

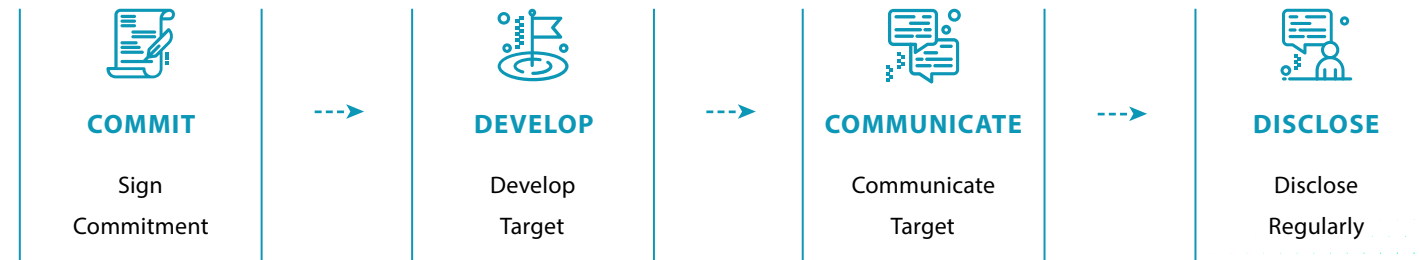


02 ESG Focus Case

01 Develop the "Science-Based Target (SBT)" to Promote ASUS Net Zero Path

The Science based target (SBT) is a joint initiative of the International Carbon Reduction Initiative (ICRI) CDP, the United Nations Global Compact (UNGC), the World Wide Fund for Nature (WWF) and the World Resources Institute (WRI). The SBT approach is based on achieving a global warming trend within 1.5°C of total carbon emissions, and using scientific methods to calculate reasonable emission allowances for specific industries and companies in a global carbon budget scenario.

In response to the importance of global climate change mitigation, ASUS has proactively followed the SBT methodology to develop emission reduction paths and targets. In 2022, ASUS conducted a group-wide (including all subsidiaries) GHG inventory to identify the most significant sources of emissions and complete the group-wide Science-based Reduction Target Commitment. It is expected that we will obtain the SBT carbon reduction target certification in 2023 and set the group-wide carbon reduction target in line with the SBT, with the introduction of renewable energy, supply chain carbon reduction, development of low-carbon products, and improvement of product energy efficiency as the main carbon reduction actions. Lead the subsidiaries and the overall value chain towards ASUS 2050 Net Zero vision.

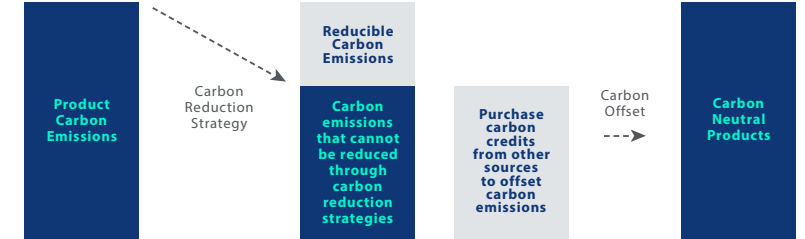


- Annual Performance:**
- Achievement of SBT reduction target commitment
 - Formulate group-wide carbon reduction targets in line with SBT
 - Establish group-wide GHG inventory capabilities of subsidiaries

02 Launch Whole Life Cycle Product Carbon Reduction Program to Implement Product Carbon Neutrality

ASUS ExpertBook B9 (B9400CB) is the world's first commercial notebook computer certified with ISO 14067. 2018 Product Carbon Footprint and PAS2060 : 2014 Product Carbon Neutrality Verified by the third party. By calculating the carbon footprint of products, 75% of the carbon emissions in the manufacturing stage have the most significant impact on the carbon footprint of products, followed by 20% in the use stage of products. Based on the identified emission hotspot sources, ASUS has developed a product carbon reduction plan and planned to introduce a variety of environmentally friendly materials into its products, including the use of post-industrial recycled magnesium lithium and post-industrial recycled magnesium aluminum for product exterior materials. The packaging materials are made of FSC forest sustainable certified materials, and the final assembly facilities is upgraded to use renewable energy. In addition, ASUS applies staged carbon reduction design to optimize product energy consumption, and thus achieve better than the U.S. Energy Star by 67%.

After we implemented the carbon reduction program on the ExpertBook B9 (B9400CB) product, the carbon emissions from a part of the product that could not be reduced with feasible technology was offset with an internationally credible source of carbon rights to make the product carbon neutral. ASUS selects carbon credits from nature-based forest carbon sinks, which are clean carbon credits that maintain biodiversity, soil and water conservation, and increase local employment opportunities. ASUS complies with PAS 2060 : 2014 Product Carbon Neutrality Standard, with ExpertBook B9 (B9400CB) achieved third-party product carbon neutrality verification.



Product Energy Efficiency

- ENERGY STAR® certified and 67% better than standard
- External power supply exceeds the EEI 4 specification set by US DOE by 1%
- Retains more than 65% of original battery capacity after 1,000 cycles of charging



Low-carbon Products

- ISO 14067 : 2018 Product Carbon Footprint Verification
- PAS 2060 : 2014 Product Carbon Neutral Verification



[ExpertBook B9400CB Product Carbon Footprint Report](#)



Eco-friendly Material Usage

- Adopted halogen-free motherboard
- The outer casing is made Post-Industrial Recycled (PIR) metal



Sustainable Packaging Materials

- Products are made with 90% or more recycled materials
- Adopted environmentally friendly FSC MIX sustainable paper material



Lightweight

- Adopted magnesium-lithium alloy body, lightweight and compact

03 Apply Data-Driven Decision Making to Build a Supply Chain Platform and Optimize Value Chain Management

ASUS uses technology to manage sustainability strategies in the digital transformation of the supply chain, allowing data to assist in decision making and implementing data-based assessments. We established a sustainable supply chain platform in 2021 to start the short, medium, and long-term digital transformation project for supply chain management. We analyzed the ESG performance data of long-term suppliers to identify potential supplier risk factors and reduce the evaluation procedures for the introduction of new suppliers, and then we invest management resources into the audits and improvements of deficiencies of high-risk suppliers. Our next-stage target is to establish the ASUS greenhouse gas management platform to compile corporate, supply chain, and product carbon inventory information as an important foundation for ASUS to manage its carbon reduction goals and move toward the 2050 net zero vision.

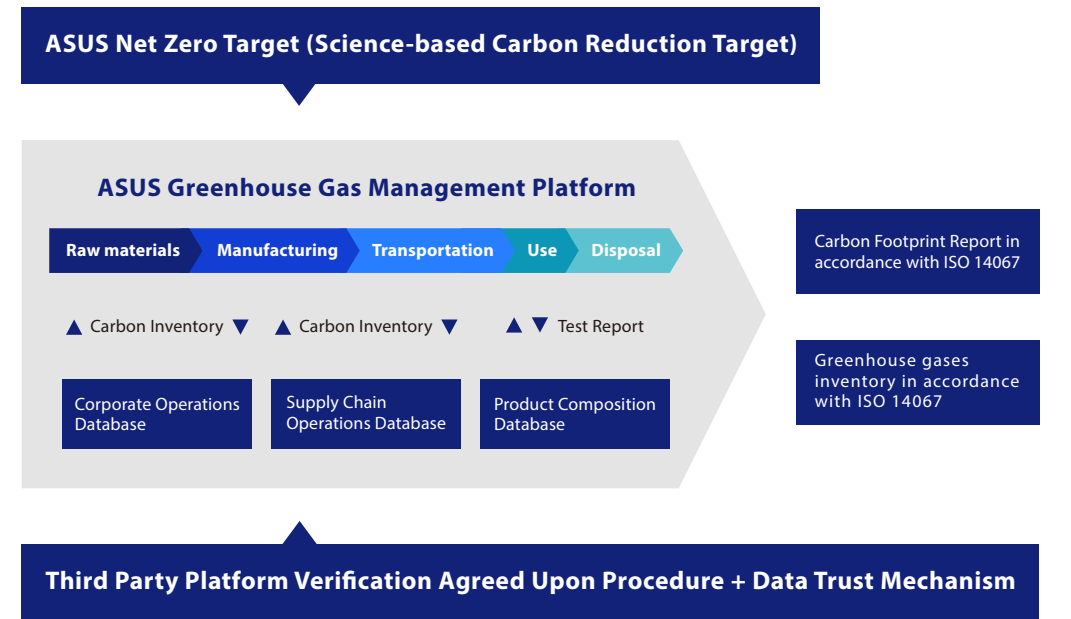
Supply chain ESG Dashboard



Annual Performance :

- Complete the identification of risk sustainable supply chain risk indicator and the analysis of the risk correlation analysis. Establish supply chain ESG dashboard
- Establish the data coverage scope of Greenhouse Gas Management Platform. Include key stages of the value chain: raw material extraction, product manufacturing, upstream and downstream transportation, product use, and product disposal
- Confirm data processing targets and establish the standard operating procedures for data collection

ASUS Greenhouse Gas Management Platform





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03 Identification of Material Issues

04 2025 Sustainability Goals

05 Circular Economy

06 Climate Action

07 Responsible Manufacturing

08 Value Creation

09 Society

10 LOHAS Workplace

11 Governance

Appendix

04 ASUS Think Next Builds a Bridge between the Enterprise and the New Generation

In light of the ever-changing future, it is worthwhile for industry, government, and academia to work together to bring their wisdom to explore new solutions to the needs of human society. ASUS launched the “ASUS Think Next Program” with the concept of human-based approach in mind in 2022. ASUS R&D and innovation professionals were served as mentors to call on the new generation youth to join the program. Under the theme of “New Solutions for Digital Learning for the Alpha Generation”, ASUS entered the first scene of education to understand the needs of teachers, students, and parents, and facilitated several online and offline design thinking workshops to guide the discussion between enterprises and the new generation to create a variety of educational proposals.

ASUS, as a pioneering Taiwan enterprise, plans to continue this project to build a bridge between enterprises and the new generation of youth. In the future, through workshops, seminars and other diversified co-creation and co-learning activities, ASUS will exercise its expertise and viewpoints, and exchange creativity and learning with the new generation of youth to jointly explore new solutions to future issues for the world. We explore the future development trend of the industry through user's viewpoint and design thinking.



Brainstorm with new generation students through design thinking tools and templates

Annual Performance :

- The first project received an overwhelming response, with 105 proposals collected. Conduct several online and offline workshops with selected students for in-depth design thinking and co-creation
- A total of 15 innovative educational design proposals were received, proposing unique solutions to the educational experience for teachers, students, parents, schools and third-party education service providers

05 Long-Term Governance to Strengthen Corporate Resilience

ASUS's Business Continuity Management (BCM) Committee focuses on critical risks that are not urgent and identified possible future risks and ensure early response. The Taskforce Units (TUs) are responsible for monitoring risk trends and preventive risk management in all areas. Each TU is required to establish Quantitative Key Risk Indicators and various risk prevention programs. The BCM Committee reports to the Board on the status of the risk management review at least once a year.

In 2022, ASUS strengthened its risk governance structure by making the BCM Committee a functional committee, chaired by an independent director, with more than half of the members being independent directors, and establishing the BCM Committee's charter, specifying the number of members, terms of office, and rules of procedure to make the committee's operation more supervisory. Meanwhile, a dedicated BCM office was established with the Chief Sustainability Officer as the top risk management supervisor, who is responsible for the introduction of risk and other related mechanisms. Please see [CH11 Governance](#) for BCM risk identification results and management actions.

ASUS Risk Management Blueprint

2020	2021	2022	2023	2024	2025
Launched the Management Organization Established BCM Committee to promote risk management with nine task units	Introduce the Management Tools <ul style="list-style-type: none"> • Counseled the demonstration team to introduce the management tool and organized BCM sharing session • Established Quantitative Key Risk Indicators (KRIs) and prevention programs 	Established Operating Standards <ul style="list-style-type: none"> • Held regular BCM quarterly meeting for review • Built BCM risk management policies, objectives and operating standards 	Improve Risk Management Organizational Level <ul style="list-style-type: none"> • Independent directors joining BCM committee • Establish BCM committee charter 	Expand management scope <ul style="list-style-type: none"> • Focus on key products to integrate business continuity plans • Expand BCM requirements to supply chain 	Acquire Management System Certification <ul style="list-style-type: none"> • Perform internal audits and management reviews • Acquired ISO 22301 Certification

Annual Performance :

- Independent directors join BCM committees to balance internal and external stakeholder views and improve risk inclusion
- Establish a BCM office with a dedicated unit to promote and execute risk management, highlighting its management responsibilities