GIGABYTE

2024 Climate-related Financial Disclosure Report

(Public Version)

Release Date: July 2025

Introduction

We are currently living in an era where the climate is no longer predictable.

In 2024, the global average temperature exceeded the critical threshold of a 1.5°C increase above pre-industrial levels for the first time. As record-breaking high temperatures become the norm, catastrophic extreme weather events have become increasingly frequent—from the 2024 Spanish floods caused by extreme rainfall to the most severe drought in Africa in nearly 40 years. From energy consumption and material supply to logistics operations, the impacts of climate change have long surpassed national borders, bringing companies with unprecedented challenges and pressures across all aspects.

To mitigate climate impacts and promote proactive transformation, international demands for net-zero emissions and climate information disclosures are continuously accelerating. With the successive implementation of sustainability disclosure standards such as IFRS S1/S2, the European Union's CSRD, and the U.S. SEC, enterprises must comply with emerging regulations by undertaking fundamental operational adjustments and strategic transformations to achieve the dual objectives of economic growth and environmental sustainability.

GIGABYTE fully understands that, as a part of the global ICT industry chain, we bear the mission of being responsible for the future. Since 2019, the Company has established a mechanism for the quantification and monetization analysis of climate-related risks and opportunities. Starting in 2020, in accordance with the TCFD framework, the Company has systematically disclosed climate governance, risk identification and management, impact assessment, and the progress of carbon reduction targets in its sustainability report. In 2023, we issued our first independent TCFD report, continuing to strengthen the trust of investors, customers, and the general public, among other stakeholders, in the Company's ESG commitments and climate resilience management capabilities through more transparent and comprehensive information disclosure. In 2024, building upon the existing "Green Action Plan" and "333 Reduction Plan," we actively planned a more comprehensive Group transformation program. This included strategies such as implementing an internal carbon pricing mechanism and constructing our own solar power plants, steadily advancing toward our medium- to long-term carbon reduction targets.

In addition to GIGABYTE's longstanding commitment to high standards of self-discipline, we have also adopted, amid the rapid development of generative AI technology, an open attitude to explore the integration of AI with sustainability strategies. Together with our value chain partners, we are dedicated to leveraging innovative technology to create a greener and more resilient sustainable future for the next generation.

Basis of Compilation

Disclosures in this report are based on the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) issued by the Financial Stability Board (FSB), the Financial Supervisory Commission's "Climate-Related Information for TWSE/TPEx Listed Companies—Risks and Opportunities Presented by Climate Change and the Company's Corresponding Response Measures," and Draft No. S2 of the IFRS Sustainability Disclosure Guidelines on climate-related disclosures.

Date of Release

July 2025

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1. Climate Governance

GIGABYTE has long been committed to reducing the risks of climate change caused by corporate operations. To effectively implement climate-related management and adaptation measures, we have adopted forward-looking management strategies and effective response actions. These initiatives not only enhance operational cost efficiency and increase the green competitiveness of our products but also fulfill our environmental responsibility for climate change mitigation and adaptation.

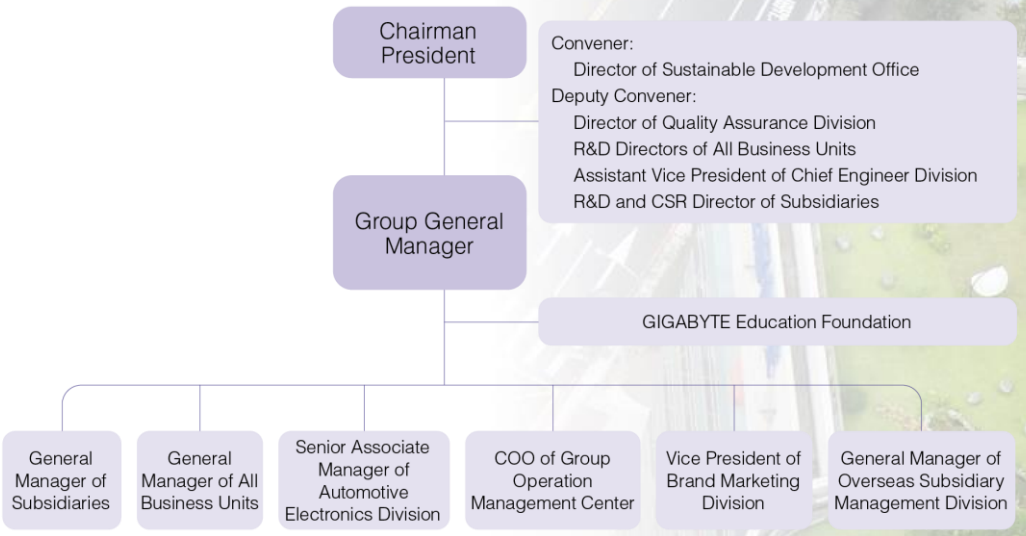
1.1 Board Oversight

GIGABYTE has established the "Corporate Social Responsibility (CSR) Practice Code," which clearly stipulates that the Company's economic, environmental, and social issues arising from operational activities are to be managed by senior executives, as authorized by the Board of Directors, and is required to regularly report the management status to the Board. In 2009, the GIGABYTE Green Sustainable Development Committee was formally established to serve as the highest governance body for climate-related management topics. The Committee is chaired by the Company's chairperson.

The Committee focuses on the Company's overall sustainability strategy, with climate-related issues being one of the key focal points. From climate actions at the Group-wide level to specific implementation methods and strategy formulation extending to the value chain, the Committee plans and establishes indicators to monitor and manage progress. The Committee convenes inter-BU, inter-plant, and inter-subsidiary meetings every one to two months during which organizational representatives report on regulations and trends in sustainability, environmental, and product regulations. Corporate response strategies are also proposed at the same time to ensure timely adjustment of internal policies in response to international developments. Resolutions are submitted to the chairperson every two weeks. Annual outcomes are reported to the Board of Directors so they can evaluate the overall performance of the company at the end of the year.

1.2 Management Hierarchy and Responsibilities

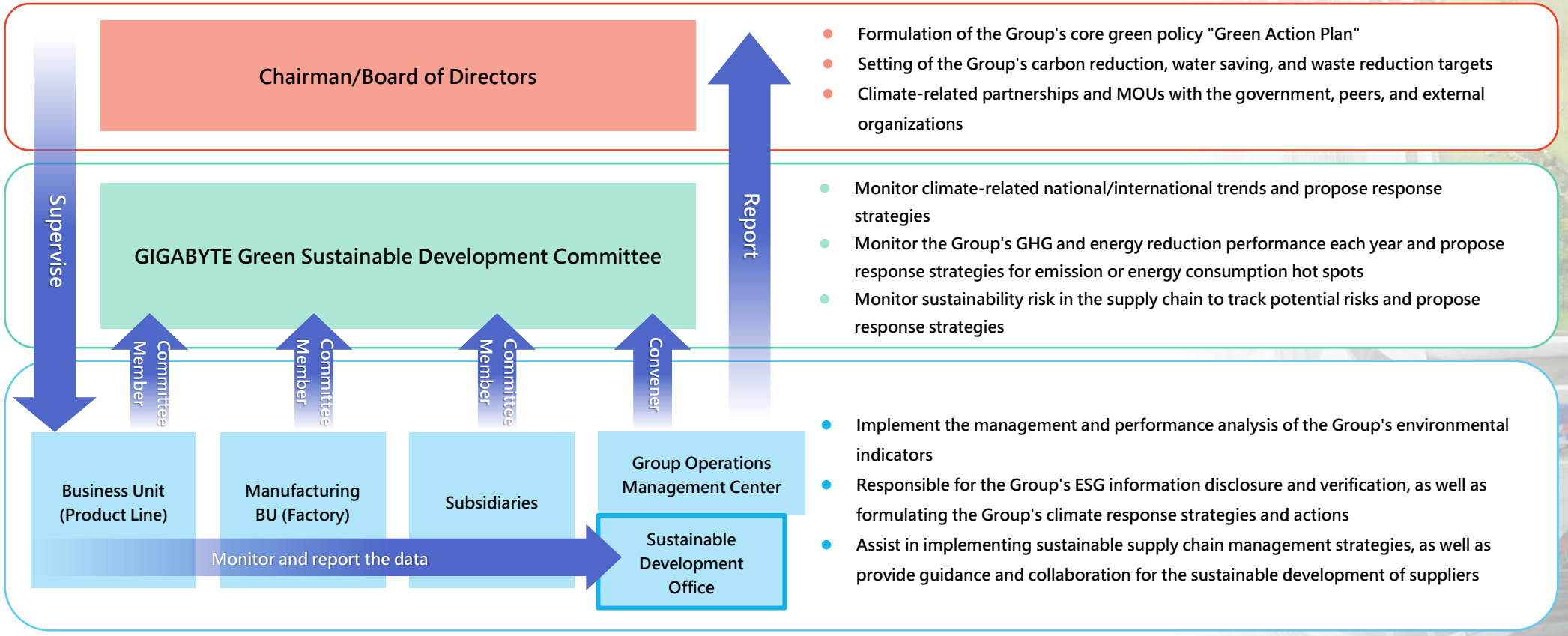
The convener of the GIGABYTE Green Sustainable Development Committee is the head of the Sustainable Development Office. The deputy conveners include the CSR director of the subsidiaries, the head of the Quality Assurance Division, the R&D directors of each business unit, the head of the engineering divisions, and the R&D director of the subsidiaries. The committee members consist of the General Managers of all Business Unit, the General Managers of Subsidiaries, the COO of Group Operation Management Center, the General Manager of Overseas Subsidiary Management Division, the Vice President of Brand Marketing Division, and the Senior Associate Manager of Automotive Electronics Division. The committee members, through regular meetings, track and oversee the implementation status, progress, and performance of climate-related governance policies and measures, and present strategies to the Board of Directors to address potential risks or opportunities. Furthermore, the convening unit of the committee, the Sustainable Development Office, which is under the Group Operations Management Center, reports the progress and outcomes of sustainability and climate-related work to the Chief Operating Officer on a weekly basis.



GIGABYTE Green Sustainable Development Committee

1.3 Executive Role

Effective climate governance relies on continuous and comprehensive monitoring of foundational data and information collection. Each year, product business units, manufacturing business units, central departments, and subsidiaries report climate-related data and information to the Sustainable Development Office. The office then conducts performance analysis of climate indicators, identifies and assesses climate-related risks and opportunities, and continuously updates the results of environmental management within the value chain. In addition to reporting to the Chief Operating Officer, the GIGABYTE Green Sustainable Development Committee, and the Chairman, the office also fulfills its communication responsibilities to external stakeholders.



Structure of GIGABYTE climate governance oversight, reporting, and organizational division

1.4 Incentive Mechanisms for Climate Issues

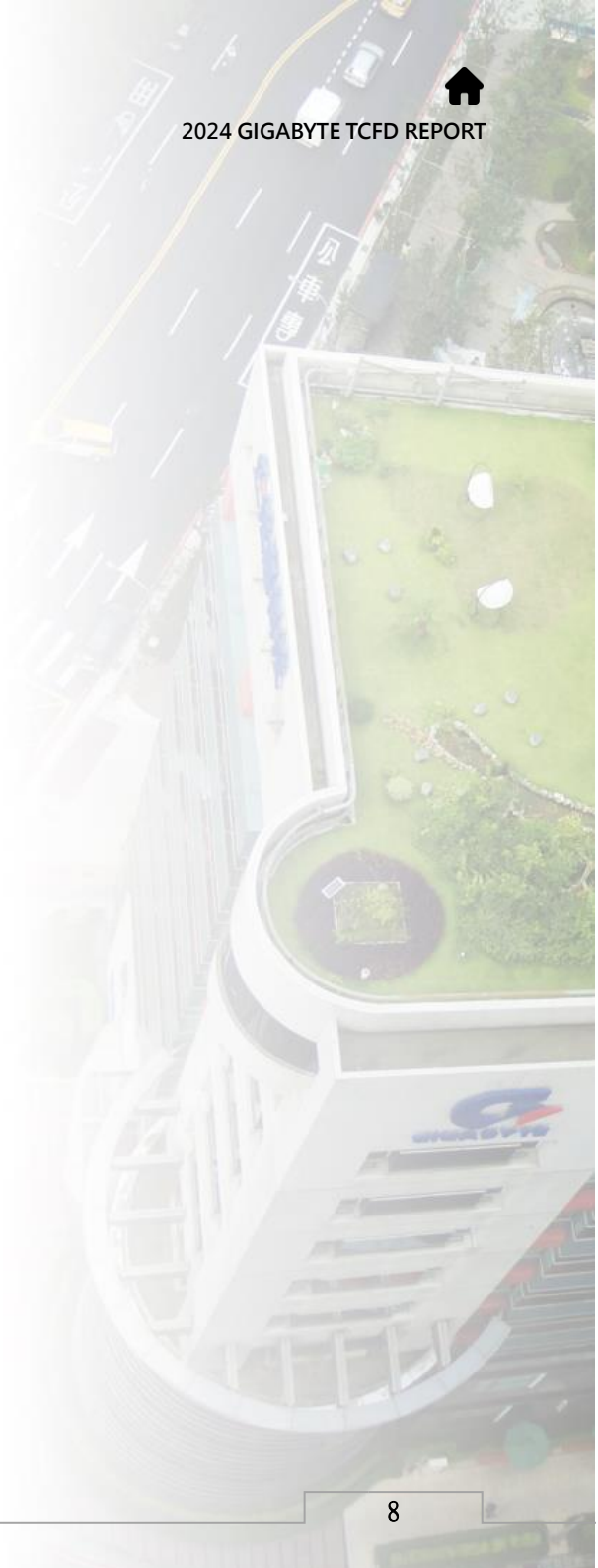
GIGABYTE implements a performance management system to ensure that employees' individual work objectives are aligned with departmental goals and the overall objectives of the company. The company guides its employees in planning their responsibilities and contributions to the company through goal setting, collectively achieving the duties and outcomes at every stage of corporate management.

The Company utilizes an electronic internal performance management system to set individual work objectives (KPI) at the beginning of each year. Progress toward these objectives is regularly tracked mid-year and adjusted as necessary based on actual circumstances. At the end of the year, the achievement of these objectives is reviewed and used as the basis for performance evaluation. The performance evaluation results serve as the basis for human resource decisions such as salary adjustments and job promotions, while also being used to promote employee development and provide necessary interview counseling. Currently, GIGABYTE and its subsidiaries, Giga Computing, G-style, and Bestyield International, have all implemented relevant performance evaluation systems.

GIGABYTE is continuously advancing the phased planning of linking company-wide incentive rewards with sustainable performance at all organizational levels. At the current stage, the primary focus is on implementing the GIGABYTE "Reduction Reward Program." Through the awarding of bonuses, this system encourages all employees within the group to collaboratively develop sustainable and innovative reduction initiatives. The next phase will focus on sustainability issues such as corporate governance, social inclusion, and environmental protection. We will plan various non-financial performance indicators for all levels and departments of the company and incorporate the results into performance evaluations to ensure the tracking of medium- and long-term goals related to climate indicators.

1.5 Cultivation of Climate Awareness and Educational Training

GIGABYTE has organized a series of sustainable development training programs to cultivate risk awareness of climate change and the global trend of net-zero sustainability among employees at all levels. In addition to strengthening internal awareness of climate risks, the company has also further implemented sustainability strategies to enhance its capacity to respond to environmental changes, thereby promoting comprehensive planning and execution of sustainable development. The training program is for personnel from senior directors to frontline executives, with content encompassing key climate-related areas such as climate change risk trends, greenhouse gas inventory, and low-carbon transition strategies. In 2024, GIGABYTE arranged 16 sustainability-themed courses for the Group's employees. The topics included global climate change trends, net-zero trends, and sustainable supply chains, with a total of 458 attendees participating. By increasing the understanding of ESG and corporate operations for employees at all levels, we can explore potential opportunities related to these areas.



2. Identification and Assessment of Climate-related Risks and Opportunities

2.1 Climate-related Risk and Opportunities Assessment and Management Process

Sustainable business operation is founded on comprehensive risk control. GIGABYTE Technology, adhering to the principle of materiality, conducts preliminary identification of climate-related risks and opportunities through its existing risk management processes. Subsequently, managers at the level of department head and above participate in evaluating the impact and likelihood of each climate-related risk and opportunity on the company. Based on the results, a risk and opportunity matrix is created to prioritize these factors. Combining professional expertise and practical experience from relevant departments, the company integrates input from the GIGABYTE Green Sustainable Development Committee, the Financial Department, the Information Security Committee, and the Sustainable Development Office to jointly plan comprehensive control measures and response strategies. For more details on GIGABYTE's risk management and risk topics, please visit the Sustainability Development Website—Corporate Risk Management.

GIGABYTE risk management process

Step 1

Risk Factor Identification

- Consolidate external environmental factors including politics, economics, the environment, and society, and conduct a preliminary assessment of their potential impact on our operations.
- Identify potential risk events related to internal operational factors based on operational processes.

Step 2

Risk Scope Definition

- With consideration of daily operational activity, define the direct and indirect impacts of various risks on stakeholders.

Step 3

Risk Analysis and Assessment

- Assess the severity of the impact on the company and the likelihood of each identified risk factor and further draw a risk matrix to distinguish the level of urgency.

Step 4

Risk Monitoring and Tracking

- Establish responding measures for those issues with higher risk and instruct related units to review and follow-up on the performance of risk management.

2.2 Climate-related Risk and Opportunity

Climate-related issues will not only have a direct impact on the operations of GIGABYTE but will also cause varying degrees of indirect impacts on the entire upstream and downstream value chain. To fully understand the impact of climate-related issues on the company's operational development and the potential opportunities they may create, GIGABYTE follows the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) framework to identify climate-related risks and opportunities. For issues that significantly impact finances, alter operational strategies or business models, and whose effects extend across the value chain, priority is given to planning response strategies and management measures through a risk-opportunity matrix. Additionally, these are reviewed and reassessed annually through climate scenario analysis to increase GIGABYTE's resilience in addressing climate-related risks and opportunities.

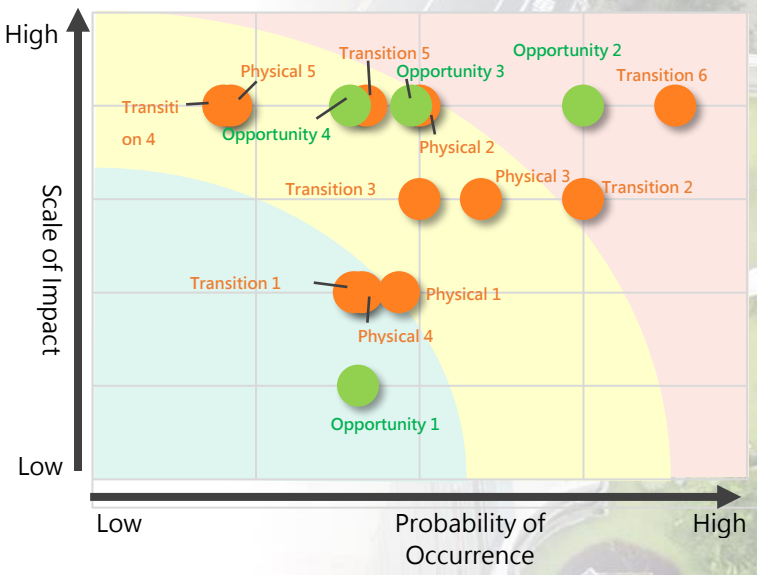
Identification process for GIGABYTE's climate-related risks and opportunities

operational impact		Financial Impact		Definition of Risk Timing	
Upstream	Issues that have a significant impact on key parts and Tier-1 suppliers including raw materials, production capacity, transportation, and personnel safety	Revenue	• Changes in demand for products and services • Changes in market competitiveness	Short -term	Immediate action must be taken as the issue is very likely to have a material impact on the Company's operations or business strategy within 1 ~ 3 years
Operation	Issue has a significant impact on the routine operations of GIGABYTE including office work, energy, production capacity, commuting, distribution and sales, and employee safety	Cost	• Increase in direct costs • Increase in indirect costs • R&D investment in low-carbon transformation technologies	Medium -term	Planning of preventive measures required as the issue is very likely to have a material impact on the Company's operations or business strategy within 3 ~ 5 years
Downstream	Issue has a significant impact on GIGABYTE customers, particularly in terms of preferences, user experience, use cost, and waste disposal	Asset Expenditure	• Replacement and upgrade of energy saving equipment • Investment in low-carbon production processes	Long -term	Variables such as regulation and climate change must continue to be monitored as the issue is likely to have a material impact on the Company's operations or business strategy within 5 ~ 10 years.

Process Stage		Description
Stage 1	Information gathering and sorting	Potential international, regional, and local climate-related risks facing the electronics and technology industries are compiled and then sorted into climate-related risks and opportunities using the TCFD framework as a reference.
Stage 2	Financial Impact Assessment	Evaluate the direct or indirect impacts of the risks and opportunities identified in Stage 1 on GIGABYTE's operational scope and financial aspects in the short, medium, and long term.
Stage 3	Drawing of the Risk and Opportunity Matrix	For climate-related issues identified in stage 2, weighted analysis is employed to derive the likelihood and scale of impact for each risk and opportunity. These are used to draw the risk and opportunity matrix to identify the relative priorities of each issue. GIGABYTE identified 11 climate-related risks and 4 climate-related opportunities in 2024.
Stage 4	Management and tracking of climate risks and opportunities	The GIGABYTE Green Sustainable Development Committee periodically convenes a trans-BU, trans-plant, and trans-subsidiary meeting once every 1 ~ 2 month. A report is presented by each organizational representative on how identified climate-related risks and opportunities are affecting current operations. The implementation outcomes of each policy are also reported and reviewed so that rolling adjustments to strategy can be made as necessary and to provide a reference for decision-making. The Sustainable Development Office continuously monitors potential climate-related risks and opportunities to ensure that the Company has sufficient climate resilience to take on emerging climate risks and opportunities.

Climate-related Risks and Opportunities

Transition Risk		Physical Risk		Opportunity	
Transition 1	Taiwan carbon fee collection mechanism	Physical 1	Increased extreme weather events	Opportunity 1	Improved resource productivity through improvements to process energy efficiency
Transition 2	Group GHG inventory Requirements	Physical 2	Supplier exposure to flood risk	Opportunity 2	Development and expansion of low-carbon products market
Transition 3	Renewable Energy Usage Requirements	Physical 3	Increase in average temperature	Opportunity 3	Diversification of products and business model
Transition 4	International Carbon Border Adjustment Mechanism and Carbon Tariffs	Physical 4	Water shortage risk at operating location	Opportunity 4	Strengthen supplier resilience to co-create value
Transition 5	Sustainable consumption awareness	Physical 5	Supply of critical components impacted by water shortage		
Transition 6	Customer-required disclosures				



2.2.1 GIGABYTE's Transition Risks

Transition 1 Taiwan carbon fee collection mechanism

The Ministry of the Environment plans to implement a carbon fee mechanism starting in 2025. The first group subject to the carbon fee will be major emitters with scope 1 and scope 2 greenhouse gas emissions exceeding 25,000 metric tons. Currently, GIGABYTE's operations in Taiwan do not exceed the 25,000 metric ton threshold, so it is likely that it will only be subject to carbon fees in subsequent phases. However, once formal legislation begins, the imposition of carbon fees will result in additional production costs for operations.

Transition 2 Group GHG inventory Requirements

To strengthen corporate greenhouse gas management and information transparency, the Financial Supervisory Commission issued the "Sustainable Development Roadmap for Listed Companies" in March 2022. It requires listed companies to complete their parent company's greenhouse gas inventory and obtain external verification by 2027. Furthermore, by 2029, their greenhouse gas inventory boundaries must align with consolidated financial reports[1].

A failure on GIGABYTE's part to comply with regulations regarding the implementation of inventory scope and disclosure may result in not only fines from the regulatory authorities, but also a potential impact to the company's corporate image.

Transition 3 Renewable Energy Usage Requirements

The Bureau of Energy issued the "Regulations for the Management of Setting up Renewable Energy Power Generation Equipment of Power Users above a Certain Contract Capacity" in 2021, requiring power users with a contract capacity over 5,000 kW to use or install renewable energy equipment amounting to at least 10% of their contract capacity. GIGABYTE's Taiwan operations have contract capacities below 5,000 kW; however, we expect the regulation will extend its obligatory objective and lower the contract capacities threshold to 800 kW. In this case, both the Nanping Factory and the Headquarters will be subject to these regulations. GIGABYTE has currently begun investing in renewable energy projects to meet future green electricity demands. However, these related projects will incur additional expenses in the short term.

[1] Corporate Governance Center (Jul 12, 2023). Sustainable Development Roadmap (2023–2029). Retrieved from https://cgc.twse.com.tw/responsibilityRoadMap/listEn

Transition 4 International Carbon Border Adjustment Mechanism and Carbon Tariffs

GIGABYTE's primary markets are North America (United States and Canada), Europe (EU), and Asia. If these primary markets begin to implement carbon tariff (fee) mechanisms such as the European Union's Carbon Border Adjustment Mechanism (CBAM) and the United States' Clean Competition Act (CCA), GIGABYTE will face increased carbon costs, which will impact both product sales and profitability.

Transition 5 Sustainable consumption awareness

As extreme disasters and weather events have become more frequent in recent years, meanwhile, awareness of sustainable consumption has also grown. As an ICT brand manufacturer, GIGABYTE considers brand value, market positioning, and consumer preferences to be of paramount importance. As industry peers successively launch products with sustainable concepts, if GIGABYTE fails to promptly adjust its product design and brand marketing strategies to meet consumer expectations for low-carbon and environmentally friendly products, we may encounter brand image deterioration and decreased competitiveness.

Transition 6 Customer-required disclosures

Major international companies have been gradually strengthening their emphasis on climate issues and product management responsibilities for upstream suppliers. In recent years, GIGABYTE has seen a continuous increase in customer requests for ESG assessment questionnaires. If GIGABYTE's products and services fail to promptly respond to customers' demands and expectations regarding sustainability standards, it may not only result in the loss of orders but also negatively impact on the company's reputation and image.

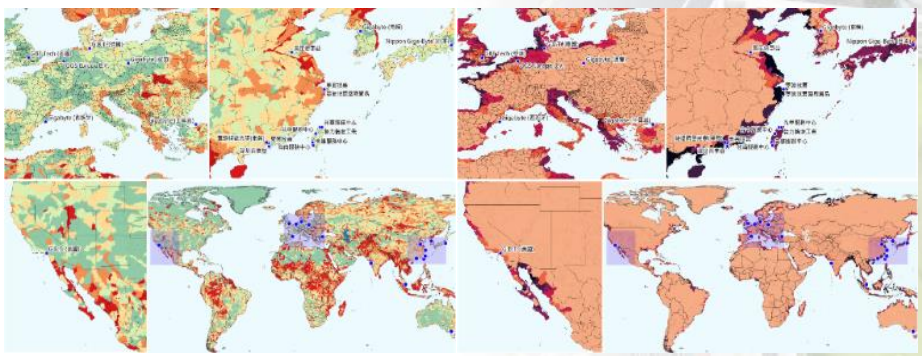
2.2.2 GIGABYTE's Physical Risks

Physical 1 Increased extreme weather events

In recent years, high-intensity typhoons have increased in frequency, and the financial and infrastructure losses caused by each occurrence have also shown an upward trend. In addition to our headquarters and the Nanping Factory, GIGABYTE's Dongguan and Ningbo Factories, as well as many of its component suppliers, are located within the Northwest Pacific typhoon impact zone. Severe typhoon strikes could disrupt operations for the company and factories, result in power outages, pose a safety concern for employees, and affect the stability of supply.

Physical 2 Supplier exposure to flood risk

The majority of GIGABYTE's first and second-tier suppliers are located in coastal cities such as Dongguan and Ningbo in China, as well as in countries such as Thailand and Japan. Since 2019, GIGABYTE has conducted water stress risk mapping and analysis for its global sites and supply chain. The most recent results indicate that the majority of first-tier suppliers are located in areas with moderate to extreme water stress. If the supply chain is disrupted due to flooding events, it will impact and influence procurement costs, production volume, and revenue to varying degrees.



River/sea disaster risk map of GIGABYTE's global operations

Physical 3 Increase in average temperature

Recent years have seen an increase in the frequency of extreme heat. With rising and prolonged heat, GIGABYTE will need to consume more electricity for air conditioning and cooling. In the future, not only will energy costs increase, but there may also be a risk of power shortages caused by peak summer electricity demand and the intermittent nature of renewable energy sources.

Physical 4 Water shortage risk at operating location

Drought events have far-reaching effects on livelihoods, agriculture, and industry. We utilized the Aqueduct Water Risk Atlas to analyze the water resource exposure levels of GIGABYTE's other global operational sites. It was found that the Ningbo factory in Mainland China, as well as the locations of subsidiaries in North America, the Netherlands, the United Kingdom, and Japan, all face medium to high water stress risk. Notably, the North American subsidiary located in California is situated in an area with an extremely high risk of water depletion. Although these droughts have not directly affected GIGABYTE's operations, they may still cause production interruptions and involve post-disaster recovery costs. Therefore, we continue to acknowledge its potential negative impact on operations.

Physical 5 Supply of critical components impacted by water shortage

The key components constituting GIGABYTE products, including printed circuit boards (PCBs), integrated circuits (ICs), and panels, have upstream processes that are highly dependent on the stable supply of water resources. GIGABYTE has identified, based on the Aqueduct Water Risk Atlas, that the regions where its current key component suppliers are located face moderate or higher drought risk. If the risk of water depletion continues to rise, it may affect the stability of supply chain deliveries in the future.

2.2.3 GIGABYTE's Climate-related Opportunities

Opportunity 1 **Improved resource productivity through improvements to process energy efficiency**

Optimizing equipment energy efficiency and regularly reviewing greenhouse gas emissions management not only helps to reduce energy resource costs and proactively address future regulatory risks, thereby lowering compliance costs, but also improves resource productivity. GIGABYTE has been optimizing its energy efficiency on manufacturing processes. All three primary factories have implemented automated production and are undergoing continuous optimization. These efforts not only reduce defect rates but also improve carbon intensity and maximize the utilization of energy resources.

Opportunity 2 **Development and expansion of low-carbon products market**

Increasing climate targets and environmental product standards around the world will lead to increasing competitiveness for energy-efficient and low-carbon products. GIGABYTE has long adhered to principles of high efficiency, energy saving, and durability in the design and development of its products. It is also the world's first motherboard manufacturer to fully implement solid-state capacitors, a technological advancement that has significantly enhanced motherboard stability and extended its lifespan. By continuing to invest in and develop climate-friendly products, we can help consumers and customers reduce energy consumption, postpone the generation of electronic waste, and strengthen our brand value and reputation concurrently, achieving a win-win-win situation beneficial to producers, users, and the environment as a whole.

Opportunity 3 **Diversification of products and business model**

In the era of digital transformation, product features that meet the demands for low carbon emissions, energy conservation, waste reduction, and the promotion of a circular economy are increasingly favored by the market. In recent years, GIGABYTE has actively expanded its presence in emerging markets. With the increasing adoption of cloud computing by businesses and individuals, combined with growing demand in areas such as AI, the metaverse, and autonomous driving, an increased power supply requirement for data centers has also become increasingly important. Effectively managing energy consumption has thus become a new wave of challenges. In recent years, GIGABYTE has focused on developing immersion cooling solutions that can help to increase the energy efficiency of data centers, achieving a win-win goal of energy saving

and performance improvement. Additionally, GIGABYTE's subsidiary, "Bestyield International," specializes in the development of reverse logistics and rental services for electronic products. Through repair, refurbishment, and recycling methods, it is committed to extending product lifecycles. While reducing electronic waste, we are also actively developing more environmentally friendly business models.

Opportunity 4 Strengthen supplier resilience to co-create value

GIGABYTE deeply recognizes the critical importance of supply chain resilience. In response to the extreme climate risks brought about by climate change, we actively optimize our supply chain risk management mechanisms, strengthen climate risk warning and assessment processes, and establish flexible supplier contingency plans to ensure rapid response and maintain supply stability during weather-related disasters. At the same time, through the CSR series courses and supplier conferences, we engage with business partners to discuss strategies and practical approaches for addressing climate risks. Together, we work to mitigate the risk of operational disruptions caused by climate disasters, increase overall supply chain resilience, and create long-term sustainable value.

Summary table of climate-related risks

Risk	Risk Type	Risk Description	Impact Timeframe	Impact and Scope			Degree of Financial Impact	Response Measures
				Upstream	Business Operation	Downstream		
Transition 1	Existing Laws and Regulations	Taiwan carbon fee collection mechanism	Medium-term	Higher production costs	Higher purchasing costs	Impact on product sale price or profits	Moderate	Continuing to monitor climate-related regulations in Taiwan, at present we have implemented measures such as a Sustainability Fund, internal carbon pricing, and carbon source management. We are continuing to develop low-carbon business models to address the impact of rising carbon costs on operations
Transition 2		Group GHG inventory Requirements	Short-term	-	Higher GHG management costs	-	Moderate-to-high	In addition to the existing scope, the inventory scope will be gradually expanded to include all overseas branches or locations, while continuously improving the quality of temperature monitoring data and verification items
Transition 3		Renewable Energy Usage Requirements	Medium-term	-	Higher energy expenditure and energy-efficiency management costs	-	Moderate-to-high	Currently, photovoltaic equipment has been installed in the Taiwan region. In the future, the feasibility of purchasing green electricity externally and constructing photovoltaic plants at overseas factories will be evaluated to continue to increase the Group's green electricity usage
Transition 4	Emerging Laws and Regulations	International Carbon Border Adjustment Mechanism and Carbon Tariffs	Long-term	-	Higher product tax costs	Impact on product sale price or profits	High	Continuously monitoring international climate regulations, we have implemented a carbon footprint calculation and management system and are continuously strengthening carbon management within the supply chain.

Risk	Risk Type	Risk Description	Impact Timeframe	Impact and Scope			Degree of Financial Impact	Response Measures
				Upstream	Business Operation	Downstream		
Transition 5	**Business Reputation**	**Sustainable consumption awareness**	Medium-term	-	Failure to meet consumer expectations will affect product sales	Impact on product sales and revenue	High	Continuously promote ESG and sustainability-related activities, regularly publish sustainability reports and TCFD reports to increase consumer awareness of the company's status in sustainable development. At the same time, actively participate in international sustainability evaluations and achieve excellent results to improve the company's sustainability image
Transition 6	**Market**	**Customer-required disclosures**	Short-term	-	Failure to meet customer requirements will result in lost customers and orders	Impact on product shipments and revenue	High	The company will continue to publish sustainability-related information on public platforms, enabling stakeholders to gain a better understanding of the company's sustainable management strategies. We will also regularly communicate with stakeholders to ensure that the information meets customer disclosure requirements and expectations

Risk	Risk Type	Risk Description	Impact Timeframe	Impact and Scope			Degree of Financial Impact	Response Measures
				Upstream	Business Operation	Downstream		
Physical 1	**Acute**	**Increased extreme weather events**	Short-term	Interruption to supply from suppliers of key parts due to extreme weather events	Interruption to factory production due to extreme weather events	Supplier delivery schedule is affected by extreme weather events, resulting in increased transportation costs and late-delivery penalties	Moderate	Establish the " Risk and Emergency Management Guidelines " according to ISO 14001 and develop management and response measures for typhoons and floods. Ensure material supply stability and risk resilience diversifying the supply chain and dispersing sources
Physical 2		**Supplier exposure to flood risk**	Medium-term	Interruption to supply from suppliers of key parts due to flood risk	Unstable parts supply affects production scheduling, delivery deadlines, and customer trust	-	High	Conduct an annual evaluation of sustainable suppliers to assess their responsiveness to climate change, thereby reducing climate-related potential risks in supply chain management.
Physical 3	**Chronic**	**Increase in average temperature**	Medium-term	The overall increase in energy consumption has led to increased production costs	Increase in electricity consumption from cooling of production equipment and office air-conditioning	Downstream product shipments may be disrupted due to high temperatures	Moderate-to-high	Continue to implement temperature and power management systems in offices and factory areas, gradually phasing out outdated equipment and optimizing equipment energy efficiency

Risk	Risk Type	Risk Description	Impact Timeframe	Impact and Scope			Degree of Financial Impact	Response Measures
				Upstream	Business Operation	Downstream		
Physical 4		**Water shortage risk at operating location**	Medium-term	-	Water resource shortages and drought conditions have caused operational pressures and even interruptions	-	Moderate	The plant area regularly conducts water shortage drills to prepare for stringent water restriction measures resulting from prolonged drought events. Install a water resource recycling system and water storage facilities in the factory. At the same time, continue to promote water conservation to employees in order to reduce unnecessary waste during regular operations
Physical 5		**Supply of critical components impacted by water shortage**	Short-term	Drought conditions are continuing to affect the production of key components, leading to increased procurement costs or potential supply chain disruptions	Unstable parts supply affects production scheduling, delivery deadlines, and customer trust	River or sea freight routes are affected by drought, resulting in higher transportation costs	High	Conduct annual climate risk assessments at supplier locations to evaluate suppliers' responsiveness to climate change. Diversify the supply chain and disperse sources to enhance the stability of material supply and strengthen the resilience of the supply chain against risks

Summary table of climate-related opportunities

Opportunity	Opportunity Type	Opportunity Description	Impact Timeframe	Impact and Scope			Degree of Financial Impact	Response Measures
				Upstream	Business Operation	Downstream		
Opportunity 1	Resource Efficiency	Improved resource productivity through improvements to process energy efficiency	Medium-term	-	Short-term production costs increase, but in the long term, it helps improve energy efficiency and process stability, thereby reducing operating costs	Reduction in product carbon cost reduces the costs borne by or passed onto consumers by importers	Moderate	Currently, an energy production management and monitoring system has been introduced at the Headquarters to increase energy efficiency and achieve optimal allocation of power usage time. Furthermore, the three main production plants will continue to optimize automated processes. This will not only increase process efficiency and reduce defect rates, but also minimize energy and resource waste.
Opportunity 2	Products and Services	Development and expansion of low-carbon products market	Short-term	-	Short-term R&D costs increase, but in the long term, this helps enhance competitiveness and increase revenue	Improvement in product energy efficiency reduces energy costs during use	High	Each year, a portion of the revenue is allocated to the R&D budget, which is invested in the development of high-performance, low-carbon-footprint, environmentally friendly products. The GIGABYTE Green Sustainable Development Committee formulates sustainability strategies and regularly convenes to monitor and supervise their implementation status.

Opportunity	Opportunity Type	Opportunity Description	Impact Timeframe	Impact and Scope			Degree of Financial Impact	Response Measures
				Upstream	Business Operation	Downstream		
Opportunity 3		**Diversification of products and business model**	Medium and Long-term	Customized materials and technical support are provided by suppliers in support of solutions	Increased revenue by creating products and services with higher unit price levels through product diversification	Reduction in energy costs and waste disposal costs during product use	High	Continue to develop high-performance computing servers and reverse logistics services for electronic products, calculate the carbon footprint of all products, publish product environmental reports, and publicly disclose them on the sustainability development website, fulfilling product management responsibilities
Opportunity 4	**Resilience**	**Strengthen supplier resilience Co-create value**	Medium-term	Rigorous supplier selection system and adjustment of order distribution	A risk diversification system ensures that the damage can be promptly contained when a climate disaster occurs at critical suppliers	Reduce customer losses through punctual delivery	High	Conduct an annual "Supplier Sustainability Evaluation Questionnaire" for key suppliers and carry out related climate risk assessments of suppliers. An annual supplier conference is also regularly held, where domestic industry leaders and sustainability experts are invited to share strategies and practical approaches for addressing climate risks

3. Climate Scenario Analysis

GIGABYTE refers to the TCFD's 2020 publication, "Guidance on Scenario Analysis for Non-Financial Companies", to analyze the transitional or physical effects of different future scenarios on its operations or the supply chain. The results are taken into consideration for strategic resilience. The selection of GIGABYTE's climate scenarios is based mainly on the latest scientific assessments conducted by the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC). GIGABYTE's own business developments, changes in the socio-economic conditions of its main operating regions, as well as existing or planned carbon reduction plans are all taken into account to provide a more comprehensive analysis of the financial impacts and changes in timetable due to climate-related risks and opportunities.

Climate Scenario		Scenario Description
Transition Risk	Stated Policies Scenario (STEPS)	Considering only current climate policies that have been implemented by different countries, and without assuming that all targets (including net-zero emissions) will be achieved, the projected temperature increase by the end of the century in 2100 is 2.4°C
	Announced Pledges Scenario (APS)	Considering all climate policies that have been legislated or are under consideration in different countries, and assuming that all governments will fulfill their climate commitments on time, including the net-zero emissions target by 2050 and the NDC targets, the temperature is expected to rise by 1.7°C by 2100
	Net Zero Emissions by 2050 Scenario (NZE)	Aligning with the Paris Agreement to achieve net-zero emissions by 2050, a global temperature rise of 1.5°C by 2100, and meet energy-related Sustainable Development Goals (SDGs)
Physical Risk	SSP1-1.9	Aligned with the highly sustainable socio-economic pathway of the Paris Agreement, the temperature increase is expected to be limited to 1.5°C
	SSP1-2.6	Pursuing a sustainable development path with low emissions in the socio-economic sector, a temperature increase of 1.8°C is expected by the end of the century
	SSP5-8.5	A socio-economic pathway heavily reliant on petrochemical fuels, where countries have not implemented climate policies to limit emissions, is projected to result in a temperature increase of 4.4°C by 2100

Source: IEA "World Energy Outlook 2024", IPCC "Sixth Assessment Report"

3.1 Climate Pathway Selection

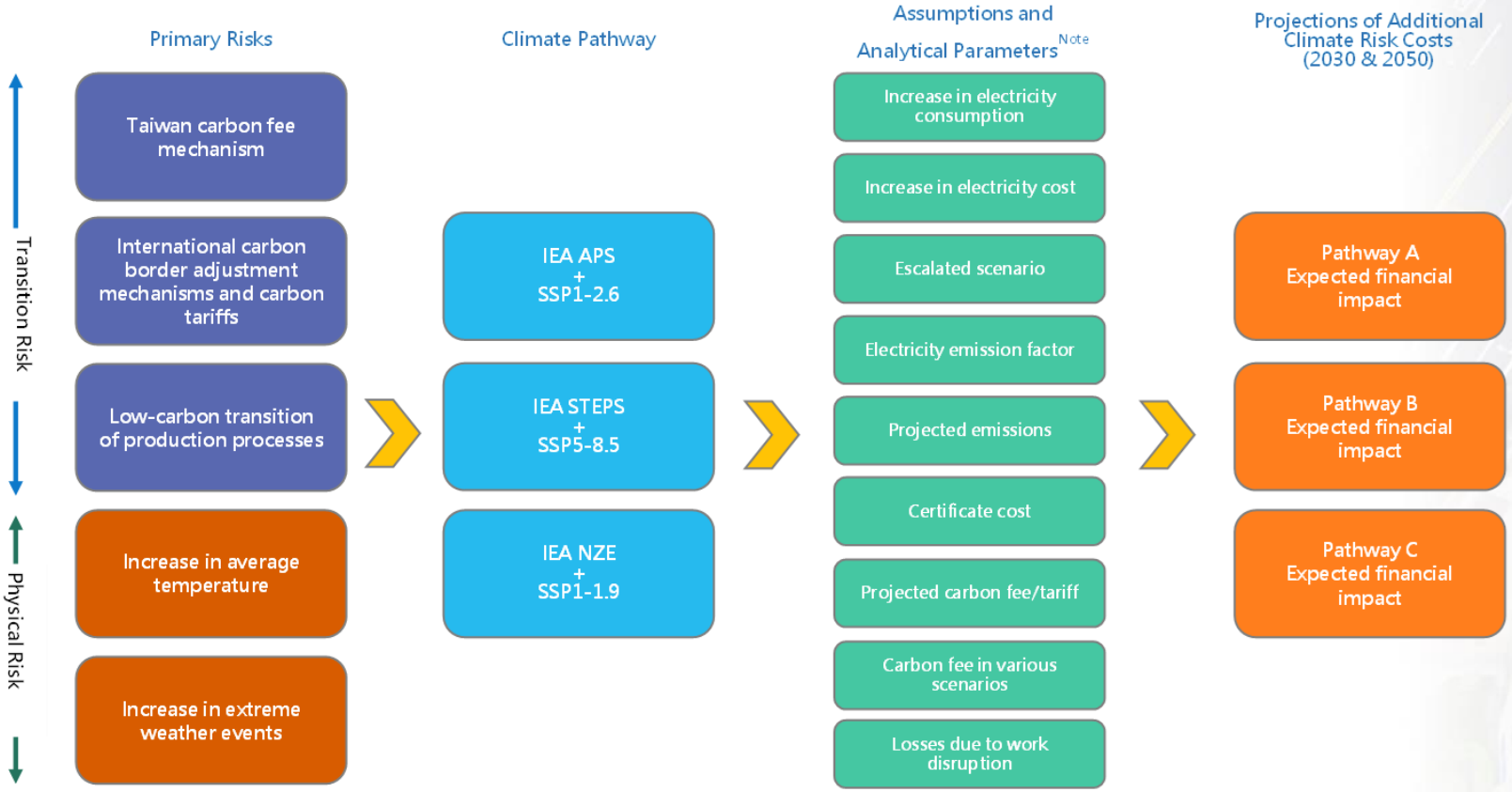
To further understand the potential impacts of different climate scenarios on GIGABYTE, we referred to the climate scenarios mentioned by the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC). GIGABYTE designed three distinct climate pathways: the Middle-of-the-Road Reduction Pathway (A), the Business as Usual Pathway (B), and the Paris Agreement Pathway (C). Depending on the nature of each pathway, the climate strategies and approaches adopted by GIGABYTE will vary accordingly. Under different pathway assumptions and the global policy environment, we explored from multiple perspectives, and the potential financial impact on GIGABYTE at various points in time under different pathway scenarios.

Climate Pathway	Climate Settings	Pathway Description
A. Middle-of-the-Road Reduction Pathway	IEA APS +SSP1-2.6	Maintain steady progress on carbon reduction targets by implementing solar self-consumption and purchasing green electricity/certificates in parallel
B. Business as Usual Pathway	IEA STEPS +SSP5-8.5	Business as usual, pay carbon-related fees as required by law but take no proactive carbon reduction measures
C. Paris Agreement Pathway	IEA NZE +SSP1-1.9	Maintain steady progress on carbon reduction targets by implementing solar self-consumption and purchasing of green electricity/certificates in parallel, actively engage in carbon reduction and set reduction targets aligned with the Paris Agreement pathway

3.2 Climate Scenario Analysis Topics

We first focus on analyzing factors that may impact transition risks and physical risks, exploring the potential impacts and effects they may have on the company under different climate pathways. GIGABYTE is currently facing transition pressures in four main areas. The first is the carbon fee mechanism and other related subsidiary regulations to be implemented under Taiwan's Climate Change Response Act. Secondly, over 90% of GIGABYTE's products are exported. As carbon pricing mechanisms and other environmental regulations are gradually implemented in major international trade markets, we must also consider the potential additional carbon costs that may arise from sales and production. The third type of pressure comes from customers. GIGABYTE has been receiving an increasing number of requests from customers to provide environmental information for products or to adopt carbon reduction measures to achieve a certain percentage of carbon reduction. Finally, the government, industry peers, media, and civil society continue to closely monitor whether GIGABYTE is more actively engaged in transitioning to low-carbon energy. On the other hand, the rise in average temperatures and the increased frequency of extreme weather events caused by climate change have also been included as factors considered in this scenario analysis. The results of the impact assessment on transition risks and physical risks will assist the Group in proactively formulating climate adaptation strategies and achieving increased operational resilience.

Assessment Process



Note:

1. Projections for increases in electricity consumption referred to the IEA's World Energy Outlook 2024 and the Group's electricity consumption trend assessment.
2. Projections for the extent of electricity cost increase referenced the Group's historical electricity costs and the power company's electricity cost adjustment trends.
3. Projections for temperature increases under different climate scenarios referenced the IPCC Sixth Assessment Report, the Taiwan Climate Change Projection Information and Adaptation Knowledge Platform (TCCIP), and regional studies.
4. Projections for electricity emission factors for different regions in subsequent years referenced historical electricity emission factors published by the Energy Administration of the Ministry of Economic Affairs, proportions of renewable energy, and regional studies.
5. Projections for future emissions referred to the Group's operational status and historical emissions pathways.
6. Projections for the purchase price of certificates referenced the National Renewable Energy Certification Center and China's Green Energy Certificate index.
7. Referencing the emissions calculation scope during the transition of the EU's Carbon Border Adjustment Mechanism (CBAM) and integrating IEA's World Energy Outlook 2024, projected emissions from the World Bank's carbon pricing data, and EU ETS prices for each pathway. It is also assumed that electronic products will begin to subject to relevant regulatory control starting in 2030.

Scenario Risk Analysis Items

Scenario Risk Analysis Items	Transition Risk							Physical Risk	
	Existing Laws and Regulations	Emerging Legislation		Technology				Chronic	Acute
Risk items	Taiwan carbon fee collection mechanism	International Carbon Border Adjustment Mechanism and Carbon Tariffs	International Carbon Border Adjustment Mechanism and Carbon Tariffs	Low-carbon transition of production processes				Increase in average temperature	Increase in average temperature
Risk scenario description	Implementation of carbon fees under the Climate Change Response Act in Taiwan	Implementation of the EU Carbon Border Adjustment Mechanism (CBAM)	Implementation of carbon tariffs by North American markets	Building of renewable energy equipment by operating locations	Corporate Power Purchase Agreement (CPPA)	Purchase of renewable energy certificates	Investment in low carbon production processes	Additional power consumption due to higher temperatures	Losses caused by stoppages due to extreme weather events
Climate Pathway									
A Middle-of-the-Road Reduction Pathway	●	●	●	●	●	●	●	●	●
B Business as Usual Pathway	●	●	●	●	X	X	●	●	●
C Paris Agreement Pathway	●	●	●	●	●	●	●	●	●

Note: ● indicates that this item is incorporated into the pathway for analysis; X indicates that this time was not incorporated into the pathway for analysis

3.3 Analysis Results

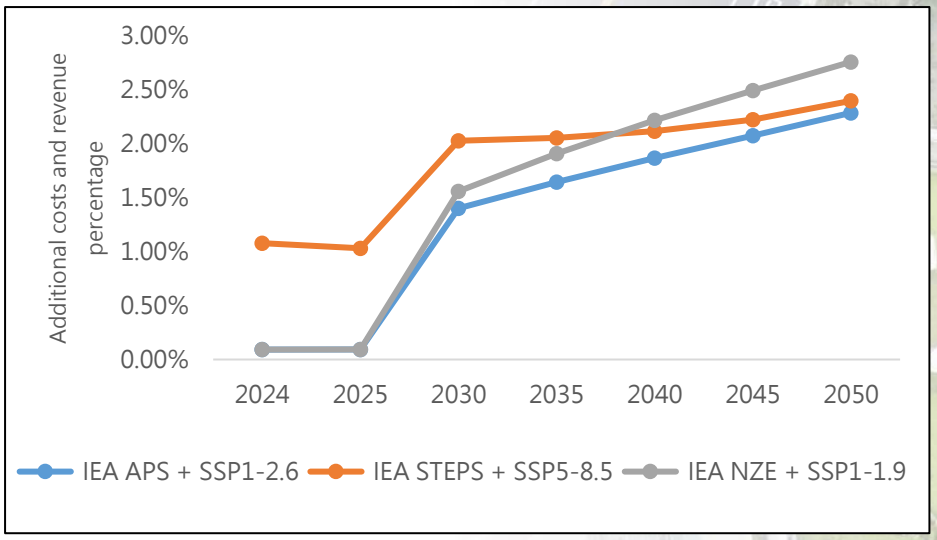
The analysis results indicate that, regardless of the climate pathway, the additional expected costs arising from different transition risks and physical risks show a year-by-year increasing trend. In 2024, the additional costs incurred by the Middle-of-the-Road Reduction Pathway and the Paris Agreement Pathway each accounted for 0.09% of the annual revenue. The Business as Usual Pathway exhibited a relatively greater financial impact, with additional costs accounting for 1.08% of the annual revenue.

Starting from 2025, the additional costs generated by the three climate pathways show a significant annual increase. By 2030, the Middle-of-the-Road Reduction Pathway and Paris Agreement Pathways show the most significant increase, with additional costs accounting for 1.40% and 1.56% of the annual revenue, respectively. By 2050, the Paris Agreement Pathway will have the greatest financial impact on GIGABYTE, where additional costs will account for 2.76% of the annual revenue. This is followed by the Business-as-Usual Pathway at 2.40% and the Middle-of-the-Road Reduction Pathway at 2.29%.

Further examination reveals that additional costs primarily derive from the transition risk of operations. GIGABYTE anticipates that within the next 5 to 10 years, it will begin to face the impacts of the EU Carbon Border Adjustment Mechanism, the imposition of carbon tariffs in the North American market, increased demand for the Group's green electricity and certificates, as well as expected increases in carbon pricing. Consequently, starting from 2025, the additional costs incurred annually from each of these factors will begin to show a more noticeable increase.

Expected additional cost of total financial risk and proportion of revenue under different climate scenarios

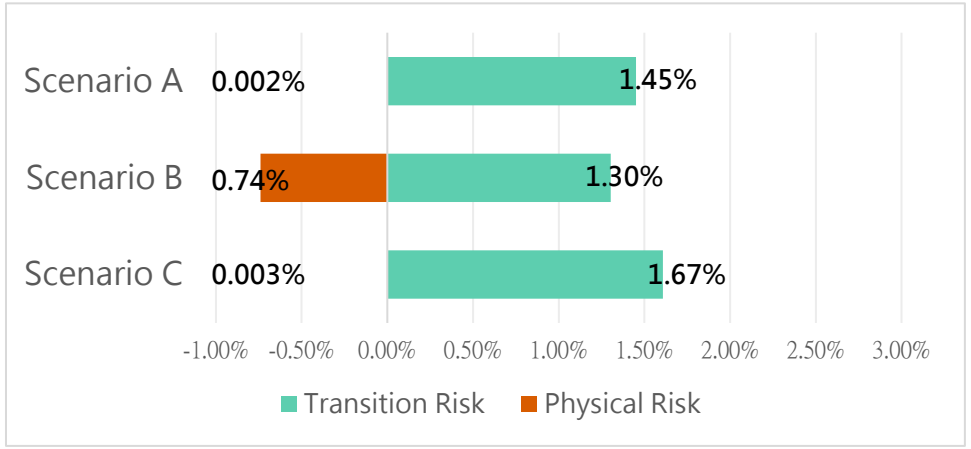
Climate Scenario	Climate Settings	2024	2030	2050
A Middle-of-the-Road Reduction	IEA APS +SSP1-2.6	0.09%	1.40%	2.29%
B Business as Usual	IEA STEPS +SSP5-8.5	1.08%	2.03%	2.40%
C Paris Agreement	IEA NZE +SSP1-1.9	0.09%	1.56%	2.76%



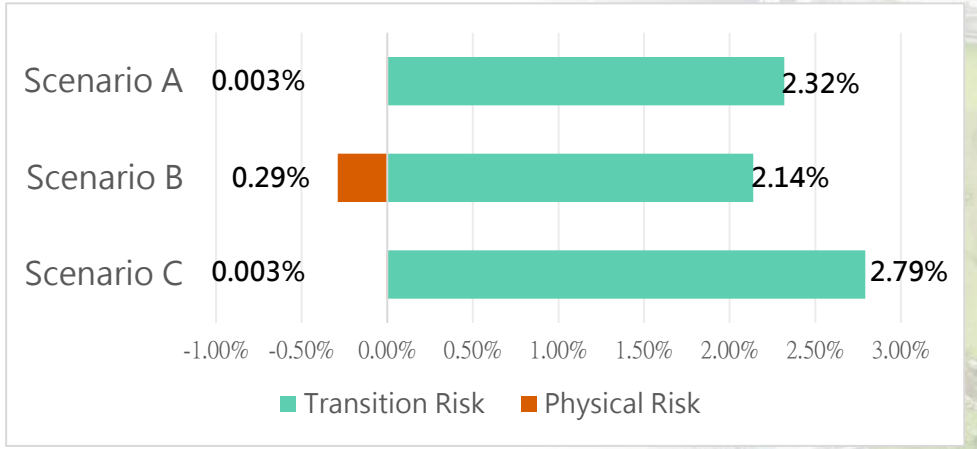
From the perspective of transition risk, GIGABYTE will experience the most significant financial impact under the Paris Agreement Pathway. The additional transition costs and revenue percentage derived from this pathway will increase from 1.67% in 2030 to 2.79% in 2050. We have determined that the Paris Agreement Pathway exhibits a higher rate of electricity consumption increase and higher international carbon pricing compared to the other two climate scenarios during the transition process. This results in the Paris Agreement Pathway incurring significantly higher additional transition costs at both the mid-term (2030) and long-term (2050) milestones compared to the other two climate pathways.

Regarding physical risks, we assumed a work disruption scenario combined with the frequency of extreme climate disaster events under different climate pathways to estimate potential losses in the event of future disasters. Furthermore, we projected the possible annual increase in physical risk costs by setting aside disaster contingency reserves. Under the Business as Usual SSP5-8.5 scenario, the frequency and intensity of extreme weather events will be greater than those in the other two climate scenarios. Therefore, we observed that under the Business as Usual Pathway, the proportion of additional physical risk is consistently higher is higher than that of the other two climate pathways at any point in time.

Additional Transition/Physical Costs and Revenue Percentage at Different Time Points



Medium-term
(2030)



Long-term
(2050)

Note: The primary reason for the physical risk in 2050 being lower than in 2030 is the expected revenue growth, rather than a reduction in additional physical costs.

3.4 Climate Resilience Strategies and Adaptation

Summarizing the analysis results of three climate pathway scenarios, in the face of all currently implemented or under-discussion climate-related regulation in Taiwan, as well as carbon pricing mechanisms implemented by major sales markets due to their regional climate targets, GIGABYTE will experience a certain degree of financial impact and disruption under any one of the climate scenarios. Therefore, based on the assessment results, we propose the following corresponding climate risk response measures:

(1) Through regular cross-departmental and subsidiary sustainability meetings, we continue to promote reduction management measures as well as risk adaptation assessments and tracking. This ensures that the Group can better grasp the impact of climate risks on operations and proactively develop preparation and response procedures.

(2) In the product manufacturing process, we utilize the Group's carbon emission information platform to assess product carbon footprints and track carbon emission hotspots, as well as to establish product carbon reduction pathways and optimization plans. At the same time, we implement measures such as accelerating the replacement of energy-saving components in testing machines and updating production line equipment. We dedicate effort to improving process optimization and reducing greenhouse gas emissions, aiming to mitigate the future financial impact of carbon-related taxes.

(3) We continue to evaluate the possibility of the Group constructing its own solar power equipment and energy storage facilities in order to gradually reduce reliance on petrochemical fuels or coal-fired electricity.

(4) At the current stage, the " Risk and Emergency Management Guidelines " and "Emergency Response Measures" have been established in factories according to ISO 14001. Regular disaster drills are conducted to enhance personnel ability to respond to emergencies and to cultivate relevant disaster prevention awareness. This is to ensure that operational losses are minimized in the event of a disaster.

The aforementioned analysis results and response strategies integrate GIGABYTE's climate governance, strategy, and risk management, combined with the Group's own indicators and targets from the "Green Action Plan" and the "333 Reduction Plan." We will continue to monitor trends in climate risk changes, rigorously assess the Group's resilience in facing climate risks, and shift toward a more sustainable operating model.

4. Risk and Opportunity Management Measures

GIGABYTE upholds the corporate mission of "Upgrades your life," establishing four CSR visions: zero waste and zero pollution, low-carbon technology transition, leader of sustainability and circular economy, and realization of humanistic value. Climate change is one of the most critical issues for GIGABYTE. We continue to adopt a product life cycle perspective and are committed to mitigating the potential impacts of our organizational operations, product design, manufacturing, and value chain activities on the ecological environment and global warming.

4.1 Operational Aspect

Sustainability Fund

In 2019, GIGABYTE launched the "Sustainability Fund" and the six-year "Reduction Reward Program", which aim to allocate funds annually from the previous year's resource cost savings to encourage innovative reduction efforts in the operational, product, and project aspects. The "Reduction Reward Program" includes four types of rewards: an energy saving equipment bonus, factory reduction reward, reduction proposal reward, and low-carbon product reward.

In October 2019, GIGABYTE initiated applications for reduction and low-carbon product proposal rewards. As of 2024, a total of 11 rounds has been conducted and 380 proposals submitted. In 2024, a total of 147 participants were involved, with a total of 54 cases submitted. The proposal has been reviewed, and awards will be granted based on the significance of the reduction scale, feasibility, and the quality of the proposal. The award rate for 2024 was 61.1%, representing an increase of 14.4% compared to the previous year. Outstanding reduction proposals will continue to be expanded and applied in the workplace, with ongoing monitoring of their implementation status.

As part of the qualification review process for reduction and low-carbon product rewards, "shadow carbon pricing" was introduced as an internal carbon pricing mechanism. This primarily addresses proposals related to external carbon cost risks that GIGABYTE may face in the future, including scope 1 and scope 2 emissions, as well as the carbon content of packaging and materials. Incorporating carbon pricing into cost-benefit analyses helps to reflect the true benefits and values of these proposals. We currently set a carbon price of USD 50 per metric ton based on climate regulations and environmental taxes where we operate, carbon trading market prices in major trade regions, and price levels adopted by industrial peers.

※ For updates on the performance of the Sustainability Fund and rewarded proposals, please refer to the GIGABYTE CSR Website—Green Initiatives.

Tree Planting Action

The GIGABYTE G-HOME Sustainable Eco-roof was launched in 2013 with the spirit of "Returning trees to the planet," with the belief that planting trees is one of the best and most effective ways to be environmentally friendly and protect the planet. Since then, tree planting actions have been promoted through various channels, including opening G-HOME to visitors, Green Action projects, supplier conferences, supplier sustainability assessments, and brand marketing activities, aiming at both internal and external stakeholders.

The Plant-for-the-Planet Foundation in Germany is a non-profit organization supported by the United Nations Environment Programme (UNEP) that is dedicated to raising global environmental awareness through tree-planting action. From 2017 to 2020, GIGABYTE collaborated with the Foundation for the first time on the "Make Earth Green Again" project, which aimed to plant 75,000 trees globally. We collaborated again with the Foundation at the end of 2022, committing to planting 12,500 trees per year over the next five years (2023–2027). We also retired certified carbon credits and sponsored global programs each year aimed at cultivating "Climate Justice Ambassadors" through children's empowerment and education. In 2024, GIGABYTE retired a total of 2,500 metric tons of CO_2 equivalent carbon credits through the internationally recognized "Gold Standard" platform's verified emission reductions (VERs). This action demonstrates the Company's proactive commitment and long-term dedication to environmental responsibility.

GIGABYTE has also adopted reforestation land in Pinglin District of New Taipei City since 2020. We plant native tree species to purify the air and provide nectar, increasing green cover and conserving water resources. To date, GIGABYTE has planted over 100,000 trees in Taiwan and globally. Our goal is to connect with a diverse group of international and domestic partners to work towards a better future for the planet.

A Review of Reforested Land by GIGABYTE in Pinglin District

※ For more information on GIGABYTE's tree planting collaboration with the Plant-for-the-Planet Foundation, please visit GIGABYTE CSR Website—Make Earth Green Again. For records of GIGABYTE's tree planting activities, including dates, locations, and participants, please refer to GIGABYTE's Tree Map.

4.2 Product Aspect

Product Carbon Footprint Database and Calculation Platform

As a part of its ongoing efforts to reduce carbon emissions, GIGABYTE has built upon its experience with PAS 2050 and implemented a comprehensive carbon footprint calculation system in 2017. The system simplifies the calculation of product carbon footprints, enabling researchers to easily review a product's emissions at various stages in its lifecycle.

Product Lifecycle Impact Analysis and Disclosure

With the launch of the product carbon footprint calculation system, GIGABYTE has been releasing "Product Environmental Reports" for its main product lines on its CSR Website. By providing consumers with a better understanding of the environmental characteristics of the products, they can act as overseers of green products and implementers of green consumption, proactively recycling and collaborating with GIGABYTE to protect the environment. A total of 95 Product Environmental Reports have been published by GIGABYTE since 2018, with the latest versions updated to the third edition. Each version update aims to continuously expand the scope of product environmental impact analysis and disclosure.

◆ Versions of GIGABYTE Product Environmental Reports

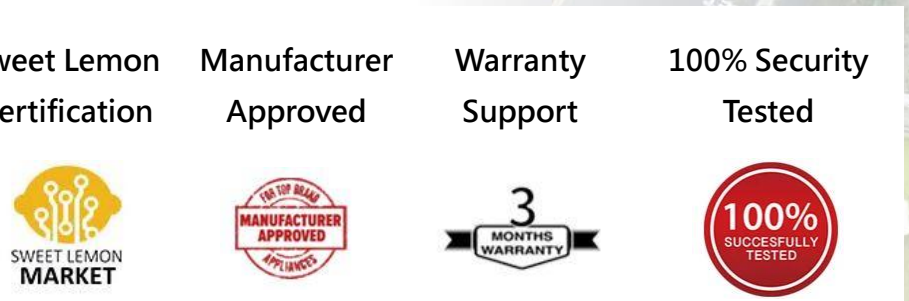
Version	Year Adopted	Disclosed Environmental Impact (based on EU Product Environmental Footprint (PEF))	Other Information
V. 1	2018	3 impacts: greenhouse gases, suspended particles, terrestrial/aquatic acidification	
V. 2	2019	12 impacts: climate change, ionizing radiation, particulate matter, ozone depletion, photocatalytic ozone formation; mineral, fossil, and raw resource depletion; acidification, freshwater eutrophication, terrestrial eutrophication, freshwater ecotoxicity, human toxicity (cancer effects), human toxicity (non-cancer effects).	
V. 3	2020	16 impacts: climate change, particulate matter, ozone depletion, water use, freshwater eutrophication, marine eutrophication, resource use (energy carriers), resource use (minerals and metals), land use, terrestrial eutrophication, photochemical ozone formation, acidification, freshwater ecotoxicity, human toxicity (cancer effect), human toxicity (non-cancer effect), ionizing radiation	Composition and recycling ratios of the materials used in the product and packaging.

※ For more information on the product carbon footprint calculation platform, product lifecycle analysis, and Product Environmental Reports, please visit GIGABYTE CSR Website—Extended Product Responsibility.

Circular Economy Business Model for Electronic Product

As an ICT manufacturer, GIGABYTE is dedicated to reducing electronic waste. In 2018, GIGABYTE established a subsidiary "Bestyield International" at its Taiwan service center. It provides repair services for motherboards, servers, communication electronics, automotive electronics, industrial computers, and reverse logistics solutions for the IT industry, including recycling, repair, refurbishment, and reuse, as well as certifications for the warranty and quality of refurbished products. The goal is to extend the lifetime of electronics and components. Bestyield International's circular economy model obtained a BS8001 certificate for the maturity and optimization of its business model and, in 2022, won the Outstanding Innovative Service Award at the 3rd Taiwan Circular Economy Award.

In 2024, Bestyield International collected a total of 479,000 pieces for repair or disposal, of which 99.1% were repaired and reused. This effort resulted in a reduction of approximately 825.17 metric tons of e-waste, thereby helping to avoid 107.27 metric tons of carbon emissions associated with e-waste disposal.



Refurbished product warranty and quality assurance certification established by Bestyield International

※ For more information on Bestyield International's circular economy business model, reverse logistics services, rental services, and more, please visit the official website of Bestyield International.

4.3 Supply Chain Aspect

Supplier Sustainability Evaluation

Since 2012, GIGABYTE has held the Supplier Sustainability Award every year to encourage suppliers to balance their operations and ESG performance. We provide our suppliers with a "Sustainability Self-Assessment" questionnaire every year that covers six major aspects: CSR management, environmental protection, labor practices and human rights, fair business practices, supplier responsibility, and contributions to society and the local community. The principles of "completeness", "rationality", "level of cognition", and "level of attention" are then integrated to conduct a comprehensive assessment, and outstanding suppliers are recognized and presented with an excellent partner award during the suppliers' end-of-year party. Since 2012, we have held 13 sessions of the sustainability awards ceremony.

GIGABYTE prefers to maintain long-term and stable partnerships with suppliers who perform well or actively participate in the evaluation. By continuously increasing the proportion of suppliers participating in the sustainability evaluation, we aim to create a more sustainable cooperation model together with our suppliers.

Six evaluation aspects for GIGABYTE supplier sustainability evaluation

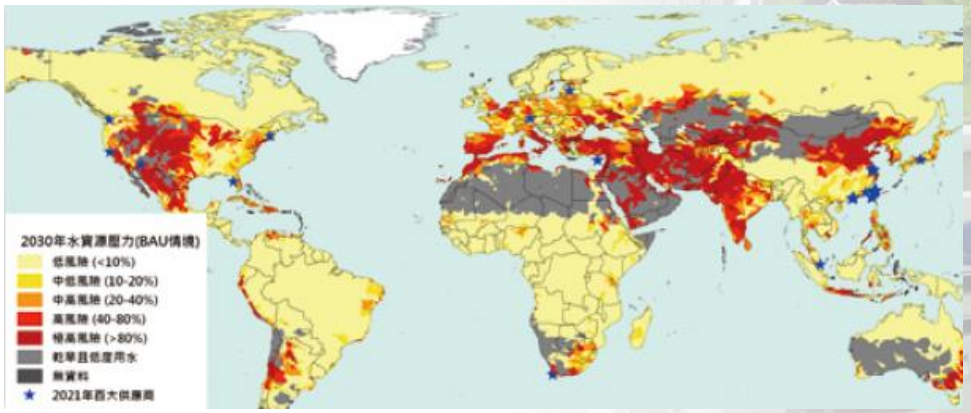
333 Reduction Initiative for Suppliers

In 2016, GIGABYTE launched the "333 Reduction Plan", aiming to reduce carbon emissions, water usage, and waste by 3% every year. Furthermore, we actively invited our suppliers to join the "Reduction. Sharing. Love the Earth Alliance" to collectively achieve the "333 Reduction" targets with GIGABYTE. Since 2018, we have conducted the "Supplier Sustainability Evaluation Questionnaire" every year to investigate the Alliance members' progress in reducing emissions, water usage, and waste. By mapping overall reduction trends, this effort aims to uphold the Alliance's core values and develop more practical future strategies.

※ For more information on GIGABYTE's "Reduction. Sharing. Love the Earth Alliance" and sustainable supply chain management measures, please visit the GIGABYTE CSR Website—Tetralogy of Supply Chain Engagement.

Water Stress Mapping for Supply Chain

In 2019, GIGABYTE adopted the GIS technology of the World Resources Institute's Aqueduct Water Risk Atlas for the first time to analyze the water resource exposure levels at the locations of its top 100 suppliers. The analysis results were updated in 2024 with the latest version of Aqueduct 4.0. The findings revealed that most upstream suppliers are located in areas with medium-to-high water stress risks. As a result of this insight, we are able to better communicate with suppliers about potential water-related risks each region may face and that could indirectly affect supply stability, such as water disasters, water shortages, and regional water regulations. The most recent analysis examined the top 100 suppliers, ranked by procurement amount, in 2023. The group accounts for 75.2% of the total procurement amount.



Water Stress Mapping for Supply Chain

5. Performance Metrics and Targets

5.1 Climate-Related Management Target

When launching the "Green Action Plan", GIGABYTE set our greenhouse gas management target at the first time. The emissions scope covers the Headquarters and all major manufacturing facilities. Subsequently, to enhance reduction performance and align with international trends and initiatives, the Company extended its analysis and evaluation to develop additional emission reduction targets. Each year, we assess the progress and gaps for all targets to evaluate the communication and effectiveness of reduction measures. This section primarily employs greenhouse gas emissions as an indicator. For comprehensive environmental management performance details, please refer to the "2024 GIGABYTE Sustainability Report".

Green Action Plan Target

Initially, the "Green Action Plan" established a long-term carbon reduction target for Scope 1 and Scope 2 emissions of a "50% reduction by 2030 from the 2009 baseline". Considering the increasing global emphasis on corporate carbon management in recent years, and to keep pace with related initiatives, the original target year was revised and advanced to 2025 in 2020. Specifically, the target is now a "50% reduction by 2025 from the 2009 baseline".

333 Reduction Plan Target

In addition to the long-term emission reduction target, GIGABYTE has implemented the "333 Reduction Plan" since 2016, which aims to reduce carbon emissions, water usage, and waste generation by 3% annually. GIGABYTE considers this as a short-term target because resource consumption is easily impacted by numerous factors, including fluctuations in the market, changes to product mixes, and personnel turnover. By setting a short-term target, we can increase our control over energy resources and appropriately implement flexible allocation and management.

Alignment with Science-Based Emission Reduction Pathways (Under Development)

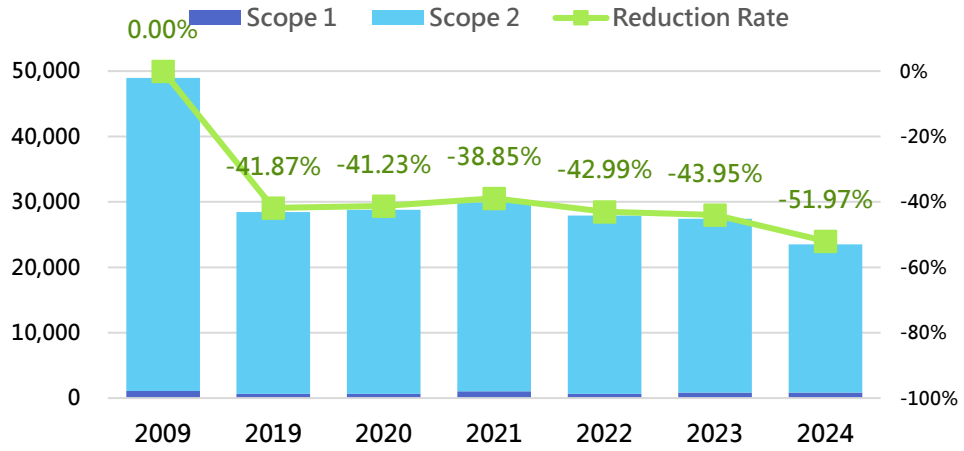
GIGABYTE has been closely monitoring the developments of the Science-Based Targets initiative (SBTi) since 2017 and has referenced its methodology to estimate GIGABYTE's science-based target pathway. In response to the growing international demand for carbon reduction standards, GIGABYTE, between 2021 and 2022, referred to the SBTi 1.5°C pathway methodology and updated its preliminary calculations to set a target of reducing emissions by 63% by 2035 compared to 2020. This objective also serves as the primary basis for GIGABYTE to establish its next medium- to long-term objective.

◆ Comparison of GIGABYTE's greenhouse gas targets

Objective	Short-term Target	Medium and Long-term Targets	
	333 Reduction Plan	Green Action Plan	Align with SBTi Emission Pathway
Established Year	2016	2010	2022
Base Year	Previous year	2009	2020
Target Year	Current year	2025	2035
Target	Reduce absolute emissions by 3% annually compared to the previous year	Reduce absolute emissions by 50% by the target year compared to the base year	Reduce absolute emissions by 63% by the target year compared to the base year
Achieving Progress to Date	In 2024, absolute emissions were reduced by 14% compared to 2023	In 2024, absolute emissions were reduced by 51% compared to 2009	Continue to develop emission reduction pathways that align with SBTi targets and integrate them with medium and long-term targets
	Standard met	Standard met	-

5.2 Scope 1 and Scope 2 Greenhouse Gas Emissions

GIGABYTE conducts annual ISO 14064-1 greenhouse gas inventory to review organizational emissions. Each facility reports energy-saving and emission-reduction measures to the Group's Sustainable Development Office of the Group Operation Management Center annually. The Headquarters consolidates this data, analyzes performance, and manages organizational emissions. In 2024, greenhouse gas emissions decreased by 51.9%[1] compared to the base year, and by 14.3% compared to the previous year. Moving forward, efforts will continue to promote the tracking of and reduction strategies for greenhouse gas emissions.



Scope 1 and scope 2 greenhouse gas emissions

GIGABYTE Scope 1 & 2 Emissions

Greenhouse gas emissions[2] (metric tons - CO_2e)	2021	2022	2023	2024
Scope 1	1,063.52	627.81	832.86	824.73
Scope 2	28,874.43	27,283.64	26,606.40	22,687.85
Gross Scope 1 and 2	29,937.95	27,911.44	27,439.26	23,512.58
Reduction rate compared to 2009	-38%	-42%	-43%	-52%
Unit revenue emission intensity[3] (metric tons CO_2e/ TWD$ million)	0.25	0.26	0.20	0.09

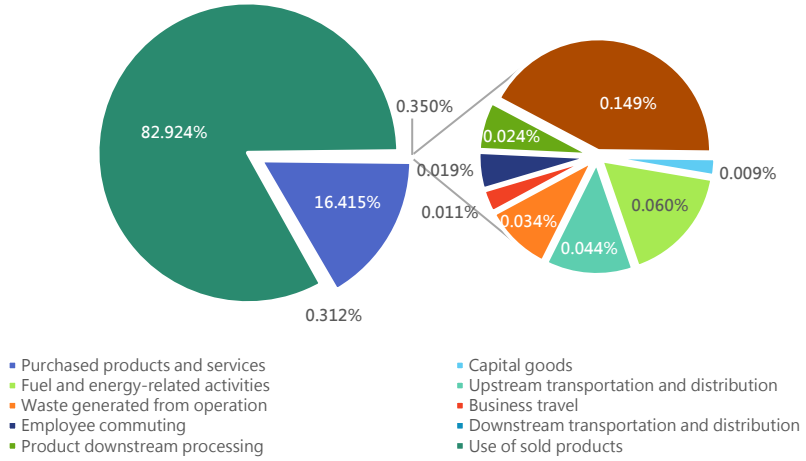
Note 1: Due to the decrease in the updated 2022 electricity emission factor released in 2024 by China's Ministry of Ecology and Environment and the National Bureau of Statistics, in 2024 GIGABYTE achieved its target of reducing Scope 1 and Scope 2 emissions by 50% compared to the 2009 base year ahead of schedule.

Note 2: Using the Global Warming Potential (GWP) from the IPCC Sixth Assessment Report, the greenhouse gases calculated include carbon dioxide (CO2), methane (CH4), nitrous oxide (N2O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF6), and nitrogen trifluoride (NF3).

Note 3: Only accounts for Scope 1 and Scope 2 emission

5.3 Scope 3 Greenhouse Gas Emissions

GIGABYTE has been conducting scope 3 greenhouse gas inventories since 2013, gradually expanding the inventory items annually based on materiality to gain a more comprehensive understanding of its greenhouse gas emissions. As of 2019, the scope was expanded to include an inventory of 11 relevant categories. Since 2021, six categories identified with medium to high materiality have been verified by a third party in accordance with ISO 14064-1, including purchased goods, business travel, employee commuting, waste generated from operations, product usage phase, and end-of-life treatment of sold products. The results of the scope 3 greenhouse gas inventory are transparently disclosed annually in the sustainability report and on the Company's CSR Website.



Proportion of GIGABYTE's scope 3 greenhouse gas emissions in 2024

GIGABYTE Scope 3 Emissions

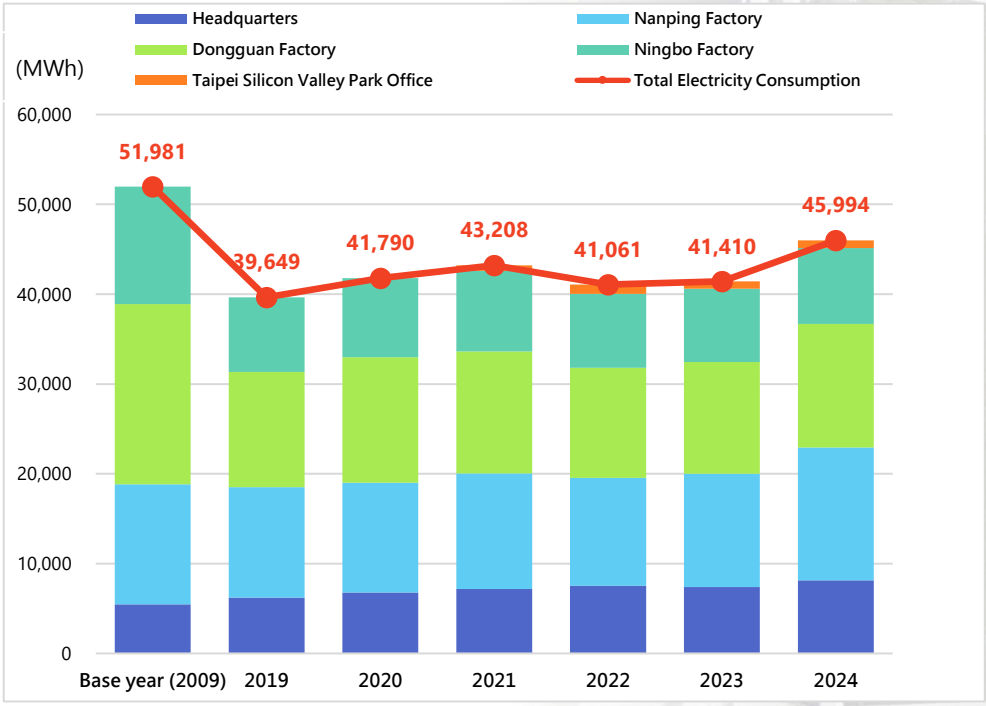
GHG Protocol Scope 3 Categories		2021	2022	2023	2024
C4	Upstream transportation and distribution	234.74	58.32	617.35	2,905.56
C9	Downstream transportation and distribution	40,088.61	28,051.45	44,405.99	20,416.20
C6*	Business travel	24.13	128.35	548.17	752.83
C7*	Employee commuting	1,201.65	1,867.53	1,028.98	1,224.31
C1*	Purchased products and services	1,515,136.60	892,256.60	1,213,983.28	1,075,787.90
C2	Capital goods	739.74	776.94	580.91	576.26
C3	Fuel and energy-related activities	1,860.45	1,217.49	3,188.28	3,908.80
C5*	Waste generated from operation	1,464.50	1,238.66	1,911.11	2,238.90
C10	Downstream processing of products	1,722.91	2,312.99	1,541.80	1,603.54
C11*	Use of sold products	4,239,140.03	5,689,602.28	4,525,119.43	5,434,613.16
C12*	End-of-life treatment of sold products	10,931.82	8,089.73	8,757.16	9,738.99
Gross Scope 3		5,812,545.17	6,625,600.33	5,801,682.44	6,553,766.45

Note: Items marked with an asterisk (*) have been verified externally

5.4 Electricity Consumption

Electricity is the primary energy source used by GIGABYTE in its daily operations and manufacturing processes. Accordingly, we track electricity usage and analyze energy-saving performance annually in accordance with the ISO 14064-1. The boundaries for electricity inventory have been expanded since 2021 as a result of updates in ISO standards and greenhouse gas inventory requirements set by the Financial Supervisory Commission. Besides the Headquarters, Nanping Factory, Dongguan, and Ningbo factories, the inventory now includes the office areas of subsidiaries such as G-STYLE, Bestyield International, and GIGAIPC. From 2022 onwards, the boundary further expanded to include the subsidiary Selita Precision and sub-subsidiary GIGAIPC located in the Taipei Silicon Valley Park Office.

In 2024, the total electricity consumption of the Group was 165,579.52 MWh, an increase of 11.1% compared to 2023, and a decrease of 11.52% compared to 2009. An analysis indicates that the increase in electricity consumption is partly due to the high-capacity demand of servers, which has resulted in greater energy consumption during manufacturing processes.



Electricity consumption by locations over the past 5 years

Appendix 1 TCFD Index

Core Element	Recommended Disclosures	Corresponding Chapter
Governance	a. Describe the board's oversight of climate-related risks and opportunities	1.1 Board Oversight
	b. Describe management's role in assessing and managing climate-related risks and opportunities	1.2 Management Hierarchy and Responsibilities
Strategy	a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term	2.2 Climate-Related Risks and Opportunities
	b. Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning	2.2 Climate-Related Risks and Opportunities 3.3 Analysis Results 3.4 Climate Resilience Strategies and Adaptation
	c. Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios (including a 2°C or more severe scenario)	3.1 Climate Pathway Selection 3.2 Climate Scenario Analysis Topics
Risk management	a. Describe of the organization's processes for identifying and assessing climate-related risks	2.1 Climate-related Risk and Opportunities Assessment and Management Process 2.2 Climate-Related Risks and Opportunities
	b. Describe the organization's processes for managing climate-related risks	4.1 Operational Aspect 4.2 Product Aspect 4.3 Supply Chain Aspect
	c. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management	2.1 Climate-related Risk and Opportunities Assessment and Management Process
Metrics and Targets	a. Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	2.1 Climate-related Risk and Opportunities Assessment and Management Process 3.2 Climate Scenario Analysis Topics 5.1 Climate-Related Management Target

Core Element	Recommended Disclosures	Corresponding Chapter
	b. Disclose Scope 1, Scope 2, and Scope 3 greenhouse gas (GHG) emissions, and the related risks	5.2 Scope 1 and Scope 2 Greenhouse Gas Emissions 5.3 Scope 3 Greenhouse Gas Emissions
	c. Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets	5.1 Climate-Related Management Target

Appendix 2 Overview of climate-related performance metrics over the past 5 years

Climate-related metrics		2020	2021	2022	2023	2024
Greenhouse Gas Emissions	Scope 1 emissions (t-CO_2e)	648.09	1,063.52	627.81	832.86	824.73
	Scope 2 emissions (t-CO_2e)	28,123.84	28,874.43	27,283.64	26,606.40	22,687.85
	Sum of scope 1 and scope 2 emissions (t-CO_2e)	28,771.93	29,937.95	27,911.44	27,439.26	23,512.58
	Major scope 3 emissions (6 categories) (t-CO_2e) Purchased products and services, waste generated by operation, business travel, employee commuting, use of sold products, end-of-life treatment of sold products	3,821,778.68	5,767,898.72	6,593,183.15	5,751,348.11	6,524,356.09
	Total scope 3 emissions (11 categories) (t-CO_2e) Purchased products and services, capital goods, fuel and energy-related activities, upstream transportation and distribution, waste generated from operation, business travel, employee commuting, upstream/downstream transportation and distribution, processing of sold products, use of sold products, end-of-life treatment of sold products	3,862,016.59	5,812,545.17	6,625,600.33	5,801,682.44	6,553,766.45
	Total scope 1, scope 2, and scope 3 emissions (t-CO_2e)	3,890,666.44	5,842,483.12	6,653,511.77	5,829,121.71	6,577,279.03
Electricity	Headquarters (MWh)	6,801.20	7,181.90	7,526.05	7,390.31	8,126.84
	Nanping Factory (MWh)	12,194.20	12,871.20	11,999.80	12,602.40	14,794.84
	Taipei Silicon Valley Park Office (MWh)	n/a	621.08	1,031.09	822.01	853.77
	Dongguan Factory (MWh)	13,996.36	13,565.16	12,279.63	12,440.31	13,768.76
	Ningbo Factory (MWh)	8,797.76	8,969.10	8,224.59	8,155.40	8,450.10
	Total electricity consumption (MWh)	41,789.51	43,208.44	41,061.16	41,410.43	45,994.31
Other Energy	Total diesel consumption (kiloliter)	29.75	65.31	21.62	21.44	22.68
	Total gas oil consumption (kiloliter)	9.80	7.93	7.23	10.43	11.79
	Total LPG consumption (metric ton)	0.51	0.48	0.63	0.54	0.51
	Total purchased steam (metric ton)	995.24	1,812.62	1,797.89	1,490.80	2,213.78
Resource Efficiency	Emission intensity per unit revenue (metric ton CO_2e/TWD$ million)[Note]	46.0	47.9	62.0	42.6	24.8

Note: Includes overall emissions from Scope 1, Scope 2, and Scope 3

Appendix 3 Cross-Reference Table with the Climate-related Disclosures for TWSE/TPEx Listed Companies

Item	Corresponding Chapter/Explanation
1. Describe the board of directors and management's oversight and governance of climate-related risks and opportunities.	1.1 Board Oversight 1.2 Management Hierarchy and Responsibilities
2. Describe how the identified climate risks and opportunities affect the operations, strategy, and finances of the business (short, medium, and long term).	2.2 Climate-related Risk and Opportunity
3. Describe the financial impact of extreme weather events and transition actions.	2.2 Climate-Related Risks and Opportunities
4. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system.	2.1 Climate-related Risk and Opportunities Assessment and Management Process 2.2 Climate-Related Risks and Opportunities
5. If scenario analysis is used to assess resilience to climate change risks, the scenarios, parameters, assumptions, analysis factors and major financial impacts used should be described.	3.1 Climate Pathway Selection 3.2 Climate Scenario Analysis Topics 3.3 Analysis Results 3.4 Climate Resilience Strategies and Adaptation
6. If there is a transition plan for managing climate-related risks, describe the content of the plan, and the indicators and targets used to identify and manage physical risks and transition risks.	4.1 Operational Aspect 4.2 Product Aspect 4.3 Supply Chain Aspect
7. If internal carbon pricing is used as a planning tool, the basis for setting the price determination should be stated.	4.1 Operational Aspect
8. If climate-related targets have been set, the activities covered, the scope of greenhouse gas emissions, the planning horizon, and the progress achieved each year should be specified. If carbon credits or renewable energy certificates (RECs) are used to achieve relevant targets, the source and quantity of carbon credits or RECs should be specified.	5.1 Climate-Related Management Target

9. Greenhouse gas inventory and assurance status.	5.2 Scope 1 and Scope 2 Greenhouse Gas Emissions 5.3 Scope 3 Greenhouse Gas Emissions GIGABYTE's 2024 greenhouse gas emission inventory has been verified by a third party in accordance with ISO 14064-1:2018. Please find the assurance at GIGABYTE CSR Website - Sustainability-related Certificates

Appendix 4 IFRS Sustainability Disclosure Standard S2 (Draft) Climate-Related Disclosures[2]

Dimension		Paragraph	Disclosure Content	Corresponding Chapter/Explanation
Governance		6	- The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities.	1.1 Board Oversight
			- Management's role in the governance process, controls, and procedures used to monitor, manage, and oversee climate-related risks and opportunities	1.2 Management Hierarchy and Responsibilities 1.3 Executive Role
Strategy	Climate-related Risk and Opportunity	10	- Describe climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects	2.2 Climate-Related Risks and Opportunities
			- Explain, for each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk	2.2 Climate-Related Risks and Opportunities
			- Specify, for each climate-related risk and opportunity the entity has identified, over which time horizons—short, medium, or long term—the effects of each climate-related risk and opportunity could reasonably be expected to occur	2.2 Climate-Related Risks and Opportunities
			- Explain how the entity defines "short term", "medium term", and "long-term" and how these definitions are linked to the planning horizons used by the entity for strategic decision-making	2.2 Climate-Related Risks and Opportunities
		13	- A description of the current and anticipated effects of climate-	2.2 Climate-Related Risks and Opportunities

[2] This table references the IFRS S2 Sustainability Disclosure Standards, which is the exposure draft version issued by the Accounting Research and Development Foundation. The file was downloaded on November 9, 2023.

Dimension	Paragraph	Disclosure Content	Corresponding Chapter/Explanation
		related risks and opportunities on the entity's business model and value chain - A description of where in the entity's business model and value chain climate-related risks and opportunities are concentrated (such as geographic regions, facilities, and asset types)	
Strategy and decision-making	**14**	- Information about how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulations	4.1 Operational Aspect 4.2 Product Aspect 4.3 Supply Chain Aspect
Financial position, financial performance and cash flows	**15**	- The effects of climate-related risks and opportunities on the entity's financial position, financial performance, and cash flows for the reporting period (current financial effects) - The anticipated effects of climate-related risks and opportunities on the entity's financial position, financial performance, and cash flows over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in the entity's financial planning (anticipated financial effects)	3.3 Analysis Results
Climate resilience	**22**	- An entity shall disclose information that enables users of general purpose financial reports to understand the resilience of the entity's strategy and business model to climate-related changes, developments and uncertainties, taking into consideration the entity's identified climate-related risks and opportunities	3.4 Climate Resilience Strategies and Adaptation

Dimension		Paragraph	Disclosure Content	Corresponding Chapter/Explanation
			- The entity shall use climate-related scenario analysis to assess its climate resilience using an approach that is commensurate with the entity's circumstances	3.4 Climate Resilience Strategies and Adaptation
Risk management		25	- The processes and related policies the entity uses to identify, assess, prioritize and monitor climate-related risks - The processes the entity uses to identify, assess, prioritize and monitor climate-related risks, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities	2.1 Climate-related Risk and Opportunities Assessment and Management Process 3.1 Climate Pathway Selection 3.2 Climate Scenario Analysis Topics
			- The extent to which, and how, the processes for identifying, assessing, prioritizing and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process	2.1 Climate-related Risk and Opportunities Assessment and Management Process
Metrics and targets	Climate-related metrics	29	- The entity shall disclose its absolute gross Scope 1, Scope 2, and Scope 3 greenhouse gas emissions generated during the remaining reporting period, expressed as CO2 equivalents	5.2 Scope 1 and Scope 2 Greenhouse Gas Emissions 5.3 Scope 3 Greenhouse Gas Emissions
			- Climate-related transition risks—the amount and percentage of assets or business activities vulnerable to climate-related transition risks - Climate-related physical risks—the amount and percentage of assets or business activities vulnerable to climate-related physical risks - Climate-related opportunities—the amount and percentage of assets or business activities aligned with climate-related	3.3 Analysis Results

Dimension		Paragraph	Disclosure Content	Corresponding Chapter/Explanation
			opportunities - Capital allocation—the amount of capital expenditure, financing, or investment allocated towards climate-related risks and opportunities	
			- An explanation of whether and how the entity is applying a carbon price in decision-making (e.g., investment decisions, transfer pricing, and scenario analysis), and the price per metric ton of greenhouse gas emissions used by the entity to assess the costs of its greenhouse gas emissions	4.1 Operational Aspect
	Climate-related targets	33	- An entity shall disclose the quantitative and qualitative climate-related targets it has set to monitor progress toward achieving its strategic goals, and any targets it is required to meet by law or regulation, including any greenhouse gas emissions targets.	5.1 Climate-Related Management Target
		34	- An entity shall disclose information about its approach to setting and reviewing each target, and how it monitors progress against each target.	5.2 Scope 1 and Scope 2 Greenhouse Gas Emissions 5.3 Scope 3 Greenhouse Gas Emissions 5.4 Electricity Consumption
		35	- An entity shall disclose information regarding its performance against each climate-related target and an analysis of trends or changes in the entity's performance	5.2 Scope 1 and Scope 2 Greenhouse Gas Emissions 5.3 Scope 3 Greenhouse Gas Emissions 5.4 Electricity Consumption