

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.