

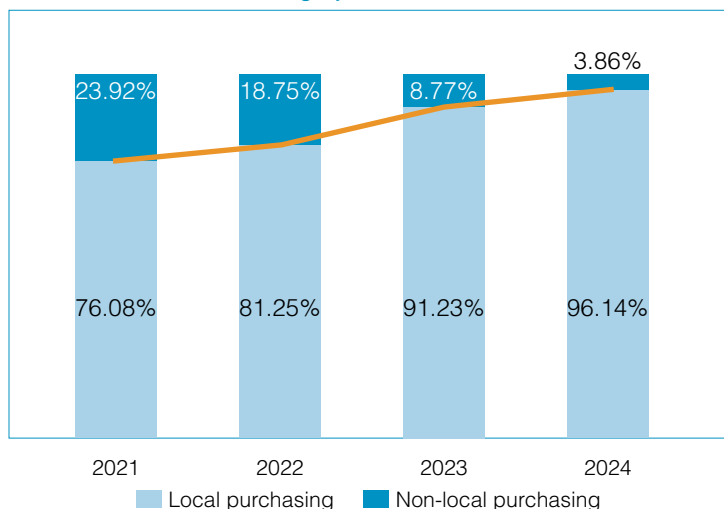
04 Sustainable Value Chain

4.1 Sustainable Supply Chain Overview

Businesses can not only fulfill their social responsibility to the community by choosing local suppliers but also reduce the environmental impact from transportation and distribution over long distances. In 2024, over 96% of GIGABYTE's tier-1 suppliers were located in Asia. Around 94% of partners were located in the same region as the main GIGABYTE production bases (Nanping Factory, Dongguan Factory, Ningbo Factory). Local purchasing is embraced by GIGABYTE to maintain productivity and continuity of operations as well as stimulate local economic development.

GIGABYTE's local purchasing ratio at our main production bases has always exceeded 75% in previous years. The inclusion of the Giga Computing subsidiary in the calculation of the local purchasing ratio for the first time in 2023 meant there was a significant change to the ratio. The local purchasing ratio in 2024 was 96.14%.

Ratio of Local Purchasing by Amount in the Past 4 Years



Note 1: Local means the source was located in the same region as GIGABYTE's main production bases

Note 2: Purchasing amount is based on the amount spent for the year.

4.2 Supply Chain Risk Management

The "GIGABYTE Sustainable Purchasing Guidelines" were first issued in 2018 and updated in 2024. The Guidelines apply to the Headquarters, Taoyuan factory, China factories, as well as subsidiaries in Taiwan controlled by GIGABYTE. We reference the RBA Code of Conduct issued by the Responsible Business Alliance as our top guiding principles. We have defined the 4 management aspects (15 sub-targets), the 4 zero-tolerance rules, and the list of prohibited substances in order to evaluate supplier risk.

Effective implementation of supply chain management is jointly enforced by each BU and the Sustainable Development Office. Periodic meetings are held to review supply chain risk management, promote cross-department collaboration and the sharing of new knowledge on sustainable supply chains. The GIGABYTE Green Sustainable Development Committee oversees the entire process. The GIGABYTE Green Sustainable Development Committee held 7 monthly meetings in 2024. The meeting agendas included: international chemical and environmental regulations, environmental safeguard activities in the supply chain, RBA audits, the evaluation outcomes of high-risk suppliers, packaging reduction and Group sustainable development courses. To improve the supply chain/procurement personnel and related departments' understanding of trends in sustainable supply chain promotion as well as the roles played by each department, two Group sustainability courses were organized in 2024 on topics such as global climate change trends, net zero trends, and sustainable supply chain management practices. Total participation was 138.

Supplier management aspects and regulations



4 Zero-tolerance rules

- Prohibition against Child Labor
- Use of Forced Labor/Prison Labor
- Discharge of untreated toxic or hazardous substances/materials
- Behavior that causes immediate physical harm to employees

Tiered Supplier Management

GIGABYTE evaluates all existing and new suppliers in accordance with the "Supplier Quality Management Operating Procedures" for tiered management. In addition to existing supplier supply contract (CMRT, RBA) and material assessments (quality, delivery time, cost, and service), the GIGABYTE sustainable supplier evaluation system was also integrated so that ratings better reflect the overall sustainability performance of suppliers. Supplier CSR high-risk audits are also conducted every quarter to ensure quality continuity and sustainability in the supply chain. Additionally, the "GIGABYTE Sustainable Purchasing Guidelines" explicitly require existing and new suppliers to comply with the Supplier Code of Conduct and the GIGABYTE Hazardous Chemical Substance Regulations (HCSR). The supplier must submit their Certificate of Non-use for Controlled Substances and test report from third-party notarization bodies for verification before they can begin making deliveries. Non-compliant new suppliers may undergo a re-assessment after improvements are made. If they still fail to pass the re-assessment then they are de-listed. Approved suppliers are subject to annual audits and tiered management. A deadline for improvement is imposed for non-compliance or even exclusion from the supply chain if necessary.

GIGABYTE requires suppliers for "Outsourced Manufacturing and Long-term Supply" contracts to sign declarations guaranteeing their compliance with the "Sustainability Standards in the Environmental, Human Rights, and Social Aspects." A total of 43 suppliers renewed their contracts in 2024 and 100% signed the declaration. 86% of suppliers also took this a step further by submitting statements on non-use of conflict minerals.

▪ Tiered supplier system

Grading guide		Description
Divided into grades 1 ~ 4 based on purchasing amount	Four grades based on annual purchasing amount is used to identify key suppliers	
Material Rating	Includes quality, delivery time, cost, and service quality	
Comprehensive Rating Level A ~ D	Sustainability Standards Declaration	Signing of declaration on compliance with the sustainability standards for the following environmental, human rights and social aspects <ul style="list-style-type: none"> Environmental Aspect: Suppliers must comply with HCSR, RoHS, WEE, VOCs, and other government environmental protection laws and regulations on pollution prevention and waste treatment in the region specified by Party A. Human Rights and Social Aspect: Suppliers must comply with the RBA Code of Conduct as well as the social and labor laws/regulations in the region where Party B is located.
	Sustainable Supply Chain Participation	<ul style="list-style-type: none"> Sustainability Evaluation: The evaluation covers the six major aspects: environmental protection, corporate social responsibility, labor practices and human rights, supply chain responsibility, fair trade and social engagement Participation in supplier conference/education and training Participation in reduction/carbon reduction projects or other sustainability-related supplier projects

Note: All new suppliers added during the year are given a D rating. Adjustments are made after the evaluation is complete

▪ 2024 Grading of key suppliers

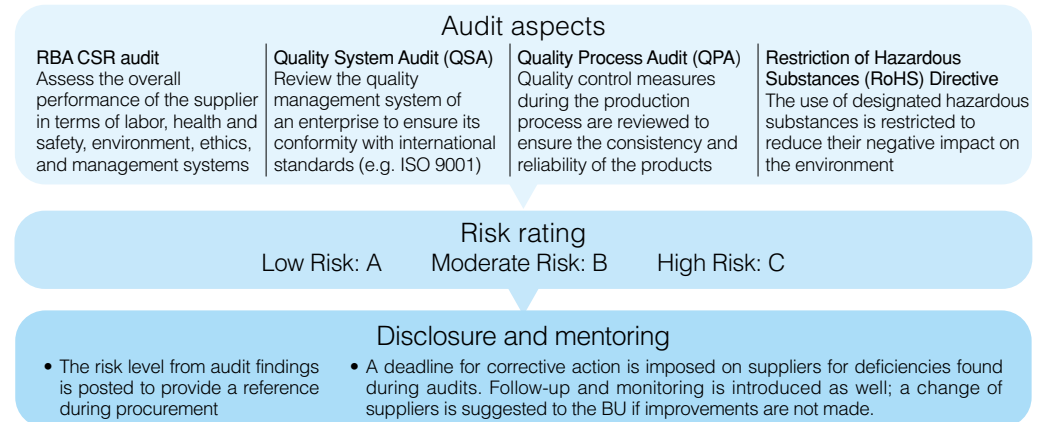
A	B	C	D
25.8%	40.8%	20.6%	12.7%

Note: Key suppliers are divided into grades 1 ~ 2 based on purchasing amount

Supplier Audit

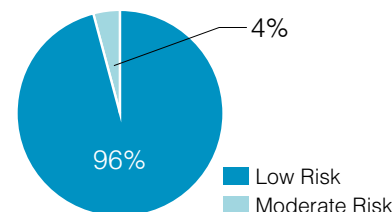
GIGABYTE has established a supplier quality system audit and RBA risk tracking model in response to requirements relating to Group operating risk, stakeholder concern, and sustainability disclosure. The system is being progressively rolled out to BUs and subsidiaries. The results of supplier audits are periodically compiled and reported. An annual audit plan is devised by GIGABYTE and suppliers selected for auditing. Supplier transactions and quality are reviewed on a monthly basis and rolling adjustments made to the audit plan.

▪ Supplier audit management process



In 2024, 50 new and existing suppliers were chosen for on-site audits. 96% of the suppliers audited during the year were found to be low risk and 4% were found to be moderate risk. 100% of existing suppliers were rated as low risk by the audit; among the new suppliers, 2 were flagged as moderate risk by the audit. Corrective action was taken and both were changed to low risk after re-inspection.

▪ Explanation of 2024 supplier audit findings



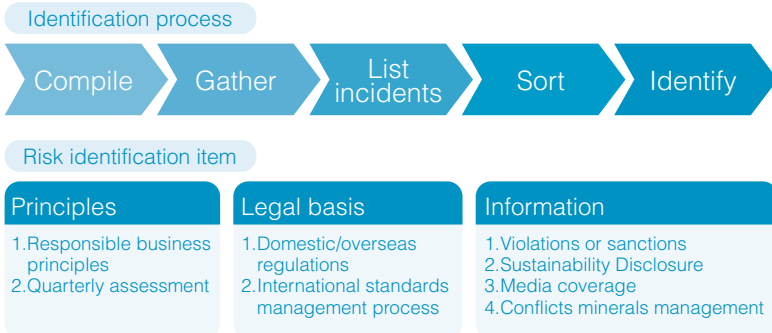
Follow-up improvement and tracking of moderate risk suppliers:

- Major deficiencies: The two moderate risk suppliers were both found to have omissions in their SOP and labels in the "Process Aspect."
- Improvement and follow-up: Deficiencies were immediately recorded and corrective action required after the first audit. The two moderate risk suppliers were found to have taken corrective action upon re-inspection. Adherence to SOP by operators on the floor improved safety in the work environment. The suppliers were re-classified as low risk after the re-inspection.

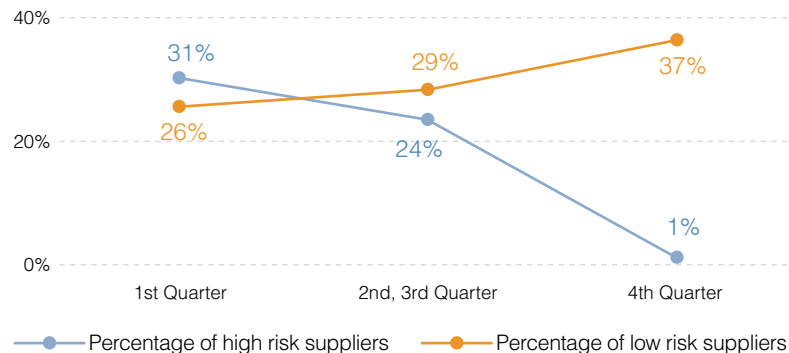
Supplier Risk Assessment

GIGABYTE conducts supplier high-risk assessments on the four aspects of society, environment, governance, and business every quarter based on the tiered supplier management system. Particular emphasis is placed on sanctions over labor, environment, financial transactions and conflict minerals among level 1 and 2 key suppliers (accounting for 32% of all suppliers in 2024); corporate governance evaluation, scope of ESG disclosure, and positive/negative media coverage are also added to the weighted matrix to identify and screen high-risk suppliers for that quarter. The outcomes are provided to the relevant personnel at each BU and subsidiary to ask for supplier improvements. In 2024, the proportion of high risk suppliers dropped from 31% in Q1 to 1% in Q4. Suppliers that made improvements accounted for 62.9% of all suppliers.

Identification framework for high-risk suppliers



Annual identification outcomes



Note: total number of assessments = High risk + Low risk + Xerox risk suppliers. The same number of vendors were assessed on all three occasions.

4.3 Environmental Impact Management for Supply Chain

In addition to setting in-house short-term, long and medium-term management targets for carbon emissions, water use, and waste, GIGABYTE also actively encourages suppliers to pitch in and help minimize the negative environmental impact of the supply chain as a whole. The international trend towards net zero and emerging carbon tariff mechanisms means that reducing trade risk by accelerating the low-carbon transition of products requires cooperating with the supply chain on sharing of environmental protection information, choice of materials, and carbon reduction technology. We continue to invent and track changes in upstream carbon emissions. By building a localized carbon information sharing, circular design, and recycling platform for materials, we hope to effectively track trends in the environmental impact of material flows of the value chain, develop a business for resource recycling and adapt to the net zero transition in the international market

Reduction. Sharing. Love the Earth Alliance

GIGABYTE launched the "333 Reduction Plan" in 2016 and set a target of reducing carbon emissions, water use, and waste by 3% every year. We invited all of our suppliers to join the "Reduction. Sharing. Love the Earth Alliance" and reach the "333 Reduction" targets together with GIGABYTE.

Status of "Reduction. Sharing. Love the Earth Alliance" Initiative

172 suppliers supported the 333 Reduction Plan

80 suppliers provided their reduction performance

39 companies participated in beach cleanup activities.

20 companies conducted tree planting on their own.

69.1% have concrete carbon reduction targets

59.3% have concrete water reduction targets

48.1% have concrete waste reduction targets

"Reduction. Sharing. Love the Earth Alliance" Reduction Performance

After the Alliance was established, GIGABYTE started to investigate the reduction performance of carbon emissions, water use, and waste by each Alliance member in 2018. Every effort made was to practice the Alliance's core value of reduction. Furthermore, with an outline of the overall reduction trends, we can then develop a more practical strategy for the future. In 2024, we continued to track the reduction statistics from the previous year. The subjects of the study were 81 companies, including partner advocates and GIGABYTE itself. The reduction outcomes from 2024 compared to previous years are shown below.

	Emissions Reduction	Water Reduction	Waste Reduction
Rate of Reduction >3%	22	35	37
3%>Rate of Reduction >0	6	9	4

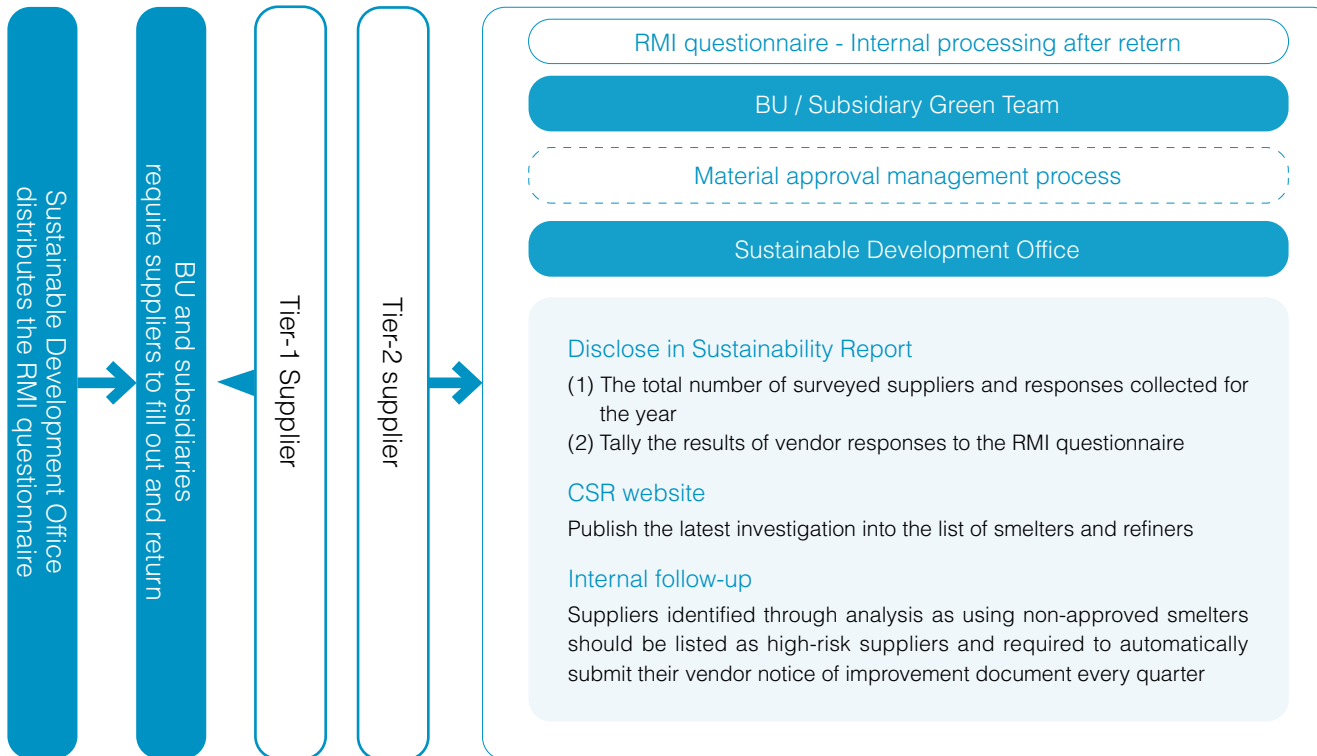
The statistics showed that approximately 34.4% of investigated companies met the carbon reduction target, and over 40% met the water and waste reduction targets. The measures to reach targets included establishing environmental policies, setting concrete targets and timetables for reduction measures, and implementing innovative sustainability-related programs. To be more specific, emission reduction actions taken by most of the suppliers are such as using renewable energy, carrying out sustainable procurement, monitoring the energy efficiency of equipment, and replacing old and energy-consuming facilities; the water use reduction actions involve water recycling and intelligent water monitoring; the waste reductions are realized by reducing packaging, managing manufacturing processes through a product lifecycle's perspective, adjusting parameters to reduce solvent use, etc. In addition, many suppliers actively promote sustainability concepts as part of their corporate DNA and hope that every employee will serve as a guardian of sustainability risks. (For more details on reduction performance, please refer to the [GIGABYTE CSR Website](#))

4.4 Conflict Minerals Management

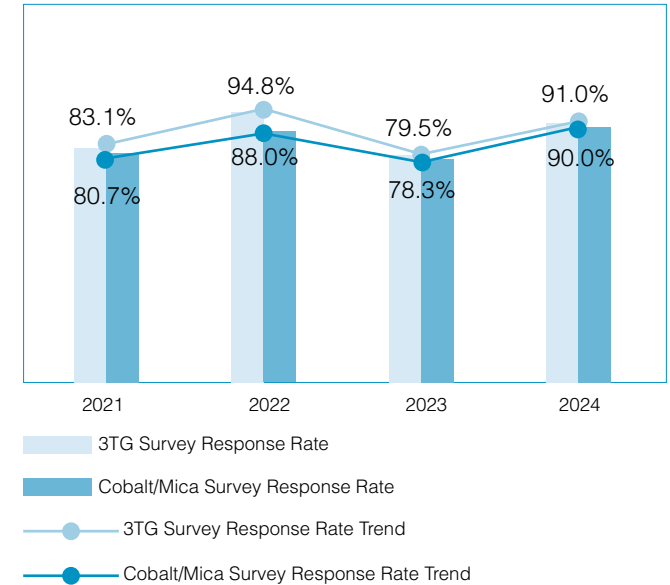
Tin, tungsten, tantalum, and gold (3TG) minerals are indispensable raw materials in electronic products. If these minerals are obtained from areas of forced labor, child labor, or armed conflict, they would be considered conflict minerals that oppress and harm local human rights and living conditions. Therefore, GIGABYTE reference with the Responsible Minerals Initiative (RMI) under the RBA to investigate the use of 3TG minerals by first-tier suppliers and gradually traces the source through the Conflict Minerals Report Template (CMRT6.4 and EMRT 1.3) to further manage raw materials to jointly safeguard human rights and values.

In 2024, GIGABYTE conducted its annual due diligence, achieving an overall response rate of 90%. According to the survey results, GIGABYTE sourced from a total of 483 smelters of 3TG, cobalt, and mica, primarily located in Asia, followed by Europe. Among them, 470 smelters were deemed compliant, accounting for 97.3%. The remaining 13 non-compliant suppliers included 10 related to 3TG and 3 related to cobalt and mica. For suppliers suspected of using non-compliant smelters, immediate discontinuation is enforced if the materials are non-designated. For designated materials, suppliers are required to make improvements or provide alternative sourcing solutions within 90 days, with progress tracked by responsible personnel.

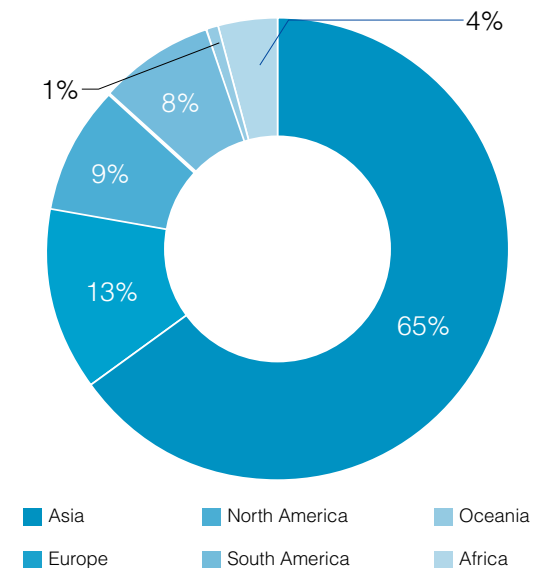
Investigation Process of Conflict Minerals



Conflict Minerals Investigation in the Past Four Years



Geographic Distribution of Smelters and Refiners



3TG Minerals

GIGABYTE identified a total of 352 3TG Minerals smelters in 2024, among which 342 were verified as compliant, resulting in a compliance rate of 97%. In 2024, one supplier successfully removed six non-compliant smelters under GIGABYTE's guidance. The Company continues to monitor and urge the remaining suppliers to implement necessary improvements.

Summary of 3TG Smelter Survey Results over the Past Four Years

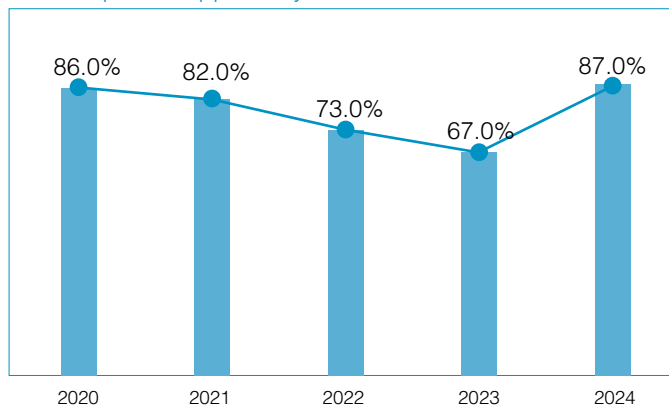
	2021	2022	2023	2024
Number of Compliant Smelters	346	334	264	342
Number of Non-Compliant Smelters	5	10	9	10
Percentage of Compliant Smelters	98.6%	97.1%	96.7%	97.2%

Cobalt and Mica

GIGABYTE identified a total of 131 cobalt and mica smelters in 2024, among which 128 were verified as compliant, resulting in a compliance rate of 97.7%. For the three smelters deemed non-compliant, GIGABYTE has issued improvement requests and confirmed that corrective actions have been implemented.

In 2024, 87% of GIGABYTE's top 100 critical component suppliers by purchasing volume had established conflict minerals management mechanisms, representing a 20% increase compared to the previous year. GIGABYTE will continue to emphasize the importance of responsible mineral sourcing through supplier engagement and compliance requirements, with the goal of expanding implementation across the supply chain and supporting the protection of fundamental human rights.

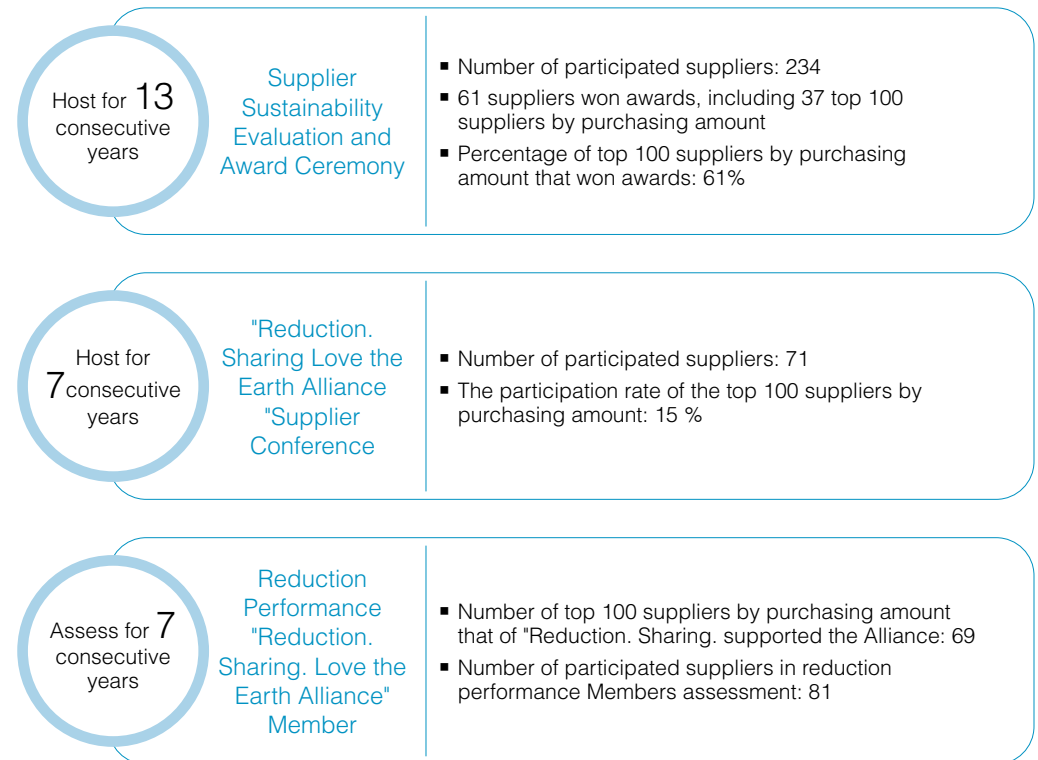
Conflict Minerals Management Implementation Rate among the Top 100 Suppliers by Procurement Value in 2024



4.5 Supply Chain Engagement and Communication

The reinforcement and maximization of impacts from corporate sustainable development depend on inter-connections and cooperation throughout the entire value chain. GIGABYTE reinforces engagement and communication with our supply chain through a variety of channels, such as evaluations, awards, education and training, and alliances. We strive to build a partnership beyond trade relations and realize the core philosophy of "Reduction Sharing. Love the Earth" hand in hand.

2024 Status of Supplier Engagement



Supplier Sustainability Award

GIGABYTE has been conducting annual supplier sustainability evaluations since 2012. The GIGABYTE "Sustainable Supplier Evaluation" process started by asking suppliers to conduct a self-assessment of their performance in 6 key aspects, namely "CSR management", "environmental protection", "labor practices and human rights", "fair trade", "supplier responsibility", and "social/local contribution." A fair and impartial selection process was then carried out by the Supplier Evaluation Team from the Sustainable Development Office on the 4 aspects of completeness, rationality, level of cognition, and level of attention. Outstanding suppliers will be presented with excellent partnership awards at the end-of-year party. GIGABYTE hopes that the annual award presentation will encourage constructive competition between vendors and the pursuit of even more outstanding performance in sustainability.

The theme for the 2024 GIGABYTE Supplier End-of-year Party and Sustainability Award Ceremony was "Taking off with GIGABYTE on Flight Green24 towards Net Zero Future." The theme symbolizes GIGABYTE as a "caption", as it works together with suppliers (passengers) to achieve green production, energy savings, and efficiency enhancements. A stable and sustainable supply chain depends on joint partnerships facing and tackling challenges and opportunities hand in hand. At this event, GIGABYTE also awarded the outstanding suppliers of this year.

In addition to the awards, we also use purchasing to encourage CSR fulfilment by suppliers. In 2024, the purchasing amount from the suppliers participating in the supplier sustainability evaluation accounted for 89%. We will continue to increase our purchasing ratio in the future to give suppliers even more incentive to embrace sustainability and construct a self-sustaining supply chain.



Supplier Conference

GIGABYTE has held Supplier Conferences since 2009, inviting multiple pioneers in sustainability to share their experiences as well as ESG tendency and practical measures with our suppliers, CSR-related personnel, and manager-level employees. Starting in 2018, GIGABYTE has hosted one supplier conference annually, with each year's theme aligned with the latest sustainability developments. Following each conference, practical initiatives are launched, including on-site guidance to support suppliers in building sustainability capabilities.

In response to Taiwan's net-zero transition policies and the gradual implementation of international mechanisms such as the Carbon Border Adjustment Mechanism (CBAM), the 2024 supplier conference was themed "Corporate Net-Zero Transition." Guest speakers were invited to share insights on net-zero trends, regulations, and response strategies. The event was simultaneously held across three locations—Taiwan, Ningbo, and Dongguan—with a total of 71 companies and 107 supplier representatives participating. The conference facilitated in-depth discussions on corporate sustainability. Going forward, GIGABYTE will continue to provide suppliers with sustainability knowledge, updates on international trends, and grievance mechanisms, fostering collaboration and mutual growth.



▪ Reduction. Sharing. Love the Earth Alliance Advocacy

GIGABYTE employees have long been volunteering for environmental protection actions. We also join the academia and industry in supporting related initiatives. Since 2020, supplier partners have been recruited to take part in the "Reduction. Sharing. Love the Earth Alliance" coastal cleanups. GIGABYTE hopes that our supplier partners can join us in paying attention to topics, such as the ocean environment and plastic contamination, and incorporate awareness of such topics into their value chain thinking so we can work together to reduce the environmental impact during our product life cycles.

In 2024, GIGABYTE organized a supplier beach cleanup event, inviting suppliers to participate at the coastal area of Shalun, Dayuan District in Taoyuan—a site GIGABYTE has long been committed to protecting. This marked the fifth "Reduction. Sharing. Love the Earth Alliance" supplier beach cleanup activity. A total of 189 participants joined the event, including 144 representatives from 39 supplier companies and GIGABYTE employees. Together, they removed 1,894 kilograms of waste from the coastline.

Upholding the principle of "Loving the Earth Starts from the Heart," GIGABYTE continues to promote a sustainable supply chain. In addition to strengthening unity through ongoing beach cleanups and tree-planting activities, the Company aims to further expand the impact of the "Reduction. Sharing. Love the Earth Alliance" initiative. GIGABYTE looks forward to more supplier partners joining this alliance to collaboratively build a low-carbon and sustainable value chain.