

Material Sustainability Issues

After approval by the Board of Directors, Faraday Corporate Sustainability Committee conducted a comprehensive assessment of the 12 material sustainability issues. The committee evaluated the inclusiveness of the sustainability strategy in conjunction with Faraday’s five sustainability execution aspects, serving as the basis for reporting in accordance with the GRI Standards, the identified material sustainability issues will also be incorporated into the company’s risk management process for reference.

Material sustainability issues	Significance to Faraday	Impact location of supplier chain						GRI topic	Disclosure section
		Faraday	Employee	Customer	Investor/Shareholder	Supplier/Contractor	Government/Association		
Product quality and safety	Deliver high-quality and safe products to enhance customer collaboration willingness and optimize the end-user experience.	●	○	●		●		GRI 416: Customer Health and Safety	Partnership for prosperity
Climate and energy	Respond to climate change by enhancing operational and financial resilience and reducing environmental impact.	●					●	GRI 201: Economic Performance GRI 302: Energy GRI 305: Emissions	Environmental Sustainability
Sustainable supplier chain management	Collaborate with global partners to enhance overall sustainability performance and reduce social and environmental risks.	●		●		●	●	GRI 308: Supplier Environmental Assessment GRI 407: Freedom of Association and Collective Bargaining GRI 408: Child Labor GRI 409: Forced or Compulsory Labor GRI 414: Supplier Social Assessment	Partnership for prosperity
Information security*	Ensure the protection of confidential information and partner privacy to safeguard corporate reputation and competitiveness.	●	●	●	●	●	●	GRI 418: Customer Privacy	Corporate governance
Talent attraction and talent retention	Offer competitive remuneration and benefits to enhance employee engagement and drive sustainable business development	●		○	○			GRI 201: Economic Performance GRI 202: Market Presence GRI 401: Employment	Friendly workplace
Customer relationship management*	Enhance technology, quality, and competitiveness to ensure customer trust and long-term collaboration	●	○					GRI 418: Customer Privacy	Partnership for prosperity
Talent development	Faraday places great importance on talent cultivation and development, and provides comprehensive training resources and a supportive learning environment. In alignment with the company’s operational goals and strategies, we have established a comprehensive training and development system and scenario. We are devoted to the cultivation and inheritance of high-quality technical talents to accumulate the Company’s intellectual capital and enhance its overall competitiveness.	●	●	○	○			GRI 404: Training and Education	Friendly workplace
Diversity/Equity/Inclusion	Protecting the basic rights and interests of employees and providing a harmonious working atmosphere is Faraday’s fundamental responsibility.	●	●				○	GRI 202: Market Presence GRI 401: Employment GRI 405: Diversity and Equal Opportunity GRI 406: Non-discrimination GRI 407: Freedom of Association and Collective Bargaining GRI 408: Child Labor GRI 409: Forced or Compulsory Labor	Friendly workplace
Innovation management	Drive sustainable innovation to strengthen core competitiveness.	●	●	●	●	●	●	Faraday-defined sustainability issues	Innovation management
Green product design	Reduce the environmental footprint of products by selecting low-hazard raw materials in compliance with environmental standards.	●		●			●	GRI 302: Energy	Innovation management
Occupational health and safety	Ensure employee safety and health, and provide a good working environment.	●	●		○		●	GRI 403: Occupational Health and Safety	Friendly workplace
Social inclusion	Leverage Faraday Technology’s core innovative technology, share the advantage brought from technological innovation with society, enable more people to benefit from the opportunities brought by technology diffusion, and drive a better future.	○					○	GRI 203: Indirect Economic Impacts	Social inclusion

Note: * Incorporate into the annual material risk items. ● Direct impact ○ Indirect impact

