



Stock Code: 5274

ASPEED Technology Inc.

2024 Annual Report

Notice to readers

This English-version annual report is a summary translation of the Chinese version and is not an official document of the shareholders' meeting. If there is any discrepancy between the English and Chinese versions, the Chinese version shall prevail.

Printed on March 29, 2025

Website for accessing this annual report: <http://mops.twse.com.tw>

Annual Report is available at: <http://www.aspeedtech.com>

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I. A Letter to Shareholders

Dear Shareholders,

The year 2024 marks the 20th anniversary of ASPEED Technology. Traditional server demand has fully recovered, while AI server demand continues to grow robustly. At the same time, major cloud service providers have actively invested in AI infrastructure. As a result, ASPEED Technology has once again set new records, achieving all-time highs in monthly revenue for December 2024, quarterly revenue for Q4, and annual revenue for the year. The company's annual revenue in 2024 reached NT\$6,459,666 thousand, reflecting an impressive year-over-year growth of 106.35%. Net profit after tax was NT\$2,571,308 thousand, marking a substantial 155.39% increase from NT\$1,006,810 thousand in 2023, with earnings per share of NT\$68.04. The gross margin stood at 64.30%, while the operating margin reached 45.18%. These outstanding achievements were made possible by our dedicated employees, valued customers, trusted partners, and suppliers. We sincerely appreciate their unwavering support, which has shaped ASPEED into the company it is today. In December, ASPEED Technology announced its expansion into Kaohsiung's Banana Pier to establish a research and development center. This center will showcase applications of Cupola360 panoramic imaging technology and house an R&D testing and verification team to further advance smart city remote patrol technologies.

Technological Civilization & Diversified Applications

In response to the rapidly evolving technology landscape, we have been well prepared by strategically expanding our product portfolio. In 2024, the demand for traditional and AI servers has fueled the rapid growth of Cloud and Enterprise solutions. This year, ASPEED Technology is focused on ramping up production of its 8th-generation baseband management controller (BMC) SoC, AST2700, to support new server platforms. Additionally, with the industry shifting toward modular architectures, we have officially launched the I/O Expander SoC, AST1700, employing a bundling strategy to optimize our product revenue mix. To meet the increasingly diverse and complex server designs requiring high-performance CPUs or additional expansion cards, we have observed a surge in shipments of our Bridge IC, AST1030, and steady growth in shipments of our PROT SoC. These results affirm our core growth strategy of enhancing ASPEED IC content value per server, yielding significant outcomes.

Our Smart AV solutions, driven by the "Eyes of AI" concept, integrate deeply with artificial intelligence. The Cupola360 panoramic 360-degree high-definition real-time imaging technology enhances AI machine vision by improving recognition and analysis speed and accuracy while reducing computational requirements and total cost of ownership (TCO). This technology also provides extensive data support for Omniverse (factory digital twins) and has been widely adopted in smart factories, smart cities, and commercial spaces, enabling smart patrol, crowd analysis, and fire and smoke detection. We continue to strengthen collaborations with system integrators and sales partners to expand sales channels. Furthermore, in the AVoIP domain, as enterprises transition back to office environments and hybrid work models become more prevalent, demand for video conferencing in medium to large meeting spaces is growing. ASPEED's AVoIP video extension technology, with its high-quality and low-latency advantages, is expected to achieve significant sales growth this year.

Sustainable Future & Low-Carbon Operations

ASPEED Technology is committed to a diversified growth strategy that adapts to the evolving landscape, focusing on developing innovative products to ensure sustained growth while contributing to the long-term sustainability of human civilization. We prioritize strengthening corporate governance, environmental sustainability, employee relations, and social engagement. In 2024, we upgraded our Sustainability Management Committee to the Sustainable Development Committee, which now reports directly to the Board of Directors, enhancing corporate resilience and operational stability. We continue to fulfill our commitments to corporate governance, environmental sustainability, and social contributions. Regarding climate action, we are proud to have received approval for our Science-Based Targets initiative (SBTi) for SMEs and have developed a mid-term carbon reduction plan extending through 2030. We have also begun sourcing renewable energy to gradually reduce our greenhouse gas emissions. Our climate change assessment score under the Carbon Disclosure Project (CDP) has improved to the management level. This year, we will further assess the carbon footprint of our products and develop carbon reduction strategies throughout the value chain. In 2024, in terms of corporate governance, our governance evaluation ranking has improved to the 6%-20% tier, and we have increased female representation on the Board of Directors to enhance diversity. This year, our key corporate governance focus will be aligning with sustainability disclosure standards by implementing IFRS S1/S2 sustainability reporting in phases. On the social responsibility front, recognizing the importance of diversity and inclusion in the workplace, we continue to collaborate with academia to promote the "Women in Tech Talent Development Program," fostering female talent in the technology sector. Corporate sustainability is ASPEED's commitment, and we will continue to uphold this as our core mission. Looking ahead, we strive to navigate changing environments with a diversified growth strategy and precise product development, ensuring continuous growth while making meaningful contributions to sustainable human civilization. We remain dedicated to enhancing corporate governance, environmental sustainability, employee relations, and social responsibility.

Future Outlook

As we reflect on the past 20 years, from our humble beginnings to our steady growth today, ASPEED Technology remains unwavering in our mission to advance "Technological Civilization." Through continuous innovation and research, we strive to propel human civilization forward. Looking ahead, ASPEED will persist in its commitment to new product development, pursue diversified growth strategies, and harness the power of Cloud and Enterprise solutions and Smart AV solutions as our dual strategic pillars for future breakthroughs. Regardless of how the landscape evolves, we will continue to nurture our robust R&D capabilities and spirit of innovation, ready to embrace the challenges of the next 20 years. We deeply appreciate your long-term trust and support. We remain committed to enhancing shareholder value and corporate worth, ensuring that our shareholders, customers, and employees continue to share in our collective success.

Chairman: Chris Lin

President: Chris Lin

II. Corporate Governance

1. Information of Directors and Officials

(1) Directors’ Information

a. Information Regarding Board Members

March 29, 2025/Unit: thousand shares

Title	Nationality or Registry	Name	Gender Age	Date appointed	Term (Yrs)	Date first Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Selected education and experience	Concurrent positions at the company and other companies	Remark
							Shares	%	Shares	%	Shares	%	Shares	%			
Chairman	R.O.C.	Chris Lin	Male 64	30 May 2024	3	June 24 2010	377	1.00%	377	1.00%	0	0%	6,435	17.02%	EMBA, National Chiao Tung University Master , Electrical Engineering, National Taiwan University B.S., Electrical Engineering, National Tsing Hua University President, XGI Technology Inc. Vice President, Multimedia Product Division, SiS	President, ASPEED Technology Inc. Director, Linvest Wealth Corp. Director, Linvest Fortune Corp. Director, ASPEED Technology (Samoa) Inc. CEO, ASPEED Technology (U.S.A.) Inc. Chairman, Cuploa360 Inc.	The chairman and president of the company are the same person. ASPEED has 4 independent directors and a majority of the directors are not employees or managers.
Director	R.O.C.	Xian Hua Investment Co., Ltd.	-	30 May 2024	3	June 24 2010	593	1.57%	593	1.57%	0	0%	0	0%	Master, Electrical Engineering, National Tsing Hua University Chairman/Chief Operating Officer, Machvision Inc. Chairman, Ace Motors Inc. Vice President, Stark Technology Inc. Director, Acer Inc.	Director, Machvision Inc. Director, Stark Technology Inc. Independent Director, Cipherlab Co., Ltd.	
	R.O.C.	Representative – Arnold Yu	Male 67				0	0%	140	0.37%	0	0%	0	0%			
Director	R.O.C.	Linvest Wealth Corp.	-	30 May 2024	3	June 24 2010	5,253	13.89%	5,253	13.89%	0	0%	0	0%	EMBA, National Chengchi University B.S., Electrical Engineering, Chinese Culture University Assistant Vice President of Strategy Marketing, SiS	Vice President, ASPEED Technology Inc.	
	R.O.C.	Representative – Luke Chen	Male 60				0	0%	37	0.10%	0	0%	0	0%			
Director	R.O.C.	Ted Tsai	Male 69	30 May 2024	3	May 30 2018	305	0.81%	305	0.81%	108	0.28%	0	0%	Chairman, Maojet Technology Corp. Bachelor’s in Electronic Engineering, Chung Yuan Christian University	Chairman, Maojet Technology Corp. Chairman, Symma Technology Co. Ltd.	
Director	R.O.C.	Linvest Fortune Corp.	-	30 May 2024	3	May 26 2017	1,182	3.13%	1,182	3.13%	0	0%	0	0%	Master , Electrical Engineering, National Cheng Kung University Assistant Vice President of R&D, XGI Technology Inc. Senior Manager of R&D, SiS	None	
	R.O.C.	Representative – Hung-Ju Huang	Male 58				0	0%	84	0.22%	0	0%	0	0%			
Independent Director	R.O.C.	Sheng-Lin Chou	Male 67	30 May 2024	3	July 30 2021	0	0%	0	0%	0	0%	0	0%	B.S. , Electrical Engineering, National Tsing Hua University Ph.D. & Master in Computer Science, National Chiao-Tung University EMBA, Thunderbird School of Global Management Deputy GD, ICL/Industrial Technology Research Institute Assistant VP, TECO & GD of TECO Group Research Institute Adjunct Associate Professor, CS Dept., National Chiao-Tung University	Chief Venture Officer (CVO), ICL/Industrial Technology Research Institute Secretary General, Taiwan Association of Information & Communication Standards (TAICS)	

Title	Nationality or Registry	Name	Gender Age	Date appointed	Term (Yrs)	Date first Elected	Shareholding when Elected		Current Shareholding		Spouse & Minor Shareholding		Shareholding by Nominee Arrangement		Selected education and experience	Concurrent positions at the company and other companies	Remark
							Shares	%	Shares	%	Shares	%	Shares	%			
Independent Director	R.O.C.	John C. Lin	Male 48	30 May 2024	3	July 30 2021	0	0%	0	0%	0	0%	0	0%	Queen Mary, University of London (M.Sc. in Information Technology) Franklin Pierce Law Center (LL.M.) Lecturer, Chinese Culture University Law School	Senior Consultant, Jones Day Taipei	
Independent Director	R.O.C.	Kathy Yang	Female 65	30 May 2024	3	20 Jan 2003	0	0%	0	0%	0	0%	0	0%	Executive Program, National Chengchi University Business Association MBA, Kansas State University Bachelor of Business Administration, National Chengchi University Executive Vice President and Head of the Venture Capital Department, CDIB Capital Group President, CDIB Capital Management Corporation	Director, Young Shine Electric Co.,Ltd. Independent Director, Sinopower Semiconductor Inc. Independent Director, Innodisk International Co., Ltd. Independent Director, WPG Holdings Ltd.	
Independent Director	R.O.C.	Chen-Fu Chien	Male 56	30 May 2024	3	29 May 2015	0	0%	0	0%	0	0%	0	0%	Ph.D. of Decision Sciences and Operation Research, University of Wisconsin-Madison Master of Industrial Engineering, University of Wisconsin-Madison B.S. Industrial Engineering and Electrical Engineering, National Tsing Hua University Secretary General, National Tsing Hua University VP of Research & Development, National Tsing Hua University Director, NTHU-TSMC Center for Manufacturing Excellence Deputy Director, Industrial Engineering Division, TSMC	EVP & Chair Professor, National Tsing Hua University Director AIMS Research Center, National Science and Technology Council Chairman , Zhen Ding Tech. Group Independent Director, Airoha Technology Corp.	

b. Major shareholders of institutional shareholders

March 29, 2025

Name of institutional shareholder	Major shareholders of institutional shareholders
Linvest Wealth Corp.	Chris Lin (64.94%), Yu-Hua Chang (28.20%)
Xian Hua Investment Co., Ltd.	Jui-Hua Chu (50.51%), Pin Yu (13.28%), Chun-Chi Yu (13.28%), Jui-Li Chu (0.34%), Ming-Chang Yu (22.58%)
Linvest Fortune Corp.	Chris Lin (51.00%), Yu-Hua Chang (47.00%)

c. Professional qualifications and independence analysis of directors

Name/Title	Criteria	Professional Qualification and Experience	Independence Status	Number of Other Taiwanese Public Companies Concurrently Serving as an Independent Director
Chris Lin		For Directors’ professional qualification and experience, please refer to “Information Regarding Board Members” of this Annual Report. None of the Directors has been in or is under any circumstances stated in Article 30 of the Company Law. (Note 1)	Not Applicable	None
Arnold Yu-Xian Hua Investment Co., Ltd. Representative				1
Luke Chen-Linvest Wealth Corp.Representative				None
Hung-Ju Huang-Linvest Fortune Corp.Representative				None
Ted Tsai				None
Sheng-Lin Chou				None
John C. Lin				None
Kathy Yang				3
Chen-Fu Chien				1
All of the following situations apply to each and every of the Independent Directors: 1. Satisfy the requirements of Article 14-2 of “Securities and Exchange Act” and “Regulations Governing Appointment of Independent Directors and Compliance Matters for Public Companies” (Note 2) issued by Taiwan’s Securities and Futures Bureau 2. Independent Director (or nominee arrangement) as well as his spouse and minor children do not hold any ASPEED shares 3. Received no compensation or benefits for providing commercial, legal, financial, accounting services or consultation to the Company or to any its affiliates within the preceding two years, and the service provided is either an “audit service” or a “non-audit service”				

Note 1: A person shall not act in a management capacity for a company, and if so appointed, must be immediately discharged if they have been:

1. Convicted for a violation of the Statutes for the Prevention of Organizational Crimes and: has not started serving the sentence; has not completed serving the sentence; or five years have not elapsed since completion of serving the sentence, expiration of probation, or pardon;
2. Convicted for fraud, breach of trust or misappropriation, with imprisonment for a term of more than one year, and: has not started serving the sentence; has not completed serving the sentence; or two years have not elapsed since completion of serving the sentence, expiration of probation, or pardon;
3. Convicted for violation of the Anti-Corruption Act, and: has not started serving the sentence; has not completed serving the sentence; or two years have not elapsed since completion of serving the sentence, expiration of probation, or pardon;
4. Adjudicated bankrupt or adjudicated to commence a liquidation process by a court, and having not been reinstated to his or her rights and privileges;
5. Sanctioned for unlawful use of credit instruments, and the term of such sanction has not expired yet;
6. If she/he does not have any or limited legal capacity; or
7. If she/he has been adjudicated to require legal guardianship and such requirement has not been revoked yet.

Note 2: 1. Not a governmental, juridical person or its representative as defined in Article 27 of the Company Law.

2. Not serving concurrently as an independent director on more than three other public companies in total.

3. During the two years before being elected and during the term of office, meet any of the following situations:

- (1) Not an employee of the company or any of its affiliates;
- (2) Not a director or supervisor of the company or any of its affiliates;
- (3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of one percent or more of the total number of issued shares of the company or ranks as one of its top ten shareholders;
- (4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of any of the officer in the preceding (1) subparagraph, or of any of the above persons in the preceding subparagraphs (2) and (3);

- (5) Not a director, supervisor, or employee of a corporate/institutional shareholder that directly holds five percent or more of the total number of issued shares of the company, ranks as of its top five shareholders, or has representative director(s) serving on the company's board based on Article 27 of the Company Law;
- (6) Not a director, supervisor, or employee of a company of which the majority of board seats or voting shares is controlled by a company that also controls the same of the company;
- (7) Not a director, supervisor, or employee of a company of which the chairman or CEO (or equivalent) themselves or their spouse also serve as the company's chairman or CEO (or equivalent);
- (8) Not a director, supervisor, officer, or shareholder holding five percent or more of the shares of a specified company or institution that has a financial or business relationship with the company; and
- (9) Other than serving as a compensation committee member of the company, not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides commercial, legal, financial, accounting services or consultation to the company or to any affiliate of the company, or a spouse thereof, and the service provided is an "audit service" or a "non-audit service which total compensation within the recent two years exceeds NT\$500,000".

d. Board Diversity and Independence

Our board consists of nine directors, with a total of four independent directors, accounting for 44% of all director positions. The independent directors completed the signing of statements affirming their professional qualifications, independence, and compliance with part-time regulations upon their appointment on May 30, 2024. Both the board of directors and its members comply with the independence requirements stipulated by laws and regulations, without violating the provisions of Article 26-3, paragraphs 3 and 4, of the Securities and Exchange Act.

Our company has established a policy for board member diversity. In accordance with the Corporate Governance Principles, the composition of the board of directors considers diversity. The number of directors who are also corporate executives should not exceed one-third of the total directorships. External director members come from different industries and academia, each possessing professional abilities and work experience in various dimensions such as management, finance and accounting, technology industry, international markets, decision-making and leadership, law, and intellectual property rights. To enhance the diversity of the board of directors, the company also commits to increasing the number of female directors by at least one in the eighth board of directors, with the long-term goal of having a majority of independent directors and female directorships not less than one-third. The implementation status of the board of directors' diversity policy at this stage is as follows:

Implementation of the Diversity Name and Title	Nationality	Gender	Employed by ASPEED	Age			Independent Director Period-Year			Operational Judgment	Accounting and financial analysis skills	Management ability	Crisis management procedures	Tech. industry knowledge	International market view	Leadership & decision-making	Legal & IP knowledge
				40~50	51~60	61~75	0~3	3~6	6~9								
Chris Lin	R.O.C.	Male	√			√				√	√	√	√	√	√	√	√
Arnold Yu Xian Hua Investment Co., Ltd. Representative	R.O.C.	Male				√				√	√	√	√	√	√	√	
Luke Chen Linvest Wealth Corp. Representative	R.O.C.	Male			√					√	√	√	√	√	√	√	
Hung-Ju Huang Linvest Fortune Corp. Representative	R.O.C.	Male			√					√		√	√	√	√	√	√
Ted Tsai	R.O.C.	Male				√				√		√	√	√	√	√	√
Sheng-Lin Chou	R.O.C.	Male				√		√		√		√	√	√	√	√	√
John C Lin	R.O.C.	Male		√				√		√	√		√	√	√	√	√
Kathy Yang	R.O.C.	Female				√	√			√	√	√	√	√	√	√	
Chen-Fu Chien	R.O.C.	Male			√		√			√		√	√	√	√	√	√

(2) Information of Chairman, Vice Presidents and Officers

March 29, 2025/ Unit: thousand shares

Title	Nationality	Name	Gender	Date appointed	Shareholding		Spouse and underage children shareholding		Shareholding under the title of a third party		Experience & Education	Serves concurrently as	Managers who are spouse or second degree relative			Remark
					Shares	%	Shares	%	Shares	%			Title	Name	Relation	
President	R.O.C.	Chris Lin	Male	2004.11.15	377	1.00%	0	0%	6,435	17.02%	EMBA, National Chiao Tung University Master, Electrical Engineering, National Taiwan University B.S., Electrical Engineering, National Tsing Hua University President, XGI Technology Inc. Vice President, Multimedia Product Division, SiS	Director, Linvest Wealth Corp. Director, Linvest Fortune Corp. Director, ASPEED Technology (Samoa) Inc. CEO, ASPEED Technology (U.S.A.) Inc. Chairman, Cuploa360 Inc.	None	None	None	ASPEED has 4 independent directors and a majority of the directors are not employees or managers.
COO	R.O.C.	CJ Hsieh	Male	2022.01.11	5	0.01%	0	0%	0	0%	Master, Electrical Engineering, University of Southern California B.S., Electronic, Tamkang University GM, INTEL Innovation VP, Lantiq GM & VP, Spirox AVP, Faraday Technologies Corp.	None	None	None	None	
Assistant Vice President	R.O.C.	Paul Huang	Male	2021.10.01	1	0%	0	0%	0	0%	Master, Electrical Engineering, National Tsing Hua University Vice director, Quanta, Advanced Research Cloud Lab BU Head, ITE, MultiMedia Founder & CTO, General Manager, SMedia Corp.	None	None	None	None	
Assistant Vice President	R.O.C.	Charles Kuan	Male	2017.02.02	1	0%	0	0%	0	0%	School of Communication and Information Studies Rutgers University, State University of New Jersey Assistant Vice President of Sales in Asia, Avocent Taiwan Co., Ltd.	None	None	None	None	
Director	R.O.C.	Craig Kuo	Male	2020.05.11	0	0%	0	0%	0	0%	B.S., Electronic Engineering, Oriental Institute of Technology Manager, NXP semiconductors Manager, Pericom Semiconductor Corporation	None	None	None	None	
Director	R.O.C.	Allen Ho	Male	2023.05.08	0	0%	0	0%	0	0%	MBA, National Taiwan University B.S., Mechanical Engineering, National Taiwan University Vice President, Cedar Capital Senior Vice President, SinoPac Securities Assistant Vice President, CDIB	Supervisor, Aresgreen Technology Corp.	None	None	None	
Finance & Accounting Sr.Manager	R.O.C.	Tina Chiu	Female	2007.04.09	0	0%	0	0%	0	0%	B.S., Accounting, Feng Chia University Accounting Specialist, Foxconn	None	None	None	None	

(3) Remunerations Paid to Directors, President and Vice President

a. Remunerations Paid to Directors

Unit: NT\$ 1,000

Title	Name	Remuneration Paid to Directors								(A+B+ C+ D) as % of Net Income		Compensation Earned as Employee of the Company or of the Company's Affiliates								(A+B+C+D+E+F +G) as % of Net Income		Other Compensation from non-
		Salary (A)		Pension (B)		Remuneration (C) (Note)		Allowance (D)				Salary, Bonus and special etc.(E)		Pension (F)		Employee Compensation (G) (Note)						
		The Company	Consolidated Entities	The Company	Consolidated Entities	The Company	Consolidated Entities	The Company	Consolidated Entities	The Company	Consolidated Entities	The Company	Consolidated Entities	The Company	Consolidated Entities	The Company		Consolidated Entities		The Company	Consolidated Entities	
																Cash	Stock	Cash	Stock			
Chairman	Chris Lin	0	0	0	0	6,267	6,267	80	80	0.25%	0.25%	3,940	3,940	0	0	0	0	0	0	0.40%	0.40%	None
Director	Arnold Yu , Representative of Xian Hua Investment Co., Ltd.	0	0	0	0	6,267	6,267	80	80	0.25%	0.25%	0	0	0	0	0	0	0	0	0.25%	0.25%	None
Director	Luke Chen, Representative of Linvest Wealth Corp.	0	0	0	0	6,268	6,268	80	80	0.25%	0.25%	11,647	11,647	108	108	0	0	0	0	0.70%	0.70%	None
Director	Hung-Ju Huang, Representative of Linvest Fortune Corp.	0	0	0	0	6,267	6,267	80	80	0.25%	0.25%	0	0	0	0	0	0	0	0	0.25%	0.25%	None
Director	Ted Tsai	0	0	0	0	6,267	6,267	80	80	0.25%	0.25%	0	0	0	0	0	0	0	0	0.25%	0.25%	None
Independent Director	Chyan Yang	750	750	0	0	360	360	30	30	0.04%	0.04%	0	0	0	0	0	0	0	0	0.04%	0.04%	None
Independent Director	Dyi-Chung Hu	750	750	0	0	360	360	30	30	0.04%	0.04%	0	0	0	0	0	0	0	0	0.04%	0.04%	None
Independent Director	Sheng-Lin Chou	1,500	1,500	0	0	880	880	105	105	0.10%	0.10%	0	0	0	0	0	0	0	0	0.10%	0.10%	None
Independent Director	John C. Lin	1,500	1,500	0	0	880	880	105	105	0.10%	0.10%	0	0	0	0	0	0	0	0	0.10%	0.10%	None
Independent Director	Kathy Yang	750	750	0	0	520	520	75	75	0.05%	0.05%	0	0	0	0	0	0	0	0	0.05%	0.05%	None
Independent Director	Chen-Fu Chien	750	750	0	0	520	520	75	75	0.05%	0.05%	0	0	0	0	0	0	0	0	0.05%	0.05%	None

- Please describe the policy, system, standards and structure for the remuneration of independent directors, and the correlation with the amount of remuneration paid based on the responsibilities, risks, time commitment, etc.:
The remuneration paid by the Company to its directors consists of directors' salaries, allowances and directors' remuneration. Directors' salaries include compensation for serving as directors and functional committees under the Board of Directors, which is paid monthly with reference to the level of industry and the level of operational participation; horse and carriage expenses are paid with reference to the level of industry and are based on the attendance of the Board of Directors at Board meetings; directors' remuneration is based on the annual operating performance of the Company and is determined in accordance with the Company's Articles of Incorporation; any profit contribution of no more than 3% is the directors' remuneration, which is approved by the Board of Directors and reported to the shareholders' meeting.
The compensation of directors and employees includes salaries, bonuses and employee compensation, which are determined based on the position held, the responsibilities assumed and the profitability of the Company, with reference to the standard of the same position in the industry.
- Except as disclosed in the above table, the remuneration received by the directors of the Company for services rendered to all companies included in the financial statements for the most recent year, such as acting as consultants to non-employees.: None.
- The term of outgoing independent directors Mr. Chyan Yang and Mr. Dyi-Chung Hu ended on May 29, 2024.
The newly appointed independent directors, Ms. Kathy Yang and Mr. Chen-Fu Chien, assumed office on May 30, 2024.

Range of Director Remunerations

Remuneration Ranges	Name of Director			
	Total Remuneration (A+B+C+D)		Total Remuneration (A+B+C+D+E+F+G)	
	The Company	Consolidated Entities	The Company	Consolidated Entities
Less than NT\$1 million	None	None	None	None
NT\$1 million to NT\$2 million	Chyan Yang Dyi-Chung Hu Kathy Yang Chen-Fu Chien	Chyan Yang Dyi-Chung Hu Kathy Yang Chen-Fu Chien	Chyan Yang Dyi-Chung Hu Kathy Yang Chen-Fu Chien	Chyan Yang Dyi-Chung Hu Kathy Yang Chen-Fu Chien
NT\$2 million to NT\$3.5 million	Sheng-Lin Chou John C. Lin	Sheng-Lin Chou John C. Lin	Sheng-Lin Chou John C. Lin	Sheng-Lin Chou John C. Lin
NT\$3.5 million to NT\$5 million	None	None	None	None
NT\$5 million to NT\$10 million	Xian Hua Investment Co., Ltd. Linvest Wealth Corp. Linvest Fortune Corp. Ted Tsai	Xian Hua Investment Co., Ltd. Linvest Wealth Corp. Linvest Fortune Corp. Ted Tsai	Xian Hua Investment Co., Ltd. Linvest Wealth Corp. Linvest Fortune Corp. Ted Tsai	Xian Hua Investment Co., Ltd. Linvest Wealth Corp. Linvest Fortune Corp. Ted Tsai
NT\$10 million to NT\$15 million	Chris Lin	Chris Lin	Chris Lin	Chris Lin
NT\$15 million to NT\$30 million	None	None	None	None
NT\$30 million to NT\$50 million	None	None	None	None
NT\$50 million to NT\$100 million	None	None	None	None
Above NT\$100 million	None	None	None	None
Total	9 (including 3 legal persons)	9 (including 3 legal persons)	9 (including 3 legal persons)	9 (including 3 legal persons)

b. Remunerations Paid to President and Vice President

Unit: NT\$ 1,000

Title	Name	Salary (A)		Pension (B)		Bonuses and special expenses (C)		Employee Compensation(D) (Note)				(A+B+C+D) as % of Net Income		Other Compensation from non-subsidiary affiliates
		The Company	Consolidated Entities	The Company	Consolidated Entities	The Company	Consolidated Entities	The Company		Consolidated Entities		The Company	Consolidated Entities	
								Cash	Stock	Cash	Stock			
President	Chris Lin	9,743	9,743	216	216	38,139	38,139	0	0	0	0	1.87%	1.87%	None
COO	CJ Hsieh													
Vice President	Luke Chen													

Range of remuneration table

Remuneration Ranges	Name of President and Vice Presidents	
	The Company	Consolidated Entities
Less than NT\$1 million	None	None
NT\$1 million to NT\$2 million	None	None
NT\$2 million to NT\$3.5 million	None	None
NT\$3.5 million to NT\$5 million	None	None
NT\$5 million to NT\$10 million	Chris Lin	Chris Lin
NT\$10 million to NT\$15 million	Luke Chen	Luke Chen
NT\$15 million to NT\$30 million	CJ Hsieh	CJ Hsieh
NT\$30 million to NT\$50 million	None	None
NT\$50 million to NT\$100 million	None	None
Above NT\$100 million	None	None
Total	3 person	3 person

c. Employees' Profit-Sharing bonus paid to Officers

Unit: NT\$ 1,000

	Title	Name	Stock Bonus	Cash Bonus	Total	Ratio of total amount to net after-tax profit of entity financial statement (%)
Managerial Officers	President	Chris Lin	0	5,292	5,292	0.21%
	COO	CJ Hsieh				
	Vice President	Luke Chen				
	Assistant VP	Paul Huang				
	Assistant VP	Charles Kuan				
	Director	Craig Kuo				
	Director	Allen Ho				
	Finance and Accounting Sr. Manager	Tina Chiu				

Note: The proposed amount of employee bonuses to be distributed in 2024 is calculated based on the ratio of the actual amount distributed in 2023.

- (4) Analysis of the ratios of the total remuneration of the Company's directors, president and vice president paid over the past two years to the net after-tax profit, explanation of the Company's remuneration policy, standard and combination, establishment of the remuneration procedure, and the correlation with operating performance and future risk:

a. Ratios of total remuneration to the net after-tax profit

Year Items	Ratio of Total Remuneration to the net after-tax profit			
	2023		2024	
	The Company	All Consolidated Entities	The Company	All Consolidated Entities
Directors	1.96%	1.96%	1.62%	1.62%
Presidents and Vice Presidents	4.06%	4.06%	1.87%	1.87%

- b. The remuneration policy, standard and combination, establishment of the remuneration procedure and correlation with operating performance and future risk:

The 2024 annual remuneration of directors and compensation of employees was decided in accordance with the Company's articles of incorporation. If gained profits within a fiscal year, the Company shall allocate no more than 3% of the profits as directors' remuneration, and allocate no less than 8% of the profits as employees' compensation. The decision for directors' remuneration was based on the board performance evaluation results of such aspects as the participation in the operation, the quality of the board of directors' decision-making alignment of the goals and missions of the Company, awareness of the duties of a director, management of internal relationship and communication, the director's professionalism and continuing education, internal control, etc. The decision for officers' compensation was based on the performance appraisal indicators such as the length of service and position, performance, contribution to the Company's operation, industry benchmark, the Company's profitability, etc.

The directors' remuneration and officers' compensation were proposed to the board of directors after the resolution based on the performance evaluation results, the company's operational performance, and future risk exposure approved by the remuneration committee, and processed after the approval of the board of directors. The directors' remuneration and employees' compensation will also be reported at the shareholders' meeting. The Company's remuneration committee and the board of directors will review the remuneration policies of directors and officers in a timely manner based on the actual operating conditions and relevant laws and regulations, in order to balance the company's sustainable operation and risk control.

Policy on Linking Senior Executives' Compensation with ESG Performance

To align the compensation of senior executives with the Company's sustainable development goals and to encourage management to actively promote Environmental, Social, and Governance (ESG) initiatives, the Company has incorporated ESG performance into the performance evaluation and incentive mechanisms for senior executives starting from 2024. This initiative aims to enhance corporate governance and increase stakeholder trust. The policy will be implemented in two phases as outlined below:

Phase 1: Incorporating ESG Outcomes into CSU Granting Mechanism

In the "Cash-Settled Restricted Stock Units (CSUs) Granting Guidelines for 2024" applicable to senior executives, the Company has introduced ESG outcomes as an additional performance modifier, in addition to the achievement of operational and financial targets. Currently, the Company's ESG performance is referenced against the corporate governance evaluation rankings of TPEx-listed companies. The number of CSUs allocated to senior executives will be adjusted based on the Company's ranking tier, thereby encouraging active participation in sustainability

initiatives and improved ESG performance. This guideline was approved by the 6th Remuneration Committee and the 8th Board of Directors on November 4, 2024.

Phase 2: Developing Customized ESG Performance Indicators

On November 4, 2024, the Company formally established the “Sustainability Committee,” which will be responsible for organizing an execution team to develop appropriate ESG performance indicators and evaluation mechanisms tailored to each senior executive’s role. The Sustainability Committee will conduct ESG performance assessments and submit the results to the Remuneration Committee for determination of final compensation. Through a structured and credible evaluation process, the Company aims to ensure fairness in ESG-linked compensation and enhance incentive effectiveness, further embedding sustainability into the Company’s culture and operations.

1. Corporate Governance Report

(1) Operation of the Board :

A total of 8 meetings of the Board of Directors were held in 2024. The attendance of the directors is as follows:

Title	Name	In-person Attendance	By Proxy	Percentage of Actual Attendance
Chairman	Chris Lin	8	0	100%
Director	Arnold Yu, Corporate Representative of Xian Hua Investment Co., Ltd.	8	0	100%
Director	Luke Chen, Corporate Representative of Linvest Wealth Corp.	8	0	100%
Director	Ted Tsai	8	0	100%
Director	Hung-Ju Huang, Corporate Representative of Linvest Fortune Corp.	8	0	100%
Independent Director	Chyan Yang	3	0	100%
Independent Director	Dyi-Chung Hu	3	0	100%
Independent Director	Sheng-Lin Chou	8	0	100%
Independent Director	John C. Lin	8	0	100%
Independent Director	Kathy Yang	5	0	100%
Independent Director	Chen-Fu Chien	5	0	100%

Note: The term of outgoing independent directors Mr. Chyan Yang and Mr. Dyi-Chung Hu ended on May 29, 2024. The newly appointed independent directors, Ms. Kathy Yang and Mr. Chen-Fu Chien, assumed office on May 30, 2024.

Other Required Notes for the Board Meetings:

1. If any of the following circumstances occurs, the dates of the meetings, sessions, contents of motion, all independent directors' opinions and the company's response should be specified:

(1) Matters referred to Article 14-3 of the Securities and Exchange Act. :

Date of meeting	Meeting	Content of motion	Independent director's opinion	Handles the opinions of independent directors
Mar-11 2024	7th-term 17 th	(1) Approval of Amendment to "Corporate Governance Best Practice Principles", "Ethical Corporate Management Best Practice Principles", "Rules of Procedure for Board of Directors Meetings", "Rules of Procedure for Shareholders' Meetings", "Procedures for the Election of Directors"	Proposal was approved as proposed	None
		(2) Approval of the appointment of CPAs		

Date of meeting	Meeting	Content of motion	Independent director's opinion	Handles the opinions of independent directors
		(3) Approval of 2023 employee bonus and board directors' remuneration		
		(4) Approval of the statement of declaration of internal control		
April- 08 2024	7th-term 18 th	(1) Approval of 2023 Board of Directors' compensation plan		
May- 06 2024	7th-term 19 th	(1) Approval of Amendments to the "Rules Governing the Scope of Duties of Independent Directors", "Organizational Charter of the Compensation Committee", "Organizational Charter of the Audit Committee", and "Regulations for Board Performance Evaluation" (2) Approval of the Establishment of the "Operating Procedures for Financial and Business Transactions among Related Parties" of the Company (3) Approval of the 2024 Compensation and Bonus Distribution Plan for Managerial Officers	Proposal was approved as proposed	None
Nov-04 2024	8th-term 4 th	(1) Approval of the 2024 Grant of Cash-Settled Restricted Stock Units (CSUs) to Employees (2) Approval of the Establishment of the Sustainability Committee (3) Approval of the Formulation of the "Organizational Charter of the Sustainability Committee" (4) Approval of Capital Increase for 100% Subsidiary Cupola360 Inc. (5) Approval of Amendments to the Company's Internal Control System (6) Approval of Investment in "TRF 1, L.P."		
Dec-13 2024	8th-term 5 th	(1) Approval of strategic investment to GRAID Technology Inc.		

(2) Other matters involving objections or expressed reservations by independent directors that were recorded or stated in writing that require a resolution by the board of directors.: None.

2. If there are directors' avoidance of motions in conflict of interest, the directors' names, contents of motion, causes for avoidance and voting should be specified:

Date of Board of directors	Content of motion	Name of Director	Causes for Avoidance	Voting or Not
May- 06 2024	Approval of the 2024 Compensation and Bonus Distribution Plan for Managerial Officers	Chris Lin	Manager's salary	Note 1
		Luke Chen	Manager's salary	
Nov-04 2024	Approval of the 2024 Grant of Cash-Settled Restricted Stock Units (CSUs) to Employees	Chris Lin	Grant of CSUs	Note 2
		Luke Chen	Grant of CSUs	

Note 1: All motions were approved by all attending directors as proposed, except for the motion regarding 2024 managers' salary allocation on May 06, 2024, where director Chris Lin and Luke Chen recused themselves to avoid conflicts of interest in accordance with the law.

Note 2: All motions were approved by all attending directors as proposed, except for the motion regarding the 2024 Grant of Cash-Settled Restricted Stock Units (CSUs) to Employees on Nov. 04 2024, where director Chris Lin and Luke Chen recused themselves to avoid conflicts of interest in accordance with the law.

3. Listed companies should disclose information on the board of directors' self (or peer) assessment cycle and period, the scope, manner and content of the assessment:

Assessment Cycle	Assessment Period	Assessment Scope	Assessment Method	Assessment Content
Once every three years	2022/11/1-2023/10/31	Performance assessment of the board of directors	Assessment conducted by an external professional independent team of scholars and experts through document review, questionnaire responses, and on-site visits	The appointment of the Taiwan Corporate Governance Association (TCGA) to conduct an overall board performance assessment. This organization, along with the members of the expert team led by Dr. Chen Shengyuan, has no business dealings with our company and possesses impartial independence. They conducted assessments through questionnaires and on-site visits concerning eight major dimensions of the company's board, including composition, guidance, authorization, supervision, communication, internal control and risk management, self-discipline, and others.
Annually	2024/1/1~2024/12/31	Performance assessment of the board of directors, functional committees and their individual members	Internal self-assessment made by the board of directors, functional committees and their individual members	<p>1. The company's items for measuring the performance assessment of the board of directors include the following aspects:</p> <p>(1) Degree of participation in company operations</p> <p>(2) Improve the quality of decision-making of the board of directors</p> <p>(3) Composition and structure of the board of directors</p> <p>(4) Selection and appointment of directors and continuous education</p> <p>(5) Internal control</p> <p>2. The company's items for measuring the performance assessment of the functional committees include the following aspects:</p> <p>(1) Degree of participation in company operations</p> <p>(2) The awareness of duties of the functional committees</p> <p>(3) Improve the quality of</p>

Assessment Cycle	Assessment Period	Assessment Scope	Assessment Method	Assessment Content
				<p>decision-making of the functional committees</p> <p>(4) Selection and appointment of the functional committees</p> <p>(5) Internal control</p> <p>3. The company's items for measuring the performance assessment of directors include the following aspects:</p> <p>(1) Understanding of company goals and missions</p> <p>(2) The awareness of their duties and responsibilities</p> <p>(3) Degree of participation in company operations</p> <p>(4) Internal relation maintenance and communications</p> <p>(5) Election of directors and continued knowledge development</p> <p>(6) Internal control</p>

4. Goals of the current and the recent years to improve the functions of board of directors (such as establishing audit committee, improving the information disclosure) and assessment of the implementation:

- (1) Establishment of the Remuneration Committee and Audit Committee: ASPEED established a Remuneration Committee on June 12, 2011 and an Audit Committee on June 11, 2018 to enhance the Board's operation.
- (2) In order to improve the function of the board of directors and establish performance goals to strengthen the operation efficiency of the board of directors, the board of directors of ASPEED approved the "Regulations for Board Performance Evaluation" on May 5, 2020. The internal performance evaluation is implemented at least once a year and finished in the first quarter of the next year. The report to the board of directors is submitted beforehand, and the results of performance evaluation are not only the basis for review and improvement, but also serve as a reference for the selection and nomination of directors.
- (3) Enhancing Corporate Governance:
ASPEED Technology has obtained board approval for the adoption of the "Corporate Governance Best Practice Principles", "Sustainable Development Best Practice Principles", "Code of Ethical Conduct", and "Procedures for Ethical Corporate Management and Guidelines for Conduct".
- (4) Improving Information Transparency:
ASPEED Technology's Board of Directors has approved the "Procedures for the Management of Insider Trading Prevention and Handling of Material Internal Information" and the "Operating Procedures for Financial and Business Transactions among Related Parties".

(2) Operation of Audit Committee

Audit Committee held 5 sessions in 2024.

The attendance of the Independent Directors is shown in the following table.

Title	Name	In-person Attendance	By Proxy	Percentage of Actual Attendance (%)	Remark
Independent Director	Chyan Yang	2	0	100%	None
Independent Director	Dyi-Chung Hu	2	0	100%	None
Independent Director	Sheng-Lin Chou	5	0	100%	None
Independent Director	John C. Lin	5	0	100%	None
Independent Director	Kathy Yang	3	0	100%	None
Independent Director	Chen-Fu Chien	3	0	100%	None

Other Required Notes for the Audit Committee Meeting :

1. The operation of the Audit Committee shall state the date and period of the Board meeting, the content of the motion, the result of the Audit Committee's resolution and the Company's handling of the Audit Committee's opinion, if any of the following circumstances apply:

(1) Matters referred to Article 14-5 of the Securities and Exchange Act.:

Date of meeting	Meeting		Content of motion	Any Independent Director had a Dissenting Opinion or Qualified Opinions
Mar. 11 2024	2nd-term	12 th	(1) Approval of 2023 financial reports (2) Approval of the appointment of CPAs (3) Approval of Amendment to "Corporate Governance Best Practice Principles", "Ethical Corporate Management Best Practice Principles", "Rules of Procedure for Board of Directors Meetings", "Rules of Procedure for Shareholders' Meetings", "Procedures for the Election of Directors" (4) Approval of the statement of declaration of internal control	None
May 06 2024	2nd-term	13 th	(1) Approval of Amendments to the "Rules Governing the Scope of Duties of Independent Directors", "Organizational Charter of the Compensation Committee", "Organizational Charter of the Audit Committee", and "Regulations for Board Performance Evaluation" (2) Approval of the Establishment of the "Operating Procedures for Financial	

			and Business Transactions among Related Parties" of the Company	
Aug. 05 2024	3rd-term	2 th	(1) Approval of the Financial Statements for the Second Quarter of 2024 (2) Approval of the Addition of Items under the Company's "Audit Guidelines for Pre-approval of Non-assurance Services"	
Nov. 04 2024	3rd-term	3 th	(1) Approval of the Formulation of the Company's "Organizational Charter of the Sustainability Committee" (2) Approval of the Amendments to the Company's Internal Control System (3) Approval of the 2024 Audit Plan	

(2) Other resolution which was not approved by the Audit Committee but was approved by two thirds or more of all directors: None.

2. The independent director should state the name of the independent director, the content of the motion, the reasons for the evasion of interest and the circumstances of voting: None.

3. Communications of Independent Directors with internal auditors and CPAs:

(1) Independent Directors and internal auditor regularly communicate with each other among the meetings of Audit Committee and the communication functioned well. Internal auditor presents the execution and improvement of audit plan among the meetings. Also, they communicate and exchange ideas to assess internal control effectiveness.

(2) Independent Directors and CPAs regularly communicate with each other among the meetings of Audit Committee. CPAs report the Company's financial results and fully discuss with Independent Directors on the issues related to financials, taxes, internal control, etc.

(3) Corporate Governance Implementation as Required by the Taiwan Financial Supervisory Commission

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary Description	
1. Does the company establish and disclose the Corporate Governance Best-Practice Principles based on “Corporate Governance Best-Practice Principles for TWSE/ Listed Companies”?	V		The Company's "Code of Corporate Governance Practice" was submitted to the Board of Directors for implementation on March 14, 2012 in accordance with the Code of Practice for Listed Corporate Governance, and the most recent amendment to the Act was approved by the Board of Directors on February 27, 2025 and disclosed on the Company's website and the Market Observation Post System (MOPS).	None
2. Equity structure and shareholders' equity				
(1) Does the company establish an internal operating procedure to deal with shareholders' suggestions, doubts, disputes and litigations, and implement based on the procedure?	V		(1) The Company has a spokesperson mechanism to deal with shareholders' suggestions or questions at any time, and has an investor relations area on the Company's website, where shareholders can contact relevant personnel by e-mail to deal with shareholder disputes or disputes through "Contact Us" Litigation and other issues.	None
(2) Does the company possess the list of its major shareholders as well as the ultimate owners of those shares?	V		(2) The Company regularly discloses the list of major shareholders and the ultimate controllers of major shareholders in accordance with relevant laws and regulations, and declares abnormal information in accordance with regulations. In order to ensure the transparency of the company's shareholding structure, it is disclosed on the company's website.	

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary Description	
(3) Does the company establish and execute the risk management and firewall system within its conglomerate structure?	V		(3) The Company has established the "Trading Measures for Group Enterprises, Specific Companies and Related Persons" to regulate the operating procedures and risk control of business and financial transactions with related enterprises, and conduct regular internal audits and report to the Board of Directors.	
(4) Does the company establish internal rules against insiders trading with undisclosed information?	V		(4) The Company has established the "Administrative Measures for the Prevention of Insider Trading" to regulate insiders to perform their business in good faith, and shall not disclose the internal material information they know to others, and prohibit insiders from using undisclosed information in the market to buy and sell negotiable securities in accordance with relevant laws and regulations.	
3. Composition and Responsibilities of the Board of Directors				None
(1) Does the Board develop and implement a diversified policy for the composition of its members?	V		(1) The composition of the board of directors of the Company shall be voted by the shareholders after considering that they have the knowledge, skills and qualities necessary to perform their duties.	
(2) Does the company voluntarily establish other functional committees in addition to the Remuneration Committee and the Audit Committee?	V		(2) In addition to the establishment of the Remuneration Committee and the Audit Committee in accordance with the law, the Company has established a Sustainability Committee approved by the Board of Directors on November 4, 2024 to be responsible for supervising, promoting and implementing the Company's sustainable development affairs. Please refer to the annual report or the company's website for CSR-related information.	

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary Description	
(3) Does the company establish a standard to measure the performance of the Board, and implement it annually?	V		<p>(3) 1. The Company has established the "Board Self-Assessment or Peer Evaluation Method" and its assessment method, and the Board of Directors shall perform the internal performance evaluation of the Board at least once a year. The results of the performance evaluation are carried out by the Company's Finance and accounting division and reported to the Board of Directors and used for reference in the remuneration and nomination of individual directors.</p> <p>2.Results of the performance evaluation of the Board of Directors in 2024:</p> <p>i. Internal performance evaluation of the board of directors self-evaluation of the operation performance of the board of directors: The performance evaluation indicators of the board of directors include five aspects, a total of 45 indicators, the overall evaluation results are 4.88 points/5 points, and the evaluation results of the five major aspects are as follows; The results of the evaluation show that the Board of Directors has the responsibility to guide and supervise the company's strategy, major business and risk management, and can establish a proper internal control system, and the overall operation is perfect and in line with the requirements of corporate governance.</p>	

Assessment Item	Implementation Status			Reason for Non-implementation																		
	Yes	No	Summary Description																			
			<table> <tr> <td>Self-assessment of 5 major aspects</td> <td>Appraisal items</td> <td>Scoring results</td> </tr> <tr> <td>A. Degree of participation in the Company's operations</td> <td>12 items</td> <td>4.87 points</td> </tr> <tr> <td>B. Improve the quality of decision-making of the board of directors</td> <td>12 items</td> <td>4.89 points</td> </tr> <tr> <td>C. Composition and structure of the Board of Directors</td> <td>7 items</td> <td>4.97 points</td> </tr> <tr> <td>D. Selection and continuing education of directors</td> <td>7 items</td> <td>4.73 points</td> </tr> <tr> <td>E. Internal control</td> <td>7 items</td> <td>4.94 points</td> </tr> </table> <p>ii. Self-evaluation of the performance of board members: The performance evaluation indicators of board members include six aspects and a total of 23 indicators, the overall evaluation results are 4.91 points/5 points, and the evaluation results of the six major aspects are as follows; It shows that the directors have positive evaluations of the efficiency and effectiveness of the operation of various indicators.</p>	Self-assessment of 5 major aspects	Appraisal items	Scoring results	A. Degree of participation in the Company's operations	12 items	4.87 points	B. Improve the quality of decision-making of the board of directors	12 items	4.89 points	C. Composition and structure of the Board of Directors	7 items	4.97 points	D. Selection and continuing education of directors	7 items	4.73 points	E. Internal control	7 items	4.94 points	
Self-assessment of 5 major aspects	Appraisal items	Scoring results																				
A. Degree of participation in the Company's operations	12 items	4.87 points																				
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E. Internal control	7 items	4.94 points																				

Assessment Item	Implementation Status			Reason for Non-implementation																					
	Yes	No	Summary Description																						
			<table><tr><td>Self-assessment of 6 major aspects</td><td>Appraisal items</td><td>Scoring results</td></tr><tr><td>A. Mastery of the Company’s objectives and tasks</td><td>3 items</td><td>4.93 points</td></tr><tr><td>B. Awareness of the duties of directors</td><td>3 items</td><td>4.93 points</td></tr><tr><td>C. Degree of participation in the Company’s operations</td><td>8 items</td><td>4.82 points</td></tr><tr><td>D. Internal relationship management and communication</td><td>3 items</td><td>4.96 points</td></tr><tr><td>E. Professional and continuous training of directors</td><td>3 items</td><td>4.93 points</td></tr><tr><td>F. Internal control</td><td>3 items</td><td>4.89 points</td></tr></table>	Self-assessment of 6 major aspects	Appraisal items	Scoring results	A. Mastery of the Company’s objectives and tasks	3 items	4.93 points	B. Awareness of the duties of directors	3 items	4.93 points	C. Degree of participation in the Company’s operations	8 items	4.82 points	D. Internal relationship management and communication	3 items	4.96 points	E. Professional and continuous training of directors	3 items	4.93 points	F. Internal control	3 items	4.89 points	
			Self-assessment of 6 major aspects	Appraisal items	Scoring results																				
			A. Mastery of the Company’s objectives and tasks	3 items	4.93 points																				
			B. Awareness of the duties of directors	3 items	4.93 points																				
			C. Degree of participation in the Company’s operations	8 items	4.82 points																				
			D. Internal relationship management and communication	3 items	4.96 points																				
			E. Professional and continuous training of directors	3 items	4.93 points																				
			F. Internal control	3 items	4.89 points																				
			iii. The results of the performance evaluation of the board of directors in 2024 have been submitted to the board of directors for approval on February 27, 2025, please refer to the annual report or the performance evaluation of the board of directors disclosed on the company’s website.																						

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary Description	
(4) Does the company regularly evaluate the independence of CPAs?	V		<p>(4) The Company's certified accountants belong to the Taiwan member firms of the international Big Four accounting firms, and in addition to regularly assessing the independence of the certified accountants every year, the Company implements the policy of changing accountants every five years.</p> <p>The Company passed the assessment method of the independence and competence of the certified accountant and the assessment report on the independence of the certified accountant after the second audit committee of the 12th term on Mar. 11, 2024, and submitted it to the Board of Directors for approval on Mar. 11, 2024.</p>	
4. Does the company establish an exclusively (or concurrently) corporate governance unit or personnel to be in charge of corporate governance affairs (including but not limited to furnish information required for business execution by directors, handle matters relating to board meetings and shareholders' meetings according to laws, handle corporate registration and amendment registration, produce (or record?) minutes of board meetings and shareholders meetings, etc.?	V		<p>The Company has appointed a dedicated corporate governance officer to manage corporate governance affairs since May 8th 2023. The scope of authority includes:</p> <ol style="list-style-type: none"> (1) Organize Board meetings in accordance with the law. (2) Production of Board meeting minutes. (3) Assist with the appointment and continuing education for directors and independent directors. (4) Provide directors and independent directors with the information necessary to carry out their duties. (5) Assist directors and independent directors with compliance. <p>Any other matters set out in the Company articles of incorporation, are those approved a resolution of the Board.</p>	None

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary Description	
5. Does the company establish a communication channel and build a designated section on its website for stakeholders (including but not limited to shareholders, employees, customers, suppliers, etc.), as well as handle all the issues they care for in terms of corporate social responsibilities?	V		Under corporate social responsibility section on the Company's website, there is a special area for stakeholders, which discloses the identification and evaluation of stakeholders and the issues of interest to stakeholders, and provides a contact window for appropriate purposes respond to stakeholders.	None
6. Does the company appoint a professional shareholder service agency to deal with shareholder affairs?	V		The Company designated a professional shareholder service agency to deal with shareholder affairs.	None
7. Information Disclosure				None
(1) Does the company have a corporate website to disclose both financial standings and the status of corporate governance?	V		(1) The Company discloses financial business information on its website at https://www.aspeedtech.com (in Chinese and English).	
(2) Does the company have other information disclosure channels (e.g. building an English website, appointing designated people to handle information collection and disclosure, creating a spokesman system, webcasting investor conferences)?	V		(2) The Company has designated personnel for information collection and disclosure, and also has a dedicated spokesperson for regularly holding investor conferences. Related materials of investor conferences (presentations and videos) are available on its website for shareholders and the general public.	
(3) Does the company announce and file annual financial report in two months after fiscal year end? And does the company announce and file quarterly financial report and monthly operations earlier than the regulated date?		V	(3) The Company has announced and filed annual financial reports according to regulation of Securities and Exchange Act. And the Company has announced and filed quarterly reports and monthly operations earlier than regulated date as possible.	

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary Description	
8. Is there any other important information to facilitate a better understanding of the company's corporate governance practices (e.g., including but not limited to employee rights, employee wellness, investor relations, supplier relations, rights of stakeholders, directors' and supervisors' training records, the implementation of risk management policies and risk evaluation measures, the implementation of customer relations policies, and purchasing insurance for directors and supervisors)?	V		<p>(1) Employee rights and employee care Employees are the most valuable resource of ASPEED. We have a high-quality labor force that we provide with comprehensive employee welfare benefits. We care for our employees and their households while supporting their lifestyles. By conscientiously heeding employee opinions, we use communication as a bridge for connecting employees' work with the Company vision. Employees build trust with one another, which encourages joint hard work and continued growth. ASPEED's organizational framework has a linear design that supports internal free flow of opinions and open communications channels. Employees share their opinions at the end of each year in Company satisfaction surveys as well as labor management meetings, digital mailboxes, and through the Employee Welfare Committee. These channels make it easy for employees to share their thoughts with the Company, so that the responsible Company unit can offer a timely response, fostering positive interaction and trust between labor and management. Creating a seamless communication culture and an active, enlightened work environment enables us to better guarantee workers' rights and interests.</p> <p>(2) Investor relations The Company interacts with all shareholders based on the principle of being fair, just, and open. Besides notifying all shareholders to attend shareholders' meetings, the Company encourages shareholders to actively participate in directors and supervisors' elections, or propose amendments to the Articles of Incorporation. Material financial transactions, such as the acquisition or disposal</p>	None

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary Description	
			<p>of assets, endorsements, and guarantees, are all reported to the shareholders' meeting. The Company provides ample opportunity for shareholders to ask questions or make proposals, so as to achieve check of balance. Furthermore, to ensure that shareholders achieve check of balance and to protect their rights to know the Company's material information and participate in decisions. The Company discloses information in accordance with the law and has a spokesperson and acting spokesperson to properly handle shareholders' suggestions, questions, and disputes.</p> <p>(3) Rights of Suppliers and Stakeholders and Customer Policy</p> <p>The Company maintains open channels of communication with banks, customers, suppliers, and other stakeholders, and respects and protects their lawful rights and interests:</p> <ol style="list-style-type: none"> The Company provides sufficient information to its partner banks to help them make the best judgment and decisions regarding the Company's operations and finances. The Company has dedicated personnel to respond to customers' questions regarding the Company's products. The Company has dedicated personnel for dealing with suppliers, does not have any owed or late payments, and has maintained good relationships with suppliers. The Company has a designated spokesperson and acting spokesperson to communicate with shareholders. It also has an external communication 	

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary Description	
			<p>hotline for external stakeholders to file complaints and reports with the Company.</p> <p>(4) Continuing education of directors: The Company's directors all have a professional background, and the Company occasionally provides them with information on continuing education. Please see Note 1 for details on the continuing education of directors in 2024.</p> <p>(5) Implementation of risk management policies and risk assessment standards: The Company established various internal regulations in accordance with the law, and established proactive risk management mechanisms. Major risks are immediately identified, assessed, responded to, and reported through risk identification and assessment operations. The impact of the risks on current and future operations is also monitored to ensure the Company's sustainability.</p> <p>(6) Implementation of customer policies: The Company has a customer service management unit that provides customers with services related to the Company's products and answers any questions they may have, thereby maintaining smooth channels of communication with customers.</p> <p>(7) Status of purchase of liability insurance by the company for directors: The Company has purchased liability insurance for directors in FY2024.</p>	

9. The improvement status for the result of Corporate Governance Evaluation announced by Taiwan Stock Exchange.
The Company continues to make gradual improvements to its corporate governance based on corporate governance evaluation results, including:

In the 2023 Corporate Governance Evaluation, ASPEED Technology's ranking among all TPEx-listed companies improved significantly from the 21st–35th percentile in the previous year to the 6th–20th percentile. The key improvement measures implemented include:

- (1) Appointing a dedicated Corporate Governance Officer on May 8, 2023, responsible for overseeing corporate governance-related affairs.
- (2) Appointing an additional female independent director during the re-election of the 8th Board of Directors on May 30, 2024, and disclosing the company's Board Diversity Policy, specific management objectives, and implementation status on the company website.
- (3) Publishing the "2023 Sustainability Report" and the "2023 ESG Highlights" on the company website, including disclosure of greenhouse gas emissions, water consumption, and total waste volume over the past two years, in support of the company's green living and environmental policy.
- (4) Engaging the Taiwan Corporate Governance Association to conduct an external board performance evaluation and obtaining the evaluation report on December 29, 2023, which has been disclosed on the company website.
- (5) Launching the ASPEED Whistleblowing Website, implemented by Deloitte Taiwan, as a demonstration of the company's commitment to integrity, transparency, and sustainable operations.
- (6) Establishing the Sustainability Committee – the company's third functional committee – on November 4, 2024, reflecting ASPEED's strong commitment to sustainable development and continuous enhancement of corporate governance.

Looking ahead, the company will continue to maintain an effective corporate governance mechanism across all operational aspects, strengthen the structure and functioning of the Board and its functional committees, enhance the transparency of information disclosure, and uphold its commitment to corporate social responsibility.

Note 1: Continuing Education/Training of Directors in 2024:

Title	Name	Date	Host by	Training/Speech title	Hours
Chairman	Chris Lin	Oct. 8, 2024	TPEx	2024 WIW: Exploring Digital and Sustainable Finance in the AI Era	3 hours
		April 10, 2024	Taiwan Academy of Banking and Finance	Corporate Governance and Sustainable Management Workshop	3 hours
Director	Arnold Yu	Nov. 22, 2024	Securities and Futures Institute	2024 Legal compliance briefing on insider equity transactions	3 hours

Title	Name	Date	Host by	Training/Speech title	Hours
Director	Arnold Yu	Oct. 4, 2024	Securities and Futures Institute	2024 Seminar on the Prevention of Insider Trading	3 hours
Director	Luke Chen	Oct. 1, 2024	Taiwan Corporate Governance Association	Board Strategies for ESG and Sustainability Governance	3 hours
		July 26, 2024	Taiwan Corporate Governance Association	Building Intellectual Property Risk Management Starting from TIPS	3 hours
Director	Ted Tsai	Nov. 8, 2024	Taiwan Corporate Governance Association	Equity Investment Planning in M&A and Practical Analysis of Joint Venture Agreements	3 hours
		Oct. 30, 2024	Taiwan Corporate Governance Association	Corporate Governance Evaluation Trends Every Director and Supervisor Should Know: Focus on Intellectual Property Management	3 hours
Director	Hung-Ju Huang	Sep. 28, 2024	Taiwan Corporate Governance Association	The Applications of AI: Legal Compliance and Audit Implications	3 hours
		Aug 27, 2024	Taiwan Corporate Governance Association	Promoting Ethical Conduct and Anti-Corruption through the Lens of Sustainable Governance	3 hours
Independent Director	Sheng-Lin Chou	Dec. 5, 2024	Taiwan Corporate Governance Association	How Climate Change Affects Financial Reporting and Disclosures	3 hours
		Oct. 30, 2024	Taiwan Corporate Governance Association	Key Trends in Corporate Governance Evaluation: What Board Members Should Know About IP Management	3 hours
Independent Director	John C. Lin	Nov. 26, 2024	Taiwan Corporate Governance Association	Corporate Misconduct and Securities Violations: Legal Responsibilities and Case Studies	3 hours
		Nov. 12, 2024	Taiwan Corporate Governance Association	Driving Business Growth Through Innovation in the AI Era	3 hours
Independent Director	Kathy Yang	Aug. 13, 2024	Taiwan Institute of Directors	Key Trends in Corporate Governance Evaluation: What Board Members Should Know About IP Management	3 hours
		May 9, 2024	Taiwan Institute of Directors	Carbon Matters: Exploring Carbon Fees, Taxes, Credits, and Trading Mechanisms	3 hours
Independent Director	Chen-Fu Chien	Oct. 25, 2024	Taiwan Corporate Governance Association	How the Board and Senior Executives Should Review Sustainability Reports: ESG Disclosure Standards	3 hours
		July 26, 2024	Taiwan Independent Director Association	Duties and Responsibilities of Companies and Directors/Supervisors under the Securities and Exchange Act	3 hours

(4) Operation of the Company's Remuneration Committee

a. Member of Remuneration Committee:

Criteria Name/Title	Professional Qualification and Experience	Independence Status	Number of Other Taiwanese Public Companies Concurrently Serving as Remuneration Committee Member
Chyan Yang(5 th term convener)	ASPEED's Rmuneration Committee is comprised of all 4 independent directors. For members professional qualification and experience, please refer to "Information Regarding Board Members" of this Annual Report.	Note 1	3
Dyi-Chung Hu			None
Sheng-Lin Chou(6 th term convener)			None
John C. Lin			None
Kathy Yang			3
Chen-Fu Chien			1

Note 1:

All the Compensation Committee members meet any of the following situations:

1. Satisfy the requirements of Article 14-6 of "Securities and Exchange Act" and the requirements of "Regulations Governing the Appointment and Exercise of Powers by the Compensation Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange" (Note) issued by Taiwan's Securities and Futures Bureau
2. Independent Director (or nominee arrangement) as well as his spouse and minor children do not hold any ASPEED shares
3. Received no compensation or benefits for providing commercial, legal, financial, accounting services or consultation to the Company or to any its affiliates within the preceding two years, and the service provided is either an "audit service" or a "non-audit service"

Note: During the two years before being elected and during the term of office, meet any of the following situations:

- (1) Not an employee of the company or any of its affiliates;
- (2) Not a director or supervisor of the company or any of its affiliates;
- (3) Not a natural-person shareholder who holds shares, together with those held by the person's spouse, minor children, or held by the person under others' names, in an aggregate amount of one percent or more of the total number of issued shares of the company or ranks as one of its top ten shareholders;

- (4) Not a spouse, relative within the second degree of kinship, or lineal relative within the third degree of kinship, of any of the officer in the preceding (1) subparagraph, or of any of the above persons in the preceding subparagraphs (2) and (3);
- (5) Not a director, supervisor, or employee of a corporate/institutional shareholder that directly holds five percent or more of the total number of issued shares of the company, ranks as of its top five shareholders, or has representative director(s) serving on the company's board based on Article 27 of the Company Law;
- (6) Not a director, supervisor, or employee of a company of which the majority of board seats or voting shares is controlled by a company that also controls the same of the company;
- (7) Not a director, supervisor, or employee of a company of which the chairman or CEO (or equivalent) themselves or their spouse also serve as the company's chairman or CEO (or equivalent);
- (8) Not a director, supervisor, officer, or shareholder holding five percent or more of the shares of a specified company or institution that has a financial or business relationship with the company; and
- (9) Other than serving as a compensation committee member of the company, not a professional individual who, or an owner, partner, director, supervisor, or officer of a sole proprietorship, partnership, company, or institution that, provides commercial, legal, financial, accounting services or consultation to the company or to any affiliate of the company, or a spouse thereof, and the service provided is an "audit service" or a "non-audit service which total compensation within the recent two years exceeds NT\$500,000".

b. Remuneration Committee Meeting Status

I . There are 4 members in the Remuneration Committee.

II .The term of the 6th Remuneration Committee: June 8, 2024 to May 29, 2027. A total of 5 Remuneration Committee meetings were held in 2024. The attendance record of the Remuneration Committee members was as follows:

Title	Name	Attend in person	By Proxy	Attendance Rate (%)	Note
5 th term Chairman	Chyan Yang	2	0	100%	1
Member	Dyi-Chung Hu	2	0	100%	1
6 th term Chairman	Sheng-Lin Chou	5	0	100%	None
Member	John C. Lin	5	0	100%	None
Member	Kathy Yang	3	0	100%	2
Member	Chen-Fu Chien	3	0	100%	2

Note: The term of outgoing Remuneration Committee member Mr. Chyan Yang and Mr. Dyi-Chung Hu ended on May 29, 2024. The newly appointed independent directors, Ms. Kathy Yang and Mr. Chen-Fu Chien, assumed office on June 7, 2024.

Other Required Remarks for Remuneration Committee:

1. In order to improve corporate governance and strengthen the functions of the board of directors, the Remuneration Committee assists directors to implement and evaluate the remuneration of company's directors and managers.
2. In cases the Board doesn't adopt or revise Remuneration Committee's proposals, the Company shall list date/number of the Board meeting, agenda, the Board's resolution and the Company's response to Remuneration Committee's proposal: None.
3. In cases the Remuneration Committee members have dissenting opinions or qualified opinions against the resolution and recorded with notes in paper, the Company shall list date, number of the Remuneration Committee meeting, agenda, all members' opinion and the follow-up of the members' opinion: None.
4. The content of the motion, the result the Remuneration Committee's resolution and the Company's handling of the Remuneration Committee's opinion:

Meeting	Details of the Resolution and Subsequent Implementation
April 8, 2024 5 th -term 10 th	1. Approval of 2023 board of directors' compensation plan Approved as proposed and reported to the Board of Directors for resolution.
Aug. 5, 2024 6 th -term 2 th	1. Approval of the 2024 Compensation and Bonus Distribution Plan for Managerial Officers Approved as proposed and reported to the Board of Directors for resolution
Nov. 6, 2024 6 th -term 3 th	1. Approval of the 2024 Grant of Cash-Settled Restricted Stock Units (CSUs) to Employees Approved as proposed and reported to the Board of Directors for resolution

(5) Operation of Sustainability Committee

I . There are 6 members in the Remuneration Committee.

II .The term of the 1th Remuneration Committee: Nov 4, 2024 to May 29, 2027. A total of 1 Sustainability Committee meeting was held in 2024.

The attendance record of the Sustainability Committee members was as follows:

Title	Name	Attend in person	By Proxy	Attendance Rate (%)	Note
Chairman	Luke Chen	1	0	100%	None
Member	Hung-Ju Huang	1	0	100%	None
Member	Sheng-Lin Chou	1	0	100%	None
Member	John C. Lin	1	0	100%	None
Member	Kathy Yang	1	0	100%	None
Member	Chen-Fu Chien	1	0	100%	None

Other Required Remarks for Sustainability Committee:

1. In order to improve corporate governance and strengthen the functions of the board of directors, the Sustainability Committee assists directors to implement and evaluate the company's ESG strategies and review of the sustainability reports..
2. In cases the Board doesn't adopt or revise Sustainability Committee's proposals, the Company shall list date/number of the Board meeting, agenda, the Board's resolution and the Company's response to Sustainability Committee's proposal: None.
3. In cases the Sustainability Committee members have dissenting opinions or qualified opinions against the resolution and recorded with notes in paper, the Company shall list date, number of the Sustainability Committee meeting, agenda, all members' opinion and the follow-up of the members' opinion: None.
4. The content of the motion, the result the Sustainability Committee's resolution and the Company's handling of the Sustainability Committee's opinion:

Meeting	Details of the Resolution and Subsequent Implementation
Nov 4, 2024 1 th -term 1 th	1.Eletion of Chairman of the Sustainability Committee 2. Approval of 2024 ESG plan with an update on communications with all stakeholders Approved as proposed and reported to the Board of Directors for resolution.

- (6) The implementation of the promotion of sustainable development and the differences with the code of practice for sustainable development of listed companies and the reasons for them

Assessment Item	Implementation Status			Reason for No implementation
	Yes	No	Summary Description	
1. Does the company conduct risk assessments of environmental, social and corporate governance issues related to the company's operations considering the materiality principle, and establish relevant risk management policies or strategies?	✓		<p>1. In order to implement the company's sustainable operation and management, the company established the sustainable management committee under the board of directors, on August 11, 2021. In November 2024, it was restructured into a functional committee – the Sustainability Development Committee."</p> <p>2. The Sustainable Development Committee, with the Deputy General Manager of the Business as the chairman of the committee, convenes and presides over the meeting of the Sustainable Management Committee, is responsible for supervising and deciding on relevant promotion matters, and reports to the Board of Directors twice a year on the promotion and implementation results of the sustainable work of corporate social responsibility; He led five working groups on corporate governance, social participation, risk management, environmental sustainability and employee relations, coordinated the operation of each aspect, including collecting relevant issues of stakeholders and promoting various sustainable affairs, meeting once every six months, and each group was responsible for reporting on the implementation of operations and future planning. The executive team is composed of senior executives in different areas within the company.</p> <p>3. In addition to regularly monitoring the performance of corporate sustainability-related activities, the Sustainability Management Committee also incorporates sustainability development into decision-making considerations of corporate operations and important strategies.</p>	None

Assessment Item	Implementation Status			Reason for No implementation
	Yes	No	Summary Description	
			4. The Company announced on June 30, 2024 that the 2023 Corporate Social Responsibility Report and the 2023 ESG Summary were published on the Company's website, and reported to the Board of Directors on May , 2024 to get approval.	
2. Does the company establish exclusively (or concurrently) dedicated first-line managers authorized by the board to be in charge of proposing the corporate social responsibility policies and reporting to the board?	✓		1. Risk management policy In order to cope with the operational impact of changes in the global economic environment and perpetual risks on the internal and external aspects of the enterprise, the Company has formulated a risk management policy and a corporate continuity operation plan to identify the risks that may affect the sustainable development of the enterprise and develop subsequent corresponding strategies through the three aspects of corporate governance, environment and society, and to meet the important aspects of stakeholder concerns and international trends. 2. Risk management structure and response The Company has established a Risk Management Team under the Perpetual Management Committee of the Board of Directors. Refer to the requirements of a number of corporate continuity standards, and gradually establish an operation continuity management system after internal assessment. Its management structure is mainly responsible for monitoring and analyzing risks and confirming risks, reporting to the management level and activating the response mechanism, while investor relations and media public relations are responsible for communicating with the outside world at an appropriate time to eliminate the doubts of stakeholders, hoping to effectively play a key role in identifying risks, managing organizational operational risks and formulating	None

Assessment Item	Implementation Status			Reason for No implementation
	Yes	No	Summary Description	
			<p>countermeasures, and reporting to the board of directors twice a year period of implementation of the results.</p> <p>i. Risk Identification: The Risk Group under the CSR Executive Group identifies the risk factors associated with the operation of the enterprise</p> <p>ii. Major risk response and management: Assess the impact of risk factors on the operation of enterprises, and formulate improvement countermeasures for major risks affecting operations</p> <p>ii. Internal Control Audit Tracking: Risk control projects are tracked regularly every six months and reported to the Board of Directors</p> <p>3. Risk identification</p> <p>The Company The scope of risk identification, assessment, response and tracking according to the core business of the key organizations within the company and the external environment covers the scope govern Sustainability, environmental and social aspects. In 2024, The significant risk factor identified in the year is "interest rates/Exchange rate changes", "RD and Intellectual Property Protection", "Supply Chain Management", "Information Security" and" Climate change " important risks, with an emergency response management process in all aspects, to ensure that in the event of a disaster or impact, the level of operation can be maintained and continuously recovered, protecting the best interests of customers and stakeholders.</p>	

Assessment Item	Implementation Status			Reason for No implementation
	Yes	No	Summary Description	
3. Sustainable Environment Development				None
(1) Does the company endeavor to utilize all resources more efficiently and use renewable materials which have low impact on the environment?	✓		The company does not have a manufacturing plant, and the carbon emissions of scope 1 and scope 2 are only 318 metric tons of CO2e. ASPEED also started using renewable energy in July 2024. Therefore, there is no core capability for research and development of energy efficiency or the use of recycled materials with low impact on the environment. As a fabless IC design Company, we focus on “Green Design”, “Green Supply” and “Green Lifestyle”. Our internal environmental management primarily focuses on general water and electricity use, waste disposal and management, and green product specifications. Externally, the Company focuses on expansion of sustainable supply chain management. ASPEED Technology makes every effort to join suppliers in implementing environmental management.	
(2) Does the company establish proper environmental management systems based on the characteristics of their industries?	✓		Environmental Management Policy <ul style="list-style-type: none"> ■ Promote ISO 14001:2015 Environmental Management System ■ Establish procedures related to environmental management ■ Improve environmental awareness and implement environmental policies for all employees ■ Solidly document and publicly disclose greenhouse gas, water and waste emissions 	

Assessment Item		Implementation Status				Reason for No implementation																												
		Yes	No	Summary Description																														
(3)	Does the company assess the potential risks and opportunities of climate change for the company now and in the future, and take measures to respond to climate-related issues?	✓		(3) ASPEED already established the TCFD working task, and held workshop to discuss and evaluated climate change related matters. We will further evaluate the IFRS S1/S2 from 2025.																														
(4)	Does the company collect stastics in the greenhouse gas emissions, water consumption and total weight of waste in past two years, and formulate policies on energy conservation and carbon reduction, greenhouse gas reduction, water consumption or other waste management?	✓		<div> <div>(4) The GHG emissions, water consumptions, electricity consumptions, and total weight of waste are as below:</div> <table> <tr> <th rowspan="2">Year</th> <th colspan="2">GHG emission</th> <th colspan="2">Water Use</th> <th rowspan="2">Industrial waste (Kg)</th> </tr> <tr> <th>Emissions (metric tons of CO2e)</th> <th>GHG Emission Intensity (metric tons of CO2e/million piece)</th> <th>Water Use (metric tons)</th> <th>Water Use Intensity (metric tons/million on piece)</th> </tr> <tr> <td>2021</td> <td>8718</td> <td>655.98</td> <td>2,572</td> <td>193.53</td> <td>36.3</td> </tr> <tr> <td>2022</td> <td>12197.85</td> <td>775.40</td> <td>2,673</td> <td>169.92</td> <td>113.4</td> </tr> <tr> <td>2023</td> <td>5171.467</td> <td>604.0727</td> <td>2,579</td> <td>301.25</td> <td>96.6</td> </tr> </table> </div>		Year	GHG emission		Water Use		Industrial waste (Kg)	Emissions (metric tons of CO2e)	GHG Emission Intensity (metric tons of CO2e/million piece)	Water Use (metric tons)	Water Use Intensity (metric tons/million on piece)	2021	8718	655.98	2,572	193.53	36.3	2022	12197.85	775.40	2,673	169.92	113.4	2023	5171.467	604.0727	2,579	301.25	96.6	
Year	GHG emission		Water Use		Industrial waste (Kg)																													
	Emissions (metric tons of CO2e)	GHG Emission Intensity (metric tons of CO2e/million piece)	Water Use (metric tons)	Water Use Intensity (metric tons/million on piece)																														
2021	8718	655.98	2,572	193.53	36.3																													
2022	12197.85	775.40	2,673	169.92	113.4																													
2023	5171.467	604.0727	2,579	301.25	96.6																													
4.	Preserving Public Welfare					None																												
(1)	Does the company formulate appropriate management policies and procedures according to relevant regulations and the International Bill of Human Rights?	✓		(1) Compliance with international human rights standards ASPEED Technology strictly abides by the laws and regulations of the locations of various bases around the world, follows the principles of international human rights conventions, protects the rights and interests of employees in freedom of association, and prevents violations and violations of human rights. Any discrimination in employment is																														

Assessment Item	Implementation Status			Reason for No implementation
	Yes	No	Summary Description	
			prohibited, and the employee is not discriminated against on the basis of race, age, sex, sexual orientation, disability, pregnancy, politics, religion. All employees have signed labor contracts in accordance with the law, and the rules of work shall not prohibit the freedom of assembly and association of workers, the non-employment of child labor and the prohibition of forced labor, etc., so as to protect the basic human rights of their workers. In the event of special circumstances in Taiwan, if the employee is required to terminate the labor contract, the advance notice of seniority and subsequent related severance payment shall be made in accordance with the Labor Standards Law. In fiscal 2024, there were no cases of child labor or forced labor, nor were there any complaints related to human rights, child labor, or forced labor.	
(2) Does the company establish and implement reasonable employee benefits measures (including remuneration, vacation and other benefits, etc.), and reflect operating performance or results in employee compensation appropriately?	✓		(2) 1. The Company shall establish an Employee Welfare Committee in accordance with government decrees to allocate welfare benefits in accordance with the law, and the labor and management shall jointly supervise the use and custody of the welfare benefits, and follow the "Labor Standards Act", which stipulates the working hour standards and various holiday pay specifications. Holidays such as rest days, regular holidays, national holidays and special holidays regulated by the Labor Standards Law are included in the scope of salary payment and provide market-competitive benefits to motivate employees, in addition to regular assessments, employee remuneration, and sharing surplus results with colleagues. 2. In accordance with the provisions of the Labor Standards Act and the Gender Work Equality Act, the Company lists the assistance and benefits of employees as follows:	

Assessment Item	Implementation Status			Reason for No implementation
	Yes	No	Summary Description	
			<p>i. Maternity leave, maternity leave, physiological leave, paternity leave, and family photos are given Gu fake.</p> <p>ii. Application for suspension of pay for the retention of childcare.</p> <p>iii. The Employee Welfare Committee of the Company provides three gifts and birthdays</p> <p>Gifts, marriage allowance, maternity allowance, funeral allowance, injuries and illnesses</p> <p>Condolence payments, children's education awards, annual staff travel and quarterly</p> <p>Department meal expenses, etc.</p> <p>3. The Company will appropriately reflect the business performance or results of the employee's remuneration as follows:</p> <p>3-1. Establish a salary and remuneration committee to determine and regularly review managers</p> <p>Policies, systems, standards and settlements for performance evaluation and remuneration</p> <p>frame.</p> <p>3-2. Stipulate the performance evaluation method to review the employee's development in the company</p> <p>The exhibition situation and the performance and achievements of the work, The implementation of ASPEED Technology</p> <p>Line employee performance management system, based on colleagues at all stages of the company</p> <p>The development is divided into probationary period</p> <p>assessment of new recruits, and all of them</p> <p>Annual performance is assessed. The annual performance is evaluated by the employees regardless of sex</p> <p>Categories, ages, and job categories are required to participate in the performance appraisal of the current year</p>	

Assessment Item	Implementation Status			Reason for No implementation
	Yes	No	Summary Description	
			<p>Assignment, through the supervisor and colleagues to measure the achievement of past goals</p> <p>In addition, the values and abilities of future career planning are common</p> <p>Agree on development points as personal improvement recommendations and career development plans</p> <p>Reference guide for painting.</p> <p>3-3. To attract and retain top talent while sharing business success with employees, the Company has established a comprehensive compensation structure, including monthly salaries and bonuses for three major holidays. Each year, we allocate a salary adjustment budget that is competitive within the industry, and annual promotions and salary adjustments are based on employee performance.</p> <p>According to Article 28 of the Company's Articles of Incorporation, if the Company generates profit in a given year, no less than 8% of the profit shall be allocated as employee compensation, and no more than 3% as compensation for directors and supervisors. However, if there is an accumulated loss, it must first be offset before any profit is distributed.</p>	
(3) Does the company provide a healthy and safe working environment and organize training on health and safety for its employees on a regular basis?			<p>(3) The Company believes that physically and mentally healthy employees can create efficient and high-quality work performance, so committing to creating a friendly workplace safety environment is one of the Company's top priorities, including:</p> <p>A. The company implements the [Occupational Safety and Health Work Rules] and regularly holds training courses to implement safety and health protection. The company has established various measures in-house and formulated various emergency procedures</p>	

Assessment Item	Implementation Status			Reason for No implementation
	Yes	No	Summary Description	
			<p>through the concept of risk management. Usually, through occupational safety and health education and training and emergency response drills, colleagues can report and deal with emergency response procedures in accordance with the emergency response procedures when an emergency situation occurs. ASPEED Science and Technology Vocational Disaster Education Training includes:</p> <ul style="list-style-type: none"> • Once a labor safety and health seminar for new employees • Labor safety and health training is held every three years • Fire drill twice a year (fire drill in TFC One Building, where the headquarters of ASPEED Technology Hsinchu is located) <p>B. Organize regular health checks for employees every year, and through one-on-one health consultation and health education information of doctors, so that employees can better grasp their own health status and have the knowledge and methods of self-health management.</p> <p>C. By enhancing the office environment and promoting leisure activities, employees can achieve work-life balance.</p> <p>D. With a complete fire safety system, including sirens, fire extinguishers, emergency lights, escape lights, escape doors, etc., the building management center cooperates with at least once a year to test and replace various equipment.</p> <p>E. The office is equipped with central air conditioning system, sufficient lighting equipment and regular elevator equipment maintenance.</p> <p>F. The building employs security control personnel to enter and exit to ensure the safety of personnel entering and leaving.</p> <p>G. The company provides a safe and healthy working environment for employees, including providing necessary health and emergency facilities, and is committed to reducing the hazard factors for employee safety and health to prevent occupational disasters. In addition to ensuring each colleague with labor insurance and national health insurance according to government decrees, ASPEED Technology also plans a comprehensive group</p>	

Assessment Item	Implementation Status			Reason for No implementation
	Yes	No	Summary Description	
			<p>insurance for each colleague, covering life insurance, critical illness insurance, accident insurance, medical insurance, cancer insurance and occupational disaster insurance. In the event of an unpredictable major illness, colleagues can enjoy perfect medical care, care and financial protection. For overseas business travelers, they will take the initiative to insure them with high-value travel safety insurance to provide more adequate protection for their colleagues.</p> <p>H. In accordance with the spirit of human rights before the law, the Company shall formulate measures and punishment measures for the prevention of sexual harassment, and give appropriate punishment in accordance with the provisions of evidence and employee reward and punishment methods.</p> <p>In 2024, there were no incidents of fire within the Company. We remain committed to ensuring that employees maintain a high level of fire safety awareness in their daily operations and that all office premises comply with applicable fire safety regulations.</p>	
(4) Does the company provide its employees with career development and training sessions?	✓		(4) The Company provides internal and external training for different specializations to enrich employees' professional skills. The Company also encourages employees to evaluate their own interests, skills, values and goals, and communicate their intentions with managers to plan their future careers.	
(5) Does the company establish any consumer protection mechanisms and appealing procedures regarding research development, purchasing, producing, operating and service?	✓		(5) The Company established operating procedures for customer complaints to show its concern and immediately handle customer complaints, striving to achieve customer satisfaction.	
(6) Does the company have formulated a supplier management policy that requires suppliers to comply with relevant norms on issues such as environmental protection,	✓		<p>(6)</p> <p>1. Supplier management</p> <p>There are two types of ASPEED Technology suppliers: key suppliers and general service suppliers, and the key suppliers are</p>	None

Assessment Item	Implementation Status			Reason for No implementation
	Yes	No	Summary Description	
occupational safety and health or labor rights, and their implementation?			<p>mainly main raw materials and manufacturing test suppliers, considering such suppliers It is critical to ASPEED Technology's core business, so it insists on selecting only world-class Tier 1 manufacturing suppliers and ensuring that suppliers comply with issues such as social responsibility, green environmental protection, occupational safety and health, and labor human rights, and does comply with the Code of Conduct-Responsible Business Alliance, and gives priority to passing ISO9001 , ISO14001 and ISO45001 certified suppliers. In addition, every year, ASPEED Technology requires the issuance of a publicly disclosed sustainability management report for audit and evaluation, and also monitors whether there are any adverse events that damage the image or impose penalties from international customers.</p> <p>2. Supplier audit</p> <p>i. ASPEED Technology conducts on-site or written audits of suppliers every year, and the evaluation score must reach 75 points to be qualified, and those who fail must apply for review to ASPEED Technology after the improvement period is limited, and if the review is not qualified, the qualification of its suppliers will be cancelled. In addition to quality management, design process management, document records, warehousing and inspection, etc., the evaluation process also includes green product management and environmental, social, governance and other aspects of the evaluation, and if qualified suppliers have serious quality abnormalities in the transaction process, they will increase the sampling ratio according to the "Inspection and Test Management Procedures" and strictly review their quality status until they are completely improved. If the desired results are not achieved after counseling, the qualified supplier qualification will be cancelled.</p> <p>ii. In response to issues such as green commitment, human rights protection and conflict-free minerals, ASPEED Technology publicly stated on the company's website that it will jointly assume</p>	

Assessment Item	Implementation Status			Reason for No implementation
	Yes	No	Summary Description	
			social and green environmental protection responsibilities with suppliers, will not accept minerals illegally mined from conflict areas, and requires all suppliers to fulfill their commitments. Since 2020, suppliers are also required to sign a Corporate Social Responsibility Pledge, requiring suppliers to sign and strictly comply with international standards to implement norms related to corporate social responsibility, business ethics and labor human rights, and thoroughly implement labor, health and safety, environmental health, supplier integrity management and ethical standards in accordance with the RBA Code of Conduct.	
5. Does the company prepare CSR reports to disclosure corporate non-financial information with reference to the general international reporting standards or guidelines? Has the CSR report obtained the third-party assurance?	✓		The Company has prepared the 2023 Sustainability Report and ESG Summary (based on 2021 SASB & GRI standard) with reference to the internationally accepted guidelines or guidelines for the preparation of reports, which are disclosed on the Company's website and the Public Information Observatory.	
6. If a company has its own sustainable development code according to the Code of Practice for the Sustainable Development of Listed Companies, please state the differences between its operation and the established code: The Company adopted the Code of Practice for Corporate Social Responsibility by the Board of Directors on 14 March 2012 and amended it with the Approval of the Board of Directors on 3 June 2015 to strengthen the implementation of corporate social responsibility. On March 7, 2022, the Board of Directors approved the amendment and renamed it the "Code of Practice for Sustainable Development of Companies", These Measures are proposed to be submitted to the latest shareholders' meeting for approval. The Company regularly reviews and improves the implementation in accordance with the Code, and there has been no difference in implementation to date.				
7. Other important information to facilitate better understanding of the company's corporate social responsibility practices: <ol style="list-style-type: none"> (1) Implementation status of employee rights and concern for employees: For a description, please refer to "5. Labor-Management Relations" under V. Operational Highlights. (2) Human rights: The Company does not hire child labor, and has established Work Rules in accordance with the Act of Gender Equality in Employment and the Employment Service Act. The Company also established Ethical Corporate Management Best Practice Principles and Procedures for Ethical Management and Guidelines for Conduct. 				

Assessment Item	Implementation Status			Reason for No implementation
	Yes	No	Summary Description	
(3)			Work-life balance: The Company implements an unpaid parental leave system, and provides family-care leaves, parental leaves, menstrual leaves, travel subsidies, and periodic health exams.	
(4)			The Company has purchased D&O insurance for directors and supervisors.	

(7) Implementation of Climate-Related Information

Item	Implementation status
<ol style="list-style-type: none"> Describe the board of directors' and management's oversight and governance of climate-related risks and opportunities. Describe how the identified climate risks and opportunities affect the business, strategy, and finances of the business (short, medium, and long term). Describe the financial impact of extreme weather events and transformative actions. Describe how climate risk identification, assessment, and management processes are integrated into the overall risk management system. 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. 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. If internal carbon pricing is used as a planning tool, the basis for setting the price should be stated. 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 to be offset should be specified. Greenhouse gas inventory and assurance status and reduction targets, strategy, and concrete action plan (separately fill out in points 1-1 and 1-2 below). 	<p>Sustainability Development and Climate Strategy</p> <p>The Sustainability Development Task Force under ASPEED Technology's Sustainability Committee is responsible for gathering issues of concern from various stakeholders, monitoring trends in domestic and international regulations and policies, and holding regular meetings to report on execution and operations. The Task Force continuously reviews ASPEED's sustainability strategy and short- to mid-term plans, adjusting as needed based on actual conditions. The Sustainability Committee reports to the Board of Directors twice annually. In 2024, progress updates on sustainability efforts and related strategic projects were submitted to the Board in May and November.</p> <p>Climate-related disclosures include:</p> <ol style="list-style-type: none"> Sustainability policies Review of short-, medium-, and long-term goals Comprehensive Scope 3 greenhouse gas (GHG) inventory planning based on the GHG Protocol Planning discussions on IFRS S1/S2 sustainability disclosure standards <p>Low-Carbon Management Policy</p> <p>As an upstream fabless IC design company in the semiconductor supply chain with major global clients, ASPEED Technology actively responds to the global net-zero trend from the perspective of a responsible supplier, striving to meet both its own and its clients' net-zero goals. Since 2021, ASPEED has initiated GHG verification and obtained third-party certification. In 2022, carbon reduction planning commenced, aiming to define a clear decarbonization pathway and net-zero targets based on a comprehensive understanding of emissions. Internally, ASPEED has incorporated green innovation into its trade</p>

	<p>secret registration system – including green design and manufacturing – and strengthened carbon reduction awareness across the organization. In the future, the company also plans to explore linking executive compensation to sustainability performance indicators, fostering a green operational culture from within to support ASPEED's next steps in low-carbon transformation.</p> <p>In 2023, ASPEED completed its carbon reduction strategy, which was approved by the Board of Directors. The planning includes short-, mid-, and long-term goals that will be reviewed and adjusted annually in response to actual conditions and evolving international regulations. Furthermore, as ASPEED's chips are critical components in global data centers and end-user applications, improving the energy efficiency of these products through R&D will significantly contribute to decarbonization across the supply chain. Moving forward, improving the energy efficiency of core products and developing innovative applications to help industries reduce emissions will be a key focus.</p> <p>Goals and Timeline</p> <p>Short-Term (2023–2025): Planning Net-Zero Pathways and Carbon Reduction Strategies</p> <ul style="list-style-type: none"> • Set net-zero targets and roadmaps based on SBTi SME (Science Based Targets initiative for small and medium enterprises) guidelines • Develop corporate carbon reduction plans and purchase renewable energy • Complete comprehensive Scope 3 GHG inventory according to the GHG Protocol <p>Mid-Term (2025–2030): Continued Carbon Reduction and Scope Expansion</p> <ul style="list-style-type: none"> • Implement corporate carbon reduction plans and gradually increase renewable energy usage • Continuously optimize Scope 3 GHG inventories
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	<ul style="list-style-type: none"> • Identify and initiate supply chain carbon reduction targets • Promote product carbon footprint assessments and certification • Review and update SBTi targets every five years <p>Long-Term (2030–2050): Low-Carbon Transformation and Empowerment</p> <ul style="list-style-type: none"> • Continue implementation and tracking of carbon reduction efforts to achieve net-zero by 2050 • Establish a low-carbon supply chain system • Implement a digital carbon management platform • Review and adjust SBTi targets every five years <p>TCFD Climate Risk Management</p> <p>ASPEED completed the collection of financial impact data related to extreme climate events and conducted a risk and opportunity assessment under the TCFD (Task Force on Climate-related Financial Disclosures) framework in 2022. In 2023, an annual review was conducted to determine whether updates were needed based on prior evaluations.</p> <p>Scenario considerations include:</p> <p>Risks:</p> <ul style="list-style-type: none"> • Disruption to production caused by extreme weather • Raw material cost increases due to climate change • Stricter regulations and policy shifts in response to climate change <p>Opportunities:</p> <ul style="list-style-type: none"> • Developing low-carbon products • Changes in customer demand • Adoption of high-efficiency work models
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1-1 Greenhouse Gas Inventory and Assurance Status for the Most Recent 2 Fiscal Years

Scope 1	Emissions (metric tons of CO2e)	Intensity GHG Emission Intensity (metric tons of CO2e/million piece)	Assurance	Assurance status (Note 3)
Company	17.6115	2.0572	SGS ISO 14064-2018	ISO14064-2018
Total	17.6115	2.0572		
Scope 2	Emissions (metric tons of CO2e)	Intensity GHG Emission Intensity (metric tons of CO2e/million piece)	Assurance	Assurance status (Note 3)
Company	301.3165	35.1964	SGS ISO 14064-2018	ISO14064-2018
Total	301.3165	39.1964		
Scope 3	4582.5393 (「 Purchased Electricity 」 、 「 Purchased goods 」 and 「 Upstream transportation 」)			

Note 1: Direct emissions (scope 1, i.e., emissions directly from sources owned or controlled by the Company), indirect energy emissions (scope 2, i.e., indirect greenhouse gas emissions from electricity, heat, or steam) and other indirect emissions (scope 3, i.e., emissions from company activities that are not indirect energy emissions, but originate from sources owned or controlled by other companies).

Note 2: The data coverage scope for direct emissions and indirect energy emissions shall comply with the schedule prescribed in the order issued under Article 10, paragraph 2 of the Regulations. Other indirect emissions information may be voluntarily disclosed.

Note 3: Greenhouse gas inventory standards: Greenhouse Gas Protocol (GHG Protocol) or ISO 14064-1 issued by the International Organization for Standardization (ISO).

Note 4: The intensity of greenhouse gas emissions may be calculated per unit of product/service or revenue, but at least the data calculated in terms of revenue (NT\$ 1 million) shall be disclosed.

(8) Ethical Corporate Management

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary Description	
1. Establishment of ethical corporate management policies and programs				None
(1) Does the company declare its ethical corporate management policies and procedures in its guidelines and external documents, as well as the commitment from its board to implement the policies?	✓		(1) The Company has established the Code of Ethics and Business Conduct (the “Ethics Code”) and Guidelines for Conduct to require that each employee bears a heavy personal responsibility to uphold APSEED’s ethics value. The Board of Directors and managers manage the Company based on the principle of integrity.	
(2) Does the Company establish a risk assessment mechanism against unethical conduct, analyze and assess on a regular basis business activities within their business scope which are at a higher risk of being involved in unethical conduct, and establish prevention programs accordingly, which at least covers activities stated in Article 2, Paragraph 7 of the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies?	✓		(2) The Company has established the Ethics Code and Guidelines for Conduct and its ethical corporate management policy to prevent the directors, the manager, and employees from engaging in any of activities stated in Article 2, Paragraph 7 of the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies or other operating activities with highly-unethical risk. And the Company has announced them to employees.	

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary Description	
(3) Does the company clearly adopt the operating procedures, guidelines, punishment for violations and appeal system and implement it, and regularly review and revise the plan?	✓		(3) The Company has established the Ethics Code and Guidelines for Conduct, which are thoroughly implemented. The Company also regularly reviews these guidelines to determine whether revisions are necessary to ensure continued relevance and effectiveness.	
2. Fulfill operations integrity policy				
(1) Does the company evaluate business partners' ethical records and include ethics-related clauses in business contracts?	✓		(1) In accordance with the Ethics Code and Guidelines for Conduct, the Company should immediately terminates its business relationship with parties that are found to have engaged in unethical conduct, and blacklists the parties.	None
(2) Does the company establish an exclusively (or concurrently) dedicated unit supervised by the Board to be in charge of corporate integrity on a regular basis (at least once a year)?	✓		(2) The Company's General Administration Department is responsible for the promotion and execution of ethical corporate management, which reports unethical conduct, its handling method, and subsequent review of improvement measures to the Board of Directors.	

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary Description	
(3) Does the company establish policies to prevent conflicts of interest and provide appropriate communication channels, and implement it?	✓		(3) If there are any conflicts of interest, the Company's employees can report it to their direct supervisor or directly report it to the supervisors of the General Administration Department.	
(4) Has the company established effective systems for both accounting and internal control to facilitate ethical corporate management, and are they audited by either internal auditors or CPAs on a regular basis?	✓		(4) The Company formulate an internal auditing plan; the internal auditor carries out audits according to the auditing plan, and special audits are arranged under special circumstances.	
(5) Does the company regularly hold internal and external educational trainings on operational integrity?	✓		(5) The Company informs and helps employees clearly understand its ethical corporate management philosophy and standards during regular and irregular meetings.	
3. Operation of the integrity channel (1) Does the company establish both a reward/punishment system and an integrity hotline? Can the accused be reached by an appropriate person for follow-up?	✓		(1) Employees can report unethical conduct to their direct supervisor or the supervisors of the General Administration Department via telephone, e-mail or in person, and dedicated personnel at the General Administration Department are responsible for handling the report.	None

Assessment Item	Implementation Status			Reason for Non-implementation
	Yes	No	Summary Description	
(2) Does the company establish standard operating procedures for confidential reporting on investigating accusation cases?	✓		(2) To provide a secure and confidential communication channel, ASPEED Technology officially launched the “ASPEED Whistleblowing Website,” in 2023, with the assistance by an impartial third party, Deloitte Taiwan. The Company ensures that every reported case is documented, handled through standardized procedures, and protected by a strict confidentiality mechanism.	
(3) Does the company provide proper whistleblower protection?	✓		(3) The Company is responsible for maintaining the confidentiality of whistleblowers, and does not take any inappropriate actions against them.	
4. Enhancing information disclosure Does the company disclose its ethical corporate management policies and the results of its implementation on the company’s website and MOPS?	✓		The Company's the Ethics Code are disclosed on its website and the Market Observation Post System.	None
5. If the company has established the ethical corporate management policies based on “the Ethical Corporate Management Best-Practice Principles for TWSE/TPEX Listed Companies”, please describe any discrepancy between the policies and their implementation. The Company has established Code of Ethics and Business Conduct and Guidelines for Conduct. There is no discrepancy between the Ethics Code, including its affiliate policies and procedures, and its implementation.				

6. Other important information to facilitate a better understanding of the company's ethical corporate management policies (e.g., review and amend its policies):
- (1) Prohibition of offering or accepting improper benefits.
 - (2) Public announcement of the ethical corporate management policy.
 - (3) Explanation of the ethical corporate management policy to business partners.

(9) Other Important Corporate Governance Information : None.

(10) Status of the Internal Control System Implementation:

a. Declaration of Internal Control

Statement of Declaration of Internal Control

Date: February 27, 2025

Based on the findings of a self-assessment, ASPEED Technology Inc. (ASPEED) states the following with regard to its internal control system during the year 2024:

1. ASPEED's board of directors and management are responsible for establishing, implementing, and maintaining an adequate internal control system. Our internal control is a process designed to provide reasonable assurance over the effectiveness and efficiency of our operations (including profitability, performance and safeguarding of assets), reliability, timeliness, transparency of our reporting, and compliance with applicable rulings, laws and regulations.
2. An internal control system has inherent limitations. No matter how perfectly designed, an effective internal control system can provide only reasonable assurance of accomplishing its stated objectives. Moreover, the effectiveness of an internal control system may be subject to changes due to extenuating circumstances beyond our control. Nevertheless, our internal control system contains self-monitoring mechanisms, and ASPEED takes immediate remedial actions in response to any identified deficiencies.
3. ASPEED evaluates the design and operating effectiveness of its internal control system based on the criteria provided in the Regulations Governing the Establishment of Internal Control Systems by Public Companies (herein below, the Regulations). The criteria adopted by the Regulations identify five key components of managerial internal control: (1) control environment, (2) risk assessment, (3) control activities, (4) information and communication, and (5) monitoring activities. Each criteria further contains several items. For more information on the abovementioned items, please refer to the Regulations.
4. ASPEED has evaluated the design and operating effectiveness of its internal control system according to the aforesaid criteria.
5. Based on the findings of such evaluation, ASPEED believes it can reasonably assure that the design and implementation of its internal control system as of December 31, 2024 (including supervision and management of subsidiaries), including the effectiveness and efficiency in operation, reliability, timeliness and transparency in financial reporting, and compliance with relevant regulatory requirements, have reasonably and efficiently achieved the aforementioned objectives.
6. This statement is an integral part of ASPEED's annual report for the year 2024 and prospectus, and will be made public. Any falsehood, concealment, or other illegality in the content made public will entail legal liability under Articles 20, 32, 171, and 174 of the Securities and Exchange Act.
7. This Statement was passed by the Board of Directors Meeting of the Company held on February 27, 2025, with none of the 9 attending Directors expressed dissenting opinions, and the remainder all affirming the content of this Statement.

ASPEED Technology Inc.

Chairman: Chris Lin

President: Chris Lin

- b. Disclose the Review Report of Independent Auditors if They are Retained for Reviewing the Internal Control System: None.

(11) Important resolutions adopted in shareholders' meetings and Board of Directors meetings in the past year and up to the date of report:

- a. Major Resolution of the Shareholders' meeting and Implementation status

The Company's 2024 annual shareholders' meeting was held in Hsinchu on May 30, 2024. The following proposals were approved during the shareholders' meeting:

Major Resolution	Implementation status
Acknowledgement Items	(1)-(6) Approved.
(1) Adoption of 2023 business report and financial statements	
(2) Adoption of the Proposal for 2023 earnings distribution	
Matters for Discussion	
(3) Approval of the Amendments to the Company's Rules of Procedure for Shareholders' Meetings.	
(4) Approval of the Amendments to the Company's Procedures for the Election of Directors.	
Matters for Election	
(5) Full Re-election of the 8th Term Board of Directors.	
Other Matters	
(6) Approval of the Release of the Newly Elected Directors and Their Representatives from the Non-Competition Restrictions.	

- b. Major Resolution of the Board Meetings

During the 2024 and as of the printing date of this annual report, major resolutions approved at these meetings are summarized below:

Date	Meeting		Major Approvals
Mar. 11 2024	7th-term	17th	(1) Approval of Amendment to “Corporate Governance Best Practice Principles”, “Ethical Corporate Management Best Practice Principles”, “Rules of Procedure for Board of Directors Meetings”, “Rules of Procedure for Shareholders’ Meetings”, “Procedures for the Election of Directors” (2) Approval of 2023 financial statements (3) Approval of the distribution of employee bonuses and Board remuneration in 2023 (4) Approval of the 2023 cash dividends distribution (5) Approval of the 2023 internal control system statement (6) Approval of the appointment of CPAs (7) Approval of acceptance of the 8 th term Board of Directors nomination from shareholders (8) Approval of “Removal of Non-Compete Restrictions” for newly-elected board directors (9) Approval of 2024 General Shareholders Meeting agenda
April 8 2024	7th-term	18th	(1) Approval of the Nominee List for the 8th Board of Directors (2) Approval of 2023 Board of Directors’ compensation plan (3) Addition of Meeting Agenda for the 2024 Annual General Shareholders’ Meeting
May 06 2024	7th-term	19th	(1) Approval of the Q1 2024 Financial Statements (2) Approval of Amendments to the "Rules Governing the Scope of Duties of Independent Directors", "Organizational Charter of the Compensation Committee", "Organizational Charter of the Audit Committee", and "Regulations for Board Performance Evaluation" (3) Approval of the Establishment of the "Operating Procedures for Financial and Business Transactions among Related Parties" of the Company (4) Approval of the 2024 Compensation and Bonus Distribution Plan for Managerial Officers (5) Approval of the 2024 Bank Credit Line Application
May 30 2024	8th-term	1st	(1) Chairman Election (2) Appointment of Audit Committee Members
June 8 2024	8th-term	2st	(1) Appointment of Remuneration Committee Members (2) Approval of 2023 Sustainability Report
Aug. 05 2024	8th-term	3rd	(1) Approval of 2024Q2 financial statements
Nov. 04 2024	8th-term	4th	(1) Approval of 2024Q2 financial statements (2) Approval of the Formulation of the "Organizational Charter of the Sustainability Committee" (3) Approval of the "Sustainability Committee Charter" (4) Approval of Capital Increase for 100% Subsidiary Cupola360 Inc. (5) Approval of Amendments to the Company’s Internal Control System (6) Approval of the 2025 Donation Plan and Audit Plan (7) Approval of Investment in "TRF 1, L.P." (8) Approval of the 2024 Grant of Cash-Settled Restricted Stock Units (CSUs) to Employees
Dec.13 2024	8th-term	5th	(1) Approval of the 2025 Financial Budget Proposal (2) Approval of strategic investment to GRAID Technology Inc.

Date	Meeting		Major Approvals
Feb. 27 2025	8th-term	6th	(1) Approval of 2024 Business Report. (2) Approval of 2024 Financial Statements (3) Approval of the distribution of employee bonuses and Board remuneration in 2024 (4) Approval 2024 cash dividends distribution (5) Approval the 2024 internal control system statement (6) Approval of appointment of CPA, Evaluation of CPA Independence and Competency, and CPA Remuneration (7) Approval of Amendments to “Corporate Governance Best Practice Principles” and “Articles of Incorporation” (8) Approval of the “Corporate Value Enhancement Plan” (9) Approval of the Company’s Sustainability Goals, Strategies, and Annual Sustainability Budget (10) Approval of 2025 General Shareholders Meeting agenda (11) Approval of Shareholders’ Proposals for 2025 Annual General Shareholders’ Meeting
Mar. 21 2025	8th-term	7th	(1) Approval of the Meeting Agenda for the 2025 Annual General Shareholders' Meeting

- (12) Major Issues of Record or Written Statements Made by Any Director Dissenting to Important Resolutions Passed by the Board of Directors: None.

4. Information Regarding the Company's Independent Auditors

(1) Information on Audit Fees:

Unit:NT\$ thousands

Accounting Firm	Name of CPA	Audit Period	Audit Fee	Non-audit Fee	Total	Remark
Deloitte & Touche	Ming Yuan Chung	2024/01/01~ 2024/12/31	3,150	525	3,675	Non-audit fee includes tax audit service and annual report review, etc.
	Hsin-Tung Lin					

- (2) Replaced the audit firm and the audit fee paid to the new audit firm was less than the payment of previous year: None.
- (3) Audit fee reduced more than 10% year over year: None.
- (4) Replacement of Independent Auditors in the Last Two Years and in the Subsequent Periods: None.
- (5) Evaluation of the External Auditor's Independence: The Company Accounting Division evaluates the independence of auditors once a year and receives Statement of Independence issued by external auditors. After evaluation, the Company's external auditors can meet the Company's independency evaluation standards and be qualified as the Company's external auditors. The Company refers to the Audit Quality Indicators provided by the accounting firm and the Audit Quality Indicators Interpretation Guidelines issued by the regulator, to evaluate the audit quality of the accounting firm and the audit team. Audit Quality Indicators have five dimensions, including professionalism, independence, quality control, supervision, and innovation ability, and thirteen other indicators. After sufficient communication with CPA, the Company did not observe any issue that could impact the independence or qualification of the CPA. The evaluation results were discussed and passed by the Audit Committee on Mar. 11, 2024 and were reported to and passed by the Board of Directors on Mar. 11, 2024.

Evaluation Item	Evaluation Result
1. There is no direct or significant indirect financial interest relationship between the certified accountant and the company.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
2. There is no significant and close business relationship between the certified accountant and the company.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
3. The certified accountant has no potential employment relationship when auditing the company.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
4. The certified accountant has no money loan with our company.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

5. The certified accountant has not received any significant value from the company and its directors, supervisors and managers. A gift or gift (the value of which exceeds ordinary social etiquette standards).	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
6. The certified accountant has not provided audit services to the company for seven consecutive years.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
7. The certified accountant does not hold shares in the company	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
8. The certified accountant himself, his spouse or dependent relatives, and his audit team have not served as directors, supervisors, managers, or positions that have a significant impact on the audit case during the audit period or within the past two years, and they are determined not to hold the aforementioned positions during the future audit period. Related positions.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
9. Whether the certified accountant has complied with the independence standards of Accountant Professional Ethics Bulletin No. 10 and obtained the "Declaration of Independence" issued by the certified accountant	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

- (6) The Company's Chairman, President or Managers in Charge of Finance or Accounting Who Has Been under the Current Audit Firm or its Affiliates' employment in 2023: None

5. Changes in shareholding of directors, supervisors, officers and major shareholders holding more than 10% shares for the preceding year to the date of printing of this annual report

(1) Net Changes in Shareholding

Unit: Shares

Title	Name	2023		2024 up to March 29	
		Net Change in Shareholding	Net Change in Shares Pledged	Net Change in Shareholding	Net Change in Shares Pledged
Chairman & President	Chris Lin	90	0	0	0
Director	Xian Hua Investment Co., Ltd. Representative- Arnold Yu	0	0	0	0
Director	Linvest Wealth Corp. Representative- Luke Chen	0	200,000	0	0
Director	Linvest Fortune Corp. Representative- Hung-Ju Huang	0	0	0	0
Director	Ted Tsai	0	0	0	0
Independent Director	Chyan Yang	0	0	0	0
Independent Director	Dyi-Chung Hu	0	0	0	0
Independent Director	Sheng-Lin Chou	0	0	0	0
Independent Director	John C. Lin	0	0	0	0
COO	CJ Hsieh	157	0	0	5,000
Vice President<Note1>	Luke Chen	(9,000)	0	0	0
Assistant Vice President	Charles Kuan	(1,888)	0	0	0
Assistant Vice President	Craig Kuo	67	0	0	0
Assistant Vice President	Paul Huang	(333)	0	0	0
Assistant Vice President	Allen Ho	0	0	0	0
Finance & Accounting Manager	Tina Chiu	(2,433)	0	0	0
Manager & Spokesperson	Lili Wu		2,000	0	10,000
Acting Spokesperson	Iris Chueh	0	0	0	0
Audit Senior Manager	Ann Lo	(223)	0	0	0

Note1: Vice President Luke Chen Retired on 27 Feb.2025

(2) Trade with Related Party: None

(3) Pledge with Related Party: None.

6. Top 10 Shareholders Who are Related Parties to Each Other

March 29, 2025; Unit: shares, %

Top 10 Shareholders	Shareholding		Shareholding under Spouse and Minor		Shareholding under 3rd Party		Top 10 Shareholder who are Related Parties to Each Other		Remark
	Shares	%	Shares	%	Shares	%	Name	Relationship	
Linvest Wealth Corp.	5,253,076	13.89%	0	0%	0	0%	None	None	None
Representative - Chris Lin	377,451	1.00%	0	0%	6,435,448	17.02%	Linvest Wealth Corp& Linvest Fortune Corp	Chris Lin is the only director of both companies	None
Cathay Life Insurance Co., Ltd.	1,679,291	4.44%	0	0%	0	0%	None	None	None
Representative - Hong-Tu Tsai	0	0%	0	0%	0	0%	None	None	None
Labor Pension Fund (The New Fund)	1,503,874	3.98%	0	0%	0	0%	None	None	None
Fuh Hwa Investment Trust mandate of Fubon life Insurance	1,466,000	3.88%	0	0%	0	0%	None	None	None
Linvest Fortune Corp.	1,182,372	3.13%	0	0%	0	0%	None	None	None
Representative - Chris Lin	377,451	1.00%	0	0%	6,435,448	17.02%	Linvest Wealth Corp& Linvest Fortune Corp	Chris Lin is the only director of both companies	None
Standard Chartered Bank in custody for St. James's Place Emerging Markets Equity Unit Trust - Wasatch Advisors Inc.	949,162	2.51%	0	0%	0	0%	None	None	None
Citibank (Taiwan) Ltd. in custody for Norges Bank	759,600	2.01%	0	0%	0	0%	None	None	None
Xian Hua Investment Co., Ltd.	592,508	1.57%	0	0%	0	0%	None	None	None
Representative - Yu Ping	49,090	0.13%	0	0%	0	0%	None	None	None
Labor Pension Fund (The Old Fund)	511,324	1.35%	0	0%	0	0%	None	None	None
HSBC in custody of Morgan Stanley Fund	484,334	1.28%	0	0%	0	0%	None	None	None

7. Long-Term Investment Ownership

As of December 31, 2024 Unit: 1,000 shares, %

Long-Term Investments	Investments by the Company (1)		Investments Directly or Indirectly Controlled by Directors and Managers of the Company (2)		Total Investment (1)+(2)	
	Shares	%	Shares	%	Shares	%
ASPEED Technology (Samoa) Inc.	1,550	100%	—	0%	1,550	100%
ASPEED Technology (U.S.A.) Inc.	—	0%	1,000	100%	1,000	100%
Cupola360 Inc.	8,000	100%	—	0%	8,000	100%

Note: The Investees refer to the investments accounted for using the equity method.

III. Capital and Shares

1. Capital and Shares

(1) Capitalization

Unit: 1,000shares/NT\$ 1,000

Year Month	Issue price	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Source of Capital	Issuing shares for assets other than cash	Others
2013.05	10	30,000	300,000	23,334	233,340	Cash addition in the amount of NT\$23,360 thousand	None	Note 1
2013.09	10	30,000	300,000	23,800	238,007	Capital surplus in the amount of NT\$4,667 thousand	None	Note 2
2013.10	10	30,000	300,000	23,862	238,617	Issuance of restricted stock award in the amount of NT\$610 thousand	None	Note 3
2014.05	10	30,000	300,000	23,907	239,067	Issuance of restricted stock award in the amount of NT\$450 thousand	None	Note 4
2014.07	10	30,000	300,000	23,897	238,967	Cancellation of restricted stock in the amount of NT\$100 thousand	None	Note 5
2014.08	10	30,000	300,000	26,287	262,874	Capital surplus in the amount of NT\$23,907 thousand	None	Note 6
2014.12	10	30,000	300,000	26,309	263,094	Issuance of restricted stock award in the amount of NT\$220 thousand	None	Note 7
2014.12	10	30,000	300,000	26,296	262,959	Cancellation of restricted stock in the amount of NT\$135 thousand	None	Note 8
2015.08	10	50,000	500,000	31,672	316,720	Retained earnings and employee dividends in the amount of NT\$53,762 thousand	None	Note 9
2016.08	10	50,000	500,000	31,788	317,881	Employee compensation in the amount of NT\$1,161 thousand	None	Note 10
2016.12	10	50,000	500,000	31,818	318,181	Issuance of restricted stock award in the amount of NT\$300 thousand 0	None	Note 11
2017.01	10	50,000	500,000	33,840	338,401	Private placement in the amount of NT\$20,220 thousand	None	Note 12

Year Month	Issue price	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Source of Capital	Issuing shares for assets other than cash	Others
2017.06	10	50,000	500,000	33,836	338,361	Cancellation of restricted stock in the amount of NT\$40 thousand	None	Note 13
2017.06	10	50,000	500,000	33,942	339,418	Employee compensation in the amount of NT\$1,057 thousand	None	Note 14
2017.11	10	50,000	500,000	33,938	339,378	Cancellation of restricted stock in the amount of NT\$40 thousand	None	Note 15
2018.02	10	50,000	500,000	33,974	339,738	Issuance of restricted stock award in the amount of NT\$360 thousand	None	Note 16
2018.08	10	50,000	500,000	34,045	340,446	Employee compensation in the amount of NT\$707 thousand	None	Note 17
2018.11	10	50,000	500,000	34,065	340,656	Issuance of restricted stock award in the amount of NT\$210 thousand	None	Note 18
2019.03	10	50,000	500,000	34,058	340,584	Cancellation of restricted stock in the amount of NT\$72 thousand	None	Note 19
2019.08	10	50,000	500,000	34,161	341,618	Employee compensation in the amount of NT\$1,034 thousand	None	Note 20
2019.08	10	50,000	500,000	34,156	341,568	Cancellation of restricted stock in the amount of NT\$50 thousand	None	Note 21
2019.09	10	50,000	500,000	34,184	341,848	Issuance of restricted stock award in the amount of NT\$280 thousand	None	Note 22
2020.02	10	50,000	500,000	34,215	342,158	Issuance of restricted stock award in the amount of NT\$310 thousand	None	Note 23
2020.03	10	50,000	500,000	34,224	342,248	Issuance of restricted stock award in the amount of NT\$90 thousand	None	Note 24

Year Month	Issue price	Authorized Capital		Paid-in Capital		Remarks		
		Shares	Amount	Shares	Amount	Source of Capital	Issuing shares for assets other than cash	Others
2020.08	10	50,000	500,000	34,320	343,200	Employee compensation in the amount of NT\$976 thousand and cancellation of restricted stock in the amount of NT\$24 thousand	None	Note 25
2021.03	10	50,000	500,000	34,316	343,155	Cancellation of restricted stock in the amount of NT\$45 thousand	None	Note 26
2021.09	10	50,000	500,000	34,373	343,730	Employee compensation in the amount of NT\$602 thousand and cancellation of restricted stock in the amount of NT\$27 thousand	None	Note 27
2021.11	10	50,000	500,000	34,369	343,694	Cancellation of restricted stock in the amount of NT\$36 thousand	None	Note 28
2022.03	10	50,000	500,000	34,355	343,551	Cancellation of restricted stock in the amount of NT\$143 thousand	None	Note 29
2022.07	10	50,000	500,000	37,791	377,906	Capital surplus in the amount of NT\$34,355 thousand	None	Note 30
2022.08	10	50,000	500,000	37,887	378,871	Issuance of restricted stock award in the amount of NT\$440 thousand and employee compensation in the amount of NT\$525 thousand	None	Note 31
2022.11	10	50,000	500,000	37,881	378,807	Cancellation of restricted stock in the amount of NT\$64 thousand	None	Note 32
2022.12	10	50,000	500,000	37,821	378,207	Cancellation of treasury stock in the amount of NT\$600 thousand	None	Note 33

Note 1: Science Park Administration, approval letter No. 1020013768.

Note 2: Science Park Administration, approval letter No. 1020026873.

Note 3: Science Park Administration, approval letter No. 1020032385.

Note 4: Science Park Administration, approval letter No. 1030013318.

Note 5: Science Park Administration, approval letter No. 1030021928.
 Note 6: Science Park Administration, approval letter No. 1030024741.
 Note 7: Science Park Administration, approval letter No. 1030035249.
 Note 8: Science Park Administration, approval letter No. 1030038803.
 Note 9: Science Park Administration, approval letter No. 1040024074.
 Note 10: Science Park Administration, approval letter No. 1050023327.
 Note 11: Science Park Administration, approval letter No. 1050035128.
 Note 12: Science Park Administration, approval letter No. 1060000930.
 Note 13: Science Park Administration, approval letter No. 1060015391.
 Note 14: Science Park Administration, approval letter No. 1060017298.
 Note 15: Science Park Administration, approval letter No. 1060031378.
 Note 16: Science Park Administration, approval letter No. 1070005193.
 Note 17: Science Park Administration, approval letter No. 1070023699.
 Note 18: Science Park Administration, approval letter No. 1070034305.
 Note 19: Science Park Administration, approval letter No. 1080007259.
 Note 20: Science Park Administration, approval letter No. 1080023054.
 Note 21: Science Park Administration, approval letter No. 1080024268.
 Note 22: Science Park Administration, approval letter No. 1080027357.
 Note 23: Central Region Office, Ministry of Economic Affairs, approval letter No. 10933071290.
 Note 24: Central Region Office, Ministry of Economic Affairs, approval letter No. 10933120630.
 Note 25: Central Region Office, Ministry of Economic Affairs, approval letter No. 10933473570.
 Note 26: Central Region Office, Ministry of Economic Affairs, approval letter No. 11033140200.
 Note 27: Central Region Office, Ministry of Economic Affairs, approval letter No. 11033540610.
 Note 28: Central Region Office, Ministry of Economic Affairs, approval letter No. 11033716440.
 Note 29: Central Region Office, Ministry of Economic Affairs, approval letter No. 11133149120.
 Note 30: Central Region Office, Ministry of Economic Affairs, approval letter No. 11133426640.
 Note 31: Central Region Office, Ministry of Economic Affairs, approval letter No. 11133530460.
 Note 32: Central Region Office, Ministry of Economic Affairs, approval letter No. 11133710320.
 Note 33: Central Region Office, Ministry of Economic Affairs, approval letter No. 11133806490.

As of March 29, 2025; Unit: shares

Type of Shares	Authorized capital		
	Outstanding	Un-Issued	Total
Common stock	37,820,679	12,179,321	50,000,000

(2) Major Shareholders

As of March 29, 2025; Unit: shares

Shareholder	Shareholding	%
Linvest Wealth Corp.	5,253,076	13.89%
Cathay Life Insurance Co., Ltd.	1,679,291	4.44%
Labor Pension Fund (The New Fund)	1,503,874	3.98%
Fuh Hwa Investment Trust mandate of Fubon life Insurance	1,466,000	3.88%
Linvest Fortune Corp.	1,182,372	3.13%
Standard Chartered Bank in custody for St. James's Place Emerging Markets Equity Unit Trust - Wasatch Advisors Inc.	949,162	2.51%
Citibank (Taiwan) Ltd. in custody for Norges Bank	759,600	2.01%
Xian Hua Investment Co., Ltd.	592,508	1.57%
Labor Pension Fund (The Old Fund)	511,324	1.35%
HSBC in custody of Morgan Stanley Fund	484,334	1.28%

(3) Dividend Policy and Status

1. Dividend Policy:

Pursuant to Article 28-1 of the Articles of Incorporation, the Company's dividend policy is to allocate no less than 10% of its distributable earnings to shareholders' dividends each year, taking into account current and future development plans, the investment environment, capital requirements, domestic and foreign competition, and shareholders' interests, but no less than 50% of its paid-in capital.

2. Proposal to Distribute 2024 Profits

The Board approved a proposal for 2024 profit distribution as follows:

Cash dividends to common shareholders from retained earnings is NT\$ 1,966,675,308, or NT\$ 52.00 per share of cash to common shareholders. The approval is subject to report to shareholders at the Annual Shareholders' Meeting and authorize the right to Chairman to determine related matters.

(4) Effect of 2024 Share Dividends to Operating Performance and EPS:None.

(5) Employee profit sharing bonus and Director/Supervisor remuneration

a. The ratios or scope of the employee profit sharing bonus and director's remuneration in the Company's Articles of Incorporation:

Pursuant to Article 28 of the Articles of Incorporation, if the Company has any annual profit left, it shall allocate no less than 8% of the profit for employee's compensation sharing bonus. Qualification requirements of employees, including the employees of parents or subsidiaries of the company meeting certain specific requirements, entitled to receive shares or cash in accordance with the Board of Directors shall determine. The Board of Directors may allocate no more than 3% of the profit for director remuneration. Employees' compensation and remuneration to directors' distribution reports shall be submitted to the shareholders' meetings. However, the Company's accumulated losses shall have been covered (if any), and

then allocate employee compensation and remuneration to director from the balance according to the ratio in the preceding Paragraph.

- b. The estimation of the current year's employee profit sharing bonus and directors' remuneration, profit sharing bonus distributed in the form of shares

The Company estimates employee bonuses and Board remuneration according to the ratio within the range required by the Company's Articles of Incorporation. If there is any difference between the amount resolved by the board of directors and the estimated amount, and the difference is not significant, or if there is any variance between the distributed amount and estimated amount, the difference will be deemed change of accounting estimation and recognized as next year's profit or loss. There was no major deviation of the amount of employee bonuses and Board remuneration approved by the Board of Directors on February 27, 2025 from the amount recognized in 2024 as described below:

Unit: NT\$

Item	Board Resolution
Employee Compensation – Cash	278,844,636
Remuneration of Directors– Cash	34,855,580

Note: The number of shares issued for employee bonuses is calculated based on the closing price on the business day preceding the Board meeting. Distributions of employee shares that amount to less than one full share will be made in cash.

- c. Status of board of directors' adoption of employee compensation/ remuneration distribution
- (I) The proposed amount of employee compensation and directors remuneration paid in cash was NT\$278,844,636 and NT\$34,855,580, respectively.
 - (II) The proposed amount of employee compensation to be paid in cash was NT\$278,844,636, which accounts for 9.78% of the sum of after-tax net profit and employee compensation for the current period.
 - (III) The distribution of the previous year's employee compensation and directors' remuneration. If there is any difference between the distributed amount and the estimated amount, the variance, reason and handling status shall be disclosed: There was no such discrepancy.
- d. Distribution of employee compensation and directors remuneration in the previous year:

Unit: NT\$

Item	2023			
	Distributed amount	Estimated amount	Difference	Reason and treatment for differences
Employee Compensation	105,373,834	105,373,834	-	N/A
Remuneration of Directors	13,171,729	13,171,729	-	N/A

(6) The Company's Buyback (Repurchase) of Stock: None.

2. Status of Corporate Bonds

None.

3. Status of Preferred Stocks

None.

4. Status of GDR/ADR

None.

5. Status of Employee Stock Option Plan

(1) Employee stock options that have not matured yet: None.

(2) Names of managerial officers and top ten employees with respect to number of shares subscribable and subscribable amounts reaching NT\$30 million, and their subscription of shares up to the annual report publication date: None.

6. Status of New Employee Restricted Stock Issuance

(1) Issuance of New Restricted Employee Share

Types of New Restricted Employee shares	11th time
Date of Effective Registration	Jul. 13 2022
Issue date	Aug.8 2022
Number of New Restricted Employee Shares Issued	44,000 shares
Issue price(NT\$)	NT\$0
New Restricted Employee Shares as a Percentage of Shares Issued	0.17%
Vesting Conditions of New Restricted Employee Shares	<p>During the period, and any other agreement with the company. The set personal performance evaluation indicators and the company's operating goals; the maximum shareholding ratios that can be acquired on the vesting date of each year are:</p> <p>The upper limit of the proportion of vested shares in 2023 is 35%, the upper limit of the proportion of vested shares in the two years from 2023 to 2024 is 70%, and the upper limit of the proportion of vested shares in the three years from 2023 to 2025 is 100%. Based on the settlement figures in 2021, the performance periods are calculated from the three settlement performance periods of 2022, 2023 and 2024, for a total of three performance periods..</p> <p>The company's operating target is based on the growth rate of operating profit. The minimum vested share ratio is 1.8%, the target value is 300%, and the target value is 100%.</p>
Restrictions Right of New Restricted Employee Shares	<ol style="list-style-type: none"> 1. After employees are distributed new shares and before the restricted shares meet the vesting conditions, except for being inherited, the new restricted employee shares may not be sold, mortgaged, transferred, pledged, or disposed of using any other methods. 2. The custodian institution attends, makes proposals, speaks, and votes during shareholders' meetings according to the trust agreement.

Types of New Restricted Employee shares	11th time
Custody Status of New Restricted Employee Shares	The shares will be handed over to a trustee during the restricted period specified in the vesting conditions.
Measures to be Taken When Vesting Conditions are not Met	Recalling and cancellation.
Number of New Restricted Employee Shares that have been Redeemed or Bought Back	0 shares
Number of Released New Restricted Employee Shares	15,893 shares
Number of Unreleased New Restricted Shares	28,107 shares
Ratio of Unreleased New Restricted Shares to Total Issued Shares (%)	0.0743%
Impact on possible dilution of shareholdings	Dilution to original shareholders' holding is limited.

(2) List of Executives Receiving New Restricted Employee Shares and the Top Ten Employees with New Restricted Employee Shares

Title	Name	No. of New Restricted Shares	New Restricted Shares as a Percentage of Shares Issued	Released (Note 1)				Unreleased			
				No. of Shares	Issued Price (NT\$)	Amount (NT\$ thousands)	Released Restricted Shares as a Percentage of Shares Issued	No. of Shares	Strike Price (NT\$)	Amount (NT\$ thousands)	Unreleased Restricted Shares as a Percentage of Shares Issued
Manager and Employee	Chris Lin	44,000	0.1163%	15,893	0	0	0.04202%	28,107	0	0	0.0743%
	CJ Hsieh										
	Charles Kuan										
	Craig Kuo										
	Paul Huang										

7. Status of News Shares Issuance in Connection with Mergers and Acquisitions

None.

8. Financing Plans and Implementation

Not applicable.

IV. Business Overview

1. Business Activities and Strategies

(1) Business Scope

- a. The primary business activities of the Company include:

Research, development, design, manufacturing and marketing the following products:

- (I) Multimedia IC
- (II) Computer Peripheral IC
- (III) Advanced Image Processing IC
- (IV) Patent and services of the above-mentioned products

- b. Revenue Breakdown

Unit: NT\$1,000

Year Category	2023		2024	
	Amount	%	Amount	%
Multimedia IC	2,757,121	88.08%	6,137,357	95.01%
Computer peripherals IC	328,725	10.50%	262,102	4.06%
Other	44,549	1.42%	60,207	0.93%
Total	3,130,395	100.00%	6,459,666	100.00%

- c. The Company's current products (services)

Name of Main Products	Purpose
Multimedia ICs	ASPEED Cloud & Enterprise product lines are designed with rich features, including 2D graphic controller, hardware monitoring, iKVM, and security functions. Customer can design and build servers with ASPEED ICs, such as BMC, BIC, PFR, and I/O Expander.
Computer peripheral ICs	Our core technology includes display over IP, USB over IP and audio over IP. Applications range from remote personal computer extension products, audio-video extensions, remote USB extensions, digital audio-video matrix switch, video walls, to digital signage, etc.
Advanced image processing ICs	Our 720 degree panoramic cameras, featuring built-in real-time image stitching processors, are ideal for smart patrolling and immersive management applications in smart factories and smart cities.

d. Plans for the development of new products (services)

ASPEED Technology Inc. continues to strengthen its leadership in server management chip development by leveraging years of accumulated expertise and close collaboration with global customers. Utilizing TSMC's advanced process technology, the Company has successfully developed its 8th-generation server management chip, AST2700. This latest generation delivers industry-leading performance, security, and comprehensive functionality.

Key innovations introduced in this generation include: ARM 64-bit multi-core processor, ARM Cortex-M4 processor, DDR5 memory controller, I3C HCI interface controller, DisplayPort (DP) controller, SGMII interface controller, UFS interface controller, USB 3.1 interface controller, and PCIe Gen4 Root Complex controller.

To enhance reliability and security, the chip integrates: hardware-based ECDSA, SHA3, and RSA cryptographic engines, hardware Root of Trust (RoT), cache memory parity check, fully trusted secure bus matrix controller, secure memory management, with full compliance with the DC-SCM 2.0 architecture. In addition, firmware support has been significantly reinforced with compatibility for OpenBMC, UEFI GOP drivers, and document integrity verification.

To offer customers a more comprehensive server solution portfolio, ASPEED has also introduced a Platform Firmware Resilience (PFR) security chip and an Input/Output Expander chip. This suite of cloud enterprise solutions is designed to streamline server design, accelerate time-to-market, improve board area efficiency, and support evolving design requirements. In response to growing demand for flexible server architectures, ASPEED's Bridge IC (BIC) has gained wide adoption, and the second generation is currently under development to further support customer needs.

ASPEED's second-generation Cupola360 SoC, AST1230, is a high-performance system-on-chip. It integrates real-time multi-image stitching and advanced audio processing capabilities. Tailored for premium video conferencing applications, AST1230 incorporates ASPEED's proprietary Hyper-Stitching technology, enabling real-time, on-device panoramic image processing. It features a high-performance programmable Audio DSP, optimized for demanding audio and voice requirements, ensuring both power efficiency and thermal management. Additional features include support for up to eight digital microphones and audio algorithms such as far-field voice capture, beamforming, automatic gain control (AGC), noise suppression, and echo cancellation.

Meanwhile, ASPEED's Cupola360 panoramic camera, powered by the AST1235 SoC, supports real-time 720-degree high-definition image capture, delivering immersive digital twin experiences from a first-person perspective. Paired with the proprietary Cupola360+ Smart Management Platform, the solution enables

the Cupola360+ Industry Smart Patrolling System, which links multiple panoramic cameras and leverages AI integration for data analysis and real-time monitoring across operational zones.

This smart patrolling system introduces a new paradigm in digital management. Through 720-degree remote panoramic imaging, users can detect issues in real time, report incidents to headquarters, and receive timely instructions for appropriate resolution. By replacing traditional inspection processes, the system significantly reduces labor intensity and operational costs, while improving productivity, patrolling efficiency, and communication effectiveness.

With the continued advancement of technology, demand for smart patrolling solutions is rapidly growing across various industries—particularly in public safety, energy, manufacturing, logistics, and urban infrastructure. These systems have become critical enablers for enhancing operational efficiency, reducing costs, and improving safety standards. Enterprises and institutions now expect intelligent patrolling systems to offer real-time status updates, early warnings, and actionable data insights. These capabilities not only support smooth execution of patrolling tasks and risk mitigation but also empower executive decision-making and operational agility through comprehensive analytics and timely reporting.

(2) Industry Outlook

a. Current Industry Landscape and Trends

The following provides an overview of the key industries related to ASPEED Technology's major product lines:

(I) Semiconductor Market

According to data from the World Semiconductor Trade Statistics (WSTS), global semiconductor sales reached USD 627.6 billion in 2024, marking a 19.1% year-on-year increase. This strong growth was primarily driven by artificial intelligence (AI), which has extended the traditional technology cycle, breaking the decade-long dominance of consumer electronics such as smartphones, laptops, and gaming consoles.

AI has first spurred a wave of massive investments in data centers, as major tech companies continue to increase capital expenditures to build infrastructure supporting cloud-based AI services at an unprecedented pace. The rapid evolution of AI models and algorithms has also led to a rising trend of deploying AI at the edge, which is expected to further prolong the semiconductor cycle. Independent research by McKinsey, examining both B2B and B2C demand scenarios (accounting for 70% of total demand), forecasts that growing computational needs for AI will accelerate hardware upgrade iteration and extend demand for AI-related chips through 2030.

Looking ahead to 2025, WSTS projects a global semiconductor market growth rate of approximately 11.2%, while Gartner forecasts a 12.7% increase, with total sales expected to surpass USD 700 billion. IDC (International Data Corporation) anticipates a 15% growth driven by continued demand for AI and high-performance computing (HPC), according to its latest Worldwide Semiconductor Supply Chain Intelligence Report.

(II) Multimedia ICs

The multimedia IC market is closely tied to server deployment trends. According to statistics from Digitimes, global server shipments began recovering in Q1 2024, with full-year shipments expected to reach approximately 14.8 million units. Although shipment growth is modest, the rise in high-end AI servers has significantly increased total market value.

North American cloud providers have significantly increased capital expenditures, with projections suggesting combined investments could exceed USD 300 billion by 2025. This is largely driven by ongoing data center expansions and the construction of AI infrastructure, which are profoundly influencing server market development.

Server types and designs are becoming increasingly diversified. Modular designs for general-purpose servers have emerged as a key trend, enabling more flexible, maintainable, and upgradeable systems with faster product iteration. In addition to general-purpose servers, specialized servers are being developed for specific workloads such as ad ranking, recommendation engines, video streaming, machine learning, and HPC, as well as rack-scale AI servers tailored for large language model (LLM) training and inference.

Modular server designs span multiple levels. First, splitting a single motherboard into DC-SCM cards and HPM (Host Processor Motherboard) boards has opened up new market opportunities for I/O expanders. Second, server motherboards may integrate multiple expansion cards, each equipped with a Bridge IC (BIC), working with the mainboard's BMC to form a “dual-layer server management” architecture—making BIC ASPEED’s second-highest volume chip. Finally, rack-level modular integration—centralizing compute, networking, and power—requires BMCs on each component, significantly boosting BMC content per rack.

From a technology perspective, not only does LLM training demand immense computational clusters, but techniques like test-time compute scaling now increase inference complexity. AI systems “think” longer to produce better answers, requiring greater computation power for inference —further driving demand for AI servers and data center construction.

(III) Computer Peripheral ICs

In 2024, the global digital signage market was valued at an estimated USD 22–28.5 billion. While estimates vary among research institutions, all point to a robust multi-billion-dollar market. Compared to the previous year, this represents significant growth, signaling strong and steady demand.

The primary markets for digital signage are North America, Europe, and Asia-Pacific. North America currently holds the largest share at around USD 10 billion in 2024, followed by Europe (27.8%) and Asia-Pacific (27.1%). The markets in North America and Europe are driven by high commercial and advertising investments, while Asia-Pacific experiences rapid growth due to economic development and smart city initiatives.

The market is projected to grow further in 2025, reaching approximately USD 27–29 billion globally, fueled by expanded use in retail and transportation sectors and new applications driven by innovations. Over the next 5–10 years, digital signage is expected to maintain steady growth. IMARC predicts the market will grow from USD 28.5 billion in 2024 to USD 49 billion by 2033, with a CAGR of approximately 5.6%. Global Market Insights estimates the market could reach USD 49.4 billion by 2034.

Digital signage is widely adopted across various industries. Key applications include:

- **Retail:** Digital displays in stores and chain retailers for advertising, promotions, and wayfinding, replacing traditional posters to enhance customer engagement and drive sales.
- **Shopping Malls:** Large digital screens for navigation, advertising, and event promotion, enhancing consumer experience.
- **Transportation Hubs:** Airports, train stations, subways, and transit centers use digital signage for flight/train schedules, delay notices, gate info, advertisements, and traveler services—improving communication and generating ad revenue.
- **Government & Public Spaces:** Used in lobbies, service centers, museums, libraries, etc., for policy announcements, real-time updates, and public guidance.
- **Other Applications:** Education (campus e-boards), healthcare (waiting room info displays), corporate offices (lobby screens, meeting room panels), stadiums, entertainment venues, and restaurants (digital menu boards).

The growing adoption of IoT and big data continues to reduce deployment costs, enabling retailers to enter the era of smart retail. Digital signage

integrated with data analytics, IoT, cameras, and facial recognition helps retailers optimize information delivery and boost sales. Breakthroughs in interactive surface technology have also simplified ordering in restaurants. Overall, industries increasingly adopt digital signage to broaden product visibility and enhance engagement.

(IV) Advanced Image Processing ICs

ASPEED Technology's advanced image processing ICs feature real-time image stitching capabilities, enabling seamless 360-degree panoramic views. Combined with cutting-edge AI technologies, these solutions unlock new application possibilities and drive industry transformation.

Cupola360 panoramic cameras are ideal for smart cities and smart factories, supporting immersive patrolling, real-time traffic monitoring, and workplace safety management—delivering advantages beyond traditional single-view network cameras.

The global market for IP cameras has been expanding steadily. According to Grand View Research, the market is valued at approximately USD 43.65 billion in 2024 and is projected to surpass USD 81.3 billion by 2030, reflecting a CAGR of 11.2% from 2025 to 2030. Growth is driven by rising security demands and the rapid deployment of cameras in smart city projects.

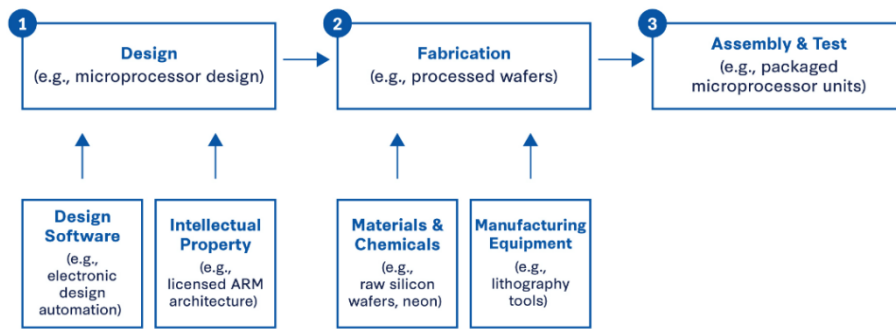
Compared to single-view cameras, 360-degree panoramic cameras offer wider coverage and fewer blind spots, making them ideal for traffic and crowd management, AI-based heat mapping, event tracking, and immersive remote patrolling. A single unit of 360 camera can cover all directions, reducing the need for multiple units at a single point and simplifying management—benefiting from the expanding market scale.

In smart factories, 360-degree cameras support modern factory management, which now goes beyond property and personnel safety to include environmental monitoring, safety enforcement, and immersive smart patrolling. When paired with AI recognition, these cameras help detect operational violations or hazards in real time, especially in hazardous or complex environments, offering comprehensive risk visibility. Smart factories are expected to be a major driver of future growth for panoramic camera applications.

b. The Value Chain of the Semiconductor Industry

The semiconductor industry can be further classified as upstream IC design companies, midstream IC wafer fabrication plants, and downstream IC packaging and testing plants, with their relationships illustrated in the following figure:

Simplified Depiction of the Semiconductor Value Chain



Sources: Authors' own creation.

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Taiwan's semiconductor industry has developed a comprehensive and well-structured ecosystem. Each stage of the production process – such as design tools, IC design, wafer materials, silicon wafers, photomask production, IC fabrication, packaging, lead frames, testing, and peripheral support—is supported by numerous specialized companies. This has led to a clearly defined vertical division of labor and a trend toward increasing specialization, resulting in a more complete and integrated upstream, midstream, and downstream structure within Taiwan's IC industry.

c. Product Development Trends and Market Competition

ASPEED Technology is a professional IC design company operating at the upstream of the semiconductor value chain. Its core business focuses on the design and sales of multimedia ICs, computer peripheral ICs, and advanced image processing ICs. The following outlines the future supply and demand trends in the end markets related to ASPEED's product applications:

(I) Multimedia ICs

The development of multimedia ICs is closely tied to changes in server industry specifications, such as the evolution of new-generation server architectures and CPUs/chipsets from Nvidia, AMD, ARM, and Intel; DRAM standards (e.g., DDR4 to DDR5); advancements in peripheral interconnect standards (e.g., PCI and PCIe); integration of peripheral components; and increasing demand for performance and convenience among server end-users. ASPEED Technology focuses on the design and sales of multimedia ICs that integrate three key functions: Baseboard Management Controller (BMC), 2D VGA, and KVM over IP (KVMoIP). These ICs are co-developed with cloud service providers and server chip manufacturers and are sold to server ODMs and OEMs worldwide. ASPEED maintains a leading market position by accurately tracking industry standard developments, planning product

roadmaps accordingly, and launching next-generation ICs in a timely manner to meet market demand.

(II) Computer Peripheral ICs

Solutions in the computer peripheral IC market include analog signal amplification and transmission, digital signal transmission, and digital network packet transmission. The focus is on achieving long-distance transmission with stable signals that do not require on-site adjustments, while also supporting one-to-many or many-to-many configurations to broaden application scenarios.

ASPEED specializes in digital signal and network packet transmission technologies and has obtained related patents in Taiwan and the United States. These technologies significantly reduce video latency and enable audio-visual transmission via standard network interfaces, delivering excellent performance without distance limitations.

ASPEED designs and sells compression transmission ICs used in audio/video extenders. These ICs are key components of the audio-video extension systems, typically used in both the transmitter and receiver ends. System configurations may include one transmitter with multiple receivers or multiple transmitters with multiple receivers. ASPEED's chips support both transmitting and receiving functions within a single IC, simplifying inventory management for customers.

Moreover, the technology allows for compressed audio and video signals to be transmitted over 100 meters via network cables. The chips also support USB interface transmission to the receiver end, which is a key differentiator from competing products.

(III) Advanced Image Processing IC

Most panoramic or surround-view cameras on the market rely on single or dual fisheye lenses to achieve 360-degree imaging. However, fisheye lenses are expensive and often suffer from low effective pixel density at the edges. ASPEED's AST1230 chip integrates distortion correction and stitching calibration capabilities. It not only supports distortion correction for fisheye lens images but also offers the ability to stitch images from multiple wide-angle lenses.

This approach overcomes common challenges with fisheye lenses by reducing costs and avoiding image quality degradation at the edges. Wide-angle lenses are also more suitable for applications in smart cities and smart factories, providing greater flexibility across a variety of use cases.

In addition, ASPEED's Cupola360 panoramic camera integrates multiple AI technologies, including human detection and recognition, object detection and classification, behavior analysis and event identification, image tracking and virtual cameras, voice recognition and sound localization, as well as hotspot

detection and path analysis. These intelligent features significantly enhance performance in continuous monitoring, risk alerts, and post-event analytics. In contrast, traditional single-view IP cameras are limited to fixed-angle recordings and cannot deliver the same level of comprehensive real-time AI analysis as 360-degree cameras.

From a competitive standpoint, the growing adoption of advanced AI technologies in smart city and smart factory applications is expected to make 360-degree panoramic cameras the new industry mainstream. This evolution indicates that such cameras can replace or complement single-view IP cameras in many scenarios. Moreover, the future of IP cameras is shifting toward “panoramic” and “intelligent” capabilities.

By optimizing lens configurations and integrating AI technology, 360-degree panoramic cameras are poised to deliver high-value applications in urban management, security, and industrial automation—further strengthening their competitive advantage in the market.

(3) Technology and R&D

a. R&D Spending:

Unit: NT\$1,000

Item Year	2023	2024
R&D expenditures	633,006	828,558

b. Successful R&D Technologies or Products

Important technologies and products successfully developed by ASPEED Technology are as follows:

Year	R&D Achievements	Description
2017	AST1220 360 6 CAM Processor	Real-time 6 Lenses 360 Degree Camera Image Processor
	MIPI D-PHY interface controller	MIPI Interface Control Technology
2018	AST2600 7 th Generation Server Management Controller	7 th Generation BMC
	ARM multi-core bus interface controller	ARM multi-core bus interface controller
	Hardware ECC crypto engine	Hardware ECC crypto engine for new crypto technology
	Hardware Root of Trust Technology	Hardware Root of Trust Technology to improve system security
	360 Camera APP	To enrich 360 camera product lines
2019	Seurity OTP Memory Management	For Root of Trust technology
	Trust Zone Bus Controller	For trusted bus management
	AST1530/ AST1620 8K PC/ AV Extension Controller	For next generation 8K extension

Year	R&D Achievements	Description
	Cupola360 Image Post Processing	Algorithm for functions Stabilizer、Stitching、Lighting、WDR
	360 Stitching Calibration Fixture	360 stitching calibration fixture design
	Sensor/ISP Calibrated Tools	Camera sensor/ISP calibration tools design
	UVC/UAC Protocols	USB Video/ Audio Class
	Image Adaptive FOV	Adaptive FOV algorithm
	360 Video Conference F/W, VxD, App	S/W to enable video conference product
	Individual EV, Adaptive EV	EV algorithm and setting
	ePTZ Technology	Digital PTZ application
	360 Dash Cam F/W , App	S/W to enable dash cam DVR
2020	Hardware ECDSA384 engine	For digital signature algorithm
	Platform Firmware Resiliency	For platform protection
	New 2D Noise Reduction	For image quality improvement
	New ISP De-mosaic	For image quality improvement
	High Performance Stitching Engine	Support 2x stitching engine performance improvement
	Color Difference Compensation for Stitching Engine	For stitching quality improvement
	MIPI TX Controller	MIPI TX Controller
	USB3.0 Controller	USB3.0 Controller
	I3C Controller	I3C Controller
	Cupola360 Studio Development	Software development
	In-Camera dynamic image composition	API development in F/W
	In-Camera AI SoC for Face Detection	Integrate with 3rd party AI chipset to enable face detection
	In-Camera Beamforming/DoA	Integrate with 3rd party audio DSP to enable speaker tracking
	IQ Preference Setting for Vendors Customized, -> IQ preset and IQ Tuning Tool	IQ tuning tool
	GAIA Calibration and Manufacture Support	Camera calibration tool
	Hyperion algorithm development for camera jig assembly correction	Camera calibration tool
	TITAN facility development for stitching quality verified and camera color re-calibrated.	Camera calibration tool
2021	Platform Firmware Resiliency (PFR)	System security standard
	Frame base image tessellation engine for responsive composition	A framework-based image subdivision engine for fast compositing

Year	R&D Achievements	Description
	In- camera Smart Director to provide best user experience of video meeting	The camera has built-in smart director, providing the best video conferencing user experience
	Smart meeting agent to drive the meeting efficiency	Video conferencing tool
	On the fly pipeline buffering design for rapidly latency.	Hardware IP to improve video latency
	Reliable and real-time object tracking algorithm	People tracking algorithm
2022	DDR5 controller	New generation DDR5 controller
	I3C HCI controller	I3C host control interface controller
	OpenTitan/Clyptra root of trust	Support open standard root of trust
	SGMII controller	Serial Ethernet interface
	LTPI controller	DC-SCM2.0 standard
	PCIe Gen4 controller	PCIe 16 GHz interface
	USB3.1 XHCI controller	USB3.1 host control interface controller
	SHA3/ECDSA/RSA crypto engine	SHA3/ECDSA/RSA hardware acceleration engine
	UFS controller	UFS serial flash interface controller
	Full trust bus matrix controller	Full secure matrix bus controller
	Implement spherical 360 camera with multiple lens	Achieve full-sphere multi-lens stitching
	HDR implementation by AST1230	Achieve high dynamic range
	Provide complete Immersive solutions Camera by AST1220+1230	Provide a complete immersive 360 camera solution
	Cupola360+ Studio Pro development	Develop a professional edition of smart video conferencing director software (featuring gesture control, background removal, facial recognition, etc.)
	360 Immersive patrolling S/W on VR devices	Immersive 360 inspection software on VR devices
2023	I/O expender controller	High-speed LTPI interface
	Secure Memory	Supports memory error correction codes, encryption, and integrity checks
	Cupola360 smart image system	Panoramic image synthesis processing that includes real-time Image Stitching algorithms and a low-latency architecture to produce 360-degree panoramic images
	Manufacture "C1PA08501" 360 Camera and enter mass production stage	Develop the 'C1PA08501' 360 camera for Smart Factories and Smart Cities, and enter mass production

Year	R&D Achievements	Description
	Implement ONVIF Profile S	Implement the ONVIF Profile S standard protocol
	Cupola360+ Software kit for smart factory and smart city	Develop the software development kits required for Smart Factory and Smart City applications
	Cupola360+ Deployment/ Patrol/ Management web application	Develop web applications for the deployment, inspection, and management of cameras
2024	Security Provision	Securely store each chip's unique information within the chip itself
	Secure Boot Runtime Service	Including secure boot, chip configuration, and runtime algorithm services
	Linux kernel 6.6	The server management chip's main processor has been upgraded to run on Linux kernel version 6.6
	Zephyr 3.7	The server management chip's secondary processor has been upgraded to run on Zephyr version 3.7
	Platform Firmware Resilience 4.0	The server security chip software has been upgraded to PFR version 4.0
	Full-360 Stitching in Arctic Region	Panoramic Camera Stitching Technology in Polar Regions
	Manufacture "C1FA18001", "C1FA18002" 360 Camera and enter mass production stage	Manufacture "C1FA18001", "C1FA18002" 360 Camera and enter mass production stage for smart factory and smart city applications
	The Route Editor allows users to freely define patrol path, while the OSD Editor can display web pages, images, videos, and IoT devices on a 360-degree view	Developed a Route Editor that allows users to freely define patrol routes, and an OSD Editor that can display web pages, images, videos, and IoT devices on a 360-degree view
	Integrates multiple VMS/NVR/ AI software to enhance the compatibility of 360 cameras and Cupola360+ software platforms	Integrates multiple VMS/NVR/ AI software to enhance the compatibility of 360 cameras and Cupola360+ software platforms

(4) Product Development and Marketing Strategies

To respond to future industry development and overall economic trends, ASPEED Technology formulates various plans to guide its business direction and enhance overall competitiveness. An overview of the Company's product development and marketing strategies is as follows:

a. Product Development Strategies

(I) Multimedia ICs:

ASPEED accurately tracks the evolution of industry standards to guide product planning and ensure timely development based on market demand, while proactively laying the groundwork for next-generation ICs. By expanding both the breadth and depth of its technological capabilities, the Company has built a comprehensive line of server management chips aligned with market trends.

While maintaining strong relationships with existing customers, ASPEED actively develops new products to meet the requirements of next-generation server architectures and new CPU and GPU platforms. The Company also extends the core advantages of its BMC chips to related server components, including BIC, PFR, and I/O Expander chips, forming a well-rounded product portfolio. This enables customers to simplify system design, optimize board space utilization, and increase the overall content value of ASPEED chips within servers. During each product iteration, ASPEED continues to optimize manufacturing processes, enhance product performance and power efficiency, add customer-driven features, and raise the technical barrier to maintain its competitive edge.

(II) Computer Peripheral ICs:

ASPEED adopts a Spanning Tree Protocol (STP) and develops serial architectures for applications in video walls and digital signage, thereby enhancing protocol flexibility and expanding application scenarios. The second-generation product launched is currently the only 4K2K over IP solution in the market.

(III) Advanced Image Processing ICs:

ASPEED's Cupola360 panoramic camera has opened up a new smart patrolling ecosystem. By deeply integrating camera modules with video and audio software systems, and combining them with Smart Patrolling or Cupola360+ Studio software, ASPEED offers a comprehensive turnkey solution. This enables customers to significantly shorten the product deployment time from product concept to mass production and also develop various unique, value-added applications using ASPEED's Software Development Kit (SDK).

Through close collaboration with high-quality hardware and software partners in the supply chain, ASPEED is building a global Cupola360 ecosystem.

b. Sales and Marketing Strategies

(I) With the booming developments of data centers and increasing AI investments by cloud service providers, market demand for various types of servers is rapidly expanding. Different server product configurations are designed to meet diverse customer needs. ASPEED's remote server management chip (BMC) portfolio ranges from VGA-only and BMC-only to high-end full-feature solutions, addressing different market segments. The Company develops customized products tailored to customer needs to establish long-term and stable partnerships. Additionally, BMC applications have expanded to switches, storage systems, Data Processing Units (DPUs), cooling modules, and more.

(II) "Cupola360" Technology Brand Promotion: In recent years, leading semiconductor companies in Europe and the United States have introduced technology branding strategies to build mindshare among end users, which helps drive technology adoption and enhance product value. In promoting its 360-degree panoramic image processing chips and panoramic cameras, ASPEED has created high-value application scenarios in areas such as smart factories and smart cities. This strengthens the "Cupola360" technology branding strategy. In the future, ASPEED will collaborate with customers on end products and software to co-promote the "Powered by Cupola360" initiative as part of its technology brand development.

c. Long- and Short-term Business Development Plans

(I) Cloud & Enterprise Solutions

Short-term Development Plan: In response to the trend of cloud service providers (CSPs) making significant investments in AI infrastructure, Aspeed Technology will actively expand the application of its BMC chips across various AI servers. Additionally, the company will continue to broaden the deployment of BMC chips into data center equipment, including switches, power shelves, and cooling distribution units (CDUs).

Long-term Development Plan: Increase the content value per server by offering a comprehensive and high-value server management chip portfolio,

covering key components such as BMC, Bridge IC, PFR, and I/O Expander. At the same time, continue to optimize product performance, enhance functional integration, increase customer dependency and technical barriers, and raise the average selling price (ASP), thereby sustaining long-term and stable business growth momentum.

(II) Smart AV Solutions

Short-term Development Plan: Deploy high-value application scenarios by accelerating the rollout of Cupola360 panoramic cameras in smart factories and smart cities, laying a solid foundation for future business growth.

Long-term Development Plan: Continue deepening technological innovation and establish long-term, stable partnerships with system integrators and sales partners. Proactively expand into major global markets, including Singapore, the United States, India, the Middle East, and Europe, to drive rapid growth of Cupola360 in industrial, commercial, and urban management sectors, further strengthening its competitive advantage.

2. Market, Production and Sales Outlook

(1) Market Analysis

a. Sales by Region of Major Products and Services

Unit: NT\$1,000

Region \ Year		2023		2024	
		Amount	%	Amount	%
Domestic sales		1,776,351	56.75%	3,022,926	46.80%
Exports	Asia	1,227,580	39.21%	3,260,995	50.48%
	Europe and America	126,464	4.04%	175,744	2.72%
Total		3,130,395	100.00%	6,459,665	100.00%

b. Market Share

According to statistics from the Industrial Economics and Knowledge Center (IEK) of the Industrial Technology Research Institute (ITRI), Taiwan's IC design industry reached a total output value of NT\$1,272.1 billion in 2024, representing a 16% year-on-year increase. Based on ASPEED Technology's estimated annual revenue of NT\$6.46 billion in 2024, the Company's market share in Taiwan's fabless IC design industry is approximately 0.51%.

Estimated market shares for key product categories are as follows:

(I) Multimedia ICs

According to Digitimes, global server shipments reached 14.88 million units in 2024. As each motherboard is typically equipped with at least one remote management chip, the global demand for BMC chips in general-purpose servers in 2024 was approximately 14.88 million units. ASPEED's BMC chip shipments for the year totaled approximately 13 million units, including 2 million units for AI servers and 11 million units for general-purpose servers. Based on these figures, ASPEED maintained an estimated 70% share of the global server remote management chip market in 2024.

(II) Computer Peripheral ICs

According to the Industrial Economics and Knowledge Center (IEK), ongoing demand from applications such as stadiums, train stations, vending machines, and indoor signage continues to drive the growth of the digital signage market. Visual and interactive solutions—especially those incorporating facial recognition—are becoming key drivers for digital signage adoption.

With the rise of IoT and big data, the retail industry is gradually entering the smart retail era. This includes the use of digital signage, AI system integration, and facial recognition analytics. In both developed and emerging markets, retailers have been investing in digital signage since 2021, recognizing its ability to enhance business communication. As a result, more retail stores and businesses are using digital signage to deliver mission-critical messages.

However, the digital signage market remains highly fragmented, with hardware providers, system integrators, and application service vendors each focused on specific domains. Since ASPEED primarily supplies chips and does not offer end-to-end solutions, it is challenging to capture a complete picture of the overall market or to accurately estimate ASPEED's market share based solely on chip shipments or platform adoption.

(III) Advanced Image Processing IC

In 2024, ASPEED's Cupola360 panoramic cameras saw rapid deployment across smart factory and smart city applications, with brand-name customers in key markets such as Singapore, the United States, India, and Middle East, and Taiwan, deploying Smart Patrolling solutions. The second-generation chip's high integration enables support for immersive applications and high-resolution panoramic imaging in high-value scenarios.

Leveraging the performance advantages of its panoramic image processing chips, ASPEED Technology offers a one-stop Smart Patrolling solution that includes panoramic camera modules and the Cupola360+ smart management software, integrated with various AI algorithms. This solution addresses the key challenges in upgrading factory and city management systems. Backed by its deep technical expertise in industrial-grade panoramic imaging solutions, ASPEED has established a leading position in this field globally.

It is worth noting that ASPEED holds a leading position in real-time image stitching technologies for 360-degree cameras. However, the overall market penetration of 360-degree cameras remains low compared to single-view IP cameras. As smart applications continue to expand and demand for panoramic views and high-resolution real-time video grows, ASPEED's advanced image processing ICs hold significant growth potential.

In short, we are making Cupola360 total solution the *pivotal infrastructure for Smart Manufacturing and Smart City Management*.

c. Market Outlook

(I) Multimedia ICs

With major North American cloud providers expected to continue increasing capital expenditures in 2025, the global server market is poised to maintain its growth momentum. Investments in data centers and AI infrastructure by leading cloud service providers are set to expand further, driving up demand for high-end AI servers and contributing to overall growth in server shipments and market value. As the scale and complexity of hyperscale data centers continue to increase, the demand for more diverse technologies and components is also rising, with server design and production moving toward greater flexibility and scalability.

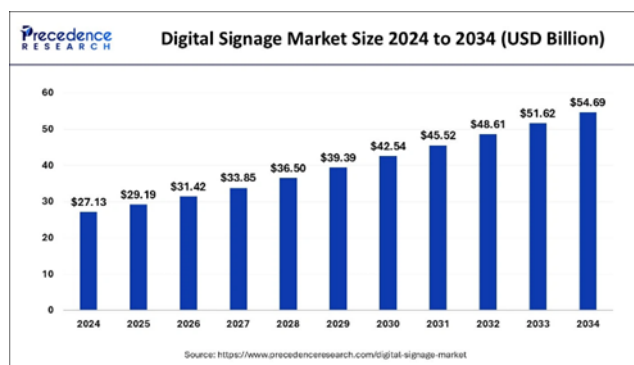
Server architecture has evolved beyond traditional models to accommodate the growing diversity of computing workloads and application scenarios. In addition to general-purpose servers, providers have launched AI servers tailored for specific fields, featuring either GPU-based computing or AI ASIC-based designs to support complex AI model training and inference tasks. As modular server design becomes increasingly widespread, more servers now feature the flexible integration of expansion cards or GPUs, combining high-density CPUs with multiple accelerators to meet the needs of ad ranking, recommendation systems, search optimization, and short-form video inference. Within this evolving AI server architecture, the importance of BMCs and other server chips has become more pronounced, enabling more robust remote monitoring, management, and maintenance capabilities.

As AI technologies continue to proliferate rapidly, enterprises are placing greater emphasis on real-time computing and data security. Many are choosing to deploy AI models locally or at the edge to ensure greater autonomy and handle highly sensitive data. One example is the recent buzz around DeepSeek in the Chinese market, which has accelerated AI deployment on mid-range and entry-level servers, allowing enterprises to achieve efficient inference with limited computing power. This trend is driving comprehensive growth across all levels of the server market and creating new opportunities for both traditional hardware vendors and emerging startups.

Looking ahead, global cloud providers are expected to continue expanding their investments, and the demand for AI computing across various sectors will intensify. These trends are expected to generate broad and diverse development opportunities in the server industry. Whether through hyperscale data center procurements of high-end AI servers or the deployment of small to mid-sized AI solutions at the enterprise and edge levels, the server market is poised to maintain a strong growth trajectory amid rising demand and ongoing technological breakthroughs

(II) Computer Peripheral ICs

According to market research from Precedence Research, the global digital signage market has continued to grow in recent years. In 2024, the market size reached approximately USD 27.13 billion and is projected to expand further to USD 29.19 billion in 2025, with long-term stable growth expected.



Driven by advancements in the Internet of Things (IoT), big data, and interactive display technologies, digital signage has become increasingly intelligent and interactive. This has broadened its range of applications, including retail stores and shopping malls, government agencies and public spaces, transportation hubs, educational institutions, and healthcare facilities. As a result, multiple research institutions forecast double-digit growth for the digital signage market in the coming years.

ASPEED Technology has developed deep expertise in IP-based distributed audio-video systems (AV over IP), which meet various demands from digital signage users, including remote content management, large-scale deployment, high-resolution and high-bandwidth requirements, flexible installation, multi-source input, and distributed output. The Company is well-positioned to benefit from the continued growth of the digital signage market.

(III) Advanced Image Processing ICs

The global network camera market continues to expand. According to Grand View Research, the market is projected to grow from USD 43.65 billion in 2024 to over USD 81.3 billion by 2030, representing a compound annual growth rate (CAGR) of approximately 11.2%. This growth is primarily driven by rising

demand for security across sectors and the large-scale deployment of equipment in smart city initiatives. The widespread adoption of technologies such as AI analytics and cloud connectivity further fuels market momentum.

The 360-degree panoramic camera, a specialized segment within the broader market, offers the ability to capture a full field of view using a single device. Although these cameras currently account for a relatively small share of the total market, demand is increasing rapidly. Grand View Research estimates that the global market for 360-degree cameras reached USD 1.38 billion in 2023 and will grow at a CAGR of 27.8% from 2024 to 2030.

These cameras significantly reduce blind spots and the number of units required for wide-area coverage, making them ideal for locations such as large warehouses, parking lots, and plazas. Their applications extend across a wide range of scenarios, including smart cities and smart factories, where they can be combined with AI analytics to improve management efficiency.

Previously, most 360-degree cameras relied on fisheye lenses. However, with advancements in image stitching and distortion correction technologies – and rising user expectations for image quality – multi-lens stitched 360-degree cameras are becoming the new mainstream. Compared to fisheye-based models, multi-lens cameras offer superior field coverage and image fidelity, with reduced edge distortion and enhanced overall quality. This product category is expected to outpace growth in the broader network camera market in the years ahead.

d. Competitive Advantages

(I) In-House Development Capabilities and Strong Market Responsiveness

ASPEED Technology possesses a professional R&D team with strong in-house design and development capabilities. By integrating 2D VGA, BMC, and KVM over IP technologies, the Company differentiates itself from competitors who rely on IP licensing from third-party IP service providers. This independence allows ASPEED to respond swiftly to market changes and launch products that align with current demand.

(II) Long-Term Partnerships with Leading Foundries and Manufacturing Partners

For professional IC design companies, manufacturing is almost entirely outsourced to foundries, packaging, and testing partners. Therefore, the foundry's process technology, production quality, yield rate, capacity, and delivery speed are all critical factors that impact product success. ASPEED maintains long-standing and close collaborations with leading foundries and strategic manufacturing partners. Close relationships with customers also contribute significantly to the Company's success.

ASPEED primarily supplies products to server OEM/ODM manufacturers, offering comprehensive product development services that help shorten

development cycles and accelerate time-to-market for new products. With reliable product quality, high yield rates, and on-time delivery, ASPEED continues to fulfill customer requirements and sustain long-term partnerships—key success factors in the industry.

(III) Excellent in Quality Management

ASPEED Technology is certified under ISO 9001:2015, ensuring the quality of its products. In addition, the Company has implemented an ERP system that integrates all processes—from order management, production scheduling, material procurement, inventory control, and quality management to financial operations—into a fully digital workflow. This enables the timely and accurate provision of statistical and analytical data, empowering managers across departments with real-time visibility and control over operations.

e. Favorable and Unfavorable Factors for Future Development and Corresponding Strategies

Favorable Factors

(I) Strong Demand Driven by Emerging Applications

ASPEED Technology analyzes server market demand from multiple application perspectives, including cloud computing, big data, artificial intelligence (AI), the Internet of Things (IoT), and 5G applications, as well as new market opportunities brought by server modularization. Explosive growth in data, increasing AI computing needs, and continued demand for high-speed data transmission are all contributing to rising requirements for servers and data centers.

- **Artificial Intelligence and Machine Learning:**

The rapid advancement of large language models (LLMs) and intensifying global AI competition are driving unprecedented demand for AI servers from leading cloud service providers, resulting in explosive growth in server shipments. Beyond the compute-heavy training stage, recent advancements such as “Chain of Thought” and other test-time compute technologies have significantly increased inference workloads. These technologies decompose complex tasks into multi-step reasoning processes, drastically improving model output quality but requiring tens to hundreds of times more inference compute.

This trend necessitates AI servers with more powerful hardware and distributed computing capabilities to support complex multi-step inference. As LLMs are increasingly adopted in applications such as intelligent customer service, AI agents, and deep research, the demand for computing power is expected to surge further, prompting cloud

providers to continuously expand their AI infrastructure and fueling growth in the AI server market.

- **5G Technology Proliferation:**
The global rollout of 5G networks is accelerating data transmission speeds and lowering latency, increasing demands on server performance and network infrastructure.
- **Evolution of IoT Technology:** An increasing number of devices and sensors are connecting to the internet, leading to a growing need for processing and analyzing the massive amounts of data these devices generate.
- **Rise of AR/VR:**
Augmented reality (AR) and virtual reality (VR) technologies require substantial computational power to deliver high-quality immersive user experiences, placing new demands on server hardware
- **Growth in Cloud Gaming and Streaming Media:**
The rising demand for high-quality game and video content streaming is increasing the need for high-performance, high-bandwidth servers.
- **Smart Cities and Autonomous Vehicles:**
These innovations require real-time data processing and analytics, which drive demand for efficient servers and data centers.
- **Data Privacy and Security Regulations:**
As global data privacy regulations become more stringent, data center operators must provide more secure data storage and processing services to prevent cross-border transmission of sensitive personal data. This is driving the need for localized data centers in each country, further boosting server procurement demand.

(II) ODM Direct Model Adoption by Leading Internet Service Providers

As cloud computing and storage demand continues to grow, global search engines and social media platforms are rapidly scaling up computing power, accelerating data center expansion. This, in turn, drives strong demand for both general-purpose and AI servers.

These server systems are typically customized to specific workloads, with cloud service and social media providers directly specifying supply chain vendors. Finished servers are then procured from ODMs (Original Design Manufacturers), propelling the growth of Taiwan's server supply chain.

ASPEED works closely with server ODMs to provide highly competitive server chips and has established a clear strategic position within the ODM Direct supply system.

(III) Robust Semiconductor Supply Chain Ecosystem in Taiwan

The semiconductor industry is capital- and technology-intensive. Taiwan's ecosystem features a complete and specialized upstream-to-downstream supply chain. As process technologies rapidly advance, foundries, packaging, and testing companies continue to expand capacity and invest in innovation, enhancing Taiwan's global competitiveness in IC manufacturing.

This mature ecosystem offers professional IC design houses access to cutting-edge manufacturing processes, flexible production scheduling, world-class service quality, and rapid response capabilities. These advantages enable ASPEED to seize market opportunities and accelerate time-to-market for new products.

(IV) Taiwan's Leading Role in Server Motherboard Manufacturing

Taiwanese manufacturers dominate global server motherboard design, component production, and server assembly. ASPEED benefits from geographic proximity to these supply chain partners, enabling faster technical support and communication than competitors, and enhancing overall market competitiveness.

(V) High Entry Barriers for Key Technologies

ASPEED's SoC (System-on-Chip) products have high entry barriers due to the integration of digital, analog, and remote management IC design expertise required during the development stage. Product development also demands firmware and driver integration tailored to server specifications, software environments, and peripheral devices.

This comprehensive and technically demanding development process limits market entry by competitors and reduces the likelihood of price competition, thereby safeguarding ASPEED's profit margins.

(VI) Strong In-House Technology Development Capabilities

Unlike competitors that rely on IP licensing, ASPEED has independently developed key technologies such as 2D VGA, BMC, and KVM over IP, which serve as the foundation for its BMC, BIC, PFR, and I/O Expander SoC products. This gives ASPEED greater R&D control and responsiveness.

The Company's core engineering team is based in Taiwan, close to local server vendors, with shared language and time zone advantages. This allows ASPEED to provide timely technical support and streamline customer communication.

Since remote management requirements vary across server platforms—especially between AI servers and traditional general-purpose servers—ASPEED demonstrates strong customization capabilities by rapidly adapting

to each platform's needs. To meet future open standards and security requirements defined by the Open Compute Project (OCP), ASPEED will adopt DC-SCM 2.0 and Caliptra standards to launch more comprehensive solutions that help customers transition seamlessly to next-generation platforms.

Unfavorable Factors and Countermeasures

(I) Complexity of AI Server Assembly

The latest AI servers adopt rack-level modular designs that emphasize extremely high computing density, which in turn presents challenges in power consumption and thermal management. Additionally, the complexity of mechanical design significantly increases assembly difficulty.

Countermeasure

ASPEED ensures that its BMC chips are compatible with a variety of server architectures and has expanded its product applications to switches, storage devices, DPUs, and cooling modules. As overall server market demand continues to grow, this strategy helps mitigate the risks of being constrained by or overly reliant on a single server architecture supply chain.

(II) Capital Expenditure Cyclicalities of Major Cloud and Social Media Providers

When major cloud service providers and social media companies expand or upgrade their data centers, server procurement typically surges, significantly boosting market demand. However, when these companies enter a capital expenditure adjustment or slowdown phase, server demand also declines.

Such cyclical fluctuations introduce higher uncertainty for supply chain partners in terms of shipment planning and inventory management.

Countermeasure

ASPEED aims to gradually increase the content value of its chips per server to offset the impact of procurement cycle volatility among large customers and achieve revenue growth that outpaces the industry average.

Specific actions include integrating more server management functions into new-generation BMC chips and adopting advanced designs and process technologies to improve overall performance—allowing for higher pricing. Additionally, ASPEED offers other essential server chips, including BIC, PFR, and I/O Expander chips, forming a more comprehensive product portfolio and further increasing the chip content value per server. This strategy reduces dependence on a single product or customer and supports more stable and sustained revenue growth.

(III) Difficulty in Training Professional IC Design Talent

Due to intense competition in the IC industry, it is increasingly difficult to recruit and retain top engineering talent, often requiring significant investment. To strengthen loyalty, companies must offer competitive compensation packages, resulting in higher labor costs.

Countermeasure

ASPEED Technology offers attractive compensation packages and a wide range of employee benefits, fostering a caring, fair, and healthy work environment that encourages innovative research and developments that is achievement oriented. The Company also implements a profit-sharing mechanism to reward employees and enhance engagement, helping to attract and retain top talent.

(IV) Foreign Exchange Rate Fluctuations

The Company's procurements and sales are denominated in U.S. dollars making its profitability sensitive to foreign exchange rate fluctuations.

Countermeasures

- (a) ASPEED utilizes natural hedging by matching its foreign currency-denominated payables and receivables.
- (b) The finance department closely monitors exchange rate trends and collects relevant market intelligence. The team maintains regular contact with bank foreign exchange departments and uses their professional advice to conduct timely foreign currency exchanges based on the Company's funding needs, thereby reducing FX exposure.
- (c) Depending on the size of the Company's foreign currency position, ASPEED may engage in foreign exchange hedging transactions in accordance with its "Procedures Governing the Acquisition or Disposition of Assets."

(2) Key Product Applications and Manufacturing Processes

a. Key Product Applications

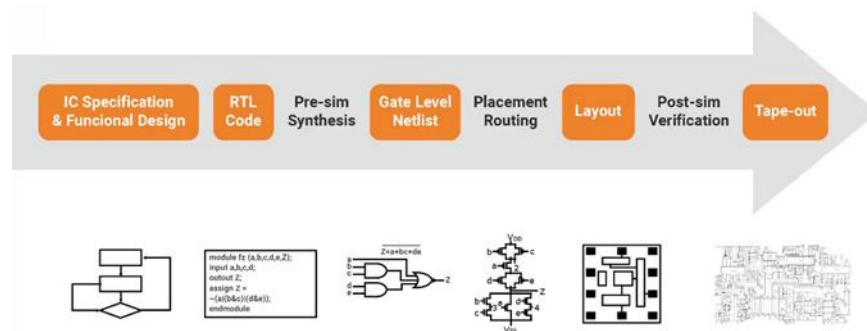
Name of Main Products	Purpose
Multimedia ICs	ASPEED Cloud & Enterprise product lines are designed with rich features, including 2D graphic controller, hardware monitoring, iKVM, and security functions. Customer can design and build servers with ASPEED ICs, such as BMC, BIC, PFR, and I/O Expander.
Computer peripheral ICs	Our core technology includes display over IP, USB over IP and audio over IP. Applications range from remote personal computer extension products, audio-video

Name of Main Products	Purpose
	extensions, remote USB extensions, digital audio-video matrix switch, video walls, to digital signage, etc.
Advanced image processing ICs	Our 720 degree panoramic cameras, featuring built-in real-time image stitching processors, are ideal for smart patrolling and immersive management applications in smart factories and smart cities.

b. Key Product Manufacturing Process

As a professional fabless IC design company, ASPEED Technology completes RTL design and verification internally, then outsources the back-end processes such as IC layout and routing to design service partners. Once the product enters the mass production phase, the design service provider coordinates with foundries for wafer fabrication. ASPEED then works with OSAT (Outsourced Semiconductor Assembly and Test) vendors for packaging and testing operations. After production is completed, the finished ICs are delivered back to ASPEED for system-level validation to ensure product quality before final packaging and warehousing.

The following diagram illustrates the IC product design and manufacturing flow:



(3) Supply of Essential Raw Materials

ASPEED Technology, an IC design company, works with design service companies (Turnkey Service) to coordinate with midstream and downstream manufacturers in the product manufacturing process. When selecting a design service company, we consider not only the completeness of the silicon IP and APR (Auto Place & Route) capabilities but also the partnerships they have with foundries and test packaging factories. The process technology and yield quality of the foundry are critical to the successful manufacturing of IC products. Currently, the materials and products provided are of good condition and high quality.

- (4) Major Suppliers Accounting for over 10% of the Annual Total Purchase in either 2023 or 2024

Unit: NT\$1,000

2023				2024			
Supplier	Amount Purchase	% of Total Purchases	Relations	Supplier	Amount Purchase	% of Total Purchases	Relations
A	757,044	77.98%	None	A	2,149,818	96.13%	None
B	154,898	15.95%	None	B	33,022	1.48%	None
Other	58,939	6.07%	None	Other	53,643	2.39%	None
Total	970,881	100.00%		Total	2,236,483	100.00%	

Reasons for changes:

ASPEED purchases chips from a foundry through a turnkey service provider. Since foundries are technology and capital intensive, only a few companies provide such services. ASPEED maintains long-term relationships with these suppliers.

- (5) Major Customers Accounting for over 10% of the Annual Total Sales in either 2023 or 2024

Unit: NT\$1,000

2023				2024			
Customer	Amount Revenue	% of Total Revenue	Relations	Customer	Amount Revenue	% of Total Revenue	Relations
A	587,001	18.76%	None	A	1,434,123	22.20%	None
D	429,586	13.72%	None	B	785,168	12.15%	None
E	389,063	12.43%	None	C	714,113	11.06%	None
C	386,943	12.36%	None	D	650,239	10.07%	None
Other	1,337,802	42.73%	None	Other	2,876,023	44.52%	None
Total	3,130,395	100.00%		Total	6,459,666	100.00%	

Reasons for changes:

The primary reason for the changes in customer sales in 2024 is due to adjustments in end-customer order demands and the varying rates of inventory destocking among each customer.

3. Employees

Unit: Person/ %

Year		2023	2024	2025 (As of March 29)
Number of Employees	R&D	83	87	88
	Sales and Management	37	37	38
	Total	120	124	126
Average Age		40.58	41.54	41.61
Average Years of Service		5.17	5.97	5.94
Education	Doctoral	2.50%	2.42%	2.38%
	Master	72.50%	72.58%	71.43%
	Bachelor	25.00%	25.00%	25.40%
	High School	—	—	—

4. Environmental Protection Expenditure

ASPEED Technology's business activities involve the research, development, testing, and sales of ICs, focusing on product development and sales. All products are outsourced for manufacturing, and there is no risk of environmental pollution. According to legal regulations, there is no need to obtain permits for pollution control facilities, pollutant emission permits, pay pollution control fees, or establish a dedicated environmental protection unit.

5. Labor-Management Relations

(1) The Group's employee welfare program, training and development, and retirement policy and settlement between employees and the employer

a. Labor Benefits and Welfare Program

ASPEED Group established the Staff Welfare Committee in accordance with laws and regulations, and makes monthly contributions to the Staff Welfare Fund, which is used by the Staff Welfare Committee to provide the following benefits: Employee trips, cultural and health activities, emergency aid, health exams, and gift certificates for Chinese New Year's. Benefits are also provided for marriage, childbirth, and funerals (condolence money). ASPEED Group also provides employee education and training, employee stock subscription, and bonuses. Furthermore, besides enrolling employees in the Labor Insurance and National Health Insurance in accordance with the Labor Standards Act and related laws and regulations, the Company also provides employees with group medical insurance and travel insurance for even greater protection.

b. Training and Development

ASPEED Technology provides employees with continuing education, utilizing both internal and external on-the-job training resources. With various learning resources and channels to encourage employees to do training for self-improvement to further uplift their performance and potential.

In order to enable the effective training plans which meet employees' requirements of general, professional, and management course as well, ASPEED Technology provides a diverse network of learning resources, including on-the-job training, classroom training, e-learning, mentoring, to realign and refresh its workforce skill set and are a useful tool for motivating and re-energizing employees morale. Company training will continue to be part of companies' strategies to achieve competitive advantage.

ASPEED's training programs include:

- New employee training
Designed to meet each department's requirement, ASPEED introduce a senior mentor program for new employees, providing assistance in life and work techniques for them to quickly adapt to the environment.
- General Training
To provide trainings on general subjects for all employees, or the trainings required by government regulations to enable employees to fit in the environment and meet business goal as soon as possible.
- Professional Skill Training
Identify the professional training needs of each department, and provide the training to employees to strengthen their professional competence.
- Management Skill Training
For potential employees with management talents, ASPEED provide training courses to establish management thinking, cultivate strategic analysis and planning capabilities for organization development and team operations.
- Lectures by Renowned Experts
The series of lectures provide the opportunity for employees to hear from a top thought leader in various fields to broaden their horizons.
- Workshop
Through experiential learning, employees can learn how to implement theoretical management theory to practical daily work, hence high performance can be achieved.
- Self-Study and Development

c. Retirement Systems

As per the Labor Standards Act and the Labor Pension Act, ASPEED Technology Inc. has established the "ASPEED Technology Inc. Employee Retirement Policy" to ensure comprehensive retirement benefits for its employees. Since the implementation of the Labor Pension Act on July 1, 2005, all company employees have been covered under the new pension scheme. For employees who have opted for the new scheme, the company contributes 6% of their monthly salary to their individual pension accounts managed by the Bureau of Labor Insurance. Additionally, the company assists employees in handling voluntary contributions based on their preferences, offering more flexible retirement savings options and ensuring greater peace of mind for their future retirement.

In 2024, the company's total contributions to employee pensions under the new scheme amounted to NT\$11,254,944.

d. Negotiation and settlement between Interest of Employees and Management

The ASPEED Group emphasizes the right to know and therefore convenes semi-annual business performance meetings and labor-management meetings, which allow employees to understand the Company's business performance and future plans. The ASPEED Group takes employees' opinions very seriously and encourages employees to offer their advice, which it uses as the basis for improving its management and benefits system. It is for this reason that labor and management are on good terms and there have been no litigations or matters requiring negotiation between labor and management.

(2) Losses incurred by Labor Disputes in recent years as at the Date of Print for Annual Report 2024

The ASPEED Group ensures that the relationship among employees and managements are harmonious by maintaining effective two-way communication channels at all times. No labor disputes were occurred in the past.

6.Information Security Management

(1) Information Security Risk Management Framework, Policies, Specific Measures, and Resource Allocation.

To ensure smooth business operations and to maintain confidentiality, integrity, and availability, ASPEED Technology has established an Information Security Policy for all employees to follow.

a. Information and Communication Security Policy:

- Enhance the information security management system and obtain third-party certification.
- Strengthen cybersecurity to prevent hacking, viruses, and ransomware attacks.
- Implement on-site and off-site data backup and disaster recovery measures.

- Effectively manage information assets, conduct ongoing risk assessments, and implement appropriate protective measures.
- Protect information systems from unauthorized access to maintain confidentiality.
- Prevent unauthorized modifications to ensure system integrity.
- Ensure authorized users can access systems when needed.
- Comply with all relevant information security laws and regulations.
- Implement recovery plans for man-made or natural disasters affecting core information systems to ensure business continuity.
- Strengthen employee information security awareness through training and education.
- Enforce information security management and awareness among suppliers.
- Conduct audits and management reviews to continuously improve the information security management system.

b. Information Security Objectives:

- Complete the migration to ISO 27001:2022 Information Security Management System by 2025.
- Complete the deployment of the ThreatSonar Anti-Ransomware Threat Detection and Response Platform by the end of September 2024 to prevent ransomware attacks.
- Disable the use of portable storage devices by the end of March 2024.
- Obtained third-party ISO 27001 certification in 2022.
- Ensure system availability of 99.99% or higher (downtime/total operation time $\leq 0.01\%$).
- Achieve a 100% rate of incident reporting, response, and recovery within required timeframes following any security incidents.
- Conduct cybersecurity training twice a year.
- Limit data breach incidents to no more than two per year.
- Adjust information security measures as needed in response to legal and technological changes to prevent unauthorized access, usage, control, disclosure, destruction, alteration, or damage to information systems.
- Strengthen supplier selection, monitoring, and management. Rigorously review outsourcing contracts to ensure information security across supplier relationships. Raise employee awareness of cyber protection and improve threat detection and prevention.

c. Information Security and Data Protection:

ASPEED Technology prioritizes information security management through clearly defined internal policies, including the “Information Administration Operation Guidelines” and the “Software/Hardware Management Operation Guidelines.” These aim to reduce network security risks, protect personal data and customer privacy, and safeguard the interests of stakeholders. Information security awareness campaigns are actively promoted to enhance employee understanding.

Internally, ASPEED has established a comprehensive network and computer security system to manage key business operations such as production, procurement, sales, and accounting. Regular reviews and evaluations of the network security architecture ensure effectiveness and relevance. The company not only focuses on operational efficiency and secure data storage but also protects against third-party cyberattacks that could compromise business secrets, intellectual property, or sensitive information.

Externally, ASPEED regularly confirms that suppliers have robust security and backup mechanisms in place. The company places strong emphasis on confidentiality protection, requiring all employees to sign NDAs and, as necessary, requiring partners to do the same based on specific projects or scenarios to ensure mutual information security.

- (2) Losses, Potential Impacts, and Countermeasures Related to Major Information Security Incidents in the Most Recent Year and up to the Annual Report Publication Date.

In 2024, ASPEED Technology did not experience any major information security incidents or cyberattacks and was not involved in any related legal cases or regulatory investigations. During the same year, Deloitte & Touche conducted an information system audit, which included reviews of the company's computer environment, general IT controls, and automated application controls. No significant issues were identified.

To further strengthen risk management, ASPEED launched its ISO 27001 certification program in June 2021 and completed certification in 2022. In September 2024, it successfully deployed the ThreatSonar Anti-Ransomware Threat Detection and Response Platform. In 2022, the Risk Management Committee reviewed and updated the Information Security Policy and instituted regular annual cybersecurity training in place of previously ad hoc sessions to enhance security awareness. In 2025, the company began executing the ISO 27001:2022 version upgrade and has already achieved certification.

Cybersecurity Incident Response Plan:

To mitigate the operational impact of abnormal natural or man-made disasters affecting information systems, ASPEED has established an Information Security Response Plan. This plan is based on risk analysis, business impact assessments, and recovery strategies to ensure that critical business operations can continue with minimal disruption during a security-related incident, aligning with the goals of preparedness and sustainable operations.

In addition to regular data backups, ASPEED maintains an off-site backup plan where the Hsinchu headquarters and Taipei office server rooms serve as mutual recovery sites. For minor cybersecurity or ERP hardware issues, the company aims for recovery within 12 hours with remote and off-site backups in place. In cases of force majeure or severe damage to ERP system hardware/software, equipment repair and replacement will be completed within 24 hours, with all data recoverable from off-site backups.

7. Material Contracts

Agreement Type	Counterparty	Term	Summary	Restriction
Factory lease agreement	Taiwan Fertilizer Co., Ltd.	2024/09/01~2033/08/31	Factory lease agreement (4F/5F., No. 1, Sec. 3, Gongdao 5th Rd., East Dist., Hsinchu City)	None
Factory lease agreement	Cathay Life Insurance Co., Ltd.	2024/10/01~2029/09/30	Factory lease agreement (5F, No. 16,18 Sec. 4, Nanjing East Road, Taipei)	None
Loan	Mega International Commercial Bank Hsinchu Science Park Hsin-an Branch	2024/06/23~2025/06/22	2024 Credit agreement/Credit limit of NT\$500,000,000	None
Loan	Hua Nan Commercial Bank Zhubei Branch	2024/05/17~2025/05/16	2024 Credit agreement/Credit limit of NT\$500,000,000	None
Loan	CTBC Bank Dunbei Branch	2024/06/24~2025/06/23	2024 Credit agreement/Credit limit of NT\$700,000,000	None
Loan	E.SUN Bank Hsinchu Branch	2024/04/23~2025/04/23	2024 Credit agreement/Credit limit of NT\$300,000,000	None
Loan	International Bills Finance Hsinchu Branch	2024/06/11~2025/06/10	2024 Credit agreement/Credit limit of NT\$300,000,000	None
Commercial fire insurance	Fubon Insurance	2024/11/21~2025/11/21	2024 Commercial fire insurance/Total insurance amount of NT\$604,660 thousand	None

V. Sustainability

ASPEED Technology firmly believes that corporate success and growth rely not only on effective business management but also on a strong commitment to sustainable development. We are dedicated to pursuing a vision of sustainability through green innovation, environmental stewardship, and shared prosperity with society. With this vision in mind, we work hand in hand with our employees, customers, suppliers/contractors, and the broader community to create synergy amid a rapidly changing and competitive industry landscape – advancing together toward a future of shared value and sustainable growth.

1. Sustainability Committee

ASPEED Technology first established its Corporate Social Responsibility (CSR) Task Force in 2020 and restructured it in 2021 into the Sustainability Committee under the Board of Directors, which became the Company's primary decision-making and execution body for sustainability-related initiatives. In November 2024, ASPEED officially approved the restructuring of the Sustainability Committee into the third functional committee under the Board – the Sustainability Development Committee. The committee is chaired by Director Mr. Luke Chen and consists of four independent directors and two directors. A dedicated Executive Secretary of the Sustainability Development Committee has also been appointed to execute resolutions and regularly report the Company's sustainability performance to both the Committee and the Board.

Under the Committee, ASPEED has established the Sustainability Development Task Force, which not only oversees sustainability-related performance but also incorporates sustainability into the Company's operations and strategic decision-making processes. The Task Force leads five working groups: Corporate Governance, Risk Management, Environmental Sustainability, Employee Relations, and Social Engagement, each responsible for coordinating actions in their respective areas.

The Sustainability Development Committee is solely responsible for overseeing ASPEED's internal sustainability agenda. It convenes semi-annually to review stakeholder concerns and monitor domestic and international regulatory trends. The Sustainability Development Task Force reports regularly on operational progress and adjusts activities as needed based on actual circumstances.

The Committee also reports to the Board of Directors twice a year. In 2024, ASPEED presented its sustainability progress and strategic proposals during the Board meetings held in May and November. The reports included the following key items:

1. Progress updates from the Sustainability Development Task Force
2. Proposal for approval of the 2023 Sustainability Report and ESG Summary
3. Progress on key management initiatives, including the GHG Protocol Scope 3 emissions inventory plan
4. Planning discussion on IFRS S1/S2 sustainability disclosure standards
5. Approval for the establishment of the Sustainability Development Committee as a formal functional committee

In addition, the Committee reviewed the Company's proposed sustainability strategies for 2025, and during the second committee meeting held in January 2025, officially approved ASPEED's three-year sustainability goals and strategies for 2025–2027.

2. Identification of Stakeholders and Communication

ASPEED Technology's Sustainable Development Task Force identifies and evaluates core stakeholders based on the business and interactions of each department, pursuant to the five principles of the AA1000 Stakeholder Engagement Standard (AA1000 SES): Responsibility, Influence, Dependency, Tension, and Diverse Perspectives. Nine key stakeholders were ultimately identified as priority targets for engagement: employees, shareholders & investors, customers, suppliers, government agencies, media, public welfare organizations, academic research organizations, and partners.

Stakeholders	Importance	Engagement	Topics of Concern
Customers	Having the greatest influence on ASPEED Technology's product/technology development and design	<ul style="list-style-type: none"> - Customer contact email address: sales@aspeedtech.com - Customer satisfaction survey (annually) - Sales interviews and interactions (ad hoc) 	<ul style="list-style-type: none"> - Customer privacy and confidentiality measures - Product quality and customer satisfaction - Technological and R&D innovations - Sustainable supply chain management - Response to international organizations and initiatives - Management of waste and hazardous materials
Employees	The most important resource of ASPEED Technology and critical partners for the sustainable development of the Company	<ul style="list-style-type: none"> - Opinions mailbox: hr@aspeedtech.com (regular) - Labor-management coordination meeting (quarterly) - Meeting of Employee Welfare Committee (quarterly) - Manager discussions (biannual) - Employee satisfaction survey (annually) 	<ul style="list-style-type: none"> - Operational achievements and financial performance - Compensation and performance mechanisms - Employee benefits and care - Employee cultivation and career development - Workplace equality and human rights protection - Talent recruitment and cultivation - Community contributions and social participation

		- Expressing opinions at the end of the year (annually)	
Government Agencies	Policies, laws or regulations can influence the operational directions or decision making of ASPEED Technology	<ul style="list-style-type: none"> - General inquiry email address: info@aspeedtech.com - Official documents, emails, and meetings (ad hoc) - Advocacy meetings, public hearings (ad hoc) 	<ul style="list-style-type: none"> - Corporate governance and ethical corporate management - Information security and privacy - Operational achievements and financial performance - Risk management - Legal compliance - Compensation and performance mechanisms
Cooperative Partners	Grows with ASPEED Technology through close cooperation, important partner for ASPEED Technology	<ul style="list-style-type: none"> - General inquiry email address: info@aspeedtech.com - Social participation and public welfare activities (ad hoc) 	<ul style="list-style-type: none"> - Sustainable supply chain management - Technological and R&D innovations - Risk management - Legal compliance - Compensation and performance mechanisms
Media	Reports and assessments impacting the Company's reputation and image	<ul style="list-style-type: none"> - Media inquiry email address: media@aspeedtech.com - Press releases for major news (ad hoc) 	<ul style="list-style-type: none"> - Corporate governance and ethical corporate management - Operational achievements and financial performance - Technological and R&D innovations - Legal compliance
Shareholders/ Investors	Influencing the stock price by/appraisals of the Company	<ul style="list-style-type: none"> - Investor relations email address: ir@aspeedtech.com - Shareholders' meeting (annually) - Foreign and domestic investors' meeting (ad hoc) - Investors' conferences (annually) 	<ul style="list-style-type: none"> - Corporate governance and ethical corporate management - Legal compliance - Technological and R&D innovations - Operational achievements and financial performance - Risk management
Suppliers	Providing excellent raw materials of a consistent quality; through close cooperation, we jointly pursue corporate sustainability	<ul style="list-style-type: none"> - General inquiry email address: info@aspeedtech.com - Supplier meetings (annually) - Supplier audits (annually) - Critical supplier's CSR commitment (annually). 	<ul style="list-style-type: none"> - Product quality and customer satisfaction - Operational achievements and financial performance - Risk management - Legal compliance - Sustainable supply chain management
Public Welfare Organizations/ Academic and Research Organizations	ASPEED Technology actively interacts with public welfare organizations, academic research organizations, and cooperative partners to fulfill our ESG obligations	<ul style="list-style-type: none"> - General inquiry email address: info@aspeedtech.com - Social participation and public welfare activities (ad hoc) 	<ul style="list-style-type: none"> - Compensation and performance mechanisms - Compensation and employee care - Talent recruitment and retention - Response to international organizations and initiatives - Technological and R&D innovations - Social care and public participation

Contact:

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3. Enterprise Operation Risk Management

1. Risk Management Policy

ASPEED Technology is a fabless IC design company operating under a “Fabless Lite” business model. The Company is primarily composed of R&D, sales and marketing, and administrative personnel, and does not engage in manufacturing activities. To address the growing impacts of global economic changes and sustainability-related risks on both internal and external operations, ASPEED recognizes the importance of risk prevention and mitigation. The Company has established a “Risk Management Policy” to identify and assess risks that may affect long-term sustainability from the perspectives of corporate governance, environmental responsibility, and social impact, while also addressing stakeholder concerns and aligning with international trends.

2. Risk Management Framework and Response

To mitigate unforeseen risks that may arise during business operations and effectively address challenges posed by internal and external environmental changes, ASPEED has established a Risk Management Unit under the Sustainability Development Task Force, which is overseen by the Sustainability Development Committee under the Board. The Company refers to internationally recognized business continuity standards and conducts internal assessments to implement risk monitoring mechanisms.

The risk management framework involves relevant departments –including finance, business operations, administration and EHS (environment, health, and safety), and information security – which are responsible for monitoring, analyzing, and identifying potential risks. Once risks are confirmed, they are reported to senior management, which initiates appropriate response measures. Investor relations and public affairs personnel are responsible for external communication at the appropriate time to alleviate stakeholder concerns. This integrated mechanism plays a key role in identifying, managing, and responding to operational risks.

ASPEED conducts risk identification, assessment, response, and tracking based on its core internal business operations and external environmental conditions. The scope covers governance, environmental, and social dimensions of sustainable development. In

2024, five major risk factors were identified: (1) Market Risk, (2) Operational/R&D Technology Risk, (3) Information Security Risk, (4) Climate Change Risk, and (5) Supply Chain Management Risk.

In terms of climate change risk, ASPEED incorporated climate-related assessments into its risk identification process starting in 2022, aligning with the four core elements recommended by the Task Force on Climate-related Financial Disclosures (TCFD): (1) Governance, (2) Strategy, (3) Risk Management, and (4) Metrics and Targets. These risks and opportunities are reviewed annually to assess their potential material impact on ASPEED. The Risk Management Unit also routinely monitors global climate-related topics, trends, regulations, and carbon emission developments to manage and respond to emerging risks and opportunities.

Starting in 2025, ASPEED will further align its risk management disclosures with the IFRS S1/S2 standards for sustainability- and climate-related financial information.

Risk Type	Risk Factor	Responsible Unit	Operating Impact	Response
Market risk	Change in interest rate and foreign currency exchange rate	Finance & Legal unit	Impact of interest rate and foreign currency exchange rate changes on income and expenditures, and financial profit or loss	<ul style="list-style-type: none"> ● Long-term monitoring of international conditions and investment markets. Follow appropriate risk standards when evaluating investments and hedging interest and foreign exchange rates. ● In terms of exchange rate management, the import and export transactions of ASPEED Technology are mainly denominated and calculated in USD, so changes in the NTD/USD exchange rate have certain impact on the profit and loss of the Company. The Company has dedicated personnel to collect information on changes in international exchange rates and keep in contact with the foreign exchange department of the banks, making reference to the professional consulting services provided by them, and timely currency exchanges to reduce risk exposure in response to the Company's cash

				requirements. At the same time, depending on the position of foreign currency, hedging is carried out in accordance with the Operating Procedures for Asset Acquisition or Disposal when necessary.
	High risk transaction	Finance & Legal unit	Engaging in high risk, highly leveraged investments, lending of funds to others, endorsement of guarantees and derivatives, etc., where the risk of default may result in financial loss	<ul style="list-style-type: none"> The Company has established relevant management measures. The relevant transactions shall be carefully evaluated by the finance and accounting, legal and relevant units for necessity and reasonableness, and are subject to effective approval before proceeding, in order to minimize the possible loss
Operation /Technology	Contractual dispute	Finance & Legal unit	Financial risk and brand impact arising from litigation dispute	<ul style="list-style-type: none"> Trim disputes or litigations through contract review process developed by the Legal Management Division and engage external professional lawyers to assist
	Intellectual property risk	Finance & Legal unit	Loss of assets and profits due to infringement of intellectual property rights	<ul style="list-style-type: none"> Comply with relevant laws and regulations on intellectual property rights, apply for and maintain and advocate the protection of relevant intellectual property rights <p>*For details, please refer to the section of "Intellectual Property Rights Protection and Preservation"</p>
Information Security	Unexpected information interruptions caused by hacker attacks or major natural disasters	Information security unit	Cyber-attacks and information outflows will affect the protection of internal and external intellectual property information, causing serious problems such as disrupted operations, financial damage or violation of laws and regulations. Long-term damage to goodwill and customer	<ul style="list-style-type: none"> Continue to obtain ISO27001 information security management certification Set up firewalls, conduct relevant information security education and training, and continuously convey information security concepts to employees Regular annual internal audit on information security and all-staff drill Implement information security recovery drill to test the effectiveness of the information system recovery process and ensure the continuous operation of the Company's systems due to natural disasters or malicious attacks

			relationships will affect the foundation of sustainable corporate development	*For more details, please refer to the section of “Information Security”
Climate Change	Power and water disconnection	Risk management unit	Operational inefficiency caused by power and water disconnection, failure of personnel to work properly or endangering their safety at work may also cause financial impact.	<ul style="list-style-type: none"> ● Operation-oriented contingency measures for the building where the corporate headquarters is located ● *For more details on climate change, please refer to the section of “Climate Strategies TCFD”
Supply Chain Management	Price hikes due to insufficient production capacity, or unexpected natural disasters such as earthquakes, typhoons, and explosions	Risk management unit	Abnormal events may cause interruptions in the supply of materials, suspension of the processing factories, and delays in delivery to customers, for which the Company is liable for liquidated damages	<ul style="list-style-type: none"> ● Perform short-, medium- and long-term inventory risk assessments ● If necessary, procurement-led emergency meeting is held for inventory control <p>* For details, please refer to the section of “Sustainable Supply Chain Management”</p>

4. Information Security Risk Management

1. Information Security & Data Protection

ASPEED Technology places great importance on information security management. Since 2022, the Company has been ISO/IEC 27001 certified and has established a comprehensive Information Security Policy, along with 23 related internal security protocols to manage and safeguard corporate information. These measures aim to mitigate cybersecurity risks, protect personal data, customer privacy, and uphold stakeholder interests. In addition, the Company actively promotes internal awareness of information security.

Internal Management Measures:

ASPEED has built a comprehensive network and system protection infrastructure to support key business operations—including manufacturing, procurement, sales, and accounting. The Company conducts regular reviews and assessments of its cybersecurity framework to ensure its adequacy and effectiveness. Beyond improving operational efficiency and securing backups of critical data, ASPEED is committed to protecting its computer systems from cyber threats in an ever-evolving digital landscape. The Company implements security measures to prevent system paralysis caused by third-party cyberattacks and to safeguard trade secrets, intellectual property, and confidential information from theft or malicious hacking.

External Supplier Collaboration:

For external suppliers and business partners, ASPEED Technology ensures mutual information confidentiality by periodically verifying that suppliers have robust information security management and backup measures in place. Additionally, the Company enforces strict confidentiality protections, requiring 100% of employees to sign an NDA. Depending on specific projects and circumstances, ASPEED also requires business partners to sign NDAs to further strengthen information security. Below are the key information security initiatives completed in 2023 and 2024:

Completion Time	Project Overview
2023	<ul style="list-style-type: none">• Upgraded firewall at Taipei office to strengthen information security protection.• Implemented a Data Loss Prevention (DLP) solution to prevent data breaches.• Upgraded the Virtual Desktop Infrastructure (VDI) across the organization.
2024	<ul style="list-style-type: none">• Completed the 2024 Information Security Operations Plan.• Migrated the ISO 27001 certification to the 2022 version and passed re-certification.• Deployed Mail SPAM solutions (Anti-spam, Anti-virus, APT-File, and APT-URL).• Implemented ThreatSonar Anti-Ransomware forensic analysis and response platform

In 2024, ASPEED reported no major cybersecurity incidents or network attacks, and was not involved in any related legal or regulatory investigations. In the same year, Deloitte

Taiwan conducted an information system audit covering client IT environment, general IT controls, and application-level automated controls, with no significant issues found.

2. Information Security Policy and Objectives

To ensure smooth business operations and uphold the confidentiality, integrity, and availability of information, ASPEED Technology has formulated an Information Security Policy that all employees must follow.

Information Security Policy Highlights:

- Strengthen Information Security Management System and obtain third-party certifications
- Enhance information security and prevent hacker attacks, viruses, and ransomware
- Implement on-site and off-site data backup
- Manage information assets and conduct ongoing risk assessments
- Prevent unauthorized access to preserve confidentiality
- Protect system integrity against unauthorized modification
- Ensure availability of systems for authorized users
- Comply with applicable legal and regulatory requirements
- Implement disaster recovery plans to maintain business continuity
- Enhance employee cybersecurity training and awareness
- Enforce supplier security protocols and awareness
- Conduct regular audits and management reviews for continuous improvement

3. Information Security Management Measures

ASPEED has also established quantitative and qualitative indicators to assess the effectiveness of its information security management.

Quantitative Indicators	<ul style="list-style-type: none">• Controlled access to classified/confidential data; any breach must be reported• Zero data leakage incidents per year• Zero incidents of unauthorized data tampering annually
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	<ul style="list-style-type: none"> • Business continuity planning (BCP) drills conducted at least once per year • IT service availability goals: <ol style="list-style-type: none"> 1. 99% availability during business hours for basic IT operations 2. No more than three outages per quarter, each lasting less than four hours for critical systems • At least one internal audit annually to ensure compliance with relevant laws and contracts
Qualitative Indicators	<ul style="list-style-type: none"> • Periodic review of roles/responsibilities for information security personnel • Role-based training for employees based on duties and responsibilities • Physical environment security enhancement and access control enforcement • Prevent unintentional or unauthorized data disclosure to third parties • Strengthen access controls to protect information assets • Monitor systems regularly and manage known vulnerabilities • Ensure that all information security events or suspected incidents are escalated through proper reporting channels and investigated promptly

VI. Financial Status, Operating Results and Status of Risk Management

1. Financial Status

(1) Consolidated Report

Unit: NT\$1,000 / %

Item \ Year	2023	2024	Change	% of Change
Current Assets	3,423,284	5,987,499	2,564,215	74.91%
Property, Plant and Equipment	197,931	354,530	156,599	79.12%
Right-of-use assets	28,294	196,374	168,080	594.05%
Intangible Assets	619,713	705,103	85,390	13.78%
Other non-current assets	135,287	482,840	347,553	256.90%
Total assets	4,544,469	7,726,346	3,181,877	70.02%
Current Liabilities	679,541	1,882,976	1,203,435	177.10%
Non-current Liabilities	30,733	204,145	173,412	564.25%
Total liabilities	710,274	2,087,121	1,376,847	193.85%
Capital	378,207	378,207	0	0.00%
Capital surplus	1,539,778	1,539,778	0	0.00%
Retained Earnings	1,939,346	3,754,240	1,814,894	93.58%
Other Equity	(23,136)	(33,000)	(9,864)	42.63%
Total equity	3,834,195	5,639,225	1,805,030	47.08%
<p>a. Explanation for changes that exceed 20% and reached NT\$10 million in the past two years:</p> <p>(I) Increase in Current Assets: Due to Increase in cash, cash equivalents and Trade receivables.</p> <p>(II) Increase in Property, Plant and Equipment: Due to operational needs, the purchase of Property, Plant and Equipment was made.</p> <p>(III) Increase in Right-of-use assets: Due to operational needs, the purchase of Right-of-use assets was made.</p> <p>(IV) Increase in Intangible Assets s: Due to operational needs, the purchase of Intangible Assets.</p> <p>(V) Increase in Other non-current assets: Due to Increase in Financial assets at fair value through profit or loss and Financial assets at fair value through other comprehensive income .</p> <p>(VI) Increase in Current Liabilities: Due to Increase in trade payables, other payables and current tax liabilities.</p> <p>(VII) Increase in Non-current Liabilities: Due to Increase in deferred tax liabilities lease liabilities.</p> <p>(VIII) Increase in retained earnings: Due to Increase in the profit generated from the 2024 business operation.</p> <p>b. Future response plans to changes with material impact: Not applicable.</p>				

(2) Parent Company

Unit: NT\$1,000 / %

Item \ Year	2023	2024	Change	% of Change
Current Assets	3,337,861	5,905,897	2,568,036	76.94%
Investment accounted for using equity method	63,671	118,259	54,588	85.73%
Property, Plant and Equipment	196,822	354,429	157,607	80.08%
Right-of-use assets	19,687	189,634	169,947	863.24%
Intangible Assets	583,099	680,126	97,027	16.64%
Other non-current assets	116,420	460,799	344,379	295.81%
Total assets	4,457,520	7,709,144	3,251,624	72.95%
Current Liabilities	599,316	1,870,371	1,271,055	212.08%
Non-current Liabilities	24,009	199,548	175,539	731.14%
Total liabilities	623,325	2,069,919	1,446,594	232.08%
Capital	378,207	378,207	0	0.00%
Capital surplus	1,539,778	1,539,778	0	0.00%
Retained Earnings	1,939,346	3,754,240	1,814,894	93.58%
Other Equity	(23,136)	-33,000	(9,864)	42.63%
Total equity	3,834,195	5,639,225	1,805,030	47.08%
<p>a. Explanation for changes that exceed 20% and reached NT\$10 million in the past two years:</p> <p>(I) Increase in Current Assets: Due to Increase in cash, cash equivalents and Trade receivables .</p> <p>(II) Increase in Investment accounted for using equity method: Due to increase in investment.</p> <p>(III) Increase in Property, Plant and Equipment: Due to operational needs, the purchase of Property, Plant and Equipment was made.</p> <p>(IV) Increase in in Right-of-use assets: Due to operational needs, the purchase of Right-of-use assets was made.</p> <p>(V) Increase in Other non-current assets: Due to Increase in Financial assets at fair value through profit or loss and Financial assets at fair value through other comprehensive income .</p> <p>(VI) Increase in Current Liabilities: Due to Increase in trade payables, other payables and current tax liabilities.</p> <p>(VII) Increase in Non-current Liabilities: Due to increase in deferred tax liabilities and lease liabilities.</p> <p>(VIII) Increase in retained earnings: Due to increase in the profit generated from the 2024 business operation.</p> <p>b. Future response plans to changes with material impact: Not applicable.</p>				

2. Operating Results

(1) Consolidated Report

Unit: NT\$1,000 / %

Item \ Year	2023	2024	Change	% of Change
Net Sales	3,130,395	6,459,666	3,329,271	106.35%
Operating Costs	1,122,477	2,305,868	1,183,391	105.43%
Gross Profit	2,007,918	4,153,798	2,145,880	106.87%
Operating Expenses	928,310	1,235,411	307,101	33.08%
Operating Income	1,079,608	2,918,387	1,838,779	170.32%
Non-operating Income and Expenses	115,349	248,921	133,572	115.80%
Net Income before Income Tax	1,194,957	3,167,308	1,972,351	165.06%
Income Tax Expenses	188,147	596,000	407,853	216.77%
Net Income	1,006,810	2,571,308	1,564,498	155.39%
Total other comprehensive income (loss)	(239)	(26,136)	(25,897)	10835.56%
Total comprehensive income the year	1,006,571	2,545,172	1,538,601	152.86%
Net Income attributable to owners of the Company	1,006,810	2,571,308	1,564,498	155.39%
Total comprehensive income attributable to owners of the Company	1,006,571	2,545,172	1,538,601	152.86%
<p>a. Explanation for changes that exceed 20% and reached NT\$10 million in the past two years: Increase in Gross Profit, Operating Income, Net Income before Income Tax, Income Tax Expenses, Net Income, Total comprehensive income the year, Net Income attributable to owners of the Company, and Total comprehensive income attributable to owners of the Company: Due to increase in market demand and revenue raise this year.</p> <p>b. Expected sales and their basis, as well as the possible impact on the Company's future financial operations and response plans: The Company's main products are Multimedia IC, Computer peripherals IC, and High-end consumer electronics IC. Based on sales forecasts for the existing products, development progress of new products, customers' expected production requirements, and the business development strategy. Due to the continued growth of the Company's business scale, the Company mainly uses long-term funding sources for capital expenditures, and there should not be any shortage of funds within the near future. Furthermore, the Company has a solid relationship with suppliers, so there should not be any issue with product supply.</p>				

(2) Parent Company

Unit: NT\$1,000 / %

Item \ Year	2023	2024	Change	% of Change
Net Sales	3,111,079	6,428,135	3,317,056	106.62%
Operating Costs	1,109,161	2,287,715	1,178,554	106.26%
Gross Profit	2,001,918	4,140,420	2,138,502	106.82%
Operating Expenses	930,755	1,212,016	281,261	30.22%
Operating Income	1,071,163	2,928,404	1,857,241	173.39%
Non-operating Income and Expenses	127,464	237,964	110,500	86.69%
Net Income before Income Tax	1,198,627	3,166,368	1,967,741	164.17%
Income Tax Expenses	191,817	595,060	403,243	210.22%
Net Income	1,006,810	2,571,308	1,564,498	155.39%
Other comprehensive income (loss)	(239)	(26,136)	(25,897)	10835.56%
Total comprehensive income	1,006,571	2,545,172	1,538,601	152.86%
Net Income attributable to owners of the Company	1,006,810	2,571,308	1,564,498	155.39%
Total comprehensive income attributable to owners of the Company	1,006,571	2,545,172	1,538,601	152.86%
<p>a. Explanation for changes that exceed 20% and reached NT\$10 million in the past two years: Increase in Gross Profit, Operating Income, Net Income before Income Tax, Income Tax Expenses, Net Income, Total comprehensive income the year, Net Income attributable to owners of the Company, and Total comprehensive income attributable to owners of the Company: Due to increase in market demand and revenue raise this year.</p> <p>b. Expected sales and their basis, as well as the possible impact on the Company's future financial operations and response plans: The Company's main products are Multimedia IC, Computer peripherals IC, and High-end consumer electronics IC. Based on sales forecasts for the existing products, development progress of new products, customers' expected production requirements, and the business development strategy. Due to the continued growth of the Company's business scale, the Company mainly uses long-term funding sources for capital expenditures, and there should not be any shortage of funds within the near future. Furthermore, the Company has a solid relationship with suppliers, so there should not be any issue with product supply.</p>				

3. Cash Flow Analysis

(1) Consolidated Report

a. Analysis of the Change in Cash Flow in 2024

Unit: NT\$1,000

Cash Balance Dec. 31, 2023	Net Cash Provided by Operating Activities in 2024	Net Cash Outflows from Investing and Financing Activities in 2024	Impact of Foreign Exchange ratio	Cash Balance Dec. 31, 2024	Remedy for Cash Shortfall (Investment & Financing Plan)
\$1,611,530	\$3,144,689	(\$1,126,886)	\$29,919	\$3,659,252	—
Analysis of cash flow changes in the current year: a. Operating activities: Net cash inflow of NT\$3,144,689 thousand, mainly from operating profits. b. Financing activities: Net cash outflow of NT\$(\$1,126,886) thousand, mainly due to the distribution of cash dividend.					

- b. Remedial Actions for Cash Shortfall: The Company has ample cash on-hand; remedial actions are not required.
- c. Cash Flow Projection for Next Year: The Company, on the premise of maintaining stable cash liquidity, will carefully plan and manage cash expenditures related to investments and operations while taking, cash balances on accounts, cash flows from operating activities and investing activities and the status of financial markets into consideration.

(2) Parent Company

a. Analysis of the Change in Cash Flow in 2024

Unit: NT\$1,000

Cash Balance Dec. 31, 2023	Net Cash Provided by Operating Activities in 2024	Net Cash Outflows from Investing and Financing Activities in 2024	Impact of Foreign Exchange ratio	Cash Balance Dec. 31, 2024	Remedy for Cash Shortfall (Investment & Financing Plan)
\$1,553,413	\$3,194,374	(\$1,175,548)	\$26,174	\$3,598,413	—
Analysis of cash flow changes in the current year: a. Operating activities: Net cash inflow of NT\$3,194,374 thousand, mainly from operating profits. b. Financing activities: Net cash outflow of(\$1,175,548) thousand, mainly due to the distribution of cash dividend.					

- b. Remedial Actions for Cash Shortfall: The Company has ample cash on-hand; remedial actions are not required.
- c. Cash Flow Projection for Next Year: The Company, on the premise of maintaining stable cash liquidity, will carefully plan and manage cash expenditures related to investments and operations while taking, cash balances on accounts, cash flows

from operating activities and investing activities and the status of financial markets into consideration.

4. Major Capital Expenditure

None.

5. Investment Policies

The Company's investments are long-term strategic investments. Investment gain from equity method investment in 2024 was NT\$14,137thousand. The Company will keep its long-term strategic investment policy and evaluate investment plans prudently.

6. Risk Management

(1) Risks Associated with Interest Rate Fluctuation, Foreign Exchange Volatility, and Inflation

Unit: NT\$1,000

Item	2024		2025	
	Amount	% of net income before tax	Amount	% of net income before tax
Net Interest income	82,513	7%	73,427	2%
Net Interest expense	9,744	1%	4,652	0%
Net exchange (loss) gains	9,772	1%	121,140	4%

Sources: financial reports certified by CPA.

a. Risks associated with interest rate:

The Company mainly operates on its own funds and only has a low amount of bank loans, so interest expenses are limited. Furthermore, the Company is conservative in principle when using its funds, and mainly uses short-term time deposits, so its interest revenue is not high. In the future, the Company will continue to monitor changes in the economic environment of Taiwan and overseas, and take necessary measures in a timely manner to avoid the risk of rising interest rates.

b. Risks associated with foreign currency:

The Company's exchange gains (losses) accounted for 0.31% and 1.88% of its net operating income in 2023 and 2024, respectively. Hence, changes in exchange rates do not have a material effect on the Company's profit and loss. The Company's transactions are mainly calculated in USD, so changes in the NTD/USD exchange

rate have certain impact on the Company's profit and loss, and response measures are as follows:

- (I) The Company's Finance Department utilizes the natural hedging effect from procurements and sales both denominated in foreign currency.
- (II) Dedicated personnel closely follow exchange rate fluctuations, collect information on international exchange rate trends and exchange rate fluctuations, are fully aware of future trends in exchange rates, and keep in touch with the foreign exchange department of banks. After considering the professional advice provided by the departments and the Company's cash requirements, the personnel reduce risks by exchanging currency at appropriate times.
- (III) Depending on the position of foreign currency, hedging is carried out in accordance with the Operating Procedures for Asset Acquisition or Disposal Handing Procedure when necessary.

c. Risks associated with inflation:

Inflation is currently not severe in Taiwan and has not had a material impact on the Company, but the Company will continue to appropriately monitor inflation.

(2) Risks Associated with High-Risk/High-Leveraged Investment; Lending, Endorsements, and Guarantees for Other Parties; and Financial Derivative Transactions

Risks	Implementation status	Policy and response measures
High risk, highly leveraged investments	The Company has not engaged in any high risk, highly leveraged investments as of the print date of this report respectively	The Company is focused on its main business and does not use its capital for high risk, highly leveraged investments.
loans to third parties	The Company has not lent any funds to others as of the print date of this report respectively.	If the Company lends funds to others in the future, it will carry out procedures in accordance with its Procedures for Regulations Governing Management of Loaning of Funds, and make a public announcement and report the lending of funds to others in accordance with the law.
Endorsements and guarantees	The Company has not provided endorsements or guarantees for others as of the print date of this report respectively.	If the Company provides endorsements or guarantees for others in the future, it will carry out procedures in accordance with its Endorsement and Guarantee

Risks	Implementation status	Policy and response measures
		Operation Procedure, and make a public announcement and report the endorsements or guarantees for others in accordance with the law.
Derivative transactions	The Company has not engaged in any derivative transactions as of the print date of this report respectively.	If the Company needs to engage in derivative transactions in the future, it will do so in accordance with its Procedures for Handling Derivative Transactions, and make a public announcement and report the derivative transactions in accordance with the law.

(3) Future R&D Plans and Expected R&D Spending

The popularization of mobile devices and broadband networks has led to the prevalence of online communities and enriched content on the Internet. As enterprises continue to pursue energy conservation, carbon reduction, and lower costs, centralized management of usage and sharing of resources has become a trend and led to the rise of cloud computing. The Company has the ability to independently design and develop ICs, and strives to use 2D VGA, BMC, and KVM over IP technologies to become a SoC solutions provider for the centralized management of (cloud) computing. Future R&D projects and product development strategies include:

a. Future R&D Plan

✧ Multimedia IC

- 8th generation BMC
- Platform firmware resilience (PFR) controller
- DC-SCM 2.0 expansion board
- Post-quantum security
- IO expender

✧ Computer peripherals IC

- PC & 8K Audio/Video Extension controller

✧ High-end consumer electronics IC

- 2nd generation spherical image processing chip AST1230
- Smart factory image system

b. Expected R&D Spending

The Company plans to sequentially allocate its R&D budget based on the progress of new product and new technology development. R&D expenditure will maintain a certain level of growth based on the Company's operations to ensure its competitive advantages. Actual R&D expenses in 2023 and 2024

were NT\$633,006 thousand and NT\$828,558 thousand, and accounted for 20% and 13% of revenue, respectively. The Company will be ready to adjust its R&D expenditure based on future changes in the market and demand anytime. The Company's R&D expenditure in 2025 is estimated at NT\$994,270 thousand and will enhance the Company's R&D ability and competitiveness.

(4) Risk Associated with Changes in the Political and Regulatory Environment

The Company aims to comply with laws and regulations of the competent authority in all of its operations, and constantly monitors changes in important policies and laws in Taiwan and overseas to obtain all external information possible. The Company's recent business and finances have not been impacted by any changes to important policies and laws in Taiwan and overseas.

(5) Impact of New Technology and Industry Changes

The Company constantly monitors technology changes and developments relevant to its industry, and rapidly gains information on industry changes. Moreover, the Company is constantly strengthening its R&D ability and applies for patents to further protect its innovative concepts and designs, as it actively expands future markets and applications. This enables the Company to respond to the impact of technology and industry changes. Hence, no major technology changes have had a material impact on the Company's financial condition.

(6) Changes in Corporate Image and Impact on Company's Crisis Management

The Company has always upheld the principles of integrity and professionalism, and operates its business with a sure-footed and steadfast approach. Ever since the Company was established, it has actively strengthened its internal management and improved its quality and efficiency. Up to the date of report, no material events have affected the Company's corporate image.

(7) Risks Associated with Mergers and Acquisitions

The Company's Finance Division and business units are responsible for management and execution of these risks.

The Company currently does not have any mergers or acquisition plans during 2023 and this year up to the date of report.

(8) Risks Associated with Facility Expansion

The Company does not have any plans for factory expansions in the most recent year and up to the date of report.

(9) Risks Associated with Purchase Concentration and Sales Concentration

a. Risks of purchasing concentration:

The Company is a fabless IC design company without any back-end personnel. Hence, all products are produced through a turnkey service provider. When deciding on the turnkey service provider, besides considering the completeness of its silicon IP and APR (Auto Place & Route) technical capabilities, which foundry, assembly house and testing house it is in a strategic alliance with is even more important, because the foundry's process technologies, quality and yield are key factors to whether or not a product is successful. Therefore, the R&D Department selects the turnkey service provider during initial stages of product development.

In the semiconductor industry's value chain, IC design companies are all inclined to maintain long-term relationships with specific foundries, assembly houses, and testing houses to obtain reliable and stable capacity. This is due to considerations of process technology, quality and yield, sufficient capacity, and on-time delivery.

This situation is common among IC design companies. The Company has worked well with the current wafer supplier (turnkey service provider) for many years, and there is no risk of supply shortage. At present, the Company mainly makes procurements from 2-3 turnkey service providers, but it will continue to search for suitable turnkey service providers in coordination with the development and mass production of new products, so as to reduce the risk of concentrated procurements.

b. Risks of sales concentration:

The Company's main product is BMC, which accounts for over 90% of its revenue, and customers are mainly server brands. Since server brands mainly rely on an ODM or EMS for manufacturing, the Company directly sells its product to the ODM or EMS designated by the brand customer. Analysis of customers in 2023 and 2024 show that the Company's sales are not overly concentrated. Furthermore, besides maintaining relationships with current customers, the Company will actively develop new products and new customers to expand its product portfolio and increase its purchase orders, thereby avoiding the risk of sales being overly concentrated.

(10) Risks Associated with Sales of Significant Numbers of Shares by the Company's Directors and Major Shareholders Who Own 10% or more of the Company's Total Outstanding Shares

Share transfer by directors, supervisors, managers and shareholders holding more than 10% of the Company's shares due to personal financial planning or in coordination with strategic partners brought in by the Company have been reasonable in the past year and up to the date of report. There have been no mass transfers of shares and there has been no impact on the Company's operations.

(11) Risks Associated with Change in Management

No change in management team in the Company occurred in the most recent year to the date of printing of this annual report

(12) Risks Associated with Litigations

- a. If the results of concluded or pending litigious, non-litigious, or administrative litigation events involving the Company in the past two years and up to the date of report can have a material impact on shareholders' equity or stock prices, the facts in contention, amount of the subject matter, starting date of the litigation, main parties involved, and current status shall be disclosed: None.
- b. Concluded or pending litigious, non-litigious, or administrative litigation events in the most recent two years and up to the date of report involving directors, supervisors, the president, de facto responsible person, major shareholders holding more than 10% of the Company's shares, or subsidiaries of the Company with an outcome that can have a material impact on shareholder equity or stock prices: None.

(13) Other Material Risk: None.

7. Other Material Events

(1) Risks Associated with Cyber Attacks

Even though ASPEED has established a comprehensive internet and computing security network, it cannot guarantee that the Company's computing systems which control or maintain vital corporate functions, such as its manufacturing operations and enterprise accounting, would be completely immune to crippling cyber attacks by any third party to gain unauthorized access to its internal network systems, to sabotage its operations and goodwill or otherwise. In the event of a serious cyber attack, ASPEED's systems has may lose important corporate data,

therefore, ASPEED has executed backup data procedure of such attack. While ASPEED also seeks to periodically review and assess its cybersecurity architecture to ensure their adequacy and effectiveness, it cannot guarantee that the Company will not be susceptible to new and emerging risks and attacks in the evolving landscape of cybersecurity threats. These cyber attacks may also attempt to steal ASPEED's trade secrets and other intellectual properties and other sensitive information, such as proprietary information of the Company's customers and other stakeholders and personal information of the Company's employees. Malicious hackers may also try to introduce computer viruses, corrupted software or ransomware into the Company's network systems to disrupt its operations, blackmail it for regaining control of its computing systems or spy for sensitive information. These attacks may result in ASPEED having to pay damages for its delayed or disrupted orders or incur significant expenses in implementing remedial and improvement measures to enhance the Company's cybersecurity network, and may also expose the Company to significant legal liabilities arising from or related to legal proceedings or regulatory investigations associated with, among other things, leakage of customer or third party information which ASPEED has an obligation to keep confidential.

During 2024 and as of the date of this Annual Report, the Company had not been aware of any material cyber attacks or incidents that had or would expected to have a material adverse effect on its business and operations, nor had it been involved in any legal proceedings or regulatory investigations related thereof.

(2) Other Material Risks

During 2024 as of the date of this annual report, ASPEED's management is not aware of any other risk event that could impart a potentially material impact on the financial status of the Company.

VII. Special Disclosures

1. Summary of Affiliated Companies

Please go to the MOPS (https://mopsov.twse.com.tw/mops/web/t57sb01_q10) and click on "Single Company" under "Electronic Document Download" and then "Three Forms and Documents of Related Enterprises" to search.

2. Private Placement Securities

None.

3. Other Necessary Supplement

None.

VIII. Any Events that Had Significant Impacts on Shareholders' Rights or Security Prices as Stated in Item 2 Paragraph 2 of Article 36 of Securities and Exchange Law of Taiwan

None.