Faraday positively recruits diverse professionals globally with different races, nationalities, religions, political parties, genders, ages, sexual orientations (LGBTIQ+), identities, backgrounds, and personalities. Every candidate is granted equal opportunities for interviews and hiring, ensuring equal employment rights.
 - Recruit employees through a fair and open selection procedure to achieve diversity and stability. High-quality talents have become the cornerstone of Faraday’s growth.
 - We value the unique qualities of every employee and are committed to providing equal access to career growth and promotion opportunities for all.
- Human resource structure
- Faraday in Taiwan has a total of 641 employees, and more than 99% are permanent on-duty employees
 - Non-managerial staff takes part for 76%; managerial staff accounted for 24%
 - Highly attach great importance to and invest in R&D and innovative manpower: R&D and engineering talents have occupied 87% of the non-managerial employees
 - Local appointment of senior executives: 100% employment of director or above level from nationals of the Republic of China
 - Vibrant organization: In recent three years, the proportion of employees under 30 years accounted for 22%, and the proportion of new employees accounted for more than 58%

According to Article 38 of the “People with Disabilities Rights Protection Act” in Taiwan, the number of employees with disabilities who are employed by an enterprise should not be less than 1% of the total number of employees. Among them, recruiting people with severe or above physical and mental disabilities can be counted by two for each recruit. In order to protect the work rights of disabilities, Faraday positively cooperates with government policies and recruits 5 disabilities in total, including 3 severe/extremely severe, 1 moderate, and 1 mild according to the law; the weighted employment rate of disabilities reached over 1%, which is better-than-legally-mandated. The employment ratio is compiled with the law, we take care of disadvantaged groups by providing them with fair employment opportunities, and protects their employment rights.

Employee categories	Total number of employees	The employment rate and numbers of the disabilities							Quorum(%)
		Number of mild employees	Number of moderate employees	Number of severe/extreme-severe employees	Number of disabled employees	Number of disabled employees (%)	Weighted headcount	Weighted Headcount (%)	
Managerial	154	0	1	0	1	0.6%	1	0.6%	1.2%
Non-managerial	R&D	321	0	0	0	0%	0	0%	
	Engineering	101	1	0	1	2%	3	3%	
	Admin. & sales	65	0	0	2	3.1%	4	6.2%	

Classification		Type	Gender				Total	Total(%)	
			Male	Male(%)	Female	Female(%)			
Employee ^(Note 1)	By contract type	Permanent on-duty employees ^(Note 2)	435	68%	203	32%	638	100%	
		Temporary employees ^(Note 2)	2	0.3%	1	0.1%	3	0%	
		Total by contract type	437	68%	204	32%	641	100%	
	By employment type	Full-time ^(Note 3)	437	68%	204	32%	641	100%	
		Part-time ^(Note 3)	0	0%	0	0%	0	0%	
		Total by employment type	437	68%	204	32%	641	100%	
	Age distribution	Under 30 years old (included)	83	13%	57	9%	140	22%	
		30 ~ 50 years old	249	39%	117	18%	366	57%	
		Over 50 years old (included)	105	16%	30	5%	135	21%	
		Total by age distribution	437	68%	204	32%	641	100%	
	By employee category	Managerial ^(Note 4)		121	19%	33	5%	154	24%
		Non-managerial	R&D	225	35%	96	15%	321	50%
			Engineering	68	11%	33	5%	101	16%
			Admin. & sales	23	4%	42	7%	65	10%
		Non-managerial subtotal		316	49%	171	27%	487	76%
		Total by employee category		437	68%	204	32%	641	100%
Workers ^(Note 5)			7	-	14	-	21	-	

Note 1: The basis for calculating the number of employees is in-service employees as of 2024/12/31 (inclusive), excluding those who remain leave of absence. Total of 641 employees: Including 611 at the Hsinchu headquarters, 13 in the Taipei office, and 17 in the Tainan office
Note 2: Permanent on-duty employees: Employees who have signed indefinite contracts; Temporary employees: Employees who have signed definite contracts. (Employee category: Administration and Sales)
Note 3: Full-time employees: Employees with regular working hours; Part-time employees: Employees paid an hourly wage who work less than regular working hours
Note 4: Managerial: Management position at or above assistant manager level
Note 5: Workers who are not employees: Cleaning, security, café, employee cafeteria, and IT outsourcing staff in Hsinchu office are in total of 21 people; there are no such workers who are not employees in Taipei and Tainan offices (only account for 3% ~ 4% of the total; not included within the statistics in this report.)
Note 6: Employees without guaranteed working hours: 0
Note 7: All percentages in the chart are rounded to the nearest integer



Promote youth employment

Faraday deeply cultivates the next generation of technology talents through industry-academia interaction, through cooperation with universities and colleges in Taiwan, it promotes industry-academia interaction, lectures, research funding and internship programs, and is committed to improving the competitiveness of young students. It not only achieves the sustainable development of technology education, but also enhances driving force to Taiwan’s technology industry, achieving a win-win situation for both sides of enterprises and academia.

- Key practices to deepen industry-academia interaction:
 - Provide research funding, equipment sponsorship and scholarships to fully support industry-academia technology contributions
 - Provide internship and pre-employment opportunities to cultivate future core talents
 - Technical topics and R&D projects under industry-academia collaboration

Academic institutions	Collaboration content
National Chung Cheng University	<ul style="list-style-type: none">• Established a dedicated chip design center, funded research projects, and provided equipment support• Provided technical guidance to cultivate IC design talents• Jointly published journal articles and conference proceedings
National Taipei University	<ul style="list-style-type: none">• Conducted research projects that integrate the company’s development needs as research topics for master’s and doctoral students• Establish international cooperation programs to train domestic and foreign students, provide guidance from technical industry engineers to provide career opportunities for talents• Offer industry-academia interaction, meet industry experts, and learn the knowledge and development experience of analog circuits
National Taiwan University of Science and Technology	<ul style="list-style-type: none">• Industry-academia joint research for breakthroughs in key IP technologies• Collaborating for publication of results: Journal and patents

- Early Win – Workplace learning program for college and graduate students
 - Faraday assigns dedicated mentors to provide real-time experience in the workplace; help students

understand high-tech industry earlier

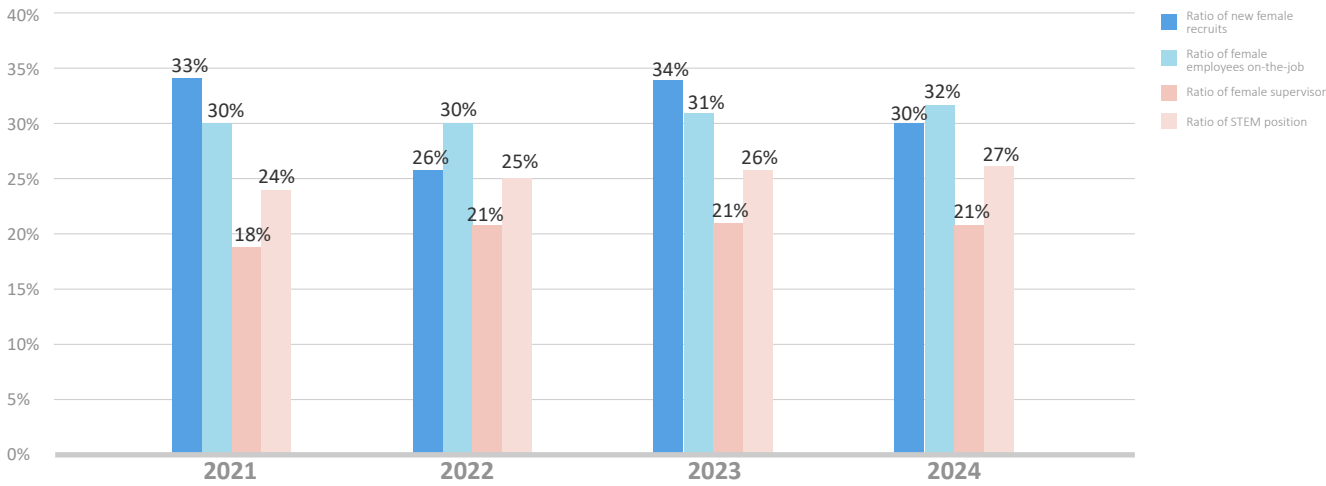
- Assist young students in expanding their horizons and exploring their potential, and prepare them in advance for future study fields and career planning
- A variety of learning activities that combine design professional practice with general training to comprehensively improve technical and soft skills
- Deeply cultivation in campus lectures and technical interaction
 - Hold dozens of lectures at top universities (such as National Taiwan University, National Tsing Hua University, National Yang Ming Chiao Tung University, National Cheng Kung University); where senior executives analyze the trends and development of the semiconductor industry from a technical perspective to help young students understand the pulse of the industry
 - Guide students to make appropriate career choices through technical perspective and practical experiences
- The Youth’s Employment Ultimate Program
 - Respond to government policies by actively recruiting young talents; adopt a practical training approach of “hire first, train later” to rapidly cultivate the required talents
 - Individual guidance from workplace mentors through on-the-job training models helps youth quickly acquire key employment competencies

Value female power career development

In the high-tech industry, the proportion of male employees is generally higher than that of female employees. Faraday positively recruits, retains, and promotes female professionals. All employees, regardless of gender, enjoy equal resources in terms of remuneration, promotion, and learning.

- Encourage the hiring of female employees: The proportion of new female employees in 2024 were 30%, which is higher than IC design industry performance of year 2023 in recent three years (Source: Refer to the Corporate Sustainability Reports of each company)
- Positively retain female employees: The proportion of STEM female employees has raised from 24% to 27% in recent four years
- Diligently promote female employees: In recent three years, the proportion offemale supervisors at Faraday has raised from 18% to 21%

Female power indicators



Classification	Male/Female	2021	2022	2023	2024
Junior management	Male	84	78	79	73
	Female	21	23	21	21
	Female (%)	20%	21%	21%	22%
Middle management	Male	34	33	35	33
	Female	5	6	9	9
	Female (%)	13%	15%	21%	21%
Top management	Male	12	11	10	15
	Female	3	3	3	3
	Female (%)	20%	21%	23%	17%
Total in all management positions	Male	130	122	124	121
	Female	29	32	33	33
	Female (%)	18%	21%	21%	21%
Managment positions in revenue-generating functions	Male	129	121	123	120
	Female	23	26	26	26
	Female (%)	15%	18%	17%	18%
STEM-related positions	Male	380	379	383	391
	Female	120	123	136	148
	Female (%)	24%	25%	26%	27%

3.2.3 Build inclusive workplace, listen to employees’ needs

Sexual Harassment Prevention Program to Promote Gender Equality Awareness

Through e-Course learning, we enhance employees’ self-protection awareness and deepen their understanding of gender equality, fostering a culture of respect and protection for others. Additional training on prevention and handling procedures is provided to managerial staff and sexual harassment investigators, reinforcing their responsibility in maintaining a respectful, inclusive, and harmonious workplace. In 2024, the completion rate for the sexual harassment prevention awareness program reached 100% for all employees, including supervisors and investigators.

Voice of the workplace: Listen to employees, integrate employees’ opinions into company policies

We encourage employees to express their opinions and have teamed up the “Voice of the Workplace” composed of cross-department employees. Through collaboration among employees with diverse backgrounds, ages, genders, cultures, and professional expertise, the team promotes cross-generational communication and knowledge sharing in a joyful and inclusive atmosphere. By collecting employees’ feedback and integrating it into company policies, the team proposes creative and employee-centric activities during more than 20 project meetings and regular meetings annually, incorporating these insights into the Company’s daily operations to create an innovative and employee-friendly work environment.

Focus on employees of all nationalities, promote cultural integration, and accelerate the learning curve at work

- Establish a global cross-cultural information-sharing platform (Faraday News)
- Establish a global cross-cultural information sharing platform (Faraday News), centered on promoting international cultural exchange, the platform showcases cultural activities from different regions through articles and videos. With like and comment functions, this platform allows global employees to interact and engage in

discussions, thereby deepening respect and appreciation for diverse cultures. This helps create a more open and harmonious work environment and realizes the values of diversity, equity, and inclusion. In 2024, the platform shared more than 20 posts, with a total of 5,732 views.

- Overcome language barriers by building multi-language e-Course
- To respond to the growth of overseas R&D teams, recruitment, and cultivation of local talents, we actively develop multi-language e-Courses to enhance learning effectiveness and shorten the learning curve

- Assign dedicated mentors and provide orientation manuals for foreign new recruits
- When foreign employees are on-boarded, we offer work guidance and life information including the introductions from accommodation, transportation, to the nearby commercial areas to help them adapt to company policies and environment, and integrate into local life.

Encourage and support employee childbearing and parenting

Faraday has implemented multidimensional, dedicated welfare measures to encourage and support employees in childbearing and parenting. Faraday’s fertility rate has steadily increased to 5%, significantly higher than the national average, and we were awarded as the platinum level of the corporate fertility survey by “Global Views Monthly”.

- Maternal protection
 - Implement maternal care measures in the workplace, including dedicated parking spaces for pregnant employees, ergonomic chairs, and generous newborn allowances; obtained the certification of “Premium Breastfeeding Room” by Public Health Bureau, Hsinchu City
 - Well-organize the maternal health protection plan; arrange employees who meet maternal health protection standards to receive interview guidance, prevent possible hazards in the workplace; guarantee the physical and mental health of pregnant, postpartum, and breastfeeding of maternal employee

- Encourage fertility and family care, provide better-than-legal leave and attendance system

Items	Legal regulation	Better-than-legal standard measures
Family care leave	Included in the calculation of 14 days of personal leave	An additional 7 days will be granted, which will not be included in the calculation of personal leave.
Maternity leave	56 days	The number of days granted increases according to the number of births, with a maximum of 70 days.
Pregnancy checkup accompaniment and paternity leave	7 days	The number of days granted increases according to the number of births, with a maximum of 10 days.
Paternity caring leave	None	If the spouse has not yet obtained the maternal health education handbook but occurs the miscarriage, employee will be given full pay for 3 days.
Maternity and Baby Safe leave (Fetal protection requirement)	Fetal protection leave is included in the 30-day sick leave calculation, with half salary paid.	An additional 5 days of full paid fetal protection leave will be granted, which will not be included in the calculation of sick leave.
Maternity gifts	None	Newborn subsidy for per-birth is NT\$12,000, including employees’ children and grandchildren.
Flexible working hours	Must be subject to labor-management negotiation and application	Showing solicitude for employees’ efforts on work/family care and commuting; provide flexible working hours for half an hour from Monday to Thursday and one hour on Fridays; the working hours are even shorten to 7.5 hours on Fridays; these are all for employees to balance individual and family care.

- Parental and unpaid leave

Faraday provides employees with childcare needs with substantial care and attention, including implementing maternal care in the workplace, providing breastfeeding facilities, arranging unpaid parental leave, job & career re-planning, and other related welfare measures, so that employees can take care of both family and work.

Items	Male	Female	Total
Number of employees eligible for unpaid parental leave in 2024 (A)	50	26	76
Actual number of employees applying for unpaid parental leave in 2024 (B)	0	2	2
Estimated number of reinstatements after taking unpaid parental leave in 2024 (C)	0	4	4
Actual number of reinstatements after taking unpaid parental leave in 2024 (D)	0	4	4
Number of unpaid parental leave employees reinstated in 2022 (E)	0	3	3
Number of unpaid parental leave employees reinstated in 2022 who continued working for one year (F)	0	2	2
Reinstatement rate (D/C)	-	100%	100%
Retention rate (F/E)	-	67%	67%

Definitions:
The statistical data for A, B, C, and D are for those who were employed in 2024.
A. Number of employees eligible for unpaid parental leave in 2024: The number of employees who applied for pregnancy checkup accompaniment and paternity leave and maternity leave, and the number of people with birth certificates attached during the period 2021/01/01 ~ 2024/12/31.
B. Actual number of employees applying for unpaid parental leave in 2024: The number of employees who applied for unpaid parental leave during the period 2024/01/01 ~ 2024/12/31.
C. Estimated number of reinstatements after taking unpaid parental leave in 2024: The number of employees whose unpaid parental leave expired during the period 2024/01/01 ~ 2024/12/31.
D. Actual number of reinstatements after taking unpaid parental leave in 2024: The number of employees whose unpaid parental leave expired during the period 2024/01/01 ~ 2024/12/31 and who were reinstated in their positions after this date.
E. Number of unpaid parental leave employees reinstated in 2023: The number of employees reinstated in their work positions during the period 2023/01/01 ~ 2023/12/31
F. Number of employees reinstated for one year after unpaid parental leave in 2023: The number of employees reinstated in their work positions for one year after unpaid parental leave and remains employed during the period 2023/01/01 ~ 2023/12/31.

Various activities to foster joy and boost team morale

The Employee Welfare Committee organizes a variety of employee activities to enhance team morale and foster a joyful workplace atmosphere. Family-oriented events are especially arranged to encourage participation from employees' dependents, thereby strengthening the sense of belonging and loyalty between employees and their families toward the company.

- Enhance team morale and centripetal force; create harmonious workplace
 - Annual road running activity: Encourage employees to go outdoors, we hold healthy road running activities during working hours. There are “10K Professional group” and “5K Easy-run group” as options, lowering the threshold for road running so that all employees can join the activity
 - Executive service day: This is the day when all the directors get rid of the position title and bring up a warm service for each employee, and improve the interaction between the directors and the employees
 - Arts and cultural activities: Invite domestic art and culture groups to perform and for employees to feel ease and relax
 - Group recreational activities and sports competitions: Arrange
 - inter-departmental ball games, group recreational

activities, and talent competitions; employees generally participate actively, which increases the interactions among directors and employees

- Year-end party: To compliment and give thanks to all the employees for hard work over the year, the Company prepares abundant catering, wonderful performances, and lottery draws
- Invite employees' dependents to join in the fun and focus on employees' family needs
 - Family day: Hold family day activities in theme parks or large outdoor venues every year and invite employees' families to participate in to closer employees' families to Faraday and allows employees to maintain a proper work-family balance
 - Lawn concert: Every year around the Mid-Autumn Festival, we host a concert on the outdoor lawn, inviting well-known singers and bands to perform. Employees are welcome to bring their families to join in the fun. Barbecue meals and refreshing beverages are provided on site, allowing staff to fully enjoy the pleasant autumn evening atmosphere
 - Children's Day activities: This activity is exclusively dedicated for employees' children, including rotation tournament, bouncy castles, and theater performances, allowing children to fully enjoy the fun and creating a joyful atmosphere among families
 - Theme lecture: Experts and celebrities from various fields are invited to share insights on diverse lifestyle topics such as health and wellness, parent-child

education, travel and cuisine, lifestyle enhancement, sports and fitness, and environmental sustainability. These lectures provide employees with valuable knowledge and diverse perspectives. Depending on the nature of the lecture, the company also invites employees' dependents to participate

Promote and support employee club activities

Faraday encourages employees to participate in club activities to cultivate personal interests and maintain a healthy work-life balance. Currently, the company supports over 10 employee clubs, providing annual funding for club activities and subsidizing the costs of external coaches and lecturers. In addition to regular meetings and events, these clubs frequently represent the company in external competitions and have consistently achieved outstanding results.

Promote a secure work-life balance and create a space with a sense of belonging and lifestyle

Faraday provides employees with comfortable working environment: The HQ building has music café, staff cafeteria, parking spaces for cars and motorcycles, breastfeeding collection rooms, stress relief center, art gallery, leisure sports and fitness center, leisure garden and various staff rest areas for employees to take a good rest and timely relieve work pressure.

- Spacious and comfortable office space: Each employee has 4m² of personal space
- Free and sufficient parking spaces for cars and motorcycles: Each employee can be allocated a parking space and our parking lot also provides free overnight parking for employees; moreover, we provide exclusive friendly parking spaces for pregnant female employees
- Fitness center and sport field (Covering 3,600 m²): Both indoor and outdoor multi-sport ball courts, billiards courts, table tennis courts, gymnasiums, rhythm classrooms, basketball-shooting machines, dart machine, hockey game machine, and shower rooms; all have annual expenses for regular maintenance and replacement of old venues and equipment, and new equipment is purchased based on employee suggestions to satisfy the various fitness needs of employees. Among all, the center is equipped with 6 user-friendly shower rooms for employees to freshen up after exercise, improving the efficiency of facilities' using
- Ecological green space (Covering 4830 m²): Retain thousands of square feet of ecological green space, hundreds of plants and flowers are planted, attracting insects and birds to nest and inhabit, forming an ecological botanical garden. Employees can enjoy the green space at any time to relax in the garden
- Music café: An elegant and high-ceiling music café, providing coffee, tea, light meals, and lunch. Employees can take a break during work intervals



FFreedom of association and multiple communication channels

Faraday values the opinions and rights of its employees, and cares about and listens to their various opinions and suggestions at any time. The employees of Faraday shall have the right to form associations freely. Employees can reflect their opinions on problems in work, life, and environment through various channels such as the employee forum between the President and all employees, labor management conference, Employee Welfare Committees, Education Training Committee, Environmental Safety and Health Committees, employee opinion expression platforms, Employee community and complaint mechanisms, and have them resolved. Taiwan holds labor-management conference regularly in accordance with the law. Labor representatives communicate and coordinate with management to discuss the rights and interests of all employees through quarterly labor-management conference, covering 63% of employee worldwide. In addition to Taiwan, other global locations such as Vietnam and China also comply with local laws and regulations to protect employees' rights to freely associate and form trade unions. At the same time, we regularly conduct employee satisfaction surveys every year, and employee satisfaction in 2024 reached 92%. Faraday has established a variety of internal communication mechanisms to allow employees’ opinions to be fully expressed, and relevant responsible units will quickly respond to employees’ requirements; establish a good communication culture and a lively and open working atmosphere.

Method	Communication content	Frequency
Faraday News Global sharing platform	<ul style="list-style-type: none">Disclosure of Company operating information and quarterly reports of investor conferenceR&D technology and result sharingCompany event minutes and highlights	Anytime
Employee forum	<ul style="list-style-type: none">Build consensus, corporate operating status, and share development strategy	Quarterly
Labor management conference	<ul style="list-style-type: none">Promote employer-employee cooperation, coordination of employer-employee relations, improvement of labor conditions, and labor welfare planning, etc.	Quarterly
Employee Welfare Committee	<ul style="list-style-type: none">Employee welfare issues, activity planning	Bimonthly
Education Training Committee	<ul style="list-style-type: none">Implementation and reviewing of employee education and training	Quarterly
Environmental Safety and Health Committee	<ul style="list-style-type: none">Employee occupational health and safety issues	Quarterly
Welcome lunch for new recruits	<ul style="list-style-type: none">Express welcome for new recruits; provide onboard assistance, respond questions	Onboard day of new recruits
Interview for new recruits	<ul style="list-style-type: none">Understand the adaptation status and give feedback and assistance to new recruits	In three months within the onboard day of new recruits
Employee opinion expression platform	<ul style="list-style-type: none">Any opinions and issues related to the Company	Anytime
Employee community	<ul style="list-style-type: none">Encourage employees to express their opinions, integrating employees’ feedback into company policies	Anytime
Complain mechanism	<ul style="list-style-type: none">Reflect or appeal any unfair and unreasonable facts (such as sexual harassment, workplace violence, etc.)	Anytime
Employee satisfaction survey	<ul style="list-style-type: none">Employees’ satisfaction with the Company’s various measures and related suggestions	Every year

3.3 Talent attraction and retention

3.3.1 Recruitment and retention

Faraday attracts diverse talents through fair and open election procedures and diversified recruitment channels. To ensure the accuracy of the selection process, we have a complete evaluation mechanism in terms of selection criteria, election tools, and interview skills. Through customized professional evaluation models and structured interviews, we accurately select target talents that meet the Company's needs and help achieve long-term operational goals.



Manpower distribution of new recruits/departing employees in 2024

In 2024, Faraday Technology hired 84 new full-time employees at its headquarters, approximately 58% of whom were 30 years old or younger. This helps maintain a relatively young workforce, balancing talent development with intergenerational knowledge transfer, and continues to fuel innovation in R&D.

In addition, the global and Taiwan turnover rates in 2024 were 8% and 9%, respectively; both lower than the overall turnover rate of 19% in Taiwan’s electronic information industry. (Source: 104 Job Bank 2024 [Human Resources F.B.I. Research Report]) Faraday retains outstanding employees through employee care and personal development plans, achieving the goal of talent sustainability.

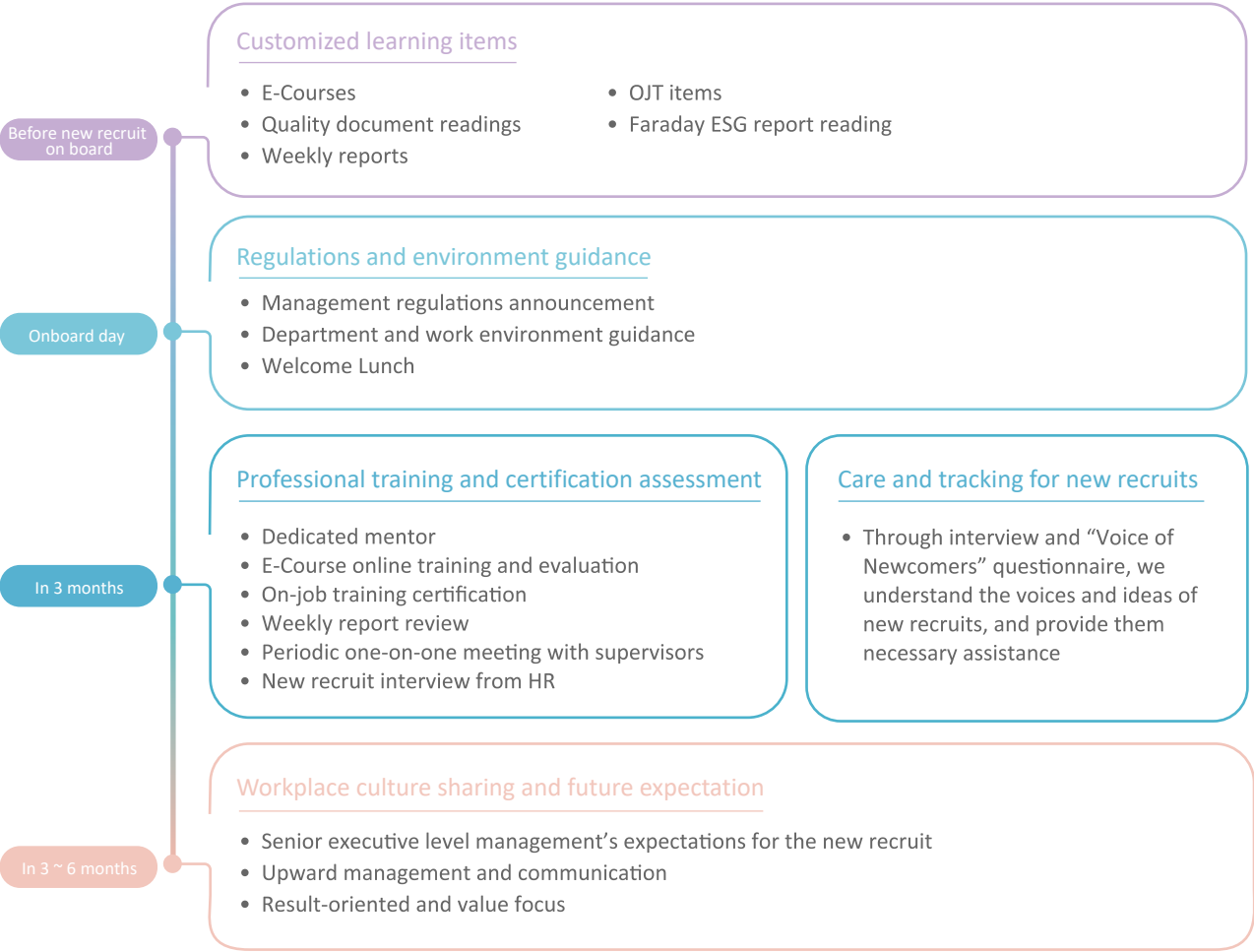
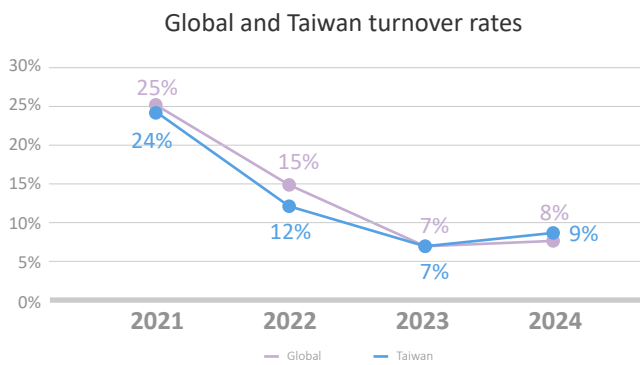
	New recruits in 2024				Departing employees in 2024			
	Male		Female		Male		Female	
	Number of new recruits	New recruitment rate ^(Note 1)	Number of new recruits	New recruitment rate ^(Note 1)	Number of departing employees	Turnover rate ^(Note 2)	Number of departing employees	Turnover rate ^(Note 2)
Under 30 years old (included)	31	37%	18	32%	8	10%	4	7%
30 ~ 50 years old	24	10%	6	5%	34	14%	8	7%
50 years old above (included)	4	4%	1	3%	4	4%	2	7%
Total	59	14%	25	12%	46	11%	14	7%

Note 1: New recruitment rate = Number of new recruits in each category/total number of employees in each category at year end. The number of new recruits does not include those who are in leave of absence or reinstatement
Note 2: Turnover rate = Number of departing employees in each category/total number of employees in each category at year end. The number of departing employees includes retirees but does not include those who are in leave of absence.

Learning and mentorship program for new recruits
Faraday has established a comprehensive onboarding system that includes learning, care, and mentorship programs to help new recruits quickly get up to speed and integrate into the company. Through the systematic and customized “New Employee Training”, the learning status of new recruits is tracked and verified, basic professional knowledge is consolidated, and supervisors are helped to understand the status of new recruits. New recruits can also get the information and assistance they need in real time on the exclusive “Newcomer Guidelines” webpage. In addition, there is also an employee served as dedicated mentor in the division to give immediate help in work and life. Meanwhile, we also conduct “Voice of Newcomers”, supervisor interviews, and HR interviews to understand the voices and ideas of new recruits, provide them necessary assistance, shorten the learning curve of new recruits, quickly become familiar with the Company’s environment and culture, and quickly acquire knowledge and experience they need; improve the retention rate of new recruits. The proportion of satisfied and very satisfied number of new recruits from the

“2024 Voice of Newcomers” had reach 100%; in 2024, the annual average retention rate for new employees was 94%^(Note).
(Note: The average retention rate of new recruits within one year of employment: The average of monthly statistics for the year. Monthly statistics: The number of new recruits within one year of employment remains employed at the end of the month / total number of new recruits within one year of employment at the end of the month.)

Aspects	Descriptions
Work characteristics/content	Fitness between the job and the competence of new recruits
Supervisor leadership/Ways of guidance	The extent to which new recruits feel they can perform well at work and wins opportunities to develop under the leadership of their supervisor
Culture/vibe inside the department	New recruits’ perception of department atmosphere, intrinsic motivation and feelings
Cross-department partnerships	The amount of effort that new recruits need to put in when collaborating across departments and the degree to which the collaboration is smooth
Future development	New recruits’ confidence in their current career development



3.3.2 Remuneration and welfare

Faraday is devoted to providing market-competitive remuneration and welfare policies to attract and retain outstanding talents. Through a complete remuneration policy, performance-oriented bonus system, and diversified employee welfares, we ensure that employees can continue to grow in a stable working environment while working together with the company to achieve shared goals.

Remuneration commitment

Faraday is committed to providing employees with a living wage that exceeds the minimum wage standard, further ensuring the quality of life of employees and their families. In 2024, the average employee salary reached NT\$ 2 million, Faraday’s starting salary for new grassroots R&D personnel (regardless of location or gender) is 2.4 times the

basic wage in Taiwan, demonstrating Faraday’s fulfillment of its remuneration commitment. Faraday will continue to optimize its remuneration system to provide employees with stable financial security; supporting personal growth and corporate sustainability.

Competitive remuneration and talent retention measures

Faraday provides market-competitive remuneration. The remuneration system is designed based on factors such as job position, seniority, and performance, and offers various levels and forms of pay, including regular salary adjustments, long-term service bonuses, and performance-based rewards. It also includes project-based incentives and annual dividends, ensuring that employee contributions are fairly and equitably recognized.

To achieve the goal of attracting and retaining top talents, Faraday regularly conducts market data analysis and internal compensation optimization, reviewing and adjusting employees’ salaries, working hours, and welfare benefits to ensure that 100% of the compensation level meets the market median standard. Faraday has been consecutively listed as the constituent stock of “TWSE RAFI Taiwan High Compensation 100 Index” since 2014, demonstrating the Company’s high emphasis and commitment to employee remuneration.

In terms of talent retention, Faraday implements various talent-retention strategies to enhance employee satisfaction and loyalty, including career development planning, cross-department job rotation, and participation in international projects, helping employees accumulate experience and improve their capabilities. Meanwhile, Faraday provides family-friendly measures to create a positive work and life environment, ensuring the stable growth of talents and achieving mutual growth between Faraday and its employees.

Faraday will keep a close watch on market compensation trends, strengthen the fairness and competitiveness of its remuneration system through transparent salary policies and actively optimize talent retention measures, promoting the Company’s long-term sustainable development and supporting its commitment to corporate sustainability.

Average and median salary (NT\$ thousand)

Year	2021	2022	2023	2024
Numbers of permanent on-duty employees	586	591	599	625
Average salary	2,073	2,550	2,323	2,089
Median salary	1,633	2,072	1,980	1,802

Note 1: In 2024, the annual total compensation ratio of the highest paid employee to the median of other employees (excluding the highest paid employee) is 12.1:1. Compared to 2023, the salary change ratio between the highest-paid and median-paid employees in 2024 is 1.26:1 (the change is calculated as “2024 salary minus 2023 salary, divided by 2023 salary”), the overall salary is on a downward trend. This statistic is calculated based on employees in 2024 and does not include temporary staff and short-term employees.

Note 2: Compensation includes regular salary (base salary, fixed allowances, bonuses), overtime pay and non-recurring salary (allowances, bonuses, remuneration, etc.), excluding pensions and stock-based payments, and is calculated on an annualized basis.

Note 3: The average salary decreased from 2023 to 2024 mainly due to the reduced profits of the Company in 2024, which affected employee bonuses and salary structures. It is also due to the increase in the proportion of entry-level positions and the adjustment of human resource allocation in some units.

Performance-oriented and remuneration fairness

Faraday implements a performance-oriented remuneration system, designing compensation based on job roles and work achievements, and regularly reviews the remuneration structure to ensure alignment with market trends. Through performance-based bonuses, project bonuses, and annual salary adjustment mechanisms, we motivate employees to create value and support both employee and company growth, ensuring sustained leadership in a rapidly changing

market.

Faraday emphasizes remuneration fairness and is committed to achieving consistency in compensation for the same positions and promoting gender equality. We ensure that the remuneration and promotion mechanisms are 100% determined by job requirements and individual performance, without differences based on gender, race, age, religion, marital status, or sexual orientation. To achieve a fair and non-discriminatory environment, the Company establishes transparent criteria, regularly reviews remuneration structures and promotion processes, and strengthens internal oversight to promote a culture of gender equality and diversity and inclusion.

Annual overall remuneration ratio of male employees to female employees by job function in 2024 (Female as the benchmark = 1)

Job level	Job function	Basic compensation ratio	Total Remuneration ratio
Non-managerial position	R&D	1.12	1.13
	Engineering	1.15	1.15
	Admin. & Sales	1.51	1.63
Managerial position		1.23	1.22

Note: The table uses female remuneration as the benchmark (= 1) to present the relative remuneration of male. Values greater than 1 indicate that the average male remuneration is higher than that of females. Basic compensation refers to the “regular fixed monthly salary” in the monthly salary structure in December 2024, calculated on an annualized basis (x12). In non-managerial positions, there is a significant gender remuneration ratio gap (basic compensation and total remuneration) in administrative and sales (Admin. & Sales) positions. This is primarily due to the fact that more males are employed in senior marketing and sales positions, while more females hold junior roles in administration, finance, and human resources, leading to differences in the overall remuneration structure.

Pension system

Faraday provides a comprehensive and legally compliant pension plan in accordance with the “Labor Standards Act” and the “Labor Pension Act”. A Labor Pension Reserve Fund Supervision Committee has been established to ensure the legality and transparency of contributions and supervision mechanisms. Since July 1, 2005, the Company has been legally required to offer individual pension accounts for employees, and all employees participate in the relevant pension plan. The contribution rate is reviewed and adjusted regularly to ensure a stable life after retirement. In addition, regarding the old pension system, the Company has already fully funded the required contributions to guarantee that employees’ existing rights are adequately protected. All related contribution amounts and expenditures are disclosed in the Company’s annual report, demonstrating its commitment to integrity and responsible management.

Insurance system

Faraday is committed to providing an insurance system that is comprehensive and complies with laws and regulations to protect the basic rights, well-being, and safety of employees. In addition to providing labor insurance (including employment insurance) and health insurance in accordance with the law, we also provide additional group insurance, including life insurance, critical illness insurance, medical insurance, accident insurance, cancer insurance, and overseas travel safety insurance for business trips to fully protect employees on both work and life safety. To further enhance this protection, the Company provides flexible group insurance options, and more than 40% of employees choose to include their dependents in the Company’s expanded group insurance. Meanwhile, the Company offers on-site insurance services weekly to assist employees in understanding their insurance claims-related rights and raising their awareness of risk management. Through diversified insurance programs, Faraday ensures the health and welfare of its employees.

Employee stock ownership trust plan

Faraday launched the Employee Stock Ownership Trust program in 2022 to encourage employees to participate in the Company’s growth and share in its achievements, thereby strengthening alignment between employee and corporate targets. Participants can voluntarily allocate a portion of their monthly salary to purchase company shares. The company matches this contribution at the same ratio, and the combined amount is deposited into a dedicated trust account. Employees can also apply to adjust their withdrawal amount every quarter, which provides high flexibility, and with features of encouragement and sustainability. To date, the participation rate has exceeded 75%, demonstrating strong employee recognition and acceptance of the program. Tied to the company’s financial

performance, the program not only allows employees to benefit from the company’s growth but also helps them build long-term wealth and plan for future retirement.

Diverse welfare and generous subsidies

- Thoughtful caring measures: Provide employees with birthday gift vouchers, maternity gifts, wedding gifts, funeral subsidies, condolence allowance, and visually impaired message service
- Employee travel allowance: Provide high travel subsidies; encouraging employees to relax in spare time, or spending more time with families during vacation
- High-standard health care: Provide medical assistance and condolence allowance, and fully subsidize Low dose CT scan for lung (1152-slice) for all employees
- Faraday lunch banquet, exquisite special cuisine offered: Once a month, all employees are treated with exquisite special cuisine and beverages to sympathize with employees’ hard work and inspire their morale
- Dedicated voucher and designated shops: Provide gift vouchers and movie tickets for employees to buy, and provide discount from designated shops and its APPs for real-time inquiry
- Sharing achievements, generous year-end party and bonuses: Provide generous year-end party and bonus draws; all employees share the operating achievements

Better-than-legal working hours and paid leave

Faraday Technology provides better-than-legal working hours and leave, offering an average of more than 10 days of paid leave per employee, including a half-hour reduction in working hours every Friday and 7 days of paid flexible leave. In addition, to encourage childbirth and family care, the company has specifically increased the number of days for maternal protection leave, allowing employees to balance personal and family cares.

Items	Legal regulation	Better-than-legal standard measures
Holidays	12 national holidays every year	Additional 7 days of floating holidays (total of 19 days including statutory national holidays)
Annual leave	Recognize days based on the start date of employment	Provide annual leave with a better-than-legal calculation basis and grant annual leave in advance, allowing employees to enjoy their leave rights earlier.
Working hours	40 hours per week	39.5 hours per week
Public service leave	None	2 days for public service leave annually
Paternity caring leave	None	If the spouse has not yet obtained the maternal health education handbook but occurs the miscarriage, employee will be given full pay for 3 days.
Maternity leave	56 days	The number of days granted increases according to the number of births, with a maximum of 70 days.
Pregnancy checkup accompaniment and paternity leave	7 days	The number of days granted increases according to the number of births, with a maximum of 10 days.
Maternity and Baby Safe leave(Fetal protection requirement)	Fetal protection leave is included in the 30-day sick leave calculation, with half salary paid	An additional 5 days of full paid fetal protection leave will be granted, which will not be included in the calculation of sick leave.
Family care leave	Included in the calculation of 14 days of personal leave	An additional 7 days will be granted, which will not be included in the calculation of personal leave.

3.4 Talent development

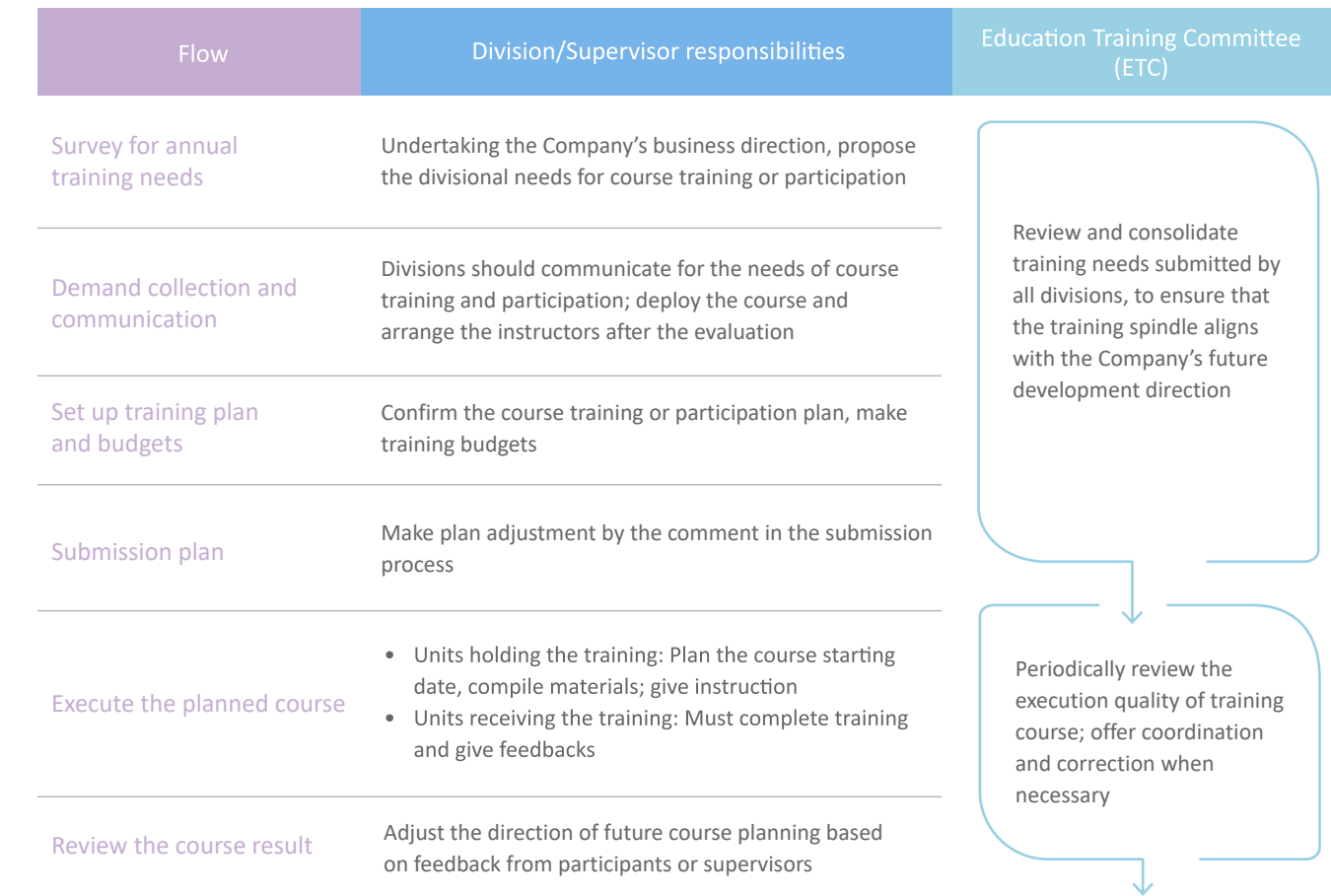
Faraday is committed to efficient learning and systematic inheritance, the results of talent cultivation are specific and solid. In 2022, we were awarded the “National Talent Development Awards(NTDA)” Large-scale Corporation Award by the Taiwan Ministry of Labor. This is the recognition of Faraday’s dedicated efforts in talent development.

3.4.1 Training development system

Education Training Committee

Faraday recognizes the critical role of talent development in driving company growth. To ensure investment and engagement in talent cultivation across the organization, Faraday has established an “Education Training Committee ”, chaired by senior executives, with department-level and above managers serving as ex officio members. The committee will coordinate and plan the main operation route in accordance with the Company’s future development direction, and conduct regular meetings to review and continuously improve to ensure that training needs are highly connected with company operations.

The continuous improvement of the operating model over the years has created a good learning atmosphere at Faraday. Through diversified course categories and various learning modes, we have stimulated the motivation, attitude, and ability of our colleagues to learn independently, created an environment for lifelong learning, and promoted the sustainable development of talents.

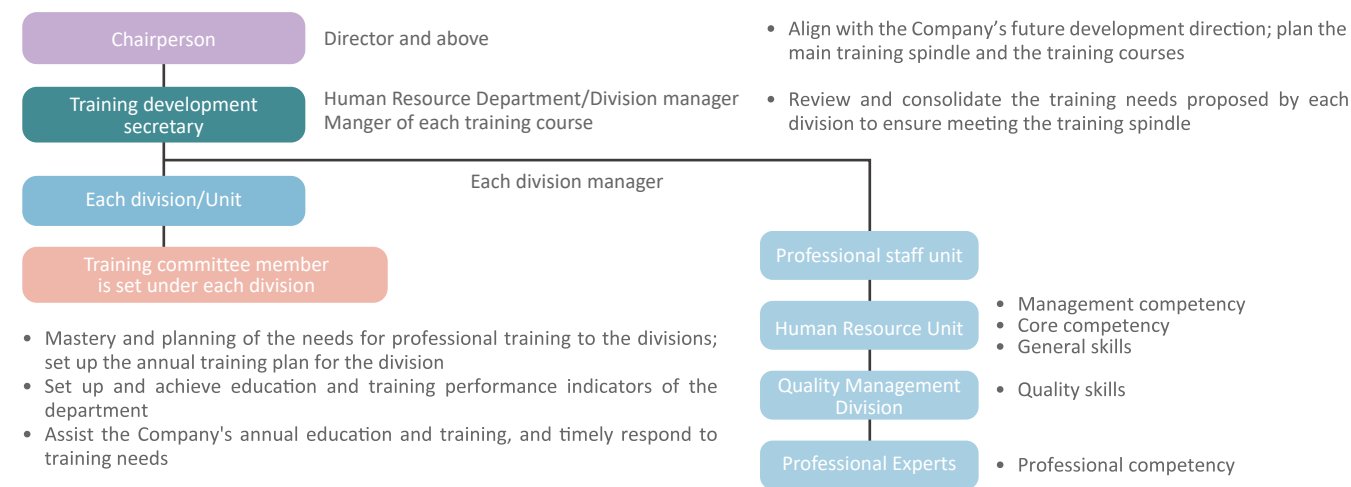


Strategy

Coordinate and integrate education and training resources to ensure that training strategies align with the Company’s business strategy and corporate culture to maximize the synergy of resources; implement and promote talent cultivation and development.

Guideline

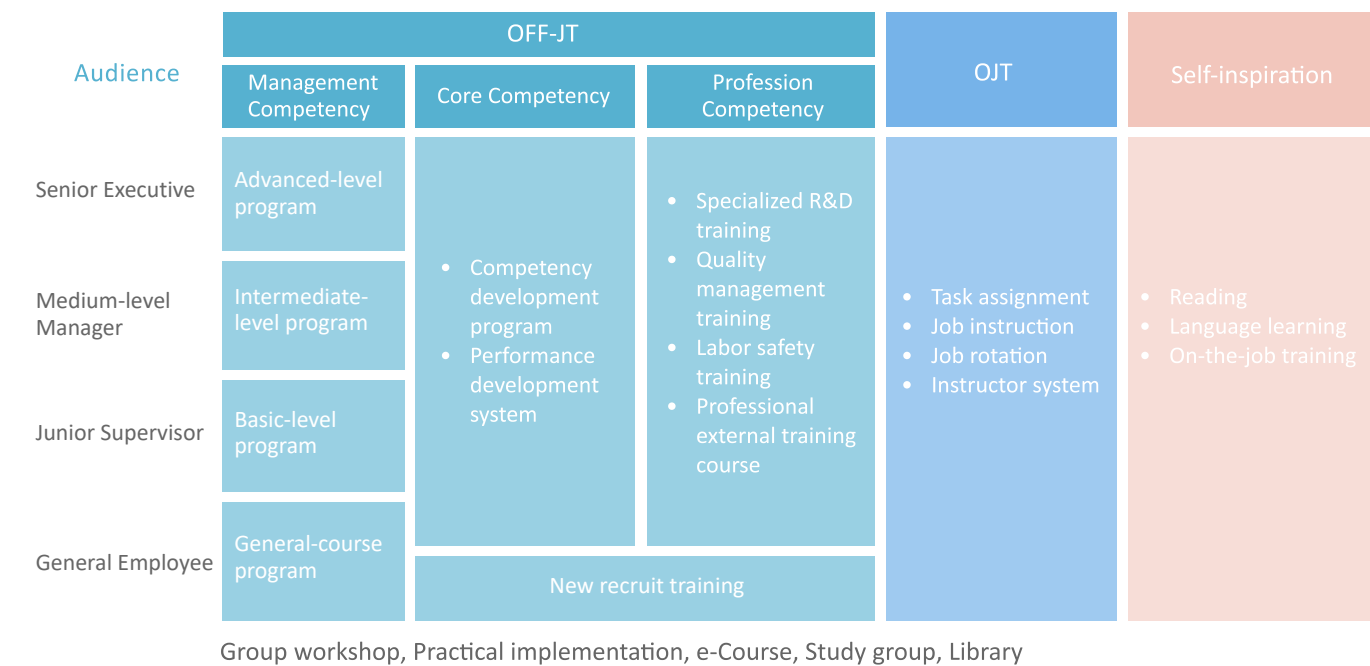
- Integration, planning, coordination, implementation, and execution for the Company-wide education and training
- Review of the execution status and improvement suggestions of the Company-wide education and training
- Grasp and plan the divisional professional training needs
- Coordinate and support the Company-wide training resources



Development blueprint for talents

Faraday designs an education and training development blueprint based on the human resources development strategy of all levels and the needs of internal and external environments, covering a variety of course contents and guidance methods.

This system is the framework for long-term training and development. Based on it, education and training develop courses and cultivate employees’ knowledge, skills, and characteristics required for organizational performance.



- Digital management and learning
 - Internal/External training management system: This system is used to manage and track execution records and implement training effectiveness evaluation, ensuring that the training process is efficient and beneficial.
 - E-Learning platform: Online learning is a key enabler of microlearning, allowing global employees to learn flexibly and conveniently, access shared learning resources, and stay up to date with the latest professional knowledge.

Provide diverse training according to the audiences

Required target	Cultivated items
New recruits	<ul style="list-style-type: none">• The HR unit and hiring manager customize new recruit training plan based on the job description• Mentorship program provides new recruits with practical work guidance and company-related life consultation
In-service employees	<ul style="list-style-type: none">• Education Training Committee plans annual training courses based on the Company’s strategy.• Execute and implement diverse training by the course attributes• Provide multilingual courses to enable global employees to quickly learn and understand
Junior supervisor	<ul style="list-style-type: none">• Learning passport for new supervisor: Assist new supervisors in preparing for taking office, provide all-round guidance, assist with psychological adjustment and establish a manager’s mentality• Management regulations: Be familiar with the Company’s management rules and administrative systems to facilitate the daily management for the division• Key executive meetings: Through in-depth communication, reach a consensus on target management and mentality• Faraday leadership: Summarize the essential competencies and qualities of managers should have, and achieve comprehensive leadership thinking through management practice discussions and QA sessions.• Efficient communication: Enhance soft skills in communication and expression, including presentation in meetings, social communication, and the imparting of techniques for an international perspective.• Management tools and methods: Effective tools and methods used by high-performance managers to efficiently achieve goals and complete tasks• Management practice workshop: Apply the management tools, methods, and communication skills learned in the course to real work cases for sharing and exchange, ensuring practical application of knowledge
Senior-medium supervisor	<ul style="list-style-type: none">• Senior leadership forum: Regularly hold company strategy and development interaction forums to establish consensus and collaboration among leadership• Business development forum: Discuss industry trends and share marketing business, cultivate business acumen, and shape leaders with surpassed vision

Diverse learning course

Interdisciplinary learning is the core of sustainable talent development and lifelong learning. Based on the training and development blueprint, Faraday plans the execution priorities for various courses according to short- and medium-term business strategies to carry out more comprehensive planning and offer diverse learning opportunities.

Course categories	Targets
New Recruits	Customized courses are provided depending on the employee’s position needs and professional experience. This helps new recruits quickly fit in the organizational culture and internal processes
General	Strengthen core competency; assist employees in promoting their fundamental workplace knowledge and abilities
Research and Development	Engineering and technical professional training, inheritance, and sharing; promote cross-divisional technical interactions and practical case discussions
Leadership Management	Cultivate management talents, assist supervisors in establishing knowledge and methods of leadership management, and furtherly develop management practices and leadership abilities
Environmental, Safety and Health	Strengthen workplace safety knowledge of employees; lower the risk of work safety
Total Quality Management	Implement the Company’s quality policy and strengthen the quality awareness and management regulations of all employees
Information Security	Develop correct information security concepts to enhance the intensity of information security protection
Intellectual Property Management	Improve employees’ awareness of intellectual property and strengthen corporate competitiveness and innovation value
ESG	Implement Faraday’s sustainability policies and commitments, practice the five sustainability execution directions, ensure the Company’s sustainable development and fulfill its corporate social responsibilities
Domestic/Foreign Training	Learn and import industry trends and new knowledge, to enhance personal and the Company’s competitiveness
Agent Training	Ensure that the promotion skills and service quality of the agents to promptly serve customers and promote the Company’s R&D technology

3.4.2 Training effectiveness and result

Diverse evaluation plan for training effectiveness

Faraday attaches great importance to the substantive effectiveness and continuous improvement of training courses. We conduct post-course effectiveness evaluations for different types of course objectives through questionnaire feedback, post-course tests, behavioral drills, experience reports, workshop sharing sessions, etc.

Actual performance on training course

Faraday attaches great importance to the resource input and output efficiency of employee education and training, due to the uniqueness of the ASIC industry, R&D energy mainly comes from the accumulation of practical experience when executing projects; therefore, the experience gained by senior employees in the process of taking on projects is the key knowledge base. Of our Research and Development and Quality-related courses in 2024, up to 93% were developed and taught by internal trainers. Through the inheritance and spreading of internal knowledge, we promote technological innovation. To actively

encourage the inheritance of experience, Faraday conducts excellent trainer selection activities every year and give thanks to all the trainers for their contribution on Teacher's Day.

To ensure that our employees to keep pace with the times, we encourage our employees to continue their trainings and positively obtain professional certificates/licenses, a total of 102 professional certificates/licenses have been obtained cumulatively from 2018 to 2024. With a lifelong learning attitude, we encourage our employees to strengthen and exert their professional competency and become experts in various fields.

We also value other workers who are not employees who serve in Faraday, such as cleaning, security, café, employee cafeteria, and IT outsourcing staff. We provide them with general training courses covering environmental, safety and health practices, integrity management, human rights policies, information security, insider trading prevention, and sexual harassment prevention. A total of 170 people were trained in 2024; this is to protect the rights and safety of employees and workers while working at Faraday, and also ensure that the Company's human rights, information security, and ethics training plans have covered all workers who are not employees.

Level 1
Reaction

Definition

- After class, participants will evaluate their satisfaction with the course content, teaching materials, lecturers and teaching methods, and overall benefits

Effectiveness in 2024

- The average satisfaction score of internal training courses reached 93.3 points

Level 2
Learning

Definition

- Assess the effectiveness of participant learning by post-class evaluations, training transfer, and submission of experience reports

Effectiveness in 2024

- The completion rate of key course assessments reached 100%, with an average score of 91

Level 3
Behavior

Definition

- Whether the participants apply what they have learned to their work after the training

Effectiveness in 2024

- For management course; the average improvement in managerial behaviors, as measured by pre-training and post-training assessments, reached 13%

Level 4
Result

Definition

- The business benefits that training brings to Faraday

Effectiveness in 2024

- Internal promotion rate of managerial talents reached 77%
- Average retention rate of excellent talents in recent three years reached 87%

2024 training implementation overview

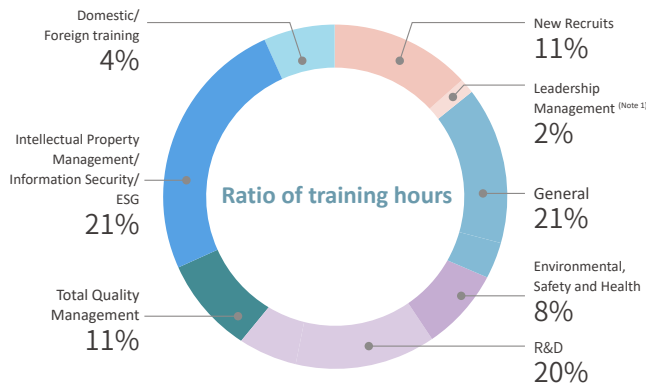
Category	Training category	Total sessions	Total attendance ^(Note 1)			Total attendance hours ^(Note 2)		
			Male	Female	Total	Male	Female	Total
Internal training	New Recruits	166	1,071	482	1,553	1,342	923.5	1,965.5
	Leadership Management	16	185	62	247	310	99.5	409.5
	General	29	1,886	950	2,791	2,640	1,021	3,661
	Environmental, Safety and Health	14	515	304	819	873	526.5	1,399.5
	Research and Development	49	2,360	720	3,080	2,652.5	818.5	3,471
	Total Quality Management	17	1,075	366	1,441	1,426.5	476	1,902.5
	Intellectual Property Management	10	2,044	776	2,820	2,052	782.5	2,834.5
	Information Security	10	494	239	733	483.5	234	717.5
	ESG ^(Note 3)	5	17	23	40	51	75	126
External training	Domestic/ Foreign Training	75	39	55	94	249	380.5	629.5
Total		391	9,686	3,932	13,618	12,079.5	5,037	17,116.5

Note 1: Includes total number of training attendance for 2024 permanent on-duty (including employees on leave of absence) and departing employees. On December 31, 2024, the total number of permanent on-duty employees (including employees on leave of absence) trained was 12,872; in 2024, the total number of departing employees was 746, a total of 13,618 employees.

Note 2: Includes total training hours of training attendance for 2024 permanent on-duty (including employees on leave of absence) and departing employees. On December 31, 2024, the total training hours of permanent on-duty employees trained was 16,165.5 hours; in 2024, the total training hours of departing employees was 951.0 hours, a total of 17,116.5 hours. The data in the above-mentioned Note 1 and Note 2 include permanent employees, contract employees, and workers who are not employees.

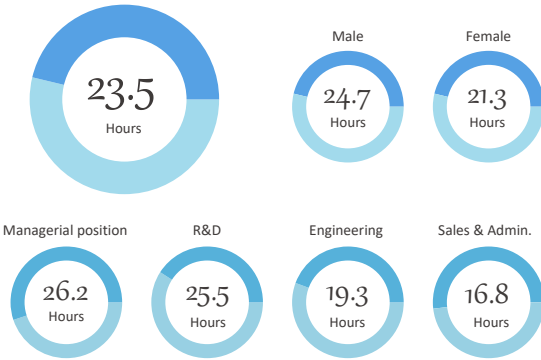
Note 3: This ESG training category only counts for the training courses of Corporate Sustainability Committee and does not include courses that are highly linked to sustainability issues.

Ratio of training hours

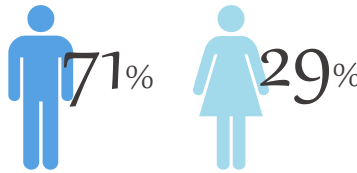


Note 1: Courses in the leadership management category provide different forms of resources based on different supervisory levels, such as Senior leadership forum, etc. Please refer to the chapter of "Training Development System" for more details.

Average training hours per employees



Total training rate of training attendance

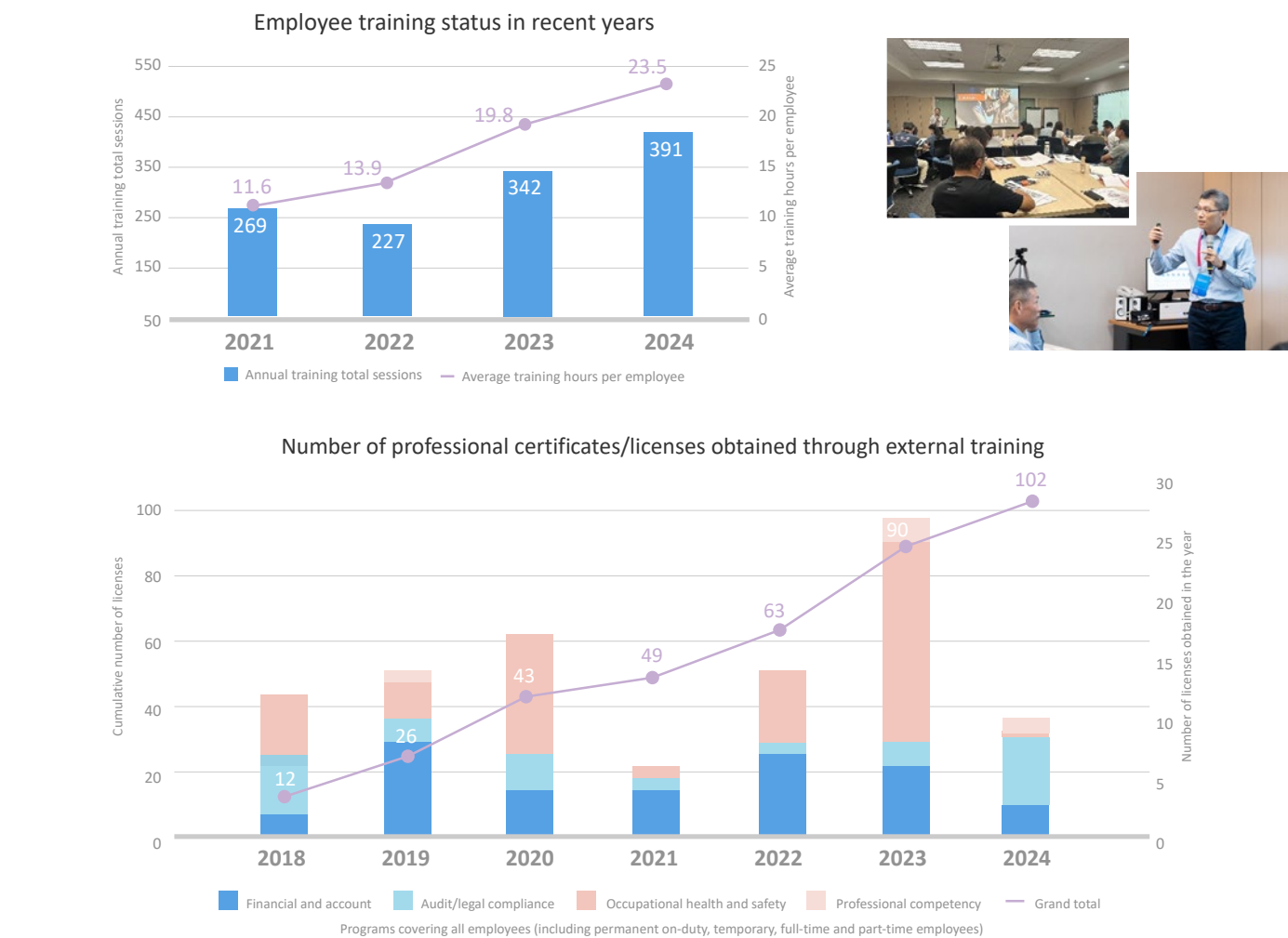


2024 employee training hours

Items	Gender		Employee Category					Total
	Male	Female	Managerial Position	Non-Managerial Position				
				R&D	Engineering	Admin. & Sales	Sum	
a. Total training hours ^(Note 1)	12,079.5	5,037	4,472	8,890.5	2,120.5	1,633.5	12,644.5	17,116.5
b. Number of employees ^(Note 2)	490	237	171	349	110	97	556	727
Average training hours per employee (a/b)	24.7	21.3	26.2	25.5	19.3	16.8	22.7	23.5

Note 1:
Includes total number of training attendance for 2024 permanent on-duty (including employees on leave of absence) and departing employees. On December 31, 2024, the total number of permanent on-duty employees (including employees on leave of absence) were 12,872; in 2024, the total number of departing employees was 746; a total of 13,618 employees. The above data includes permanent on-duty, contract employees, and workers who are not employees.

Note 2:
Includes total number of permanent on-duty employees in 2024 (including employees on leave of absence) and departing employees. On December 31, 2024, the total number of permanent on-duty employees (including employees on leave of absence) were 662; in 2024, the total number of departing employees was 65; a total of 727 employees. The above data includes full-time employees, contract employees, and workers who are not employees.



ESG sustainable development thinking and cultural shaping

Faraday is deeply committed in investing in ESG and firmly believes that the core driving force for enterprises to practice ESG comes from the participation of every employee. We convey the consensus on ESG sustainability to all employees in various forms, encouraging all Faraday employees to jointly fulfill corporate social responsibilities.

In terms of training courses, in addition to the training

courses planned and implemented by the Corporate Sustainability Committee, courses that are highly connected to sustainability issues also receive great attention. In 2024, courses on sustainability issues (courses coordinated by the Corporate Sustainability Committee and highly linked to sustainability issues) accounted for as high as 50% of the total training hours, and the total training hours were 8,466.5 hours. These courses will help employees improve their awareness of corporate sustainable development, and then take more sustainable actions.

Form/Occasion	Subject/Description	
Training	Training courses	Courses highly linked to sustainability issues accounted for as high as 50% of the total training hours
	New Employee Training	List Faraday's sustainability report as a must-read document to help new employees quickly understand Faraday and build a consensus on ESG sustainability
Issue share	ESG Time	Faraday's internal platform sets up an ESG specific column to enhance employees' consensus on sustainability and share results: <ul style="list-style-type: none">ESG news and trendsFaraday's highlights in ESG field
	Employee forum	<ul style="list-style-type: none">Why ESG matters !Global sustainability trendsThe necessity of sustainability issues for FaradayFaraday's sustainable actions
	Senior leadership forum	<ul style="list-style-type: none">Faraday 2025 ESG ProspectsFaraday's sustainability strategyCustomer ESG RequirementSupply Chain ESG StatusFaraday's green innovation and sustainable design blueprint
	Corporate Sustainability Committee	<ul style="list-style-type: none">The Greenhouse Gas Inventory for Faraday Technology subsidiaryThe latest GRI revision trends and material

Global Agent Training & Technical Exchange Conference



In the face of an increasingly competitive chip design industry, Faraday recognizes the critical role of knowledge dissemination in driving operational growth. We regularly host agent training and exchange conferences, serving as the best support for our agents in their business endeavors. Through the rigorous review and approval of senior management, we provide comprehensive and reliable learning resources. We simultaneously update technical information through both in-person and online learning platforms, effectively enhancing technical proficiency and customer service quality. In 2024, agents from around the world were invited to participate in the event (USA, Italy, South Korea, Japan, China, and Taiwan), with four main themes and 16 special topics presented. Attendance rates and overall satisfaction both exceeded 90%.

Four main themes

- Advanced Process
- Advanced Package
- Key Service
- Key IP

Training for management competencies: Blended learning; combining online learning and practical exercises

Consciously incorporating talent development and leadership management capabilities into the strategy of corporate sustainability, and cultivating leadership talents who are adaptable to market changes and have a big picture mindset, is the key pillar of corporate sustainability. A blended learning method that combines online courses, physical lectures, and physical drill workshops on

management tools and methods & efficient communication allows supervisors to grasp the key points of the course and apply them in practice at work. In 2024, a total of 25 actual management case studies were conducted, and cross-departmental supervisors took this opportunity to discuss cross-generational communication and collaboration skills, while strengthening course concepts and producing synergies. The average growth rate of trainees' management behavior before and after the test was as high as 13%.

Blended learning design

- Online and physical learning: Management leadership tools and skills learning
- Practical application sharing in the workplace - Applying theoretical practice to work
- Management practice workshop - Increase the opportunities for cross-departmental and cross-generational communication and understanding, thereby generating more exchanges and collaborations, while strengthening course concepts and generating synergies.

“English Elite Program” to respond to global deployment

In response to Faraday's ongoing efforts to build a global R&D team and actively recruit international technology talents, the “English Elite Program” was launched in 2024 to provide employees with systematic online English speaking course resources. This program aims to enhance business English communication skills and improve cross-departmental and cross-border communication capabilities. Participants have shown enthusiastic feedback and a proactive attitude toward learning, with an 80% pass rate for level upgrades.

3.4.3 Performance management and development
Faraday values employees' lifelong learning and development, and actively implements talent performance management and development systems. We provide appropriate work guidance and career support according to employees' different development stages. Each year, senior executives lead the formulation of the Company's strategic goals and action plans, which are then translated into management by objectives (MBO) by individual and department teams. Through multidimensional performance review mechanism twice a year, we evaluate employees'

work outcomes, effectively aligning the Company's, team's, and individual's goals. We implement agile management to enforce the efficient communication. The Company

also regularly conducts talent inventory, combined with a succession plan, to realize a sustainable approach to talent and team development.

**Annual Team Work Objective Review**
The company conducts an annual business strategy objective meeting, during which each department must report on its work achievements and future goal outlooks.

**Mentorship Program for New Recruits**
With Faraday's mentorship program, new recruits can quickly become familiar with the Company's environment and culture.

**New Recruits Evaluation during Probationary Period**
Tracking the learning results for new recruits and comprehensively evaluate their work competency according to the course schedule of the new recruits.

**Mid-year Performance Appraisal**
Review the work progress and adjust the work direction for employees during the training period or the employees who are designated by supervisor.

**Multidimensional Performance Appraisal**
Provide suggestions and feedback for colleagues involved in cross-departmental project collaboration.

**Year-end Performance Appraisal**
Review the annual work results, formulate future work plans, and discuss the-to-be-developed professional capabilities.

**Performance Improvement and Consultant Plan**
Assist employees with poor performance in improving their work performance.

**Promotion System & Talent Succession Plan**
Regularly conduct talent inventory to assess employees' competencies and performance, provide opportunities for technical and managerial roles, encourage career advancement.

**Agile Work Management**
Respond swiftly to internal and external environmental changes by rapidly detecting and promptly addressing issues, in order to continuously enhance the quality and efficiency of work outputs.

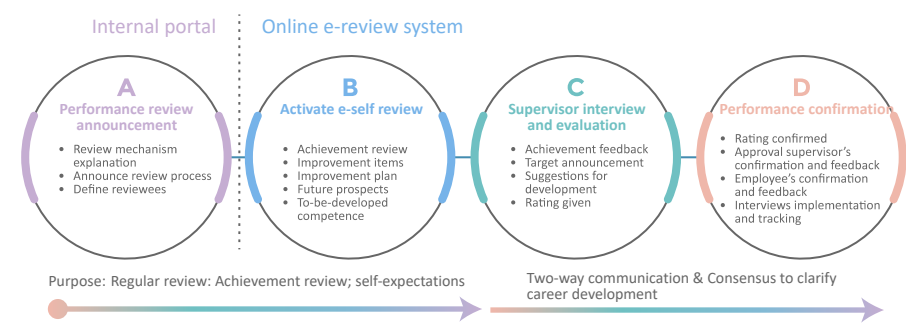
A performance development and management system with two-way transparency

Faraday's performance management and development system puts emphasis on mutual communication, supervisors are available to understand the strengths and weaknesses of employees through one-on-one performance interviews with subordinates, and then provide timely assistance, guidance, corrections, or suggestions for their work targets to truly improve work effectiveness of

individuals and the organization and the Company's overall performance. Every Faraday employee (Note) is required to participate in the year-end performance appraisal. In 2024, the ratio of employees who received the performance appraisal were 95%; and one-on-one interview execution rate were 93%; the audit process is mainly controlled by the performance management system, and supervisors and employees give overall suggestions and feedback on the system to achieve two-way transparent communication and performance feedback.

Permanent on-duty/ Contracted Employee		Employed as of Dec. 31, 2024 ^(Note 1)			Numbers & Percentages of People ^(Note 2) Receiving Year-end Performance Appraisal			
Employee Category		Male	Female	Total	Male	Female	Total	Percentage
Managerial		121	33	154	118	33	151	98%
Non-manual	R&D	225	96	321	208	89	297	93%
	Engineering	68	33	101	66	32	98	97%
	Admin. & Sales	23	42	65	20	40	60	92%
	Summary	316	171	487	294	161	455	93%
Total		437	204	641	412	194	606	95%

Note 1: Permanent on-duty and contracted employee; not including: employees on leave of absence and workers.
Note 2: Those who did not accept the annual performance appraisal: The senior executive president or above, employees who had not yet served/reinstated three months, and partial of the contracted employees (Massage therapist).



Comprehensive performance appraisal indicators

Faraday attaches great importance to the functional development of employees and the degree of competence required for their job positions. In addition to qualitative performance results and future prospects, the assessment items also include scale assessments of various functions to serve as gap analysis for future personal development plans.

Character of appraisal	Appraisal items
Qualitative	<ul style="list-style-type: none">Performance reviewFuture prospects
Quantitative	<ul style="list-style-type: none">Professional competency<ul style="list-style-type: none">Professional learning and applicationCore competency<ul style="list-style-type: none">Problem analysis and solutionBe proactiveTeam workManagement competency<ul style="list-style-type: none">Target/performance managementProject managementManagement teamTransformational leadership

Motivational promotion system

Faraday has set up the “Job Grade and Job Title Procedure” and the “Promotion Management Procedure” to clearly standardize the criteria for promotion. Promotions are carried out regularly every year; through regular performance evaluations, supervisors can identify and select suitable candidates for promotion. The supervisors at the division manager level or above submits the promotion reports; suitable candidates are promoted after approval by the President and the Human Resource Evaluation Committee. In response to organizational management and talent development needs, supervisors can submit job title promotions in accordance with relevant methods and procedures to encourage talents to develop upward and continuously contribute their expertise.

3.5 Occupational Safety, Health, and Hygiene

Faraday emphasizes providing practical safety, health and healthy workplace management. Each year, the Company follows the labor inspection guidelines issued by the Ministry of Labor and the needs and expectations of stakeholders to formulate the occupational safety and health management plan for the coming year. The Environmental Safety and Health Committee reviews the implementation progress every quarter to ensure the safety and health of all workers.

3.5.1 Environmental Safety and Health Policy

Faraday attaches great importance to the needs and expectations of stakeholders on occupational safety and health issues. It considers the operating process and formulates the “Environmental Safety and Health Policy”, which is signed and announced by the President; revealing high-level commitments and declaring the Company’s healthy workforce goals, and implementing standardized management procedures.

Standardized management procedures	Management measures	Implementation frequencies
<< Corporate Sustainability Handbook >> <<Fire Safety Plan>> <<Environmental Safety and Health Management Handbook>> << Environmental Safety and Health Management Procedure>> <<Environmental Safety and Health Regulations Identification Procedures>>	Implement public safety inspection for architectures	Once every two years
	Fire equipment testing and maintenance application	Once a year
	Implement Company-wide disaster drill	Once a year
	Implement work environment monitoring and review the appropriateness of monitoring sampling plan strategy	Twice a year
	Physical examinations	Every year

3.5.2 Occupational safety and health implementation results

Faraday is committed to creating a “Healthy, LOHAS (Lifestyle of Health and Sustainability), and Happy Workplace” as the core mission for promoting a friendly and inclusive work environment. We strive to build employees’ awareness of safety, hygiene, and health, supported by relevant protective measures and health promotion activities as the main management strategies. In 2024, our health promotion activities achieved remarkable results, earning us the “Excellence Award” from the Health Promotion Administration, Ministry of Health and Welfare, under the Active Workplace, Healthy Workers program. We have also been recognized as “Outstanding enterprise” for “Active Evaluation of Corporate Sustainability Report Disclosure of Occupational Health and Safety Performance” by Occupational Safety and Health Administration, Ministry of Labor.

Promotion of Safety, Health, and Hygiene Implementation Measures in 2024

Classification	Implementation items	Session	Participation numbers of employees	Participation numbers of workers
Occupational Safety Type	New recruits occupational safety and health training	17	89	29
	Occupational safety and health training for permanent on-duty employees	2	2	0
	Refresher training for supervisors of organic solvent operations	1	1	0
	Traffic safety training course	1	51	1
	CPR+AED training	6	176	0
	Disaster drill	1	54	4
	Evacuation drill	1	553	13
Health Promotion Type	Supervisor physical examinations	9	58	0
	Annual physical examinations	3	458	3
	Road running activity	1	540	5
	Global walking challenge	1	504	1
	Specialist Physicians Health Lectures	3	405	0
	Kinesio taping course series	6	53	0



3.5.3 Occupational safety and health management

Occupational Safety and Health Management System Importation and Verification

Faraday has established an Environmental Safety, and Health Committee to regularly track the implementation of safety and hygiene measures. To enhance workplace safety, hygiene, and health, the Company imported the implementation of the Occupational Safety and Health Management System (ISO 45001:2018) in 2024 and plans to complete external verification by 2025. Based on the ISO 45001 system framework, the management scope includes all workers at Faraday, (includes employees, subcontractors, and self-employed workers); promoting risk assessment in occupational safety and health management and to ensure continuous improvement.

In 2024, the Company has already completed the analysis of differences between the existing compliance system and the provisions of ISO 45001:2018, and fully integrated the system with operational processes, achieving 100% analysis and structural alignment.

Operating Conditions of Environmental Safety and Health Committee in 2024

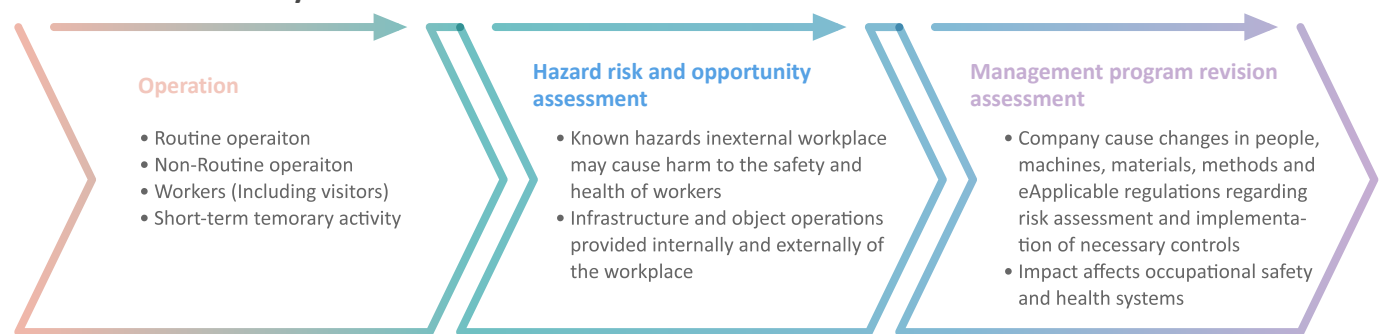
Membership structure	One chairperson
	Six committee members
	Four selected labor management conference representatives
Responsibility	Review 15 items of occupational safety and health management plan
	Promote and communicate environmental safety and health issues to stakeholders
Regular meeting	Once a quarter; an additional temporary meeting hold when necessary
Material topics	Comply with laws and regulations to continuously improve workplace hazard identification and risk opportunity management measures
	Proposed 2 safety issues and 3 hygiene issues; all improvement accounted 100%

Note: When communicating safety and health issues with workers who are not employees, the responsible personnel will review and revise the contract content based on the recommendations of the safety and health personnel to ensure that workers who are not employees to understand the relevant safety and health regulations of Faraday.

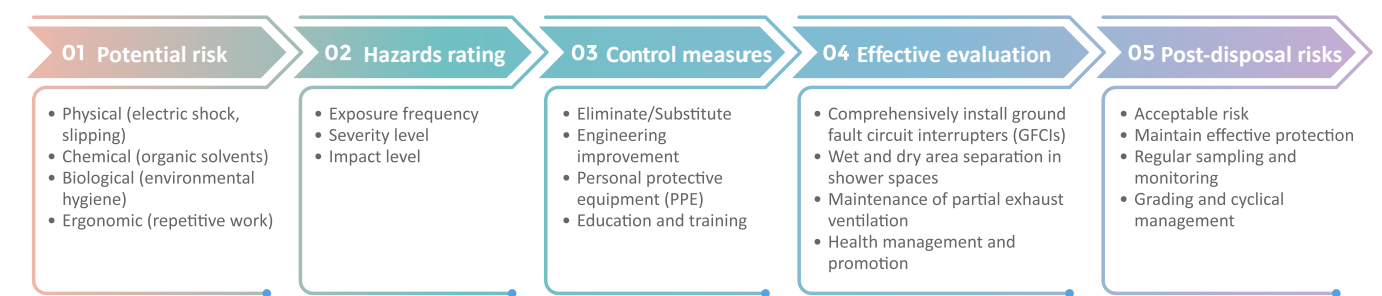
Hazards identification and risk assessment

Faraday has established the “Risk and Opportunity Identification and Environmental Consideration, Impact Assessment, and Control Procedure” based onthe operational conditions. This procedure systematically identifies operational activities, assesses risks and opportunities, and proposes effective control measures for employees, stakeholders, and the workplace to uncover potential occupational safety and health risks and hazards, and implement corresponding management strategies. The 2024 risk analysis results indicate that the primary sources of unacceptable occupational safety risks for Faraday are slips and electric shocks, both of which have been included in the occupational safety and health promotion measures management project.

Guidance of risk analysis



Risk analysis flow



Ensure occupational safety and health

Faraday launches cyclical risk assessment and audit systems, promoting comprehensive safety and health management from the perspectives of people, environment, and behavior to ensure that the working environment and operational procedures are both compliant and functional. We actively engage in two-way communication with workers, and encourage proactive identification of potential workplace hazards with suggestions for improvement made by employees. The occupational safety and health management unit and the responsible unit jointly respond and take actions. In case of an emergency is occurred and the circumstance is reasonable after investigation, no punishment will be taken; employees are granted the right to self-evacuate, following the principle of protecting workers as the highest priority.

Promotion of occupational safety and health Measures

Occupational Safety and Health Items	Implementation Measures
Laws and regulation identification	<ul style="list-style-type: none">• Identify regulations every quarter, confirm 24 revised regulations, and establish corresponding safety and health measures
Standardize procedure	<ul style="list-style-type: none">• There are 20 existing TOSHMS Level 2 documents, which will be converged and integrated into 9 optimized management procedures in 2024, in line with ISO 45001:2018 specifications
Hazards identification/Risk assessment	<ul style="list-style-type: none">• Three polynomial assessment forms for hazards, risks, and opportunities are simplified into one form with practical thinking, which is used as a dynamic document and periodic updates• Apply a grading control strategy, identify 29 hazards in routine and non-routine work activities, and minimize risks through management procedures or SOPs• Establish channels for grievance on gender equality, sexual harassment, and illegal workplace infringement, and mechanisms to protect victims from being treated without immediate disciplinary action, and convey correct understanding to employees through the company-wide e-Course required training courses
Operation environment monitoring	<ul style="list-style-type: none">• Review once every six months to determine the appropriateness of the sampling strategy plan based on physical and chemical factors in the work environment• Test the company-wide illumination, carbon dioxide, and organic solvents conditions every six months, announce the test results on the company network for public knowledge, and make compliance declarations available on the official website for reference
Chemical management	<ul style="list-style-type: none">• Complete chemical declarations 4 times per quarter to ensure effective and consistent information
Procurement management	<ul style="list-style-type: none">• Reviewed 87 occupational safety and health procurement cases, all of which were in compliance
Contractor management	<ul style="list-style-type: none">• Established 26 contractors who are qualified in accordance with the Occupational Safety and Health Act and strengthened the necessary safety and health management of contractors• There were 110 contractor entries into the workplace in 2024, during which work environment hazard notifications and awareness programs related to occupational safety and health regulations were conducted. One near miss of fire alarm triggered accidentally was recorded

Occupational Safety and Health Items	Implementation Measures
Change management	<ul style="list-style-type: none">There were 0 changes in contractor application, and all were processed in accordance with the source review of the contract
Disaster management	<ul style="list-style-type: none">Strengthen emergency response to complex disasters and revise the drill script and emergency response procedures twiceImplemented a company-wide evacuation drill, with 600 people supposed to be present, 553 employees actually present, 13 workers actually present, and the evacuation assembly roll call time was 10 minutes and 20 seconds
Patrol and inspection implementation	<ul style="list-style-type: none">261 pre-operation inspections of organic solvents were carried out at the operation site, with 0 false alarmsCarried out 261 pre-operation inspections of high-pressure gas cylinders and pipelines on-site, with 0 false alarmsCarried out 48 company-wide environmental safety and sanitation inspections and proposed 6 improvement suggestions, all of which have been closed
Popularize CPR+AED emergency rescue knowledge	<ul style="list-style-type: none">19 qualified first aid personnel are set up, which is better-than-legalHold CPR+AED courses annuallyIn 2024, the coverage rate of employees who have received training for 3 times (included) in total in the Company was 10%
Other safety and health management	<ul style="list-style-type: none">Carried out company-wide environmental sanitation disinfection 8 times to provide a healthy working environmentImplement the pruning of trees planted outdoors at the headquarters that are too high or too long to improve the visibility of traffic signs for road users and prevent wild winds from causing trees fall that affects other road usersRepaired the circular passage at main entrance of headquarter to prevent workers from tripping or falling and getting injured



Occupational accident disability statistics

In 2024, Faraday did not experience any occupational accidents or occupational diseases without legally certified and was not subject to any penalties related to occupational safety violations. The incidents contributing to the injury rate were primarily traffic accidents occurring during employees' commuting to and from work (a total of 3 times in 2024). To continuously reduce the injury rate, the Company holds quarterly Environmental, Safety, and Health Committee meetings to reinforce awareness and provide refresher training. On a yearly basis, the Company invites the Traffic Police Brigade, Hsinchu City Police Bureau to conduct on-site traffic safety training to lower the occurrence of traffic-related accidents.

Indicator	Classification	2021	2022	2023	2024
Attendance rate (AR)	Male (%)	0.10%	0.13%	0.23%	0.19%
	Female (%)	0.35%	0.33%	0.47%	0.54%
	Total AR	0.17%	0.19%	0.31%	0.30%
Occupational disease ratio (ODR)	Male (%)	0%	0%	0%	0%
	Female (%)	0%	0%	0%	0%
	Total ODR (%)	0%	0%	0%	0%
Disabling Injury Frequency Rate (FR)	Male	1.32	2.75	2.75	2.61
	Female	3.29	0.00	3.16	2.89
	Total FR	1.88	1.94	2.87	2.70
Disabling Injury Severity Rate (SR)	Male	4	1	12	40
	Female	3	0	0	3
	Total SR	4	1	9	29
Frequency-Severity Indicator (FSI)	Male	0.05	0.04	0.13	0.25
	Female	0.03	0.00	0.00	0.03
	Total FSI	0.09	0.04	0.16	0.31
Lost working days	Male	3	1	9	31
	Female	1	0	0	1
	Total lost working days	4	1	9	32

Note 1: Attendance rate (AR) = Total attendance days/Total working days
Note 2: Occupational disease ratio (ODR) = Total OD * 1000000/Total working hours
Note 3: Disabling Injury Frequency Rate (FR) = Number of lost work pieces (rest time greater than 8 hours)*1,000,000/Total working hours
Note 4: Disabling Injury Frequency Rate (SR) = Lost working days*1000000/total working hours
Note 5: Frequency-Severity Indicator (FSI) = √ (SR*FR/1000)
Note 6: In 2024, 641 employees worked a total of 1,111,929 hours (based on the number of people reporting monthly occupational accidents). Faraday's office also has 21 permanent on-site workers who are not employees, including those responsible for catering, cleaning, and security. There were no cases of disability caused by occupational accidents in 2024, worked in a total of 42,000 hours (21 workers who are not employees working 250 days a year, 8 hours a day)
Note 7: The reason for the increasing disability injury rate and the disability injury severity rate in 2024 was that three traffic accidents occurred on the way to and off from work by employees in 2024, resulting in hospitalization and recuperation at home

“Global” walking challenge

- 505 employees have participated worldwide, and the challenge lasted for 3 months
In order to encourage employees around the world to move for health and develop regular exercise habits, we held a “global” walking challenge by promoting easy-to-start walking activities. A total of 505 employees have participated, accumulating 20,664 challenge days in total, with 20% of participants achieving the 90-day target
- Initially, employees had a low average daily step count. Through the activity, the average was increased to 7,500 steps per day
With the strong support of the president, the company held its first-ever walking challenge that included both the headquarters and global subsidiaries. This event enabled employees, who typically had lower step counts, to increase their average daily steps to 7,500. Throughout the activity, team members encouraged one another, fostering a culture of regular physical activity and healthy habits
- Achieved tree-planting results through cross-industry collaboration
Through our collaboration with the fitness software company “Walkii Green Forest”, we conducted a walking step-counting activity linked to tree-planting in the Green Forest initiative. This fun competition aimed to boost employee participation. After 90 days of effort, the achievement rate reached 46% [20,664 days / (505 people × 90 days)], successfully planting 7 saplings



- Three health lectures are held by specialist physician from the medical center every year
A specialist physician from the medical center was invited to the company to provide accurate health information, help employees identify and eliminate health risks in their daily lives, and foster a healthy lifestyle. The number of participants and satisfaction rates are shown in the table below:

Item/Month	March	July	November
Number of participants	135	104	166
Satisfaction rate	91.6 points	94.5 points	90.9 points

Hold two team sports competitions annually

- One ball game and team competition event in each half of the year, with a participation rate of 60% for each event
Each event is organized by employees who form their own teams, and the number of participants has been increasing year by year. In addition to achieving the physical benefits of exercise, the team practices before the competition help foster a sports culture within the company. This not only strengthens team spirit across departments but also allows employees to experience the company’s thoughtful and innovative efforts in promoting both physical and mental health.
- The activity items are innovative and have not been repeated within three years, thereby enhancing the fun and diversity of the competition
Faraday has been organizing team sports competitions since 2012. With the exception of a temporary suspension between 2020 and 2021 due to the risks associated with the COVID-19 pandemic, the company has consistently held a variety of engaging team sports events. These exciting activities include basketball, badminton, kickball, human table soccer, bubble football, laser tag, long rope jumping, dragon ball, and more. The activity items are not only innovative but also have not been repeated within three-year period.

Infectious disease prevention and management measures

Faraday emphasizes disease prevention and health promotion, advocating the principle of “prevention is better than cure.” In addition to tracking and paying attention to global infectious disease outbreaks, we also assist employees in planning preventive measures based on the latest epidemic situation in the countries they are scheduled for business trips. Meanwhile, we arrange travel medicine outpatient services to provide vaccination, ensuring employee safety. To promote the prevention of seasonal infectious diseases, the company nurse handles the infectious disease information promptly and refer to the disease

prevention measures announced by the Disease Control and Prevention Bureau, Ministry of Health and Welfare. We remind employees to maintain proper hygiene at home and during travel. Each year, in collaboration with the employee clinic in the Science Park, we organize influenza and shingles vaccination programs to protect employees’ health.

Month	September	October	December
Item	Zoster vaccine	Influenza vaccine	Zoster vaccine
Participation rate	10%	27%	10%

Employee concern and care mechanism

Faraday cooperates with Hsinchu Regional Teaching Center - MacKay Memorial Hospital and National Taiwan University Hsinchu Hospital. When it is received that employees or their dependents need medical assistance, or employees with physical and mental cases, our company full-time nurse who has been assigned according to the law will then immediately activate the care system mechanism; classifying based on the type and severe of abnormalities, providing one-on-one medical resource assistance, caring, and condition tracking in making employees and their dependents feel reassured. At the same time, we also provide emergency consolation money to relieve stress in a timely manner. We also cooperate with the Hsinchu Science Park Employee Clinic to provide on-site specialist physician services, providing health consultation services that is better-than-legal regulations.

