

The ASPEED logo is located in the top left corner. It features the word "ASPEED" in a bold, white, italicized sans-serif font. A small, stylized graphic element, resembling a horizontal line with a central dot, is positioned to the left of the letter "A". The background of the top left is a dark blue and purple gradient.

**ASPEED**

The background of the entire page is a light gray with a subtle, intricate pattern of white lines and dots, resembling a circuit board or a complex geometric design. On the left side, there are large, overlapping geometric shapes in shades of blue and purple. In the bottom right corner, there is a small blue triangle.

# 2021

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About This Report

01

# About This Report

## Letter from the Editor

Welcome to the Sustainability Report of ASPEED Technology Inc. (or "ASPEED Technology"). The report covers corporate governance, environmental, and social sustainability pledges and actions. Through open and transparent information disclosures, it shows members of the general public and stakeholders the hard work and achievements of ASPEED Technology in the area of sustainability.

## Report Disclosure Period

The report features information from 2021 (January 1<sup>st</sup> to December 31<sup>st</sup>, 2021) and was both published and announced on the ASPEED Technology website in October 2022. ASPEED Technology will compile and publish the Sustainability Report annually, content covers specific practices and achievements relating to corporate governance, environmental, and social material topics of concern for stakeholders.

## Report Scope

Information in the report primarily covers ASPEED Technology's sustainable operation achievements in Taiwan; it does not include information relating to the Company's branch office in the United States. Financial data follow International Financial Reporting Standards (IFRS), which are accepted by the Financial Supervisory Commission, and were audited by Deloitte. All monetary data are expressed in New Taiwan Dollars.

## Compilation Principles

The report was prepared in accordance with the

latest 2021 Core Option of the Global Reporting Initiative Standards (GRI Standards) and Sustainability Accounting Standards Board (SASB), includes a GRI Standards and a SASB comparison table that shows which chapters contain related information. Also taken into consideration when preparing the report were the Taiwan Stock Exchange Corporation "Rules Governing the Preparation and Filing of Corporate Social Responsibility Reports by TWSE Listed Companies" and the "Corporate Social Responsibility Best Practice Principles for TWSE/GTSM Listed Companies." The report describes ASPEED Technology's sustainability achievements and results to interested stakeholders.

## Report Management Methods

Company department supervisors approved information used in the report. The Sustainability Committee then organized and compiled the information into draft form. Reviews conducted in accordance with administrative procedures concluded with approval by the company president, followed by publishing of the final report.

## Publishing Information

Report disclosure period	January 1 <sup>st</sup> to December 31 <sup>st</sup> , 2021
Report publishing cycle	Once per year
Current report publishing period	October 2022
Next report publishing period	Scheduled for September 2023

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For any advice or recommendations relating to the content of this report, please contact ASPEED Technology through the following channels:

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ASPEED Technology Website





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## A Letter from the President



ASPEED Technology  
**Chairman and President**

In 2021, the world remained mired in a pandemic. Economic unrest accompanied lifestyle and work pattern changes. Despite having to reckon with this environment and tight capacity in the global semiconductor industry, ASPEED Technology's operational performance still reached new heights. We set records for annual revenues and profits. As we enter the post-pandemic age and global industry undergoes a digital transformation, ASPEED Technology will continue to place the health and well-being of employees first. Under this precondition, we will prudently respond to industrial and market changes. We will strengthen our response capabilities and flexibility to ensure stable operations and provide customers with high-quality, reliable services.

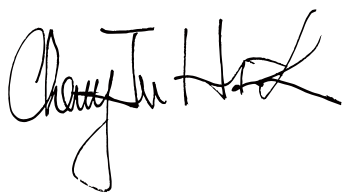
Taking a broad view of industrial development and future changes, for 18 years ASPEED Technology has always focused on innovative R&D. Corporate sustainable development and maintaining a leading market position remain our primary goals. Our flagship product, the Baseboard Management Controller (BMC) SoC, kept its global market leading position. Our future strategy calls for advancing from product selling to platform building. Instead of being limited by server market growth, our BMC SoC will increase product application variety and expand customer groups while stabilizing and strengthening customer relations. It will offer deeper, broader development with limitless possibilities. Our non-BMC product lines are also advancing towards synergistic platform development, ranging from smart factory applications to immersive experience. In the future, ASPEED Technology will continue to follow a dual platform development model, consisting of stable growth of BMC products and gradual flourishing of non-BMC product lines (PC/AV Extension SoC and Cupola360 Multi-Image Stitching Processing SoC). This approach will ensure the Company's advance.

After ASPEED Technology released the Company's first sustainability report in 2020, we examined areas where sustainability advances were needed then planned an ESG blueprint. We aim to establish goals and policies that are more accountable to stakeholders, and hope that everyone better understands results of the Company's investments in ESG. Our continued efforts will earn investors' confidence, strengthen market competitiveness, and improve social impact. In terms of corporate governance, ASPEED Technology emphasizes improvements to our management system, sustainable governance framework, and strategic goals, while also implementing the Task Force on Climate-related Financial Disclosures (TCFD) framework. In terms of the environment, ASPEED Technology seeks to solidify the Company's low carbon positioning by focusing on emissions and green R&D. In this way, we can respond to climate change wishes of investors, customers, and society. Our social efforts, meanwhile, are based on the core concept of "sustainable talent in Taiwan." Initiatives to strengthen talent retention and cultivation range from better employee welfare and training to active social participation. Finally, we will participate in international initiatives such as Responsible Business Alliance (RBA) and the Carbon Disclosure Project (CDP) in order to meet stakeholder expectations.

Since founding, ASPEED Technology has sought to leverage R&D innovations to enable all companies and people in the world to enjoy the conveniences that advanced technology brings. In the future, we will continue to focus on our technological core advantages and green products with low power consumption. ASPEED Technology will continue to invest in technology R&D to raise competitiveness while strengthening green R&D for use in product design. In the semiconductor industrial chain, we will grow with our upstream and downstream partners as well as our customers. At the same time, we will focus on cultivating elite semiconductor talents. We will actively invest in making our operations sustainable, scrupulously adhere to good corporate governance standards, and optimize the Company's organization and management. In the future, we will continue to innovate in ways that lead to the sustainable, vigorous development of the Company. As we maintain operational profits, we will cultivate new talents, promote a diverse and inclusive workforce, advance corporate governance, and give back to society. We will be both a contributor and a founder towards the movement to make technology civilized.



## A Letter from the Chief Operating Officer



ASPEED Technology  
**Chief Operating Officer**

At the beginning of 2022 I joined ASPEED Technology as Chief Operating Officer, and the semiconductor supply chain still faced challenges. Fortunately, the Company already had a foundation of 18 years of successful operations. It was ready for me to apply the more than 30 years of experience I accumulated in the IC design and semiconductor industries to make operations even more resilient. I will closely monitor sustainability topics and adhere to international sustainability frameworks. Future goals will focus on three main areas: sustainable supply chain management, digital transformation and stronger information security, and low carbon green operations. These changes will move ASPEED Technology into the future.

During the past two years, as the world was tested by the COVID-19 pandemic, ASPEED Technology saw not only challenges but also opportunities. Prioritizing the health and safety of employees, we launched flexible work policies that will become new corporate models to follow in the post-pandemic age. The movement toward green practices to protect the environment has led to a decrease in paper use, and we have responded by integrating more digital practices. We will systematically build digital operations and cloud-enabled remote offices while strengthening digital management of our supply chain and numeric analysis of our databases. These changes will maximize value for both the Company and our customers. At the same time, we will focus on stronger information security. In 2021, we already completed the Cortex XDR 2.0 information security protection system. In 2022, we will integrate ISO 27001 information security certification, which will further enhance our information security defenses.

With widespread attention paid to sustainability topics, ASPEED Technology will act as a responsible member of the semiconductor industrial chain. We will explore the limitless possibilities presented by new products and applications. Smart, innovative thinking will identify ways of unlocking new features during product development, including ways of reducing carbon production and making products greener. In our interactions with customers, we will respond to international initiatives. We participate in the Carbon Disclosure Project (CDP), the Responsible Business Alliance (RBA), and the Task Force on Climate-related Financial Disclosures (TCFD) framework. In 2022, we incorporate ISO 14064-1 :2018 GHG inventories and will formulate carbon reduction goals as part of our contributions to environmental protection. As a fabless IC design company, we will focus on strengthening cooperation and management of our sustainable supply chain partners. We will jointly shoulder the CSR burden as part of our supplier management strategies. For ESG, we will make green audits a key element of our supply chain. Furthermore, we will cooperate with suppliers to research ways of lowering environmental pollution during manufacturing. Our green operations will focus on reducing carbon. Making sustainability a core part of our daily operations will advance our vision of fostering green partnerships.

Soon after joining ASPEED Technology, I fully identified with the corporate philosophy of "Innovation Without Boundaries." Expressing core advantages of technology and building optimized products that make technology more civilized builds trust among customers. Following human-oriented management principles means that our deeply valued employees will grow together with the Company. Holding onto these beliefs, I will work hard with everyone at ASPEED Technology. As we challenge ourselves, we will open up limitless possibilities. As we promote green products and smart applications, we will thrive with our sustainable supply chain partners. While providing the world with outstanding technology, we will put our sustainable values into practice.







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# About ASPEED Technology

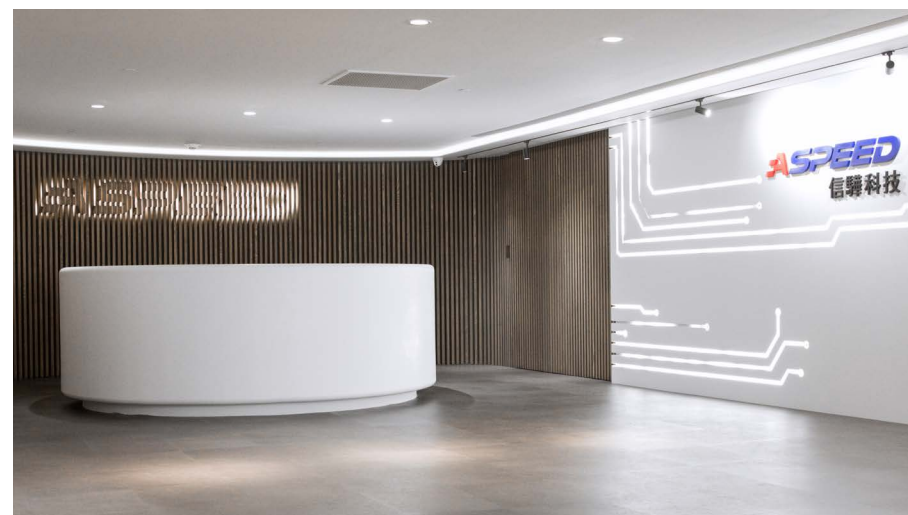
## Company Introduction

ASPEED Technology Inc. is a leading fabless IC design company and a top pioneer of SoC (System on Chip) solutions, provides high quality technique and service. ASPEED Technology is devoted to developing proprietary innovative technologies that quickly respond to customer needs. ASPEED Technology's R&D areas include BMC SoC, PC/AV Extension SoC, and Cupola360 MultiImage Stitching Processing SoC.

Forbes included ASPEED Technology on its Asia's 200 Best Under a Billion list for eighth consecutive years from 2014 to 2021, underscoring how we are a partner worthy of our customers' confidence. In 2016, ASPEED Technology announced the acquisition of Broadcom's Emulex Pilot™ BMC SoC business. In 2018, we officially released the Cupola360 Multi-Image Stitching Processing SoC and software solution, which expanded our product lines into images and graphics. ASPEED Technology will focuses on developing BMC SoC product and Non BMC products including PC/AV Extension SoC, and Cupola360 Multi-image Stitching Processing SoC.

### ASPEED Technology General Information

Company Name	ASPEED Technology Inc.
Date of Establishment	November 15 <sup>th</sup> , 2004
Business Administration Number	27490748
OTC Market Listing	April 30 <sup>th</sup> , 2013 (ticker: 5274)
Headquarters Location	4-1 Fl., No. 1, Sec. 3, Gongdao 5th Rd., East District, Hsinchu City
Capitalization	NTD343 million
Revenues	NTD3.638 billion (2021)
Industry	Semiconductors
Employees	96
Main Products and Services	Multimedia IC, computer peripheral IC, ICs for high-end consumer electronics





## ASPEED Technology's Role in the Semiconductor Industrial Chain

Taiwan's fully developed semiconductor industry includes the following production segments: design tools, IC design, wafer materials, silicon wafers, photomask production, IC production, packaging, lead frames, testing, and peripheral support. Leading manufacturers in each of these areas together compose a vertical division of labor that promotes specialized development.

The semiconductor industry can generally be divided into upstream IC design firms, midstream IC wafer manufacturers, and downstream IC packaging and testing firms. ASPEED Technology is an upstream fabless IC design company that specializes in high-end IC design. Large-scale foundries as well as testing and packaging firms manufacture ASPEED Technology's IC designs. ASPEED Technology then markets and sells the finished IC products to domestic and foreign customers.

### Main Products and Services

ASPEED Technology specializes in SoC design, a niche market with high gross profits. By combining our R&D advantages with strengths in both hardware and software, we provide innovative, differentiated products that have a high value for our customers.



#### BMC SoC

Applications include server motherboard management controllers, server backplane controllers, server graphics chips, as well as remote network keyboard, mouse, and monitor controllers



#### PC/AV Extension SoC

Applications include professional integrated AV, remote personal computer extensions, remote AV extensions, remote USB extensions, digital AV matrix extension switches, digital TV walls, and digital signage



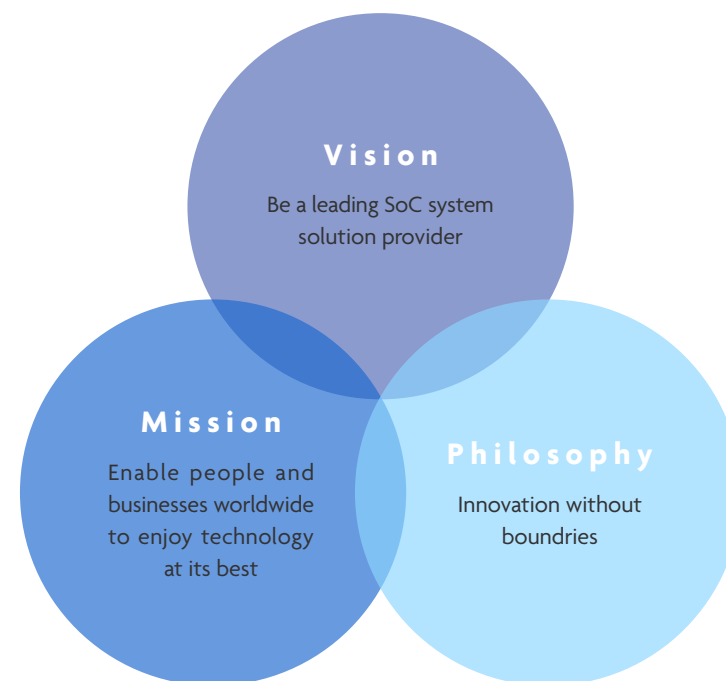
#### Cupola360 Multi- image Stitching Processing SoC

Applications include 360-degree video conferencing systems, consumer cameras, smart factory and patrolling applications



## Operational Philosophy

ASPEED Technology is devoted to quickly responding to customer needs by developing proprietary innovative technologies. We aim to be a pioneer of innovative SoC solutions with a focus on differentiated, niche products that demonstrate our core technological advantages while providing suitable products for customers and consumers. Our operational philosophy includes user-friendly management, respect for worker autonomy, and the use of innovative R&D together with teamwork to satisfy customer needs. We are committed to offering the highest quality services and technology in order to be a long-term cooperative partner that customers trust. Our mission is to provide global enterprises and people with outstanding technology.



## Management Team



### Chris Lin Chairman and President

Mr. Chris Lin, the chairman and president of ASPEED Technology, has many years of experience in the SoC field. In 1993, as a member of Silicon Integrated Systems (SiS), Lin built a multimedia products R&D team. In May 2003, Lin led establishment of SiS spin-off XGI Technology Inc., where he was responsible for graphics chip development and served as general manager.

Lin founded ASPEED Technology in 2004 and devoted the Company to BMC development. Lin was responsible for all aspects of the business, including product planning, production, sales, and marketing. In 2016, Lin led the acquisition of Broadcom's Emulex Pilot™ BMC SoC business, which turned ASPEED Technology into the world's largest supplier of BMC SoC. In 2020, National Yang Ming Chiao Tung University recognized Lin as a distinguished alumnus. In 2021, Lin was recognized as a distinguished alumnus by National Tsing-Hua University and honored with the Outstanding ICT Elite Award.



### CJ Hsieh Chief Operating Officer

Mr. CJ Hsieh, the chief operating officer of ASPEED Technology, graduated from University of Southern California with a Master's degree in Electrical Engineering. With nearly 30 years of experience in IC design and semiconductor industries, Mr. Hsieh held senior management positions in global operations, procurement, R&D, and sales at various companies. Prior to joining ASPEED Technology, Mr. Hsieh served as the general manager of Intel Innovation Technologies Limited, the global vice president of Lantiq, and the associate director of Faraday Technology. Besides his role as the chief operating officer of ASPEED Technology, Mr. Hsieh is co-chairman of the TEST Committee, SEMI Taiwan, and the member of Advisory Committee of Taiwan International Semiconductor Executive Summit, TISES.



### Luke Chen Vice President of Sales

Mr. Luke Chen, a graduate of the EMBA program at National Chengchi University, previously was an assistant vice president of marketing at SiS and a deputy general manager of marketing at NITS Technology Inc. Chen has a strong academic and professional background in product marketing and business development, which aids his present duties as the vice president of sales at ASPEED Technology.



### Hung-Ju Huang Vice President of R&D

Mr. Hung-Ju Huang, a graduate of the Electrical Engineering Master of Science at National Cheng Kung University, has extensive experience in hardware R&D. Huang previously was a senior R&D manager at SiS and an assistant vice president of R&D at XGI Technology Inc. He is the vice president of R&D at ASPEED Technology. Huang has demonstrated success in research and development.

## Company Milestones

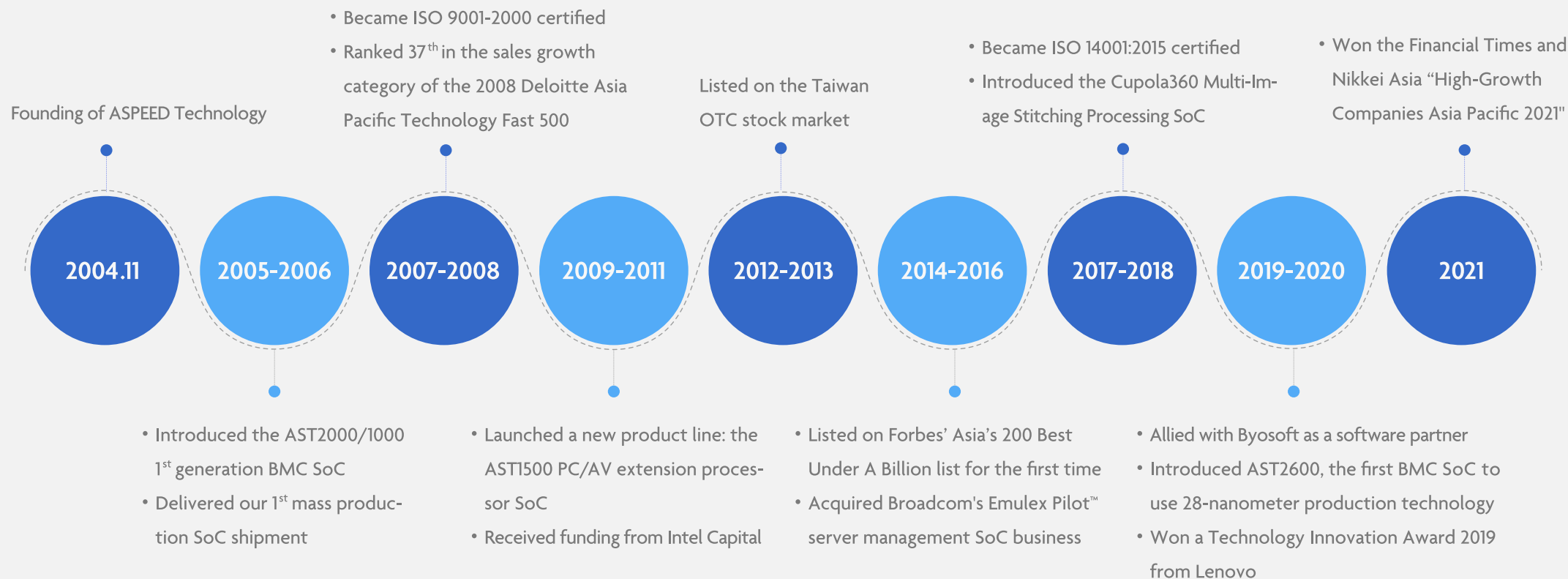
The Ministry of Economic Affairs approved the establishment of ASPEED Technology in Hsinchu Science Park, Taiwan on November 15<sup>th</sup>, 2004.

For more information on ASPEED Technology's milestones visit.



## Public Association Participation

Organization Name	Participation Status	Role
Taipei Computer Association	Joins annual exhibitions and other related activities held by the Taipei Computer Association. Also is an active participant in association affairs.	Member
Open Compute Project	Active participant in the Open Compute Project and open source BMC firmware. Continues to develop customer solutions that work across heterogeneous systems.	Member





## 2021 ESG Performance

### Governance

**18.74↑** operating revenue NTD 3.638 billion

**30.68↑** net income NTD 1.313 billion

for **16** consecutive years achieved record revenues and profit since founding

ranks **No.1** global market share of BMC SoC

NTD **547 million** of R&B fee (15.04% of operating revenue)

**49** total domestic and international patents (including 25 in Taiwan)

Use of the **Cortex XDR 2.0** information security and protection system

**100%** of our suppliers agreed to not use any conflict minerals

**ISO 9001:2015** Quality Management Systems certification

**94.29%** High customer satisfaction



- complaints and penalties related to ethical corporate management
- complaints and penalties related to information security
- complaints and penalties related to customer privacy

### Environment

**ISO 14001:2015** Environmental Management System certification

**100%** legal compliance: Adhered to all regulations, including air, water, waste, energy management, noise, RoHS, Reach, and HF

**83%** Local procurement rate

**655.23 tons CO2e/ per million piece:** Greenhouse gas emissions intensity

**193.53 tons / per million piece:** Water use intensity

**655.23 tons CO2e/ per million piece:** Greenhouse gas emissions intensity

**61.34%** Energy saving compared to AST2500, the 7<sup>th</sup> generation AST 2600 reduce 5,981.00 metric tons of CO2e emissions

**93.21%** Energy saving compared to AST2000, the 7<sup>th</sup> generation AST2600 reduce 51,810.66 metric tons of CO2e emissions

**0** complaints and penalties related to environmental issues

### Social

NTD **2.36 million** average salary of non-management employees (Ranked 13<sup>th</sup> among listed firms in Taiwan)

NTD **288 million** employee benefits welfare (19.44% ↑)

**1,552 hours** total training hours in 2021

**5.88%** average employee turnover rate (well below industry average)

**0** complaints and penalties related to human rights

NTD **10.75 million** accumulated sponsorship

For **7** years participated in the Global View Educational Foundation's "Plant a seed of reading for children"

**4** years programs for higher education

- National Tsing Hua University's Sunrise Scholarship program from 2020 to 2023
- National Yang Ming Chiao Tung University's Chair Professor sponsorship plan from 2020 to 2023
- National Tsing Hua University's Junior Chair Professor sponsorship plan from 2021 to 2024



## Recognition and Honors in Recent Years

The hard work and confidence of partners inside and outside the Company led ASPEED Technology to be ranked 37<sup>th</sup> in the sales growth category of the 2008 Deloitte Asia Pacific Technology Fast 500 in just our fourth year of business. In 2009, our AST1500 BMC SoC won a Best Choice of COMPUTEX TAIPEI 2009 Award. In 2018, ASPEED Technology's operation performance ranked the 21<sup>st</sup> in the top 5000 firms by China Credit Information Service Ltd, Forbes included us on its Asia's 200 Best Under a Billion list for eighth consecutive years. In 2020, our customer Lenovo Group gave us a Technology Innovation Award 2019. In 2021, Financial Times and Nikkei Asia included us as one of the Asia Pacific High-Growth Companies, and in the same year our chairman, Chris Lin, was honored with the Outstanding ICT Elite Award due to this contribution in IT industry. In the future, we will continue to aim for self-improvements as we contribute to public welfare and social development.



2008  
|  
2009

- Ranked 37<sup>th</sup> in the sales growth category of the 2008 Deloitte Asia Pacific Technology Fast 500
- Our AST1500 BMC SoC won a Best Choice of COMPUTEX TAIPEI 2009 Award

2014  
|  
2017

- Listed on Forbes' Asia's 200 Best Under A Billion list 2014
- Listed on Forbes' Asia's 200 Best Under A Billion list 2015
- Listed on Forbes' Asia's 200 Best Under A Billion list 2016
- Listed on Forbes' Asia's 200 Best Under A Billion list 2017

2018  
|  
2019

- Ranked 21<sup>th</sup> for business performance in the China Credit Information Service Taiwan Top 5,000 Large Enterprises list
- Listed on Forbes' Asia's 200 Best Under A Billion list 2018
- Listed on Forbes' Asia's 200 Best Under A Billion list 2019

2020

- Won a Technology Innovation Award 2019 from Lenovo
- National Yang Ming Chiao Tung University recognized Chairman Chris Lin as a distinguished alumnus
- Listed on Forbes' Asia's 200 Best Under A Billion list 2020

2021

- Ranked 67<sup>th</sup> for business performance in the China Credit Information Service Taiwan Top 5,000 Large Enterprises list
- Chairman Chris Lin won a 2021 ICT Month Outstanding ICT Elite Award
- Listed on Forbes' Asia's 200 Best Under A Billion list 2021
- Included in the Financial Times and Nikkei Asia "High-Growth Companies Asia Pacific 2021"
- National Tsing-Hua University recognized Chairman Chris Lin as a distinguished alumnus

## ASPEED Sustainability Policies

ASPEED Technology firmly believes that business success and growth depend on the interplay of operational management with the pursuit of a sustainable development vision. As a leading fabless IC design company, we are committed to using green innovation, environmental sustainability, and social prosperity as objectives in the shared pursuit of sustainable development. At the same time, we steadfastly lead our employees, customers, suppliers & contractors, society, and other stakeholders in sharing the benefits of sustainability in this rapidly changing and competitive industry.

### Sustainability framework

In 2012 ASPEED Technology approved the "Corporate Social Responsibility Best Practice Principles," developed the corporate responsibility principles and revised annually according to the situation of corporate social responsibility and Sustainable Development Best Practice Principles for TWSE/TPEX Listed Companies. Recognizing the need for sustainable development in the corporate framework, in 2021 the Company revised the CSR Working Team to Sustainability Committee as a new functional committee under the Board of Directors. Led and convened by the vice president of sales, the committee shall supervise and make decisions on sustainability-related issues while reporting on implementation of sustainability to the Board of Directors biannually. Under the committee will be the Sustainability Development Working Team, which will include the marketing and PR manager as executive committee and oversee five work teams: corporate governance, risk management, environmental sustainability, employee relations, and social participation. The Working Team will be responsible for overall implementation, including compiling stakeholder-related topics and promoting sustainability issues, and shall meet biannually with each work team to report on implementation status and future planning.



## Sustainability Committee Operations and Objectives

Since establishment, the Sustainability Committee has responded to domestic and international sustainability developments and policies. Internally, the committee examines the Company's sustainability policies. At the same time, it actively communicates with key stakeholders, including domestic and international shareholders and investors, employees, and customers, in order to understand expectations. The committee convened for the first time in August 2021 to formulate a three-year (2022 – 2024) sustainability management short-term plan. The third quarter Board meeting of 2021 approved the plan and discussed follow-up tasks. The committee pledged that before 2024 it would conduct corporate sustainability tasks in accordance with sustainable management strategies and the three-year short-term objectives.

## Sustainability Strategies

ASPEED Technology uses core technologies to enhance green and power-saving R&D. By focusing on building a talented sustainable technology workforce in Taiwan, a robust system of corporate governance, and an inclusive society with shared benefits, the Company supports the next stage of sustainable growth.

## Three-year Short-term Objectives

### • Environment

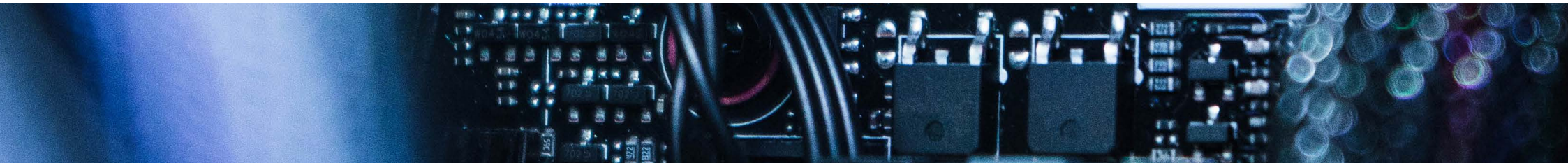
- Respond to energy-saving and carbon reduction goals by incorporating ISO 14064-1 :2018 GHG inventories at the organizational level. This responds to customer expectations and serves as a basis for setting future carbon reduction goals.
- Green R&D: Focus on core technologies and develop new products with more energy efficient chips.

### • Social

- Develop sustainable core values, raise ESG awareness among employees, and build an inclusive workplace.
- Cultivate sustainable technology talents and strengthen employee retention.
- Exhibit sustainable influence and seek to advance women in technology industry.

### • Corporate Governance

- Build a complete corporate sustainable governance framework and system, strengthen the structural diversity and supervisory obligations of the Board of Directors.
- Use the Task Force on Climate-related Financial Disclosure (TCFD) framework to evaluate the impact of climate change on risk management and responses associated with corporate governance, strategies, and financial risks.
- Respond to the Carbon Disclosure Project (CDP), the Responsible Business Alliance (RBA), and other international initiatives and ratings.



## Materiality Analysis

In the pursuit of an open business strategy, ASPEED Technology established clear, effective, and transparent communications channels for internal and external stakeholders. Our corporate website has a CSR area which includes a section on stakeholders. Through fast responses and communication, we learn stakeholder concerns and opinions so that we are better equipped to formulate corporate operations and maintain CSR.

In addition to releasing 2021 information in our annual report and financial report, we collected stakeholders' expectations toward ASPEED Technology through multiple ways and stakeholder communication, along with internal employee and external investigation. ASPEED Technology continued to disclose our corporate governance, environmental, and social contributions through Sustainability Report. The Sustainability Report brings greater transparency and faster, comprehensive disclosures to topics of concern for stakeholders.

### Identification of Stakeholders

ASPEED Technology's Sustainability Development Working Team 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.





## Communication with Stakeholders

Stakeholder Category	Engagement	2021 Communication Results	Topics of Concern
<b>Customers</b> Having the greatest influence on ASPEED Technology's product/technology development and design	<ul style="list-style-type: none"> <li>Customer contact email address: sales@aspeedtech.com</li> <li>Customer satisfaction survey (annually)</li> <li>Sales interviews and interactions (ad hoc)</li> </ul>	<ul style="list-style-type: none"> <li>Collected 175 valid customer satisfaction surveys, response rate 70%, which showed a satisfaction rate of 94.74%</li> <li>No customer complaints were issued to our customer service team in 2021.</li> <li>Public responses to sustainable management issues raised by customers including CDP, RBA, green product, and conflict minerals, responded 16 customer surveys, response rate 100%.</li> </ul>	<ul style="list-style-type: none"> <li>Customer privacy and confidentiality measures</li> <li>Product quality and customer satisfaction</li> <li>Technological and R&amp;D innovations</li> <li>Sustainable supply chain management</li> <li>Response to international organizations and initiatives</li> <li>Management of waste and hazardous materials</li> </ul>
<b>Employees</b> Are the most important resource of ASPEED Technology and critical partners for the sustainable development of the Company	<ul style="list-style-type: none"> <li>Opinions mailbox: hr@aspeedtech.com (regular)</li> <li>Labor-management coordination meeting (quarterly)</li> <li>Meeting of Employee Welfare Committee (quarterly)</li> <li>Manager discussions (biannual)</li> <li>Employee satisfaction survey (annually)</li> <li>Expressing opinions at the end of the year (annually)</li> </ul>	<ul style="list-style-type: none"> <li>Held four labor-management meetings to offer comprehensive discussions and responses relating to labor movement and employee welfare.</li> <li>Manager discussions take place once every April and August.</li> <li>Performance assessment reviews with managers. A total of 92 reviews were held, for a completion rate of 100%.</li> <li>All issues were addressed at the year-end satisfaction survey.</li> </ul>	<ul style="list-style-type: none"> <li>Operational achievements and financial performance</li> <li>Compensation and performance mechanisms</li> <li>Employee benefits and care</li> <li>Employee cultivation and career development</li> <li>Workplace equality and human rights protection</li> <li>Talent recruitment and cultivation</li> <li>Community contributions and social participation</li> </ul>
<b>Government Agencies</b> Policies, laws or regulations can influence the operational directions or decisionmaking of ASPEED Technology	<ul style="list-style-type: none"> <li>General inquiry email address: info@aspeedtech.com</li> <li>Official documents, emails, and meetings (ad hoc)</li> <li>Advocacy meetings, public hearings (ad hoc)</li> </ul>	<ul style="list-style-type: none"> <li>Participated in the TWSE Corporate Governance Evaluations.</li> <li>Conducted ad hoc communication relating to our business or specific topics.</li> <li>We were not issued any fines or penalties by the competent authorities in 2021.</li> </ul>	<ul style="list-style-type: none"> <li>Corporate governance and ethical corporate management</li> <li>Information security and privacy</li> <li>Operational achievements and financial performance</li> <li>Risk management</li> <li>Legal compliance</li> <li>Compensation and performance mechanisms</li> </ul>
<b>Cooperative Partners</b> Grows with ASPEED Technology through close cooperation, important partner for ASPEED Technology	<ul style="list-style-type: none"> <li>General inquiry email address: info@aspeedtech.com</li> <li>Social participation and public welfare activities (ad hoc)</li> </ul>	<ul style="list-style-type: none"> <li>Communicate and visit cooperative partners irregularly.</li> <li>Invitation to annual events</li> </ul>	<ul style="list-style-type: none"> <li>Sustainable supply chain management</li> <li>Technological and R&amp;D innovations</li> <li>Risk management</li> <li>Legal compliance</li> <li>Compensation and performance mechanisms</li> </ul>
<b>Media</b> Reports and assessments impacting the Company's reputation and image	<ul style="list-style-type: none"> <li>Media inquiry email address: media@aspeedtech.com</li> <li>Press releases for major news (ad hoc)</li> </ul>	<ul style="list-style-type: none"> <li>In 2021, we gave three special interviews following media request and several telephone interview.</li> <li>Issued press releases to announce major news.</li> <li>One product launch.</li> </ul>	<ul style="list-style-type: none"> <li>Corporate governance and ethical corporate management</li> <li>Operational achievements and financial performance</li> <li>Technological and R&amp;D innovations</li> <li>Legal compliance</li> </ul>
<b>Shareholders/Investors</b> Influencing the stock price by appraisals of Company	<ul style="list-style-type: none"> <li>Investor relations email address: ir@aspeedtech.com</li> <li>Shareholders' meeting (annually)</li> <li>Foreign and domestic investors' meeting (ad hoc)</li> <li>Investors' conferences (annually)</li> </ul>	<ul style="list-style-type: none"> <li>In 2021, we held one shareholders' meeting and six online investors' conferences.</li> <li>For major topics we held ad hoc discussions with domestic and foreign institutional investors. 320 phone/physical meetings in total during 2021.</li> </ul>	<ul style="list-style-type: none"> <li>Corporate governance and ethical corporate management</li> <li>Legal compliance</li> <li>Technological and R&amp;D innovations</li> <li>Operational achievements and financial performance</li> <li>Risk management</li> </ul>
<b>Suppliers</b> Providing excellent raw materials of a consistent quality; through close cooperation, we jointly pursue corporate sustainability	<ul style="list-style-type: none"> <li>General inquiry email address: info@aspeedtech.com</li> <li>Supplier meetings (annually)</li> <li>Supplier audits (annually)</li> <li>Critical supplier's CSR commitment (annually).</li> </ul>	<ul style="list-style-type: none"> <li>Held critical supplier meetings.</li> <li>Completed five audits of critical suppliers and one evaluation of a new supplier.</li> <li>Urged actions on green pledges, human rights protection, and pledges to not use conflict minerals, including the use of public pledges on our corporate website.</li> <li>Critical supplier's CSR commitment response rate 60%.</li> </ul>	<ul style="list-style-type: none"> <li>Product quality and customer satisfaction</li> <li>Operational achievements and financial performance</li> <li>Risk management</li> <li>Legal compliance</li> <li>Sustainable supply chain management</li> </ul>
<b>Public Welfare Organizations/ Academic and Research Organizations</b> ASPEED Technology actively interacts with public welfare organizations, academic research organizations, and cooperative partners to fulfill our CSR obligations	<ul style="list-style-type: none"> <li>General inquiry email address: info@aspeedtech.com</li> <li>Social participation and public welfare activities (ad hoc)</li> </ul>	Accumulated contributions through 2021 were NTD10.75 million <ul style="list-style-type: none"> <li>Rural underprivileged caring :               <ul style="list-style-type: none"> <li>For a seventh consecutive year we participated in the Global Views Educational Foundation's "Plant a seed of reading for the children" event by sponsoring reading materials for students in the Taitung area. We had already donated 17,208 magazines to 84 schools in Taitung.</li> <li>Sponsored all elementary school children's sportswear in Taitung County Lanyu Township, total 226 people and NTD271.2 thousand.</li> <li>Sponsored Taitung County Fugang Elementary School football team training materials, total NTD 91.5 thousand.</li> </ul> </li> <li>Supporting the development of higher education :               <ul style="list-style-type: none"> <li>Launching the 4-year Sunrise Scholarship Program in National Tsing Hua University with estimated budget of NTD1.6 million.</li> <li>Launching the 4-year Junior Chair Professor Sponsorship Program: in National Yang Ming Chiao Tung University with estimated budget of NTD5.76 million.</li> <li>Launching the 4-year Junior Chair Professor Sponsorship Program: in National Tsing Hua University with estimated budget of NTD5.76 million.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Compensation and performance mechanisms</li> <li>Compensation and employee care</li> <li>Talent recruitment and retention</li> <li>Response to international organizations and initiatives</li> <li>Technological and R&amp;D innovations</li> <li>Social care and public welfare participation</li> </ul>



## Identification of Material Topics

Through a combination of deliberation and engagement with various stakeholders, ASPEED Technology's Sustainability Development Working Team analyzes sustainability topics in accordance with the material topic identification procedures and the GRI Standards' four reporting principles for defining report content: stakeholder inclusiveness, sustainability context, materiality, and completeness. The material topics become an important basis for promoting Sustainability strategies and objectives.

ASPEED Technology compiled a list of 20 core sustainability concerns relating to three main areas: governance, environmental, and social, then consider the impact of economic, environment and social, with 6 high-level managers evaluate the impact of each issue to corporate operation to identify the importance of each topic. At the same time using the results from external questionnaires to identify material topics of concern. Using the answers from distributed questionnaires (120 of which were returned and valid), the Company conducted materiality evaluations and analysis based on external level of concern and the potential internal impact on the Company. The results formed the basis of a materiality matrix (see figure). The results formed the basis of a materiality matrix (see figure), and the six items were identified as being of material concern: 1. Product quality and customer satisfaction, 2. Corporate governance and ethical corporate management, 3. Operational achievements and financial performance, 4. Technological and R&D innovations, 5. Customer privacy and confidentiality measures, 6. Intellectual property rights protection and deployment. In addition, in response to current trends and in consideration of sustainable governance and managing talent in the IC design industry, the Sustainability Development Working Team designated one secondary topics as material topics: Employee benefits and care. The chairman then approved these as the Company's seven material topics and the focal points of disclosures in this report, which provides a detailed explanation of response strategies, achievements, and performance for each topic. The report also includes appropriate disclosures of management measures and performance for the 13 remaining secondary topics.

### ◆ Governance

- Corporate governance and ethical corporate management
- Risk management
- Intellectual property rights protection and deployment
- Operational achievements and financial performance
- Product quality and customer satisfaction
- Information security and privacy
- Sustainable supply chain management

### ● Environment

- Climate change response strategies
- Energy management and environmental policies
- GHG inventories and carbon reduction planning
- Management of waste and hazardous materials
- Technological and R&D innovations

### ▲ Social

- Workplace equality and human rights protection
- Talent recruitment and retention
- Employee cultivation and career development
- Compensation and performance mechanisms
- Employee benefits and care
- Industrial talent cultivation
- Social care and public welfare participation
- Response to international organizations and initiatives



## Material Topic Analysis Workflow



### Stage I: Identification

#### step 1

#### Identify counterparts to communicate with ( Identify main stakeholders )

ASPEED Technology uses the AA1000 Stakeholder Engagement Standard to identify core stakeholders (employees, shareholders/ investors, customers, suppliers, government agencies, media, public welfare organizations, academic research organizations, and partners).

#### step 2

#### Gather sustainability topics ( 20 sustainability topics )

ASPEED Technology uses the GRI Standards as a reference and considers the sustainability concerns of domestic and international industry peers as a basis for gathering comprehensive information on sustainability topics then determining the Company's 20 core sustainability concerns.



### Stage II: Analysis

#### step 3

#### Investigate the external level of concern ( 120 valid questionnaires )

Stakeholder feedback is one of the core factors in ASPEED Technology determining the materiality of an issue. The Company therefore sends a questionnaire on topics of concern to our nine main types of stakeholders to investigate their level of concern. In 2021, we received back 120 valid questionnaires.

#### step 4

#### Analyze internal operational impact ( High-level manager )

Four high-level managers and two department managers evaluate the economic, environmental, and social degree of impact of each topic and how it relates to the Company's operations in order to determine the importance of related disclosures.



### Stage III: Confirmation

#### step 5

#### Draft a materiality matrix ( 7 material topics )

Based on the results of steps 3 and 4, the Company drafts a materiality matrix. Discussion of the results informed selection of the seven material topics that are disclosed in this Sustainability Report.

#### step 6

#### Review disclosure content ( 14 main disclosure items )

We compared the seven material topics to eleven special topics based on the GRI Standards, three self-formulated topics, and. These results formed the boundaries of ASPEED Technology's stakeholder information disclosures and formed the foundation of this report.

## Material Topics and Value Chain

● Direct Impact ○ Indirect Impact

Material Topics	Degree of Impact on Operations	Corresponding GRI Standard	Impact on the Value Chain Suppliers R&D Design Customer Use			Performance Indicators	2021 Results	2022 Objectives
Corporate governance and ethical corporate management	A robust corporate governance system and implementation of ethical corporate management policies form the cornerstone of the Company's sustainable development.	205 Anti-corruption	●		●	• Participate in corporate governance-related assessments or award competitions.	• Our ranking in the TWSE Corporate Governance Evaluations increased compared to 2020, lifting us into the 21-35% bracket.	• Continue to advance in corporate governance evaluations by strengthening the Company's governance system. • Participate in corporate governance award competitions. • Complete an internal climate-related inventory based on the Task Force on Climate-related Financial Disclosures (TCFD) framework.
		206 Anti-competitive Behavior	●		●			
Operational performance and financial performance	Company's competitiveness and steady growth of operational performance are important factors in supporting sustainable operations.	201 Economic Performance	●	○	●	• Operational performance status.	• Annual operating income was NTD3.638 billion, an increase of 18.74% compared to 2020. Continued our streak of annual growth dating back to the company's establishment.	• Maintain annual double digit profit growth and annual revenue growth.
Information security and privacy	ASPEED Technology considers customer privacy rights to be of the utmost importance. Taking appropriate measures to protect customers' personal information is a primary objective of the Company.	418 Customer Privacy		●	●	• Check for infringements of customer privacy rights and data leaks. • Strengthen the Company's information security management • Employees' education and training.	• In 2021, there were no infringements of customer privacy rights or data leaks. • In 2021, the Company received a perfect score on the customer information security audit. • Successfully introduced Cortex XDR 2.0. • Introduced the ISO 27001 information security management system.	• No infringements of customer privacy right and data leaks. • Receive the ISO 27001 information security management system certification. • Respond to remote work patterns in the post-pandemic age by strengthening the Company's remote work environment and information security. • Promote information security at least once per month and 12 times per year. • Digital transformation planning.
Intellectual property rights protection and deployment	Intellectual property rights deployment is a cornerstone of ASPEED Technology's development. Intellectual property rights protect the Company's R&D achievements and strengthen competitiveness.	Self-formulated Topic	○	●	●	• Patent applications and receipt.	• Applied for 24 patents; received 4 patents. • Assign specialists to manage intellectual property protection and deployment.	• Annual increases in patent applications. • Strengthen intellectual property deployment and plan a trade secret protection system. • Build an intellectual patent portfolio management for new products.
Product quality and customer satisfaction	Maintain close relations with customers and understand their needs to raise product quality and customer satisfaction.	Self-formulated Topic	●	●	●	• Customer satisfaction.	• No major customer claims. • Immediate follow-up and handling upon receipt of customer feedback. • Customer satisfaction rate of 94.29%, response rate 70%. • Responded 16 consumer sustainable issue questionnaires, respond rate 100%.	• Maintain our record of no major customer claims. • Maintain a customer satisfaction rate of above 90%. • Continue to increase the return rate of customer satisfaction surveys. • Proactively response to consumer's concern in sustainable development issues.
Technological and R&D innovations	Continue to invest in innovative R&D to maintain our competitive advantages.	302 Energy	○	●	○	• R&D fees and green product R&D.	• Total R&D budget NTD547 million in 2021. • The AST2600 BMC is 61.34% more efficient than the previous generation, which is equivalent to reducing carbon production by 5,981.00 metric tons.	• Continue to raise the proportion of R&D expenses. • Continue to invest in green and energy saving R&D. • Cooperate with suppliers to strengthen green production.
		Self-formulated Topic	○	●	○			
Employee benefits and care	ASPEED Technology offers excellent compensation packages to attract and retain high-quality talents. At the same time, our people-oriented work system and environment keep everyone on the same page so that we can work together towards achieving sustainable growth.	102 General Disclosures		●		• Employee turnover rate • Employee average salary • Employee benefits	• Average employee turnover rate of 5.88% • Ranked 13 <sup>th</sup> among 1,799 listed firms for average salary of non-management employees. • Guaranteed wage of 15 months. • Employee care measures introduced in response to the COVID-19 pandemic included paid disease prevention holidays, paid vaccination holidays, flexible work hours, and vaccine insurance for employees.	• Strengthen the wage adjustment system to gradually increase employee wages. • Respond to remote work patterns in the post-pandemic age by providing flexible remote work models.
		201 Economic Performance		●				
		401 Employment		●				
		403 Occupational Health and Safety	●	●				
		404 Training and Education		●				
		405 Diversity and Equal Opportunity		●				

## Material Topics Management Approach

Material Topics GRI Standards	Corporate Governance and Ethical Corporate Management 205 Anti-corruption 206 Anti-competitive Behavior	Operational achievements and financial performance 201 Economic Performance	Information security and privacy 418 Customer Privacy	Intellectual property rights protection and deployment Self-formulated topics
Policies/Pledges	By adopting a comprehensive and robust corporate governance system, the Company upholds ethical corporate management, legal compliance, and the rights and interests of shareholders. Operating the Company in a sustainable manner fulfills the expectations of shareholders and other stakeholders.	Our promise to shareholders and society is that we achieve sustainable profits; each year, we raise product competitiveness and sustainable profits in order to ensure sustainable operations	ASPEED Technology adheres to business ethics and personal information protection while protecting customer data in a way that ensures respect and protection for privacy	Intellectual property rights deployment is a cornerstone of ASPEED Technology's development. Intellectual property rights protect R&D achievements and strengthen competitiveness, ensuring that the Company maintains its leading position in product R&D.
Objectives	<b>Short-term Objectives</b> <ul style="list-style-type: none"> <li>Raise information transparency and the disclosure of non-financial information.</li> <li>Promote and provide training to support ethical corporate management, anti-corruption, and the prevention of anti-competitive behavior.</li> <li>Continue to raise the Company's performance in Corporate Governance Evaluations.</li> </ul> <b>Mid-to-long-term Objectives</b> <ul style="list-style-type: none"> <li>Strengthen the structure and operations of the Board of Directors as well as the role of each functional committee.</li> <li>Diverse member of Board of Directors.</li> <li>Join or compete in domestic and international sustainable management and corporate governance-related award competitions or association.</li> </ul>	<b>Short-term Objectives</b> <ul style="list-style-type: none"> <li>Achieve sustained annual growth in revenues and profits.</li> <li>Achieve stable growth in our existing product lines</li> <li>Suitable deployment of marketing resources to expand promotion of new products.</li> </ul> <b>Mid-to-long-term Objectives</b> <ul style="list-style-type: none"> <li>Strengthen our financial structure and continue to invest in innovative R&amp;D and technology improvements, in the pursuit of long-term profits and growth.</li> <li>Enhance the Company's product mix and diversification, continue steady operations on existing product lines, and actively promote new product lines.</li> </ul>	<b>Short-term Objectives</b> <ul style="list-style-type: none"> <li>Review information security risks and establish information security policies.</li> <li>Strengthen information security awareness to protect personal information and customer privacy while upholding the rights and interests of stakeholders.</li> <li>Integrate the Cortex XDR 2.0 information security management system.</li> </ul> <b>Mid-to-long-term Objectives</b> <ul style="list-style-type: none"> <li>Pass ISO 27001 certification to reduce network and information security risks, thereby protecting personal information and customer privacy while upholding the rights and interests of stakeholders.</li> <li>Prepare for digital transformation.</li> </ul>	<b>Short-term Objectives</b> <ul style="list-style-type: none"> <li>Dedicated staff responsible for intellectual property rights protection and deployment, strengthen the intellectual property deployment.</li> <li>Develop systems for patent proposals and trade secret registration and management.</li> <li>Develop diverse mechanisms to encourage innovation and procedures for classification, investigation, and evaluations that encourage employees.</li> </ul> <b>Mid-term Objectives</b> <ul style="list-style-type: none"> <li>Build an intellectual patent portfolio management for new products and ensure that technology is completely protected during development.</li> <li>Increase patent application quantity and countries annually to expand intellectual property rights protection and global deployment.</li> </ul>
Responsibility and Appeals Mechanisms	<ul style="list-style-type: none"> <li>Operational Unit: Members of the Board of Directors, the Administration Division, and audit managers.</li> <li>Claim Channel: <ul style="list-style-type: none"> <li>General Inquiries: info@aspeedtech.com</li> <li>Sustainable Management Inquiries: csr@aspeedtech.com</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Operational Unit: Finance Division, Sales Division, Corporate Communication Division</li> <li>Claim Channel: <ul style="list-style-type: none"> <li>Media Inquiries: media@aspeedtech.com</li> <li>Investor Inquiries: ir@aspeedtech.com</li> <li>Sales Inquiries: sales@aspeedtech.com</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Operational Unit: Information Technology Division</li> <li>Claim Channel: sales@aspeedtech.com</li> </ul>	<ul style="list-style-type: none"> <li>Unit: Legal Management Division</li> <li>Claim Channel: info@aspeedtech.com</li> </ul>
Evaluation Mechanisms and Results	<ul style="list-style-type: none"> <li>Continuing Education Training of Board Members: Total of 48 hours.</li> <li>Publishing the 2021 Sustainability Report.</li> <li>Corporate Governance Evaluation Results: In 2021, ASPEED Technology advanced one bracket in the Taipei Exchange Corporate Governance Evaluations to place in the 21<sup>st</sup> – 35<sup>th</sup> percentile.</li> <li>Results of Internal Audits of the Board of Directors: In 2021, the Company was not accused of any acts of corruption or anti-competitive behaviors, nor did it face any lawsuits relating to antitrust or monopoly violations.</li> <li>Improve the profession of Board Members: in 2021, include information security and legal background members.</li> </ul>	<ul style="list-style-type: none"> <li>In 2021, our annual operating revenue rose by 18.74% to reach NTD3.638 billion and our net profit after tax rose by 30.68% to reach NTD1.313 billion.</li> <li>Market Expansion: The Business Development unit promotes new products and applications to help add new customers.</li> <li>Marketing and Promotion: Held product launch to promote new product.</li> </ul>	<ul style="list-style-type: none"> <li>100% of employees signed an NDA.</li> <li>Complaints due to violating customer privacy : None in 2021.</li> <li>Verified customer information leaks, theft, or loss: None in 2021.</li> </ul>	<ul style="list-style-type: none"> <li>Establish the Legal Management Division to strengthen patent applications and intellectual property deployment.</li> <li>In 2021, ASPEED Technology applied for 24 patents, surpassing the goal of 20 patent applications set in 2020.</li> <li>In 2021, the Company conducted general internal training related to intellectual property rights of core technologies in order to gradually promote greater knowledge of intellectual property rights.</li> </ul>

## Material Topics Management Approach

Material Topics GRI Standards	Product Quality and Customer Satisfaction Self-formulated topics	Technological and R&D innovations Self-formulated topics 302 Energy	Employee benefits and care 102 General Disclosures 201 Economic Performance 401 Employment 404 Training and Education 403 Occupational Health and Safety 405 Diversity and Equal Opportunity
Policies/Pledges	All products meet domestic and international quality standards; quality guarantees generate customer satisfaction.	Develop green, energy-savings products that are beneficial to the environment and customers. ASPEED Technology is a fabless IC design company that seeks to protect the environment by making products more energy efficient and green.	Provide generous wages and robust benefits to employees in order to build a healthy workplace environment and grow sustainably together with our employees.
Objectives	<p><b>Short-term Objectives</b></p> <ul style="list-style-type: none"> <li>Maintain our quality management system (ISO 9001) operations and credentials.</li> <li>Achieve an average return rate of over 70% for customer satisfaction surveys among potential and existing customers.</li> <li>Maintain a customer satisfaction rate of over 90%, reply to customer opinions within 72 hours, and quickly solve problems.</li> </ul> <p><b>Mid-to-long-term Objectives</b></p> <ul style="list-style-type: none"> <li>Raise product quality and cooperate with customers to provide products and services that meet their needs.</li> <li>Optimize service procedures to raise customer confidence.</li> <li>Proactively responded to consumer's concern in sustainable issues.</li> </ul>	<p><b>Short-term objectives</b></p> <ul style="list-style-type: none"> <li>Continue to raise product environmental protection and energy-saving qualities, including during the R&amp;D process and in the product specs.</li> <li>Continue to invest in R&amp;D and provide financial incentives that encourage employees to engage in innovative R&amp;D.</li> </ul> <p><b>Mid-to-long-term Objectives</b></p> <ul style="list-style-type: none"> <li>IC design talent cultivation.</li> <li>Continue to focus on R&amp;D and innovative new technologies.</li> <li>Deployment of domestic and international intellectual property that increases patent acquisition and applications.</li> </ul>	<p><b>Short-term Objectives</b></p> <ul style="list-style-type: none"> <li>Adopt a performance-based compensation system while providing employees with generous, appropriate wages so that we attract and retain talented people.</li> <li>Provide an employee cultivation plan that produces professionals who support the Company's future development.</li> <li>Optimize the office environment and offer diverse, meaningful benefits that consolidate team spirit.</li> </ul> <p><b>Mid-to-long-term Objectives</b></p> <ul style="list-style-type: none"> <li>Offer employees compensation that is competitive on the open market and fair based on internal standards while providing diverse, meaningful benefits that consolidate team spirit.</li> <li>Create green lifestyles that fulfill our sustainable vision.</li> </ul>
Responsibility and Appeals Mechanisms	<ul style="list-style-type: none"> <li>Operational Unit: Quality Assurance Management Department, Sales Division</li> <li>Claim Channel: sales@aspeedtech.com.</li> </ul>	<ul style="list-style-type: none"> <li>Operational Unit: Product &amp; Technology Development Division, Legal Management Division</li> <li>Claim Channel: <ul style="list-style-type: none"> <li>Sales Inquiries: sales@aspeedtech.com</li> <li>Sustainability Management inquiries: csr@aspeedtech.com</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Operational Unit: Administration Division</li> <li>Claim Channel: hr@aspeedtech.com</li> </ul>
Evaluation Mechanisms and Results	<ul style="list-style-type: none"> <li>Management Review Committee and Quality Control Audits: In 2021, we achieved all ISO 9001 quality objectives.</li> <li>Return rate of over 70% for customer satisfaction surveys among potential and existing customers.</li> <li>Customer satisfaction rate of 94.29% in 2021, without any major claims.</li> <li>100% responded to consumer's sustainable survey and issue.</li> </ul>	<ul style="list-style-type: none"> <li>R&amp;D fees of NTD547 million</li> <li>Patent Applications and Acquisitions: In 2021, we had twenty-four patent applications and acquired four patents.</li> <li>New Product Energy Savings and Environmental Protection Effectiveness: Our AST2600 7<sup>th</sup> generation BMC SoC can reduce 61.34% CO<sub>2</sub> emission, approximately 5,981 tCO<sub>2</sub>e, than the last generation SoC.</li> </ul>	<ul style="list-style-type: none"> <li>Compensation Performance: In 2021, we ranked 13<sup>th</sup> among listed firms for average salary of non-management employees.</li> <li>More than NTD344 million spent on employee welfare (after deducting monetary awards for Board members).</li> <li>Better working environment: Moving to new office with the average floor space per employee increased from 21.81 m<sup>2</sup> in 2019 to 47.93 m<sup>2</sup>.</li> <li>Employee Satisfaction: Our 2021 employee satisfaction survey did not show any material items of dissatisfaction.</li> <li>Average employee turnover rate of 5.88% was below industry average.</li> </ul>



## Pandemic Impact and Response Measures

The global impact of COVID-19 has already extended into a second year. Faced with the pandemic threat, ASPEED Technology places the health and well-being of employees first. Following this precondition, we seek to guarantee normal operations, maintain regular customer service, and preserve a stable supply chain. At the start of the pandemic, the risk management unit under the Sustainability Committee formulated a comprehensive disease prevention response plan and established a pandemic emergency response unit, with the Company president responsible for leading periodic meetings on administrative and environmental safety & health, information security, finance, operations, and public relations. Based on findings, officials made rolling adjustments to the Company's disease prevention strategies.

### Administration and Environmental Safety & Health

The Administration Division promptly formulated disease prevention measures for the Company based on pandemic conditions. Daily measures included strengthening health advocacy and disease prevention concepts awareness, adjustments to domestic and international business travel policies, holding virtual meetings instead of in person meetings, avoiding unnecessary large-scale events, monitoring employees' health, visitor management, and dining guidelines. As the pandemic worsened, the Company began planning new rules on segregated movement and work spaces, employee seating arrangements, and remote office planning and training. No matter how severe the pandemic became, these plans ensured that operations

would remain smooth and employees' health would be protected. In order to keep employees apprised of the Company's pandemic prevention status, administrative management units make periodic internal announcements. They listen carefully to employees and use their suggestions to make policy adjustments. Environmental safety and health units, meanwhile, strengthen management procedures based on disease prevention needs. Measures include increasing disinfection frequency of internal public spaces and procurement of more disease prevention materials, such as alcohol and oximeters. These steps ensure that the Company has sufficient equipment and materials.

#### Administration and Environmental Safety & Health Unit

Epidemic-related work regulations, employee epidemic prevention and care plans, environmental safety and health management.

#### Public Relations

Single communication channel for customers, investors, and the media.

#### Operations Unit

Supplier coordination and purchase, sales, and inventory management

#### Finance Unit

High-frequency exchange rate monitoring and hedging management

#### Information Security Unit

Work from home information security and defense mechanisms

## Employee Care

Besides regularly announcing the Company's disease prevention policies so that employees are apprised of the latest information, ASPEED Technology implemented the following measures:

- Purchase vaccine insurance for all employees.
- Distribute disease prevention packages that include alcohol, masks, and rapid tests.
- Provide fully paid, unlimited vaccination leave, disease prevention leave, and family care leave.
- Implement flexible work hours and remote office policies that enable employees to balance work and family without worry, even when the pandemic is severe.

## Operations

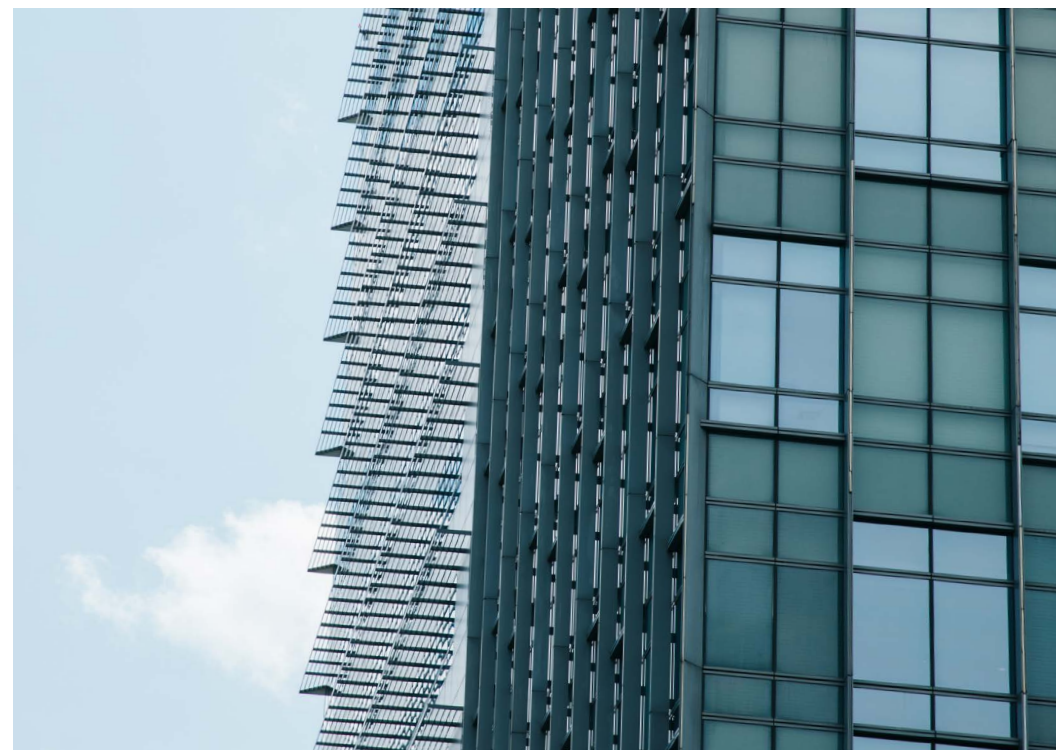
Faced with supply chain shortages caused by the pandemic, production and operation units took advantage of regular discussions with suppliers launched at the beginning of the pandemic to closely monitor the Company's purchases, sales, and inventory management. Besides using a "wafer bank" model to acquire sufficient manufacturing capacity, the Company signed capacity guarantee agreements with testing and packaging firms. At the same time, the Company prioritized key product inventory maintenance to guarantee sufficient supplies. In addition, on the precondition of guaranteeing employees' health and safety, the Company sought to ensure that all shipments were smoothly completed. Production and operations units were separated into two remote work groups (A and B) and warehouse access restrictions were enhanced. No matter what contingencies emerged, these measures ensured that purchases and sales were unaffected and operations could continue unimpeded.

## Information Security

In accordance with the Company's disease prevention procedures, the Company conducted an inventory of information security equipment. To accommodate work from home needs staff backed up information systems and enhanced protection mechanisms to guard confidential data. Advances included stronger VPN security, universal two-factor authentication, and one-time passwords. Drills showed that information security protections would be strong even when employees work from home.

## External Communications

To ensure that information related to the Company's disease prevention measures is consistent and clear, marketing and public relations managers formulated public statements then provided these statements to each department to share with stakeholders. Besides verifying that business units and investor relations are consistent in their messaging, the Company actively communicates with customers and both domestic and international investors, so that all interested parties fully understand the Company's disease prevention measures and delivery status.





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04

## Corporate Governance and Ethical Corporate Management

ASPEED Technology formulated the “Corporate Governance Best Practice Principles” and the “Code of Ethical Conduct” in order to build an effective corporate governance framework and related ethical standards needed for robust corporate governance. We uphold transparent operations and closely heed the rights and interests of shareholders and society. In order to aid corporate operations and oversight, we believe that corporate governance should be built on a foundation of a strong, complete Board of Directors in conjunction with supporting committees, including the Audit Committee, the Remuneration Committee, and the Sustainability Committee. To uphold information transparency, ASPEED Technology passed the “Internal Material Information Handling Procedures” and established an investor relations section on the Company website. Investors are able to read and download annual reports, earnings call information, and publicly disclosed financial information. A corporate governance section also provides related legal and regulatory information, including the Articles of Incorporation, corporate governance best practice principles, and a code of ethical conduct. Resolutions made by the Board of Directors and related information are also available on the website. In the future, the Company aims to make information even more transparent, more public, and easier to search.

### Corporate Governance Performance

ASPEED Technology's ongoing Sustainability promotion and corporate governance implementation were recognized when the Company's ranking in the TWSE corporate governance evaluations rose to a higher bracket for two consecutive years, including in 2021 when

the Company's ranking rose to the 21-35% bracket in the 8<sup>th</sup> evaluations. To further strengthen corporate governance performance, ASPEED Technology adheres to the Financial Supervisory Commission's “Corporate Governance 3.0 – Sustainable Development Roadmap.” The Company uses the TWSE corporate governance evaluation results as a reference for determining areas where improvements are needed, including having already provided more detailed disclosures in annual reports and on the corporate website, and implementing a candidate nomination system for the election of directors and independent directors. Besides already implementing CSR, environmental protection, employee care, social contributions, and information security, in the future the Company will practice effective corporate governance in all areas, strengthen Board structure and operations, make information disclosures more transparent, and plan an internal anonymous whistleblower system. These measures will incorporate the spirit of sustainability into operations and management while fulfilling sustainability duties.

### Company Organization

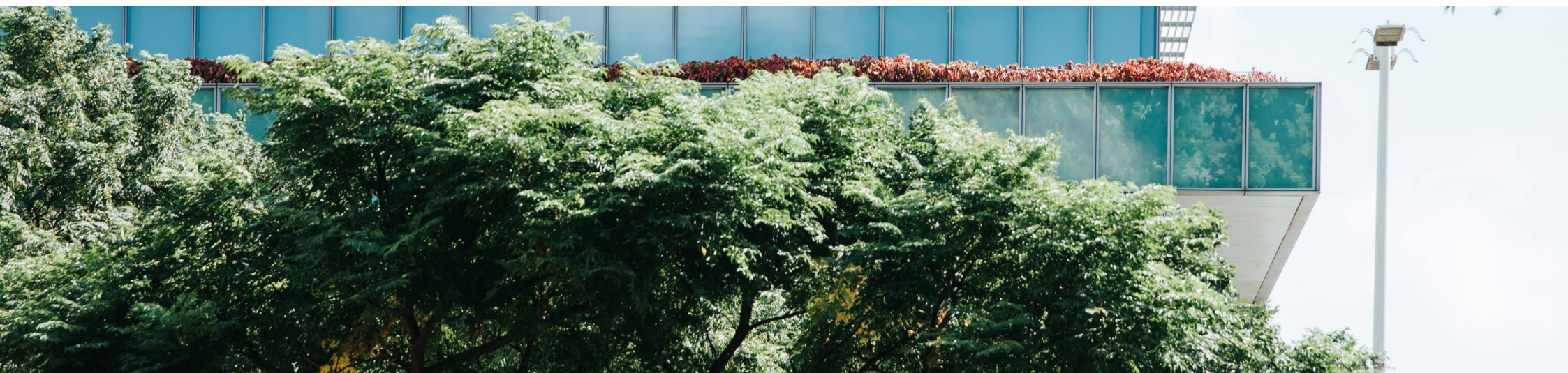
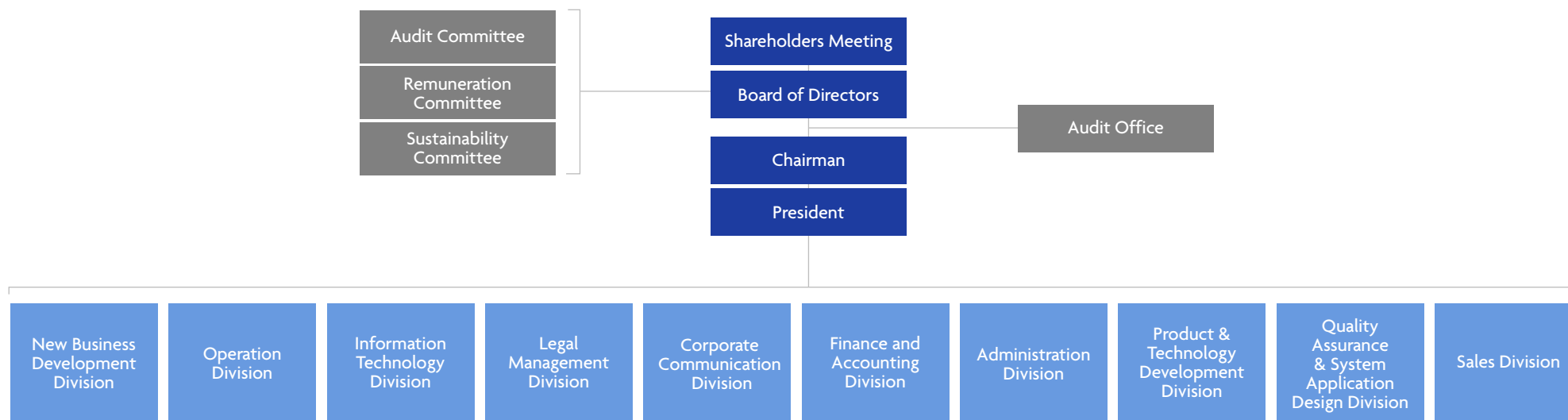
The Board of Directors is the highest administrative unit of ASPEED Technology. The nomination and selection of Board members is conducted by following the “Procedures for the Election of Directors and Supervisors.” Oversight of Company operations, formulation of strategies and guidelines, identification of operational risks, and planning of Sustainability development guidelines are carried out in accordance with the “Company Act,” the “Articles of Incorporation,” and authority assigned by Board decisions.

### Operations of the Board of Directors

In 2021, ASPEED Technology's seventh Board was established with the selection of nine directors who will serve until 2024. The directors have diverse professional backgrounds with both practical and academic research experiences, ranging from operations, semiconductor technology, and finance to network and communications information security as well as international M&A. Four of the nine directors are independent and support oversight by serving as the members of the Audit Committee and Remuneration Committee. Required to convene at least once per quarter, the Board met eight times in 2021 and the directors had an attendance rate of 100%. Directors undergo training in accordance with the “Directions for the Implementation of Continuing Education for Directors and Supervisors of TWSE Listed and TPEX Listed Companies” in order to stay updated on the latest legal revisions and emerging issues, so that they are equipped to provide more effective corporate governance.

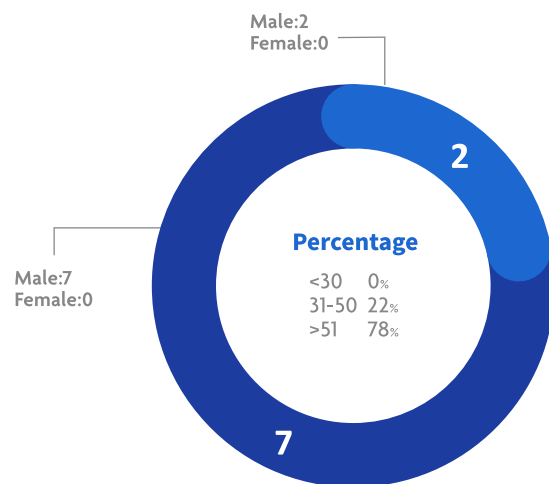


To increase the Board's effectiveness and improve information transparency, the Company conducted 2021 internal performance self-evaluations, in accordance with the "Rules for the Performance Evaluation of Board Members," which were passed by the Board in 2020. The self-evaluations are conducted every January and reported to the Board during the first quarter of each year. Results are used for review and improvement purposes, and serve as a reference for selecting and nominating future directors.

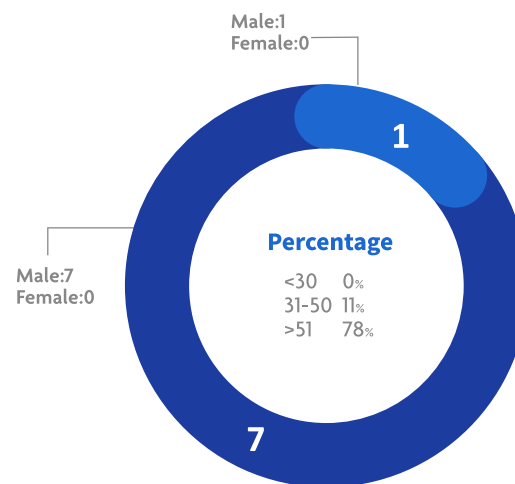


## The member of administrative unit from 2019 to 2021

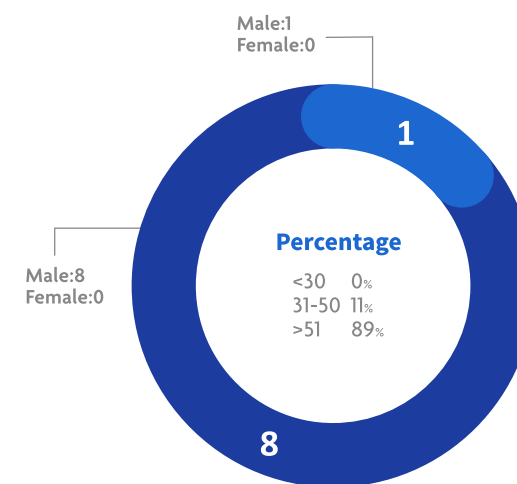
| 2019 |



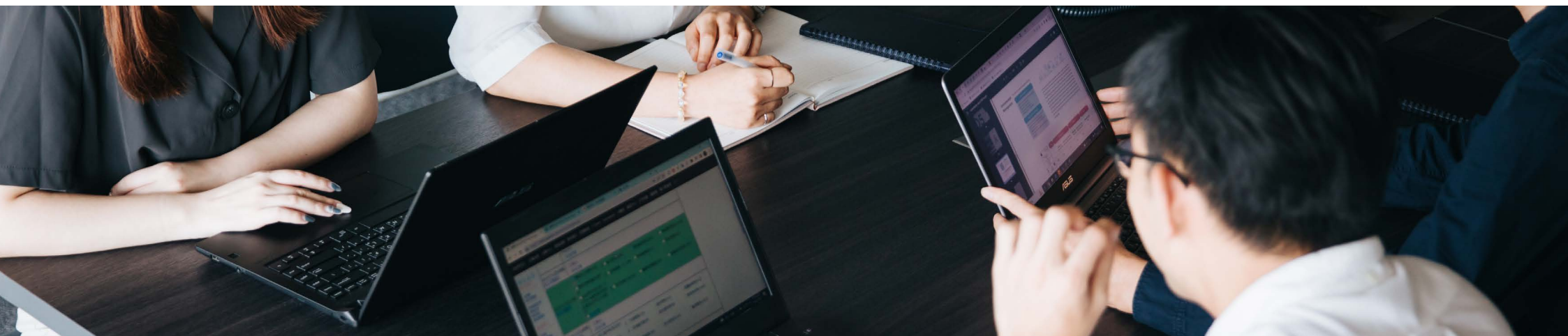
| 2020 |



| 2021 |



● Under 30 years old    ● 31-50 years old    ● Over 50 years old





## Board Members and Continuing Education

Title	Name	Gender	Primary Positions	Board Meeting Attendance Rate	2021 Continuing Education Course Name
Chairman	Chris Lin	Male	<ul style="list-style-type: none"> <li>Chairman and President, ASPEED Technology Inc.</li> <li>Director, Linvest Wealth Corp.</li> <li>Director, Linvest Fortune Corp.</li> <li>Director, ASPEED Technology (Samoa) Inc.</li> </ul>	100%	<ul style="list-style-type: none"> <li>Corporate Governance Summit – Practicing ESG, Implementing Governance and Sustainable Development (6 hours)</li> </ul>
Director	Arnold Yu	Male	<ul style="list-style-type: none"> <li>Director, Machvision Inc.</li> <li>Director, Autovision Technology Inc.</li> <li>Supervisor, AtechOEM Inc.</li> <li>Director, Stark Technology Inc.</li> </ul>	100%	<ul style="list-style-type: none"> <li>13<sup>th</sup> Taipei Corporate Governance Forum (6 hours)</li> </ul>
Director	Luke Chen	Male	<ul style="list-style-type: none"> <li>Vice President of Sales, ASPEED Technology Inc.</li> </ul>	100%	<ul style="list-style-type: none"> <li>2030/2050 Net Zero – Sustainable Challenges and Opportunities for Global Enterprises (3 hours)</li> <li>Hostile Acquisition and Takeover Case Analysis and Countermeasures (3 hours)</li> </ul>
Director	Ted Tsai	Male	<ul style="list-style-type: none"> <li>Chairman, Maojet Technology Corp.</li> </ul>	100%	<ul style="list-style-type: none"> <li>Information Security Incident Handling and Practices in the Post-Pandemic Age (3 hours)</li> <li>Hostile Acquisition and Takeover Case Analysis and Countermeasures (3 hours)</li> </ul>
Director	Hung-Ju Huang	Male	<ul style="list-style-type: none"> <li>Vice President of R&amp;D, ASPEED Technology Inc.</li> </ul>	100%	<ul style="list-style-type: none"> <li>Trade Secret Protection and Defense – In-depth Analysis of Practical Cases (3 hours)</li> <li>New Challenges for the Board of Directors Under Corporate Governance 3.0 (3 hours)</li> <li>Company Operations, Public Opinion, and News Crisis Management Strategies (3 hours)</li> <li>Key Practical Cases of Digital Transformation Successes and Failures (3 hours)</li> </ul>
Independent Director	Chyan Yang	Male	<ul style="list-style-type: none"> <li>Adjunct Professor, Institute of Business and Management, National Chiao Tung University.</li> <li>Independent Director, ACTER Co., Ltd.</li> <li>Supervisor, Chia Chang Co., Ltd.</li> <li>Independent Director, MARS Semiconductor Corp.</li> <li>Independent Director, Associated Industries China, Inc.</li> </ul>	100%	<ul style="list-style-type: none"> <li>An Examination of How Listed Companies Implement ESG, from Foreign Shareholder Viewpoints and Voting Behaviors (3 hours)</li> <li>Human Resources and Other Topics Relating to Corporate M&amp;A (3 hours)</li> <li>Corporate Governance and Securities Regulations (3 hours)</li> </ul>
Independent Director	Dyi-Chung Hu	Male	<ul style="list-style-type: none"> <li>Chairman and CEO, Siplus Technology Co.</li> <li>Director, Raytek Semiconductor, Inc.</li> </ul>	100%	<ul style="list-style-type: none"> <li>Corporate Governance Summit – Practicing ESG, Implementing Governance and Sustainable Development (6 hours)</li> </ul>
Independent Director	Sheng-Lin Chou	Male	<ul style="list-style-type: none"> <li>Chief Venture Officer (CVO), ICL/Industrial Technology Research Institute</li> <li>Secretary General, Taiwan Association of Information &amp; Communication Standards (TAICS)</li> </ul>	100%	<ul style="list-style-type: none"> <li>2030/2050 Net Zero – Sustainable Challenges and Opportunities for Global Enterprises (3 hours)</li> <li>How the Audit Committee Examines Financial Reports (3 hours)</li> <li>Hostile Acquisition and Takeover Case Analysis and Countermeasures (3 hours)</li> <li>Commercial Case Adjudication and Court Adjudication Trends for Directors and Supervisors (3 hours)</li> <li>Explanation of Equity Rights for Insiders of OTC and Emerging Stock Market Companies (3 hours)</li> </ul>
Independent Director	John C. Lin	Male	<ul style="list-style-type: none"> <li>Senior Consultant, Jones Day International Law Firm</li> </ul>	100%	<ul style="list-style-type: none"> <li>How the Audit Committee Examines Financial Reports (3 hours)</li> <li>Explanation of Equity Rights for Insiders of OTC and Emerging Stock Market Companies (3 hours)</li> <li>Practical Case Analysis and Board Avoidance Strategies for Securities and Exchange Act-Related Non-arm's Length Transactions and Breach of Trust (3 hours)</li> <li>Independent Directors Elite Research and Training Institute – Independent Directors and Corporate Governance Master's Class (3 hours)</li> </ul>

## Operation of Audit Committee

ASPEED Technology established the Audit Committee to strengthen the Company's governance and operations. The committee's oversight of financial reporting procedures enables it to monitor internal controls and inspect financial reports, so that it can evaluate and guide the Company's audit related tasks. The Audit Committee assists the Board of Directors in fulfilling oversight of the quality and integrity of the Company's accounting, auditing, and financial reporting practices. The Audit Committee is composed of all independent directors. The committee may resolve to retain the service of an attorney, certified public accountant, or other professionals to provide advice. It has direct access to the Company's internal auditors, certified public accountants, and all employees of the Company through meetings, informal discussions, telephone, and email. Each year the Audit Committee and a certified public accountant discuss legal compliance issues and identify areas for further attention. In 2021, members of the second (current) committee were selected. Its term is from July 30<sup>th</sup>, 2021, to July 29<sup>th</sup>, 2024. The committee met four times in 2021 and carried out the following:

### 2021 the 1<sup>st</sup> Audit Committee

Title	Name	Meetings During	Actual Attendance	Attendance by Proxy	Attendance Rate%	Note
Independent Director	Chyan Yang	2	2	0	100%	None
Independent Director	Dyi-Chung Hu	2	2	0	100%	None
Independent Director	Robert Lo	2	2	0	100%	None

### 2021 the 2<sup>nd</sup> Audit Committee

Title	Name	Meetings During	Actual Attendance	Attendance by Proxy	Attendance Rate%	Note
Independent Director	Chyan Yang	2	2	0	100%	Re-elected
Independent Director	Dyi-Chung Hu	2	2	0	100%	Re-elected
Independent Director	Sheng-Lin Chou	2	2	0	100%	New
Independent Director	John C. Lin	2	2	0	100%	New

## Operation of the Remuneration Committee

To support corporate governance and strengthen compensation mechanisms for the Company's directors, supervisors, and managers, ASPEED Technology established the Remuneration Committee in accordance with the "Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock is Listed on the Taiwan Stock Exchange or the Taipei Exchange." The committee charter gives the committee authority to oversee the compensation mechanisms for the Company's directors, supervisors, and managers. The committee shall faithfully perform its official powers and submit its recommendations for deliberation by the Board of Directors. In 2021, members of the fifth Remuneration Committee were selected. The committee is composed of four members, including one convener. Its term is from August 11<sup>th</sup>, 2021, to July 29<sup>th</sup>, 2024. In 2021, the committee met three times and members had the following attendance status:

### 2021 the 4<sup>th</sup> Remuneration Committee

Title	Name	Meetings During Term	Actual Attendance	Attendance by Proxy	Attendance Rate %	Note
Convener	Chyan Yang	1	1	0	100%	None
Director	Dyi-Chung Hu	1	1	0	100%	None
Director	Robert Lo	1	1	0	100%	None

### 2021 the 5<sup>th</sup> Remuneration Committee

Title	Name	Meetings During Term	Actual Attendance	Attendance by Proxy	Attendance Rate %	Note
Convener	Chyan Yang	2	2	0	100%	Re-elected
Director	Dyi-Chung Hu	2	2	0	100%	Re-elected
Director	Sheng-Lin Chou	2	2	0	100%	New
Director	John C. Lin	2	2	0	100%	New

## Descriptions of Communications Between Independent Directors and Internal Auditors

ASPEED Technology's independent directors use quarterly Audit Committee meetings or communication with accountants through meetings, informal discussions, telephone, and email to understand financial reports, review audit results, and discuss legal and regulatory issues relating to finance and accounting, taxation, and securities. When serious issues occur, the directors and accountants convene meetings. In 2021, no serious or unusual issues occurred.

Date	Resolutions	Any Independent Director Had a Dissenting Opinion or Qualified Opinion
2021.03.08	Review the 4 <sup>th</sup> quarter, 2020 internal audit report	None
2021.05.03	Review the 1 <sup>st</sup> quarter, 2021 internal audit report	
2021.08.11	Pass the internal auditor appointment and dismissal plan	
	Review the 2 <sup>nd</sup> quarter, 2021 internal audit report	
2021.11.08	Review the 3 <sup>rd</sup> quarter, 2021 internal audit report	
	Formulate the 2022 audit plan	

## Descriptions of Communications Between Independent Directors and Certified Public Accountant

Descriptions of the Communications Between Independent Directors and Certified Public Accountants ASPEED Technology's independent directors use quarterly Audit Committee meetings or communication with accountants through meetings, informal discussions, telephone, and email to understand financial reports, review audit results, and discuss legal and regulatory issues relating to finance and accounting, taxation, and securities. When serious issues occur, the directors and accountants convene meetings. In 2021, no serious or unusual issues occurred.

Date	Resolutions	Any Independent Director Had a Dissenting Opinion or Qualified Opinion
2021.03.08	Review results of the 2020 financial report and important items for review	None
	2021 appointment of certified public accountant	
2021.05.03	Review the 1 <sup>st</sup> quarter, 2021 financial report and important financial items	
2021.08.11	Review the 2 <sup>nd</sup> quarter, 2021 financial report and important financial items	
2021.11.08	Review the 3 <sup>rd</sup> quarter, 2021 financial report and important financial items	
	Passed the Company's methods for evaluating the independence and suitability of certified public accountants	
	Evaluation of the independence and suitability of certified public accountants	
	2021 certified public accountant appointment and fee	

## Internal Audit Responsibilities

Besides establishing an internal audit unit that is overseen by the Board of Directors, ASPEED Technology assigns a management-level internal auditor as needed based on the Company's scale, business conditions, management needs, and legal requirements. In line with internal audit implementation rules, the Audit Committee decides the appointment or dismissal of the internal auditor and the Board of Directors must approve the decision by resolution. The internal auditor is subject to annual evaluations and the Chairman determines his or her compensation.

Based on risk assessment results the internal audit unit produces an audit plan that must then be passed by the Audit Committee and the Board of Directors. Periodic and ad hoc reports on implementation results are made to the committee and the Board. The implementation plan shall include annual self-evaluations of control measures by all internal units followed by an audit of the self-evaluations by the internal audit unit. The overall results shall become the basis for an internal control measure statement by the Board and the president.

## Ethical Corporate Management

Ethical corporate management is a core value of ASPEED Technology's corporate governance and the highest principle of the Company's conduct. The Company therefore formulated the "Code of Ethical Conduct" and the "Procedures for Ethical Management and Guidelines for Conduct." It requires that directors and senior-level managers provide a statement pledging to adhere to ethical corporate management policies, and includes adherence to ethical corporate management policies as a condition of hire for new employees. When fulfilling work duties, all employees must act honestly and fairly while adhering to government laws and regulations. Board members and senior-level managers must also uphold ethical principles when running the Company. If the Company discovers that a business counterparty, supplier, or other partner conducts business in an unethical manner, we shall immediately terminate the business relationship and abstain from future business relations. These measures ensure effective implementation of our ethical corporate management policy.

The Administration Division is responsible for advocacy and implementation of ASPEED Technology's ethical corporate management. It formulates, explains, and consults on the procedures for ethical management and guidelines for conduct, while carrying out related procedures and oversight, including reporting and registration procedures as well as making periodic reports to the Board of Directors. The division holds regular and ad hoc meetings with employees to promote ethical corporate management, so the employees clearly understand related concepts and standards. The division also makes announcements to employees and discusses ways to strengthen ethical corporate management with managers. Employees must fully grasp the importance of ethical corporate management and practice it in their everyday work. When joining the Company, 100% of new employees must sign a guarantee letter stating that they will adhere to the Articles of Incorporation and ethical corporate management principles. Moreover, they pledge to not violate or infringe intellectual property rights. If unethical behavior is found, administrative managers and managers from related departments review the incident, make improvements, and report to the Board of Directors. ASPEED Technology has always upheld fairness and justice, which is why we are firmly committed to fair business practices. We are firmly opposed to anti-competitive practices and support anti-trust and anti-monopoly practices. In 2021, ASPEED Technology researched intellectual property rights standards and began to formulate trade secret protection measures that are forecast to be completed in 2022. The Company and employees will join to promote the protection of

intellectual property rights and trade secrets. If any inappropriate behavior relating to ethical corporate management, anti-competitive practices, or anti-trust and anti-monopoly practices is discovered, employees and external stakeholders can directly report their findings to [info@aspeedtech.com](mailto:info@aspeedtech.com). In 2021, ASPEED Technology scrupulously abided by laws and social norms. No employees were involved in any work-related bribery or legal troubles, and none faced any work related fines or penalties in Taiwan or overseas. ASPEED Technology recognizes the importance of moral business practices and internal ethical control mechanisms. In 2021, the Company began to plan an anonymous whistleblower system that is overseen by legal and audit units. Used to prevent internal corruption or unethical behaviors, the system is expected to be completed by the end of 2022.

## Legal Compliance

In 2021, ASPEED Technology already began communicating the importance of anti-corruption to all employees. In the future, the Company will use education and training to strengthen legal understanding. Starting in 2022, the Company plans to hold advocacy and training relating to anti-corruption and avoiding anti-competitive practices. These efforts will help employees to understand the importance of legal compliance and ethical corporate management. For business partners and suppliers, the Company adds anti-corruption clauses to contracts to ensure both an understanding and adherence to the Company's values. In 2021, ASPEED Technology did not face any lawsuits relating to anti-competitive practices. In 2021, we have held companywide events to educate and promote our employees about prevention of corruption. In the future, using education and training we will strengthen legal understanding and advocacy. Starting in 2022, we plan to hold companywide training event that covers the prevention of corruption and anti-competitive practices to ensure full support among employees for complying with the law and ethically conducting business. As for our business partners and suppliers, ASPEED Technology has included content related to prevention of corruption in the contract, to ensure our business partners and suppliers can understand and obey regulation related to prevention of corruption. In 2021, no anti-competitive litigation happened in ASPEED Technology.



The communication rate of the prevention of corruption policy in the past 3 years in ASPEED Technology

The communication of prevention of corruption policy	2019		2020		2021	
	Administrative unit	Employee	Administrative unit	Employee	Administrative unit	Employee
Number of people	9	81	9	89	9	96
Percentage	100%	100%	100%	100%	100%	100%

2021 Corporate Governance-related External Training Hours

External Training Course Name	Hours
Analysis of Key Corporate Finance Data and Strengthening Crisis Warning Capabilities	6
From Corporate Governance 3.0, a Practical Analysis of How Companies Build Risk Management Development Blueprints	6
Corporate Management Trends – Internal Audit Responses	6
Key Crisis Warnings in Financial Reports	6
2021 Taiwan Intellectual Property Law Association Copyright Seminar	17
CYBERSEC 2021	15

To learn more about ASPEED Technology's ethical corporate management mechanisms and regulations, see the following links.



Ethical Corporate Management  
Best Practice Principles



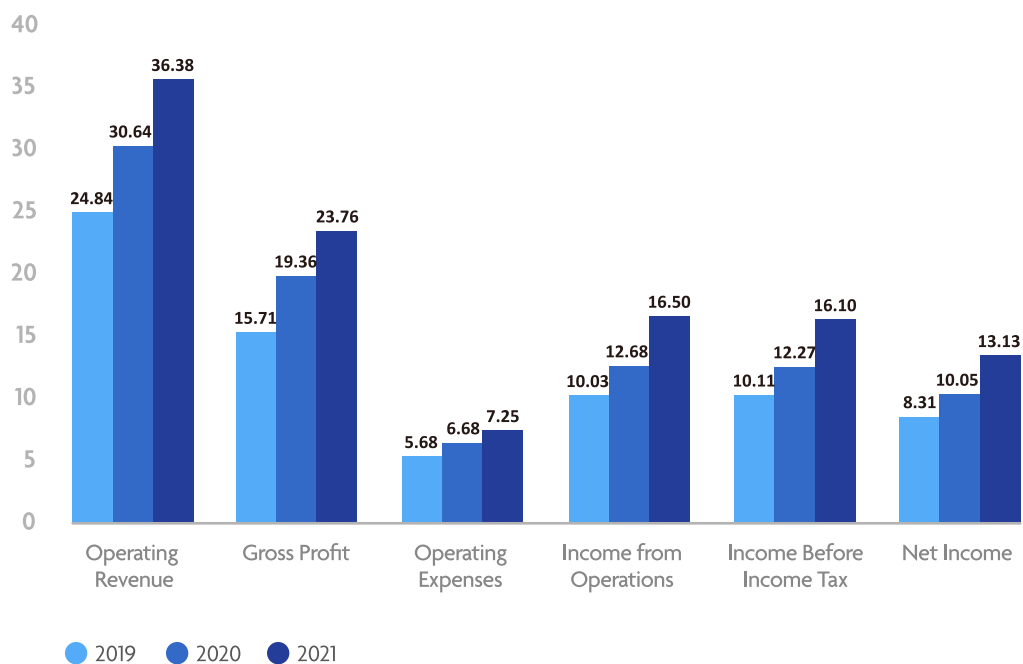
Procedures for Ethical Management  
and Guidelines for Conduct



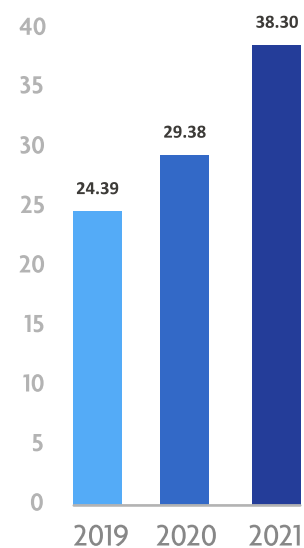
## Operational Performance

In 2021, COVID-19 continued to test the world's resolve. Under these conditions, ASPEED Technology also faced tight capacities in the global semiconductor industry. Nevertheless, backed by the hard work of all our colleagues and partners, the Company again performed excellently, achieving new records for annual operating revenue and profit. Compared to 2020, the Company's 2021 operating revenue rose by 18.74% to reach NTD3.63 billion and net profit after tax rose by 30.68% to reach NTD1.31 billion. Gross profit margin in 2021 was 65.31% and operating profit margin was 45.36%. Earnings per share of NTD38.30 again set a new record. As we enter the post-pandemic age and global industry continues its digital transformation, ASPEED Technology will place the health and well-being of employees first. Under this precondition, we will prudently respond to industrial and market changes. We will strengthen our response capabilities and flexibility to ensure stable operations and provide customers with high-quality, stable services.

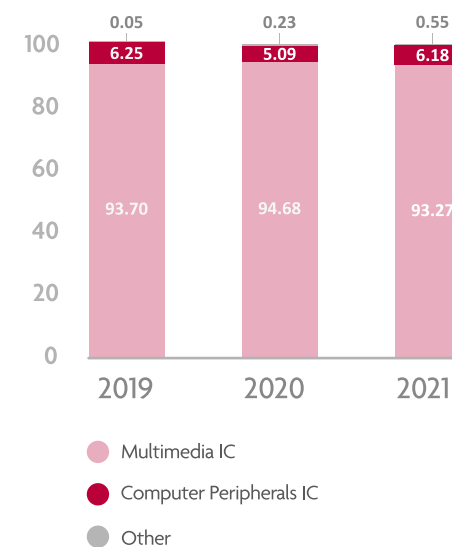
### Financial Performance (Unit: NTD100 million)



### EPS (Unit: NTD /share)

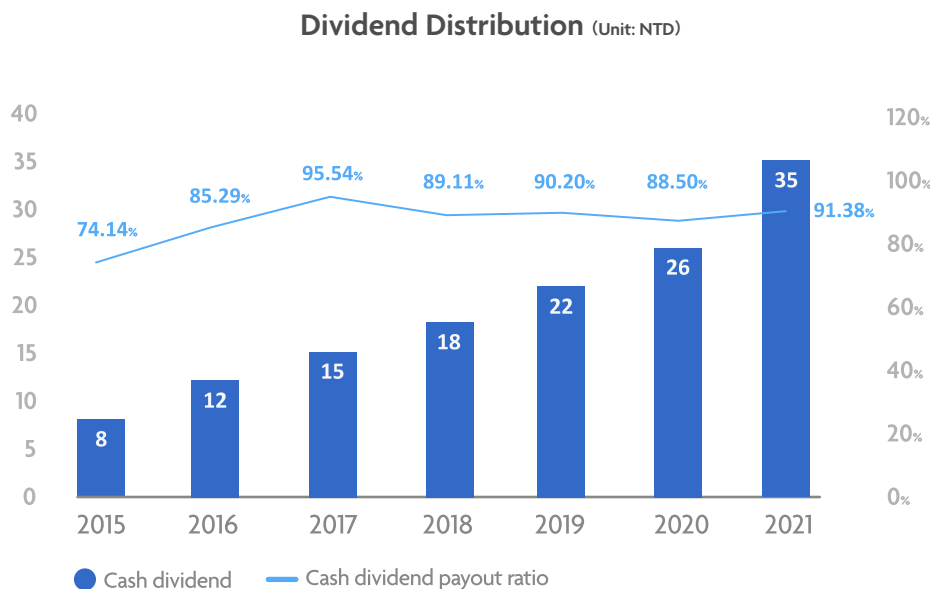


### Revenue Breakdown of Main Product Lines (Unit: %)



## Dividend Policy

ASPEED Technology's dividend policy is to allocate not 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. If the accumulated distributable earnings are less than 50% of the Company's paid-in capital, the dividend bonus shall not be distributed. Dividends are paid in cash or stock; the ratio of the cash dividend, however, shall be not less than 10% of total distribution.



## Corporate Strategy

### Product & Technology Deployment Strategy

#### Strengthening Core Technologies & Expanding Platform Synergies

ASPEED Baseboard Management Controller (BMC) SoC is advancing from product selling to platform building. In this manner, we will increase the variety of product applications, expand customer groups, and both stabilize and strengthen customer relations. Besides server applications, we are expanding BMC non-computing applications, including switches, storage equipment, and AI operations, and then increase total delivery volume to each customer, raising both the scope and depth of BMC products.

Our Non-BMC product lines focus on smart media application platforms and are advancing towards synergistic development. Our short-term strategy remains deeper penetration of existing markets, including video conference as well as the AVoIP IG market applications. Mid-term goals include combining PC/AV SoC and Cupola360 image stitching SoC for synergistic benefits. We will work towards building immersive applications with the ultimate goal of making diverse applications for the metaverse.

#### Sustainable Operations

ASPEED Technology's ongoing innovations will strengthen sustainable operations. As we maintain our operational profits, we will participate in society, solidify corporate governance, and protect the environment. We will seek sustainable, vigorous development in order to become both a contributor and a founder toward the movement to make technology sustainable and civilized.

#### Digital Transformation

We will systematically build digital operations and cloud-enabled remote offices while strengthening digital management of our supply chain and numeric analysis of our databases. These changes will create the greatest value for both ASPEED Technology and customers.

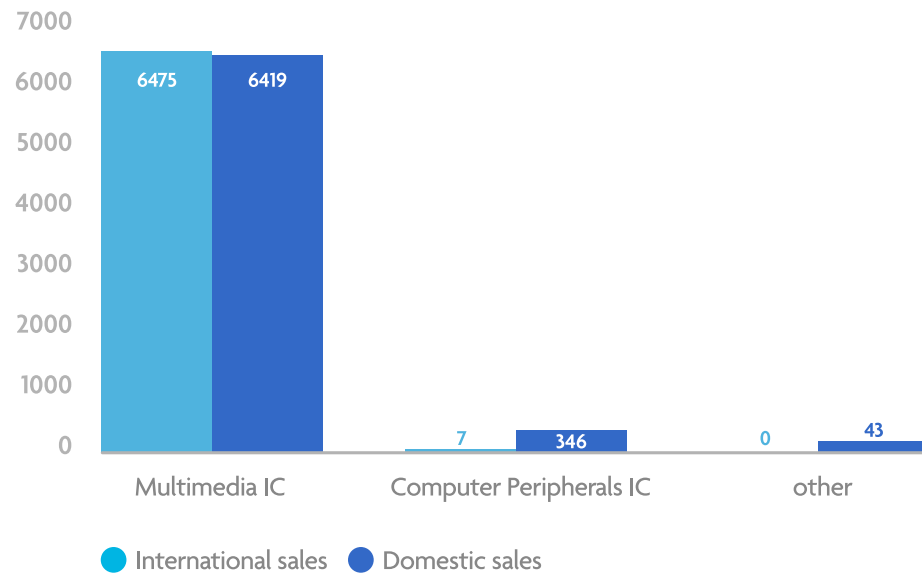
- Fully implement digital signatures, an electronic verification system, and a digitalized enterprise resource planning (ERP) system.
- Gradually build an information data platform, systematically integrate data and conduct database management analysis, conduct supply chain digitalization management and customer behavior model analysis.
- Use business intelligence (BI) and artificial intelligence (AI) tools for analysis that helps enterprises with operational management.

#### Sales & Marketing

- Develop new core technology applications while extending application scope; open new product lines and new customer sources to increase the market share of existing products.
- Strengthen business management and organizational systems, solidify sales and marketing management, build global technological cooperation and service networks.
- Cultivate professional marketing talents and strengthen customer relations in order to fully grasp product application market changes and development trends.
- Cooperate on developments and form strategic alliances with leading international factories in order to gradually expand international markets.

### Business & Operation Strategy

### 2021 Annual Sales of Main Products (Unit: thousand piece)





# Risk Management

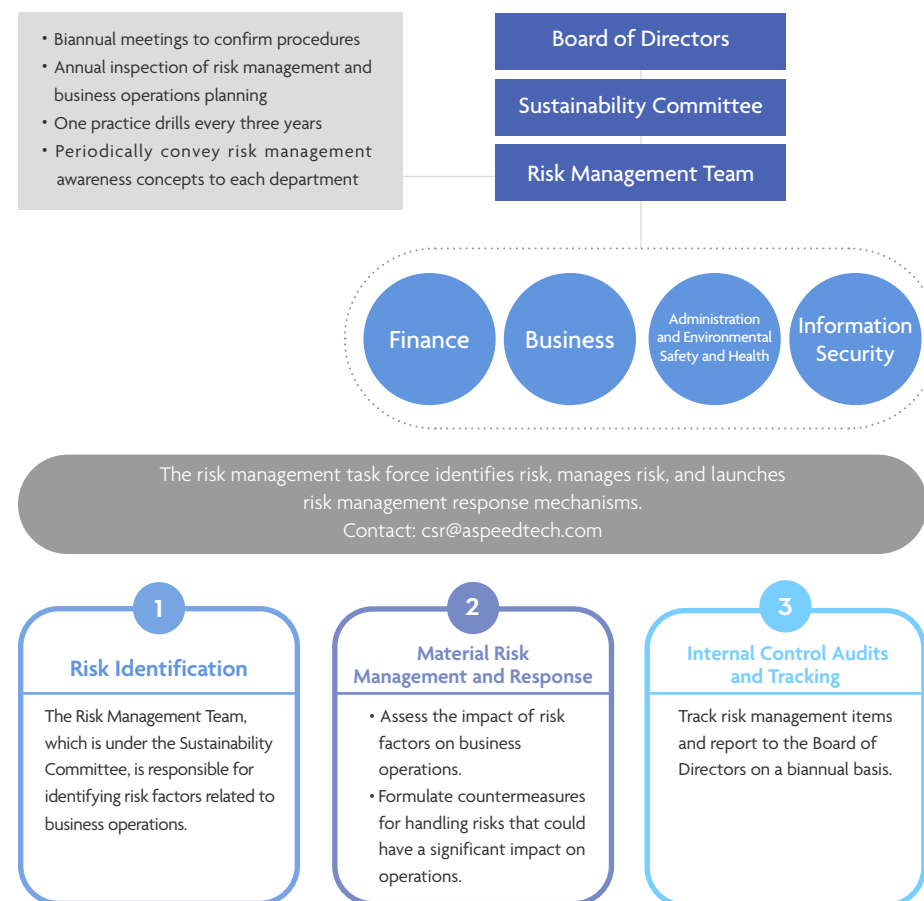
## Risk Management Policies

ASPEED Technology is a fabless IC design company. Having adopted a “fabless lite” operational model, our workforce primarily consists of R&D personnel, management and marketing staff, and administrators. We do not routinely engage in foundry production processes. Changes to the global economic environment and the potential internal and external operational impacts of sustainability risks underscore the importance of preventing problems before they emerge. Knowing how to avoid problems and respond to risk is critical. ASPEED Technology therefore formulated the Risk Management Policy, which uses corporate governance, environmental, and social topics as a foundation to identify risks that could have an impact on the Company’s sustainable development. The Company then crafts follow-up response strategies that are in line with primary areas of concern for our stakeholders as well as international trends.

## Material Risk Management and Responses

To respond to unpredictable risks that emerge during the course of business and to be on guard against the negative effects of internal and external environmental changes, ASPEED Technology established risk management units that are overseen by the Sustainability Committee, under the Board of Directors. After considering various business continuity standard requests and following internal evaluations, the risk management units implement control and management measures. The management framework primarily involves monitoring, analysis, and confirmation of risks by finance, business, administration, environment &

safety, and information security units. They then report on these risks to management and launch response mechanisms. Investor relations, media relations, and public relations staff communicate these issues externally at the appropriate time in order to ease any concerns of stakeholders. By identifying risks, managing organizational and operational risks, and formulating countermeasures, related staff members play a critical role in risk control. Also, after considering the potential impact of various risks on business continuity, the Company formulated the Business Continuity Plan. When a risk emerges or an unexpected event occurs, the plan minimizes the impact. Normal operations can then resume as quickly as possible, limiting any potential losses to customers’ rights and interests.



Risk Type	Risk Factor Explanation	Responsible Unit	Management Strategies
Market Risk	Impact of interest rate and foreign currency exchange rate changes on income and expenditures	• Finance unit	Long-term monitoring of international conditions and investment markets. Follow appropriate risk standards when evaluating investments and hedging interest and foreign exchange rates.
Operational Risk	<ul style="list-style-type: none"> <li>• R&amp;D investment to create competitive advantage</li> <li>• Protection of trade secret and intellectual property</li> <li>• The impact of R&amp;D brain drain</li> </ul>	<ul style="list-style-type: none"> <li>• Business unit</li> <li>• Administration and environment safety &amp; health unit</li> </ul>	<ul style="list-style-type: none"> <li>• Continue to invest in R&amp;D and innovation</li> <li>• Establish short-, mid-, and long-term plans for intellectual property and global development</li> <li>• Focus on employee benefits and the potential IC talent cultivation.</li> </ul>
	<ul style="list-style-type: none"> <li>• Supplier management</li> <li>• Product quality management</li> <li>• Purchase, sales, and inventory risks, including supply of goods, capacity, and lead time</li> <li>• Impact of supply chain disruptions</li> </ul>	• Business unit	<ul style="list-style-type: none"> <li>• Carefully evaluate manufacturers while periodically tracking and auditing suppliers to confirm smooth supplies, deliveries, and operations.</li> <li>• Only choose world class manufacturers and suppliers to ensure high quality products and lead times.</li> <li>• Establish a “wafer bank” stock replenishment model that ensures an uninterrupted supply of raw materials and a continuous inventory of our main products.</li> <li>• Periodically confirm our supplier.</li> <li>• Periodically confirm our supplier backup and return-to-work plans.</li> </ul>
	Information system abnormalities or disasters lead to system interruptions that harm the Company's operations	<ul style="list-style-type: none"> <li>• Information security unit</li> <li>• Administration and environment safety &amp; health unit</li> </ul>	<ul style="list-style-type: none"> <li>• Establish information security backup plans and periodically back up information.</li> <li>• Incorporate information security management and ISO 27001 certifications.</li> </ul>
Environmental Risk	Impact of climate change on various departments of the Company	• Risk management unit	<ul style="list-style-type: none"> <li>• In 2022, the Company plans to establish a climate change response unit and hold a cross-departmental climate change workshop to conduct related risk identification and discussion.</li> <li>• Discuss domestic and international climate change topics, trends, and laws, as well as carbon emissions.</li> <li>• Convene educational meetings on climate change risks and opportunities.</li> </ul>
	Accidents or natural disasters cause injuries or interrupt factory equipment, disrupting normal operations	• Administration and environment safety & health unit	Appoint a Class 1 manager of occupational safety and health affairs who regularly plans, promotes, and reviews advocacy and drills relating to occupational safety and health as well as environmental protection

## Risk Identification

ASPEED Technology carries out risk identification, analysis, evaluation, response, and tracking based on the Company's internal organization and core business as well as external environmental conditions. Scope covers corporate governance, environmental, and social aspects and other sustainable development areas. In 2021, five material risk factors we identified were: interest rate & exchange rate fluctuation, research and development and intellectual property protection, supply chain management, information security, and facility management & disaster response. In 2022, ASPEED Technology will add climate change to current risk identification procedures in order to facilitate climate change risk identification, management, and discussion. The Company will consider domestic and international climate change topics, trends, and laws, as well as carbon emissions. Meetings will be held to evaluate climate change risk education and opportunities. Gradually, all departments will contribute towards identifying ASPEED Technology's climate risks and opportunities.

## Interest Rate & Exchange Rate Fluctuation

ASPEED Technology mainly operates on Company funds and only has a low amount of bank loans, so interest expenses are limited. Furthermore, the Company generally keeps operating capital in short-term time deposits, so interest revenue is not high. In the future, the Company will continue to monitor changes in the economic environments of Taiwan and overseas then take necessary measures in a timely manner to avoid the risk of rising interest rates.

The Company's transactions are mainly calculated in USD, so changes in the NTD/USD exchange rate have certain impact on profit and loss. Exchange gains (losses) accounted for (2.01%) and (1.47%) of net operating income in 2020 and 2021, respectively, showing that changes in exchange rates did not have a material effect on profit and loss. The Company closely follows exchange rate fluctuations and establishes specific hedging measures. Related response mechanisms are as follows:

- 1.Utilization of the natural hedging effect from procurements and sales both denominated in foreign currency.
- 2.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 making timely currency exchanges.

3. Depending on the position of foreign currency, hedging is carried out in accordance with the Operating Procedures for Asset Acquisition or Disposal when necessary.

## Research and Development and Intellectual Property Protection

The underlying factors for profiting are Research and Development and Intellectual Property Protection. Thus, ASPEED Technology sets mid and long-term goals and management measurements. More information available at the section titled "Intellectual property rights protection and deployment " Besides, employees are the most important assets for the development of a company and thus ASPEED Technology focuses on employee benefits and the potential IC talent cultivation. For more information, see the section titled "Social Prosperity".

## Supply Chain Risk Management

As a fabless IC design company, ASPEED Technology must guarantee that commissioned manufacturers are quality driven and effectively manage their lead times. Guaranteeing upstream and downstream deliveries and capacity is a critical part of supply chain management and needed to prevent supply disruptions that could affect the Company's operations. It is the most important aspect of ASPEED Technology's supply chain risk management. For more information, see the section titled "Sustainable Supply Chain Management" And "Product Quality and Customer Service." For information related to COVID-19 respond management, see the section titled "Pandemic Impact and Response Measures".

## Information Security Risk Management

ASPEED Technology formulated the Information System Disaster Recovery Plan to prevent information system abnormalities and disasters while having a protocol in place if such a situation does occur. Information security management at ASPEED Technology includes close monitoring of information security risk factors that could lead to system abnormalities or disasters. The Company established operating procedures for administrative management of information as well as software/hardware management to reduce information security risks in our network, protect personal information and customer privacy, and uphold the

rights and interests of stakeholders. At the same time, to prevent a disaster from causing system disruptions that affect operations, the Company has an information backup plan that includes local and remote storage as well as regular data backup. Details are described in the "Information Security" section of this report.

## Climate Change Risk Management

The Board of Directors is the highest unit at ASPEED Technology for providing climate change guidance and oversight. The Board oversees the Sustainability Committee, which conducts biannual reports to help Board members fully understand the Company's climate change-related responses and actions. Also, the Sustainability Committee's risk management unit regularly convenes meetings and conducts comprehensive reviews of the Company's overall risk response. Considering the increasing importance of climate change risks towards operations, in 2022 ASPEED Technology plans to identify climate change risks and opportunities in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) framework. Implementing TCFD will also provide comprehensive climate change risk management processes that will support more effective, proactive disclosures of climate-related risks and opportunities, financial impacts, and operational strategies. In the future, the Board will still directly oversee this cross-departmental risk management task force. The Sustainability Committee, meanwhile, will provide guidance and support task force operations. Related departments will join regular climate risk discussions and evaluate data gathering. Implementation status will be reported biannually to the Board, and the Audit Committee will be responsible for providing oversight and guidance.

## Other Facility Management & Disaster Response Risk Management

ASPEED Technology's headquarters is located in the TFC One building in Hsinchu. Since the Company has offices but no factory, our main environmental risks relate to accidents or natural disasters that could cause human injuries or facility disruptions that interfere with normal operations. The administration and environmental safety & health unit is responsible for planning facility management & disaster responses. A class 1 manager of occupational safety and health is appointed to regularly plan, implement, and review related advocacy and drills. Periodic occupational safety and health training together with emergency response drills prepare employees for emergencies so they can report and handle incident in accordance

with operating procedures then quickly resume work. While keeping employees safe and healthy, we minimize disaster-related damages and build a strong, resilient company. For more information on occupational safety and health, see the "Employee Care" section of this report. Details about the impact of COVID-19 to ASPEED Technology's disaster Response are describes in "Pandemic Impact and Response Measures" section of this report.



### The scope of disaster and emergency response procedures includes the following 10 items



1 Typhoons



2 Elevator emergencies



3 Suspected explosive devices



4 Public protests that cause disruptions



5 Vehicular collisions that cause damage to public areas



6 Crime incidents



7 Water leaks



8 Fires



9 Power outages



10 Earthquakes



## Internal Control Audits and Tracking

ASPEED Technology weighs risks against the Company's overall objectives in order to formulate operational level goals then uses the risk design control points of each goal as a basis of internal control procedures. The Company also formulates annual internal control audit plans that are implemented and reviewed following approval by the Audit Committee and the Board of Directors. In 2021, the Company discovered three internal control deficiencies that were corrected. No other major issues were detected.



Audit Items	Deficiencies and Abnormalities	Improvements and Tracking
<b>Management procedures for the Board of Directors</b>	According to Article 6 of the “Regulations Governing Procedure for Board of Directors Meetings of Public Companies” and Article 10 of the Company’s “Rules of Procedures for Meetings of the Board of Directors,” agenda items for regular Board of Directors meetings shall include minutes of the last meeting and actions arising. Inspection of the agenda items for regular Board of Directors meetings showed that the agenda items did not include minutes of the last meeting and actions arising, in violation of regulations.	Inspection of the agenda items for the 2021/11/08 regular Board meeting showed that the agenda items included minutes of the last meeting and actions arising. The agenda working group made improvements in accordance with regulations.
<b>Management procedures for the Remuneration Committee</b>	Inspection of the Remuneration Committee meeting minutes showed that the minutes did not bear the signature or seal of either the meeting chair or the minutes taker, in violation of Article 10 of the “Regulations Governing the Appointment and Exercise of Powers by the Remuneration Committee of a Company Whose Stock Is Listed on the Taiwan Stock Exchange or the Taipei Exchange” and Article 11 of the Company’s “Remuneration Committee Charter.”	Inspection of the meeting minutes for the 2021/11/08 Remuneration Committee meeting showed that the minutes contained the signature and seal of both the meeting chair and the minutes taker. The agenda working group made improvements in accordance with regulations.
<b>Management procedures for the Audit Committee</b>	Inspection of the Audit Committee meeting minutes showed that the minutes were produced and distributed to independent directors in accordance with regulations; the minutes did not bear the signature or seal of either the meeting chair or the minutes taker, however, in violation of Article 10 of the “Regulations Governing the Exercise of Powers by Audit Committees of Public Companies” and Article 9 of the Company’s “Audit Committee Charter.”	Inspection of the meeting minutes for the 2021/11/08 Audit Committee meeting showed that the minutes contained the signature and seal of both the meeting chair and the minutes taker. The agenda working group made improvements in accordance with regulations.

## Information Security

### Information Security and Data Protection

As part of a commitment to managing information security, ASPEED Technology designated operating procedures for administrative management of information and operating procedures for software/hardware management. Since 2021, the Company has gradually adjusted these procedures based on current needs. Following adjustments and integration, the procedures became the Information Security Policy and 23 information security-related standards. These standards manage and protect the Company's information security and reduce information security risks in our network, in order to protect personal information and customer privacy, and uphold the rights and interests of stakeholders. At the same time, the Company actively publicizes information security measures to raise awareness among employees.

For internal management, ASPEED Technology established a comprehensive internet and computing security network to maintain vital corporate functions, such as manufacturing operations, procurement and sales, and accounting. The Company periodically reviews and assesses cybersecurity architecture to ensure adequacy and effectiveness. Besides enhancing efficiency and backing up important information stored in our databases, in an evolving landscape of internet security threats, the Company must protect computer systems to prevent external network attacks that can cripple our systems. These measures prevent theft or hacking attacks on our trade secrets, intellectual property, and confidential information. For external suppliers and cooperative partners, ASPEED Technology achieves mutual assurance of information confidentiality

by periodically confirming that suppliers have comprehensive information security management and backup plans in place. Furthermore, ASPEED Technology protects confidentiality by requiring 100% of employees to sign a nondisclosure agreement, and use the software legally. For some projects and cases cooperative partners must also sign an NDA to guarantee that each parties' information is protected.

In 2021, ASPEED Technology was not aware of any material information security incidents or cyberattacks, nor had it been involved in any legal proceedings or regulatory investigations related thereof. The audit and assurance firm Deloitte conducted an information operations audit on the Company in 2021 that covered the following areas: understanding the customer's computer processing environment, general computer controls, and application system automated controls. It did not uncover any problems. To further strengthen risk management, ASPEED Technology introduced an ISO 27001 Information Security Management plan in June 2021. The plan will strengthen internal information security defenses and raise information security awareness among employees. Certification is expected to be completed in May 2022. At the end of September 2021, the Company completed integration of Cortex XDR 2.0 to prevent hacking, virus, and extortion attacks.

### ASPEED Technology's Information Security Policy and Goals

For business to proceed smoothly and to ensure confidentiality, integrity, and availability, ASPEED Technology formulated an information security policy that all employees must follow.



## Information Security Management Methods

To evaluate whether information security management goals are met, ASPEED Technology adopted the following management methods:

### Information Security Policy

- Strengthen information security management systems and acquire third party certification.
- Strengthen information security and prevent hacker, virus, and extortion attacks.
- Implement an information and data backup plan that involves local and remote storage.
- Effective management of information assets, including continuing to implement risk analysis and adopting suitable prevention measures.
- Protect information systems to prevent unauthorized access and maintain confidentiality.
- Prevent unauthorized changes to protect the integrity of the information system.
- Ensure that authorized users can access information systems when needed.
- Adhere to all information rules and regulations.
- Establish disaster recovery plans for core information systems so that operations can continue after a manmade or natural disaster.
- Strengthen information security education and training to raise employee information security awareness.
- Establish information security management and advocacy programs for suppliers.
- Conduct audits and manage the review process to ensure continued improvements to information security management systems.

### Quantitative Indicators

- To ensure information is secure, information can only be accessed after an authorized unit grants permission and confirms its confidentiality status. Each year there shall be zero cases of restricted or confidential information leaks.
- To ensure accuracy and integrity of customers' products and data, each year there shall be zero cases of unauthorized information alterations.
- To ensure continuity of the Company's information operations and services, drills and operations to safeguard continuity plans are conducted at least once a year.
- To investigate how information security incidents can cause system, processor, or network abnormalities that interrupt operations and services, the Company's information services availability must meet the following requirements:
  1. Basic operational service time shall be at least 99% of annual working hours.
  2. Interruption of key services shall not be more than three times per quarter; each interruption shall not be more than four working hours.
- To ensure that the Company's information security measures and regulations meet current laws, regulations, and contractual requirements, each year the Company shall conduct at least one internal audit.

### Qualitative Indicators

- Regularly review the authority of the Company's information security organization staff to ensure the implementation of related duties.
- Provide information security training that is suited to employees' position and responsibilities.
- Strengthen the Company's environmental safety; adopt suitable protection and authority control measures.
- Ensure that information is not inadvertently leaked or sent to unauthorized third parties.
- Strengthen access controls to prevent unauthorized access and ensure that the Company's information has an appropriate level of protection.
- Consider security needs when conducting routine monitoring of information systems and safety management of system vulnerabilities.
- Confirm that all information security incidents and security vulnerabilities are reported to management via appropriate channels and that suitable investigation and treatment follows.

Since 2020, the risk management unit has conducted annual reviews of the Company's information security policies. To support ISO 27001 information security certification, the Company made plans to change irregular information security education and training into biannual events that further strengthen information security awareness. The aim is for ASPEED Technology's information security management to provide a more secure environment for employees, customers, suppliers, and cooperative partners.

#### 23 Standards

Completed documentation for 23 information security-related standards

#### One Time

Each year the Company holds at least one information security management review meeting

#### Two Times

Each year the Company holds at least two information security education and training meetings

#### 192 Hours

Information security education and training class hours completed  
(two-hour online class completed by 96 employees)

#### 50 Hours

A total of 25 employees completed an information security management system document-based class (two hours per employee)

## Information Security Disaster Response Plan

To prevent natural abnormal occurrences or manmade disasters from affecting information security and disrupting operations, ASPEED Technology formulated the Information Security Disaster Response Plan. By following the plan, analyzing risks, analyzing impacts on operations, and developing recovery strategies, when the Company faces information security disasters, interruptions to key operations will be minimized. These measures will prepare the Company for potential problems and achieve sustainable operations. Besides periodically backing up data, ASPEED Technology established a remote backup plan that includes periodic system and information backups between the data centers at the Company's Hsinchu headquarters and Taipei office. If there is a minor information security breach or damage to

the ERP system hardware, restoration is completed within 12 hours and a remote backup of the data is available. If an unavoidable disaster occurs which causes severe damage to a data center or ERP system hardware or software, or leads to loss of data, the Company shall conduct equipment repairs and replacement within 24 hours and prepare the remote data backup.

To accommodate data backup and work from home policies during the pandemic period, information security staff conducted internal inventories and upgraded equipment. They created information security defense mechanisms that backed up information systems and guarded confidential data. Advances included stronger VPN security, universal two-factor authentication, and one-time passwords. Drills showed the resilience of information security protections even when employees work from home.



<b>Plan</b>	<b>Information Security Disaster Response Plan</b>	
<b>Recovery Procedure</b>	Local recovery	Remote recovery
<b>Location</b>	Hsinchu headquarters data center	Taipei office data center
<b>Time</b>	Within 12 hours	Within 24 hours
<b>Scope</b>	If an unavoidable natural disaster or other situation causes minor damage to the ERP hardware or data loss, these operating procedures are used to complete local recovery and remote backup.	If an unavoidable natural disaster or other situation causes significant damage to the data center or the ERP hardware or software, or if it leads to data loss and recovery is not possible within 24 hours, these operating procedures are used to complete remote backup.
<b>Response Measures</b>	If there is minor damage to the hardware, backup items are used to make repairs when available. For further damage the emergency repair system is used to acquire additional needed parts for fast repairs.	Launch the Taipei data center main backup and database recovery system. Use these to restore the damaged system to its original state after repairs on the data center and equipment are completed.



# Intellectual Property Rights Protection and Deployment

## Intellectual Property Rights Protection and Deployment

ASPEED Technology deeply values intellectual property rights, patent acquisition, and patent protection for critical technologies. In 2016, the Company acquired Broadcom's Emulex Pilot™ business and related assets, in order to expand the scope of our BMC patents and techniques. ASPEED Technology's patent strategy is to focus on both core technology development and high-quality products, in order to continue to raise patent quality and quantity. As business operations become more globalized, intellectual property rights protection has become a key aspect of global trade arrangements and a critical part of the Company's sustainable development. Since establishment in 2004, the Company has made significant efforts towards acquiring and protecting patents, in part by routinely encouraging research teams to pursue key patents. In the future, ASPEED Technology will improve the ability of SoC

software and hardware researchers to acquire patents and intellectual property. The Company will significantly increase intellectual property deployment of chips, which will enhance enterprise value and internationalization. These efforts will be supplemented by internal evaluation processes and a rewards system, to encourage employees to engage in innovative R&D.

By 2021, ASPEED Technology had acquired 49 patents, consisting of 25 patents in Taiwan, 19 in the United States, and an additional five from Broadcom's Emulex Pilot™ business. In 2021, the Company achieved its patent acquisition and application targets, including having acquired four new Taiwan patents. The Company currently has nine patent applications underway in Taiwan, six applications in the United States, and it added a new application country, China, where it has nine applications. In the future, the Company will increase patent applications to include more main markets and countries, in order to cover primary production locations and part of our sales regions. Our patent applications cover a wide range of technologies found in core products, including seamless stitching and rotating of panoramic images as well as core technologies for image displays and tracking in wide-angle/panoramic image meeting systems. The Company plans to build an intellectual patent portfolio management for new products to enhance overall protection. In 2021, the Company built an internal trade secret protection system that will be ready to go online in 2022 to offer greater protection to intangible, critical trade secrets.





Considering the importance of intellectual property deployment and patent protection to the future technological development of ASPEED Technology, in 2021 the Company established the Legal Management Division. The division is responsible for evaluating patent application feasibility, applying for both domestic and international patents, and formulating plans for an intellectual patent portfolio management and a trade secret system. Contributions from the division enabled the Company to increase its current patent applications to 24 in 2021. In the future, the Company will continue to increase the number of patent applications and long-term intellectual property deployment.

#### Mid- and Long-Term Objectives of ASPEED Technology's Intellectual Property Planning:

1. Build an intellectual patent portfolio management and development processes for new products to ensure that the Company's technology is completely protected.
2. Design diverse mechanisms for encouraging innovation supplemented by evaluation processes with ranked reviews to encourage employees to propose invention applications.
3. Build connections between the registration and management systems for our patent proposals and trade secrets, in order to ensure that all intangible, critical secrets are recorded in a centralized management system that provides better protection.
4. Increase patent applications and the countries where we apply for patents each year in order to expand intellectual property rights protection and global deployment.

### Intellectual Patent Portfolio Management and Development Processes for New Products

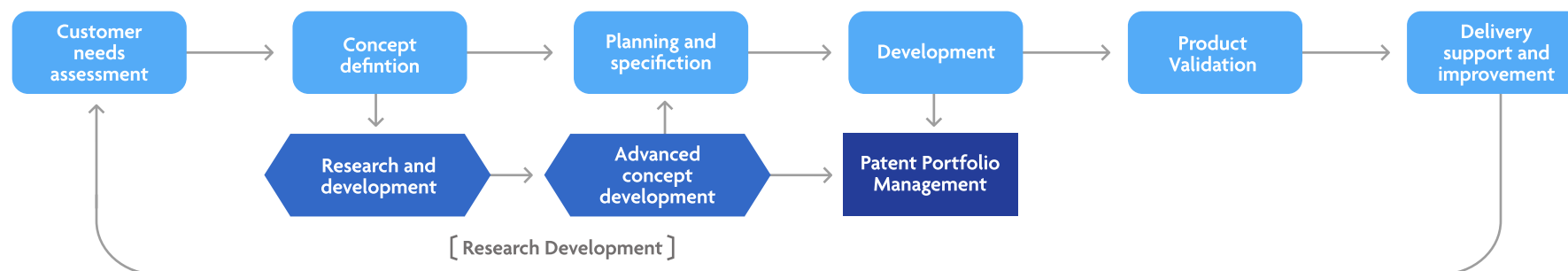
1. When developing new products, integrate management processes for Patent Portfolio Management.
2. Systematically examine differences between new and old products to determine the feasibility and potential value of applying for patents.
3. Examine inventions that were not added to new products to determine the feasibility and potential value of applying for patents.

Key achievement	2019	2020	2021	2022 Objectives
Patent application	3	5	24	<ul style="list-style-type: none"> <li>• Each year increase the number of patent applications and patent countries.</li> <li>• Strengthen intellectual property deployment and plan a trade secret protection system.</li> <li>• Build an intellectual patent portfolio management for new products.</li> </ul>
Patent acquisition	3	3	4	



## Patent Portfolio Management

[ Product Development ]



To encourage employees to apply for patents, ASPEED Technology established a patent application award mechanism. In 2021, the Company increased awards for proposals from NTD1,000 to NTD3,000, and raised maximum awards for applications to different countries from NTD5,000 to NTD10,000.

Reward name	Proposal Reward	Application Reward	Approval Reward	Trade Secret Reward	Patent Risk Proposal Reward	Special Project Reward
Reward Approval Stage	Submit a "patent proposal application" to the committee	Complete a patent application with the Intellectual Property Office or the competent authorities	Complete the review process and obtain a patent from the patent authority of the nation or nations where the application is submitted	Passed by the committee and approved by the Company president as a trade secret	Established by ruling of the competent authority	The proposal is used by the Company and leads to significant benefits; distribution of the reward is approved by the Company president
Reward	NTD 3,000	<b>Taiwan/China</b> NTD 5,000  <b>U.S.A/ Others</b> NTD 5,000 (Award up to NTD10,000)	The committee shall decide the level of contribution that is used to determine the reward amount:  <b>Taiwan/China</b> <b>Level I</b> NTD 40,000 <b>Level II</b> NTD 30,000 <b>Level III</b> NTD 20,000  <b>U.S.A/ Others</b> <b>Level I</b> NTD 50,000 <b>Level II</b> NTD 40,000 <b>Level III</b> NTD 30,000	The committee shall decide the level of contribution that is used to determine the reward amount:  <b>Level I</b> NTD 20,000 <b>Level II</b> NTD 15,000 <b>Level III</b> NTD 10,000 <b>Level IV</b> NTD 5,000	The committee shall decide the level of contribution that is used to determine the reward amount:  <b>Level I</b> NTD 30,000 <b>Level II</b> NTD 20,000 <b>Level III</b> NTD 10,000	Decision made by the Company president

## Product Quality and Customer Service

### Product Quality Management

Quality Policy
<ul style="list-style-type: none"> <li>• Product Innovation</li> <li>• Attention to Quality</li> <li>• Customer Confidence</li> </ul>
2021 Results
<ul style="list-style-type: none"> <li>• No major quality issues</li> <li>• No discrepancy between the order and delivered quantity</li> <li>• No errors on the delivery documents</li> <li>• 70% of customer surveys were returned. The customer satisfaction rate was 94.29%, and the Company provided timely responses to customer opinions and recommendations.</li> </ul>

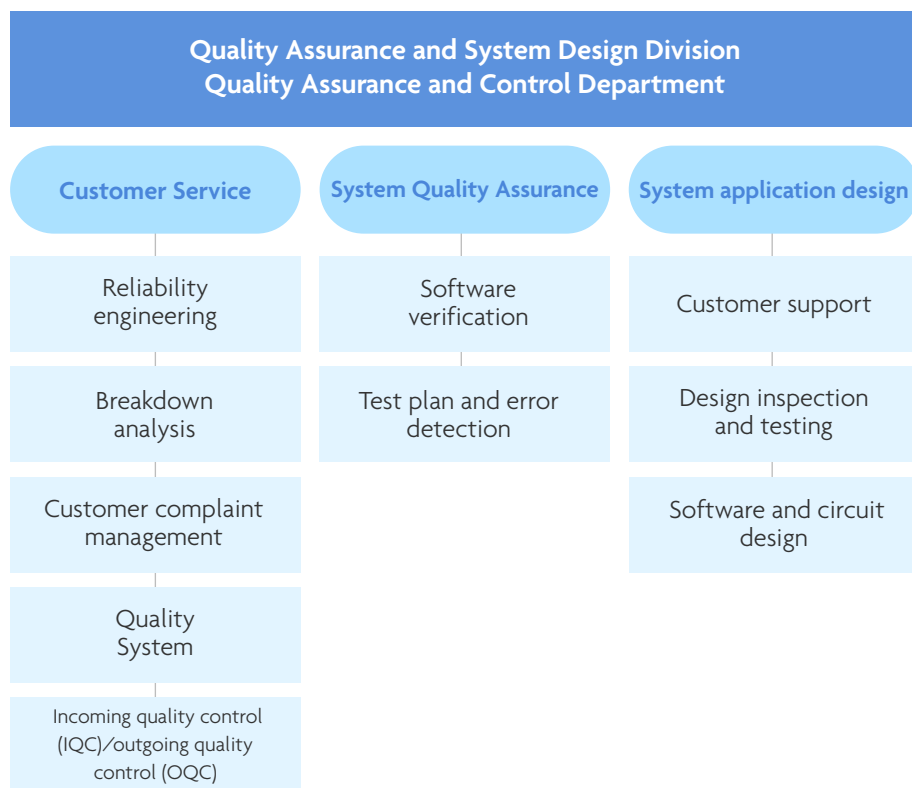
In order to provide customers with high-quality products and services, ASPEED Technology adopted ISO 9001 Quality Management Systems standards and passed ISO 9001:2015 certification. Under ISO 9001, the Company continues to improve, with revisions, additions, or deletions made at any time based on customer needs, international circumstances, or legal rules and regulations. In 2021, based on the European Union's REACH regulation, the Company closely monitored Substances of Very High Concern (SVHC) regulations to adjust internal requirements for green products. In 2021, the Company's products all met standards. The Company also integrated an ERP computer operations system that digitally organizes all corporate operations from receiving orders to production, including raw materials

procurement, deliveries and inventory, quality control, and finance management. The system provides fast, accurate data and analysis for management of each department to use as a timely reference.

ASPEED Technology follows the Plan-Do-Check-Act model when conducting quality control. Nonconformity management procedures provide comprehensive methods for handling defective products found through internal testing by suppliers or the Company as well as customer returns and claims.

- **Supplier Quality Abnormality:** When quality control staff discover a nonconformity with a suppliers' product they record the problem on the supplier defective product report then handle it with the supplier.
- **Abnormality Detected During Internal Testing:** When quality control staff discover a nonconformity during IQC, they record it on the internal testing abnormality report then begin management and communication procedures.
- **Response to Customer Returns and Claims:** If a salesperson or quality control staff receive a return or claim, he or she must complete an online claim management form that describes the situation to relevant departments while requesting that the departments begin improvement procedures. If the customer is not satisfied by the improvements, the departments shall follow through with additional improvements until the customer is satisfied. The departments shall also follow up with the customer to ensure that the improvements are conducted effectively.





## Customer Service Management

Besides providing excellent quality products, ASPEED Technology maintains close communications with customers so that we understand their needs and are always prepared to fulfill them. This approach is the best type of customer service. The Company's business units provide specialized services that are designed to support all types of customers. One of our distinct advances is including R&D engineers in our communications system, so that field application engineers do not need to act as bridges. When customers have a product design problem, they can quickly receive a direct response from R&D staff, and R&D staff benefit from getting direct feedback from customers. This model creates close cooperation between

business units, R&D engineers, and customers. We believe that providing prompt assistance to customers is critical. Moreover, the communications process helps R&D engineers to gain a better understanding of market needs and receive customer feedback. For these reasons, in annual customer satisfaction surveys the Company gets high scores for speed, clarity, and effectiveness when responding to problems. We also established a customer service management unit and a quality control unit, which support product sales and solve after-sales problems. Each of these units contributes towards guaranteeing quality at every stage from production to delivery while maintaining open communications channels with customers.



ASPEED Technology places great importance on customer satisfaction. At the end of each year, sales staff are responsible for managing an online customer satisfaction survey. For a more precise understanding of customers' expectations and opinions, in 2021 the Company adjusted customer satisfaction survey objectives:

- **Maintain a customer satisfaction rate of over 90%**
- **Achieve an average return rate of over 70% for customer satisfaction surveys**
- **Achieve a return rate of 100% for key customer surveys**

In 2021, a total of 250 surveys were delivered to customers and potential customers in both Taiwan and abroad. 175 of the surveys were returned, for a return rate of 70%. The satisfaction rate was 94.29%. On 165 of the returned surveys customers said they were satisfied with the Company's performance, on eight of the returned surveys customers said the Company's performance was "ok," and on the remaining two surveys customers said they were dissatisfied. Sales staff investigated and compiled opinions from the 10 customers that said the Company's performance was only "ok" or unsatisfactory then arranged for meetings with quality control and R&D units in order to quickly respond to and solve all problems our customers faced. All customer needs received a quick solution and response.

To respond more actively to green products, human rights, environmental protection and other related issues in the semiconductor supply chain, in 2021 ASPEED Technology signed 100% of sustainability-related supplier pledges requested by customers and responded to 16 sustainability-related surveys. Each year the Company participates in the Carbon Disclosure Project, as requested by customers, as well as water surveys and the Responsible Business Alliance.

Customer Satisfaction and Opinions or Complaints	Explanation
<b>Satisfaction Survey: Distribution of Online Questionnaires</b>	<p>In 2021, the overall satisfaction rate was 94.29%. Timely handling of all customer opinions and doubts included the following:</p> <ol style="list-style-type: none"> <li>1. Conducted calls, visits, or teleconference meetings with domestic customers. When necessary, the Company arranged for engineering or R&amp;D staff to provide assistance.</li> <li>2. Used email or online meetings to communicate with foreign customers. When necessary, the Company arranged for engineering or R&amp;D staff to provide assistance.</li> </ol>
<b>Complaints Made Via the Corporate Website</b>	<p>Customers can write to sales@aspeedtech.com to engage in timely communication with the Company and to express opinions. In 2021, most communication via this email address, which is found on the Company's website, involved price inquiries from potential customers or opinions expressed by non-customers. The Company quickly responded to each email.</p>
<b>Complaints Made Via Phone</b>	<p>In 2021, the Company did not receive any complaints or opinions by telephone.</p>



## Sustainable Supply Chain Management

### Supplier Management Policy

As a fabless IC design company, ASPEED Technology deeply values supply chain partners. We therefore established management policies covering all of our suppliers. In recent years, the Company gradually made sustainable management a factor in supplier management. In this way, as we grow with our suppliers, we can also demonstrate a commitment to society, governance, and the environment. Each year, the Company conducts supplier audits. In 2021, new items added to the audit included environmental, human rights protection, and anti-conflict mineral pledges, with related information published on the corporate website. Key suppliers are also requested to sign ASPEED Technology's corporate social responsibility pledge.

### Supplier Management and Evaluation Process

The General Administration Department convenes quality assurance and product development units to form an evaluation team, which conducts an onsite evaluation of the supplier based on items contained in the supplier initial evaluation form. Suppliers who score at least 75 points are registered as qualified suppliers. When an onsite evaluation is not possible, or for international suppliers, the supplier can conduct a self-evaluation. The evaluation team reviews the results to determine whether the supplier should be approved.

ASPEED Technology's suppliers can be divided into two main categories: critical suppliers and general business suppliers. Critical suppliers provide main raw materials, production, and testing. Considering the importance of this group towards the Company's operations, we only

choose world-class manufacturers and suppliers and confirm that they meet our standards for social responsibility, green environmental protection, occupational safety and health, labor rights, and human rights. They must follow the Code of Conduct Responsible Business Alliance (RBA), and priority shall be given to suppliers that pass ISO 9001, ISO 14001, or ISO 45001 certification. In addition, the Company requests that suppliers produce and publicly release annual sustainable management reports to support audits and assessments. The Company also monitors to see whether the suppliers have any incidents that cause reputational damage or face any fines from international customers. ASPEED Technology has gradually started to ask suppliers to sign corporate social responsibility pledges. In 2021, 60% of key suppliers signed, and in future years the Company aims to increase this response rate.

### Supplier Management of ASPEED Technology

Evaluation of New Supplier		Annual Supplier Audit		Supplier Data Management			
Suppliers	Critical	Components of Evaluation QDCS	QDCS	Method	Written Audit	Results	Management of Qualified Suppliers
			Governance				
			Environment	Onsite Audit		Improvement Plans for Unqualified Suppliers	
	General		Society				

### Supplier Audit Management

ASPEED Technology conducts annual onsite or written supplier assessments. Suppliers must score at least 75 points to pass; those who fail must make improvements within a limited time period then apply for reassessment. If a supplier fails reassessment it no longer qualifies to be a supplier of the Company. The assessment process includes quality control, design procedures and management, document records, storage, and inspections, as well as green product management and ESG. If a serious quality problem occurs with an approved supplier, ASPEED Technology increases the proportion of sampling tests in accordance with the inspection and testing management procedures. Rigorous reviews continue until improvements are completed. If following guidance, a supplier is still unable to make expected improvements the supplier

loses its supplier qualification. In 2021, the Company completed assessments on six suppliers, including annual assessments of five critical suppliers and an assessment of one new supplier. All six passed. ASPEED Technology supported the Company's green pledge, human rights protection, and conflict-free minerals policy by issuing a public statement on the corporate website proclaiming that the Company and the Company's suppliers shall uphold their social and environmental protection responsibilities. They shall not accept minerals from conflict zones or illegal mines. The Company required that all suppliers commit to implementing these measures.

## Declaration of Minerals Conflict-Free

To manage the Company's conflict-free minerals policy, ASPEED Technology supports the "responsible minerals procurement" position. ASPEED Technology shares the Company's conflict-free minerals policy with suppliers and insists on full compliance. Each year the Company examines suppliers' Conflict Minerals Reporting Template (CMRT). Suppliers must identify their smelting source. All of their purchases must be made from conflict-free and qualified mineral suppliers, and they shall faithfully disclose their conflict minerals information. Compliance is included in annual supplier evaluations, which enables us to implement our conflict-free procurement program. Suppliers shall also sign ASPEED Technology's corporate social responsibility pledge and confirm that they will adhere to its conflict-free minerals policy. In the event that we discover that products or raw materials from suppliers contain conflict minerals from non-qualified sources, we take the necessary measures to stop use. ASPEED Technology issued a public declaration of support for responsible minerals procurement on the Company's corporate website and seeks to fully implement this social responsibility. In 2021, there were not any incidents of the Company's suppliers using conflict minerals.

## RBA Code of Conduct

To comply with the Responsible Business Alliance - RBA Code of Conduct, ASPEED Technology is committed to ensuring that working conditions at the Company and in the Company's supply chain are safe; that workers have a safe and healthy work environment and are treated with respect and dignity; and that business operations are environmentally responsible and conducted ethically.

## Supplier Risk Management

ASPEED Technology is a fabless IC design company that manufactures all products through turnkey service providers. The providers' process technologies, quality, yield, capacity, and delivery time are key factors to whether a product is successful. Therefore, when deciding on the turnkey service provider, besides considering the completeness of its silicon IP, its use of ISO certified suppliers, and its APR technical capabilities, which foundry, assembly house and testing house it is in a strategic alliance with is even more important.

ASPEED Technology built long-standing and stable partnerships with members of the Company's upstream and downstream supply chain. The Company cooperated with foundry partners (turnkey service providers) on building a wafer bank, with the aim of maintaining a four-to-six-month inventory to ensure that there are no supply disruptions. For product assembly and testing, the Company's turnkey service providers sign capacity guarantee agreements with first rate domestic assembly firms on the Company's behalf. Orders are distributed to multiple suppliers to reduce risk. Due to the impact of the COVID-19 pandemic, many enterprises have been unable to meet their delivery lead times. ASPEED Technology, on the other hand, has relied on close partnerships with suppliers to uphold the quality and smooth delivery of products, without facing any severe impact caused by overall economic conditions. In addition, considering the potential for natural disasters and other unavoidable situations such as earthquakes, typhoons, or fires, the Company joined with turnkey service providers in building reporting channels that can be used to immediately obtain related information about suppliers' condition, in order to quickly understand when work can resume and respond by transferring orders if needed. The Company conducts follow-up tracking until the situation is resolved and normal production resumes.



See the corporate website for information on ASPEED Technology's green pledge



## Environmental Protection

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# 05

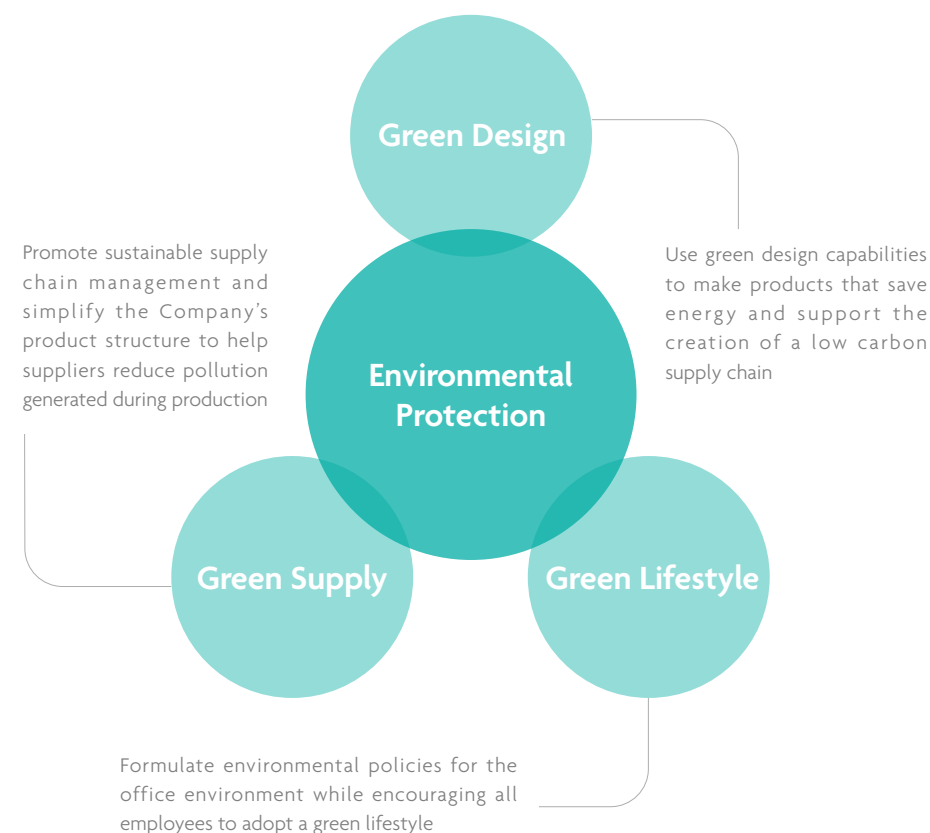
## Environmental Management

As a fabless IC design company, ASPEED Technology believes that the greatest contribution we can make to environmental protection is to use our core capabilities of IC R&D and design to make products that use less energy and produce less carbon. In this way, we can contribute towards a low carbon semiconductor supply chain. At the same time, we integrate green concepts into our supplier management, so that we can minimize the relatively high environmental impact of backend manufacturing. Internally, we focus on strengthening energy saving and carbon reduction awareness among employees. We actively respond to environmental and emissions topics, and we adopt third-party GHG inspections and certification as part of our focus on green design, green supply, and green lifestyle. In this way we can contribute to making the environment better.

### Environmental Management

Since passing ISO 14001 environmental management systems certification in 2017, each year ASPEED Technology has systematically managed the Company's internal environmental protection system. The Company built a routine environmental management system and established procedures for making improvements. In addition, the Corporate Sustainability Committee meets biannually. The committee examines environmental protection trends and regulations, and fully implements the Company's environmental management policies,

in order to meet shareholders' expectations towards the Company. As a fabless IC design Company, 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.





## Environmental Policies

- ✓ Adhere to environmental protection laws and regulations
- ✓ Raise environmental awareness
- ✓ Foster earnest, full participation
- ✓ Prevent environmental pollution
- ✓ Continue to improve the environment

## Mid- and Long-Term Environmental Objectives

### Green Lifestyle :

- Take inventories of GHG emissions and gradually implement management measures and carbon reduction objectives.
- Promote internal environmental protection education and training while raising awareness of everyday environmental protection.
- Save energy in the office; gradually replace lighting and water equipment.
- Respond to domestic and international environmental protection and carbon reduction initiatives; gradually raise our Carbon Disclosure Project (CDP) score.

### Green Supply :

- Have suppliers sign ASPEED Technology's corporate social responsibility pledge and increase the signing rate.
- 100% of the minerals used by our suppliers shall be conflict-free.
- Gradually increase local procurement of key raw materials.

### Green Design:

- Make each generation of SoC more energy efficient.
- Develop a simplified product design framework; consider design and manufacturing improvements from every angle in order to further reduce pollution during manufacturing.

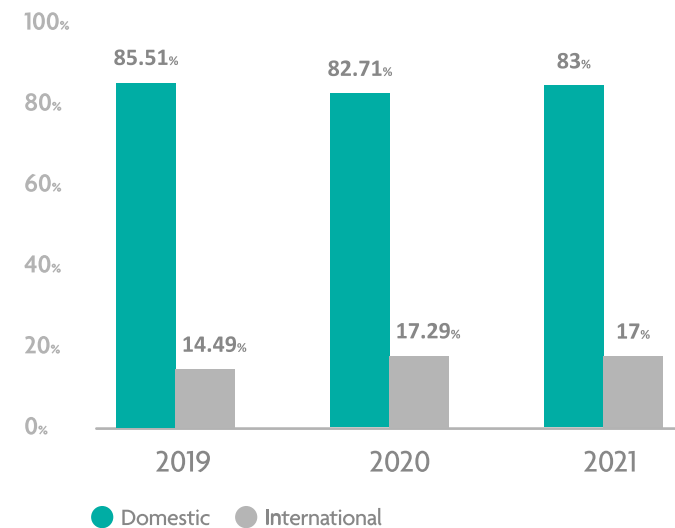
## 2021 Achievements

- 100% Legal Compliance: Air, water, waste, energy management, noise, RoHS, REACH, HF. Zero violations of environmental safety regulations.
- Continue to implement ISO 14001:2015 environmental management systems and establish related environmental management procedures.
- Passed a resolution to integrate ISO 14064-1:2018 GHG verification and certification in 2022.

## Preserve Local Procurements

ASPEED Technology is committed to local procurements. Since 2018, we committed to rise the the ratio of goods procured in Taiwan, which we hope can reduce the amount of carbon emissions that are produced during the transit of raw materials. Procurement quantity by value is illustrated in the following table:

List of domestic and foreign purchases in the past 3 years





## GHG and Energy Resource Management

ASPEED Technology's Sustainability Committee reports sustainability execution results biannually to the Board of Directors. Focal points of the Board, and stakeholders, include environmental topics and reduction of GHG. In August 2022, ASPEED Technology has acquired an ISO 14064-1 :2018 third-party GHG inventory and certification. The objective is to understand the Company's GHG emissions and use this knowledge to formulate a carbon reduction plan, in line with the expectations of customers and investors. The ultimate goal is achieving zero carbon emissions within the scope of the Company's office area operations. Since ASPEED Technology does not operate a factory, internal energy management focuses on three areas: everyday operations (water and electricity use), GHG inventory, and waste management.

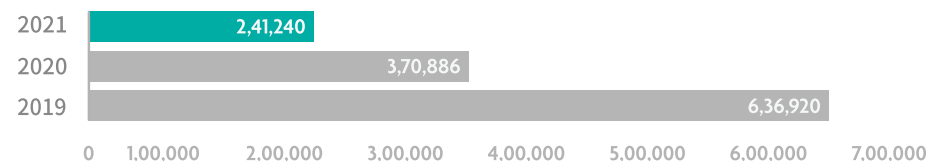
### Daily Operations

While ASPEED Technology does not operate a factory, the Company implements environmental policies suited to the IC design industry and scrupulously abides by related standards. Resources consumed in everyday operations primarily consist of water used by employees, electricity, and gasoline for transportation. The Company has a number of policies in place to save energy, reduce carbon, and cut emissions, with the goal of lowering the burden on the environment. In 2021, to respond to the COVID-19 pandemic and adjustments in work models, the Company continued a policy from 2020 of encouraging customers to use online tools for visits and regular meetings. An added bonus of this policy was to promote ASPEED Technology's teleconferencing equipment. In 2021, the Company also encouraged that virtual meetings would replace the in person meetings

that required employees at the Company's Taipei and Hsinchu offices to travel between cities. Besides lowering transportation costs, this protects the environment, as shown by transit-related carbon emissions year-over-year reductions of 41.77% in 2019 and 34.96% in 2021. In the future, the Company will continue to reduce GHG emissions and save both water and electricity, as part of our efforts to protect the environment. Key points of the Company's future energy management planning include the following:

- **Fluorescent bulbs will be changed to LED lights in public spaces, apart from offices**
- **Distributed control of lighting to reduce electricity use**
- **During off-work hours (at a set time each evening) lighting is automatically turned off**
- **Encourage employees to replace in person visits with virtual meetings**
- **Continue to promote electricity and water-saving awareness among employees**

### Travel fuel cost (Unit: NTD)



Year	Electricity		Water	
	Electricity usage (kwh)	Electricity usage intensity (kwh/million piece)	Water usage (metric tons)	Water usage intensity (metric tons/million piece)
2019	309,160	35,087.96	892	101.24
2020	503,513	43,909.74	3,531	307.93
2021	577,291	43,438.00	2,572	193.53

\*Note: After the Company moved to a new office at the end of 2019, the total office floor area in 2020 was 2.41 times the original size. Due to this discrepancy, in the 2020 sustainability report the Company used floor area as a basis for calculating water use and electricity use intensity. In the 2021 report and in future reports the basis will instead be product delivery volume (millions of pieces). 2019 data will be retroactively calculated.

Data show that water use intensity in 2021 decreased by 37.15% in 2021 compared to 2020, demonstrating the effectiveness of internal water savings advocacy and the addition of new water-savings equipment. Electricity use intensity also decreased by 1.07%. Total electricity consumed increased; an investigation of the Company's electricity usage and equipment capital expenditures showed that the Company purchased several pieces of high-energy use equipment for the machine room and laboratory in 2021, which was the primary reason for the overall increase in electricity consumption. In the future, the Company will continue to monitor and strengthen energy management while urging employees to save energy and electricity.

## Waste Management

Since ASPEED Technology does not operate a factory, the Company mostly produces general waste as well as some industrial waste from operations. Day-to-day waste management therefore primarily involves implementing strict waste separation, recycling, and composting of kitchen waste. The goals are to achieve recycling and reuse while encouraging employees to do everything they can to reduce waste production. General waste is disposed of by building management; there is not a separate scale to measure weight. In the future, the Company will research the feasibility of weighing the waste before disposal. The industrial waste types that the Company produces are ICs, BGA IC substrates, PCBs, and other items used for R&D. Each year the Company commissions an operator with a Level A waste management license to dispose of these items in accordance with procedures that include making an inventory, taking photos, and recording weight. Throughout the process, the Company designates staff to provide oversight.

In 2021, ASPEED Technology did not produce hazardous waste from manufacturing.

## Total Volume of Industrial Waste (Unit: metric tons)

Year	2019	2020	2021
Weight	0.2618	0.1393	0.0363

\*100% of the Company's industrial waste is handled in accordance with relative procedures by an operator with a Level A waste management license

\*Discrepancies between 2019 and 2020 industrial waste and the numbers disclosed in the 2020 Sustainability Report are primarily due to the addition of IC waste and declared weight of computer equipment.

## Industrial Waste (Unit: metric tons)

Waste Composition	2019			2020			2021		
	Waste Production	Waste Transfer	Waste Direct Handling	Waste Production	Waste Transfer	Waste Direct Handling	Waste Production	Waste Transfer	Waste Direct Handling
BGA				0.0025	0.0025				
BGA (copper)				0.0212	0.0212				
LCD Monitor	0.0643	0.0643		0.0653	0.0653				
Notebook PC	0.0073	0.0073		0.0136	0.0136				
IC (gold manufacturing process)	0.0073	0.0073					0.0019	0.0019	
IC (copper manufacturing process)	0.016	0.016					0.0344	0.0344	
PCB Plug-In Board	0.12	0.12							
PCB Bare Board	0.031	0.031							
Network Router	0.0019	0.0019							
Uninterruptable Power System	0.003	0.003							
Host Computer	0.011	0.011		0.0367	0.0367				
<b>Total Waste Volume</b>	<b>0.2618</b>	<b>0.2618</b>	<b>0</b>	<b>0.1393</b>	<b>0.1393</b>	<b>0</b>	<b>0.0363</b>	<b>0.0363</b>	<b>0</b>

## GHG Inventory and Carbon Reduction Planning

In order to clearly understand ASPEED Technology's GHG emissions, in 2021 the Company decided to start taking emissions inventories at the Hsinchu headquarters and Taipei office. We have acquired ISO 14064-1 :2018 external certification in August 2022, which will provide transparent disclosures of our emissions. 2021 will serve as the Company's base year for GHG emissions, making this year the basis for future carbon emissions reduction targets. This is part of the Company's overall, long-term sustainability goal. Besides laying the foundation for a 2022 carbon reduction plan, in 2022 ASPEED Technology will also formulate a digital transformation plan. Digital documents will gradually replace paper to lower Scope 1 carbon emissions. Furthermore, following inspection the Company was shown not to be emitting NOx, Sox, or PFCs.

### Total GHG Emissions and Intensity

GHG emission resources	GHG emission (tCO <sub>2</sub> e)	GHG emission intensity (tCO <sub>2</sub> e/million piece)
<b>Scope 1</b>	<b>16.37</b>	<b>1.23</b>
Gasoline	7.76	0.58
Refrigerant	2.17	0.16
Septic tank methane	6.43	0.48
Carbon dioxide (fire extinguisher)	0.0045	0.0003
<b>Scope 2</b>	<b>293.84</b>	<b>22.11</b>
Emissions from imported electricity	293.84	22.11
<b>Scope 3</b>	<b>8,407.79</b>	<b>632.64</b>
Emissions from purchased goods	8,391.84	631.44
Emissions from Upstream transportation and distribution for goods	15.95	1.2
<b>Total emission</b>	<b>8,718</b>	<b>655.98</b>

\*Indirect emissions in ISO 14064 include emissions from imported electricity, Upstream transportation and distribution for goods, and purchased goods.

\*GHG emissions intensity data are calculated based on the Company's yearly product deliveries (Unit: millions of pieces).

## Emissions of Scope 1 and Scope 2

Type of GHG	Emission (tCO <sub>2</sub> e)	Total emission(tCO <sub>2</sub> e)
CO <sub>2</sub>	301.29	310.2
CH <sub>4</sub>	6.51	
N <sub>2</sub> O	0.23	
HFCs	2.17	
SF <sub>6</sub>	0	
NF <sub>3</sub>	0	
PFCs	0	

## Energy Usage and Usage Intensity

Type	Usage	Heating value (billion J)	Energy intensity (billion J /million piece)
Purchased electricity (excluded green energy)	577,290.80 kwh	2,078.25	156.38
Gasoline	3,291.50 L	107.42	8.08
Total		2,185.67	164.46

\*Energy use volume is shown in joules. 1 kWh = 3,600 kilojoules, 1 liter of petrol = 7,800 kilocalories, and 1 calorie = 4.184 joules.

\*Conversion factors are based on the Environmental Protection Administration's Greenhouse Gas Emission Factor Table, version 6.0.4.



## Green Breakthroughs

To support environmental protection and energy savings, on the supplier side ASPEED Technology seeks to strengthen supplier management and reduce environmental risk by suppliers. Internally, the Company seeks to design more energy efficient products. Companies that use our BMC SoC in data centers can reduce their cloud service computing costs, energy use, and carbon emissions, contributing towards our goal of reducing overall carbon production in the industry.

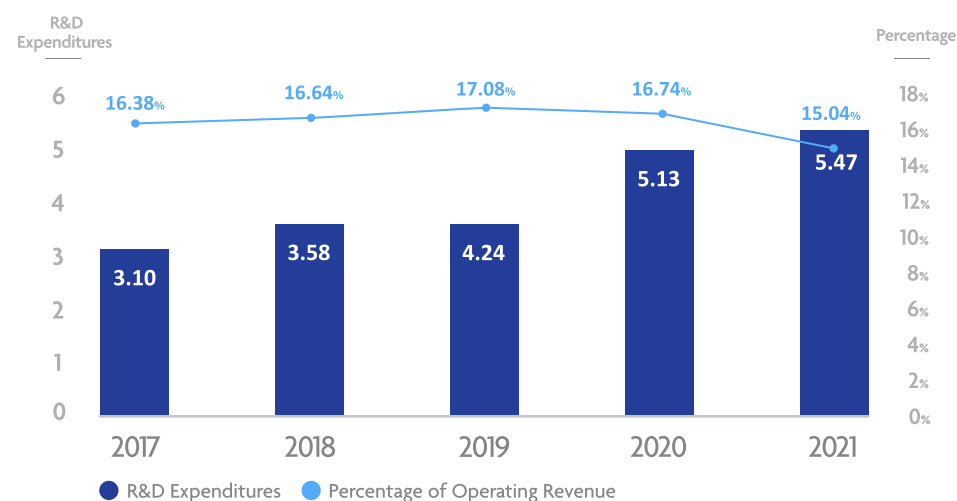
BMC SoC remains ASPEED Technology's main product line, from the first generation AST2000 to the 7<sup>th</sup> generation BMC AST2600, which uses a dual core ARM Cortex A7 processor and is the first BMC SoC to adopt 28-nanometer advanced production technology. New design techniques and a new generation of semiconductor manufacturing contributed towards a significant increase in computing capacity, so that every unit of power consumption provides faster, higher volume computing results. On the application side, the new BMC SoC reduces product quantity and optimizes computing power, effectively reducing overall power consumption.

ASPEED Technology invests in better software design to improve energy efficiency. The Company's BMC driver adopted an independent operations design mode. One chipset with multiple drivers can independently launch drivers based on server operational needs. Drivers not in use automatically enter "off" mode, to prevent any wasted energy. In the BMC field, ASPEED Technology accumulated many years of development and design experience while working closely with customers. When designing and developing this 7<sup>th</sup> generation BMC SoC,

our objective was to offer customers a high performance, high security, and low electricity consumption product choice that adheres to green development aims. We will continue use software and hardware R&D to provide customers and the entire industrial chain with low power-consumption, green energy-saving SoC. Next year, the Company also plans to replace ink printing on chipsets with laser printing, which will further reduce pollutants and waste generated during manufacturing.



R&D Expenditures, 2017-2021 (Unit: NTD100 million)



\*R&D expenditures generated by the Taiwan parent company of ASPEED Technology, from 2017 to 2021

## Product Use Stage

In product applications, using the electricity consumed by the first generation BMC AST2000 at 80% workload as a benchmark, every new generation of BMC achieves the same level of performance with lower energy consumption. For example, on average over the course of a year our 2020 AST2600 7<sup>th</sup> generation BMC SoC can achieve the same work output as the AST2000 1<sup>st</sup> generation model with 93.21% lower energy use. Meanwhile the 7<sup>th</sup> generation AST2600 BMC SoC is 61.34% more efficient than the 6<sup>th</sup> generation AST2500 model. In 2021, compare the deliveries of the main product of ASPEED Technology, AST2600, to AST2000, the electricity usage is 94,380,621 kwh less, approximately equal to 47,379.07 metric tons of carbon emissions, or about the equivalent of the carbon absorbency of 61,315 acres of U.S. forests in one year. If compare to AST 2500, AST2600 can reduce 5,981.00 metric tons of carbon emissions, or about the equivalent of the carbon absorbency of 7,078 acres of U.S. forests in one year.

AST2600 BMC SoC is 61.34% more efficient than AST2500, and can reduce **5,981.00** metric tons of carbon emissions.



Equivalent of the carbon absorbency of **7,078** acres of U.S forests in one year.

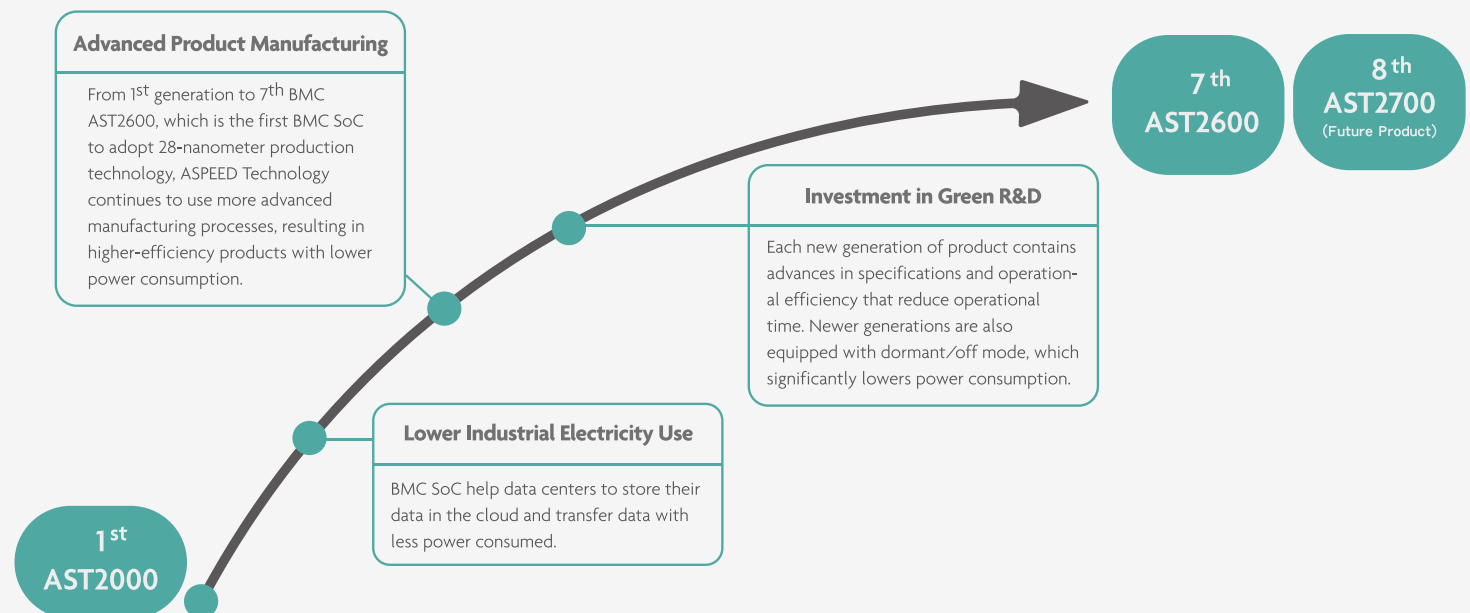


\*Based on the 2021 electricity carbon emission factor of 0.509 kg of CO<sub>2</sub>e per kWh, as announced by the Bureau of Energy, Ministry of Economic Affairs

\*Used 2021 AST2600 deliveries to calculate total carbon emissions savings for the year

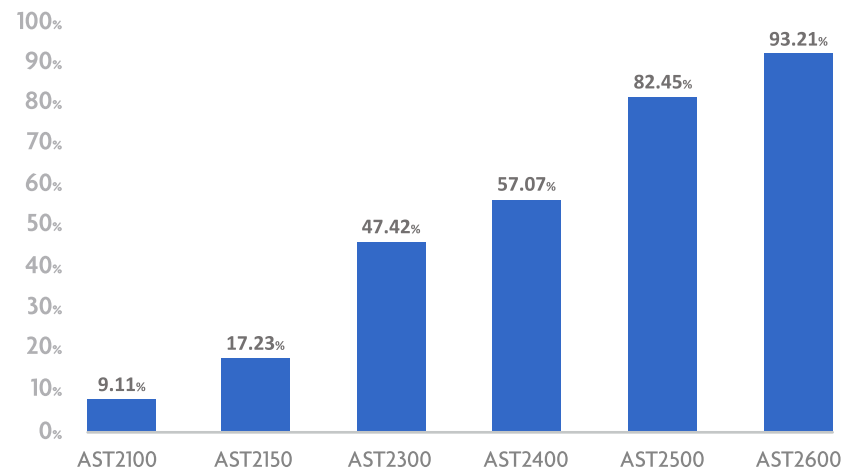
\*Used the Greenhouse Gas Equivalencies Calculator, from the US Environmental Protection Agency, to calculate carbon absorption capacity

## BMC SoC - High efficiency and low power consumption





## Energy savings for various generations of BMC SoC to achieve the same computing power as the AST2000 1<sup>st</sup> generation model used at 80% workload



## 2021 Main Products and Their Efficacy

Product	CPU	Efficacy of a System-Level Processor (DMIPS/W)
AST2600	Dual-core ARM Cortex A7 CPU @ 1.2GHz 32-bit ARM Cortex M3 @ 200MHz	2,381
AST2500	ARM1176JZS @ 800MHzHz ColdFireV1 @ 200MHz	1,652.17
AST2520	ARM1176JZS @ 800MHzHz	1,357.64
AST2400	ARM926EJ-S @ 400MHzHz ColdFireV1 @ 200MHz	580.31
PILOT 4	Dual-Core ARM Cortex A9 @ 500MHz ARM Cortex M3 @ 250MHz	1,149.89
AST1520	ARM1176JZS @ 800MHzHz ColdFire V1 @ 200MHz	1,652.17

\*The test data is based on the simulation results of Dhrystone standard testing program on the above SoC products in a unit of time. Test unit: DMIPS/MHz.





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# 06

## Employee Care

### Compliance with International Human Rights Norms

ASPEED Technology scrupulously abides by the laws and regulations of each location it operates while following the principles of international human rights conventions, including upholding employees' freedom to form associations and opposing any behaviors that infringe on or violate people's rights. In employment, the Company opposes any form of discrimination. ASPEED Technology's work regulations explicitly state that hiring managers shall not discriminate against candidates on the basis of their race, class, language, views, religion, political party, place of ancestry, gender, marital status, appearance, facial features, disability, astrological sign, blood type, or past participation in a union. In the workplace, employees shall not be discriminated against on the basis of race, age, gender, sexual orientation, disability, maternity, politics, or religion. The objective is to foster a workplace environment that is equal, diverse and inclusive. All employees sign a labor agreement in accordance with the law, and work regulations stipulate that employees' freedom to assemble or form associations shall not be infringed upon, child labor shall not be used, and there shall be no forced labor. These rules protect workers' basic human rights.

If a special circumstance arises in Taiwan where the Company must terminate a labor agreement with an employee, the Company prepares and pays severance in accordance with the "Labor Standards Act." In 2021, the Company did not have any incidents of employing child laborers or forced labor, and did not receive any complaints related to human rights, child labor, or forced labor.

### Employee Care and Communications Channels

Employees are the most valuable resource of ASPEED Technology. 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 Technology'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.

ASPEED Technology plans to complete a whistleblower system in 2022 in order to provide employees with a smooth and confidential communications channel. In 2021, the pandemic prevented the Company from holding the end-of-year outlook meeting; employees therefore requested to propose advance questions on benefits, administration, or the corporate system, for the chairman to answer during the end-of-year sales meeting. Employees were also able to offer opinions on the Company and management.



Channel	Content	Frequency
Digital mailbox	Any opinions or topics relating to the Company	Ad Hoc
Labor-management meetings	Labor-management relations, labor conditions	Quarterly
Employee Welfare Committee	Employee welfare topics	Quarterly
Manager discussions	Work performance, goals and plans, career development	biannual
Employee satisfaction survey	Corporate environment, administrative affairs support, various welfare activities, and open questions about anything else relating to the Company	Annual
Annual prospect meeting	Company performance and communication of coming year goals employees feedbacks	Annual

Each quarter employees vote for labor representatives to engage in labor-management communications. Main agenda items include an explanation of operational conditions from the previous quarter, a discussion of the current quarter's Company activities, and other ad hoc motions. Employees are also welcome to submit anonymous surveys before the meeting for managers of related departments to respond to during the meeting. In 2021, the Company held four labor-management meetings, in which all issues raised by employees were addressed by department managers or administrative units.

## Comprehensive Labor Structure

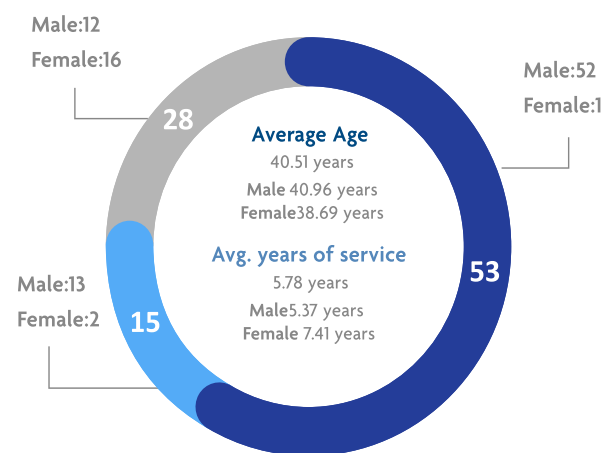
The pursuit of excellence, innovation, and a good environment form the foundation of the Company's sustainable operations. ASPEED Technology owes today's success to the high degree of enthusiasm that employees bring to their work. This enthusiasm is a vital support behind the Company's strong and steady growth, and a valuable resource for the Company to use when facing future challenges or promoting sustainable operations. ASPEED Technology

therefore continues to strengthen R&D capabilities and recruit outstanding employees. Besides growing our workforce, we place even greater importance on our labor structure and quality. Besides providing compensation and employee care that is competitive within the industry, we strive to build a prosperous, friendly work environment while caring for employees' health and supporting their families. We want employees to be completely dedicated at work and able to exhibit their full sense of creativity without having to worry about their family receiving adequate care and attention.

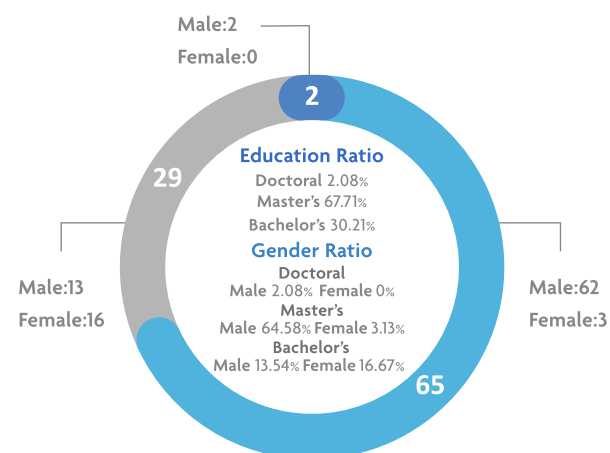
In 2021, ASPEED Technology had 96 employees (all full-time) with an average age of 40.51 years and average years of service of 5.78 years. The increase in average years of service compared to 5.12 years in 2019 and 5.37 years in 2020 showed that employees are gaining more experience and growing with the Company. Males accounted for 80.20% of the total employees, and females for 19.80%. The main reason that the Company has not achieved more gender balance is because the R&D talent pool in Taiwan leans heavily male, and ASPEED Technology primarily draws employees from this pool. The Company pledges to implement gender equality, diversity, and inclusivity while continuing to focus on the issue of women in science in technology. It will provide a friendly and fair work environment for all genders and support school training of new engineering talent. R&D staff make up 63.54% of our staff, and 69.79% of our staff have either a master's degree or Ph.D., underlining the Company's commitment towards developing new innovative technologies. More than 90% of employees are based at the Company's main operational headquarters in Hsinchu, Taiwan, while some employees provide R&D and technical support services from the Taipei area. To provide a more flexible work model for employees, when pandemic conditions were severe employees were able to choose whether to work from the Hsinchu headquarters or the Taipei office. ASPEED Technology offers an excellent work environment that supports cooperation and growth by our outstanding team of employees, which thus accelerates our product development timetable and technical support responsiveness, so that we can demonstrate our core innovative values.

## 2021 Company Labor Structure Data (Unit : number of people)

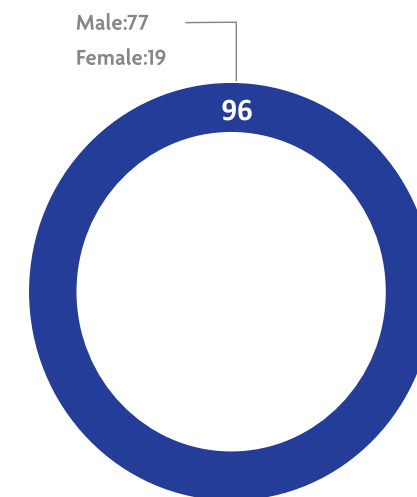
### | Number of Employees |



### | Education |



### | Employment Category |



- Product Development Department
- Quality Control and System Design Department
- Management & Marketing

- Doctoral
- Master's
- Bachelor's

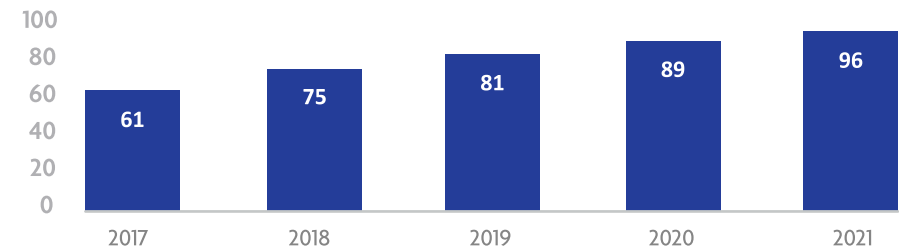
- Full Time
- Contractor



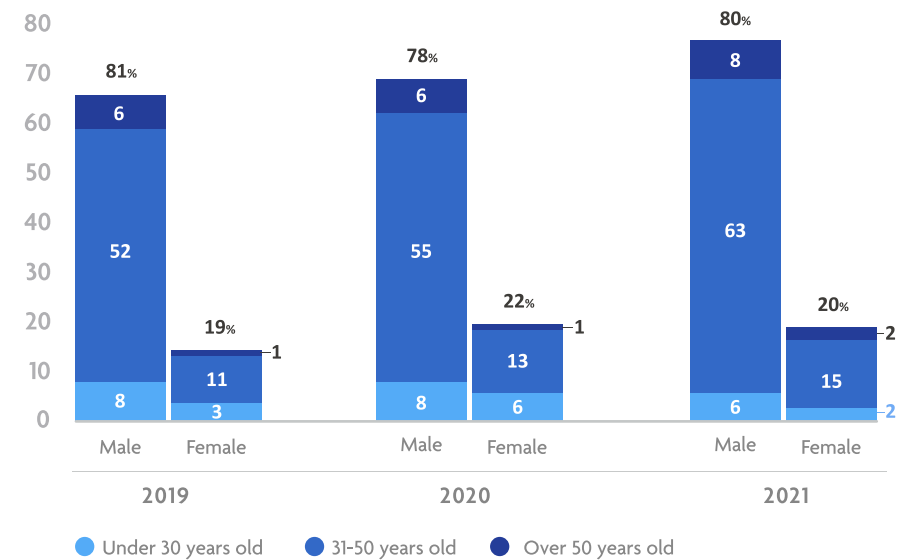




### Employee Growth (Unit : number of people)



### The Number of Employees by Age (Unit : number of people)



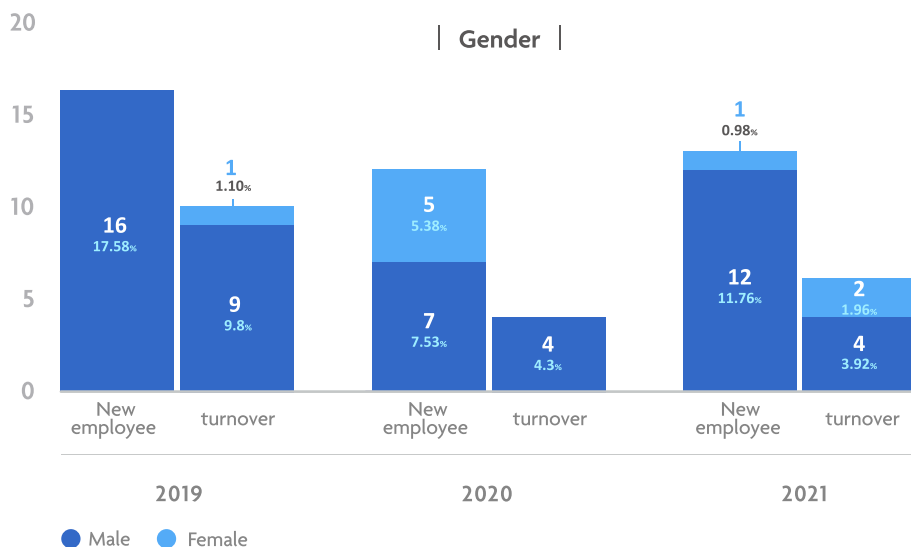
ASPEED Technology's workforce in 2021 consisted of 61 R&D members (including the R&D and design members of the Quality Control & System Design Department), 28 managers and salespeople, and seven quality control staff. The distribution of talent suits the Company's recent business development needs and growth. Maintaining a strong, steady workforce requires both good recruitment and retention of talent. In 2021, the Company's employee turnover rate was 5.88%, which was slightly higher than 2020. Inspection of all employees that left the Company in 2021 followed a pattern of normal industry turnover. None left on unusual terms. ASPEED Technology's turnover rate remained far below the industry average, so the turnover in 2021 was determined to be reasonable.

In recent years, ASPEED Technology has maintained high-growth performance. In the future, the Company will continue to raise employee's overall compensation and benefits while considering more flexible work modes and comprehensive career planning, in order to attract more employees. The Company believes there is a tight correlation between our excellent performance in recent years and the growth in employee compensation and benefits.

\* The industry turnover rate is based on the HR FBI report released by the 104 HR Academy in 2021 with the total turnover rate for IT industry equivalent to 14.9 %

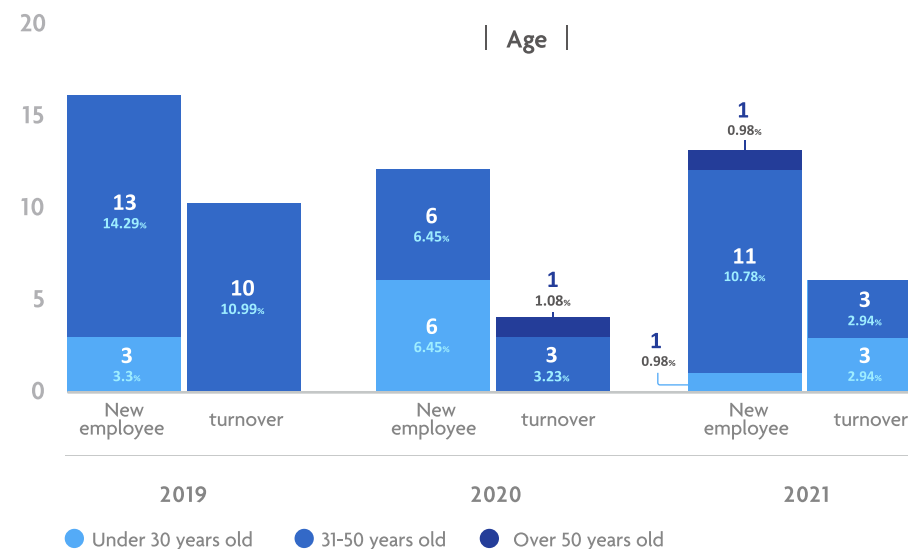


### New employees and turnover rate (Unit : number of people)



\*Turnover rate : Outgoing employees / (Number of employees at the beginning of each year + new employees ) x100%

\*Accession Rate : New employees / (Number of employees at the beginning of each year+new employees)x100%



## Management of Occupational Safety and Health

To prevent occupational disasters while protecting employees' safety and health, ASPEED Technology has a Class 1 manager of occupational safety and health who regularly reviews and promotes related issues and environmental protection topics. The occupational safety and health management system covers 100% of employees. In 2021, the Company had 11 statutory non-employees whose work and/or workplace were managed by the Company, and the Company adhered to the occupational safety and health policies of their employer. Since ASPEED Technology is an IC design company that does not directly operate a factory, in daily operations the Company does not handle substances or chemicals that are hazardous to health. The laboratory only conducts testing simulations, and the occupational safety and health manager primarily focuses on identifying hazard sources in the office environment. The only chemical type employees encounter is unleaded welding chemicals used by R&D personnel. In accordance with regulations, employees who handle these chemicals must wear an N95 mask and the environment must be well ventilated. Lead toxin health exams are conducted to ensure that there is no health impact. In response to the COVID-19 pandemic, in 2021 the Company increased the frequency of office cleaning and disinfection, in order to maintain the internal environment and manage employees' health and safety. The Company distributes masks, alcohol, and other materials that keep the environment clean and disinfected. For the group insurance plan, the Company added vaccine insurance. The pandemic emergency response task force, formed under the risk management unit of the sustainable management implementation task force, regularly holds meetings and communicates with employees. The task force also makes disease prevention announcements and awareness messages, in order to help maintain a safe work environment for employees.

The Company adopts appropriate occupational safety and health measures while using risk management concepts when formulating emergency response procedures. By attending occupational safety and health education/training as well as emergency response drills, employees understand response procedures to report and handle emergencies. Occupational disaster education and training includes the following:

- **One labor safety and health lecture for new employees**
- **One labor safety and health lecture every three years for employees**
- **Two fire drill and training sessions every year (together with the TFC One building drill)**

According to the occupational disaster disability standards of the Occupational Safety and Health Administration, Ministry of Labor, excluding traffic accidents outside the Company, in 2021 the employees and statutory non-employees of ASPEED Technology did not have any incidents of employee injury or illness. There were also not any lawsuits related to employee health or safety violations.

## Minimum Notice Period for Operational Changes

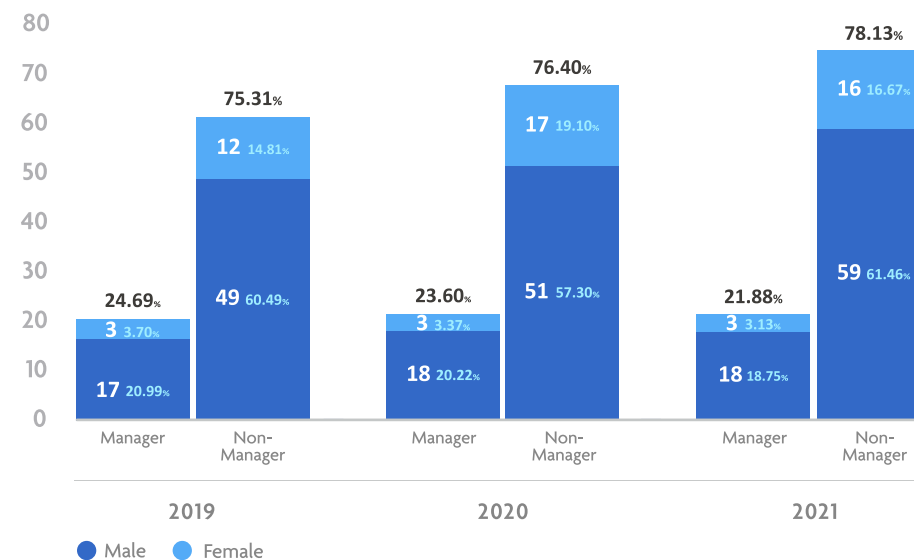
When a major operational change or related measure that will have an impact on employees' rights or interests is set to occur, the Company must first discuss the matter with employees in a labor-management meeting and notify affected employees in advance, in accordance with the law. The Company also provides related complementary measures, such as helping transfer employees to other departments or supporting government aid applications. In accordance with the "Labor Standards Act," the Company gives employees at least 10 to 30 days advance notice based on the employees' years of service.



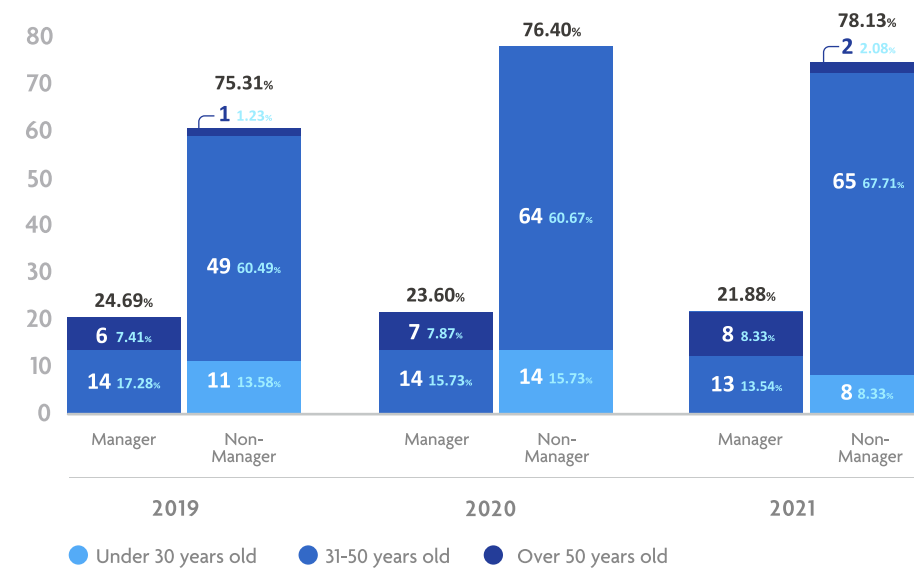




Number of Employees by Position and Gender (Unit : number of people)



Number of Employees by Position and Age (Unit : number of people)



## Compensation and Employee Welfare

The most important element of a successful IC design company is its ability to attract and integrate top-rate talent. ASPEED Technology provides employees with an excellent work environment. Using a people oriented management approach, the Company respects employees' autonomy and offers compensation that is competitive on the open market and fair based on internal standards while providing diverse, meaningful benefits that consolidate team spirit, so that we can grow together.

After moving our Company headquarters to the Taiwan Fertilizer building in 2020 and giving employees a more comfortable office environment, in 2021 ASPEED Technology raised the guaranteed salary for all employees by increasing the number of guaranteed paid months' salary from 14 to 15 months per year. The Company's wage adjustment mechanism shows employees how deeply the Company values employee retention.

In 2021, ASPEED Technology spent NTD344 million on employee benefit fees, which was an increase of 19.44% compared to 2020. Besides maintaining the Company's streak of annual growth, the increase represented a significant 40.98% raise in employee benefit fees compared to 2019, underlining the Company's view that employee benefits are highly important. Total salary of non-managerial, fulltime employees was NTD234 million, for a large year-on-year increase of 27.17%, and the average salary was NTD2.831 million. We ranked 13th among listed firms in 2021 for average salary of non-management employees. Higher salaries do not represent the Company's only policy approach to improving employee benefits. In the future we will

combine universal wage increases and the wage adjustment system as a foundation for providing even more comprehensive salary and benefits packages.

Total salary of non-managerial, full-time employees	2019	2020	2021	2020 Growth
Total salary (unit: NTD100 million)	1.61	1.84	2.34	27.17%
Average salary (unit: NTD10,000)	233.8	236.1	283.1	19.91%
Median salary (unit: NTD10,000)	126.2	198.0	245.4	23.94%

Benefits (Unit: NTD)	2019	2020	2021
Wages (includes RSA)	219,755,088	260,649,643	313,000,732
Insurance Fees (labor, health, group)	9,545,922	11,215,125	13,783,174
Labor Pension of 6%	5,023,909	5,777,478	6,447,041
Other Employee Benefits	9,341,418	10,019,879	11,070,700
<b>Total Benefits</b>	<b>243,666,337</b>	<b>287,662,125</b>	<b>344,301,647</b>

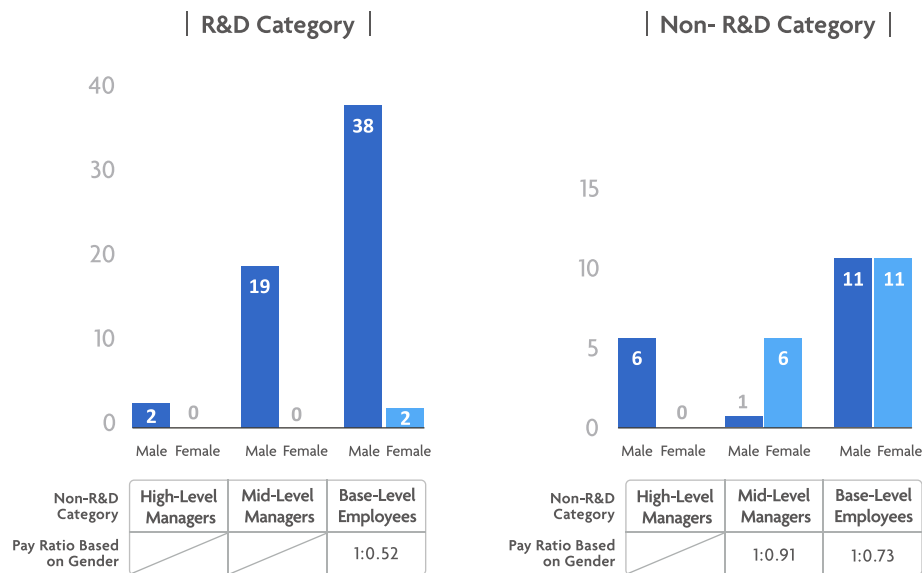
### Performance-based Compensation System

ASPEED Technology's incentives system was designed to support the Company's operational goals and was formulated based on our employees' duties, professional knowledge and skills, and performance. The Company's employee assessments are 100% individual based, and employee rewards include the stipulation that at least 8% of the Company's annual profits (if any) shall be distributed to employees as a bonus, which exceeds the standard of distributing at least 1% of annual profits as bonuses that is generally followed by other companies. Salary raises and bonuses shall also reflect employee performance, in order for our compensation system to have a stronger impact on the Company. We want to encourage employees to demonstrate team spirit and show cooperation, so they can find innovative ways to generate more profits to share in the future.



To examine employees' development and work performance results, ASPEED Technology established an employee performance management system. Separate assessments are conducted for new employees during their trial period and all employees for their annual performance review. Every employee who reported before October 31<sup>st</sup> of the previous year, apart from those on fixed-term contracts, must participate in the performance reviews regardless of gender, age, or work category. Employees' managers and colleagues review goal fulfillment as well as the values and capabilities that employees bring to their future career planning. Together, they reach agreement on key areas of development to make personalized improvement recommendations that support career development planning.

### Gender Pay Ratio (Unit : number of people)



\*Pay ratios are calculated to compare the difference in income between men and women for the same work. For employees who reported to the Company between 2019 and 2021, pay in their first year was prorated to a full year's income (total pay/number of months \* 15 = annual pay)

### Gender Pay Ratio

ASPEED Technology's employee recruitment and overall compensation system are based on individual performance and professional skills. The Company adheres to work regulations and hiring policies that call for diversity and tolerance as well as the provision of equal opportunities for all genders.

#### Percentage of Employees Undergoing Performance Reviews, 2019 - 2021

	2019	2020	2021
Number of Employees	81	89	96
Employees Subject to Review	67	77	92
Actual Percentage That Underwent Review	100%	100%	100%

\*Employees subject to review are employees who reported to the Company before October 31<sup>st</sup> of the previous year



## Birth Incentives/Parental Leave

In accordance with the "Labor Standards Act," ASPEED Technology's "Worker attendance and leave rules" state that the Company shall not terminate an employee's labor contract when the employee is on parental leave. Female workers qualify for a combined total of 56 days of maternity leave before and after childbirth. An employee may take five days paid leave during a spouse's pregnancy or within 15 days before, after, or on the day of birth (miscarriage). The Staff Welfare Committee provides birth gifts to congratulate the addition of a new member to an employee's family. Employees who need to provide child care can apply for parental leave. Since the Company offers flexible work hours, employees can arrange their schedules in a way that helps them to care for their families.

## Comprehensive Employee Insurance Plan

Besides enrolling employees in the government-mandated Labor Insurance and National Health Insurance, the Company also provides employees with comprehensive group insurance that covers life, major illness, accident and injury, medical, cancer, and disaster. When employees face an unexpected major illness or accident, they can receive comprehensive medical care, financial support, and economic protection. In 2021, the Company added vaccine insurance to the group insurance plan, so that employees and their families could receive comprehensive health care and financial support in the event of an unpredicted, serious sickness or death. For employees who travel overseas for business, we offer high coverage travel insurance to provide even greater guarantees.

## Retirement Planning

ASPEED Technology established the "Regulations for Employee Retirement" in accordance with the "Labor Standards Act" and the "Labor Pension Act." Following enactment of the "Labor Pension Act" on July 1<sup>st</sup>, 2005, all employees adopted the new retirement system. For employees who use the new retirement system, every month the Company deposits 6% of their salary into their personal retirement account at the Bureau of Labor Insurance. We also assist in voluntary submission in accordance with the wishes of each employee.

## Implementation of Other Welfare Measures

ASPEED Technology offers compensation that is competitive on the open market while providing comprehensive benefits and care. The Company established the Employee Welfare Committee which is made up of representatives put forward by each department. The committee is responsible for overall planning and implementation of various welfare measures and employee care initiatives. Besides legally required welfare measures, the Company provides an excellent work environment and conditions and seeks to balance employees' physical and mental health, with the goal of helping employees to achieve a positive work-life balance.



(Unit: million NTD)







Item	2019	2020	2021
<b>Amount of Employee Welfare Expenditures</b>	934.2	1,002.1	1,107.1
<b>Proportion of Employee Welfare Expenditures</b>	1.64%	1.50%	1.53%
<b>Average Welfare Fees Per Person</b>	12.1	11.5	11.5

\*Employee welfare expenditures consist of employee welfare fees minus salaries, Labor Insurance and National Health Insurance fees, RSA, and pension fees.

\*Proportion of employee welfare expenditures refers to the percentage of employee welfare expenditures in our business expenses.

\*Average welfare fees per person consist of employee welfare expenditures in 2021 divided by the average number of employees per month.

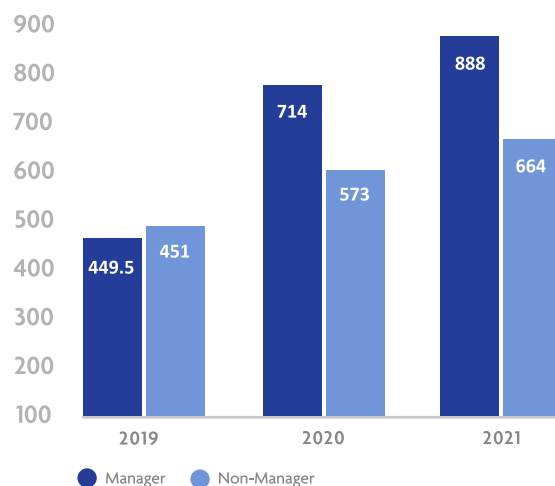
## Annual Employee Welfare Items

Category	Content	Explanation
Activities	Domestic and international travel Family day activities 	<ul style="list-style-type: none"> <li>• Due to the pandemic, in 2021 the Company offered flexible travel subsidy policies. Employees voted for distributing department store or travel agency gift certificates, or converting the subsidy amount to increase the value of health examinations. These substitute measures meant that employees and their families could still enjoy this benefit.</li> <li>• For the annual family day, employees and their families are invited to join in free activities. </li> </ul>
	Wednesday afternoon tea time	<ul style="list-style-type: none"> <li>• As a small pleasure for employees, every Wednesday afternoon we provide tea and treats that help to build camaraderie.</li> </ul>
	Holiday activities	<ul style="list-style-type: none"> <li>• End-of-year activities and banquet, Mid-Autumn Festival evening BBQ, and Company anniversary commemorative activities offer more chances for interaction between families. </li> </ul>
Holidays	Flexible holidays Flexible work hours	<ul style="list-style-type: none"> <li>• We go beyond requirements of the “Labor Standards Act” by immediately offering new employees seven days of national holidays and annual leave, so our workers have more chances for vacation.</li> <li>• Monthly accumulated flexible rest hours can be extended up to six months and are deducted on a ‘first-in, first-out’ basis.</li> <li>• In response to the COVID-19 pandemic, the Company offered fully paid vaccine leave and disease prevention family care leave. Based on family need, employees could also apply for short-term remote work privileges.</li> </ul>
Health	Annual health examinations 	<ul style="list-style-type: none"> <li>• We offer each employee one comprehensive health examination per year at a medical institution.</li> <li>• Each year, R&amp;D personnel who use unleaded welding chemicals undergo lead toxin health exams to ensure that there is no impact on their health.</li> </ul>
Arts and Culture	Arts and culture, celebrity lecture hall	<ul style="list-style-type: none"> <li>• We hold a variety of arts, culture, and celebrity lecture hall events to increase employees’ soft knowledge of topics from outside the workplace.</li> </ul>
Subsidies	Activities, customs, education, food and beverage, and various types of congratulatory gifts	<ul style="list-style-type: none"> <li>• Domestic and foreign travel subsidies, wedding and birth congratulations, sympathy payments for injury/illness/hospitalization, funeral payments, birthday gift certificates, and language study subsidies. </li> </ul>
Lifestyle	Discounts at designated shops	<ul style="list-style-type: none"> <li>• The Staff Welfare Committee signed agreements for special discounts with more than 200 shops, which are available to employees who show their Company ID. The committee releases information on these discounts on the Company’s welfare website.</li> </ul>
Other	Seniority based on past experience 	<ul style="list-style-type: none"> <li>• Employees fill out a staff information form that includes their experience. Their direct supervisor considers their experience in related industries and professional level in determining who should be designated for promotion.</li> <li>• Past experience is weighted at 30%. Up to three years can be included as time of service when calculating vacation allowances.</li> </ul>

## Talent Development

ASPEED Technology is a leading IC design company that has always relied on an innovative R&D team and cooperation with customers to provide the highest quality services and technologies. For talent management, we analyze each position to determine the needed knowledge, techniques, capabilities, and personality characteristics. We then formulate recruitment policies based on required core skills. At the same time, ASPEED Technology regularly holds school recruitment activities to connect and interact with our core targets while promoting the Company's image and expanding our influence. Summer internships, which offer flexible learning opportunities for students and an early experience of life in the workplace, help us to attract top quality talents.

**Total hours of employees training** (Unit : hour)



\*The number of people refers to the total number of people who underwent training that year (includes employees who later left their job)

We also cooperate with the government by recruiting R&D substitute service members, which provides another steady source of talent for the Company.

Besides active recruitment of new employees, ASPEED Technology cultivates internal talent. The Company consolidates internal and external resources to build a diverse, rich learning environment that favors continuing learning. Through training and results-based mechanisms, we help employees and managers to examine past performance then use their insights to establish future work objectives and development guidelines. These become a foundation for learning development. We place great importance on employees' long-term career planning. By helping employees to open new directions of development and tap their individual potential, we help our employees to grow with the Company.

- **New Employee Training:** Designed to meet each department's requirements, ASPEED Technology introduced a senior mentor program for new employees. The program provides basic training and employment guidance to assist new employees in quickly adapting to the team.
- **Professional Skill Training:** Identify the professional training needs of each department then provide the training to employees to strengthen their professional competence.
- **General Training:** Skills training that embodies the core values of the Company and teaches employees knowledge they need in their everyday work and lives. Includes training required by government regulations and professional skills that employees must possess. Besides professional skills and training classes, the Company considers general training classes that are needed as part of continuing education, such as biannual information security classes, regular employee safety and health lectures, and firefighting drills. In the future the Company will also plan a series of ethical business and anti-corruption classes.
- **Other Training**
  - Management Skill Training: For employees with management potential, the Company provides training courses to build management thinking, cultivate strategic analysis, and foster organizational planning capabilities. Our objective is continuity of organizational development and team operations.
  - Celebrity Lectures: A series of lectures planned to provide opportunities for employees to hear from top thought leaders in various fields to broaden their horizons and inspire new thinking.

- Workshops: Through experiential learning, employees join situational activities to learn how to incorporate business management theory into their regular work, leading to higher quality, better results.
- Self-study and Development: ASPEED Technology offers an open, diversified study platform for employees to access professional online courses that can raise their professional skills. The Company also fully subsidizes tuition for external training courses.



### Professional Certificates Obtained by Employees, 2019 - 2021

Year	Category	Certificate Name	Numbe
2019	Finance	Practical review techniques	6
		Continuing education for internal auditors of public companies	
		Regulations governing the acquisition and disposal of assets by public companies and introduction to related internal control and inspection mechanisms	
		Continuing education of the principal accounting officers of issuers, securities firms, and securities exchanges	
	Others	Signal and power integrity analysis and practices	
		Occupational education and training for occupational safety and health affairs managers and personnel	
2020	Finance	Policy explanation and internal control management practices relating to the competent authorities' efforts to improve companies' financial report compilation capabilities	5
		Responses by internal auditors to problems frequently encountered when compiling IFRS financial reports	
		Continuing education of the principal accounting officers of issuers, securities firms, and securities exchanges	
		Annual continuing education class for accounting supervisors	
2021	Finance	Analysis of Key Corporate Finance Data and Strengthening Crisis Warning Capabilities	10
		Professional Development of Principal Accounting Officers of Issuers, Securities Firms, and Securities Exchanges	
		From Corporate Governance 3.0, a Practical Analysis of How Companies Build Risk Management Development Blueprints	
		Deciphering Financial Statements to Uncover Corporate Fraud and Scams	
		Key Crisis Warnings in Financial Reports	
	Other	Analysis of Key Corporate Finance Data and Strengthening Crisis Warning Capabilities	
		Professional Development of Principal Accounting Officers of Issuers, Securities Firms, and Securities Exchanges	
		Safety and Health Occupational Education and Training for First Aid Practitioners	
		Occupational Education and Training for Managers and Supervisors of Occupational Safety and Health Affairs	
		Occupational Education and Training for Managers of Fire Safety	



## Social Participation

Besides focusing on core operations, every year ASPEED Technology contributes towards social participation so that we can give back to the community. Our focus has always been on disadvantaged people and rural communities. The Company cooperates with first-rate universities to keep top professors in Taiwan and encourages students to focus on academic research. We aim to fulfill our role as a corporate advisor that provides direction for students engaged in life planning. In 2021, besides providing manpower and resources, the Company contributed close to NTD10.7577 million towards social causes, and in the future we will continue working to fulfill our social objectives.

### Rural Education

ASPEED Technology is committed to the idea that reducing the gap between rural and urban communities must begin from education. Since 2013, we have donated books and other reading materials to schools while our employees have contributed as volunteers. Since 2015, for seven consecutive years we have participated in the Global Views Educational Foundation's "Sow the Seeds of Reading to Give Children a Great Future" activity by donating periodicals to children in the Taitung area. Enthusiasm among the children led to us to turn this into a long-term endeavor and to expand the scope of our donations from elementary schools to junior high schools. Through 2020, we had already donated 17,208 magazines to 84 schools in 17 townships in Taitung. Starting in 2017, the Company began paying even closer attention to the uneven distribution of educational resources. Whether in terms of reading or learning, we advocated for more suitable development of rural students by investing in children who showed talent for sports or music. Besides subsidizing repairs to school facilities, so that the children could confidently study, we began sponsoring sports and music events, such as offering financial assistance to the Vox Nativa Association in Nantou, supporting winter training activities for the baseball and judo teams at Pei Nan Junior High School in Taitung, and sponsoring dragon boat and canoe teams in Taitung. In 2021, the Company sponsored uniforms, soccer boots, and soccer equipment to the soccer team at Fugang Elementary School in Taitung. For the elementary school students in Lanyu Township, Taitung the Company sponsored sports clothing. These contributions enable children to showcase their talents and learn without worries.

### Combining Public Welfare and Corporate Core Development Through Higher Education Programs

In recent years, as ASPEED Technology conducted CSR, we considered ways to tie public welfare activities back to the Company's core business so that our charitable and regular work could complement each other. In 2015, we participated in the "Beyond the world of exams and credits" initiative with the Electrical Engineering Department of National Tsing Hua University, which provides corporate mentoring to students, and for three consecutive years we offered scholarships to the electrical engineering students at Tsing Hua. Our aim was to provide financial support to young scholars while giving the students a chance to interact with our Company chairman, who could inspire the students to explore their interests and clarify their career ambitions.

After considering how to combine public welfare and corporate core development, in 2020, ASPEED Technology set the mid-to-long-term social corporate responsible target as "Assist higher education and strengthen the cultivation of young students." ASPEED Technology selected the nearby National Yang Ming Chiao Tung University and National Tsing Hua University gradually invest educational resources including:

**1. Junior Chair Professor Sponsorship Program:** The program is contributing approximately NTD11.52 million over four years to sponsor junior chair professors at National Yang Ming Chiao Tung University and National Tsing Hua University. The program consists of monthly contributions that sponsor young professors, which supports the local higher education environment by helping schools to keep talented teachers in Taiwan. When connections exist between the young professors' R&D plans and ASPEED Technology's business, the Company promotes further interaction. We started the program with National Yang Ming Chiao Tung University in 2020 then expanded it to National Tsing Hua University in 2021.

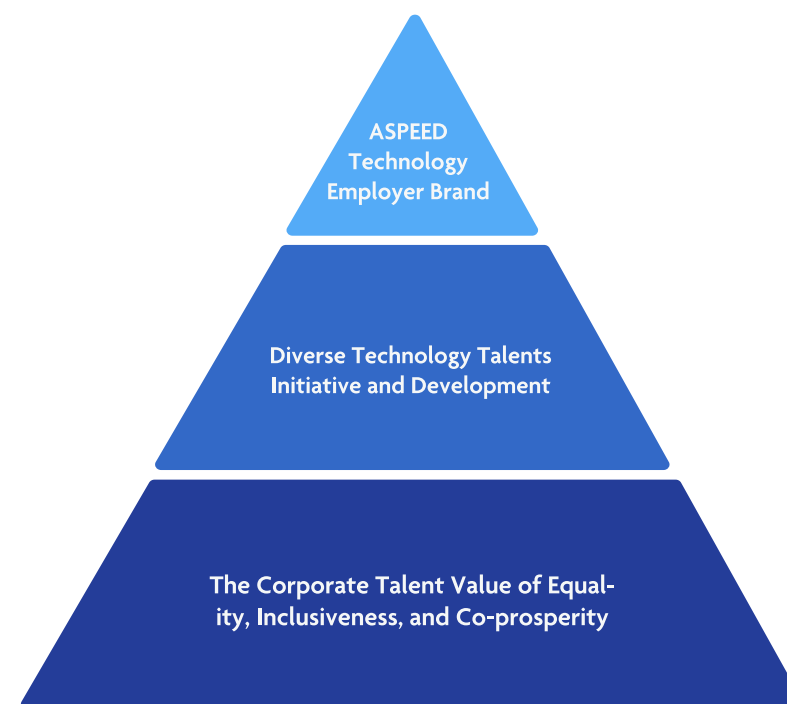
**2. National Tsing Hua University Sunrise Scholarship Program:** The program provides financial support to underprivileged students. Over the course of four years the Company is contributing NTD1.6 million, providing aid to four underprivileged students each year so they study without facing financial concerns.

**3. Academic Exchange:** We offer a series of speeches, lectures, and course planning for both schools. One aim of the program is to promote our brand as an employer among young adults who will soon enter the workforce, in order to support future recruitment. In this way the program supports the Company's internal core talent development program and talent cultivation.

## Sustainable Influence: Diverse Technology Talents

Talent is the critical resource for the development of semiconductor industry. ASPEED Technology recognizes that talent development is a critical part of ESG. Therefore, actively recruit technology talent is the key point of how ASPEED Technology maintain market dominating position. Considering the gender imbalance in the talent market, notably that the pool of women in technology is insufficient, ASPEED Technology formulated a plan to launch a sustainable influence project in 2022 through holding workshop with stakeholders related to the issues, bilateral communication, defining critical demand and focusing on social participation. The ESG value, future pathway and the resources that invest in sustainability, diversity, and inclusion, as well as the development of women in technology of ASPEED

Technology will be linked to industrial topics. Furthermore, ASPEED Technology will use SROI to plan, evaluate, record the impact of social participation and quantify the impact, as a performance indicator for future social participation.



## Timeline of Social Commitments

20  
13

- **Taiwan Fund for Children and Families (TFCF), Hsinchu Branch**  
“Let the Books Roll” project and reading promotion

- **World Citizen Culture Association**  
Joined the “W. island” activity



20  
14

- **Mei Hua Elementary School, Jianshi Township, Hsinchu County**  
Volunteers joined a reading promotion camp
- **Fun Arts String Quartet**  
Sponsored the Winter Sonata Tour and charitable activities

- **Fengtian Junior High School, Taitung County**  
Sponsored sound equipment in the stadium
- **Taiwan Fund for Children and Families (TFCF), Hsinchu Branch**  
“Wake Up and Smell the Books” rural reading promotion project



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15

- **Fengtian Junior High School, Taitung County**  
Sponsored replacement of equipment in the AV classroom
- **Jia Hsin Elementary School, Jianshi Township, Hsinchu County**  
Volunteers joined a rural reading promotion camp

- **Hsin-Sheng Junior High School, Taitung County**  
Sponsored improvements to the classroom environment
- **Guang Ming Elementary School, Taitung County**  
Sponsored improvements to the classroom environment

- **Fung Li Elementary School, Taitung County**  
Sponsored improvements to the classroom environment
- **Global Views Educational Foundation**  
Donated periodicals to rural schools as part of the “Sow the Seeds of Reading to Give Children a Great Future” project



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16

- **Electrical Engineering Department, National Tsing Hua University**  
Sponsored an international exchange scholarship
- **Taiwan Fund for Children and Families (TFCF), Hsinchu Branch**  
“Let the Books Roll” project and reading promotion
- **Hsin-Kang Junior High School, Taitung County**  
Sponsored improvements to the reading room air conditioning equipment

- **Affiliated Kindergarten of Taiping Elementary School, Taitung County**  
Sponsored floor renovations
- **Global Views Educational Foundation**  
Donated periodicals to rural schools as part of the “Sow the Seeds of Reading to Give Children a Great Future” project
- **Rui Yuan Junior High School, Taitung County**  
Sponsored the purchase of archery equipment by a mostly indigenous school

- **Bin-Lang Elementary School, Taitung County**  
Sponsored the installation of air conditioning equipment and light steel frames for electric fans



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17

- **Vox Nativa Association, Taiwan**  
Corporate sponsor

- **Taiwan Fund for Children and Families (TFCF), Hsinchu Branch**  
"Let the Books Roll" project and reading promotion

- **Judo Team, Pei Nan Junior High School, Taitung County**  
Sponsored training fees

- **Baseball Team, Pei Nan Junior High School, Taitung County**  
Sponsored training fees

- **Electrical Engineering Department, National Tsing Hua University**  
Sponsored an international exchange scholarship
- **Global Views Educational Foundation**  
Donated periodicals to rural schools as part of the "Sow the Seeds of Reading to Give Children a Great Future" project

20  
18

- **Canoe Team of the Taitung Sports Association**  
Sponsored attendance at the 2018 Taiwan International Dragon Boat Championships

- **Electrical Engineering Department, National Tsing Hua University**  
Sponsored an international exchange scholarship

- **Global Views Educational Foundation**  
Donated periodicals to rural schools as part of the "Sow the Seeds of Reading to Give Children a Great Future" project

20  
19

- **Cooperated with UBS to commission artworks for a charity project**  
Charity donation to the The Giver Charity, New Taipei

- **National Tsing Hua University and a 360-degree image association**  
Sponsored attendance at an international 360-degree photo competition by professors and students

- **Global Views Educational Foundation**  
Donated periodicals to rural schools as part of the "Sow the Seeds of Reading to Give Children a Great Future" project

20  
20

- **National Yang Ming Chiao Tung University**  
Sponsored the Junior Chair Professor sponsorship plan
- **Cooperated with UBS to commission artworks for a charity project**  
Charity donation to the The Giver Charity, New Taipei

- **National Tsing Hua University**  
Sponsored the Sunrise Scholarship program
- **Global Views Educational Foundation**  
Donated periodicals to rural schools as part of the "Sow the Seeds of Reading to Give Children a Great Future" project

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21

- **National Yang Ming Chiao Tung University**  
Junior Chair Professor Sponsorship Program
- **Fugang Elementary School, Taitung**  
Sponsorship of soccer boots, uniforms, and equipment for the soccer team

- **National Tsing Hua University**  
Sunrise Scholarship Program
- **Global Views Educational Foundation**  
"Sow the Seeds of Reading to Give Children a Great Future" activity, which donates magazines and other periodicals to rural areas

- **National Tsing Hua University**  
Junior Chair Professor Sponsorship Program
- **Lanyu Township, Taitung**  
Sponsorship of sporting clothes to elementary school children in Lanyu, Taitung





## Appendix

GRI Standards 83

SASB Standards 87

# 07



## GRI Standards

Indicator	Disclosure Items	Corresponding Chapter	Page	Note
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### GRI 2: General Disclosures 2021

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2-2	Entities included in the organization's sustainability reporting	About this report	3	Describe the entities included in the consolidated financial statements
2-3	Reporting period, frequency and contact point	About this report	3	
2-4	Restatements of information	About this report	3	
2-6	Activities, value chain and other business relationships	About this report	3	
2-7	Employees	Employee care	65	
2-9	Governance structure and composition	Corporate Governance and Ethical Corporate Management	28	
2-11	Chair of the highest governance body	Corporate Governance and Ethical Corporate Management	28	
2-12	Role of the highest governance body in overseeing the management of impacts	Risk Management	39	
2-13	Delegation of responsibility for managing impacts	ASPEED Technology sustainable development policy	16	
		Corporate Governance and Ethical Corporate Management	28	
2-14	Role of the highest governance body in sustainability reporting	Materiality Analysis	18	
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2-17	Collective knowledge of the highest governance body	Corporate Governance and Ethical Corporate Management	28	

Indicator	Disclosure Items	Corresponding Chapter	Page	Note
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### GRI 2: General Disclosures 2021

2-19	Remuneration policies	Corporate Governance and Ethical Corporate Management	28	
2-20	Process to determine remuneration	Corporate Governance and Ethical Corporate Management	28	
2-22	Statement on sustainable development strategy	ASPEED Technology sustainable development policy	16	
2-23	Policy commitments	ASPEED Technology sustainable development policy	16	State the precautionary principle or policy
		Corporate Governance and Ethical Corporate Management	28	State the value, principle, standard and code of conduct
2-24	Embedding policy commitments	ASPEED Technology sustainable development policy	16	
2-25	Process to remediate negative impacts	Employee care	65	
2-26	Mechanisms for seeking advice and raising concerns	About ASPEED Technology	3	
		Corporate Governance and Ethical Corporate Management	28	
2-28	Membership associations	Public Association Participation	13	
2-29	Approach to stakeholder engagement	Materiality Analysis	18	
2-30	Collective bargaining agreements	Materiality Analysis	18	Non in 2021

### GRI 3: Material Topics 2021

3-1	Process to determine material topics	About this report	3	
		Materiality Analysis	18	
3-2	List of material topics	About this report	3	
		Materiality Analysis	18	
3-3	Management of material topics	Materiality Analysis	18	

Indicator	Disclosure Items	Corresponding Chapter	Page	Note
GRI 201: Economics Performance 2016				
201-1	Direct economic value generated and distributed	2021 ESG Highlight	14	Please refer to ASPEED Technology 2021 Annual Report for financial information
		Operational Performance	36	
201-2	Financial implications and other risks and opportunities due to climate change	Risk Management	39	
201-3	Defined benefit plan obligations and other retirement plans	2021 ESG Highlight	14	
		Compensation and Employee Welfare	72	
201-4	Financial assistance received from government	2021 ESG Highlight	14	
		Operational Performance	36	
GRI 204: Procurement Practices 2016				
204-1	Proportion of spending on local suppliers	Environmental Management	56	
GRI 205: Anti-corruption 2016				
205-2	Communication and training about anti-corruption policies and procedures	Corporate Governance and Ethical Corporate Management	28	
205-3	Confirmed incidents of corruption and actions taken	Corporate Governance and Ethical Corporate Management	28	Non in 2021
GRI 206: Anti-competitive Behavior 2016				
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Corporate Governance and Ethical Corporate Management	28	

Indicator	Disclosure Items	Corresponding Chapter	Page	Note
GRI 206: Anti-competitive Behavior 2016				
GRI 302: Energy 2016				
302-1	Energy consumption within the organization	GHG and Energy Resource Management	58	
302-2	Energy consumption outside of the organization	GHG and Energy Resource Management	58	
302-3	Energy intensity	GHG and Energy Resource Management	58	
302-4	Reduction of energy consumption	GHG and Energy Resource Management	58	
302-5	Reductions in energy requirements of products and services	GHG and Energy Resource Management	58	
		Green Breakthrough	61	
GRI 303: Water and Effluents 2018				
303-1	Interactions with water as shared resource	GHG and Energy Resource Management	58	
303-2	Management of water discharge-related impacts	GHG and Energy Resource Management	58	
303-3	Water withdrawal	GHG and Energy Resource Management	58	
303-4	Water discharge	GHG and Energy Resource Management	58	
GRI 305: Emission 2016				
305-1	Direct (Scope 1) GHG emissions	GHG and Energy Resource Management	58	
305-2	Energy indirect (Scope 2) GHG emission	GHG and Energy Resource Management	58	

Indicator	Disclosure Items	Corresponding Chapter	Page	Note
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**GRI 305: Emission 2016**

305-3	Other indirect (Scope 3) GHG emission	GHG and Energy Resource Management	58	
305-4	GHG emission intensity	GHG and Energy Resource Management	58	
305-5	Reduction of GHG emissions	GHG and Energy Resource Management	58	
305-6	Emissions of ozone-depleting substances (ODS)	GHG and Energy Resource Management	58	No ODS emissions in 2021
305-7	Nitrogen oxides (NOx), sulfur oxides(SOx), and other significant air emissions	GHG and Energy Resource Management	58	No NOx, Sox, and other significant air emissions

**GRI 306: Waste 2020**

306-1	Waste generation and significant waste-related impacts	GHG and Energy Resource Management	58	
306-2	Management of significant waste-related impacts	GHG and Energy Resource Management	58	
306-3	Waste generated	GHG and Energy Resource Management	58	
306-4	Waste diverted from disposal	GHG and Energy Resource Management	58	
306-5	Waste directed to disposal	GHG and Energy Resource Management	58	

**GRI 308: Supplier Environmental Assessment 2016**

308-1	New suppliers that were screened using environmental criteria	Sustainable Supply Chain Management	53	
308-2	Negative environmental impacts in the supply chain and actions taken	Sustainable Supply Chain Management	53	

Indicator	Disclosure Items	Corresponding Chapter	Page	Note
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**GRI 401: Employment 2016**

401-1	New employee hires and employee turnover	Employee care	65	
401-2	Benefits provided to full-time employees that are not provided to temporary or parttime employees	Employee care	65	
401-3	Parental leave	Employee care	65	No employee apply for parental leave in 2021

**GRI 402: Labor/Management Relations 2016**

402-1	Minimum notice periods regarding operational changes	Employee care	65	
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**GRI 403: Occupational health and safety 2018**

403-1	Occupational health and safety management system	Employee care	65	
403-2	Hazard identification, risk assessment, and incident investigation	Employee care	65	
403-3	Occupational health services	Employee care	65	No employee conducted high risk or high incidence of specific diseases events
403-4	Worker participation, consultation, and communication on occupational health and safety	Employee care	65	
403-5	Worker training on occupational health and safety	Employee care	65	
		Talent Development	76	
403-8	Workers covered by an occupational health and safety management system	Employee care	65	
403-9	Work-related injuries	Employee care	65	

## SASB Standards

Type	Category	Code	Accounting Metric	Unit of Measure	Data	Corresponding Chapterage	Page
1	Quantitative	TC-SC-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	Reporting currency	Non in 2021	Corporate Governance and Ethical Corporate Management	28
2	Quantitative	TC-SC-000.A	Total production	Thousand pieces	132,900	Operation Performance	36
3	Quantitative	TC-SC-000.B	Percentage of production from owned facilities	Percentage	NA, ASPEED Technology does not involved production	Operation Performance	36
4	Quantitative	TC-SC-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	Percentage	0%	Product Quality and Customer Service	50
5	Discussion and Analysis	TC-SC-440a.1	Description of the management of risks associated with the use of critical materials	NA	Non in 2021	GHG and Energy Resource Management	58
6	Quantitative	TC-SC-110a.1	(1) Gross global Scope 1 emissions and (2) amount of total emissions from perfluorinated compounds	Metric tons (t) CO <sub>2</sub> e	(1) 16.37 metric tons CO <sub>2</sub> e (2) No perfluorinated compounds in 2021	GHG and Energy Resource Management	58
7	Discussion and Analysis	TC-SC-110a.2	Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	NA	Introduced ISO 14064-1 :2018 , and passed external verification in August 2022 for transparent disclosure of emission information. At the same time, 2021 will be used as the base year for the GHG inventory. In the future, carbon reduction targets will be set based on this, and carbon emission reduction will be included in long-term operations management.  In 2022, we will start planning the digital transformation plan of internal processes, and reduce Scope 1 carbon emissions by gradually replace paper documents with electronic signatures.	GHG and Energy Resource Management	58
8	Quantitative	TC-SC-150a.1	Amount of hazardous waste from manufacturing, percentage recycled	Metric tons (t), Percentage (%)	No hazardous waste in 2021	GHG and Energy Resource Management	58
9	Quantitative	TC-SC-410a.2	Processor energy efficiency at a system-level for: (1) servers, (2) desktops, and (3) laptops	DMIPS/MHz	2,381 (Product: AST2600) 1,652.17 (Product: AST2500) 1,357.64 (Product: AST2520) 580.31 (Product: AST2400) 1,149.89 (Product: PILOT 4Dual-Core) 1,652.17 (Product: AST1520)	Green Breakthrough	61
10	Discussion and Analysis	TC-SC-320a.1	Description of efforts to assess, monitor, and reduce exposure of employees to human health hazards	NA	ASPEED Technology has a professional occupational safety and health business supervisor, regularly reviews occupational safety, health and environmental protection-related matters, and promotes various occupational safety, health and environmental protection related businesses.  The office area of ASPEED Technology does not included factory. The main work is to identify the basic hazards of the office environment on a regular basis. The only event involve chemicals is the lead free soldering in the R&D process. In addition to wearing N95 masks and ventilating in accordance with the regulations, "lead poisoning" health checks will be carried out for welding personnel to ensure the health of all employees.	Green Breakthrough	61
11	Quantitative	TC-SC-320a.2	Total amount of monetary losses as a result of legal proceedings associated with employee health and safety violations	Reporting currency	Non in 2021.	Employee Care	65
12	Quantitative	TC-SC-330a.1	Percentage of employees that are (1) foreign nationals and (2) located offshore	Percentage (%)	0%	Employee Care	65

Indicator	Disclosure Items	Corresponding Chapter	Page	Note
GRI 403: Occupational health and safety 2018				
403-10	Work-related ill health	Employee care	65	
GRI 404: Training and Education 2016				
404-1	Average hours of training per year per employee	Talent Development	76	
404-3	Percentage of employees receiving regular performance and career development reviews	Compensation and Employee Welfare	72	
GRI 405: Diversity and Equal Opportunity 2016				
405-1	Diversity of governance bodies and employees	Employee care	65	No employees with disabilities, aboriginal hired in 2021
405-2	Ratio of basic salary and remuneration of women to men	Employee care	65	
		Compensation and Employee Welfare	72	
GRI 406: Non-discrimination 2016				
406-1	Incidents of discrimination and corrective actions taken	Employee care	65	
GRI 407: Freedom of Association and Collective Bargaining 2016				
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Employee care	65	ASPEED Technology has not organize association or unit
GRI 408: Child Labor 2016				
408-1	Operations and suppliers at significant risk for incidents of child labor	Employee care	65	Non in 2021
GRI 409: Forced or Compulsory Labor 2016				
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Employee care	65	Non in 2021

Indicator	Disclosure Items	Corresponding Chapter	Page	Note
<b>GRI 414: Supplier Social Assessment 2016</b>				
414-1	New suppliers that were screened using social criteria	Sustainable Supply Chain Management	50	
<b>GRI 417: Marketing and Labeling 2016</b>				
417-2	Incidents of non-compliance concerning product and service information and labeling	Product Quality and Customer Service	48	Non in 2021
<b>GRI 418: Customer Privacy 2016</b>				
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Information Security	42	No complaints of invasion of customer privacy or loss of customer data in 2021