



msi[®]

2025 MSI SUSTAINABILITY REPORT

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About the Report

Scope of the Report

- ◆ Report period
January 1st to December 31st, 2024, aligned with the reporting period of MSI Consolidated Financial Statements 2024.
- ◆ Entities included in the report information disclosure
Financial data covers the operating performance of all parent companies and subsidiaries in the overall financial statement. The non-financial performance indicator and Material Topics are based on MSI Zhonghe Plant (MSIT), MSIT1 Plant (MSIT1), MSI Computer (Shenzhen) Co., Ltd. (MSIS) and MSI Electronic (Kunshan) Co., Ltd. (MSIK). These four companies are hereinafter referred to as MSI or Us; When referring to the MSI Group, it broadly encompasses all legal entities included in the consolidated financial statements of MSI INT'L Co., Ltd. Business management, sales, and repair service location of subsidiaries in other countries are not represented in the Report, which is different from the consolidated financial statements of the Company. Please refer to the Company's shareholders' meeting annual report for details.
<https://tw.msi.com/about/investor/annualMeetingOfShareholders>
- ◆ Restatements of information
Compared to the previous report year, the scope has not been changed for the Report this year. The organization and supply chain of MSI have not been changed significantly. The restatement of information will be indicated in each chapter.

Composition of the Report

- ◆ The content structure of the Report is based on the GSSB GRI Standards 2021. The Report is composed according to the Taiwan Stock Exchange Corporation Rules Governing the Preparation and Filing of Sustainability Reports by TWSE Listed Companies. It discloses planning, strategy and management performance of relevant operating activities during the period of the Report. Refer to Appendix I for the GRI index in detail.
- ◆ The number of employees of MSIS and MSIK is not provided due to the restriction in the non-disclosure clause of customer contract.
- ◆ The amounts disclosed in the Report is in TWD; otherwise, it will be specified in the Report.

Report Certification

- ◆ Internal review
 - ✓ Sustainable Development Office conducts evaluation, and bears the responsibility for consolidation, planning, data compilation, internal communication, content editing and report verification.
 - ✓ The Environmental and Corporate Social Responsibility Committee and the executive of all departments examine the content and information accuracy of each chapter.
 - ✓ The Board of Directors authorizes the President to command all full-time and part-time units to examine the strategy goal and ESG (Environment, Social, Governance) performance.
 - ✓ The Chairman and President will sign off the final version for publication after verification is completed.
 - ✓ Submit to the Board of Directors for approval upon completion of the report.

- ◆ External verification
 - ✓ The Report is verified by the BSI Pacific Limited, Taiwan Branch (BSI) based on the AA1000AS v3 Type 1, Moderate Assurance. Refer to Appendix V of the Report for the assurance statement.
 - ✓ Hardware index in the Report is disclosed according to the SASB (Sustainability Accounting Standards Board) index. Type 1 compliance assessment verification on the Report is conducted by BSI. The verification result is listed in Appendix II of the Report.
- ◆ Data quality and management system verification
Refer to the MSI Sustainability website (<https://csr.msi.com/tw/management-system-certificate>) for management systems of environment, energy, occupational safety and health, hazardous substances and information security, and verification on management system of quality control, automobile industry quality, communication electronics industry, and laboratory quality.

Release History

Since the first corporate social responsibility report was released in 2008 (renamed the sustainability report since 2022), MSI still releases the report on the MSI Sustainability website and MOPS and publishes an English version, to disclose information to all stakeholders.

- ◆ Release time of the Report: August 2025
- ◆ Release time of the previous version: August 2024
- ◆ Release time of the next version: Expected to be in August 2026

Contact Information

- ◆ Office: MSI Technology Sustainable Development Office
- ◆ Address: No. 69, Lide St., Zhonghe Dist., New Taipei City, Taiwan 235
- ◆ TEL: +886-2-3234-5599
- ◆ E-mail: csr@msi.com

Words from the Chairman and President

In 2024, the global geopolitical landscape remains shaped by various factors such as geopolitical conflicts, international trade tensions, and the economic recovery following the pandemic. Nevertheless, major economies continue to advance digital transformation and infrastructure investments, increasing their focus on AI applications and green energy initiatives. This collectively contributes to steady growth momentum in the technology and PC sectors. While short-term fluctuations in the supply of raw materials and key components may occur, financial markets have begun a cycle of interest rate cuts. MSI is reinforcing its leading position in the eSports market through a diversified supply chain strategy and sound financial management, while also actively expanding into consumer markets, corporate solutions, and AIoT applications, thus ensuring a robust operational foundation for 2024. In light of potential tariff policies, the company is fast-tracking its diversification and regionalization strategies for the supply chain and is meticulously evaluating investment returns and sustainable operational capabilities.

Looking ahead to 2025, we expect geopolitical risks to decrease and supply chain clarity to improve. The demand for high-performance and intelligent edge computing applications will continue to rise, driving growth in the PC market through technological innovations. As economies recover, major countries are likely to lower interest rates, facilitating capital flow and corporate financing, which will boost consumer spending and industrial investment. In response, MSI will strengthen its core products and increase R&D in AI, cloud computing, and sustainable design while expanding its marketing networks. With favorable interest rate trends and rising demand, MSI anticipates further growth in market share and profitability in 2025, all while upholding its commitment to sustainability and corporate social responsibility.

Green Economy and Sustainable Manufacturing

The rise of generative AI in 2024 has significantly transformed the global electronics industry, enhancing hardware capabilities and energy efficiency. MSI focuses on R&D to not only deliver superior computing performance but also ensure that our manufacturing processes align with sustainability goals. Our initiatives, such as implementing solar energy systems and energy management in our facilities, have enabled MSIK and MSIS to achieve 100% renewable energy usage in 2024, advancing our vision of green manufacturing.

MSI is committed to an ambitious carbon reduction pathway in line with the SBTi and is strengthening collaboration with supply chain partners to encourage the adoption of energy and environmental management systems. We aim to drive sustainable development and promote a green economy throughout the supply chain.

Huang Chin Ching - President



Hsu Hsiang - Chairman



MSI's Significant Sustainable Accomplishments in 2023



EV-SeriesCharging obtained
**OCA OCPP 1.6 Certification,
MIT Smile Label and Gold Medal**



Nominee for The 5th Taiwan Circular Economy Award 2025
– Cooperate Award and Sustainable Supply Chain Award



Awarded the ESG Gold medal for the E-Mobility Event



Around NT\$36.9 million was invested in the public welfare programs in Taiwan. The donation for global public welfare is TW\$54.8 million.



Committed to SBTi
Science-Based Carbon Reduction Targets



Awarded the COMPUTEX 2024
Sustainable Tech Special Award



Awarded the 13th New Taipei Occupational Safety Award –
Workplace Sustainability Health and Safety Award (Excellence)



Selected for the FTSE4Good TIP Taiwan ESG Index and MSCI
TWESGHY30 in 2024



Recognized by CommonWealth Magazine's Temperature Rising
Index for Pathways(TRIPs). Aligned with the International 1.5°C
Carbon Reduction Path



MSI Group achieved a total renewable energy usage of **83.2%**

CH1.
SUSTAINABLE DEVELOPMENT
AND COMMUNICATION

1.1 MSI Sustainable Development Strategy and Commitment

MSI persists in the business philosophy of “innovative smart intelligence,” “becoming a corporate citizen,” and “achieving win-win growth together.” MSI endeavors to fulfill the responsibility and mission for social care, environmental protection, employee care, shareholder commitment, and customer reliance, and accomplishes the ESG (Environment, Social, Governance) strategy of sustainable development. MSI fulfills and echoes the UN Sustainable Development Goals (SDGs) step by step through strategic actions, “good governance structure,” “pilot environmental sustainability,” “diverse inclusive workplace,” and “responsible production implementation.”

MSI also actively uses standards accepted globally to promote social and environmental responsibility and business ethics, such as the Responsible Business Alliance (RBA) and UN Guiding Principles on Business

and Human Rights. In compliance with local laws and regulations, we have developed the ‘Sustainability Code of Conduct’ to guide our corporate citizenship practices. We are dedicated to investing resources in improvements, setting environmental and energy efficiency targets, and managing resource use, emissions, and reductions through our environmental management system. This approach allows us to effectively address global climate change by incorporating climate considerations into our business decisions and actively working to mitigate the impacts of climate change.

Viable Governance Structure	Leadership Towards Sustainability	Diversified and Inclusive Workplace	Implementation of Responsible Production
 MSI makes its corporate policy on the basis of integrity under the corporate philosophy of integrity, transparency, and responsibility to develop the mechanisms.	 MSI will continue to apply integrative and preventive environmental strategy to the production process, products, and services to enhance ecological benefits and reduce the hazards to mankind and the environment.	 MSI seeks to improve sustainable management of the supply chain, invest in the organization, the employees, and people with diversified skills and potential to achieve the goal of inclusive growth for common good.	 MSI makes use of its R&D and management capacity to mitigate the burden on the environment and perform its responsibility pertinent to the environment as a producer, and satisfy the development and survival needs of mankind.

「 Innovation of Smart Technologies 」 「 Pursuit of Corporate Citizenship 」 「 Common Growth for Win-Win Situation 」

1.2 Identification and Analysis of Material Topics in 2024

MSI utilizes the GRI Standards (2021) materiality identification process to identify and evaluate the material sustainable topics affecting our business operations. In accordance with the EU's Double Materiality Guidelines, we assess both impact materiality—reflecting the significance of issues to stakeholders—and financial materiality—reflecting their importance to investors. Our disclosures are based on both GRI Standards and Sustainability Accounting Standards Board (SASB) indicators.

Identification	Assessment	Sorting	Reporting
◆ Stakeholder identification By referring to influence, tension, responsibility, dependency and diverse perspectives in AA1000 Stakeholder Engagement Standard (AA1000 SES), and considering international sustainable development trends and operational needs at the same time, MSI defines 7 types of stakeholders, investor/shareholder, customer, supplier, employee, media, government agency and NPO. MSI engages with these 7 types of stakeholders through regular and occasional diverse communication channels, to find out and respond to the stakeholders' opinions, needs, and expectations. MSI's goal is to inspire corporate sustainable value, bear social responsibility, and disclose information in corresponding chapters in the Report. In the meantime, MSI examines and confirms the types of stakeholders at the Environmental and Corporate Social Responsibility Committee every year, and adjusts them depending on the current industrial and international environment.		4 Economic and Governance topics 5 Enviromental topics 5 Social topics 3 Supply Chain Management topics*	Corporate Performance Ethical Management and Good Governance Product R&D and Innovation* Compliance Climate and Carbon Emission Management Energy Management Product Responsibility Circular Economy* Water resource management Talent Cultivation Employee Well-Being and Economic Security* Occupational Health and Safety Human Rights Management and Labor Relations Digital Inclusion and Social Engagement Supply Chain Environmental Impact Supply Chain OHS Responsible Minerals Management
◆ Organization context and topic identification MSI belongs to the computer hardware and peripheral manufacturing industry, and actively spans AIoT and automotive business solutions. MSI's manufacturing is in China and Taiwan, and sales are worldwide. Besides considering all kinds of sustainable standards (GRI, RBA, TCFD, CDP, SASB), Sustainable Development Goals (SDGs), and the UN Global Compact, we refer to benchmark competitors and market dynamics, and collect various actual or potential positive and negative impacts. In 2024, through stakeholder engagement, MSI identified 17 material topics from 30 sustainability issues, and separated Supply Chain Management from the original three categories into a fourth category for more effective management and reporting.			

*Indicates a material topic newly introduced in this reporting year.

◆ Stakeholder engagement

The stakeholder channels we built include shareholders' meeting, Company's official/shop/sustainability website, company email, service display flagship, service center, special internal contact, and customer satisfaction survey. They are listed below:

STAKEHOLDER	PURPOSE OF STAKEHOLDER ENGAGEMENT	COMMUNICATION CHANNEL	EFFECTIVENESS OF ENGAGEMENT
Investor/ Shareholder	Investor/Shareholder is one of the stakeholders MSI cares the most. We operate business cautiously, guarantee shareholder rights, and create profits and values for MSI.	[Every year] Shareholders' meeting and annual report [Occasionally] Company website or MOPS. The investor conference was held once in 2022. Contact: Jade Hung, Vice President, +886-2-3234-5599	In 2024, MSI achieved a 100% response rate to investor questionnaires, with annual revenue increasing by 8.2%.
Customer	MSI's mission and goal are making sure that corporate customers and global consumers are satisfied with MSI's products and have the best time when using them.	[Real-time] Company website and social media [Occasionally] Satisfaction survey [Specific time] Special internal contact, service display flagship, all service centers, 0800 customer service hotline. Customer service hotline: +886-800-018-880	Customer satisfaction reached 98.7 in 2024, improving by 0.4 points compared to 2023.
Supplier	MSI keeps a close, good relationship with suppliers and continues to work with them. MSI and suppliers learn from each other, and create a sustainable value chain.	[Every year] Supplier survey, evaluation and survey [Occasionally] The supplier conference was held once in 2023. [Real-time] Green Product Management Platform (GPM) Contact: Maggie Chen, Vice President, +886-2-3234-5599	100% of suppliers signed the MSI Group's Supplier Code of Conduct in 2024, ensuring compliance with labor, health and safety, and environmental standards.
Employee	Talent is the most important capital at MSI. We encourage employees to think outside the box, take care of employee's mental and physical health, and help employees build skills, broaden their vision, and grow with the Company.	[Occasionally] Satisfaction survey [Real-time] Suggestion box, information platform, app, Employee Assistance Program (EAP) Contact: Wayne Chien, Assistant Vice President, +886-2-3234-5599	The 2024 employee satisfaction survey had an 87.6% response rate. Each employee received an average of 17 hours of training, up 9.6% from 2023.
Media	The media is a part of communication with the public. As a computer brand, MSI always interacts well with the media	[Occasionally] Press conference and release Contact: Sam, Vice President, +886-2-3234-5599	MSI promptly shares updates and technical developments via official platforms and discloses major events through the Market Observation Post System.
Government agency	MSI fosters constructive relations with government entities, adheres to all applicable laws and regulations, and ensures transparent disclosure of material corporate information.	[Every year] Sustainability report [Occasionally] Government project requirements, MOPS Contact: Jade Hung, Vice President, +886-2-3234-5599	In 2024, MSI recorded zero cases of major legal violations, both monetary and non-monetary.
NPO	Either for climate, environmental protection, public welfare, education or talent, MSI is always open-minded, collaborates with NPOs, improves the Earth's environment, helps the disadvantaged groups in society, supports student education, closes the industrial-academic gap, and aims to create MSI's sustainable value.	[Occasional] Company website, sustainability report, MOPS, program requirement application, MSI contacts the NPO voluntarily. Contact: Wayne Chien, Assistant Vice President, +886-2-3234-5599	MSI carried out 39 public welfare projects in 2024, benefiting over 30,000 people.

Note: MSI's highest governance body engages with stakeholders at events such as the shareholders' and suppliers' meetings, using insights gathered to inform decision-making.

Identification	Assessment	Sorting	Reporting
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Both the GRI Standards (2021) and GRI Perspective pointed out that impact significance must be assessed for the sustainability topic. That is, severity and possibility of negative impact and the scale, scope and possibility of positive impact, are identified by using risk management method.

TOPICS	SUSTAINABLE DEVELOPMENT TOPIC	STAKEHOLDER AFFECTED	IMPACTS ON MSI		IMPACTS ON THE ECONOMY, ENVIRONMENT, AND PEOPLE		RELATED CHAPTER
			POSITIVE	NEGATIVE	POSITIVE	NEGATIVE	
Economic and Governance	Corporate Performance	Investor/Shareholder, Customer, Employee, Government Agency	5	4.3	3	1.3	CH2 About MSI
	Ethical Management and Good Governance	Investor/Shareholder, Customer, Supplier, Employee, Media, Government Agency	3.5	3.5	3	0.5	2.5 Ethics and Compliance
	Product R&D and Innovation	Investor/Shareholder, Customer, Supplier, Employee, Media, Government Agency	4	3.7	2.7	1.2	3.3 Green Production and Manufacturing
	Compliance	Investor/Shareholder, Customer, Supplier, Employee, Media, Government Agency	3.8	3	2.8	1.3	2.5 Ethics and Compliance
Environment	Climate and Carbon Emission Management	Customer, Supplier, Employee, Media, Government Agency, NPO	5	4	5	3.8	CH3 Climate Action and Green Manufacturing
	Energy Management	Customer, Supplier, Employee, Government Agency, NPO	2	2.7	2	0.8	3.2 Low-Carbon and Sustainable Manufacturing
	Product Responsibility	Customer, Supplier, Government Agency	4.3	3.7	4	2.2	3.3 Green Production and Manufacturing
	Circular Economy	Investor/Shareholder, Customer, Supplier, Employee, Government Agency	3.7	3	3	1.2	3.3 Green Production and Manufacturing
	Water resource management	Customer, Supplier, Employee, Government Agency, NPO	4	3.3	4.3	2.2	3.2 Low-Carbon and Sustainable Manufacturing
Social and Labor	Talent Cultivation	Employee, Government Agency, NPO	4.3	2.7	1.5	0	5.2 Cultivation and Development
	Employee Well-Being and Economic Security	Employee, Customer	3.7	3	1.7	0.5	5.1 Attraction and Retention
	Occupational Health and Safety	Customer, Supplier, Employee, Government Agency	3	3	1.7	0.8	5.4 Health and Safety
	Human Rights Management and Labor Relations	Customer, Supplier, Employee, Media, Government Agency, NPO	3	2	1.2	0.8	CH5 Talent Attraction and Development
	Digital Inclusion and Social Engagement	Employee, Media, Government Agency, NPO	1.2	0.4	3.1	0.5	CH6 Social Responsibility and Corporate Value
Supply Chain Management	Supply Chain Environmental Impact	Investor/Shareholder, Supplier, Employee, Government Agency	4.4	2.7	3.5	2.8	4.1 Supplier Management
	Supply Chain OHS	Supplier, Employee	4	4	3.3	2.7	4.1 Supplier Management
	Responsible Minerals Management	Supplier, Employee	3.5	3	1.7	2.7	4.2 Responsible Minerals Management

Identification

Assessment

Sorting

Reporting

In 2024, MSI reassessed its material topics to ensure alignment with stakeholder expectations, regulatory developments, and industry trends. This process involved input from both internal and external stakeholders and a review of market dynamics and ESG disclosure requirements. The Corporate Sustainability Office facilitated cross-departmental engagement through executive meetings, sustainability training, and discussions. These efforts ensured a clear understanding of potential impacts and the adoption of appropriate sustainability measures.

As a result, MSI expanded its material topics to 17, building on the six from 2023. New topics include Ethical Management and Good Governance, Compliance, Energy Management, Circular Economy, Water resource management, Employee Well-Being and Economic Security, Occupational Health and Safety, Human Rights Management and Labor Relations, Digital Inclusion and Social Engagement. Supply chain topics were also refined into three distinct areas: Supply Chain Environmental Impact, Supply Chain OHS, and Responsible Minerals Management.

Each material topic is assessed for the negative/positive impacts of ESG. MSI outlines corresponding actions and mitigation strategies to manage these risks and reduce operational impacts.



2024 MSI Material Topic Management ▼

A+ Actual PositiveP+ Potential PositiveA- Actual NegativeP- Potential Negative

CATEGORY	MATERIAL TOPICS	ESG IMPACTS	CORRESPONDING ACTIONS	MITIGATION STRATEGIES	RELATED GRI STANDARD
Economic and Governance	Corporate Performance	A+ - Strong performance boosts MSI's brand and supports long-term sustainability P- - Poor performance risks market share loss and stakeholder impact	◆ Drive growth through product innovation, cost control, and efficient sales and inventory management ◆ Stay agile by monitoring and responding to global risks and market shifts	◆ Rapidly adapt operational strategies to address regional risks and market shifts	GRI 201: Economic Performance 2016
	Ethical Management and Good Governance	P- - Governance lapses that neglect stakeholder interests may damage MSI's brand reputation	◆ Establish robust management practices to prevent improper business conduct across operations, materials, labor, and sustainability, ensuring clear internal governance and communication ◆ Ensure sound management operations to strengthen trust with internal and external stakeholders	◆ Evaluate corruption risks and key matters, with management conducting self-assessments and disclosures in the annual shareholder report	GRI 205: Anti-corruption 2016
	Product R&D and Innovation	A+ / P+ - MSI strengthens competitiveness by continuously patenting products and developing innovations annually	◆ MSI promotes internal R&D by incentivizing employees to propose innovations in process improvement, product design, marketing, and innovation initiatives	◆ Provide product safety incident reporting; details at MSI's sustainability website: https://csr.msi.com/tw/product-security-advisories	GRI 3: Material Topics 2021
	Compliance	P- - Legal violations may expose MSI to litigation risks, harm stakeholder interests, and damage performance and reputation	◆ MSI regularly monitors regulatory changes at home and abroad and conducts internal audits to ensure full compliance in all operational details	◆ Conduct legal compliance checks at all sites to minimize operational risks and impacts	GRI 2: General Disclosures 2021 (2-27 Compliance)
Environment	Climate and Carbon Emission Management	A- / P- - Poor management of electricity use and manufacturing may increase carbon emissions and climate risk	◆ MSI mitigates climate change by deploying renewable energy, improving process and utility efficiency, and promoting low-carbon, energy-saving behaviors among employees ◆ When electricity use or GHG emissions rise, MSI analyzes the causes and adjusts the strategy to stay aligned with its long-term carbon reduction goals		GRI 305: Emissions 2016
	Energy Management	A- - Inadequate energy management hinders efficiency improvements, potentially raising operational costs and emissions	◆ Actively expands solar PV installations to increase renewable energy usage ◆ Purchases renewable energy certificates (RECs)	◆ Analyze causes of increased electricity, energy use, and GHG emissions, adjusting strategies to meet long-term carbon reduction goals	GRI 302: Energy 2016
	Product Responsibility	A- - The use or leakage of hazardous substances in products may pose risks to human health and the environment	◆ Products undergo multiple safety and health tests to meet regulations across global markets ◆ Potential product risks can be reported through various service channels ◆ Gradually incorporates recycled materials and FSC-certified packaging	◆ Implement a GPM platform to control material hazards to health and the environment, complying with international regulations ◆ Provide carbon footprint and eco-label reports and certifications to manage materials and environmental performance	GRI 416: Customer Health and Safety 2016
	Circular Economy	A+ / P+ - Enhancing product eco-friendliness strengthens lifecycle design thinking	◆ Develops sustainability goals for each stage of the product life cycle and regularly reviews implementation results ◆ nhances product energy efficiency through high-performance materials and optimizes power distribution via firmware adjustments	◆ Although water impact is low, continuously monitor and optimize water management to reduce waste and environmental effects	GRI 3: Material Topics 2021
	Water resource management	A- - Improper water resource management may lead to inadequate discharge, putting pressure on local water environments and ecosystems	◆ MSI factories do not involve water-intensive processes and primarily use water for domestic purposes. Nonetheless, wastewater quality is continuously monitored to prevent any impact on water resources.		GRI 303: Water and Effluents 2018

2024 MSI Material Topic Management (continued) ▼

2024 MSI Material Topic Management (continued) ▼					
A+ Actual Positive P+ Potential Positive A- Actual Negative P- Potential Negative					
CATERGORY	MATERIAL TOPICS	ESG IMPACTS	CORRESPONDING ACTIONS	MITIGATION STRATEGIES	RELATED GRI STANDARD
Social and Labor	Talent Cultivation	P- - Long-term development of broad and deep expertise enhances employee skills and strengthens corporate competitiveness	◆ MSI offers online training in professional and management skills through corporate education partners and promotes innovation with awards that encourage employees to share their ideas		GRI 404: Training and Education 2016
	Employee Well-Being and Economic Security	A+ - Enhancing employee well-being improves quality of life, providing greater financial security and mental stability during their tenure	◆ MSI annually reviews market salary levels and fairness to offer competitive pay, complemented by benefits that exceed legal requirements, meeting employees' work and life needs	◆ Although talent development has no significant negative impacts, MSI remains attentive to company talent, campus potential, and social education issues to ensure balanced resource allocation	GRI 201: Economic Performance 2016 GRI 202: Market Presence 2016
	Occupational Health and Safety	P- - Lack of regular health checks and workplace monitoring increases potential occupational health risks for employees	◆ MSI has established an Occupational Safety and Health Committee to regularly monitor workplace conditions against risk control standards, ensuring employee safety ◆ MSI values employees' physical and mental well-being by providing on-site medical services, including general outpatient and psychological counseling support	◆ Support for employee rights includes labor agreements, safety committees, legal counsel, and an EAP; training and grievance mechanisms prevent human rights violations ◆ OHS management is fully implemented, with regular inspections and RBA audits to ensure workplace safety	GRI 403: Occupational Health and Safety 2018
	Human Rights Management and Labor Relations	P- - Human rights disputes could severely damage MSI's brand reputation and erode internal and external trust	◆ MSI supports employees through labor agreements, safety committees, legal counsel, and an EAP, with additional help available via medical and safety channels	◆ Social engagement and digital inclusion projects involve stakeholder communication to align goals and execution	GRI 402: Labor/Management Relations 2016
	Digital Inclusion and Social Engagement	A+ / P+ - Leveraging corporate strengths to reduce digital and technology gaps in communities, while supporting social engagement to deepen environmental and cultural impact	◆ MSI leverages core resources to support IT education and foster industry-academia-community collaboration, enriching digital experiences ◆ MSI provides resources to remote and disadvantaged students to ease living burdens and support learning		GRI 201: Economic Performance 2016 GRI 203: Indirect Economic Impacts 2016
Environment	Supply Chain Environmental Impact	P- - Failure of the supply chain to meet MSI's standards or causing environmental harm may result in mutual losses	◆ MSI drives sustainable supply chain development by requiring suppliers to conduct GHG inventories and verifications on schedule and set carbon reduction targets to collectively reduce environmental impact.		GRI 308-1: New suppliers that were screened using environmental criteria 2016
	Supply Chain OHS	P- - Labor safety violations or illegal practices in the supply chain damage worker rights and harm trust and reputation	◆ MSI establishes supplier evaluation criteria and agreements based on international codes and standards, conducts audits, and continuously monitors and promotes compliance.	◆ Require suppliers to sign a Code of Conduct and undergo RBA VAP audits to identify risks and recommend improvements ◆ Joined the RMI, auditing suppliers annually and providing training to ensure conflict-free mineral sourcing.	GRI 414-1: New suppliers that were screened using social criteria 2016
	Responsible Minerals Management	P- - Using conflict materials can affect MSI's product sales and damage the corporate reputation	◆ In 2023, MSI joined the Responsible Minerals Initiative (RMI) to ensure responsible sourcing and management, preventing negative supply chain practices.		GRI 3: Material Topics 2021

Identification	Assessment	Sorting	Reporting
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Numerous issues in corporate sustainable development continue to require attention. To address the needs of specific stakeholders and manage material topics that may impact them indirectly, MSI provides detailed disclosures on how material topics and SDGs intersect in our report.

Through the publication of the Sustainability Report, MSI evaluates the actions taken and efforts made towards sustainable development. We also establish diverse communication channels with stakeholders to address their concerns and meet their expectations. Each reporting period, we reassess sustainability topics, plan stakeholder communications based on relevant issues, and determine whether adjustments are needed.



1.3 MSI and UN Sustainable Development Goals (SDGs)

MSI continues to pay attention to global topics, examines and responds to feasible SDG items, and reviews these items regularly for them to meet the current operating condition.

UN SUSTAINABLE DEVELOPMENT GOALS	TARGETS	MSI MEASURES RESPONDING TO SDGS	CHAPTER IN THE REPORT	PAGE
 No Poverty	1.4 By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance.	Continue to provide appropriate resources to disadvantaged groups: ● Goal: Invest in public welfare activities every year.	CH6. Social Responsibility and Corporate Value	71
 Good Health and Well-being	3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water and soil pollution and contamination.	Reduce the environmental impact of substances. Properly manage the end-of-life product mechanism of product life, and ensure environmental safety and health. ● Goal: The percentage of halogen-free materials and parts must be over 85% by 2030.	3.3 Green Production and Manufacturing	38
 Quality Education	4.5 By 2030, eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable, including persons with disabilities, indigenous peoples and children in vulnerable situations.	Make sure that education is provided equally and to everyone; promote lifetime learning and facilitate contribution to sustainable development. ● Goal: Pay attention to education in remote areas, and continue to invest in education to close the learning gap for remote areas. ● Goal: Provide on-the-job training courses for employees, provide chances for overseas expatriation, and increase employee retention rate.	CH6. Social Responsibility and Corporate Value 5.2 Cultivation and Development	71 58
 Gender Equality	5.1 End all forms of discrimination against women and girls everywhere. 5.c. Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels.	Eliminate all discrimination and fulfill gender equality: ● Goal: Comply with MSI CSR policies and Code of Conduct to ensure that there is no sexual discrimination. ● Goal: Ensure gender equality at the workplace through the governance polocies and RBA assessment analysis.	2.5 Ethics and Compliance CH5. Talent Attraction and Development	26 51
 Decent Work and Economic Growth	8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value. 8.7 Take immediate and effective measures to eradicate forced labor, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labor, including recruitment and use of child soldiers, and by 2025 end child labor in all its forms. 8.8 Protect labor rights and promote safe and secure working environments for all workers, including migrant workers, in particular female migrants, and those in precarious employment.	Make sure that all men and women have an adequate job. Forbid and eliminate the employment of inadequate child labor. Prevent any worker from oppression. Protect the laborer's human rights. Facilitate safety at the workplace. ● Goal: Make sure that the disabling frequency rate is zero and there is no disaster at the workplace. ● Goal: Provide a motivating salary level. Make sure that the overall salary stays in the top 35% among competitors. ● Goal: Adhere to employment regulations applicable to all production factories, and guarantee employee working rights.	CH5. Talent Attraction and Development	51
 Sustainable Cities and Communities	11.6 By 2030, reduce the adverse environmental impact per capita of cities, including by paying special attention to air quality and municipal and other waste management.	Reduce environmental impact, and promote inclusion, safety and sustainability of the living environment. ● Goal: Monitor air quality every year to ensure the effectiveness of air pollution control measures. ● Goal: Reduce the impact incurred from sharing the water resource. Make sure that MSI's conduct of water pollution control meets regulatory requirements. ● Goal: Waste management - MSI's product equipment meets the requirement for labeling and waste recycling registration. Product recoverability rate is over 90%.	CH3.Climate Action and Green Manufacturing	29
 Responsible Consumption and Production	12.4 By 2030, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release into the air, water and soil in order to minimize their adverse impacts on human health and the environment. 12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.	Reduce chemical usage and waste generation through the management methods, including prevention, reduction, recycling and reuse. Reduce adverse effect on human health and environment. ● Goal: Establish the green product management platform to carry out supplier management. Ensure that the product and material meet the regulatory requirements. ● Goal: Promote reduction measures during the design stage, such as packaging material reduction, energy efficiency management, and reduction of percentage of hazardous waste.	CH3.Climate Action and Green Manufacturing	29
 Climate Action	13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries. 13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.	Strive for energy saving and carbon reduction. Increase resilience to climate change impact. ● Goal: By 2030, reduce total GHG emission by 80% (compared to 2022) ● Goal: Production will not be interrupted by climate impact. ● Goal: Establish the BCP (Business Continuity Planning) management measures. Ensure continuous operation.	CH3.Climate Action and Green Manufacturing	29

CH2. ABOUT MSI

2.1 Company Profile

MSI stands as a global leader in AI PCs, e-sports, creator, business, and AIoT. With a strong foundation in advanced R&D and customer satisfaction, MSI has established a presence in over 130 countries worldwide. Our extensive product range—including laptops, graphics cards, monitors, motherboards, desktops, peripherals, servers, industrial computers, service robots, automotive electronics, and charging stations—has consistently garnered widespread admiration and praise from both consumers and clients. We endeavor to create digital luxuries with excellent quality, humane design and fashionable style, continue to create user value, and become an extensive technological leading brand. In 2024, product sales were distributed across regional markets as follows: 27.84% of the market share is from the Americas, 25.84% in Europe, 40.7% in the Asia-Pacific region, and 3.07% in other regions.

List of Major Shareholders

Statistics for the register of shareholders on the book closure date, April 16th, 2024.

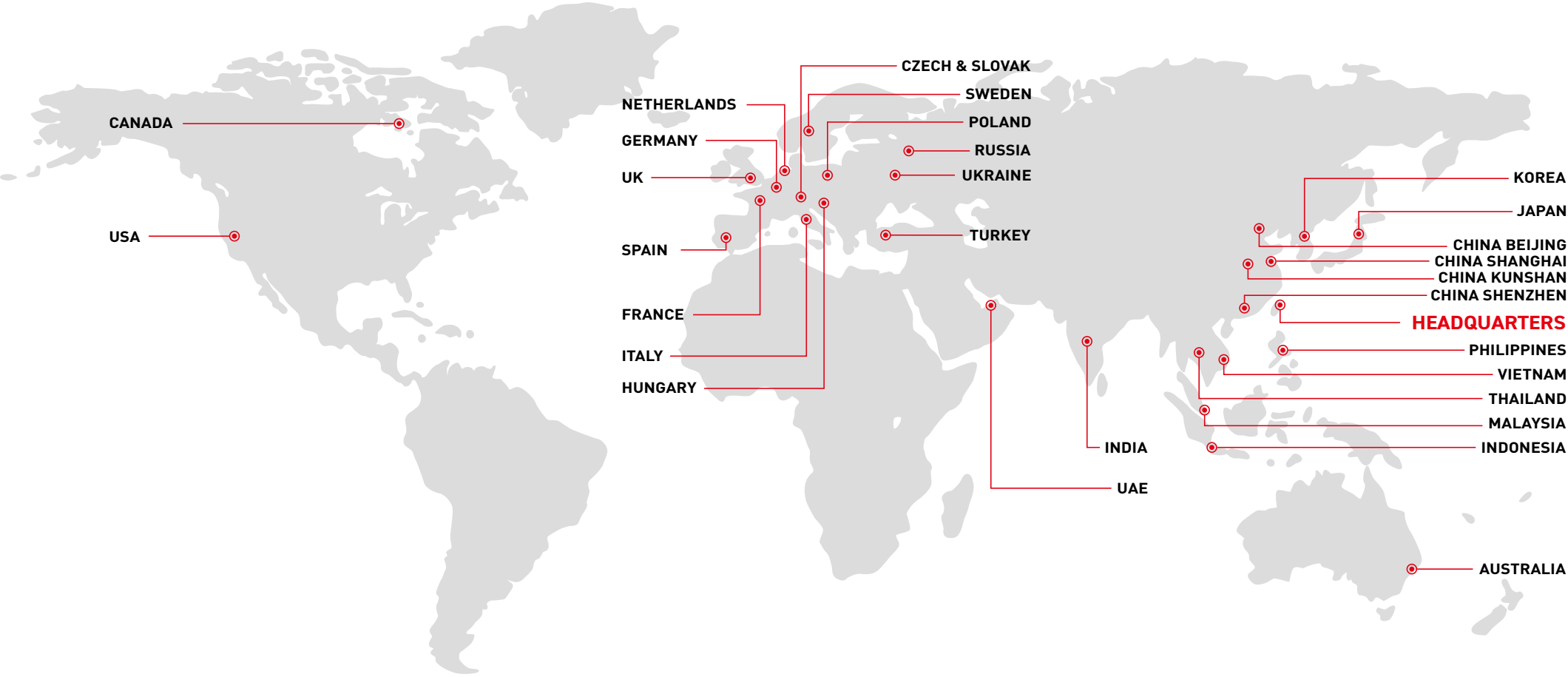
NAME OF MAJOR SHAREHOLDERS	SHARES HELD	HOLDINGS RATIO
Hsu Hsiang	71,984,000	8.52%
Cathay Sustainability High Dividend ETF	48,499,718	5.74%
Yuanta/P-Shares Taiwan Dividend Plus ETF	46,883,151	5.55%
Lin, Wen Tung	26,987,101	3.19%
Huang, Chin Ching	25,672,499	3.04%
Lu, Chi Lung	23,752,389	2.81%
New Labor Pension Fund	20,937,377	2.48%
Hsu, Fen Lan	19,941,000	2.36%
Yu, Hsien Neng	18,650,835	2.21%
Nan Shan Life Insurance Co., Ltd.	18,508,517	2.19%

Company name	Micro-Star International Co., Ltd.
Date of company establishment	August 4, 1986
Stock symbol	2377
Industry category	Computer product manufacturing industry
Headquarter	No. 69, Lide St., Zhonghe Dist., New Taipei City, Taiwan
Business area	Globe
Paid-up capital (NTD)	8,448,561,990
Chairman	Hsu Hsiang
President	Huang Chin Ching

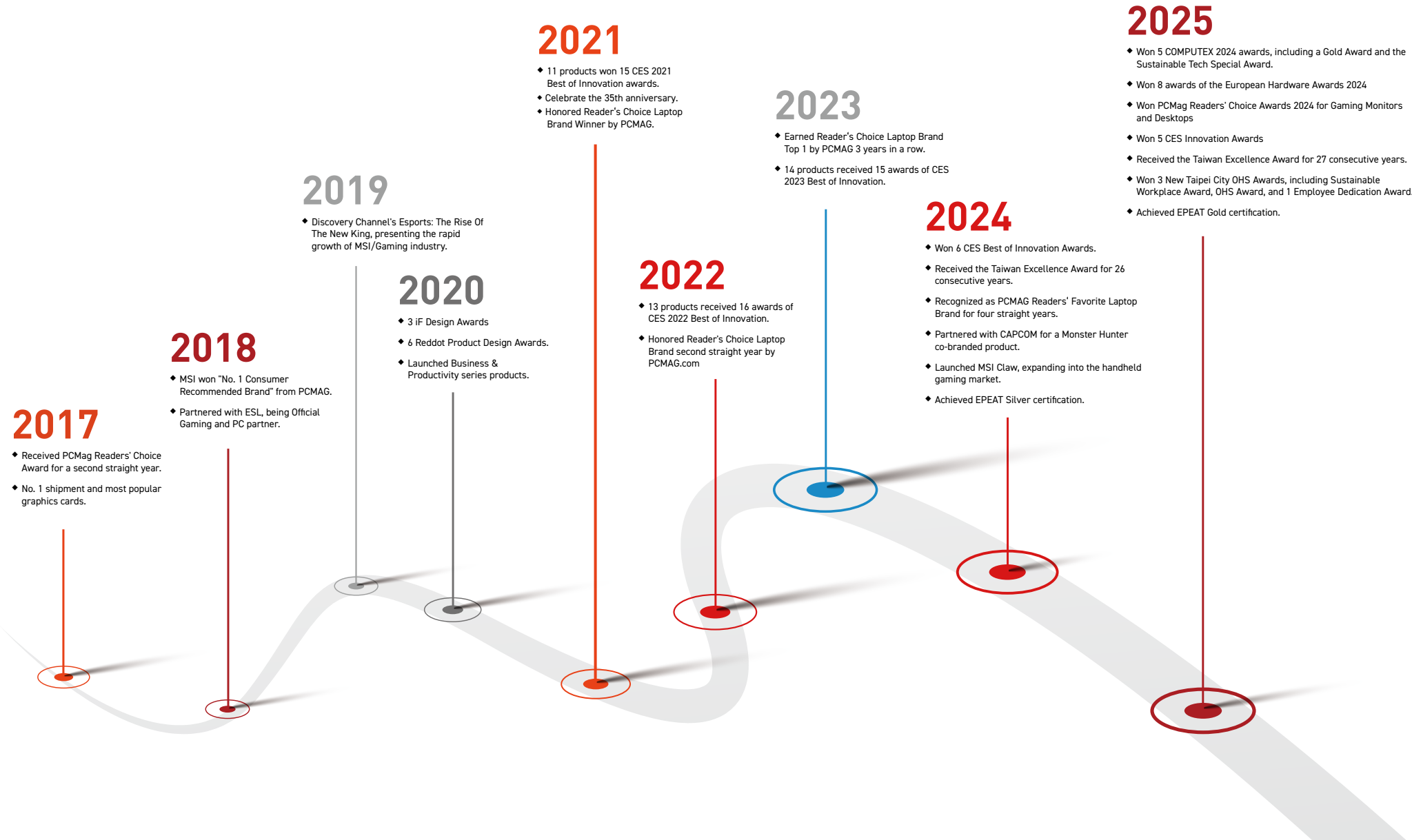
External Engagement Organization

ORGANIZATION	FACTORY	IDENTITY
Taiwan Automation Intelligence and Robotics Association		
Northern Taiwan Information Electronics Industry Human Resource Supervisor Sodality		
Taipei Computer Association		
Taiwan Stock Affairs Association	MSI (HQ)	
Taiwan Printed Circuit Association		
Corporate Green Competitiveness Alliance		
Taiwan Climate Partnership		Member
Shenzhen City Integrity Alliance Association		
Aiwan Merchant Association Shenzhen Shiyan Sodality	MSIS	
Shenzhen Hi-Tech Industry Association		
Kunshan Human Resource Association		
Taiwan Compatriot Investment Enterprises Association of Kunshan	MSIK	
Kunshan Economic and Technological Development Zone Production Safety and Environmental Protection Association		

Global Business Locations



Brand Development Overview



2023 Awards



MSI Wins Big at European Hardware Awards 2024. MSI earned eight awards, spanning high-performance motherboards, cooled graphics cards, gaming monitors, laptops, and desktops.



The Prestige 16 AI Evo won COMPUTEX's top honor, the Best Choice Golden Award, while the Cubi NUC series received the Sustainable Tech Special Award. Three more products—MSI Claw, SUPRIM FUZION, and Modern AM273Q AI AIO PC—won category awards.



The MAG 341CQP QD-OLED monitor and MAG CORELIQUID E series cooler received the prestigious iF Design Award.



reddot winner 2024

NUC series won the 2024 Red Dot Design Award.



MSI 6 products won the 2025 Taiwan Excellence Award, including gaming laptops, AI handhelds, overclocking motherboards, AI monitors, desktops, and Cubi NUC mini PCs.



Recognized among Taiwan's Top 25 Global Brands 2024.



Named Best Laptop Brand 2024 by PC Mag and earned the Readers' Choice Award for the 4th straight year.

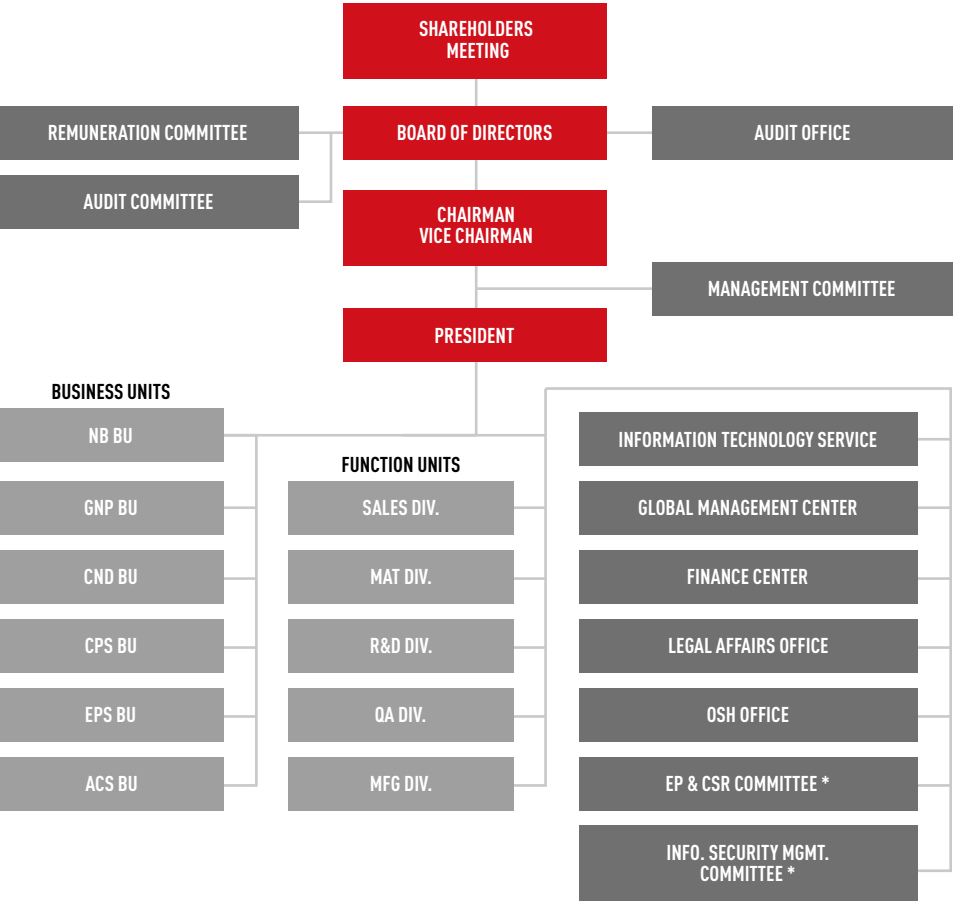


AI Smart Canteen System won the 2024 IDC Future Enterprise Award.

2.2 Governance Structure

MSI cares about ethical management and good corporate governance and believes that good management and a robust, transparent board of directors shall be the foundation of good corporate governance. The Audit Committee assists the Board of Directors in implementing its supervisory tasks. Besides this, for promotion of corporate social responsibility, the Board of Directors carries out supervision regularly to ensure that corporate social responsibility has been fulfilled.

Corporate governance information has been released on the company's website, including organization structure, education and experience of governance members, the position and the board of directors concurrently served by governance members, participation in training and advanced studies of corporate governance topic, operation of functional committee, and contact information: <https://tw.msi.com/about/corporateGovernance>



2.2.1 Board of Directors

The Board of Directors is MSI's top governance unit and major operational decision-making center. The shareholders' meeting elects competent people for board members based on relevant regulations such as the Company Act. There are 11 current board members, including three independent directors. The composition of board members is diverse. The board members have different professional backgrounds and experience in different fields, such as operational judgment, operations management, crisis management, domain knowledge, international market perspective, leadership decision, financial accounting and law. The board members build a complete corporate governance system. Hsu Hsiang is the current President. Huang Chin Ching serves as the Vice President. Board members formulated the "Rules and Procedures of Board Meetings" in a cautious, self-disciplined, responsible and practical way. They shall avoid conflicts of interest as required by the rules when executing the business in the Company's scope of business. The board meeting is held at least once a quarter according to the MSI "Rules of Procedure for Board of Directors Meetings." The MSI Board of Directors meeting was held 8 times during this reporting period, with an average attendance rate of 94% for all directors and 100% for independent directors.

Note: Among the board members, the stakeholder representative is a shareholder.

Percentage of Board Members

AGE/GENDER	MEMBER OF GOVERNANCE UNIT	
	MALE	FEMALE
30 years old and below	-	-
31 to 50 years old	-	9%
51 years old and above	91%	-

Audit Committee

The MSI Audit Committee consists of three independent directors, responsible for helping the Board of Directors examine finance, audit, accounting, and major asset transactions, and ensure that MSI's operation meets regulatory requirements. The meeting is held at least once a quarter based on the "MSI Audit Committee Articles of Association." The MSI Audit Committee held five meetings during this reporting period. The average attendance rate is 100%.

Remuneration Committee

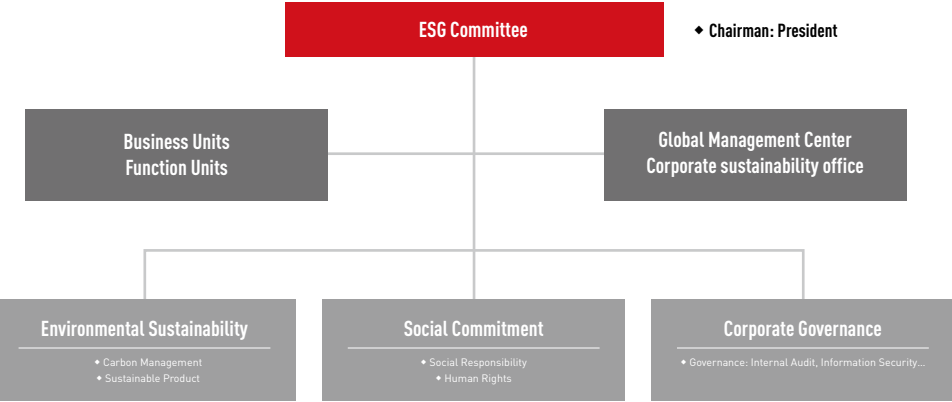
The MSI Remuneration Committee consists of three independent directors. They exercise due care of a good manager, show professionalism and independence, and reduce the risk of conflict of interest with the Company. The meeting is held at least twice a year based on the "MSI Remuneration Committee Articles of Association." The MSI Remuneration Committee held meetings four times during this report period. The average attendance rate is 100%.

*Refer to the shareholders' meeting annual report of the Company for the operation of the Board of Directors in detail.

2.2.2 Environmental and Corporate Social Responsibility Committee (ESG Committee)

The MSI Environmental and Corporate Social Responsibility Committee is composed of multiple departments. The Chairman directs all specialized (concurrent) units for lateral communication. The Committee meets international guidelines, bears the responsibility for the promotion of environmental and sustainability topic strategy establishment, examines annual goals of economic, environmental, and social aspects, and supervises the progress of these goals regularly; according to the "Sustainability Code of Conduct", the Committee presents the report at the Board meeting depending on the topic at least once a year.

In the meantime, all departments and units provide feedback on relevant international regulations, industry dynamics or stakeholder opinions immediately, and report feedback to teams in the Committee. Information is conveyed quickly, and effectively, to respond to recurrent sustainable topics.



2.2.3 Information Security Management Committee

The Information Security Management Committee is responsible for management and supervision of information security operation at MSI, prevents theft, alteration, loss or omission of information, and confirms information confidentiality, integrity and accessibility. It expects that management, supervision and promotion of information security effectively enhance information security protection capability of the Company and employee's awareness of information security protection. We continue to introduce the ISO 27001:2022 Information Security Management System in the head office in Taipei. We accomplish protection of company information by examining confidentiality, integrity and accessibility of company information and technology top-down.



Social Engineering Drill

In August 2024, MSI conducted a social engineering simulation, with a total of 2,951 training hours. In December, for employees who interacted with phishing emails, achieving a 96% completion rate. Employee awareness and education efforts will continue to be strengthened.

Website Penetration Test

Numerous information security hazard events have occurred in major companies the years. MSI scanned vulnerabilities and carried out a penetration test for the website. After two test stages, all vulnerabilities or risks have been corrected or improved.

Information Security Protection for Product Development, Manufacturing and After-Sales Service

MSI products meet EU Radio Equipment Directive (RED). To avoid interference incurred from radio spectrum, and avoid information leakage occurring to the product in future, some of our notebook products undergo the CE certification test. Besides this, MSI treats product safety problems seriously. We evaluate and solve problems with all efforts quickly. After receiving the safety problem, MSI will invest adequate resources into analysis and verification, and provide solutions. We welcome and encourage developers and high-end users to disclose potential or confirmed security breaches in MSI products to MSI (Product Security Incident Response Team) PSIRT. After receiving the problem report, MSI will provide the tracking serial number to the reporter in three workdays, assign relevant units to the problem in 30 days, and provide solutions or relevant descriptions in 90 days.

You may report via the following.
✉ Email: psirt@msi.com.
🌐 Please refer to Sustainability MSI website for detail:
<https://csr.msi.com/tw/product-security-advisories>

2.3 Operating performance

MSI focuses on its original business and develops competitiveness. Since MSI transformed itself to develop the e-sports industry, by focusing on the market, resource integration and focused executive power, MSI continues to improve profitability, create good financial performance, and set explicit business objectives for investors/shareholders to understand MSI's investment value. Our market performance in the past few years proves that MSI is able to maintain good ROE and reveals the capability of sustainable operation. MSI continues to develop more diverse electronic products, business solutions, and AioT product services in the IoT era. While the operation physique grows steadily, MSI takes the challenge to create an economic performance to give back to stakeholders and boost the Company's investment value. MSI's financial information is summarized according to the International Financial Reporting. Standards (IFRS) and attested by an accountant. All business locations comply with the local tax regulations where they are located and pay tax regularly.

Financial and economic value distribution data come from annual financial statements. Information can be obtained through the following:

🌐 **MOPS** <http://mops.twse.com.tw> (Stock symbol: 2377)

🌐 **MSI investor information section** <https://www.msi.com/about/investor>

Financial performance

The consolidated financial statement of MSI Group is shown below:

ITEM/YEAR	2022	2023	2024
Operating revenue (million TWD)	180,411	182,966	197,872
EBT (million TWD)	12,284	9,177	8,508
EPS (TWD)	11.79	8.92	8.04
ROE (%)	20.87	15.28	13.18

Stakeholder economic value distribution

ITEM/YEAR	2022	2023	2024
Operating cost	154,683,162	160,120,037	173,676,730
Employee salary and benefit	10,088,220	10,303,444	10,953,037
Cash dividend	5,576,051	4,562,223	4,224,281
Interest paid	39,627	27,437	44,108
Income tax expense	2,321,165	1,643,791	1,715,499
Community investment	80,831	55,812	54,825
Economic value retained (million TWD)	7,621.9	6,253.3	7,203.52

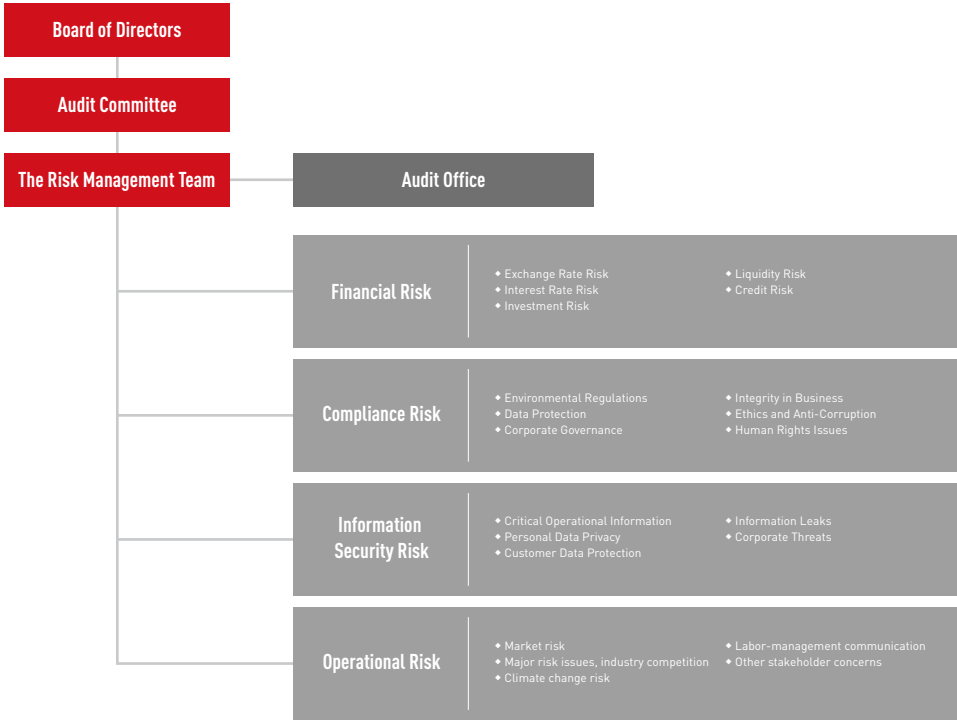
Note: Economic value retained = Operating revenue - Stakeholder economic value distribution.

2.4 Risk Management

MSI prioritizes a pragmatic approach to management and places significant emphasis on risk assessment and control. To maintain sustainable business operations and minimize the impact of uncertainties, MSI has implemented a "Risk Management Policy and Procedures" as outlined in Article 3 of the Board's "Audit Committee Charter." This policy is designed to identify and manage potential risks, prevent losses, and protect the interests of employees, shareholders, partners, and customers. The policy also serves as a strategic reference, supporting MSI's commitment to the sustainable development of the economy, environment, and society.

Risk Management Organization Structure

The Board of Directors is the highest decision-making authority for risk management, responsible for approving the risk management policies and framework. The Audit Committee is authorized to supervise the effective operation of these mechanisms. The Risk Management Team, led by the President, consolidates risk assessments, management priorities, and response measures, guiding and approving risk control priorities, overseeing continuous improvement, and reporting to the Audit Committee.



The Risk Management Team is structured into sub-groups: Financial Risk, Compliance Risk, Information Security Risk, and Operational Risk. These sub-groups are tasked with identifying potential risks, assessing their operational impact, and implementing preventive and mitigation strategies.

Risk Alert and Control

MSI utilizes a continuous PDCA (Plan-Do-Check-Act) approach in its risk management cycle to assess various risk factors. This method enables MSI to implement management measures, including risk mitigation, transfer, avoidance, and retention, under controlled conditions. Continuous improvement actions are pursued, and resilience is fostered.

MSI categorizes its risks into four main areas: financial, compliance, information security, and operational risks. These risks are identified by dedicated Risk Management Teams and relevant departments through risk management meetings, which focus on identifying potential risks related to business operations.

- Risk Analysis:** The Risk Management Team conducts a thorough analysis after identifying risks, evaluating the potential impact and likelihood of occurrence to determine the level of risk.
- Risk Assessment:** The analysis results are compared against MSI's established risk appetite or acceptable risk levels. Risks are then prioritized, with the assessment outcomes guiding further risk response and control measures.
- Risk Response:** Following the evaluation and consolidation of risks, the Risk Management Team implements appropriate control and mitigation strategies to address the identified risks. This process ensures effective identification, clarification, evaluation, and response.

* For details on climate change-related risks, refer to Section 3.1 of this report.

Business Continuity Management (BCM)

To strengthen operational resilience and enhance responsiveness to unforeseen events, MSI has established a Business Continuity Management (BCM) system. This framework is designed to minimize disruptions from major incidents and reduce acceptable downtime. Each year, the company systematically reviews its critical systems and processes, conducts risk assessments and business impact analyses, and formulates response plans and resource backup strategies based on identified priorities. Through a robust BCM policy, MSI is dedicated to reducing operational risks, ensuring service continuity, and protecting the interests of stakeholders, including customers, consumers, and supply chain partners.

2.5 Ethics and Compliance

MSI complies with the laws and market standards of all countries in which it operates, strictly avoiding any improper business conduct. This includes refraining from offering, promising, requesting, or accepting inappropriate benefits, as well as other unethical behaviors. MSI is committed to maintaining integrity in its operations and has established integrity-based policies, supported by robust corporate governance and risk control mechanisms, to foster a sustainable business environment.

Governance units regularly monitor regulatory changes and evolving risks, while each operational site conducts legal compliance assessments to ensure that global operations align with local laws. All MSI headquarters and operational manufacturing sites—including MSIT, MSIT1, MSIS, and MSIK—have undergone comprehensive corruption risk assessments. Internal control measures are in place to prevent unethical conduct, mitigate risks, and avoid improper actions.

2.5.1 Ethics and Human Rights

To fulfill ethical operation effectively, and create a business environment implementing sustainable development, the Company formulated the “Sustainability Code of Conduct”, “Corporate Social Responsibility Guidelines,” “Ethical Corporate Management Best-Practice Principles,” “Codes of Ethical Conduct,” “Work Rules” and “RBA Code of Conduct.” Dissemination and management are carried out regularly. Internal and external grievance channels are provided to listen to stakeholders’ needs and fulfill compliance and ethics of corporate management.

The Responsible Business Alliance(RBA) audit framework focuses on ensuring safe working conditions, respecting workers’ dignity, promoting environmentally responsible operations, and upholding ethical business conduct throughout the electronics industry and its supply chain.

In 2023, MSI became a member of the RBA, reinforcing its commitment to responsible supply chain management and sustainability. Through this affiliation, MSI is actively advancing sustainable practices across its supply chain, while strengthening internal capabilities through enhanced training in human rights, occupational health and safety, environmental stewardship, and business ethics. As a leading brand in the computer hardware and peripherals industry, MSI leverages its influence to promote responsible and sustainable development throughout the supply chain ecosystem.

MSI RBA's development history is as follows:

- 2008: Introduced the Electronic Industry Citizenship Coalition (EICC).
- 2009: Published the “Corporate Social Requirements.”
- 2010: Conducted onsite audit for material suppliers.
- 2015: The VAP audit was executed for MSIS for the first time.
- 2020: MSIK and MSIT1 passed the VAP audit for the first time.
- 2021: MSI's manufacturing facilities have continually passed RBA VAP audits. (V7.0)
- 2024: MSI's manufacturing facilities have continually passed RBA VAP audits.(V8.0)

Furthermore, at the end of 2023, MSI joined the RBA organization as a member. This membership is expected to facilitate better resource integration, strengthen supply chain management and requirements, and enhance employee knowledge and skills, ultimately increasing the company’s influence within the value chain.

Education Training

As for ethics and integrity promotion, besides new employees having to complete education training courses, we promote and declare the code of ethics and integrity on the internal website and in the contract document, and explain and clarify the concept of ethics and integrity by email occasionally. The concept of ethics and integrity is promoted to all staff of MSI Group, including information security protection, intellectual property protection, anti-corruption, responsible minerals, environmental protection, privacy, and retaliation prevention. We make sure that employees understand the code of ethics they must pay attention to at work and that the Company implements a zero-tolerance policy for ethics violations.

*Refer to 5.2 Cultivation and development in the Report for training outcome.

Ethics and Integrity Risk Evaluation

MSI conducts regular assessments of corruption risks and other material topics based on each different kind of business segment. We have established the Ethical Corporate Management Best-Practice Principles and Code of Ethical Conduct, which require all employees to act with integrity, transparency, and accountability in all business activities. Any form of corruption, including illegal political contributions, is strictly prohibited. We also evaluate and address issues such as the acceptance or offering of improper donations, infringement of trade secrets and intellectual property rights, unfair competition, and actions that may harm stakeholders' rights, health, or safety.

To reinforce ethical practices, all employees undergo regular ethics and compliance training. New hires and suppliers are required to participate in training programs. Suppliers must also sign declarations of ethical compliance. MSI strictly prohibits any improper benefits or hospitality involving stakeholders that could compromise business integrity.

The assessment method is described below:

- ① The anti-corruption commitment letter is signed for the anti-corruption declaration and procurement agreement, ensuring that the business contact person and supplier abide by the code of practices.
- ② The management is required to perform an Internal Control Self-Assessment (CSA). The internal check is carried out for MSI and its subsidiaries based on the internal control system of the Company. Execution of the CSA is disclosed in the shareholders' annual report. Refer to the 2023 MSI Annual Shareholders’ Meeting Report.
- ③ A corruption reporting channel has been set up to check and control any possible risk of corruption.
- ④ Regular identification and self-assessment of environmental, social, and economic regulations.

According to the anti-corruption commitment letter for anti-corruption declaration and procurement agreement during the report period, Internal Control Self-Assessment (CSA), corruption reporting channel,

the result of identification of environmental/social and economic regulations, ethics and integrity risk for MSI has been controlled adequately. No significant risk has been discovered.

2.5.2 Compliance

MSI’s business and service locations are all over the world. To ensure that we comply with relevant regulations in different countries, we regularly pay attention to domestic and overseas policies and regulatory trends that may affect the Company’s operation and finance. We also report the latest regulations dynamics obtained to relevant departments to make sure that the relevant departments of the Company implement the regulations, and set up relevant policies and guidelines via different regulatory requirements.

Relevant conducts include but are not limited to formulation of policies and regulations associated with the Fair-Trade Act, environmental protection, financial statement preparation/internal control/insider trading, labor standard, anti-harassment, anti-discrimination, anti-corruption, personal data protection, document management, ethics requirements, intellectual property rights, information security protection, and conflict minerals management. The management policy above is very important to MSI's management of business ethics and compliance requirements. Besides satisfying the basic business requirements, all employees must understand the regulations of the relevant business to make the correct moral judgment and business decisions.

Regulatory Compliance Status for MSIT and MSIT1 During the Reporting Period

YEAR	TOTAL NUMBER OF REGULATORY VIOLATIONS	TOTAL AMOUNT OF FINES (TWD)
2023	1	50,000
2024	1	100,000

Note: A major regulatory violation is defined as any incident resulting in a monetary fine exceeding TWD\$ 1 million, or enforcement actions such as suspension of operations or business licenses.

CATEGORY	REGULATION INDICATOR	OUTCOME OF CORPORATE SOCIAL RESPONSIBILITY GOVERNANCE
Social	Anti-corruption	There is no profiteering, including violation of the code of practices, or impairment of the Company's rights or interests.
	Anti-competitive behavior	MSI was not involved in improper business activities, such as anti-competitive behavior, antitrust law or monopolistic behavior.
	Compliance	There is no heavy fine or non-economic sanction for violation of social regulations.
	Supplier social impact assessment	There is no occupational accident or economic loss due to the violation of operation directions by the contractor.
	Grievance mechanism for impact of social problem	There is no stakeholder filing any grievance about social impact issue through the reporting channel.
Human rights	Non-discrimination	There are no major human rights violations, such as discrimination, human rights abuses, forced labor, or sexual harassment.
	Forced or compulsory labor	
	Human rights practice grievance mechanism	
Environmental	Child labor	No child labor was found to be hired at any business location or by any supplier.
	Effluents and waste	◆ No waste was generated from international shipments or business activity. ◆ No substance leakage causing severe hazards occurred. ◆ All of the results of the wastewater inspection at the factory meet local regulations and no severe leakage occurred. ◆ There is no impact on the local ecological environment or relevant habitat.
	Compliance	There is no heavy fine or non-monetary sanction for violating environmental regulations.
	Total number of severe leakages and total leakage quantity	No severe leakage of chemicals occurred.
	Environmental problem grievance mechanism	There is no environmental impact grievance filed through the stakeholder grievance channel.
Product responsibility	Customer health and safety	No product or service violated health or safety regulations in different countries.
	Product service and labeling	There is no violation against product or service labeling during regulations.
	Marketing communication	◆ There is no violation against advertising, selling or sponsor marketing regulations. ◆ No prohibited or controversial product has been produced. ◆ No product being sold in any specific market has been prohibited.
	Customer Privacy	There is no grievance about impairment of customer privacy or customer data loss.
	Compliance	There is no huge fine imposed for violating regulations due to service or product use.

2.5.3 Grievance Reporting Mechanism

The reporting and grievance response mechanism is established and implemented according to Article 20 of the MSI Ethical Corporate Management Best-Practice Principles and Article 49 of the Code on Corporate Governance. Protective measures are provided for bona fide reporters and relevant investigators to protect them from revenge due to whistleblowing or participating in an investigation. In addition, employees may apply for legal and taxation counseling services provided by professional counselors through the Employee Assistance Project (EAP). Employees may also file a grievance through external channels, to communicate in fairly, equally.

When receiving a grievance from a stakeholder, MSI sets up regulations about how the audit office should accept and handle the grievance. The audit executive will instruct subordinates on the way to handle the grievance in three days and report to the independent director according to the procedure. The number of cases and handling of the case are summarized and reported to the independent directors every year. Refer to the [MSI website for details](#).

Corruption reporting channel

Reporting number	MSIT&MSIT1: +886-2-3234-5599 ext. 1606; or +886-2-2227-1606 MSIS: +86-755-28101899 ext. 8802; or +86-755-27637600 MSIK: +86-512-57718888 ext. 1001; or +86-1836-1990252
Reporting mailbox	MSIT&MSIT1: audit@msi.com MSIS: jubao@msi.com MSIK: lianzheng@msi.com
Reporting address	MSI Internal Audit Office: No. 69, Lide St., Zhonghe Dist., New Taipei City 235030 MSIS Internal Audit Office: No. 37, Tangtou Avenue, Tangtou Community, Shiyan Street, Shiyan Sub-district, Bao'an District, Shenzhen City, China 518108 MSIK Internal Audit Office: No. 88, East Qianjin Road, Kunshan City, Jiangsu Province, China 215300

Stakeholder communication channel

Reporting number	(02)3234-5599
Reporting mailbox	080419864@msi.com
Reporting address	No. 69, Lide St., Zhonghe Dist., New Taipei City 235030

CH3.
CLIMATE ACTION AND
GREEN MANUFACTURING



MSI acknowledges the significant impact of global warming on the planet's climate and environment. In response to the growing urgency of climate change mitigation, MSI formally committed in 2024 to achieving net-zero greenhouse gas emissions across the MSI Group by 2050.

To support this long-term objective, the we have also established the following targets:

MANAGEMENT ITEM	SHORT AND MID-TERM GOAL	OUTCOME COMPARED TO THE PREVIOUS YEAR (2022)	
		ABSOLUTE EMISSIONS/USAGE/GENERATION CAPACITY	EMISSIONS/USAGE/GENERATION CAPACITY OF REVENUE PER MILLION
Scope 1+2 GHG reduction	Based on 2022 (46,724 ton CO ₂ e), to reduce the scope 1+2 emissions by 80% (9,345 ton CO ₂ e) by 2030.	65.15% reduction compared to 2023	-71%
Scope3 GHG reduction	Based on 2024, reduce the scope 3 emissions by 30% in Category 1(Purchased Goods and Services) and Category 11(Use of Sold Products) by 2030.	5.66% increase compared to 2023	-
Renewable Energy usage	By 2030, over 75% of the MSI Group's electricity consumption will be sourced from renewable energy.	83% (reporting boundary only)	-
Reduction of water resource usage	Total water consumption is 1% less than the previous report year.	10.3% reduction compared to 2023	-
Waste reduction	Total waste is 1% less than the previous report year.	13.3% reduction compared to 2023	-
Wastewater emissions	The wastewater emissions test meets the regulatory requirements of the area where each factory is located.	Carry out the test regularly and continue to meet regulations or standards	
Air testing	Test CO ₂ and PM _{2.5} air quality every quarter to see if they meet standards.		
Surrounding air and noise pollution test	Routine annual inspections.		

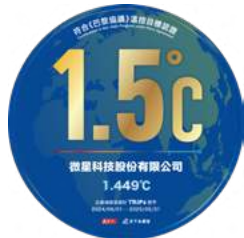
Note 1: MSI has committed to the Science-Based Targets initiative (SBTi) and aims to complete the verification process by 2026.

Note 2: For details on each management goal and the latest progress updates, please refer to MSI's official website: <https://csr.msi.com/tw/Environmental-Sustainability-Policy>

Note 3: For information on the implementation and verification status of management systems such as ISO 14001, ISO 50001, IECQ/QC080000, and ISO 14064-1, please visit MSI's sustainability website: <https://csr.msi.com/tw/management-system>

Note 4: MSI's operations comply with all local environmental regulations.

In 2024, MSI was recognized by Commonwealth Magazine's "Sustainability Forum" under the "Temperature Rising Index for Pathways (TRIPs)" program for meeting the Paris Agreement's temperature control targets. Using the AGTP climate model developed by academic and consulting experts, MSI's carbon reduction target was calculated at 1.449°C, classifying us as a company with ambitious climate commitments.



3.1 Climate Change Response

3.1.1 Climate Change Risk Management and Response

With regard to the impact of climate change on the electronics industry, risk analysis and extreme event impact are material topics regarding the aspect of disaster. We refer to the Task Force on Climate-Related Financial Disclosures (TCFD) released by the Financial Stability Board (FSB), and abide by the disclosure framework "Governance," "Strategy," "Risk Management," and "Metrics and Targets." We conduct impact analysis on vulnerability and risk assessment in climate and environmental change factors to examine the current protection. Therefore, we can control the risk overview and further seek potential chances for development.

Additionally, as a non-energy-intensive manufacturer, MSI is committed to regulating GHG emissions and has signed relevant agreements. We continuously monitor and implement strategies to reduce emissions from our operations and daily activities while developing measures to address environmental and operational impacts.

1 Governance: Governance of risk and opportunity related to organization and climate is disclosed.

MANAGEMENT APPROACH	MANAGEMENT ACTION
Board Oversight of Climate-Related Risks and Opportunities	The potential risks associated with climate change have been integrated into the company's risk management framework. The President leads the risk management structure, overseeing the implementation of the risk management program. Various business units are responsible for assessing and managing operational, production, environmental, OHS, cybersecurity, and climate-related risks, conducting daily risk management activities. The Audit Committee supervises risk management operations and reports to the board at least annually.
Management's Role in Re-Assessing Climate-Related Risks and Opportunities	An ESG Committee has been established as the highest management body for addressing climate change, chaired by the President. This committee coordinates communication among specialized units and oversees ESG initiatives, including climate change efforts. The Vice President of the Global Management Center convenes quarterly meetings to report on execution and outcomes to the President. The results of climate change initiatives are disclosed in the sustainability report and presented to the board at least once a year.

2 Strategy: Disclose actual and potential climate-related impact for organization business, strategy and financial planning.

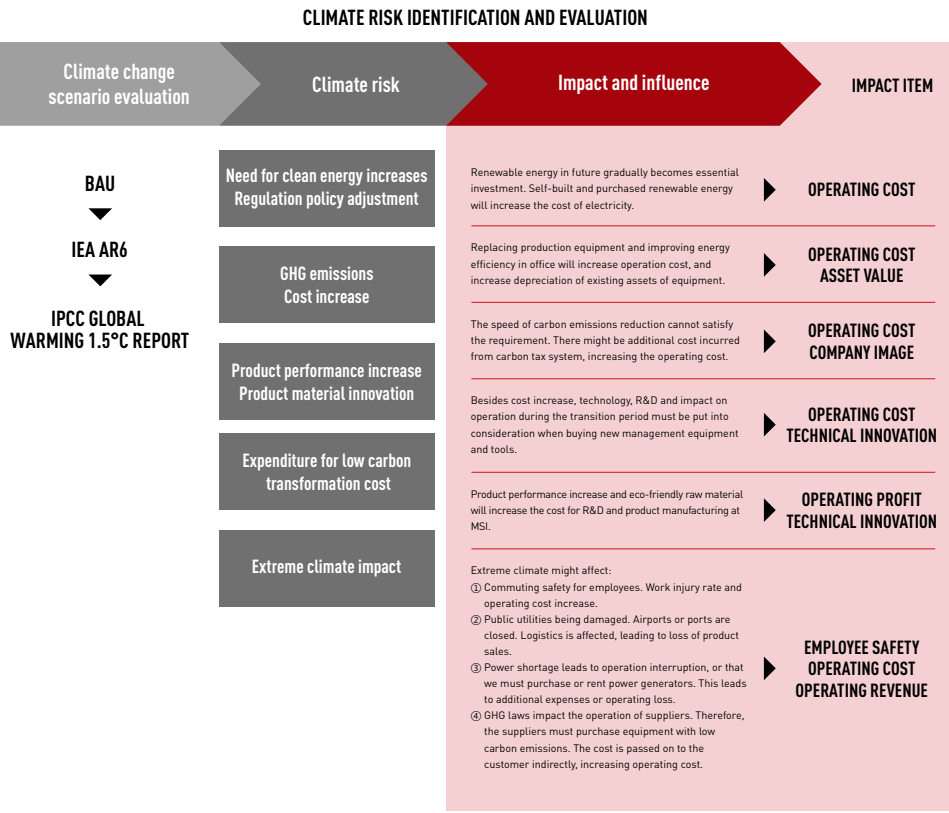
MANAGEMENT APPROACH	MANAGEMENT ACTION					
① Identified short, mid and long-term climate-related risks and opportunities ② Impact of organization's business, strategy and financial planning on climate-related risk and opportunity	Considering that it might take longer for the impact of climate-related risk on the organization to become apparent, MSI's target schedule for climate change management is hence five years for the short-term goal, five to ten years for the mid-term goal, and over ten years for the long-term goal.					
	CLIMATE CHANGE RISK AND OPPORTUNITY					
	RISK CONSIDERATION	RISK		OPPORTUNITY		ADAPTATION AND MITIGATION STRATEGY
		IMPACT DESCRIPTION	SCHEDULE	INFLUENCE DESCRIPTION	SCHEDULE	
	Total carbon emissions control	Capacity is limited.	Mid term	Mitigate industry expansion and improve industry nature.	Short term	① Pay attention to relevant changes of domestic and international regulations after the Global Climate Summit and evaluate the response within the corporation. ② Carry out communication and offer suggestions on bills to ensure fairness and rationality of the system. ③ Check and update MSI's carbon emissions regularly to achieve the goal for GHG emissions at the organization. ④ Evaluate feasible technologies and materials to design products and reduce energy consumption of the product.
	Carbon economy (carbon tax/ carbon fee, etc.)	Increase in operating cost	Mid term	Reduce carbon footprint of product, facilitate development of green energy industry, and enhance energy saving technology of corporation.	Long term	
	Voluntary reduction agreement.	Rise of investment cost in equipment.	Mid term	Speed up carbon emission reduction of corporation and strive for quota of carbon rights.	Short term	
	Product efficiency standard.	Cannot meet corporate commitment or regulatory requirements.	Short term	Satisfy the customer's requirements for energy saving products and increase revenue.	Short term	
	Drought	Natural disaster occurrence and severity affect production and operation.	Mid term	Can increase production needs for high adaptation factory.	Mid term	
	Smog		Short term		Short term	
	Snowstorm		Long term		Long term	
	High temperature/ Heat wave		Short term		Short term	
	Typhoon/ Torrential rain		Short term		Short term	
	Earthquake/ Tsunami	Short term	Enhance protection of production factory. Reduce chance of business interruption and possible loss.	Short term		
	Rise of energy prices	Pressure when facing the rising energy prices and increase in equipment performance will affect energy and resource use.	Mid term	Improve the production performance of equipment and reduce pressure from operating cost.	Mid term	① Promote energy and carbon reduction at the workplace, set the annual goal for power saving, and continue to execute GHG inventory. ② Evaluate adequacy of supplier. Help the supplier build adaptability when necessary and include the adaptability into the procurement strategy evaluation of the Company. ③ Build a dialogue channel between the public sector and social media, and make goodwill communication.
Supply chain management	The ability for mitigation and adaptability is poor. The operating cost becomes higher.	Short term	Mitigate industry expansion. Improve industry nature. Drive the growth of value chain. Enhance corporate image.	Short term		
Economic and political attention	Economic and political change affect corporate profitability.	Long term	Pay attention to climate change development and climate justice movement in the business area. Conduct operation response and adjustment as soon as possible. Mitigate impact on corporate operation.	Long term		
③ Consider the potential impact of different climate scenarios on the organization regarding the operation strategy.	Currently MSI refers to Assessment Report (AR6) released by (Intergovernmental Panel on Climate Change (IPCC) in August 2021, and evaluates all kinds of physical risks in the scenario of 1.5°C. Meanwhile, we continue to pay attention to the reduction goals, policies and regulations set by governments or regions around the world, and evaluate the impact of reduction goals, policies and regulations on MSI's operation.					

3 Risk management: The organization identifies, evaluates and manages the process of climate-related risk.

MANAGEMENT APPROACH

- ◆ Identification and evaluation process of climate-related risk
- ◆ Management process of climate-related risk
- ◆ Identify, evaluate and manage the process of climate-related topic to find out how to integrate the process into the overall risk management system.

MANAGEMENT ACTION



4 Indicator and objective: The indicators and objectives used by the organization to assess and manage climate-related topics

MANAGEMENT APPROACH

The organization assesses indicators for climate-related risks and opportunities as part of its strategy and risk management process.

MSI assesses climate-related risks using indicators such as the overall electricity intensity of product development and key production sites, direct and indirect energy consumption intensity, water usage intensity, and waste generation. MSI has connected the performance of members within the ESG Committee to ESG issues, incorporating these factors into the compensation allocation

Disclose GHG emissions and relevant risks in Scopes 1, 2, and 3.

- ◆ Check the organizational GHG emissions and accept external assurance based on the ISO 14064-1 standard and GHG Protocol annually.
- ◆ In 2023, expand the inventory to include Scope 3 emissions across MSI's upstream and downstream of the business chain.
- ◆ The inventory result is released on the MSI sustainability report and MOPS.

Manage the goal used for climate-related risks and opportunities, and implement the performance of the goal.

- ◆ MSI has set an ambitious emissions reduction target, aiming to reduce Scope 1+2 emissions by 80% by 2030, compared to 2022, exceeding the SBTi reduction pathway.
- ◆ For Scope 3 emissions, MSI targets a 30% reduction by 2030 (based on 2024), focusing on [Purchased Goods and Services] and [Use of Sold Products].
- ◆ Continuously invest in energy efficiency and renewable energy initiatives across headquarters and production sites. As of the reporting year, over 80% of electricity consumption at MSI headquarter and major production sites is sourced from renewable energy.
- ◆ All climate-related targets and progress will be disclosed annually through the MSI Sustainability Report and the MSI Sustainability Website.

For more information on climate action and climate-related risk management, MSI will publish the Nature and Climate Report in 2025 to provide further details.

3.1.2 GHG Emissions

Since 2008, MSI has conducted GHG inventories and invested in energy-saving improvements and equipment upgrades. By the end of 2022, MSI achieved a 58.9% reduction in Scope 1+2 emissions compared to the base year 2007 (113,675.33 tons CO2e). In 2023, MSI committed to SBTi and set a new target to reduce Scope 1 and 2 emissions by 80% by 2030, based on the 2022 base year of 46,724 metric tons CO2e. Efforts focus on improving manufacturing efficiency, carbon management, and renewable energy use, aiming toward long-term net-zero alignment.

From 2024 to 2025, MSI will align its GHG inventory boundaries with its consolidated financial statements, targeting full group-wide inventory completion by 2025-2026. The latest data and targets will be available on the MSI Sustainability website.

In 2024, MSI's total GHG emissions reached 1,542,526 metric tons CO2e, with Scope 3 accounting for 99.12%, followed by Scope 2 (0.75%) and Scope 1 (0.13%). Based on these results, MSI is advancing low-carbon manufacturing to reduce Scope 1 and 2 emissions and has set reduction targets for Scope 3 to promote sustainability across the value chain.

◆ GHG emissions in the past three years

GHG EMISSIONS MANAGEMENT ITEM/YEAR		2022	2023	2024	GOAL
Scope 1 Total GHG emissions (ton CO ₂ e)		1,097	1,533	2,009	
Scope 2 Total GHG emissions (ton CO ₂ e)	Market-based	45,627	37,521	11,602	Aim to reduce Scope 1+2 GHG emissions by 80% (9,345 tons CO ₂ e) by 2030, based on 2022 as the base year.
	Location-based		44,504	25,241	
Scopes 1+2 Total GHG emissions (ton CO ₂ e)	Market-based	46,724	39,054	13,611	
	Location-based		46,037	27,249	
Scopes 1+2 Total GHG emissions year-over-year Change (%)	* Market-based	-21.01	-16.42	-65%	Target a 30% reduction in greenhouse gas emissions for 'Purchased Goods and Services' and 'Use of Sold Products' by 2030, with 2024 as the base year. For the latest goals, please refer to the MSI Sustainability website.
Scopes 1+2 GHG emissions intensity (ton CO ₂ e /revenue per million TWD)	*Location-based	0.26	0.21	0.07	
Scope 3 GHG emissions (ton CO ₂ e)		4,903	1,403,962	1,528,915	

Note:

① The total GHG emissions data have been verified by Bureau Veritas Certification (Taiwan) Co., Ltd. (BVC). Scope 1 and 2 received a reasonable level of assurance, and Scope 3 received a limited level of assurance.

② GWP values follow GHG Protocol - IPCC GWP 2.0 (Aug 2024). Electricity emission factors: MSIT/MSIT1 from the Ministry of Economic Affairs; MSIK from the Ministry of Ecology and Environment; MSIS from China Southern Power Grid.

③ The GHGs assessed include carbon dioxide (CO₂), methane (CH₄), nitrous oxide (N₂O), hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), sulfur hexafluoride (SF₆), and nitrogen trifluoride (NF₃).

④ Scope 3 boundary by year: In 2022, coverage included downstream transportation and distribution, waste disposal from Taiwan sites, LPG use by MSI Taipei cafeteria contractors, and indirect energy use in leased spaces by MSIK. In 2023, the boundary was revised based on the GHG Protocol's recommendations, considering materiality, influence, data availability, and accuracy. 2024 included all categories of the GHG protocol. In 2024, all Scope 3 categories under the GHG Protocol were included for the first time.

⑤ MSI Scope 3 GHG emissions overview for 2024: Please refer to the following table.

⑥ In 2023, Scope 2 data mistakenly combined market- and location-based figures across sites. The data have been corrected and are now reported separately.

◆ MSI Scope 3 GHG Emissions.

In 2023, MSI conducted a reassessment of carbon emission sources that are significant to the company's operations, following the guidelines in the GHG Protocol, which consider factors such as significance, influence, data availability, and accuracy. This process involved identifying Scope 3 emission sources, focusing on select products and key operational activities at major manufacturing sites. MSI will continue to expand its inventory boundaries to align with international regulatory requirements and stakeholder expectations. The GHG emissions data has been verified by Bureau Veritas Certification (Taiwan) Co., Ltd. (BVC).

SCOPE 3 CATEGORY	EMISSION (TON CO ₂ e)	PROPORTION (%)
Cat. 1: Purchased Goods and Services	1,057,143.98	69.14%
Cat. 2: Capital Goods	20,219.33	1.32%
Cat. 3: Fuel- and Energy-Related Activities Not Included in Scope 1 or Scope 2	2,154.46	0.14%
Cat. 4: Upstream Transportation and Distribution	1,157.78	0.08%
Cat. 5: Waste Generated in Operations	4,622.93	0.30%
Cat. 6: Business Travel	1,515.29	0.10%
Cat. 7: Employee Commuting	2,778.12	0.18%
Cat. 8: Upstream Leased Assets	N/A	
Cat. 9: Downstream Transportation and Distribution	14,470.41	0.95%
Cat. 10: Processing of Sold Products	27,935.82	1.83%
Cat. 11: Use of Sold Products	387,199.09	25.33%
Cat. 12: End-of-Life Treatment of Sold Products	5,212.64	0.34%
Cat. 13: Downstream Leased Assets	4,396.85	0.29%
Cat. 14: Franchises	N/A	
Cat. 15: Investments	108.68	0.01%

Note: "-" indicates non-significant, and N/A indicates not applicable. The coefficients are sourced from the Simapro v9.5.0.1 database and the Taiwan Carbon FootprintPlatform.

3.2 Low Carbon and Sustainable Manufacturing

3.2.1Energy Use and Management

MSI Energy Saving Measures

ADJUST ENERGY USE	LIGHTING MANAGEMENT
◆ At the factory dormitories, the solar water heater is used, and the thermal energy equipment of the heat pump and recycling air compressor have been built to provide hot water for employees. ◆ Control outlet temperature of ice water and reduce the time for using the ice machine, and reduce power consumption. ◆ Execute dynamic inspection regularly. Adjust the air conditioning temperature (set to 26°C). ◆ Introduce a smart energy management system to improve energy hotspot detection and enable variable frequency control for HVAC and manufacturing equipment. ◆ Self-develop and procure renewable energy sources.	◆ Execute dynamic inspection regularly. Turn on unnecessary lighting facilities. ◆ Turn off the light during lunch break. ◆ Control lighting of the office after work (except for emergency exit lights).
PUBLIC FACILITY MANAGEMENT	ENHANCE PROMOTION OF ENERGY-SAVING
◆ Use power saving mode for the printer. Turn off the printer after work and on holidays. ◆ Use power saving mode for the water dispenser. Turn off the water dispenser on holidays. ◆ Manage air conditioning in different areas separately. Turn on the air conditioning depending on usage needs. ◆ Plan to replace energy-saving equipment according to the schedule.	◆ The Company provides bonuses for improvement proposals and encourages employees to save power. ◆ Promote the concept to all employees (e.g. printed literature and email). ◆ Hold all kinds of environmental activities such as Earth day, to raise employee’s awareness of sustainability.

Regarding purchased electricity, MSI recognizes energy transition as a critical challenge for the manufacturing sector. Since 2021, the company has installed on-site solar power systems at key production sites and, starting in 2023, began procuring renewable energy certificates (RECs) through power purchase agreements (PPAs) to support low-carbon manufacturing. In 2024, MSIK and MSIS collectively purchased 61,951 RECs, with a 350% increase compared to 2023, demonstrating a strong commitment to low-carbon operations.

◆ Indirect energy consumption

POWER CONSUMPTION MANAGEMENT ITEM/YEAR	2022	2023	2024
Total Electricity Consumption (MWh)	71,873	75,082	78,044.97
Total Electricity Consumption (TJ)	258.75	270.30	280.96
Year-over-Year Change (%)	-9.72	+4.46	+3.95
Electricity Intensity (TJ/Revenue per Billion TWD)	1.43	1.48	1.42
Renewable Electricity Consumption (MWh)	3,303.7	18,677.0	64,963.7
Renewable Electricity Generation (TJ)	11.89	67.24	233.87
Renewable Electricity Share of Total Group Electricity Consumption (%)	4.6	24.9	83.2

Note: This table has been reviewed and adjusted; figures may show slight variations from the previous year.

Energy Use By MSI

At MSI, fossil fuel is only used for company cars, boiler, emergency power generators, and cooking at the cafeteria in all factories, not used for other business purposes.

◆ Direct energy consumption

FOSSIL FUEL MANAGEMENT ITEM/YEAR	2022	2023	2024
Fossil fuel consumption (GJ)	4,712.2	4,991.9	4,266.2
Changes compared to the previous year (%)	-64.84	+5.94	-14.54%
Fossil fuel consumption intensity (GJ/Revenue per million TWD)	0.026	0.027	0.022

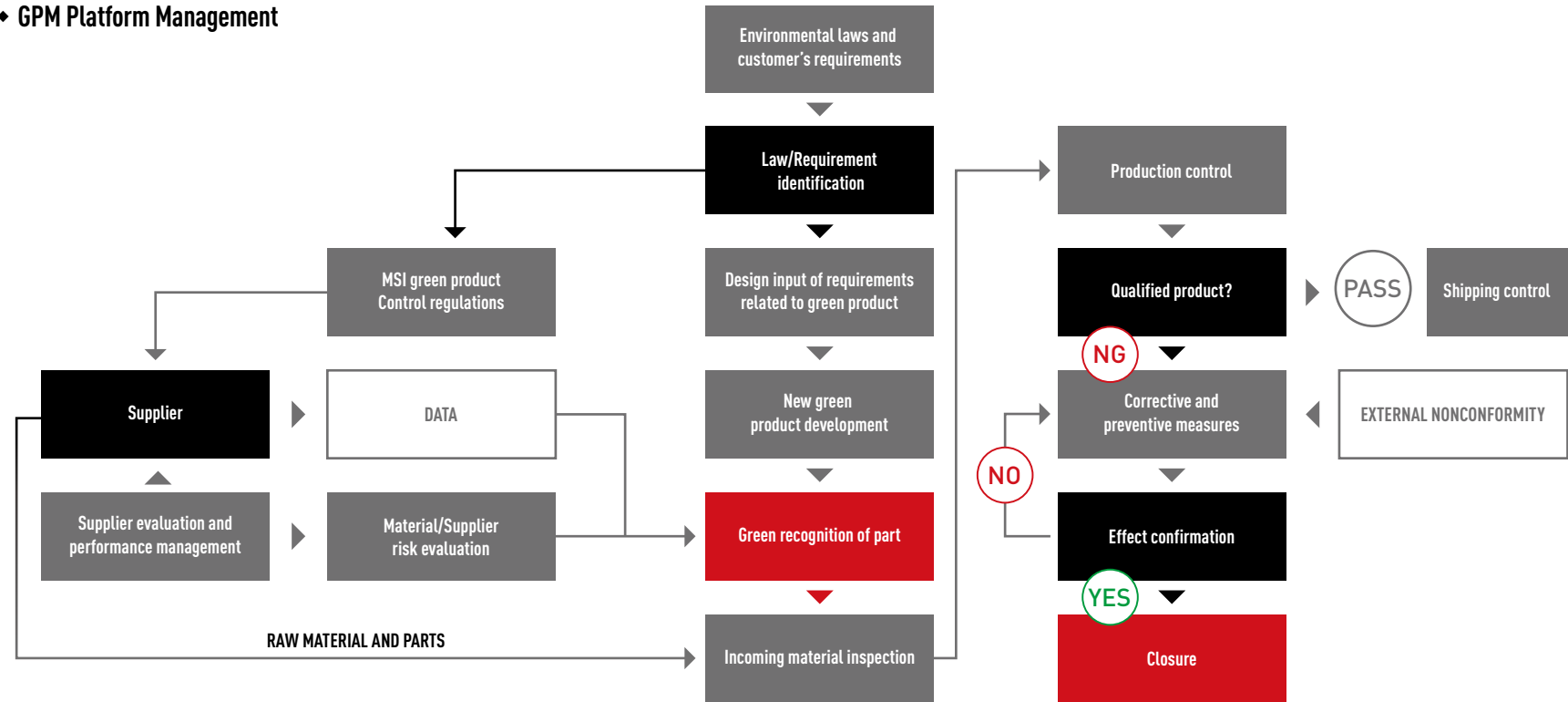
Description: Power supply for different regions was unstable in 2021. Diesel generators are often in operation, hence fossil fuel consumption is doubled. In 2022, fossil fuel consumption resumes to a steady, normal level.

3.2.2 Product Hazardous Substance Management

MSI is committed to reducing the environmental impact of its operations by using eco-friendly materials and ensuring compliance with regulations and customer requirements. All suppliers and internal teams must follow the MSI’s “MSI Green Product Control Specifications,” which is embedded in procurement contracts. Through hazardous substance management, MSI works with the supply chain to ensure compliance and deliver environmentally responsible products.

Since 2010, MSI has operated a Green Product Management (GPM) platform, allowing suppliers to submit hazardous substance data for internal compliance review. The platform is regularly updated, with conflict minerals added in 2024 and Full Material Declaration (FMD) surveys to be introduced in 2025, supporting MSI’s sustainability goals. It also provides real-time regulatory and green product information to enhance supplier awareness, streamline internal processes, and minimize errors and rework.

◆ GPM Platform Management



Achievement of GPM platform during the report period

- ✓ There was no penalty, fine, sales ban, return or complaint incurred from any product or service violating environmental regulations.
- ✓ Up to 1,154 suppliers promised to comply with environmental requirements and signed MSI’s “Guarantee of Complying with Environmental Requirements.”
- ✓ 241,130 entries of acknowledgement to part management were completed.
- ✓ Qualified suppliers completely executed management by using environmental standards.
- ✓ There are 331 substances in the report (including REACH Substances of Very High Concern (SVHC), standards in different industries, and substances required by customers).

3.2.3 Water Resource Management

Considering clean production and environmental protection, a no-water process is adopted for all products from all of MSI's factories. Primary water consumption is domestic water use of employees. Only domestic sewage will be generated. 100% of the water source for domestic water is municipal water supply (tap water). No water from rivers, lakes, underground water systems or oceans is used, hence there is no significant impact on water sources or community water use.

Water Resource Management Strategy and Commitment

MSI is committed to continuing to supervise water resource use and improve sewage discharge quality to avoid wasting water or impact on water resource. For the time being, MSI strives for optimization of water efficiency and water resource management measures. For evaluation of equipment replacement, water saving devices are prioritized to avoid wasting water. MSI also promotes water saving to employees.

Risk Identification and Response Measures For Water Resource

RISK IDENTIFICATION	RISK CONSIDERATION	RISK DESCRIPTION	RESPONSE MEASURES
Regulatory requirements	Management of wastewater discharge quality becomes strict.	Wastewater discharge quality is poor. Risks of penalties by the government and protests from stakeholders increase, impacting corporate image.	◆ Test wastewater regularly and ensure that the water quality of wastewater meets requirements. ◆ Continue to evaluate the feasibility of introducing new wastewater treatment technology to factories.
	Water conservation charge	Excessive water consumption increases operating costs and affects corporate profits.	◆ Popularize water-saving education. ◆ Water use during business activities in MSI is primarily domestic water. The water consumption is low and has an extremely small effect on operating costs.
Climate change	Water resource shortage	The risk of infectious disease incurred from water resource shortage increases, affecting the operation of the Company.	◆ Evaluate to introduce other water resources. ◆ Reinforce the promotion of public health.
		It's hard to allocate water resources, affecting the overall operation of the supply chain.	◆ Evaluate the alert mechanism of water resources. ◆ Build the second or remote supply chain.
	Typhoon and torrential rain	Typhoons and torrential rain occur more often and become stronger, impacting the response and recovery of disaster prevention systems.	◆ Build the water gate. ◆ Establish the emergency. response plan and the response team. ◆ Check the location of the factory and evaluate information on nearby waters to reduce the risk of river flooding.
Market Requirements	Environmental certification requirements from customers and products	Company water extraction and usage must undergo third-party verification	◆ Review the company's water resource usage and conduct annual external audits for verification.

Water Resource Management Information During the Report Period

As for sewage management, sewage control equipment is available at MSIT and managed by specialists. Discharge under supervision is executed regularly. Wastewater generated is discharged to the sewage management system. MSIT1 is a rented factory. Sewage treatment equipment is available at MSIT1 and passed the regulations by competent authorities. Eventually, sewage is discharged to the sewage treatment plant in Guishan Industrial Park. Sewage from MSIK is directly discharged to the sewage treatment plant in Kunshan. All sewage is treated by the sewage treatment plant. The reclaimed water system is available in MSIS. Recycled water is used for watering plants and restrooms. All MSI factories are in the industrial park, not in ecologically sensitive areas. All the results of the wastewater examination meet local regulations.

ITEM/FACORY	MSIT	MSIT1	MSIK	MSIS
Factory	Zhonghe District, New Taipei City	Guishan District, Taoyuan	Kunshan City, Suzhou City	Baoan District, Shenzhen City
Water resource	Feicui Reservoir (Xindian River)	Shimen Reservoir (Dahan River)	Taihu Lake	Dongjiang Lake
Quantity of water intake (tap water)	55.25	18.90	247.32	271.09
Quantity of water intake (underground water)	Unused			
Quantity of water intake (surface water)				
Quantity of recycled water	N/A	N/A	N/A	17.02
Discharge quantity	29.52	14.46	205.54	243.98
Quantity of water consumption ²	25.73	4.44	41.78	27.11
Overall water resource risk ³	Low (3)	Low (3)	Medium (5-6)	Medium (5)
Is this a risky factory? ⁴	No	No	No	No

Unit: Million liters.
Note:
① In 2023, MSIK discharged wastewater directly to the local designated treatment facility, with discharge volume calculated based on water usage ratios from installed flow meters.
② Quantity of water consumption = Total quantity of water intake - Total discharge quantity.
③ The World Resources Institute's " Aqueduct Water Risk Atlas " classifies water source risks into 10 levels, with lower numbers indicating lower risk. Please refer to this for details <https://riskfilter.org/water/explore/map>
④ The risky area indicates the factory with water stress. Riskiness is judged based on reliability, overall water resource risk, and output value.

Water Usage During the Report Period

POWER CONSUMPTION MANAGEMENT ITEM/YEAR	2022	2023	2024
	877.09	661.29	592.56
Changes compared to the previous year (%)	-19.27	-24.60	-10.39
Total water consumption intensity (Thousand liters/revenue per million TWD)	4.86	3.61	2.99

Reclaimed Water Recycling During the Report Period

RECLAIMED WATER RECYCLING MANAGEMENT ITEM/YEAR	2022	2023	2024
Quantity of reclaimed water recycled (million liters)	90.61	37.13	17.02
Percentage of quantity of reclaimed water recycled to total water consumption (%)	10.33	5.61	2.87
Intensity of quantity of reclaimed water recycled (Thousand liters/revenue per million TWD)	0.50	0.20	0.09

Note: In 2023, water recycling decreased due to pipeline leaks at MSIS, which have been addressed through project inspections and improvements.

Wastewater Emissions Management

MSI processes domestic wastewater through a treatment system, using real-time monitoring to ensure it meets discharge standards. During the reporting period, water quality was compliant with regulations, with no significant impact on receiving water bodies or major leaks and overflows.

REGION	FACTORY	WASTEWATER EMISSIONS (MILLION LITERS)	STANDARD VALUE OF EFFLUENT DISCHARGE CONCENTRATION (MG/L) ¹			WASTEWATER TREATMENT PLANT	MAXIMUM TREATMENT CAPACITY (MILLION LITERS/DAY)	RECEIVING BODY	EMISSION IMPACT ²
			BOD	COD	SS				
Taiwan	MSIT	29.52	30	100	30	Bali Sewage Treatment Plant	1,530	Taiwan Strait	<0.1%
	MSIT1	14.46	30	100	30	Sewage Treatment Plant in Guishan Industrial Area	24	Taiwan Strait	<0.1%
China	MSIS	205.54	10	50	10	Gongming Sewage Treatment Plant	500	Maozhouhe	<0.2%
	MSIK ³	243.98	10	50	10	Everbright Water (Kunshan) Limited.	50	Taicangtang	<1.0%
Total		493.50	1: There is no processed wastewater at MSI. The discharge concentration standard value must meet the de jure standards of domestic water. 2: Emission impact = Maximum treatment capacity per year for sewage discharge quantity/wastewater treatment plant 3: Wastewater from MSIK is directly discharged to the specified wastewater treatment plant in the local industrial park (no flow meter was established). The quantity of sewage discharge is estimated to be 80% of water consumption.						



3.3 Green Production and Manufacturing

Throughout the life cycle, computers and information technology products generate a significant portion of carbon emissions during raw material extraction, manufacturing, and assembly. Additionally, the usage phase after the product is sold also contributes meaningfully to its overall carbon footprint. As a result, MSI places great emphasis on how product design and manufacturing impact carbon emissions.

While delivering high-performance products, MSI is committed to product responsibility through well-established internal procedures and audit processes. The company strives to offer safe, high-quality, and environmentally friendly products with reliable performance and a reduced ecological footprint, creating value across both upstream and downstream sectors of the industry.

3.3.1 Sustainable Product Program

MSI integrates environmental considerations into every stage of product development, guided by the principles of pollution prevention, resource and energy efficiency, design for recyclability, and waste reduction. By following the 3R strategy of Reduce, Reuse, and Recycle, MSI strives to lower natural resource consumption and minimize the environmental impact across the entire product life cycle.

SCOPE/ITEM	Development goal		Strategy
RAW MATERIAL ACQUISITION	Reduce hazardous substance	• Use eco-friendly raw material (e.g. halogen-free material) • Use renewable material • Forbid the use of any halogen flame retardant in the shell and rack of electronic display.	
MANUFACTURING	Optimize production technology		• Choose green production technology. • Simplify production procedures. • Reduce waste during the production process.
TRANSPORTATION	Best logistics management		• Reusable packaging material. • Increase transportation efficiency. • Logistics carrier planning. • Logistics distance adjustment.
USE	Improve energy/material efficiency	• Reduce the energy consumption of the product. • Use fewer materials and execute modular design.	
WASTE	Optimize waste management	• Reduce waste for packaging material. • Reduce waste for the body of the product. • Increase recycling rate. • Can be incinerated or buried in a landfill safely.	

For more achievements of the Sustainable Product Program, please refer to <https://csr.msi.com/tw/green-products-and-service>

Energy Saving Achievement

Through carbon footprint inventory of the product, we realized that energy consumption during use is a primary source of the carbon footprint of the product. Using existing feasible technologies to improve energy efficiency has become important when considering product design. As for hardware, choosing highly efficient materials and parts can increase the energy efficiency of the product. As for software and firmware, performance can be adjusted through different scenario settings, to satisfy the effective distribution of

electrical energy. Besides reducing the user’s power usage, the carbon footprint of the product can be reduced effectively. The table below lists the efficiency of energy consumption for MSI’s laptop, desktop and AIO during the period.

PRODUCT CATEGORY	MODEL	ETEC*CALCULATED VALUE**		ETEC*MAXIMUM CALCULATED VALUE**		PERCENTAGE OF ETEC SAVED
		(KWH/YEAR/ COMPUTER)	(GJ/YEAR/ COMPUTER)	(KWH/YEAR/ COMPUTER)	(GJ/YEAR/ COMPUTER)	
Laptop	MS-13Q3	17.02	62.98	40.57	150.11	58.04%
	MS-14N2	25.38	93.92	71.18	263.37	64.34%
	MS-15A2	38.39	142.04	70.89	262.29	45.85%
Desktop	Cubi NUC 1MG	37.15	137.46	61.48	227.48	39.57%
	Cubi NUC 13MQG	30.47	112.74	61.48	227.48	50.44%
	PRO DP21 14MQG	37.64	139.27	57.48	212.68	34.52%
AIO	MS-AF01	128.10	473.97	130.23	481.85	1.64%
	MS-AE06	77.24	285.79	77.68	287.42	0.57%
	MS-AF83	79.94	295.78	83.09	307.43	3.79%

* Annual ETEC (Typical Energy Consumption): This comes from measuring the power consumption during the theoretical average operating mode (kWh) in the typical usage mode (duty cycle).
** Please refer to the calculation formula of ENERGY STAR 8.0 standards for the formula of ETEC calculated value and maximum calculated value.

FSC-Certified Sustainable Packaging

MSI is deeply aware of the critical role forests play in preserving biodiversity and mitigating climate change. In line with our commitment to environmental sustainability, we have begun integrating FSC-certified packaging materials into our products. By selecting traceable materials sourced from responsibly managed forests, we promote green design and responsible sourcing practices.

As of Q2 2024, 338 products have adopted FSC Mix-certified cartons and packaging, with 100% coverage across our motherboard and graphics card lines. Implementation is also in progress for other categories, including laptops, desktops, monitors, and AIOs.



Packaging Reduction and Transportation Optimization

Carbon emissions from global shipping and transportation are closely connected to various industries. As a global operator, MSI is committed to minimizing transportation-related carbon emissions throughout our business chain.

◆ Container Loading Optimization

Beyond optimizing packaging volume, MSI has implemented an automated system to calculate optimal container loading efficiency. This enables sales teams to provide customers with the best shipping options in real time, while logistics teams can flexibly adjust pallet configurations across product types to achieve full-load shipments. These efforts help reduce the number of containers and trips required, minimizing both cost and carbon emissions.

Packaging design and internal project workflows also incorporate simulation tools to assess pallet and container utilization from the early stages, streamlining communication and ensuring transport efficiency is considered throughout product development.

Despite increased emissions in 2024 due to rising sales and regional disruptions, MSI remains focused on enhancing logistics performance and advancing carbon reduction strategies to meet our environmental targets.

MSI'S GLOBAL TRANSPORTATION CARBON EMISSIONS ACHIEVEMENTS AND TARGETS			
TRANSPORTATION / CARBON EMISSION PER YEAR (TON CO ₂ E)	2023	2024	TRANSPORTATION CARBON EMISSION STRATEGIES AND OBJECTIVES
Land Transport	1,398	5,504	1.Prioritize transportation partners with established GHG reduction targets. 2.Continuously enhance vehicle and cargo loading designs to maximize efficiency and reduce costs and carbon emissions. 3.Increase cargo handling efficiency to minimize port dwell time. 4.Centralize freight operations to reduce empty miles and avoid unnecessary transport. 5.Regularly monitor and report carbon emissions from the transportation phase, and implement measures to drive continuous improvement.
Air Transport	6,082	6,468	
Sea Transport	1,479	2,498	
Total	8,959	14,470	
Emission Intensity (ton CO ₂ e per million USD in revenue)	1.52	2.38	Reduce transportation carbon emissions per million dollars in revenue by 15% by 2030 compared to 2023 levels.
Note: MSI does not utilize inland waterway or rail transportation globally. Net revenue for 2023 is \$5,907 million USD, and for 2024 is \$,6088 USD.			

3.3.2 Product Safety and Hazardous Substance Management

Electronic products contain numerous advanced or rare substances. To facilitate product safety, we evaluate safety cautiously according to global regulations and advice from the industry:

Risk Identification	Risk Characteristics	Risk Management	Risk Communication
Analyze in accordance with the following hazard identification and product assessment: • Legal requirements • Voluntary industry requirements • Influence of the impact of hazardous substances	After the identification and analysis of risk, confirm the level of risk and risk exposure by product category, and describe the assessment of the potential hazards of products.	Basing on the result of the assessment on the characteristics of product hazards, we take appropriate risk management measures on relevant products.	The MSI provides various information sources for stakeholders to help them understand the potential risk of each category of products, including: • SDS(Safety Data Sheet) • Note to waste of products. • Note to product safety.

During the reporting period, all of MSI’s products are evaluated as meeting laws and regulatory requirements in all countries. Specific labeling of safety, environmental aspects or substances has been completed. Meanwhile, we keep updating the “MSI Green Product Control Specifications.” MSI voluntarily tests or declares products to obtain external authentication to make sure that users feel secure.

Scope of application for the product safety evaluation:

IMPACT CATEGORY	SCOPE OF APPLICATION	EVALUATION ITEM	EVALUATION CONTENT
Safety	Computer system	Safety standard	Electromagnetics, safety standard, radio frequency
	Equipment ermnal	High-Definition Multimedia Interface (HDMI) certification Universal Serial Bus (USB) certification	Safety for hardware terminal
Health	Parts and components of the product	Hazardous substance control	Environmental hazardous substance management
	Battery product	Waste battery management	
	Parts and components of the product	Chemical Substances Control Law (CSCL) Regulation on the Registration, Evaluation, Authorization and Restriction of Chemicals (REACH) Persistent Organic Pollutants (POPs)	
	Packaging material	Directive on Packaging and Packaging Waste (PPW) Packaging material labeling	
Environmental protection	Computer system	Waste Electrical and Electronic Equipment (WEEE) Directive	Percentage of disposal and recycling of used item
	Packaging material	Directive on Packaging and Packaging Waste (PPW)	
	Battery product	Labeling of waste battery	Energy efficiency rating
	Computer system	Energy-relating Product (ERP) Directive	
		Energy Star	
		Energy efficiency of California Energy Commission (CEC) Energy efficiency of external power supply specified by the United States Department of Energy Minimum Energy Performance Standards (MEPS)	

3.3.3 Sustainable Innovation and Initiatives
Sustainable Innovation of Product Sales

MSI integrates sustainability into its marketing by prioritizing online engagement through virtual communities. This approach boosts efficiency, reduces costs, and cuts down on paper and material use, while enhancing real-time interaction with consumers. QR codes enable access to product information via mobile devices, significantly minimizing paper and ink usage.

On the product side, MSI is phasing in digital manuals to lower paper consumption and emissions. Packaging has been optimized by reducing full-color printing, using soy-based inks, adopting monochrome watermark designs, and incorporating 75%–100% recycled pulp in color boxes.

The image on the right shows MSI was awarded the ESG Gold medal for the E-Mobility Event.

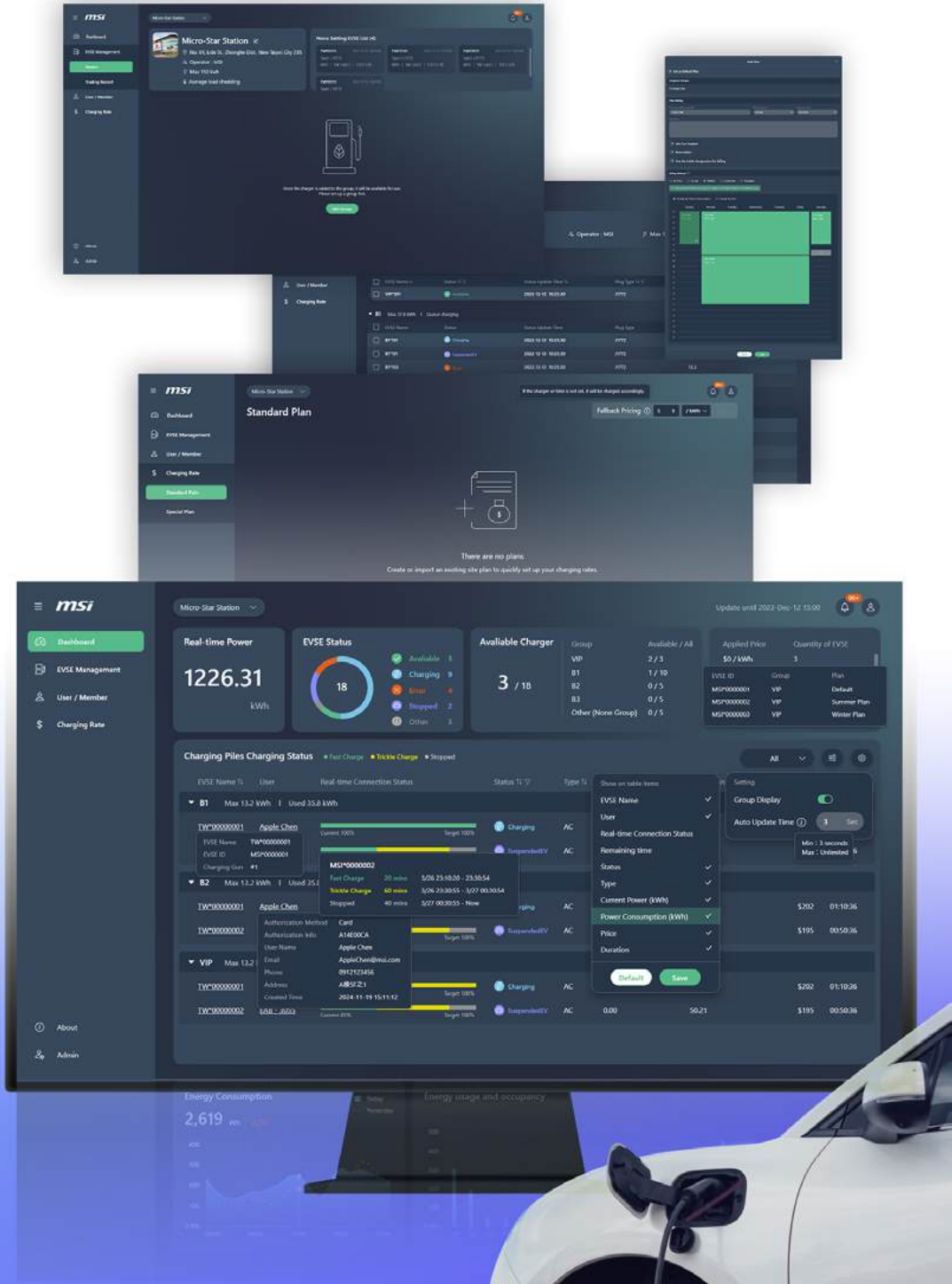


Green Design and Sustainable Packaging

Demonstrating our commitment to environmental sustainability, MSI partnered with Berlin-based fashion brand DAMUR at the 2024 Taipei Fashion Week to showcase a creative fusion of technology and design. The collaboration featured MSI's PRO MP161 E2U portable monitor, highlighting both aesthetic innovation and environmental responsibility.

As part of this initiative, MSI introduced a reusable art-inspired packaging concept. The outer box, made from eco-friendly materials, is designed to be repurposed into animal-shaped decorative pieces, extending the product's lifecycle and reducing waste.

The PRO MP161 E2U has earned EPEAT certification, reinforcing MSI's dedication to sustainable product development. Moving forward, MSI will continue to expand green design principles across its product lines, supporting a broader transition toward environmental responsibility.



Powering a Greener Future: MSI Smart EV Charging and Energy Management Solutions

As the electric vehicle (EV) market accelerates and energy management becomes increasingly critical, MSI introduces the MSI eConnect Energy Management System (EMS), which is a smart, integrated solution that leverages MSI's core strengths in hardware and software to improve the efficiency, safety, and adaptability of EV charging infrastructure. Tailored for a wide range of scenarios across Taiwan, eConnect supports the transition to low-carbon transportation with intelligent, user-friendly features.

At the heart of eConnect is dynamic load balancing, which adjusts charging power in real time based on actual energy usage to prevent overload and support simultaneous multi-vehicle charging. The system also features real-time monitoring, remote diagnostics, and alert functions, ensuring operational reliability and electrical safety. Regarding the flexibility of eConnect, it offers customizable pricing models, including time-based rates, idle fees, and promotional discounts, enhancing both site management and user experience.

eConnect supports OCPP protocols and integrates seamlessly with third-party equipment, smart meters, and existing systems such as parking and property management platforms. Its robust API capabilities and support for custom app development allow businesses to tailor the user interface, strengthen brand identity, and deliver real-time customer support.

To meet diverse IT and security needs, MSI offers both cloud and on-premises deployment options. Three solution packages cover monitoring, user management, payments, and analytics, enabling efficient, sustainable EV charging operations. With eConnect, MSI powers the future of smart mobility, uniting energy efficiency with environmental responsibility.

[-For more information of MSI EVSE-](#)

3.4 Pollution and Waste Management

When MSI aims to develop high-quality, diverse electronic products, it also endeavors to enhance environmental quality and solve pollution problems during operation. We continue to improve production technology, optimize treatment procedures, reduce the cost of environmental treatment, and abide by regulatory requirements for pollution control.

Air Pollution Control

Air pollution at MSI comes from VOCs generated from auxiliary materials during the production process (solder, flux, etc.) Exhaust gas during the production process is treated through the exhaust gas control equipment (e.g., activated carbon adsorption device). All the discharged gas complies with air pollution control laws and air pollutant emission standards. Air quality is monitored regularly to ensure the effectiveness of air pollution control measures. Furthermore, we did not use any ODS during the process. No gaseous pollutant, such as nitrogen oxide or sulfur oxide, was emitted.

MANAGEMENT GOAL	MANAGEMENT MEASURES	POLLUTION CONTROL
Optimize indoor air quality	- Reduce storage and use of highly volatile and toxic material. - Use alcohol for cleaning instead of cleaning naphtha. - Use of products released from organic solvent in enclosed operating area and office area is restricted.	- Air interchange is executed at the process and office area regularly to maintain air quality. - Walk around to monitor and manage the area occasionally (e.g., CO₂, PM_{2.5}) to maintain air quality. - Clean and replace the filter regularly to maintain air quality.
Air pollutant emissions control for the surrounding of the factory	- Use low-sulfur fuel for emergency generator. - Improve pollution emissions process.	- The equipment for activated carbon adsorption treatment has been established. - Regular ambient air test.

Waste Management

To prevent pollution, fulfill producer responsibility, and satisfy international environmental requirements, MSI takes use, disassembly, recycling and low toxicity into consideration for product design, to reduce the quantity of waste treatment and recycling difficulty and improve environmental performance. Qualified local vendors are selected for each factory to execute the outsourced waste treatment. Waste generated from our operation is divided into general and hazardous business waste and managed according to the environmental management system. Generation, sorting and collection, recycling, removal, and disposal of waste are managed and recorded properly.

WASTE TYPE		AMOUNT OF WASTE GENERATED IN 2024 (KG)	TREATMENT MEASURES
General business	Recyclable	4,341,971	We entrust qualified waste treatment companies to carry out recycling, heat treatment, incineration or landfill, to prevent secondary environmental pollution.
	Non-recyclable	3,030,400	
Hazardous business	Recyclable	0	
	Non-recyclable	182,543	
Note: Hazardous waste refers to business and medical waste.			

Besides unpreventable natural disasters and unpredictable changes of operation, we will aim to adjust the process and sorting management, reduce unnecessary waste, and manage waste products under controllable conditions to achieve our goal.

WASTE MANAGEMENT ITEM/YEAR	2022	2023	2024
Quantity of waste generated (kg)	9,723,690	8,714,960	7,554,914
Year-over-Year Change (%)	+14.7	-10.4	-13.3
Intensity of the quantity of waste generated (kg/revenue per million TWD)	53.90	47.63	38.18

Surrounding Noise Control

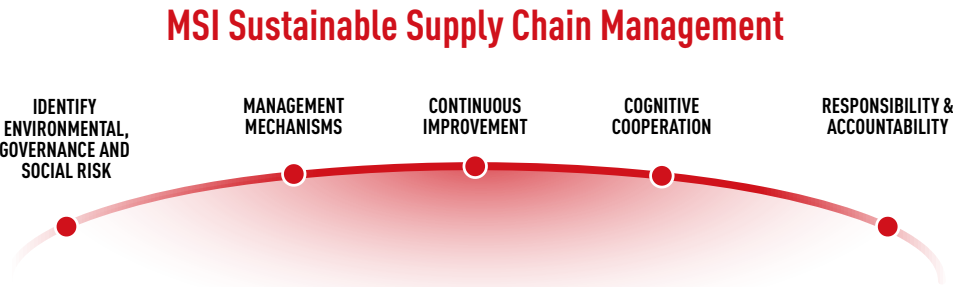
MSI monitors and manages surrounding noise, and authorizes the testing unit to measure surrounding noise every year. Noise from the activity and equipment in the factory is monitored continuously to meet the legal surrounding noise level in the environment. All of our factories are in the industrial or science park. All of the test results meet the regulatory requirements. We can make sure that the nearby community remains quiet.



CH4.
RESPONSIBLE MANUFACTURING
AND CUSTOMER SERVICE

4.1 Supplier Management

MSI's products currently include motherboards, graphics cards, servers, desktops, laptops, automotive electronics, displays, chassis, and AMR, covering a wide range of consumer electronics and professional computer peripheral products. These products are in the midstream and downstream sections of the supply chain. Upstream partners include suppliers of semiconductor, metal, and plastic elements, as well as software programs. Midstream partners include the suppliers for power supply, heat sink devices, chassis, and other input and output equipment. Please refer to MSI's shareholders' meeting annual report for more information on the supply chain and industry.



Sustainable Supplier Management

In supply chain management, MSI prioritizes not only quality, cost, and lead time but also adherence to international standards and regulations, such as the RBA and International Labor Organization (ILO) guidelines. We have established evaluation criteria and agreements for both current and new suppliers, requiring them to comply with local regulations and uphold standards in labor, health and safety, environmental protection, ethics, and management systems. We conduct periodic inspections and audits, hold supplier conferences, and utilize real-time GPM systems to monitor supplier practices and promote sustainability.

MSI is committed to developing a sustainable supply chain by integrating sustainability into existing management processes. This includes assessing environmental, governance, and social risks, implementing management mechanisms, fostering continuous improvement, and promoting technological collaboration. For both current and new suppliers, we establish corresponding management measures and conduct periodic audits to ensure compliance, driving mutual growth and success.

MANAGEMENT GOAL	MANAGEMENT MEASURES	OUTCOME DURING THE REPORT PERIOD	FUTURE GOAL
Avoid the use of conflict minerals.	- Carry out an investigation according to the due diligence structure of the Organization for Economic Cooperation and Development (OECD). - The resource from the Responsible Minerals Assurance Process (RMAP) provided by the Responsible Minerals Initiative is adopted every year to help MSI's suppliers purchase raw materials that are not conflict minerals.	100% not used	
MSI's CSR requirements for suppliers	- Supplier survey evaluation - Supplier promotion or training - Critical supplier onsite inspection	Completely comply with requirements	
Promote a Sustainable Supply Chain	- General Suppliers: Attain ISO 9001/14001/45001 certification by 2024; conduct and verify a GHG inventory by 2025; secure RBA VAP certification by 2026. - Key Suppliers: Attain ISO 50001 certification by 2024; beginning in 2025, set carbon reduction targets, implement hazardous substance reduction plans, establish waste reduction goals, and transition to renewable energy.	In 2024, we surveyed over 300 suppliers—including more than 100 key suppliers—based on transaction value and industry sector, gathering data on sustainability certifications, greenhouse gas emissions, and renewable energy use.	Continue to promote carbon reduction in the supply chain, reduce emissions in Scope 3 for MSI, and set the sustainable goal for the supply chain.
Management mechanism	- Execute management and communication through the procurement department and GPM system. - Set up the complaint reporting mechanism. Set the internal audit office as the reporting contact.	No relevant negative issue occurred.	
Continuous improvement	If there's a concern that the supplier might violate corporate social responsibility requirements, the supplier is required to make improvements within a limited time period and accept occasional inspections.	No material weakness was discovered.	
Perception collaboration	- Share training resources with suppliers. - Perform onsite inspection and interaction and achieve a co-development relationship.	Completed.	
Responsibility and accountability	- Offer improvement advice to suppliers. - Provide surveys to suppliers for them to examine their implementation and set the improvement goal.	Completed.	

Refer to MSI Sustainability website for policy and code of conduct of supplier: <https://csr.msi.com/tw/supplier-policy>

Supplier Risk Identification

We evaluate the business environment, corporate quality, service level, cooperation compatibility and supply availability for critical suppliers and identify risk issues related to MSI. Evaluation is carried out through stakeholder negotiation, international organization initiative and customer requirement, and based on strategy, agreement fulfillment, market, performance and needs of supplier. Based on the risk identification procedure, including the category of the supplier's industry, location and substitutability, we set up the risk ranking of the supplier via the identification result of the risk evaluation item. High-risk suppliers will receive regular and occasional audits or examinations. We will continue to guide them, track their improvement progress, and reduce the management risk of suppliers.

◆ Identification requirement for MSI's critical suppliers:

- ✓ Percentage of amount from high purchase and sales
- ✓ Product exclusivity
- ✓ Ability to fulfill sustainable operation
- ✓ High technical threshold
- ✓ Category of high pollution process
- ✓ High labor intensity

EVALUATION ASPECT	ECONOMY	ENVIRONMENT	SOCIETY
Sustainable risk	Compliance Ethics and integrity Product exclusiveness Quality, lead time and cost	Compliance Management system Climate change adaptation Waste management	Health safety Human rights management Conflict minerals Work hours of labor practice
Supplier category	- Integrated Circuit Components (e.g., CPU, GPU, Memory, Chipset, etc.) - Discrete Components - I/O Components (e.g., Display Panels, Storage Devices, etc.) - Mechanical Parts such as Heat Sinks, Liquid Cooling Systems, and Backplates - Batteries - Printed Circuit Boards (PCB) - Power Supplies		

◆ Management measures for high-risk critical suppliers:

MANAGEMENT MEASURES FOR HIGH RISK SUPPLIER	
Business continuity management	- Integrate company needs. Require suppliers to set up the response procedure and plan for the natural or anthropogenic hazards incurred from product and service to ensure uninterrupted operation. - Build a flexible multilateral supply chain to avoid exclusive supply channels threatening operation of overall supply. - Implement flexible contract management. Negotiate flexible terms. Execute the contract in different sections. Reduce huge operating loss caused by market price fluctuation.
Sustainable environmental management	- Suppliers are required to build the emergency reporting mechanism for natural disasters, to report the condition immediately and continue to update the recovery progress when a disaster occurs for MSI to keep track of recovery. - Suppliers are required to prepare response measures, e.g. remote production and inventory increase, to reduce impact incurred from natural disaster, violation incidents and hazardous events. - Adhere to environmental regulatory requirements. Provide product and services produced from clean production. Fulfill requirements for environmental management system.
Compliance with the code of conduct	- Prohibit any conduct violating the code of practice, and establish the mechanism for confidentiality of the identity of the informant and respondent. - Suppliers are required to formulate and fulfill the management standard by referring to international initiatives for labor and human rights (e.g. RBA, OECD Guidelines for Multinational Enterprises on Responsible Business Conduct). Their basic requirements must be the regulations of the location where their factory is located. - Ensure business information confidentiality and storage. Suppliers are required to abide by business assets and intellectual property rights of both parties. - In order to guarantee human rights and comply with regulation policies, suppliers shall fulfill their management responsibility and execute investigation, to make sure that raw materials and products are not from ore plants and smelters carrying out illegal mining.

Sustainable Suppliers Assessment

From 2024 to 2026, MSI will progressively integrate key sustainability requirements into the qualification criteria for suppliers, driving the development of a more sustainable supply chain. In 2024, we continued the previous year's supplier assessments to monitor and understand the performance of key partners. By gradually collaborating with suppliers to adopt relevant management systems, MSI aims to strengthen the sustainability foundation of the entire industry chain, enhancing resilience against future risks and disruptions.

4.2 Responsible Minerals Management

MSI is committed to global regulatory compliance and upholding international human rights and corporate social responsibility. We continuously update our responsible mineral management practices each year. In 2023, MSI joined the Responsible Minerals Initiative (RMI) and supports RMI's and third-party audit programs for responsible mineral sourcing. We are dedicated to avoiding conflict minerals linked to armed conflict, illegal mining, poor working conditions, child labor, and human rights violations. MSI remains focused on responsible sourcing and management to prevent adverse practices in our supply chain.

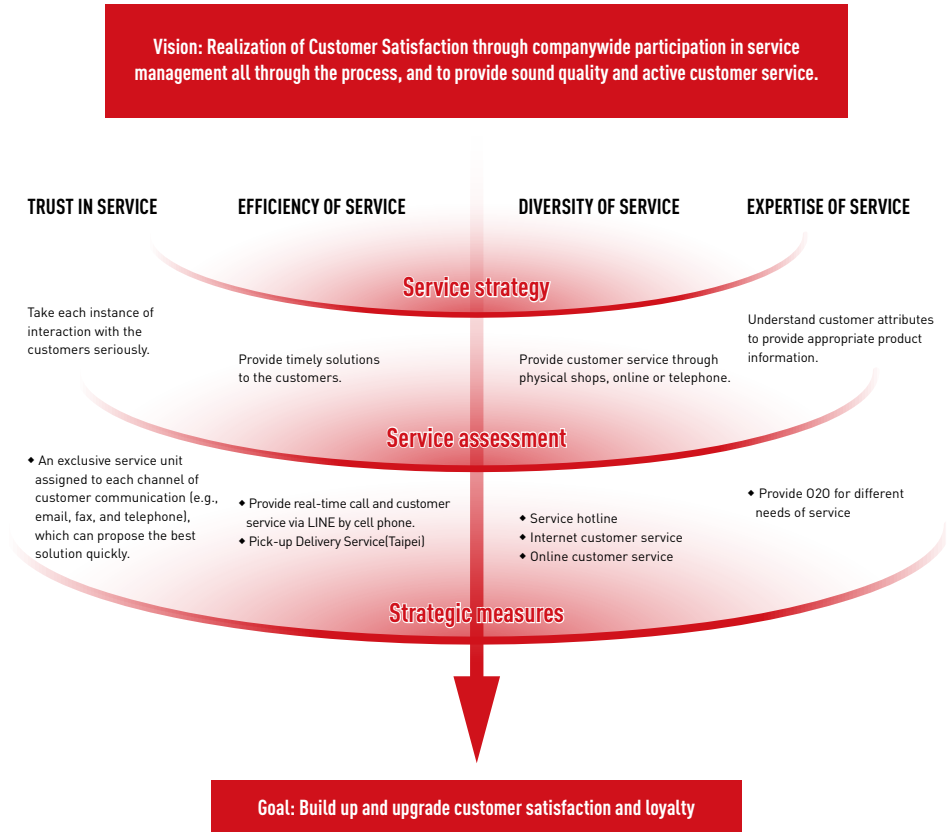
CONTROL ITEM	IMPLEMENTATION MEASURES	CONTROL GOAL	OUTCOME DURING THE REPORT PERIOD	FUTURE GOAL
Supplier Commitment Agreements	Procurement contracts and Supplier Code of Conduct with Responsible Mineral Procurement requirements	100% supplier commitment secured	100% Achieved	Future new suppliers will commit 100%
Management Documentation	Responsible Mineral Procurement Policy	Suppliers use certified smelters only	Completed	Ongoing monitoring and adjustments of management practices
	Conflict Minerals Management Guidelines	Management procedures in place	Completed	
Responsible Mineral Management and Audit Program	Continue to conduct due diligence and risk management through annual assessments using the RMI tools, including the CMRT and the EMRT. Our approach aligns with the OECD Due Diligence Guidance for Responsible Supply Chains.	100% conflict-free minerals ensured	100% Conflict-Free Minerals	100% avoidance of conflict minerals
	Annual Supplier Audits	Annual supplier spot audits	All suppliers are compliant and do not use conflict minerals.	Continuous audits to ensure supplier compliance with MSI's mineral requirements
Responsible Mineral Reporting and Disclosure	Annual Material Due Diligence	Annual report update in April	Information Provided	Annual reporting is provided every April
	Disclosure of Results on Official Website	The smelter list published on the MSI website in April	Disclosed on Website	
Non-compliant Suppliers	In accordance with the Responsible Minerals Management Policy, procurement is suspended from suppliers using conflict minerals, including those under review or not approved.	100% conflict-free minerals ensured	Suppliers continuously ensure the use of certified or qualified smelters.	Suppliers maintain compliance
Training and Education	Supplier Conferences or RMI Online Training	Annual supplier conference and RMI training	One conference and ongoing online training sessions.	Continuous education and training to enhance supplier knowledge and close knowledge gaps
Stakeholder Needs	Address stakeholder needs and concerns	Engage with stakeholders to ensure satisfaction with responses	Respond according to stakeholder expectations	Proactively disclose issues of stakeholder concern

For additional information, please refer to the MSI Sustainability website (Responsible Mineral Policy and Responsible Mineral Report): <https://csr.msi.com/tw/Responsible-Minerals>

4.3 Customer Service and Privacy

4.3.1 Customer Service

Through feedback such as encouragement/complaint from customer service, and positive/negative opinions, we evaluate customer satisfaction based on product value, staff service, service environment, and overall performance to create a good service experience.



testing, technical counseling, accessory purchase, and free laptop health check-ups. Besides visiting local repair centers, global customers can search for information on technical problems, track repair progress, report repairs online, and fill out customer satisfaction surveys through the online repair information system.

After-sales channel:

✓ Customer service hotline: +886-800018880

✓ MSI forum

✓ MSI member

✓ Online customer service system

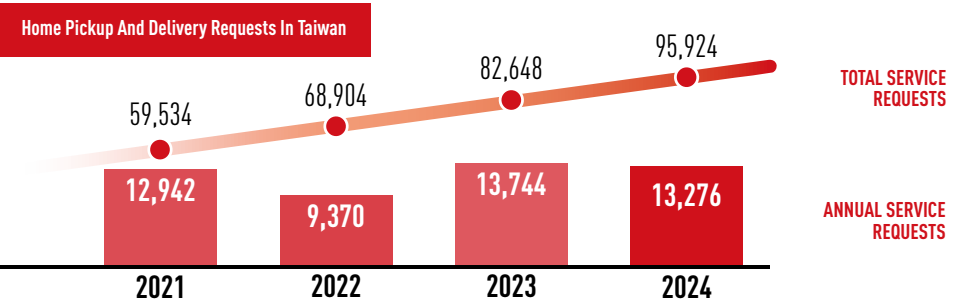
✓ Service distribution location

✓ Real-time online customer service

Pick-Up Service in Taiwan

In Taiwan, we offer a home pick-up and delivery service for select products, allowing consumers to send items for repair without leaving their homes. After repair, we proactively update customers on the status, including completion notifications and follow-up calls to ensure satisfaction and address any issues. We also gather feedback to improve service quality. Since 2015, we have assisted 95,924 customers.

Our after-sales support includes both online and in-store services tailored to sales regions and product categories. We conduct customer satisfaction surveys after each service and adjust them based on market trends. Any dissatisfaction is addressed through prompt follow-up, with feedback shared with relevant departments for continuous improvement. Survey results also help guide new product development.



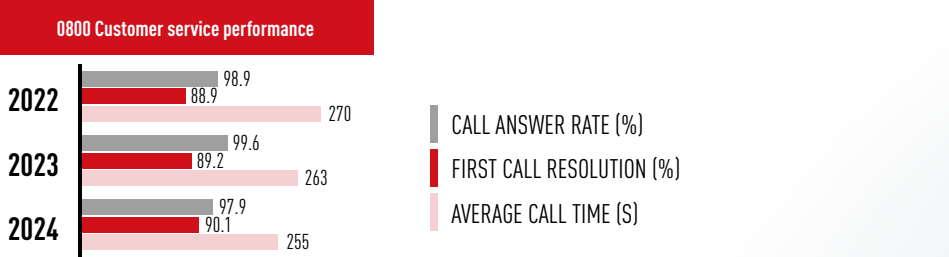
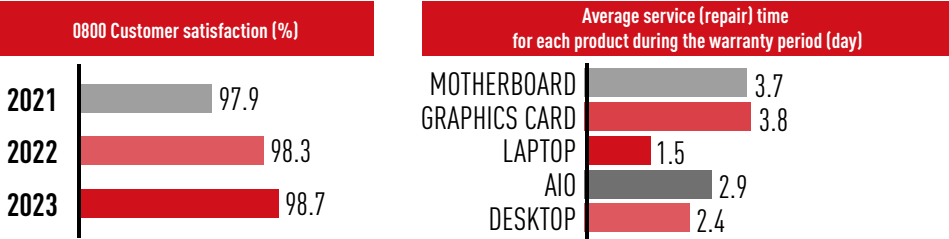
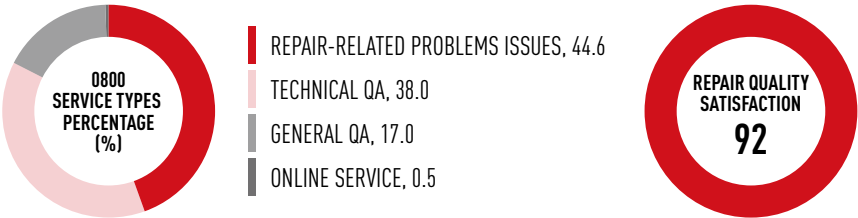
We focus on promoting customer engagement. Our services are highly connected to customers. By listening to customer needs, improving the process, and offering real-time response, we build a robust, lasting customer relationship, and increase customer loyalty. This helps drive customer engagement, reduce service costs and increase company profits.

Product After-Sales Service

MSI has over 6,500 service distribution locations in over 130 countries, offering convenient local product sales and after-sales service support to consumers. Our service locations offer excellent services such as exchange,

Performance of Online Customer Service

Online customer service calls are mostly about guarantees and repairs. An MSI customer specialist checks the serial number of the machine and the location of the customer, and offers information orally or through messages. Besides this, we ask the customer whether he is satisfied with the customer service and continues to increase service efficiency. Relevant performance in 2024 is as follows:



To improve customer service, we have extended our operating hours in North America. On weekdays, excluding holidays, our hours are now from 07:00 to 24:00. We also provide remote software troubleshooting for laptop issues, aiming to deliver an exceptional after-sales experience. (*Actual hours may vary by region and product; please check the local official website for details.)

Computer Health Check-Up Service in Spring and Summer

Each March, MSI conducts a Computer Health Check, offering customers free diagnostics for laptops, desktops, and AIO systems at MSI service centers. Participants receive a complimentary gift and enjoy fan cleaning, thermal module maintenance, and basic functionality testing, with a 10% discount on repairs and 25% off additional parts. On-site pickup and delivery services are available for AIO and desktop computers, including in remote areas.

Hualien 403 Earthquake: MSI is Here for You

On April 3, 2024, a powerful earthquake in Hualien was felt across Taiwan. Many households experienced damage to computer-related hardware, which was broken or rendered unusable due to the strong tremors. MSI hopes to use its social influence and industry resources to support those affected by offering a “same-size replacement” service for monitors and AIOs.

Additionally, disaster-affected individuals can purchase any brand-new model at a special 20% discount, with free door-to-door pickup and delivery, and a 3-year official warranty.

Through these efforts, MSI aims to help affected communities resume normal life as soon as possible.



4.3.2Customer Privacy Protection

Protecting customer information privacy is our basic service principle. We abide by the Personal Data Protection Act and relevant regulations for the protection, collection, and confidentiality of personal information and privacy. Based on the rules for personal privacy protection, we use personal information limitedly and handle personal information agreed by the customer legally, and further make sure that customers can use products and services provided by MSI at ease. Please refer to MSI's privacy policy <https://www.msi.com/page/privacy-policy> to find out how we collect, use, and handle personal information details. Customer rights were not impaired due to customer privacy violations or personal information leakage during the reporting period. We will aim to protect customer privacy based on high standards.

Customer Privacy

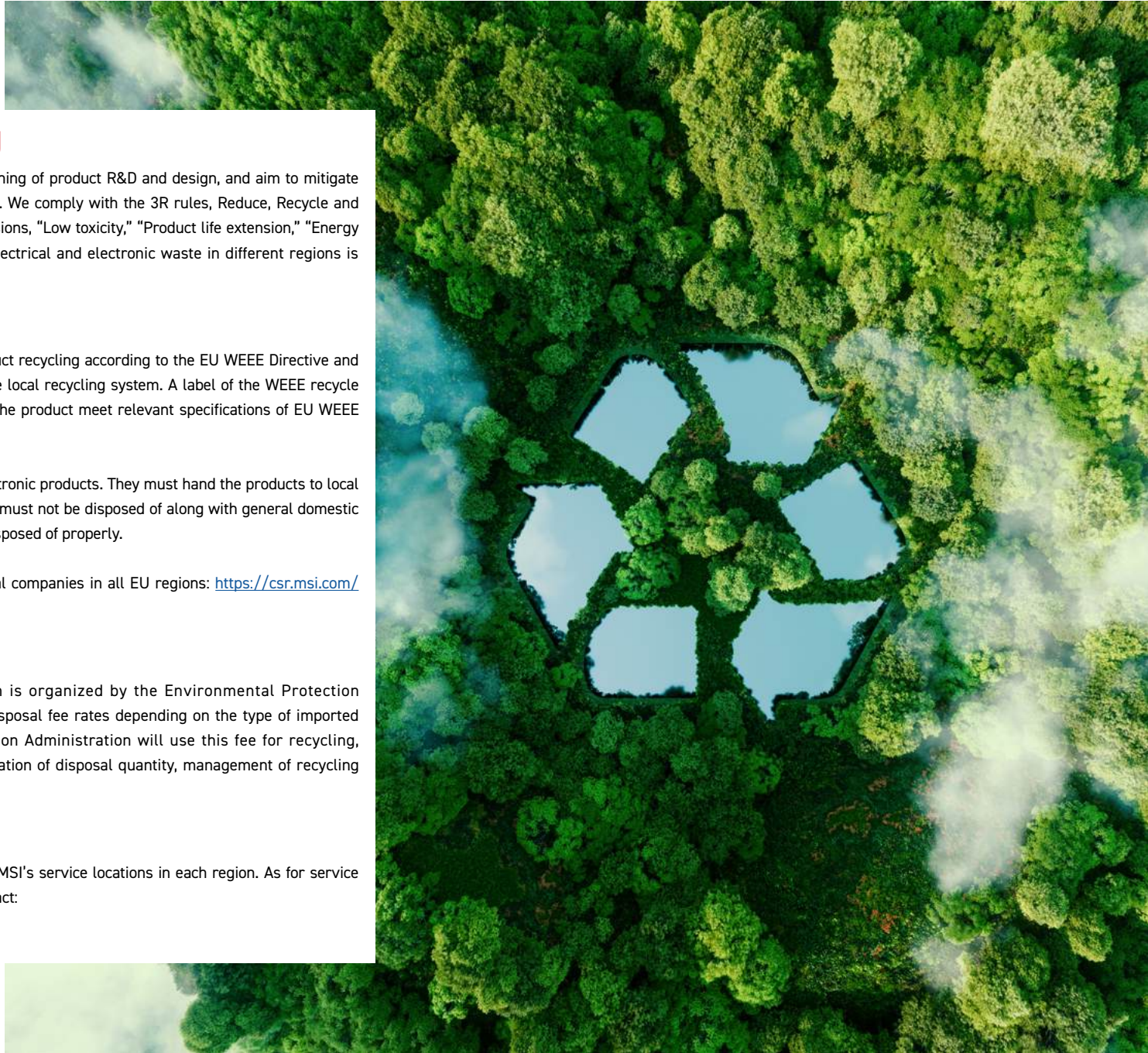
To ensure the storage of customer confidential information, MSI checks the information below before offering product repair or service:

- ✓ Computer data backup (including but not limited to account, password, photo or music file)
- ✓ Remind of the risk of data loss.
- ✓ Privacy policy, terms of service, and matters to be observed
- ✓ The customer decides whether to use MSI's product and service.

Personal Data Management Mechanism

CATEGORY	MANAGEMENT POLICY
Organization management	◆ The personal data protection team has been set up to promote personal data protection and operation execution. ◆ A data protection officer is available for operation of information and communication security of the Company. ◆ The Head Office continues to pass the ISO 27001 information security management system certification to promote information security management of company operation.
Policy management	◆ Formulate, issue and enforce personal information protection policies and specifications. Announce them on the company website. Examine and amend the policies and specifications based on compliance and discovered risk topics every year. ◆ To adapt to the Personal Data Protection Act, we provide consumers with protection functions, such as the rights to look up and browse their personal information, request to terminate marketing information, and delete their personal information.
Procedure management	◆ Formulate the internal/external privacy, cookie, data storage/safety policy. ◆ Internal data processing procedure. ◆ Data transfer protocol and record. ◆ Data leakage incident evaluation and reporting procedure. ◆ Procedure for the owner of personal information to exercise rights.
Personnel management	◆ Basic information of customers is listed as confidential documents. All personal information is stored in a planned, exclusive location and cannot be accessed by employees voluntarily. ◆ All employees received education training in personal data protection. ◆ The trustee entrusted with the operation must sign relevant NDA.





4.4 Product Disposal and Recycling

We put ecological design into consideration at the beginning of product R&D and design, and aim to mitigate environmental impact during stages of product lifecycle. We comply with the 3R rules, Reduce, Recycle and Reuse, to ensure that all products comply with four missions, "Low toxicity," "Product life extension," "Energy saving" and "Easily recyclable." MSI's instruction for electrical and electronic waste in different regions is shown below:

EU:

We join the recycling system or the plan for waste product recycling according to the EU WEEE Directive and local EU laws. Products sold in EU regions must join the local recycling system. A label of the WEEE recycle bin must be attached to the product to make sure that the product meet relevant specifications of EU WEEE Directive.

Users in EU regions must scrap MSI's electrical and electronic products. They must hand the products to local qualified recycling companies for disposal. The products must not be disposed of along with general domestic waste. Users must make sure that waste products are disposed of properly.

Refer to MSI Sustainability website for qualified disposal companies in all EU regions: https://csr.msi.com/global/pevn_ewaste

Taiwan:

Recycling of waste information products in Taiwan is organized by the Environmental Protection Administration. MSI pays for recycling, cleaning and disposal fee rates depending on the type of imported commodities every year. The Environmental Protection Administration will use this fee for recycling, distributing subsidies for disposal, auditing and certification of disposal quantity, management of recycling company, and administrative management.

Other regions:

For MSI products recycling in other regions, please ask MSI's service locations in each region. As for service location information, please refer to the web link for contact: <https://www.msi.com/page/service-location-new>

CH5. TALENT ATTRACTION AND DEVELOPMENT



5.1 Attraction and Retention

MSI has consistently promoted a “people-centered” corporate culture, emphasizing unity, teamwork, and a collective mindset. By viewing employees as family and fostering strong connections, MSI upholds the “One MSI” philosophy, driving all members to move forward together in a unified direction.

5.1.1 Employee Overview

Total number (or percentage) of Permanent Employees During the Report Period

REGION/FACTORY	TAIWAN				CHINA			
	MSIT		MSIT1		MSIS		MSIK	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Full-time employee	1,754	1,038	207	179	56.3%	33.6%	50.3%	34.9%
Part-time employee	30	3	22	1	-	-	-	0.1%
Non-guaranteed hours employee ¹	-	-	-	-	7.5%	2.2%	-	-
Temporary worker ²	-	-	2	1	0.4%	-	9.5%	5.2%
Total	1,784	1,041	231	181	N/A	N/A	N/A	N/A
Total for factories	2,825		412		100%		100%	
Total for regions	3,237				N/A			

1: Non-guaranteed hours employee refers to intern and short-term worker.
2: Temporary workers include contract workers.
Description: The number of employees in China is not provided due to NDA in customer contracts. It is indicated by the percentage of the employees in “the factory.” Employee numbers remained stable compared to the previous reporting period.

Total number of Non-employee Workers During the Report Period

TYPE/NUMBER OF PEOPLE/REGION	MSIT	MSIT1	MSIS	MSIK
Temp security guard	19	6	-	-
Temp cleaning worker	11	3	-	41
Temp kitchen worker	9	-	-	50
Contract/sub-contract onsite staff	2	-	-	21
Contractor/Construction worker	33	-	-	-
Temp Worker	-	23	291	-
Volunteer	-	-	-	-
Subtotal	74	32	291	112
Total	509			

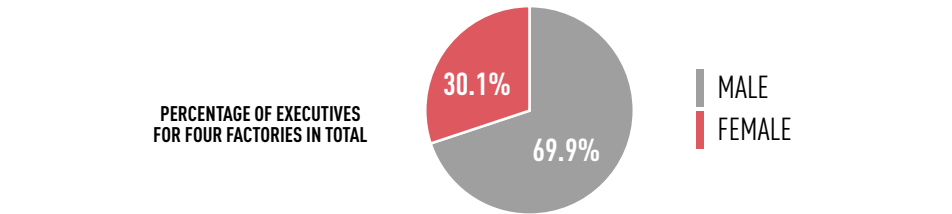
Age and Gender Distribution of Permanent Employees During the Report Period

REGION/FACTORY	TAIWAN				CHINA			
	MSIT		MSIT1		MSIS		MSIK	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
AGE DISTRIBUTION								
30 years old and below	10.0%	7.6%	12.9%	6.3%	28.6%	14.1%	35.0%	18.6%
31 to 50 years old	43.4%	25.3%	41.7%	35.0%	34.7%	21.4%	23.4%	21.5%
51 years old and above	9.8%	3.9%	1.4%	2.7%	0.9%	0.3%	1.4%	0.1%
Subtotal	63.2%	36.8%	56.0%	44%	64.2%	35.8%	59.8%	40.2%
Total	100%		100%		100%		100%	

Position and Gender Distribution of Permanent Employee During the Report Period

REGION/FACTORY	TAIWAN				CHINA			
	MSIT		MSIT1		MSIS		MSIK	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
POSITION								
Senior executive	1.8%	0.2%	-	-	0.2%	<0.1%	0.5%	0.1%
General executive	12.6%	4.7%	9.0%	6.8%	12.6%	6.0%	10.0%	4.9%
General employee	48.8%	31.9%	37.6%	46.6%	51.4%	29.8%	49.3%	35.2%
Subtotal	63.2%	36.8%	46.6%	53.4%	64.1%	35.9%	59.8%	40.2%
Total	100%		100%		100%		100%	

Note:
1. Senior executive refers to associate vice president and above. General executive refers to the executives from foreman and section chief to senior manager. General employee refers to official employees who are not managers (including any staff under performance appraisal, with full pay and work full time).
2. There is no senior executive in MSIT1.



Diverse Employment During the Report Period

TYPE/FACTORY/GENDER	MSIT		MSIT1		MSIS		MSIK	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Percentage of disadvantaged employee	0.57%	0.28%	0.49%	-	-	-	3.27%	2.41%
Percentage of foreign worker	0.39%	0.21%	-	-	-	-	1.44%	0.14%

Description:
1. No disadvantaged employee or foreign worker is hired at MSIS.
2. Disadvantaged groups include people with physical and mental disabilities and ethnic minorities.MSI complies with regulations by paying the required supplement if the legal employment quota is not met.

Number of Local-Hired Senior Executives During the Report Period

LOCATION	TAIWAN		CHINA	
	MSIT	MSIT1	MSIS	MSIK
MAJOR BUSINESS LOCATIONS				
Percentage of local-hired senior executives	100%		0%	36%

Description:
1. Definition of senior executive: Associate vice president and above.
2. Important business locations: About 90% of the employees are in major business locations in Taiwan and China. About 10% of the employees are in subsidiaries in other regions. Therefore, the number is subject to the scope disclosed in the report.

Zero Tolerance for Child Labor

MSI holds fast to the corporate spirit of good operation, is subject to international human rights initiatives and specifications, and strictly abides by relevant regulations in local labor laws in Taiwan and China. MSI keeps track of the risk of child labor at business locations through a transparent recruitment system. It is prohibited to hire children under 15 or require children under 18 to perform heavy or dangerous work. Meanwhile, MSI actively creates a sustainable supply chain with suppliers through a business ethics initiative. In addition, if the employee provides a fake certification and the employer hires child labor by mistake, MSI will execute further handling measures according to the regulatory requirements or management guidelines formulated where the factory is located. (Refer to the table below.)

ITEM/FACTORY	MSIT AND MSIT1	MSIS	MSIK
Child labor relief measures	Labor Standards Act	Child labor relief and underage worker management procedure	Child labor relief and underage worker management procedure

5.1.2 New Hired and Resigned Employee

We emphasize the spirit of "One MSI," and endeavor to increase employee recognition and implementation of core values. In the meantime, we plan for a remuneration and welfare system that meets employees' needs. By optimizing human resources, and creating an environment of transparent communication, employees can reach their potential freely. Both we and our employees can forge ahead to the same goal and create a win-win growth value. Meanwhile, we build an open, fair, and equal workplace. New employees can adapt to the environment and become proficient in their work quickly. Employees and executives of the human resource department communicate and visit new employees occasionally to prevent them from resigning because they cannot adapt to the workplace.

Percentage and Distribution of New Employees by Age and Gender During the Report Period

AGE DISTRIBUTION	MSIT		MSIT1		MSIS		MSIK	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Number of employees	262	135	113	49	Employee numbers are withheld due to a customer contract's non-disclosure clause.			
Percentage of new employees in the factory								
30 years old and below	5.1%	3.2%	9.5%	5.1%	126.8%	35.1%	111.0%	52.0%
31 to 50 years old	3.9%	1.6%	18.0%	6.8%	49.4%	10.9%	17.1%	12.7%
51 years old and above	0.3%	<0.1%	-	-	0.1%	-	0.1%	0.1%
Distribution of new employees out of total number of new employees in the factory								
30 years old and below	36.0%	22.7%	24.0%	13.0%	57.1%	15.8%	57.5%	27.0%
31 to 50 years old	27.7%	11.1%	45.7%	17.3%	22.2%	4.9%	8.9%	6.6%
51 years old and above	2.3%	0.2%	-	-	<0.1%	-	<0.1%	<0.1%

Note:
1. "-" refers to no new employee in this age group during the reporting period.
2. New Hire Rate = Total Number of New Hires / Total Number of Employees at Year-End
3. The percentage of new employees is higher at MSIS and MSIK primarily because frontline operators resigned and new employees must be appointed to the production unit accordingly. Figures over 100% result from new hires exceeding year-end headcount.

Percentage of New Employees Regardless of Age During the Report Period

ITEM/FACTORY	MSIT		MSIT1		MSIS		MSIK	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
By gender	9.3%	4.8%	27.5%	11.9%	176.3%	46.0%	128.2%	64.8%
By factory	14.1%		39.4%		222.3%		193.0%	
By region	17.27%				209.99%			

Note: 1. New Hire Rate = Total Number of New Hires / Total Employees at the Facility
2. MSIS and MSIK show figures over 100% because total new hires during the year exceeded year-end headcount.

Percentage and Distribution of Resigned Employees

by Age and Gender During the Report Period

AGE DISTRIBUTION	MSIT		MSIT1		MSIS		MSIK	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Number of resigned employees	136	93	106	54	Employee numbers are withheld due to a customer contract's non-disclosure clause.			
Percentage of resigned employees in the factory								
30 years old and below	3.0%	1.8%	8.7%	2.9%	133.7%	35.3%	55.2%	124.7%
31 to 50 years old	1.5%	1.4%	16.5%	9.7%	51.3%	12.3%	13.4%	18.6%
51 years old and above	0.2%	0.1%	0.5%	0.5%	0.1%	<0.1%	-	<0.1%
Distribution of resigned employees out of total number of new employees in the factory								
30 years old and below	37.6%	22.7%	22.4%	7.5%	57.4%	15.2%	26.0%	58.9%
31 to 50 years old	18.8%	17.0%	42.5%	25.0%	22.0%	5.3%	6.3%	8.8%
51 years old and above	3.0%	0.9%	1.3%	1.3%	<0.1%	<0.1%	-	<0.1%

Note:
1. "-" refers to no resigned employee in this age group during the reporting period.
2. The resignation rate is higher for MSIT1, MSIS, and MSIK is primarily because frontline operators resigned due to labor shortages in the local environment, industry competitiveness, and job content. The management unit of the factory continues to pay attention to the resignation rate and makes sure that it has no significant impact on production and operation at MSI.
3. MSIS and MSIK show figures over 100% because total resignations during the year exceeded year-end headcount.

Percentage of Resigned Employees Regardless of Age During the Report Period

ITEM/FACTORY	MSIT		MSIT1		MSIS		MSIK	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
By gender	4.7%	3.3%	25.7%	13.1%	185.1%	47.6%	68.6%	143.3%
By factory	8.0%		38.8%		232.7%		211.9%	
By region	12.0%				224.0%			

Note: 1. Resignation rate = Total Number of Departures / Total Number of Employees at Year-End
2. MSIS and MSIK exceed 100% as annual departures surpass year-end headcount.

Care for resigned employee

When employees submit resignations, the HR team first conducts interviews and surveys to identify the reasons behind the turnover. Based on the employees' preferences, they facilitate internal job matching to support retention. At the same time, MSI continues to hold internal discussions with supervisors to review and adjust salary, job responsibilities, and screening criteria for the position, aiming to reduce the impact of future recruitment. Additionally, MSI strengthens communication during the recruitment process by providing candidates with clear and detailed information about job duties and work environment, minimizing mismatches after hiring.

5.1.3 Parental and Paternity Leave

MSI offers parental leave, maternity leave and paternity leave based on the regulations of the location where the factory is located for employees to balance work and family. A complete employee resumption system is planned, including arrangements for leave without pay, and support for career paths. Maternity pension and welfare measures are provided for employees to feel cared and warmed by the Company.

A list of Parental Leave Without Pay During the Report Period (Taiwan)

DESCRIPTION	MSIT		MSIT1	
	MALE	FEMALE	MALE	FEMALE
The number of employees qualified for parental leave (without pay) in 2024	39	31	3	10
The actual number of employees applying for parental leave (without pay) in 2024	0	7	3	3
The number of employees expecting to resume the work in 2024 (A)	0	3	2	0
The number of actual employees returning to work in 2024 (B)	0	3	0	0
The number of employees on active duty for a year after returning from parental leave (without pay) in 2023 (C)	0	3	0	0
The number of actual employees returning to work in 2023 (D)	1	4	0	3
Percentage of employees returning from parental leave (without pay) (B/A)%	0%	100%	0%	0%
Percentage of employees retained after returning from parental leave (without pay) (C/D)%	0%	75%	0%	33.3%

Note:
1. Resumption Rate = Number of Employees Returning from Parental Leave in 2024 / Total Employees Expected to Return in 2024.
2. Retention Rate = Number of Employees Still Employed 12 Months After Returning from Parental Leave / Total Number of Employees Who Returned from Parental Leave in 2023.

A List of Maternity and Paternity Leave Without Pay During the Report Period (China)

DESCRIPTION	MSIS		MSIK	
	MALE	FEMALE	MALE	FEMALE
Number of employees qualified for maternity and paternity leave in 2024	31	52	13	51
Number of actual employees applying for maternity and paternity leave in 2024	31	52	13	51
The number of employees expecting to resume the work in 2024 (A)	31	52	13	51
The number of actual employees returning to work in 2024 (B)	30	49	13	51
The number of employees on active duty for a year after returning from maternity and paternity leave in 2023 (C)	6	9	20	19
The number of actual employees returning to work in 2023 (D)	29	43	20	24
Percentage of employees returning from maternity and paternity leave (B/A)%	96.8%	94.2%	100.0%	100.0%
Percentage of employees retained after taking maternity and paternity leave (C/D)%	20.7%	20.9%	100.0%	79.2%

Note:
1. Resumption Rate = Number of Employees Returning from Parental Leave in 2024 / Total Employees Expected to Return in 2024.
2. Retention Rate = Number of Employees Still Employed 12 Months After Returning from Parental Leave / Total Number of Employees Who Returned from Parental Leave in 2023.
3. In China, longer statutory maternity leave often delays returns to the next reporting year, creating a gap between leave applications and actual returns.

5.1.4 Remuneration and Welfare

MSI offers a complete remuneration system and combines it with numerous welfare benefits superior to those specified in regulations. Besides satisfying workers' work and life needs, this actively facilitates corporate operation and development. We check the salary level and fairness in the market every year and offer competitive remuneration to employees, to ensure that excellent internal employees are retained and external talents are attracted effectively.

The Mean and Median Salary of Full-Time Non-Managerial Employees in Taiwan During the Report Period

ITEM/FACTORY/YEAR	MSIT & MSIT1
Number of general employees (A)	2913
The difference between the number of general employees in the current and previous report period	40
The total amount of full-time pay during the reporting period (thousand TWD) (B)	4,413,391
Growth of total full-time pay compared to the previous report period (%)	10.1%
Mean salary during the reporting period (thousand TWD) (C=B/A)	1,515
The difference between the mean salary of the current and previous report period (thousand TWD)	120
Median salary during the report period (thousand TWD)	1,286
The difference between the median salary of the current and previous report period (thousand TWD)	73
Note: 1. Annual salary: Including annual minimum wage and annual bonus. 2. General employee: General employee refers to the executives from foreman and section chief to senior manager. General employee refers to official employees who are not managers (including any staff under performance appraisal, with full pay and work full time).	

Ratio of Standard Entry-Level Wage Compared to Local Minimum Wage During the Report Period

We determine the remuneration standard and reward system depending on the employee's education and experience, professional knowledge, seniority and personal performance through regular performance appraisal. The starting salary of all new full-time employees of all factories is higher than the local minimum wage. It is not varied by human rights requirements, such as gender, marital status, religion or political stance. Besides this, we adjust the salary and offer a salary higher than the market level by regularly examining compensation level and considering marketing competitiveness.

As for non-employee workers (e.g., contractors), MSI requires the employer of contractors to meet regulations when signing the contract based on ethics and the code of conduct. Non-employee workers must not violate regulations or MSI contractor guidelines.

ITEM/FACTORY/GENDER	MSIT/MSIT1		MSIS		MSIK	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Ratio of standard entry-level wage compared to local minimum wage	1.00	1.00	1.57	1.57	1.13	1.13

Note: The scope of disclosure for the basic staff in this table includes permanent employees.

Living Wage

MSI ensures that all employees meet a decent living wage. We conduct regular reviews and tracking to confirm full compliance across our workforce. In addition, MSI extends its commitment to responsible labor practices throughout the supply chain. This includes reviewing whether wages are sufficient to meet basic local living needs and adjusting wage structures in consultation with stakeholders as needed. Living wage considerations are now a formal part of our supplier evaluation process. If a supplier's compensation policy is found to fall short, MSI requires a corrective action plan to close the gap and ensure workers receive fair and adequate wages. In 2024, MSI conducted decent living wage assessments among key suppliers: 91.4% of final assembly factories for EPEAT-certified products met local living wage criteria, while 61.5% of IC suppliers were in compliance.

MSI is committed to ongoing collaboration with key suppliers to ensure living wage standards are met, and we pledge not to discontinue partnerships solely due to wage adjustments. This approach helps promote a positive brand image and supports long-term business stability.

MSI calculates a fair living wage by following the Anker Methodology and guidelines from the Global Living Wage Coalition. In addition to local government data, we reference cost-of-living and essential expense information from sources such as [Numbeo](#), [Global Product Price](#), and [LivingCost.org](#), with data updated through December 2024.

Ratio of Standard Entry-Level Wage Compared to Local Minimum Wage During the Report Period

MSI's welfare is allocated regularly from revenue and employee salaries. It is used for annual large events, year-end parties, arts and culture seminars, cash gifts/gifts for New Year, Dragon Boat & Mid-Autumn Festival, club allowances, travel subsidies, employee birthday cash gifts, employee emergency assistance, maternity pension, marriage allowance, department gathering, cross-departmental matchmaking event allowance, and employee recreational facility. All kinds of financial information are posted on the internal website transparently, openly, and for employees to understand the purpose of welfare. Refer to the Company's Consolidated Financial Statements (page 47) for welfare expenses at MSI Group.

WELFARE ITEM/FACTORY		MSIT	MSIT1	MSIS	MSIK
Bonus		V	V	V	V
Employee insurance (including life, accident and medical insurance)		V	V	V	V
Social insurance (including pension, medical treatment, unemployment, work injury, maternity)		-	-	V	V
Housing provident fund		-	-	V	V
Priority Parking for Pregnant Women		V	V	-	-
Parental leave		V	V	V	V
Maternity and paternity leave		V	V	V	V
Family care leave		V	V	-	-
Pension		V	V	-	-
company-provided lunch		V	V	V	V
Other	Club activity	V	V	V	V
	On-job-training	V	V	V	V
	Gift for New Year, Dragon Boat & Mid-Autumn Festival	V	V	V	V
	Massage service	V	V	V	-

Welfare Subsidy

MSI established the Employee Welfare Committee, and offered an excellent, complete welfare system to take care of employee's life, and facilitated mental and physical health and welfare.

- WELFARE SUBSIDY ITEM
- ◆ Personal welfare item: Festival bonus, birthday bonus, travel subsidy, maternity pension, marriage allowance, funeral allowance, etc.
 - ◆ Group welfare item: Club allowance, department gathering, cross-departmental matchmaking event allowance, etc.
 - ◆ Free employee health check-up
 - ◆ Full subsidy for external vocational training

Flexible Work Hours

MSI organized a friendly system, arranged work time, and offered the number of days of leave higher than the one specified in the regulations, expecting each employee to achieve work and family balance.

- ✓ Flexible work hour system for non-factory operation
- ✓ Offer full-pay leave with three days of flexible leave
- ✓ Employees may get off work a half hour earlier by working 7.5 hours on Friday. On the workday before a three-day weekend or longer, employees may get off work one hour earlier by working 7.5 hours.

Pension Appropriation

FACTORY IN TAIWAN	The Labor Pension Act implemented on July 1, 2005 is applicable to seniority of all full-time employees, and the further seniority of the employees decided that they will continue to choose the seniority rules in the Labor Standards Act. The pension is deposited to the special account in Taiwan Bank by the Supervisory Committee of Business Entities' Labor Retirement Reserve.
FACTORY IN CHINA	Pension insurance payment is appropriated according to a certain percentage of gross salary of local employee monthly based on the pension insurance system as required by law. The pension of each employee is managed, organized and arranged by the government.



5.2 Cultivation and Development

MSI is deeply committed to a holistic talent development strategy that spans the selection, employment, education, appraisal, and retention of talent, with a well-established management assessment system in place. We have consistently invested in developing our workforce by offering a range of opportunities for learning and growth, including internal and external training, international assignments, seminars, lectures, and the “MSI University” e-learning platform, all aimed at enhancing both technical and managerial skills. The company fully supports these educational endeavors by covering the related costs.

Talent development is a cornerstone of MSI's sustainable growth and innovative evolution. We provide tailored career development plans that encourage continuous learning, skill diversification, and creative thinking. This strategy not only fosters organizational learning and knowledge transformation but also enhances employee performance, optimizes organizational structure, and propels MSI's ongoing progress.

MSI has implemented a unified Human Resources system and individual development plans across its global operations, including the Taiwan headquarters and regions in Europe, the Americas, China, and the Asia-Pacific. We promote a consistent performance management model within our six major business groups, fostering an open, diverse, and fair workplace that supports talent retention and development. Amid rapid industry changes, senior employees are also encouraged to expand their expertise into new fields, enabling smooth professional transitions.

5.2.1 Training and Development
Career Development Planning

WORKPLACE POTENTIAL DEVELOPMENT	On-job-training, language training, general education, professional training	New employee general education: The online general course at “MSI University” started immediately right after onboarding, for employees to take courses on company culture and management to understand relevant human rights, intellectual property rights, information security, and occupational safety and health management. This helps implement labor quickly.
		Professional training: Basic professional training is executed based on the position, including the operation of an online system, quality management, and specific operating training of professional position classification.
		On-job-training: Employees may raise the request for external training depending on their needs, and take external professional courses to improve their own skills.
PROFESSIONAL FUNCTION CULTIVATION	Leadership Institute, Sales Marketing Institute, R&D Institute, Technical Institute	Language learning: The Company signed a contract with numerous language centers and purchased learning journals for employees to learn a foreign language flexibly at an adequate institution to increase workplace competitiveness.
		MSI University was founded in 2009, including four institutes, Leadership Institute, R&D Institute, Technical Institute, and Sales Marketing Institute. The training is integrated with the overall company strategy. Critical training, professional categorization, and differential talent management are executed by using limited resources, to build different professional functions.
LAYERED TRAINING MANAGEMENT	Corporate culture, experience inheritance, core value	Corporate identity training for deepening corporate culture and building the core value is executed for managerial staff in the growth period. These staff engage in experience inheritance learning depending on the position and academic aptitude, to learn further in company operating management.
LEADERSHIP ABILITY TRAINING	Operating management, leadership, market analysis, strategy management	Critical operating and managerial talents engage in decision-making training, including market analysis, leadership, strategic management and operating management through internal and external course and feedback. The Leadership Institute exclusive to managerial employees has been established to shape the company culture and enhance management function, in order to create a good operating team, and ensure good corporate governance.

MSIU – MSI University

The four academies focus on management, R&D, technology, and business, offering specialized training aligned with different job roles and functions. Vertical training is tailored to specific positions and responsibilities, while horizontal support is provided based on departmental needs or career development goals. Additionally, business units and departments can request customized internal training from HR, resulting in ad-hoc courses that help employees reinforce and update their skills.

Courses may also be supplemented with additional, specific topics as needed. Here is a 2024 overview of each academy's offerings:

- ◆ Leadership Institute: Focuses on industry trends, management skills, business goal setting, and budget management. There were 6 courses conducted, with 2,154 participants.
- ◆ Sales Marketing Institute: Covers presentation techniques, competitive business ecosystems, with 1546 participants.
- ◆ R&D Institute: Centers on new technology sharing and workshops for critical thinking and problem-solving, 14 courses were conducted, with 6,286 participants.
- ◆ Technical Institute: Includes courses on innovative services, sales communication, stress management, and emotional management. 8 courses were conducted, with 2,597 participants.
- ◆ General and project management training: Focus on new technology application, and the OHS and ESG-relevant course. 18 courses were conducted, with 8,702 participants.

MSI Salon

MSI occasionally invites experts or famous people in the industry to work with MSI's executives to guide employees in studies. Through online book clubs, they share general business knowledge, communication methods, thinking modes, digital transformation, marketing, industry dynamics, and the metaverse. The discussion topics are not limited. The perspective and sharing from experts and executives are included in the book review. Employees in any function and position may learn the essence of good books, broaden their horizons, and strengthen soft and hard skills online.

MSI Salon in 2024, drawing 978 employees. It is recognized by most of the employees.

Leadership ability training

Courses of three topics are held for executives on different levels to build critical talents in operating management for the Company. The topics are “Industry trend and company direction,” “Management skill and essential knowledge” and “Emotion management and communication skill.” They help executives understand the key core of downward communication and upward management. To help junior executives change roles, we particularly help them transform and upgrade their way of thinking. While leading the team to achieve the goal, junior executives will possess observation, listening, guidance, and motivation skills, to create more great talents, build a team with better collaboration, and express the spirit of “ONE MSI” for the Company.

INDUSTRY TREND AND COMPANY DIRECTION	Political and economic incidents and pandemics around the world pose a great impact on the economy, and supply and demand of industry. An executive must understand global market change, how the Company responds to the impact and makes development and the role the Company expects him to play in an ever-changing, competitive business environment.
MANAGEMENT SKILLS AND ESSENTIAL KNOWLEDGE	◆ Management responsibility and skill ◆ Selection and interview skill ◆ Talk about finding the right person, doing the right thing, and doing things right from the CPAS test tool. ◆ Labor regulation practice ◆ Organize effective performance of OKR and KPI ◆ Work guidance and subordinate training ◆ Coaching-based organization workshop ◆ Highly efficient successful workplace habit workshop ◆ Financial statement and cost control, and utilize financial data to increase business performance
EMOTION MANAGEMENT AND COMMUNICATION SKILLS	◆ Stress relief and emotion management ◆ Employee care and guidance skill ◆ Listening and asking – Coach-based guidance



The Average Number of Training Hours Divided by Gender and Position During the Report Period

POSITION/FACTORY/ GENDER	MSIT		MSIT1		MSIS		MSIK	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Senior executive	32.8	100.7	-	-	16.3	29.0	0.7	0
General executive	29.9	25.0	88.9	67.6	20.7	21.8	1.1	1.3
General employee	24.8	22.4	25.0	16.7	18.3	21.1	0.9	1.0

Note:
1. Senior executive refers to associate vice president and above. General executive refers to the executives from the foreman and section chief to the senior manager. General employee refers to official employees who are not managers (including any staff under performance appraisal, with full pay and work full time).
2. The MSIT1 office has no senior management roles, MSIK female senior executive with zero hours due to new hire under three months.
3. This table excludes training hours for mandatory human rights education (the table below).

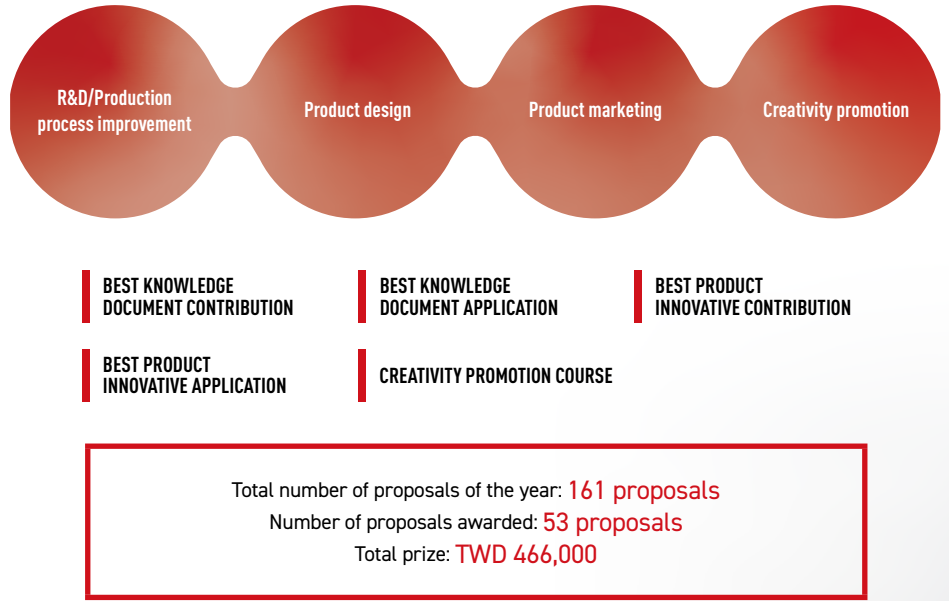
Human Rights Training Information of Employees During the Report Period

ITEM/FACTORY		MSIT	MSIT1	MSIS	MSIK
Percentage of employees receiving education on anti-discrimination, ethics (including anti-corruption), employee rights (including human rights) promotion, forced labor and sexual harassment promotion during the reporting period	Management level	5.0%	100%	17%	100%
	General employee	13.3%	92.6%	62.5%	100%
	New employee	100%	100%	100%	100%

Note:
1.Please refer to the 2024 MSI Annual Shareholders’ Meeting Report for advanced studies and training regarding courses on corporate governance for board members and senior managers.
2.We promote the human rights concept to full-time employees by sending emails occasionally and posting the concept on the internal website. All new employees must complete the relevant education and training.
3.Factories in China recruited contract workers from the labor service company. These workers must also receive human rights training.
4.Management level: From foreman and section chief to vice president General employee: General employee refers to official employees who are not managers (including any staff under performance appraisal, with full pay and work full time).

5.2.2 R&D and Innovation

In a rapidly changing technological industry, it is very important to keep going. MSI encourages employees to come up with creative designs, ideas, courses or any helpful opinion, and holds the “R&D innovation motivation activity” every half year. This incentive event is divided into four types, “R&D/Production process improvement,” “Product design,” “Product marketing,” and “Innovation promotion.” The bonus is from NT\$5,000 to 40,000, depending on the type. After employees bring up proposals, executives of relevant units are invited for evaluation. A bonus will be awarded for selected proposals. In 2024, a dual-blade fan proposal won the Best Product Innovative Contribution and has been incorporated into mass-produced models. This achievement allows our employees’ innovations to go beyond proposals and showcases our creativity and competitiveness to the industry and consumers. The results of the 2024 R&D innovation incentive program are as follows:



5.2.3Performance Appraisal

MSI executes a performance appraisal of employee management every year and carries out core function appraisal based on the organization goal specified by each unit. MSI checks the work goal achievement and performance outcome of the employee, and use them as the reference for promotion, bonus and remuneration, and education training. Each employee is evaluated by at least two executives, including an immediate supervisor interview mechanism, to improve work performance and facilitate labor-management communication accordingly.

Percentage of Distribution of Performance Appraisal by Gender During the Report Period

POSITION/FACTORY/ GENDER	MSIT		MSIT1		MSIS		MSIK	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Senior executive	204%	429%	-	-	100%	100%	30%	100%
General executive	102%	126%	109%	107%	24%	37%	93%	100%
General employee	85%	88%	73%	89%	103%	107%	77%	82%

Note:

1. The number is based on the number of employees receiving the year-end KPI appraisal (including resigned staff. The Taiwanese managers in the factory are excluded from MSI).
2. Senior executive refers to associate vice president and above. General executive refers to the executives from the foreman and section chief to senior manager. General employee refers to official employees who are not managers (including any staff under performance appraisal, with full pay and work full time).
3. There is no senior executive in MSIT1. There is no female senior executive in MSIS. MSIS female senior executives have not completed year-end KPI evaluations.
4. Not all employees received performance appraisals because some employees were on leave without pay, new employees that have been on board for less than 3 months, or on personal or sick leave for over 30 workdays.



5.3 Communication and Care

A harmonious labor-management relationship is a foundation for continuous stable development for the Company. To hear true opinions from employees, MSI established a diverse channel, and an open, transparent platform for effective, boundary-less communication between the Company and employees. Meanwhile, the Company absolutely keeps employee's personal information confidential for all employees to express opinions bravely, and actively maintain and facilitate employee relationship.

5.3.1 Communication channel and employee interaction

An internal website platform is available at MSI for employees to receive important notice from the Company and all kinds of welfare information from the Welfare Committee immediately, to enhance the rights and well-being of employees. The internal website integrates numerous internal management service systems for

employees to enjoy all kinds of care. Besides this, the Company sends important news, MSI IT Daily News, to employees by Outlook every day for employees to understand the latest industry trends and major news in the industry.

In addition, responsibility is divided and planned for different business groups. Different meetings are held every week, month, and quarter (Occupational Safety and Health Committee, labor-management meeting, department meeting, management meeting). The meeting covers the current operating conditions, major announcements, and labor-management communication. Employees can raise opinions through relevant channels for the management to understand the current governance situation, communicate with employees, and build consensus to facilitate harmony in the labor-management relationship.

Employee Communication Achievements During the Report Period

ITEM/FACTORY	MSIT/TAOYUAN	MSIS	MSIK
Collective bargaining agreement	Held every quarter	Held every quarter	Once a year
Occupational Safety and Health Committee	Held every quarter	Held every quarter	Held every quarter
Department meeting	Occasionally	Occasionally	Occasionally
Employee labor union	No	Yes	Yes
Percentage of number of employees who are union members (%)	Not applicable	100	100
Number of negotiated disputes	0	0	0

Satisfaction survey type	◆ Onboarding Survey for New Employees ◆ Administrative Services ◆ Welfare Committee activity ◆ Restaurant meal	◆ Workload Survey (MSIT1) ◆ Musculoskeletal Disorder (MSD) Prevention Survey (MSIT1) ◆ Surrounding living environment (MSIT1) ◆ Employee seminar (MSIK)
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2024 Satisfaction Survey Results	◆ In 2024, MSI conducted two employee satisfaction surveys, including corporate image, restaurant services, workplace environment, and organizational appeal. The overall response rate reached 76%. The most frequently raised concerns related to improvements in dining services and the physical workspace. Based on these insights, MSI promptly engaged relevant departments to evaluate and implement improvement initiatives. ◆ MSIT1 has conducted the assessments of the working environment for all employees through the Workload Survey and the Musculoskeletal Disorder (MSD) Prevention Survey. These surveys achieved response rates of 100% and 96%, respectively. Leveraging the results, MSI will collaborate with the onsite medical clinic, HR, and the OHS department to develop targeted awareness campaigns and training programs aimed at enhancing employee well-being.	◆ In 2024, MSI conducted monthly employee surveys with a total response rate of 94%. The surveys tracked satisfaction with meals, departmental services, and overall company performance, enabling timely responses to employee needs.	◆ In 2024, the monthly Onboarding Survey for New Employees achieved a 93% response rate. Key concerns like cafeteria food and renovation noise were addressed, and training materials were retained for easy reference within the onboarding process. ◆ Two company-wide satisfaction surveys were conducted, with an 86% response rate.
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Note: There is no employee labor union or representative in MSIT or MSIT1. Employees may communicate with the Company through diverse channels such as the Occupational Safety and Health Committee, department meetings or employee assistance programs. MSIS and MSIK did not sign any written agreement for a collective bargaining agreement. They made negotiations at regular meetings and created a record.

Engagement, Counseling, and Communication of Occupational Safety and Health of All Workers

We encourage all employees to participate in and fulfill occupational safety and health requirements. We expect all employees to take responsibility for occupational safety and health, and integrate themselves into the occupational safety and health management system. MSI promises that all operations meet protection requirements for employees, customers and surroundings. In addition, to evaluating executive performance effectively, we hold the meeting of the Occupational Safety and Health Committee every quarter, execute internal and external audits annually, and modify the management method and execute policy based on the audit results. We further achieve the goal of continuing to improve the performance of occupational safety and health management.

ITEM/FACTORY	MSIT	MSIT1	MSIS	MSIK
Labor union representative	N/A	N/A	Ms. Li Fang	Mr. Yu Shen Sheng
Contact for a labor union representative	N/A	N/A	Factory ext. 8890	Factory ext. 8061
Number of labor representatives from the Occupational Safety and Health Committee	36	9	46	27
Total number of members of the Occupational Safety and Health Committee	45	28	87	43
Percentage of employee representatives in the Occupational Safety and Health Committee	61.64%		52.87%	62.79%
Percentage of the rights for freedom of association and collective bargaining	100%	100%	100%	100%
Number of cases violating freedom of Association and collective bargaining	0	0	0	0
Critical topics of health and safety	① Operating environment monitoring ② Traffic safety promotion ③ Health and safety risk management ④ Health promotion ⑤ Machinery equipment protection	① Occupational safety ② Firefighting equipment management ③ Chemicals management ④ Machine tool equipment protection	① Occupational safety ② Firefighting equipment management ③ Chemicals management ④ Restaurant hygiene	
Obtained ISO 45001 certification.	V	V	V	V

Note: The union agreement covers labor disputes, rewards, and disciplinary matters. MSI also provides legal services for employee consultations.

Shortest Notice Period of Significant Operational Change

If the employment relationship must be terminated due to a significant operational change or employee incompetence, the employee will be notified in advance as required by law or execute collective bargaining to explain to the employee specifically. Besides this, severance pay is paid and a relevant certificate is provided to the employee to make sure that his right to work is not affected.

Description:

- The affected employee will be informed of the labor contract termination at least 10 days ahead according to Article 17 in Chapter 2 of MSI's Work Rules.
- If the company policy or resolution (e.g. salary adjustment, expatriate) will pose a material impact on employee's rights, the affected employee will be notified at least 10 days in advance.
- If there's any material impact on shareholder's rights or securities price, material information is explained within a specific time period as required by TWSE.
- The rest of the notification period of material operating changes is handled according to local laws.

Employee Grievance Channel

For concerns on illegitimacy, discrimination, environment and health and safety, employees may communicate with the Company through diverse channels such as the Occupational Safety and Health Committee, labor-management meetings, department meetings, and employee assistance programs, to guarantee the employee's rights and facilitate labor-management harmony.

EMPLOYEE GRIEVANCE CHANNEL CONTACT	
Occupational, environmental safety and health management mailbox	esh@msi.com
Stakeholder communication mailbox	080419864@msi.com

Workplace sexual harassment prevention

To create a friendly, safe workplace, MSI forbids any form of sexual harassment at the workplace. Gender Equality Committee and sexual harassment grievance hotline and email are available to ensure the privacy of the subject for the grievance mechanism. Besides new employees having to receive sexual harassment prevention promotion, current employees receive occasional gender equality promotions. Therefore, we make sure that each employee learns the right knowledge for workplace equality and understands the proper way to handle sexual harassment and seek help. There was no sexual harassment grievance during the reporting period.

FACTORY	SEXUAL HARASSMENT GRIEVANCE CHANNEL
MSIT/Taoyuan	Hotline: Ext. 1333 Email: 113@msi.com.tw Sexual harassment prevention website: Employee section on the internal website
MSIS	Hotline: Ext. 8858 Email: carrieliu@msi.com
MSIK	MSIK APP

The aforementioned handling of the employee grievance channel is the same as the one for 2.5.3 Grievance reporting mechanism.

5.3.2 Physical and Mental Employee Care

MSI is committed to supporting the physical and mental health of our employees by providing a safe and stable work environment. In 2024, we introduced a comprehensive range of health consultation services, including health risk assessments, clinical nutrition counseling, and individual psychological support. These services not only help reduce medical burdens but also offer employees a chance to better understand and manage their well-being amid a busy work schedule.

We prioritized inviting employees with chronic conditions or relevant family medical history to participate. Among the 101 employees engaged in nutrition counseling, total weight loss exceeded 50 kilograms, with an average satisfaction score of 4.7 out of 5, reflecting the positive impact of these initiatives. In addition to these ongoing services, MSI's medical center regularly hosts health screenings, wellness activities, and educational seminars. Examples include cervical cancer screenings, the "Walk & Care" forest walking program encouraging physical activity, and seminars on sleep and pain management, providing employees with valuable knowledge to support their self-care.

- MSI will continue to promote a healthy, supportive workplace that ensures the well-being of all employees. MSI's Planned Ongoing Services and Facilities:
- ✓ The clinic and onsite physician are available for counseling and medical services.
 - ✓ The employee care nurse is available to take care of the employee's health voluntarily and offer health counseling services.
 - ✓ The cafeteria and coffee shop are available to provide diverse dining choices and leisure space.
 - ✓ A free massaging service is provided at MSIT and MSIS.
 - ✓ A friendly parking space for employees who are pregnant or with a physical disability is provided.



Employee Assistance Program (EAP)

MSI introduced the employee assistance program in 2010. By combining internal and external resources, MSI offers systematic Employee Assistance Programs (EAP), and offers free, diverse assistance to employees, such as emotion management, workplace pressure, law service and medical treatment. This aims to prevent and improve troubles and stress in employee's life and at work. The services include work stress, relationship issues, finance and tax, law, and medical care. Employees can dedicate themselves to work without being affected by individual or organizational factors. MSI's dependents can feel at ease for the mental and physical health of the employee. The services help the employee solve issues affecting work performance and bring benefits to MSI's workplace.

FACTORY	CONTACT OF EMPLOYEE ASSISTANCE PROGRAM (EAP)
MSIT/Taoyuan	Email: eaphelp@msi.com Hotline: Ext. 8585
MSIS	Hotline: Ext. 8858
MSIK	Hotline: Ext. 8085

5.4 Health and Safety

5.4.1 Happiness at the Workplace

The mental and physical health of employees are one of the most important cores of corporate sustainable development. Numerous health management and promotion events improve the health of employees. They prevent diseases and enhance the personal health of employees. They work with all departments to enhance workplace quality, help employees work at ease and healthily, and create a happy, healthy workplace. Therefore, we continue to improve environmental, hygiene, safety and health risks at the workplace and offer medical measures for emergency aid.

- ✓ Establish the Occupational Health and Safety Committee, hold meeting every quarter, and implement labor safety and health issues.
- ✓ Perform regular maintenance and care for air conditioning, and clean the cooling water and water dispenser, to maintain air quality of the office and ensure employee's health.
- ✓ Access control is implemented for the building. The central surveillance system is available and monitored by security for 24 hours every day.
- ✓ The AED device is available to respond to sudden heart disease. Promote first aid knowledge such as CPR occasionally.
- ✓ Hold fire drill every half year. Perform "application for inspection and repair of fire safety equipment" every year. Promote common firefighting knowledge to employees.
- ✓ Firefighting management personnel is available to promote and implement fire safety education.



Employee Activity Center

MSI provides a wide range of activities and facilities for employees, including dance studios, libraries, massage rooms, and fitness areas. Regular classes in activities like yoga, boxing aerobics, and street dance are offered, giving employees excellent options for stress relief and a variety of engaging activities.



5.4.2 Workplace Health Management

The goal of health management is to improve employees' awareness of health, help employees build a correct idea of health, and further help employees learn more about health. Meanwhile, we help employees become more interested in health and improve their own concept of self-health management. MSI aims to prevent disease through three sections and five levels and help employees stay healthy. MSI adopts the health guidance and measures based on HBM, and helps employees to learn about perceived benefits, perceived susceptibility and perceived severity to conduct health behaviors. The infirmary and specialized full-time nurses are available in all of MSI's factories to help promote and arrange diagnosis and treatment services. They cooperate with the labor safety unit to execute ergonomic injury prevention, and prevention of abnormal diseases stimulated by work. Besides this, we also have been focusing on health seminar, maternity protection, health promotion event and blood drive for a long time. All kinds of achievements in 2024 are shown in the table below:

ITEM	PURPOSE AND EXECUTION METHOD	RESULT
Health promotion	Provide the latest epidemiology information through email, BBS in the factory, and the mobile app of the factory in China for employees to read and enhance their health knowledge. We hope that employees understand more health information subtly. We introduce the idea of preventive healthcare. We build a healthy lifestyle and behavior for all employees through active health education promotion, to help employees in the factory to learn more about health conditions. Besides this, we organize relevant health education promotion events and workplace health seminars to adapt to changes in epidemiology every quarter, to provide relevant health education promotion, and the latest knowledge on disease change.	◆ The Company's infirmary and Welfare Committee held 16 seminars ◆ 819 people joined the seminar.
Clinic and medical service	To prevent occupational diseases and promote employee health, MSI's on-site clinic offers outpatient consultations, minimizing the need for off-site medical visits. Dedicated nurses manage employees' physical and mental health. In partnership with hospital psychologists, MSI provides free individual counseling, crisis support, and referrals, along with regular mental health seminars. The BSRS-5 questionnaire is used to screen emotional distress and arrange timely support. In 2024, a full-time nutritionist was hired to provide monthly nutrition counseling focused on diet, weight management, and chronic disease care, prioritizing high-risk employees with a 100% participation rate.	◆ 3,914 people visited the clinic. ◆ 239 people received mental and physical health counseling (physical and online in total). ◆ 55 people received nutrition and other health consultations.
Workplace maternity protection plan	To take care of maternity protection at the workplace and enhance medical care performance, professional health counseling and evaluation interviews by the physician are provided to female employees who are pregnant or have delivered a baby within a year. Work suitability advice is also arranged for them. In addition, the breastfeeding room is also available in the infirmary, providing a hidden, comfortable environment for breastfeeding moms. This service has won the Good Breastfeeding Room certification in the Friendly Workplace Section of New Taipei City. We provide an "MSI Pregnant Gift," containing baby care products, small food scissors and a safe spoon.	38 female employees at MSI in Taiwan have been helped.
Employee health check-up and risk rating management	A general health check-up is provided for all employees at MSI every two years. A certain time for health check-ups is also available for temp workers and senior executives. Employees check their health check-up reports in all years and health promotion event information through the system and participate in health event sign-ups. They can use the personalized account to check and download the annual health check-up report and provide articles on popular medical knowledge to enhance the self-health management concept. Provide relevant health management measures based on risk rating. ◆ Low – Health education guidance ◆ Medium – Health education guidance, suggest regular follow-up depending on the case, continue to care for the employee ◆ High – Health education guidance, requires the employee to seek medical advice and recheck condition, arrange an interview with a physician, and continue to track the follow-up condition For high-risk employees on business trips, health management is integrated with the travel approval process. Pre-trip reminders on health precautions and chronic medication preparation help reduce the risk of medical emergencies while traveling.	In 2024, MSI continued follow-up and care based on the previous health checkup results. A total of 1,658 consultations were provided, including 668 sessions of health education and one-on-one counseling.
Health promotion event	MSI utilizes employee health check data to drive targeted workplace wellness initiatives. We conduct seasonal health campaigns and seminars focused on current epidemiological trends and a variety of health topics to raise awareness of primary prevention and health promotion. For secondary prevention, MSI offers annual flu vaccinations every October, prioritizing employees with corporate subsidies. We also partner with community programs to provide cancer screenings and blood donation events. MSI has consistently earned the Healthy Workplace Certification and Health Promotion Mark from the Ministry of Health and Welfare, including renewals and new certifications like MSIT1, all of which are publicly available on the Healthy Workplace Information Platform.	◆ 1,636 people took the flu shot in Taiwan. ◆ 221 people took part in the four-cancer screening event. ◆ 303 people joined the blood drives in total in Taiwan and China. 492 bags of blood were collected, 24,900 CC.

Medical Service Information

SERVICE	MSIT	MSIT1	MSIS	MSIK
Medical service	Health insurance clinic, health advisory, ergonomic hazard prevention management	Health advisory, ergonomic hazard prevention management	Clinic, psychological counseling	Clinic
Employee health check-up	General, special operation			
Health promotion event	Speech, dynamic notification	Dynamic notification	Dynamic notification	Dynamic notification
Professional physician and nurse	Onsite clinic physician	1	1	1
	Nurse	2	1	2
Number of employees served during the report period	3,502	106	483	214
Note: There is no clinic at MSIT1.				

MSI Employee Health Check-Up

To protect employee health, MSI offers the following health screening programs:

- ◆ Routine health check-ups every two years for general employees.
- ◆ Annual specialized health examinations for employees on overseas assignments and senior executives.
- ◆ Gender-specific screening items are designed to address diverse health needs.

Additionally, a systematic management platform enables employees to access and monitor their health screening records, along with up-to-date health and medical information to promote proactive self-care. Dedicated medical staff at each facility provide on-site health consultations and support, ensuring comprehensive employee wellness

ITEM/FACTORY	MSIT	MSIT1	MSIS	MSIK
General health check-up attendance rate	86%	100%	100%	59%
General health check-up item	◆ In compliance with legal requirements, MSI conducts mandatory health checks and exceeds regulations by expanding the scope and frequency of examinations, fully covered by the company. ◆ Screening items are tailored based on age, job type, and risk group. All employees receive thyroid and abdominal ultrasound exams, while female employees aged 45 and above are offered breast ultrasound screening. ◆ In 2024, due to the high proportion of office-based work, MSI added fundus photography to help monitor and reduce visual strain.			
	Blood routine examination, general medical and surgical routine (blood pressure, auscultation), liver function, X-ray, B-scan ultrasonography. More Health check-up items are provided by MSIK based on age and job level: Cardiovascular function, cardiopulmonary function, gynecology, tumor screening, bone mass density and digestive system			

Other Health Check-up Items

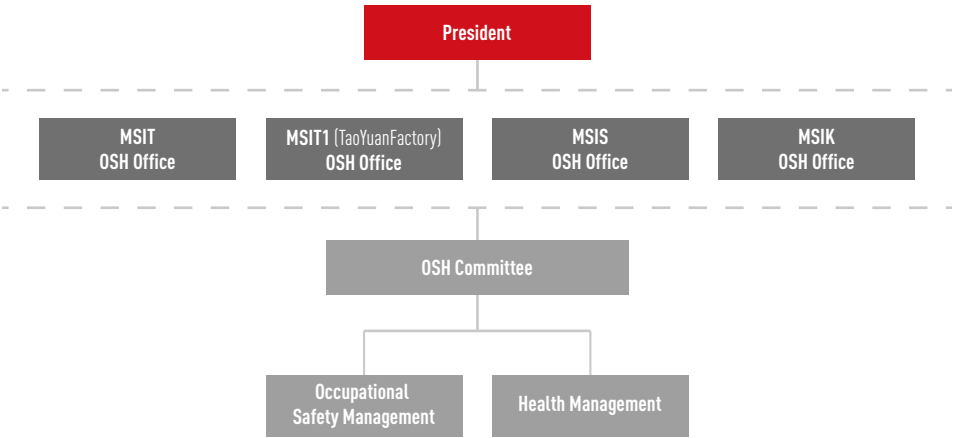
ITEM/FACTORY	MSIT	MSIT1	MSIS	MSIK
	SENIOR EXECUTIVE HEALTH CHECK-UP	HEALTH CHECK-UP FOR TEMP WORKER BEFORE ON-BOARD	TEMP WORKER HEALTH CHECK-UP	SPECIAL HEALTH CHECK-UP*
Number of employees	285	174	3	166
Special Health Check-up: 1.For employees engaged in ionizing radiation operations, MSI conducts health checks that include: (1) Assessment of work history, lifestyle habits, and self-reported symptoms (2) Medical history review of conditions related to blood, skin, gastrointestinal, respiratory, ocular, endocrine, and reproductive systems (3) Physical examination covering the head, neck, eyes (including cataracts), skin, heart, lungs, thyroid, nervous, digestive, urinary, musculoskeletal, and joint systems 2.Health check-up is based on items specified in China's Technical specifications for occupational health surveillance. The employees who work in areas with noise, dust, and radiation will receive special health check-ups. No abnormality was found in the result of the health check-up.				

5.4.3 Occupational Health and Safety Management

The employee is essential to the sustainable operation of MSI and the valuable intellectual capital of MSI. We fulfill good occupational health and safety measures to enhance the health and safety of all employees, and create a healthy workplace and a friendly environment. We implement contractor management and create the goal of co-prosperity, reciprocity, and value sharing.

MSI Occupational Health and Safety Organization

MSI is committed to advancing occupational safety and health management through comprehensive internal controls that enforce safety regulations and departmental requirements. We regularly conduct compliance audits based on site-specific safety standards and stakeholder demands, such as those from the RBA. Our ongoing efforts aim to enhance safety management across all operational sites. Employee Work Rules and safety protocols clearly define rights related to health, hygiene, and safety. We have also established an OHS Committee, with employee representatives making up more than half of its members. By rigorously enforcing our management systems, we have earned ISO 45001 certification, reflecting our dedication to continuous improvement.



Executive Items of Safety and Health Management During the Report Period

ITEM	IMPLEMENTATION MEASURES
Regulation identification	Identify regulations regularly to confirm compliance: ✓ Laws applicable to safety and health management regulations: 265 ✓ Laws applicable to fire management regulations: 37 ✓ Laws applicable to food health management: 28 ✓ Regulations applicable to environmental protection: 226
Management system procedure	✓ Established 177 documents of health and safety management procedures. Perform review every year. ✓ ISO 45001 occupational safety and health management system: Relevant occupational safety and health staff fully complete education training and third-party assurance.
Education training	✓ Promote safety and health training of worker to meet safety and health laws and emergency response needs. ✓ Perform firefighting, evacuation, traffic safety and first aid training. ✓ New employees take occupational safety and health education courses.
Hazard identification	Perform safety and health hazard identification for the operating environment and content. 4,295 cases have been handled.
Change operation management	Completed 29 cases of change management. There was no hazard or false alarm incurred from the change operation.
Contractor management	The contractor completed 475 high-risk operations. 3 incidents of harm or false alarms were reported.
Operating environment monitoring	Use SEGs to group areas with possible hazards (e.g. laboratory, repair area, office area) for indoor workplaces. The physical and chemical test is performed every year. Although lead-free solder wire is used for the products of the Company. To ensure the health of workers, the environment test of lead and tin is still included in test items.
Implement audit improvement	378 suggestions are proposed during the reporting period. All of them were improved in the required time.
Occupational disaster prevention	The analysis of employee injuries identified traffic accidents as the leading cause at MSI Technology. To reduce occupational accidents, tire wear inspections were conducted, and a traffic safety seminar was held by year-end. In 2024, the MSI Taipei Motorcycle Safety Project inspected 1,500 motorcycles and recommended maintenance for 27 of them.

Note:
1. Worker refers to people doing work, including employee and non-employee workers responsible for their own occupational safety and health.
2. Non-employee worker generally refers to the contractor, composed of supplier, subcontractor, and contractor.

Scope of Occupational Safety and Health Management of Workers During the Report Period

ITEM/CONTROL TYPE	THE TYPE OF POSITION CONTROLLED BY MSI	THE TYPE OF POSITION NOT CONTROLLED BY MSI
Scope of workplace controlled by MSI	Employee, contractor (vendor entering the factory)	Contractor (Engineering)
The type of workplace not controlled by MSI	Employee (business trip, WFH), contractor (exhibition vendor)	Supplier (Peripheral manufacturer), Contractor (Engineering)
Note: 1. This refers to the position or workplace not directly associated with MSI or without a contract with MSI. 2. Contractors include cleaning, security and workers who perform construction in the factory.		

Number and percentage of and total work hours of workers

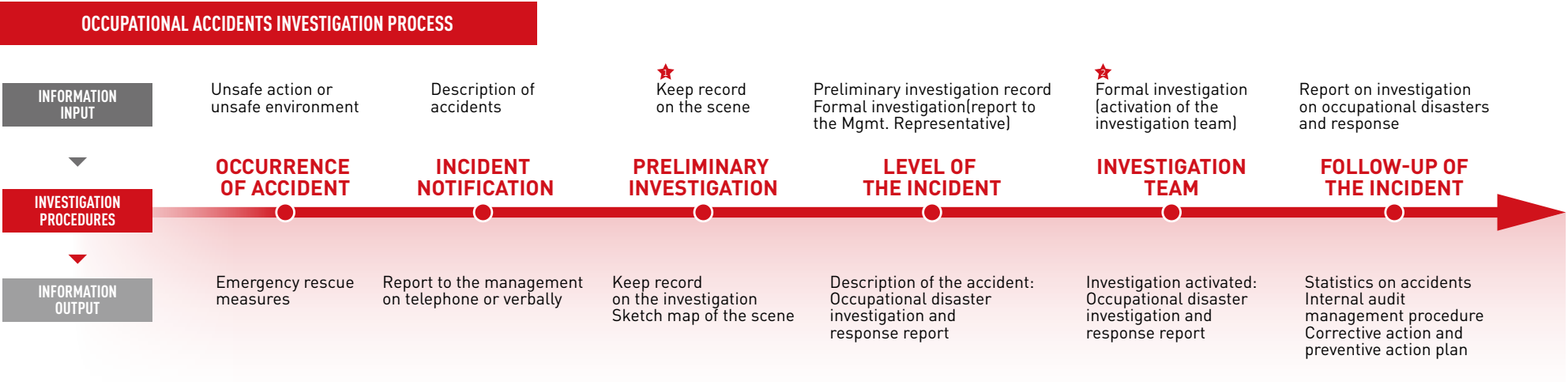
in the scope of the OHS Management System during the Report period

ITEM/FACTORY/ GENDER	MSIT		CONTRACTOR		MSIT1			
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Number of people as the basis of calculation	1,630	990	235	39	231	181	157	26
Percentage of these people in the factory	62.21%	37.79%	85.77%	14.23%	56.07%	43.93%	85.79%	14.21%
Total number of work hours	3,386,832	1,792,008	139,496	57,096	43,734	33,972	11,224	20,144
ITEM/FACTORY/ GENDER	MSIS		CONTRACTOR		MSIK			
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Number of people as the basis of calculation	N/A		208	118	N/A		247	134
Percentage of these people in the factory	67.59%	32.41%	63.80%	36.20%	59.79%	40.21%	64.83%	35.17%
Total number of work hours	5,769,731	2,843,113	432,640	245,440	392,280	278,952	494,000	268,000

Note:
1. Number of people as the basis of calculation: (Total of people per month) / 12. Take the average of the entire year (rounded to integers). It is calculated differently from the number of people in [5.1 Attraction and retention].
2. Calculation for total work hours: (Number of people per month * Number of workdays per month * 8 hours). Take the sum of the 12 results obtained for the formula (sum of the entire year).
3. MSIS and MSIK do not disclose employee numbers due to confidentiality agreements with their clients.

Risk Control and Disaster Prevention

To prevent occupational disasters, we identify hazards through trained safety and health management staff to evaluate the occurrence, frequency and severity of each occupational disaster, and evaluate risk based on the hazard factor in different degrees. The HSE management unit examines risks. We control unacceptable risks and hazardous operations that cannot accept any risk, and improve the setting of the goal. We record and track the risks and hazardous operations to continue to minimize occupational hazards in the operating area. For any occupational safety and health incident that occurs at the workplace, we formulate incident investigation regulations and visit and track the incident after it occurs. We judge damage and work injury based on the incident and implement the improvement plan after the incident investigation report is completed. The HSE management unit continues to supervise and track improvements to reduce incident loss and prevent the recurrence of similar incidents.



1

IDENTIFICATION OF DISASTERS	
Occupational Disasters	Diseases, injuries, disability or death of the workers caused by the building, machinery, equipment, raw materials, materials, chemical substances, gas, steam, dust or operation, or other occupational causes.
Damage-causing Disasters	Occupational causes as defined by the above occupational disasters without causing human injuries but causing property damage, and damage to the work environment.
False Alarm Events	Incidents that cause no property damage or human injuries, diseases, or death.

2

Risk Assessment Matrix			
RISK LEVEL		RISK SCORING	COUNTERMEASURES
Class 4	Extreme High Risk	≥ 320	The OSH function shall determine if it is necessary to halt the operation depending on the status of work and launch a full review of the protection measures being taken and the hardware, and proceed to corrective action at once and put follow-up management on the list.
			Establish corrective action plans, review the protective equipment and revise related work process. Intensify the training of personnel and refer to monitoring and control. Where necessary, put follow-up management on the list and keep track at regular intervals.
Class 3	High Risk	160 ≤ scoring<320	Stay with current practice of operation or evaluate to introduce additional protection measures. Related functions should organize training for corrective action on their own.
Class 2	Moderate Risk	50 ≤ scoring<160	Acceptable risks.
Class 1	Low Risk	<50	

TYPE OF CONTROL	TYPE OF MEASURES
Chemicals	Select low-hazardous chemicals, control the source, and ensure factory and employee safety.
Operation hazard	Report the staff of the unit for this operating type and provide individual education training depending on the type of operation, and offer adequate PPE, occupational disease health check-up, health management, and operating environment monitoring.
Machinery equipment	Evaluate safety and install more equipment protection measures.
Electrical equipment	Check electrical equipment occasionally and prevent abnormality as early as possible.

Emergency Response Drills

In 2024, MSI conducted a total of 30 emergency response drills to reduce the risk of operational disruptions due to potential disasters. The drills covered fire safety, chemical spills, information security incidents, evacuation procedures, and rescue operations. These exercises enhanced the preparedness and response capabilities of personnel, reducing the risk of panic and improving evacuation and rescue efficiency during real emergencies. The drills also served as a means to review and validate MSI's emergency response plans, assess the effectiveness of procedures, and ensure the continuity of operations.

According to the 2024 operational risk assessment, high or critical-risk areas include wave soldering zones, reflow ovens, chemical storage rooms, and power distribution rooms.

FACTORY/RATING OF OPERATIONAL RISK	LOW	MEDIUM	HIGH	EXTREMELY HIGH
MSIT	491	175	0	0
MSIT1	546	332	1	0
MSIK	561	138	33	0
MSIS	1,774	180	12	0

Occupational Safety Education Training

◆ Employee Safety and Health Education Training

We hold the safety and health seminar, post posters, send emails and post information on the internal webpage to help employees become aware of workplace hazards and learn about prevention. Besides regularly providing safety and health education training and firefighting training to in-service employees, these staff may also communicate on safety and health through the suggestion box and occupational safety and health grievance channel, and enhance the safety culture. Education training is held regularly in factories in Taiwan through the Occupational Safety and Health Committee and in factories in China through the employee seminar. The relevant outcomes are shown below:

ITEM	COURSE NAME	TOTAL NUMBER OF HOURS				SUBJECT
		MSIT	MSIT1	MSIS	MSIK	
Occupational safety and health education training and hazardous substance general education course	New employee consensus training	2,985	1,626	6,535	91,656	New employee
In-service employee safety and health education training	Occupational safety education training	1,573.0	358	8,553	7721	Internal employee
	Executive safety and health education training	66	-	204		Sales Supervisor
Environmental education	Environmental education	426	144	37	2,210	Internal employee
Sustainability	ESG practices in the company	132	-	-	-	Internal employee
Traffic safety	Traffic Law Promotion Seminar	-	-	390	-	Internal employee
	Safety protection for scooters of the entire factory	125	-	-	-	Internal employee

◆ Contractor Safety and Health Education Training

We formulate the contractor safety, health, and operation directions. Contractors who enter the factory must comply with occupational safety and health laws and MSI's rules. They may enter the factory to perform operation after completing MSI's promotion or education training. For onsite contractors, we also arrange occupational safety and health courses for them and urge the employer of the onsite contractor to pay attention to labor condition of the employee to make sure that it meets the local labor regulations. The onsite course is canceled to adapt to health-competent authorities in all locations during the pandemic. An online course is held instead for some factories. The table below shows the contractor HSE education training during the report period:

ITEM	COURSE NAME	NUMBER OF EMPLOYEES				TOTAL NUMBER OF HOURS				SUBJECT
		MSIT	MSIT1	MSIS	MSIK	MSIT	MSIT1	MSIS	MSIK	
Safety and health/ firefighting training Operation safety promotion	Safety and health and firefighting management education training	200	86	23,360	774	100	263	9,184	774	Onsite contractor
	Permanent vendor education training	0	6	N/A	N/A	0	6	N/A	N/A	
	Internal Forum with On-Site Contractors	0	0			0	0			
Food hygiene education	Construction worker operation safety rule promotion	200	171	7,214	3,230	100	171	1,154	3,230	Catering contractor
Safety and health/ firefighting training	Food hygiene and safety	0	N/A	0	248	0	N/A	0	248	Onsite contractor
Note: There is no restaurant in MSIT1. A food hygiene and safety course is not required. MSIS and MSIK have no permanent vendors.										

5.4.4 Outcome of Occupational Health and Safety Management

To ensure a safe working environment and regulatory compliance, MSI has established an " Occupational Safety and Health Committee " and an "Occupational Safety and Health suggestion box(esh@msi.com)" for staff communication. Employees can communicate with management through various channels, including designated contacts, email, department representatives, or directly through the committee. In the event of a hazardous incident, the company provides a reporting procedure for employees. If an immediate danger occurs, employees should follow emergency procedures, stop work, evacuate to a safe area, and immediately report to management. MSI's policy ensures that no blame or penalties are imposed for taking safety-related actions.

Construction Safety Management During the Report Period

To reinforce construction safety and health of public works, and prevent occupational disaster, we appoint appropriate staff for supervision, monitoring, audit, check or spot check of construction safety and health, depending on the nature and scope of construction, to prevent accidents and environmental pollution.

PRIMARY ITEMS OF CONSTRUCTION SAFETY MANAGEMENT
① Operation hazard notification and construction application review
② Safety check and occasional onsite inspection are required before special operations, such as hot work, elevated work, confined space, suspension and suspension cage.

PERFORMANCE OF CONSTRUCTION SAFETY MANAGEMENT DURING THE REPORT PERIOD				
ITEM/FACTORY	MSIT	MSIT1	MSIS	MSIK
Number of audited cases in the factory	21	4	4,178	1,632
Number of nonconforming cases	27	1	329	28
Number of improved cases	27	1	329	28
Improvement rate	100%	100%	100%	100%

Number of General Occupational Injuries and Traffic Accidents of the Employee During the Report Period

In this report period, the number of work injuries did not increase significantly compared to the previous report period. We will continue promoting three safety and education training levels to raise employee hazard awareness. Traffic accidents of employees in the Head Office in Taipei decreased significantly compared to last year. We will continue to promote employee safety. Besides reminding employees of specific road sections, we also remind them of tire and brake system care of scooters to reduce the reoccurrence of traffic accidents.

ITEM/FACTORY/GENDER	MSIT		MSIT1		MSIS		MSIK	
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE
Number of general occupational injuries	0	2	1	1	3	1	5	0
Number of traffic accidents	9	7	3	1	0	0	1	1
Ratio of general occupational injuries	-	15.4%	7.7%	7.7%	23.1%	7.7%	38.5%	-
Ratio of traffic accidents	40.9%	31.8%	13.6%	4.5%	-	-	4.5%	4.5%

Note 1: General occupational injury: This refers to the case where the injured employee can recover in six months.
Note 2: The ratios of general occupational injuries and traffic accidents are calculated independently.

Statistics for the Employees Suffering from Disabling Injury During the Report Period

We set the frequency rate and severity rate of disabling injury as the management goal. In 2024, MSIT and MSIT1 did not meet the set targets. Corrective actions have been initiated, and efforts to strengthen occupational health and safety management are ongoing. During the reporting period, one contractor-related incident occurred at MSIS involving ceiling maintenance work. Corrective measures and safety awareness reinforcement were implemented. No occupational diseases or related fatalities were reported among employees.

ITEM/FACTORY/GENDER	MSIT	MSIT1	MSIS	MSIK	TOTAL FOR THE GROUP
Target value of disabling injury frequency rate (FR)	0.24	4	1.5	0.72	-
Target value of disabling injury severity rate (SR)	6	8	7	6.3	
Total number of losses	2	2	4	5	13
Total number of days lost	27.5	10	18	19	74.5
Disabling injury frequency rate (FR)	0.38	2.29	0.49	0.47	3.63
Disabling injury severity rate (SR)	5	11.45	2.85	1.46	20.76
Total number of work hours	5,178,840	873,178	8,802,033	12,999,464	27,853,515

Formula description: • Statistics benchmark date of the number of employees: December 31, 2023
Disabling injury frequency rate (FR) = Number of disabling injuries X Number of millions of work hours / Total work-hour (round up to two decimal points)
Disabling injury severity rate (SR) = Number of days lost due to disabling injury X Number of millions of work hours / Total work-hour (round up to integer)
Note: No employee suffered from severe occupational injury (suffering from disability injury for at least 6 months). Most of the injuries are cuts, pinches, and rolling.

CH6.
SOCIAL RESPONSIBILITY
AND CORPORATE VALUE



TWD\$54.82 million
donated in 2024 *

*Note: Donation is the total donation of the Group. The rest of the performance is from the factory in Taiwan.

39
public welfare programs

Employee engagement:
More than 500 employees

175 computer and information
equipment donated

Benefited students:
More than 30,000 students

MSI is committed to corporate social responsibility, and combines the charity philosophy “change starts now, service is to cast one's bread upon the waters, contribution is many a little makes a mickle, dream is being down-to-earth.” MSI offers the greatest support and assistance, and continues to collaborate with corporate volunteers and numerous stakeholders (e.g. government, school) to contribute to charity regarding the goal of school lunch, education care, resource donation, and disadvantage assistance for a long time, to create a society with equal wealth, equality and without poverty.

Change Starts now

Service is to cast one’s bread upon the waters

Contribution is many a little makes a mickle

Dream is being down-to-earth

To find out MSI’s public welfare program,
please search for  Love in MSI • Spread Love
or click on: <https://www.facebook.com/MSICSR>

6.1 Technology Sustainability and Digital Inclusion

As a global leader in esports, MSI is committed to promoting inclusive and accessible digital education. We recognize that technology forms a vital cornerstone of future development, which is why we actively support initiatives that introduce children and young people to computer science, as well as hardware and software. To help bridge the digital divide across regions and generations, we also collaborate with the government and communities to foster a more equitable and diverse foundation for the next generation.



2024 PowerTech

To adapt to emerging maker trends around the world, and fulfill the education mission of “STEAM,” science, technology, engineering, arts and math, we deepen the hands-on method and popular science creation learning method, guide youths to explore the science domain and develops their potential in popular science, and cultivate tech talents in the new generation.

DONATION ITEM	DONATION AMOUNT	THE OUTCOME OF THE ACTIVITY
We subsidized summer camps in elementary schools and middle schools in New Taipei City, founded the PowerTech Club in school, and joined relevant courses and activities such as student training for the New Taipei City Contest and International Contest.	1,300,000	◆ We promote PowerTech to all schools, help students and teachers improve hands-on skills, and teach them about popular science related to these skills. ◆ We activate school courses and create the trend of popular science and hands-on learning at school.

★ TWD 9,200,000 donated since 2017

MSI Technology Regeneration Computer and Information Talent Training Program

MSI recognizes that the digital divide affects not only remote areas but also urban communities, where many young adults and second-career individuals need to adapt quickly to the digital era. To address this, MSI launched the Regeneration Computer and Information Talent Training Program, enabling schools and nonprofits to apply for donated, refurbished computers and implement technology-focused educational programs. MSI provides curriculum support and guidance to strengthen collaboration between industry, academia, and local communities. The program promotes digital inclusion, enhances the value of recycled hardware, improves educational access, and reduces electronic waste, aligning with MSI’s commitment to environmental sustainability and social impact.

In 2024, MSI donated regeneration computers to the New Hope Foundation, supporting the implementation of the PaGamO online learning platform. This initiative provided underprivileged children with access to essential digital tools, helping them develop reading habits and critical thinking skills to strengthen their academic and future career prospects.

MSI also partnered with the Green Miracle Public Welfare Service Network Association, providing a variety of regeneration computers tailored to the specific needs of schools and students. This ensured equitable access to digital learning resources across different educational environments. In total, 95 regeneration computers were donated in 2024, benefiting over 350 students, teachers, and community members through improved access to digital education.





Digital Protection, MSI Computer Donation

Besides encouraging local schools to offer courses, MSI makes no effort to donate to stakeholders, including government units and NGOs. In this era, learning, work, and daily life are inseparable from the network. However, many people still cannot enjoy adequate resources. Therefore, MSI has been donating laptops, tablets, and desktops to numerous units, expecting to bridge the digital and urban-rural gaps, help disadvantaged families, or support government resources.

In 2024, a total of 105 laptops were donated to government agencies, and 40 were donated to social organizations.



Industry-Academia Collaboration

1. Chung Yuan Christian University: Donated computer equipment to support AI computing tasks at CYCU-ECE-Lab and to assist with the university's Force Awakens – Capstone and Creative Proposal Competition as part of an industry-academia collaboration initiative.
2. Chien Hsin University: Hosted the AI Smart Generation event to share the latest developments in the computer industry, highlight applications and future trends, and deepen students' understanding of the field. The event attracted over 150 faculty members and students.
3. College of Computer Science & Electrical Engineering, Chung Hua University: Collaborated to launch a Professional Talent Development Program for software, firmware, and hardware. The initiative includes industry-relevant micro-courses and offers students corporate internship opportunities, bridging the gap between academia and the job market.

MSI CREATOR AWARDS

The MSI Creator Awards celebrate outstanding talent from around the world, offering creators a platform to showcase their best work. Rooted in our commitment to Tech Meets Aesthetics and powered by our latest Creator Series laptops, MSI proudly supports and encourages the creative community in pushing the boundaries of innovation.

In 2024, the Awards featured four categories: Graphic Design (341 entries), Video Production (85 entries), Animation (177 entries), and AI-Generated Art (311 entries). The event attracted 91,317 participants from 229 countries and regions, highlighting its global influence and reach.

Since its launch, the MSI Creator Awards have received thousands of remarkable submissions each year, and we are committed to continuing this annual celebration of creativity and artistic excellence.



6.2 Disadvantage Assistance and Education Guidance

Disadvantage Assistance

MSI knows well the predicament disadvantaged groups face during social change or social structure transformation, and knows that they need immediate, adequate social security, medical service, education and labor to break the bondage of the family and environment. Through official collaboration or cross-industry collaboration, MSI helps disadvantaged groups, and offers fund, resources, or actual assistance for them to take the journey to a hopeful, bright life.

Learning Fun Day for Students With Special Educational Needs in New Taipei City

The New Taipei City Government's Education Department hosts an annual Family Fun Learning Day for special education students, aiming to enrich their life experiences. Designed for children with mobility challenges, cerebral palsy, or multiple disabilities—especially those without reliable transportation—the event provides dedicated shuttles and thoughtfully arranged activities. This approach eases the burden on families and encourages children to step outdoors, engage with their surroundings, and enjoy meaningful learning experiences.

Since 2017, MSI has sponsored this initiative in collaboration with the LOHAS Taiwan Association and Taiwan Taxi, creating opportunities for children to actively participate in diverse life events. In 2024, the program expanded with the involvement of the Foundation for Autistic Children and Adults in Taiwan and Wugu Farm. Participating families visited Wugu Farm to explore the transformation of the former landfill and gain awareness of environmental sustainability. Activities included therapy dog interaction, creative color workshops, and other engaging programs that fostered stronger parent-child connections and joyful learning.

YEAR	2022	2023	2024
Organizer	New Taipei City Education Department, Taiwan Taxi LOHAS Club		
Sponsor unit	Micro-Star International Co., Ltd.		
Co-organizer	Decathlon Sanchong Flagship	LOHAS Taiwan Association, Foundation for Autistic Children and Adults in Taiwan Wugu Farm Chen-Yung Foundation	LOHAS Taiwan Association, Foundation for Autistic Children and Adults in Taiwan Wugu Farm
Sponsor amount	267,000	267,575	271,875
Number of participants (Number of teachers and students)	500	400	400
Number of families participated in the event	80	80	80
★ TWD 1,865,430 donated since 2017			

High-Risk Caregiver Care MSI Plan

Social cases involving caregivers who were crushed by long-term care stress that occurred over the years reflect that the mental and physical health of caregivers and the cared are equally important regarding long-term care issues. MSI noticed hidden risks for caregivers that come with an aging society. It has been sponsoring local care agencies since 2017. Workers with diverse and cross-domain expertise (nurse, social worker, Taiwanese/foreign caregivers) offer specific support depending on the needs of caregivers in high-risk families, which is a patrol service that is offered several times a day, in a short time, mobile and in a small area. MSI does its part to help people in need, supplements resources for the shortage of long-term care resources provided by the government, and fulfills corporate social responsibility.

YEAR	2022	2023	2024
Donation item	◆ All In One service ◆ Family caregiver service ◆ Respite care ◆ Care on festivals, caregiver support service		
Nursing organization	Hondao Senior Citizen's Welfare Foundation		
Number of people served by the nursing organization per month	2,051	2,398	2,839
Donation amount	1,172,010	998,082	849,970

Sistema Taiwan

Sistema Taiwan was initiated in Venezuela 40 years ago and it is now spread all over the world. It endeavors to help disadvantaged children and children in remote areas receive music education. In 2016, Sistema initiated public welfare music education, implemented equality of music education, reused space, offered instruments and great teachers, and offered chances to learn music. It has helped 60 schools and opened 4,160 courses as of today, which has benefited 25,000 people.

MSI holds fast to the idea that “music brings the opportunity to change life” and activates public welfare music education. We invested in music education through this program and discovered that music has been rooted in children's hearts. We were deeply shocked by the fact that music changed children's lives and helped them become confident and ambitious as they grew. Expenditure for sponsoring instruments and teachers in the past three years:

YEAR	DONATION AMOUNT
2022	311,500
2023	311,500
2024	311,500





Education Guidance

Education is an important power for facilitating social mobility and enhancement. Everyone shall have a fair, rational, equal, and good chance to receive education, though inheritance and environment are different for everyone. MSI offers interventional help via education resources, improves the adverse impact of the environment on disadvantaged students regarding educational learning, and mitigates the gender gap at the starting point of learning.

“MSI’s Care for Students” Academic Guidance and Club Activity for Disadvantaged Students

MSI has been in operation in New Taipei City for several decades. It has been working with the New Taipei City Government to pay attention to the rights of disadvantaged students. We use resources to hold academic guidance and club activity programs and help 55 high schools, middle schools, and elementary schools in total in Ruifang, Luzou, Banqiao, and Zhonghe District, New Taipei City. In this program, teachers for after-school tutoring or clubs are hired to offer diverse learning opportunities to disadvantaged students. Besides helping them improve subjects they have difficulties with, we create special activities such as language, folk arts, physical education or dance, to help they become confident, develop their advantage, and explore their potential. We aim to create a caring, warm society in which people are willing to help each other. About TW\$ 30.2 million has been donated since 2012. In 2024, MSI sponsored over 55 schools and helped over 3,170 students. The achievement is shown as follows:

DONATION ITEM	DONATION AMOUNT	NUMBER OF BENEFITED STUDENTS	NUMBER OF BENEFITED SCHOOLS(NUMBER)	NUMBER OF CLASSES	NUMBER OF LESSONS
“MSI’s care for students” academic guidance and club activity for disadvantaged students plan	3,700,020	3,170	55	199	12,268

Warm Student Loan

Warm Student Loan Foundation, founded in 2005, sponsors 200 public school students registered in New Taipei City on average per year. MSI has been serving as a committee of the Warm Student Loan Foundation in New Taipei City for a long time. The Enterprise-government-university Committee selects outstanding poor students and shows care and grants funds to remote areas in New Taipei City, to improve life difficulties for outstanding poor students in remote areas with the Warm Student Loan Foundation. MSI hopes that they can focus on their study, do not need to worry about student loans or living expenses, can graduate smoothly, and enjoy a happy school life.

DONATION ITEM	DONATION AMOUNT	NUMBER OF BENEFITED STUDENTS
Warm Student Loan	5,000,000	220

★ Donation amount as of today (since 2010): TWD 31,000,000

Other Social Donations

MSI has been recognized by lots of community members and consumers in global operation and development. MSI knows well that it must take from the community and give back to society. Every year MSI allocates a certain amount of funds to sponsor disadvantaged groups or helps the government invest in aid for the disadvantaged, to do their own part for social welfare.

- ① In 2024, MSI donated TW\$6 million to the New Taipei City Department of Social Welfare, supporting over 196,000 youth and families, assisting 120 domestic violence victims, and providing care for 448 homeless individuals, 35 of whom secured employment. This partnership will continue into 2025.
- ② MSI donated TW\$2 million to the New Taipei City Education Department to support an extended care program for special education classes in kindergartens. This funding enabled the formation of dedicated classes, ensuring more focused care for children with special needs.
- ③ MSI donated TW\$3 million to the Taoyuan City Department of Social Welfare to fund empowerment programs, scholarships, and counseling for low- and middle-income high school and vocational students. In 2024, 80 students benefited.
- ④ MSI donated to the Children’s Hearing Foundation to support hearing and speech therapy for 600 children and hosted an art exhibition to raise employee awareness and support for children with hearing loss.
- ⑤ MSI donated to Happy Work to support meal and learning assistance programs for people with disabilities, benefiting 35 families by enhancing their independent living skills.
- ⑥ MSI donated to the Little Rabbit New Life Association to support life reconstruction, skills training, and employment opportunities for people with disabilities.
- ⑦ MSI funded Taoyuan City’s Youth Empowerment Program to support low- and middle-income youth in academic and career readiness. A total of 20 courses and workshops were held, serving 1,600 participants.
- ⑧ MSI sponsored the Andrew Charity Association’s “Eagle Project”, which supports students in talent development and skill-building to enhance their competitiveness and encourage academic completion. Over 150 students benefited from the program.

6.3 Care and Sustainable Inclusion in Remote Area

MSI cares about the philosophy of diverse growth and social inclusion. It strives for new technology and technique breakthroughs in business but also reaches out to remote and local communities. By school lunch subsidy, community culture cohesion, and local environment protection, MSI fully fulfills corporate social responsibility and conveys the spirit inside out.

Sponsorship for School Lunch and Food Ingredients Purchased by Students in Remote Areas

Students in remote areas often cannot acquire food in conditions the same as those of typical students because they are in a remote area or they are from economically disadvantaged families. The resources for schools in remote areas are poor, leading to a heavy burden on the school lunch budget. MSI understands the dilemma in remote areas, hence it has sponsored school lunches for a long time to improve school lunch quality in remote areas and help students enjoy sufficient, nutritionally balanced school lunches. MSI aims to improve malnutrition and underweight problems and use warm social support to help students learn to become grateful to society. Besides this, we sponsor elementary and middle schools in remote areas to subscribe to rice or vegetables grown in Taiwan, help promote local rice and agricultural farming, and sponsor schools to grow their own rice and vegetables for school lunches. We hope that schools can feel the warm social support. In 2024, MSI supported 70 schools, benefiting approximately 15,492 underprivileged students. Since 2010, MSI has donated over TW\$64.86 million, helping rural students stay nourished and focused on their education and school life.



Green Energy Public Welfare 100+ Plan, MSI × ChengYo Energy × Chinjen Care Center

As part of its commitment to the Green Energy Public Welfare 100+ Plan, MSI partnered with ChengYo Energy to install a solar power system at the Chinjen Care Center. In 2024, MSI donated TW\$1.93 million to fund the purchase and installation of the solar system, along with ongoing support, including biannual panel cleaning and annual system maintenance to ensure stable performance.

This is a 20-year initiative, with all solar energy revenue (after taxes) going directly to Chinjen Care Center. The project not only contributes to Taiwan’s renewable energy generation but also provides the center with a steady source of income to improve care services, replace outdated equipment, and enhance overall facilities. MSI remains committed to long-term environmental sustainability and community care through this meaningful collaboration.



Material Donations to the Police and Fire Department

Recognizing the dedication of police and firefighting personnel, MSI has consistently donated supplies, equipment, and stipends to various units over the years. In 2024, the following contributions were made:

- ① New Taipei City Fire Department: Donated rescue tools and equipment to the 7th Disaster Relief and Emergency Medical Service Division.
- ② Taoyuan City Fire Department: Provided disaster response gear, administrative equipment, and site inspection tools to the 1st Division and the Fire Prevention Section, supporting emergency operations and improving fire safety inspections to enhance prevention efforts.
- ③ Police Departments in New Taipei and Taoyuan: Donated duty equipment and provided support to officers in the Zhonghe, Taoyuan, and Guishan precincts.
- ④ Taoyuan City Police Department – Taoyuan Precinct: Donated condolence funds for officers injured or killed in the line of duty.
- ⑤ New Taipei City Police Department: Contributed to the department’s officer injury and bereavement fund.

Environmental Protection and Social Inclusion

- ① MSI supports the “Contract Farming” initiative in Nan’ao, Yi-Lan County, embodying the principles of sustainable agriculture through “clean food, clean land.” The company has adopted 0.6 hectares of farmland, where Nan’ao Natural Field oversees rice milling and cultivation. Any surplus yield is shared among all contract farming participants. In 2024, the organic brown rice will be donated to various social welfare organizations and partners through the “Good Day of New Taipei City Government” program. Since 2017, MSI has adopted and purchased approximately 13,512.5 kg of organic rice.
- ② MSI is dedicated to environmental sustainability and ecological conservation, focusing on the preservation of water resources in Pinglin and the protection of the Feitsui Reservoir, along with supporting the health and livelihoods of local tea farmers. MSI has adopted all tea gardens in the New Taipei City Organic Agricultural Products Marketing Cooperative’s organic tea cultivation program in Pinglin. The harvested tea is then donated to the “Good Day of New Taipei City Government” to provide high-quality tea to elderly members of disadvantaged communities. In 2024, MSI donated 10,000 packages of organic tea.
- ③ In alignment with the “Tamsui River Convention,” MSI is committed to preserving the Tamsui River, a vital waterway in the Greater Taipei area. Research by The Ocean Cleanup identifies the Tamsui River as the 16th most polluted river globally, with an estimated 14,700 tons of plastic waste flowing into the ocean annually. Recognizing the impact of climate change, water scarcity, and biodiversity loss on the river’s ecosystem and surrounding communities, MSI commits to:
 - ◆ Ensuring no discharge of untreated or non-compliant wastewater.
 - ◆ Monitoring waste disposal contractors to prevent illegal dumping.
 - ◆ Promoting green procurement, including sustainable products, renewable energy, and low-carbon goods.
 - ◆ Encouraging employee involvement in the governance of the Tamsui River system, reinforcing MSI's role as a responsible corporate citizen dedicated to waterway preservation.

6.4 Love in MSI and Value Transmission

In 2024, MSI organized a series of sustainability events under the theme “Smile Life, Shining Like Stars,” including:

- ◆ Organic Rice Planting: Engaged in land conservation through an organic rice planting experience.
- ◆ Coastal Reforestation: MSI supported reforestation projects in Wujie Township and Toucheng Township, Yilan, to help stabilize the coastline.
- ◆ Just the Right Time, Everlasting Love” Photo Exhibition (Hondao Senior Citizen’s Welfare Foundation)
- ◆ Art Exhibition: Showcased artwork by hearing-impaired children in the “Art Speaks” exhibition.
- ◆ Sweet Potato Kiln Experience: Preserving and passing down traditional food culture
- ◆ Volunteer Club supported the Bellady Special Needs Cheerleading Competition.
- ◆ Volunteer Club participated in the Northern Region Art Cup Special Needs Sports Games.
- ◆ Pet Care Club assisted with animal care and collected supplies.
- ◆ Collected secondhand toys donated to a toy library, promoting kindness and sustainability.
- ◆ Provided replacement computer equipment to support Hualien earthquake-affected community.

MSI believes sustainability begins with small, local actions. We promote green initiatives at the workplace through activities like food culture, agricultural experiences, community service, and marine waste art projects. These efforts inspire employees to integrate sustainability into their daily lives, respect the environment and vulnerable groups, and contribute to a brighter future.

Rice Planting Experience & Agricultural Culture

MSI not only supports organic rice farming through contract cultivation but also organizes in-house rice planting events. Over 100 employees participate, engaging hands-on with the land to connect with local food culture and deepen their understanding of agriculture's role in sustainability.



Marine Waste Upcycling: Oyster Shell to Scent Stones

MSI transforms marine waste into resources by recycling oyster shells into handmade scent stones. This activity offers employees a sustainable perspective, highlighting how everyday choices can support environmental protection. The project raises awareness of ocean pollution and demonstrates the importance of repurposing waste as valuable resources.



Animal-Friendly Community Initiative

MSI encourages strong ties between clubs and local communities. The MSI Pet Care Club volunteers monthly at Banqiao Animal Shelter, providing companionship, bathing, and cleaning for dogs. They also collect used towels and warm supplies to help shelter animals through winter. Through these efforts, MSI aims to foster a caring community that combines sustainability with social responsibility.

Reforestation and Habitat Protection

To enhance ecosystem function, biodiversity restoration, and climate resilience, MSI continued its partnership with the Tse-Xin Organic Agriculture Foundation in 2024 by donating **1,000** newly planted trees along the coastal areas of Wujie Township and Toucheng Township, Yilan. This effort helps stabilize coastlines, improve windbreaks, and reduce sand hazards to nearby towns.

Love Spreads at MSI, Blood Donation Campaign

Since 2002, MSI has organized regular blood donation drives at our 4 sites. The MSI medical office arranges for donation vehicles to visit the company, encouraging employees to participate. In the reporting period, 303 employees donated a total of 492 bags of blood.

APPENDIX

I. GRI Index

- ◆ Statement of use: MSI prepared the 2025 Sustainability Report based on the GRI Standards. Data in the Report is recorded from January 1 to December 31, 2024. Any discrepancy is explained.
- ◆ Version of GRI Universal Standards: 2021. Version of GRI Topic Standards: Specified in the index.
- ◆ GRI Sector Standards: No.

GRI 2 General Disclosures

INDICATOR	DISCLOSURE ITEM	CHAPTER IN THE REPORT	PAGE	NOTE/REASON FOR OMISSION
1. Organization and its reporting practices				
2-1	Organizational details	2.1 Company profile	18	
2-2	Entities included in the organization's sustainability reporting	About the Report	4	
			9	
2-3	Reporting period, frequency and contact point	About the Report	4	
2-4	Restatements of information	About the Report	4	The GHG inventory data for 2023 contained inaccuracies, which have been corrected and updated in Section 3.1.2.
			30	
2-5	External assurance	Appendix V	88	
2. Activities and workers				
2-6	Activities, value chain and business relationships	2.1 Company profile, 4.1	18	
		Supplier management, 4.3	44	
		Customer Service and Privacy	47	
2-7	Employee	5.1 Attraction and retention	52	
2-8	Workers who are not employees	5.1 Attraction and retention	52	
3. Governance				
2-9	Governance structure and composition		-	2-9a. For governance details, visit our official website: https://download.msi.com/archive/mnu_exe/about/about-chart.pdf 2-9b. The MSI Board of Directors handles all decisions and oversight related to economic, environmental, and social impacts directly, with no specialized committees. 2-9c. For Board and committee composition, please refer to our website: https://tw.msi.com/about/corporateGovernance
2-10	Nomination and selection at the highest governance unit		-	a. Director election of the Company is based on a candidate nomination system according to Article 14 of the Articles of Association. The Board or shareholders nominated candidates during the period announced for accepting the nomination. Nominees are elected by the shareholders' meeting. b. According to the "Corporate Governance Standard," board members specialized in the technology industry, sales, business, financial accounting, and law are applicable to the diversity policy. (Please refer to pages 17-18 in the shareholders' meeting annual report.) Besides members of the Remuneration Committee selected by the Board, all independent directors form the Audit Committee. Please refer to page 18 in the shareholders' meeting annual report for professional qualification and independence of independent directors. Impact management ability in "environment, economy and people" has not become the requirement for selection of the members of the Board. The selection system will continue to be improved in the future. Please refer to the "Board member diversity section" on the MSI website for the rest of the information: https://tw.msi.com/about/corporateGovernance
2-11	Chairman of the highest governance unit	-	-	The chairman of the highest governance unit is not a member of senior management.
2-12	The role the highest governance unit plays in monitoring impact management	-	-	MSI sets up the direction for sustainable development goal via regular meeting of ESG Committee, and complies with development vision of the Company. In the meantime, strategy and action of environmental and people topics are adjusted and executed every year depending on the situation after being discussed by the ESG Committee and determined by senior management. The Board monitors the impact on the economy, environment, and people of the Company through regular reports by the internal audit executive and the report by the President. Please refer to the section "Communication between independent directors, internal audit executives and CPAs" on the MSI website. https://tw.msi.com/about/corporateGovernance
2-13	Person in charge of impact management	2.2 Governance structure	22	
2-14	The role of the highest governance unit plays in sustainability reporting	2.2 Governance structure	22	
2-15	Conflict of interests		-	a. MSI's "Board Meeting Rules of Procedure" and "Rules Governing the Conduct of Board Meeting" specified that directors shall avoid any agenda they hold a stake in. Meanwhile, the Employee Work Rules specify that no employee may participate in a business or a part-time job involving conflicts of interests with the Company for himself or others or work in a business or part-time job involving conflicts of interests of the Company with others during employment. b. Please refer to pages 44-45 in the shareholders' meeting annual report for avoidance of conflicts of interest. Please refer to page 4 in the shareholders' meeting annual report for concurrently serving other positions. Please refer to pages 4-6 in the Governing Preparation of Affiliation Reports for cross-ownership. Please refer to page 53 in the shareholders' meeting annual report for controlling shareholders. Please refer to Appendix III page 1, Appendix IV page 1, and Appendix V pages 1-2 in the Consolidated Financial Statements for stakeholder trading.

INDICATOR	DISCLOSURE ITEM	CHAPTER IN THE REPORT	PAGE	NOTE/REASON FOR OMISSION
2-16	Communicate on critical material incidents	-	-	If any major incident is associated with the environment, economy, and people, the responsible executive being reported or the responsible executive in charge of internal handling will bring up the major incident, and communicate and discuss with the top executive of corporate governance, legal affairs, and internal audit. The meeting decides whether to report the incident to the President for the decision or at the Board Meeting. MSI's "Internal Material Information Handling Procedure" ensures standardized methods for managing issues both internally and externally. No material negative incident was reported to the Board of Meeting during the reporting period. For additional company information, please refer to the Financial Supervisory Commission's MOPS: https://mops.twse.com.tw/mops/web/t05sr01_1
2-17	Group intelligence of the highest governance unit	-	-	Please refer to page 24 in the shareholders' meeting annual report for advanced studies of the members of the Board. Please refer to pages 5-6 in the shareholders' meeting annual report for professional experience and skill. Please refer to the section "Director attendance (presence) at the Board Meeting and Advanced Studies" on MSI's website. https://tw.msi.com/about/corporateGovernance
2-18	Performance evaluation of the highest governance unit	-	-	Self-evaluation of the Board of Members, Remuneration Committee, and Audit Committee is executed at least once a year. The procedure and result of self-evaluation are disclosed on page 19 in the shareholders' meeting annual report. Employees may also refer to the section "Performance evaluation guidelines and self-evaluation of the Board" on MSI's website. There is no external evaluation of the Independent Board for now. https://tw.msi.com/about/corporateGovernance
2-19	Remuneration policy	-	-	a. Please refer to pages 13 and 27 in the shareholders' meeting annual report. Please refer to pages 39-42 in the Consolidated Financial Statements for the retirement benefit of the members of the Board and top management. b. There's performance appraisal in "environment, economy and people" for MSI's Board and some of the top management teams. However, the impact management ability of "environment, economy and people" is not the primary basis for determining the remuneration of all members of the Board or top management yet. Continuous adjustments and improvements will be made in the future.
2-20	Process for determining remuneration	-	-	Please refer to pages 25-26 in the shareholders' meeting annual report, and Remuneration Committee Organization Charter on MSI website https://tw.msi.com/about/corporateGovernance
2-21	Annual total remuneration ratio	-	-	a. 12.4-24.7 (It is announced in the shareholders' meeting annual report that the highest pay in the organization is NT\$15 to 30 million. The median salary of non-managerial employees is TW\$1.213 million.) b. The highest individual compensation reported in the shareholder meeting is 2022 with TW\$15-30 million; 2023 with TW\$15-30 million (0% change). The median salary for non-executive employees: 2023 with TW\$1,213,000; 2024 with TW\$1,286,000 (6% change).
4. Strategy, policy and practice				
2-22	Statement for sustainable development strategy	Words from the Chairman and President 1.1 MSI sustainable development strategy and commitment	5 8	
2-23	Policy commitment	Please visit this link for MSI environmental and supplier policy: https://csr.msi.com/global/Environmental-Sustainability-Policy https://csr.msi.com/global/supplier-policy	-	The President is the highest authority in overseeing our company's sustainable governance.
2-24	Included in the policy commitment	3.1.2 GHG Emissions	32	MSI sets its sustainability goals through regular ESG Committee meetings, aligning with the company's vision. The committee discusses Environmental and social strategies and adjusts annually based on senior management decisions. The Board monitors economic, environmental, and social impacts through reports from internal audits and the General Manager. We aim to reduce GHG emissions by 60% by 2030, using 2007 as a base year (113,675.33 tCO2e). Through energy-saving measures, equipment upgrades, and renewable energy installations, we met this target in 2023. As industry growth increases carbon reduction pressure, we've also utilized solar power and external renewable energy to meet Scope 2 goals. In August 2023, MSI committed to a science-based goal of reducing emissions by 80% from 2022 levels by 2030, with Scope 3 targets set for release in 2025.
2-25	Procedure for negative impact remedy	1.2 Identification and analysis of material topics in 2023 – Material topic management	13	Please refer to Communication between Independent Directors, Internal Audit, and External Auditors in MSI website: https://tw.msi.com/about/corporateGovernance
2-26	The mechanism for seeking advice and raising a concern	2.5.3 Grievance reporting mechanism, 5.3.1 Communication channel and employee interaction	28 61	
2-27	Compliance	2.5 Ethics and compliance	26	
2-28	Membership of public association	2.1 Company profile	18	
5. Stakeholder engagement				
2-29	Guideline for stakeholder engagement	1.2 Material topic identification and analysis in 2023 – Stakeholder engagement	11	
2-30	Collective bargaining agreement	5.3 Communication and care	61	

GRI 3 Material Topics Disclose

INDICATOR	DISCLOSURE ITEM	CHAPTER IN THE REPORT	PAGE	NOTE/REASON FOR OMISSION
3-1	The process for determining material topics	1.2 Identification and analysis of material topics in 2023	9	
3-2	List of material topics	1.2 Identification and analysis of material topics in 2023 – Evaluation/Sorting	11/12	
3-3	Management of material topics	1.2 Identification and analysis of material topics in 2023 – Sorting	12	

GRI Material Topics Disclose

SUSTAINABLE DEVELOPMENT TOPIC	GRI STANDARD ^{NOTE}	DISCLOSURE ITEM	CHAPTER IN THE REPORT	PAGE
Corporate Performance	GRI 201: Economic Performance	201-1 Direct economic value generated and distributed	2.3 Operating Performance	24
Ethical Management and Good Governance	GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	2.5 Ethics and Compliance MSI reported no violations of environmental, social, or economic laws and regulations during the reporting period	26
Product R&D and Innovation	GRI 3: Material Topics 2021	3-3 Management of material topics	3.3 Green Production and Manufacturing	38
Compliance	2-27 Compliance	2-27 Compliance with laws and regulations	2.5 Ethics and Compliance	26
Climate and Carbon Emission Management	GRI 305: Emissions	305-1 Direct (Scope 1) GHG emissions 305-2 Energy indirect (Scope 2) GHG emissions 305-4 GHG emissions intensity	3.1.2 GHG Emissions	32
Energy Management	GRI 302: Energy	302-1 Energy consumption within the organization 302-2 Energy consumption outside of the organization 302-3 Energy intensity 302-4 Reduction of energy consumption	3.2 Low-Carbon and Sustainable Manufacturing	34
Product Responsibility	GRI 416: Customer Health and Safety	416-1 Assessment of the health and safety impacts of product and service categories 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	3.3 Green Production and Manufacturing 3.3.2 Product Safety and Hazardous Substance Management 2.5 Ethics and Compliance	38 39 26
Circular Economy	GRI 3: Material Topics 2021	3-3 Management of material topics	3.3.3 Sustainable Innovation and Initiatives 3.3.1 Sustainable Product Program	40 38
Water resource management	GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource 303-2 Management of water discharge-related impacts 303-3 Water withdrawal 303-4 Water discharge 303-5 Water consumption	3.2.3 Water Resource Management	36
Talent Cultivation	GRI 404: Training and Education	404-1 hours of training per year per employee 404-3 Percentage of employees receiving regular performance and career development reviews	5.2.1 Training and Development 5.2.3 Performance Appraisal	58 60
Employee Well-Being and Economic Security	GRI 201: Economic Performance GRI 202: Market Presence	201-1 Direct economic value generated and distributed 202-1 Ratios of standard entry level wage by gender compared to local minimum wage 202-2 Proportion of senior management 202-3 hired from the local community	2.3 Operating Performance 5.1.4 Remuneration and Welfare 5.1.1 Employee Overview	26 56 52
Occupational health and safety	GRI 403: Occupational Health and Safety 2018	403-5 Worker training on occupational health and safety 403-8 Workers covered by an occupational health and safety management system 403-9 Work-related injuries 403-10 Work-related ill health	5.4.3 Occupational Health and Safety Management 5.4.4 Outcome of Occupational Health and Safety Management During the reporting period, there were no occupational diseases or related fatalities.	66 70
Human rights management and labor relations	GRI 402 Labor–Management Relations	402-1 Minimum notice periods regarding operational changes	5.3.1 Communication channel and employee interaction	61
Digital Inclusion and Social Engagement	GRI 201: Economic Performance GRI 203: Indirect Economic Impacts	201-1 Direct economic value generated and distributed 203-2 Significant indirect economic impacts	2.3 Operating Performance 2.4 CH6. Social Responsibility and Corporate Value	38 71
Supply Chain Environmental Impact	GRI 308-1: New suppliers that were screened using environmental criteria	308-1 New suppliers that were screened using environmental criteria	MSI evaluates and selects new suppliers in accordance with the MSI Group's Supplier Code of Conduct. By the end of 2024, 100% of suppliers had signed the Code, affirming their commitment to labor rights, health and safety, and environmental standards, including ISO 14001, ISO 14064-1, and ISO 50001 (for key suppliers).	-
Supply Chain OHS	GRI 414-1: New suppliers that were screened using social criteria	414-1 New suppliers that were screened using social criteria		
Responsible Minerals Management	GRI 3: Material Topics 2021	3-3 Management of material topics	4.2 Responsible Minerals Management	46

Note: The GRI guideline without the year specified is the version in 2016.

II. SASB Index

MSI referenced the 2023-12 edition of the SASB Standards for the Technology & Communications Sector - Hardware.

TC-HW-230a.1:

Description of approach in identifying and addressing data security risks in products

Refer to 2.2.3 Information Security Management Committee.

TC-HW-330a.1:

Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees

ITEM	REGION/FACTORY					
	TAIWAN					
	MSIT			MSIT1		
	MALE	FEMALE	OTHER	MALE	FEMALE	OTHER
Management level	14.4%	4.9%	N/A	9.0%	6.8%	N/A
Technical position	48.8%	31.9%	N/A	8.3%	7.8%	N/A
Other employees	0.0%	0.0%	N/A	29.3%	38.8%	N/A
Total	63.2%	36.8%	N/A	46.6%	53.4%	N/A

ITEM	REGION/FACTORY					
	CHINA					
	MSIS			MSIK		
	MALE	FEMALE	OTHER	MALE	FEMALE	OTHER
Management level	12.8%	6.0%	N/A	10.5%	5.0%	N/A
Technical position	24.4%	16.1%	N/A	29.6%	23.0%	N/A
Other employees	27.0%	13.7%	N/A	19.7%	12.2%	N/A
Total	64.2%	35.8%	N/A	59.8%	40.2%	N/A

Note 1: Workers of production lines in factories in China are listed as other employees.
Note 2: MSI reports gender based on local legal classifications, as male and female, with other identities marked as "N/A." We respect all gender identities and support diversity and equality.

TC-HW-410a.1:

Percentage of products by revenue that contain IEC 62474 declarable substances

In 2024, revenue from electronic and electrical products accounted for 100% of total revenue. 5.1.11 Control use of the substance in MSI Green Product Control Specifications stated that declaration must be completed for the substances in IEC 62474 Declarable Substance List. The substance lists of the manufacturing process of products of the Company (including motherboard, graphics card, laptop/desktop, server, display, automotive electronics, and other computer peripherals must be restricted by the Green Product Control Specifications, and confirmed by the GPM system. Some of the marketing items of peripherals do not belong to the electrical and electronic products. They are not restricted by Green Product Control Specifications and do not need to be confirmed by the GPM system.

TC-HW-410a.2:

Percentage of eligible products, by revenue, meeting the requirements for EPEAT registration or equivalent

In 2024, 65 product series earned EPEAT Silver or higher, though revenue percentages are currently unavailable. For more on MSI's green product achievements, please visit <https://csr.msi.com/tw/index>

For information on environmentally friendly product design, please refer to 3.3Green Production and Manufacturing/

TC-HW-410a.3:

Percentage of eligible products, by revenue, meeting ENERGY STAR® criteria

ITEM	PERCENTAGE OF PRODUCTS BY REVENUE THAT MEET ENERGY STAR 8.0 PRODUCTS
Laptop	90.62%
Desktop	0%
Monitor	3.65%
Desktop Pro series	82.47%
Monitor Pro series	96.44%
Total of all system product	71.98%

TC-HW-410a.4:

Weight of end-of-life products, e-waste recovered, and percentage recycled

The gross weight of recycled and scrapped MSI products in the Netherlands is 1,025.503 metric tons. The gross weight of recycled and scrapped products / gross weight of total products sold * 100% = 73.11%.

Refer to 4.4 Product Disposal and Recycling for product disposal and recycling in other regions, also refer to MSI Sustainability Website for more information: https://csr.msi.com/tw/pevn_ewaste

TC-HW-430a.1:

Percentage of Tier 1 supplier facilities audited in the RBA Validated Audit Process (VAP) or equivalent, by (a) all facilities and (b) high-risk facilities

RBA VAP-CERTIFIED SUPPLIERS	161
TOTAL TIER 1 SUPPLIERS (FACILITIES)	434
NUMBER OF HIGH-RISK SUPPLIERS	83
RBA VAP-CERTIFIED SUPPLIERS AS A PERCENTAGE OF TOTAL TIER 1 SUPPLIERS	37.10%
RBA VAP-CERTIFIED SUPPLIERS AS A PERCENTAGE OF HIGH-RISK SUPPLIERS	26.51%

TC-HW-430a.2:

Tier 1 suppliers’ (1) non-conformance rate with the RBA Validated Audit Process (VAP) or equivalent, and (2) associated corrective action rate for (a) priority non-conformances and (b) other non-conformances

SUPPLIERS FAILING RBA VAP OR EQUIVALENT AUDITS (CMP)	61
PERCENTAGE	14.06%
AVERAGE NUMBER OF NON-CONFORMITIES	6
IMPROVEMENT RATE FOR MAJOR NON-CONFORMITIES VS. OTHER NON-CONFORMITIES	63.69%

TC-HW-440a.1:

Description of the management of risks associated with the use of critical materials

Refer to 4.2 Responsible Minerals Management.

TC-HW-000: Activity Metrics

ITEM	Unit	Data
TC-HW-000.A: NUMBER OF UNITS PRODUCED BY PRODUCT CATEGORY 4	Computers and computer peripheral products, thousand units	27,709
TC-HW-000.B: AREA OF MANUFACTURING FACILITIES	square meters	460,000
TC-HW-000.C: PERCENTAGE OF PRODUCTION FROM OWNED FACILITIES	Percentage	87.27%

The disclosure content of sustainable disclosure indicator – computer and peripheral industry as required by the Taiwan Financial Supervisory Commission:

NO.	INDICATOR	ANNUAL DISCLOSURE
1	Total energy consumption, percentage of purchased electricity and usage of renewable energy	Refer to 3.2 Low Carbon and Sustainable Manufacturing
2	Total water intake and total water consumption	Refer to 3.3 Green Production and Manufacturing
3	Percentage of weight of generated hazardous waste and percentage of recycled generated hazardous waste	Refer to 3.4 Pollution and Waste Management
4	Describe the type of occupational disasters, number of people suffering from occupational disasters, and percentage of people suffering from occupational disaster	Refer to 5.4 Health and Safety
5	Disclosure of product lifecycle management: Including the weight of scrapped products and electronic waste, and the percentage of recycled product and electronic waste	Refer to SASB-TC-HW-410a.4
6	Description of risk management related to the use of key material	Refer to 4.2 Responsible Minerals Management
7	Total monetary loss incurred from legal action associated with anti-competitive practice regulations	No
8	Main product yield based on product type	Based on the main product category, computers and computer peripheral products, the total production volume in 2024 was 277.09 million units, with a production value of TW\$160,864.695 million.

III. ISO 26000 comparison table

TYPE	MAIN TOPIC	CHAPTER IN THE REPORT	PAGE	DESCRIPTION
Organization Governance	The system making decisions and carrying out implementation when executing the goal	2.2 Governance structure	22	
	Comply with regulations and avoid inspection of risk incurred from human rights problems	2.5 Ethics and Compliance	26	
Human Rights	Human rights risk situations	4.1 Supplier management	44	
	Avoidance of complicity	CH2 About MSI	17	
	Resolving grievances	1.2 Material topic identification and analysis in 2023 – Stakeholder engagement 2.5 Ethics and Compliance 5.3 Communication and care	9 26 61	
	Discrimination and vulnerable groups	N/A	N/A	None of the MSI's operating policies and systems is affected by gender, religion, ethnicity, nationality or political party.
	Civil and political rights	4.1 Supplier Management CH5 Talent Attraction and Retention	44	
	Economic, social and cultural rights	CH5 Talent Attraction and Retention	51	
	Fundamental principles and rights at work	CH5 Talent Attraction and Retention	51	
	Employment and employment relationships	4.1 Supplier Management CH5 Talent Attraction and Retention	51	
	Conditions of work and social protection	CH5 Talent Attraction and Retention	51	
	Social dialogue	1.2 Material topic identification and analysis in 2023 – Stakeholder engagement	9	
Labor Practices	Health and safety at work	5.4 Health and care	63	
	Human development and training	5.2 Cultivation and development	58	
	Prevention of pollution	3.4 Pollution and Waste	42	
	Sustainable resource use	CH3 Climate Action and Green Manufacturing	29	
	Climate change mitigation and adaptation	CH3 Climate Action and Green Manufacturing	29	
Environment	Protection of the environment, biodiversity and restoration of natural habitats	N/A	N/A	All of MSI's factories are located in the industrial area, passed the environmental assessment standards, and have no impact on creatures in the surrounding area.
	Anti-corruption	2.5 Ethics and Compliance	26	
	Responsible political involvement	N/A	N/A	MSI stays politically neutral and does not make any political donation or lobbying or participate in relevant political activity.
	Fair competition	2.5 Ethics and Compliance	26	
	Promoting social responsibility in the value chain	4.1 Supplier management	44	
Fair Operating Practices	Respect for property rights	2.5 Ethics and Compliance	26	
	Fair marketing, factual and unbiased information and fair contractual practices	2.5 Ethics and Compliance	26	
	Protecting consumers' health and safety	3.3 Green Production and Manufacturing	38	
	Sustainable consumption	3.3 Green Production and Manufacturing	38	
	Consumer service, support, and complaint and dispute resolution	4.3 Customer service and privacy	47	
	Consumer data protection and privacy	4.3 Customer service and privacy	47	
	Access to essential services	4.3 Customer service and privacy	47	
	Education and awareness	N/A	N/A	Through digital channels such as technology forums, and online communities, MSI combines experience marketing at key retail stores and cross-industry collaboration of business partners for users to understand industrial development and perform technical exchange. Refer to MSI's website for relevant information: https://www.msi.com/index.php
	Community involvement	CH6 Social Responsibility and Corporate Value	71	
	Education and culture	CH6 Social Responsibility and Corporate Value	71	
Consumer Issues	Employment creation and skills development	CH6 Social Responsibility and Corporate Value	71	
	Technology development and access	2.1 Company profile	18	
	Wealth and income creation	CH2 About MSI	17	
	Health	5.4 Health and safety	63	
	Social investment	CH6 Social Responsibility and Corporate Value	71	
Community Involvement and Development				

IV. United Nations Global Compact Comparison Table

TYPE	10 PRINCIPLES	CHAPTER IN THE REPORT	PAGE
Human rights	Businesses should support and respect the protection of internationally proclaimed human rights. Make sure that they are not complicit in human rights abuses.	2.5 Ethics and compliance	26
Labor standard	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.	MSI executes collective bargaining according to all regulations in locations in which all MSI factories are located.	N/A
	The elimination of all forms of forced and compulsory labor.		
	The effective abolition of child labor.	2.5 Ethics and Compliance	26
	The elimination of discrimination in respect of employment and occupation.	5.1 Attraction and retention	52
Environment	Businesses should support a precautionary approach to environmental challenges.		
	Undertake initiatives to promote greater environmental responsibility.	CH3 Climate Action and Green Manufacturing	29
	Encourage the development and diffusion of environmentally friendly technologies.		
Anti-corruption	Businesses should work against corruption in all its forms, including extortion and bribery.	2.5 Ethics and compliance	26

V. GRI & SASB external statement



INDEPENDENT ASSURANCE OPINION STATEMENT

2025 MSI Sustainability Report

The British Standards Institution is independent to Micro-Star International Co., Ltd. (hereafter referred to as MSI in this statement) and has no financial interest in the operation of MSI other than for the assessment and verification of the sustainability statements contained in this report.

This independent assurance opinion statement has been prepared for the stakeholders of MSI only for the purposes of assuring its statements relating to its sustainability report, more particularly described in the Scope below. It was not prepared for any other purpose. The British Standards Institution will not, in providing this independent assurance opinion statement, accept or assume responsibility (legal or otherwise) or accept liability for or in connection with any other purpose for which it may be used, or to any person by whom the independent assurance opinion statement may be read.

This independent assurance opinion statement is prepared on the basis of review by the British Standards Institution of information presented to it by MSI. The review does not extend beyond such information and is solely based on it. In performing such review, the British Standards Institution has assumed that all such information is complete and accurate.

Any queries that may arise by virtue of this independent assurance opinion statement or matters relating to it should be addressed to MSI only.

Scope

The scope of engagement agreed upon with MSI includes the followings:

1. The assurance scope is consistent with the description of 2025 MSI Sustainability Report.
2. The evaluation of the nature and extent of the MSI's adherence to AA1000 AccountAbility Principles (2018) in this report is conducted in accordance with type 1 of AA1000AS v3 sustainability assurance engagement and therefore, the data disclosed in the report is not verified through the verification process except for the performance information related to water resource management, which is evaluated in accordance with type 2.
3. The assessment of disclosure to be in conformance with the applicable SASB industry standard(s) in this report as conducted in accordance with type 1 of AA1000AS v3 sustainability assurance engagement.

This statement was prepared in English and translated into Chinese for reference only.

Opinion Statement

We conclude that the 2025 MSI Sustainability Report provides a fair view of the MSI sustainability programmes and performances during 2024. The sustainability report subject to assurance is free from material misstatement and its data relating water resource management is materially correct without voluntary omissions based upon testing within the limitations of the scope of the assurance, the information and data provided by the MSI and the sample taken. We believe that the performance information of Environment, Social and Governance (ESG) are fairly represented. The sustainability performance information disclosed in the report demonstrate MSI's efforts recognized by its stakeholders.

Our work was carried out by a team of sustainability report assurers in accordance with the AA1000AS v3. We planned and performed this part of our work to obtain the necessary information and explanations we considered to provide sufficient evidence that MSI's description of their approach to AA1000AS v3 and their self-declaration in accordance with GRI Standards and SASB Standard(s) were fairly stated.

Methodology

Our work was designed to gather evidence on which to base our conclusion. We undertook the following activities:

- a review of issues raised by external parties that could be relevant to MSI's policies to provide a check on the appropriateness of statements made in the report.
- discussion with managers on approach to stakeholder engagement. However, we had no direct contact with external stakeholders.
- 13 interviews with staffs involved in sustainability management, report preparation and provision of report information were carried out.
- review of key organizational developments.
- review of the findings of internal audits.
- review of supporting evidence for claims made in the reports.
- an assessment of the organization's reporting and management processes concerning this reporting against the principles of Inclusivity, Materiality, Responsiveness, and Impact as described in the AA1000AP (2018).
- an assessment of the organization's use of metrics or targets of SASB Standard(s) to assess and manage topic-related risks and opportunities.

Conclusions

A detailed review against the Inclusivity, Materiality, Responsiveness, and Impact of AA1000AP (2018), GRI Standards and SASB Standard(s) is set out below:

Inclusivity

This report has reflected a fact that MSI has continually sought the engagement of its stakeholders and established material sustainability topics, as the participation of stakeholders has been conducted in developing and achieving an accountable and strategic response to sustainability. There are fair reporting and disclosures for the information of Environment, Social and Governance (ESG) in this report, so that appropriate planning and target-setting can be supported. In our professional opinion the report covers the MSI's inclusivity issues.

Materiality

MSI publishes material topics that will substantively influence and impact the assessments, decisions, actions and performance of MSI and its stakeholders. The sustainability information disclosed enables its stakeholders to make informed judgements about the MSI's management and performance. In our professional opinion the report covers the MSI's material issues.

Responsiveness

MSI has implemented the practice to respond to the expectations and perceptions of its stakeholders. An Ethical Policy for MSI is developed and continually provides the opportunity to further enhance MSI's responsiveness to stakeholder concerns. Topics that stakeholder concern about have been responded timely. In our professional opinion the report covers the MSI's responsiveness issues.

Impact

MSI has identified and fairly represented impacts that were measured and disclosed in probably balanced and effective way. MSI has established processes to monitor, measure, evaluate, and manage impacts that lead to more effective decision-making and results-based management within the organization. In our professional opinion the report covers the MSI's impact issues.

Performance information

Based on our work described in this statement, specified sustainability performance information such as GRI Standards disclosures disclosed in this report, MSI and BSI have agreed upon to include in the scope. In our view, the data and information relating water resource management contained within 2025 MSI Sustainability Report are reliable.

GRI Sustainability Reporting Standards (GRI Standards)

MSI provided us with their self-declaration of in accordance with GRI Standards 2021 (For each material topic covered in the applicable GRI Sector Standard and relevant GRI Topic Standard, comply with all reporting requirements for disclosures). Based on our review, we confirm that sustainable development disclosures with reference to GRI Standards' disclosures are reported, partially reported, or omitted. In our professional opinion the self-declaration covers the MSI's sustainability topics. However, the future report will be improved by the following areas:

- MSI has not disclosed "2-21 annual total compensation ratio". It is encouraged that MSI disclose "2-21 annual total compensation ratio" as per formulas defined by GRI Standards, so the precision of the organization's sustainability report can be further enhanced.

SASB Standards

MSI provided us with their self-declaration of in accordance with SASB Standard(s) (Hardware, version 2023-12). Based on our review, we confirm that the sustainability disclosure topics & accounting metrics of SASB Standard(s) (Hardware, version 2023-12) are reported, partially reported, or omitted. In our professional opinion the self-declaration covers disclosure topics, associated accounting metrics and activity metrics for applicable SASB industry standard(s). However, the following areas are still to be enhanced:

- The information required in TC-HW-410a.2 is not disclosed.
- The information provided regarding TC-HW-410a.4 only covers that in the Netherlands.

Assurance level

The moderate level and partial high level assurance provided are in accordance with AA1000AS v3 in our review, as defined by the scope and methodology described in this statement.

The moderate level assurance provided is in accordance with AA1000AS v3 in our review of SASB Standard(s).

Responsibility

The sustainability report is the responsibility of the MSI's chairman as declared in his responsibility letter. Our responsibility is to provide an independent assurance opinion statement to stakeholders giving our professional opinion based on the scope and methodology described.

Competency and Independence

The assurance team was composed of auditors experienced in relevant sectors, and trained in a range of sustainability, environmental and social standards including AA1000AS, ISO 14001, ISO 45001, ISO 14064, and ISO 9001. BSI is a leading global standards and assessment body founded in 1901. The assurance is carried out in line with the BSI Fair Trading Code of Practice.



For and on behalf of BSI:

Peter Pu, Managing Director BSI Taiwan



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Taiwan Headquarters: 2nd Floor, No. 37, Ji-Hu Rd., Nei-Hu Dist., Taipei 114, Taiwan, R.O.C.
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