Sustaining an incredible future

2025 ASUS TCFD REPORT

Catalog

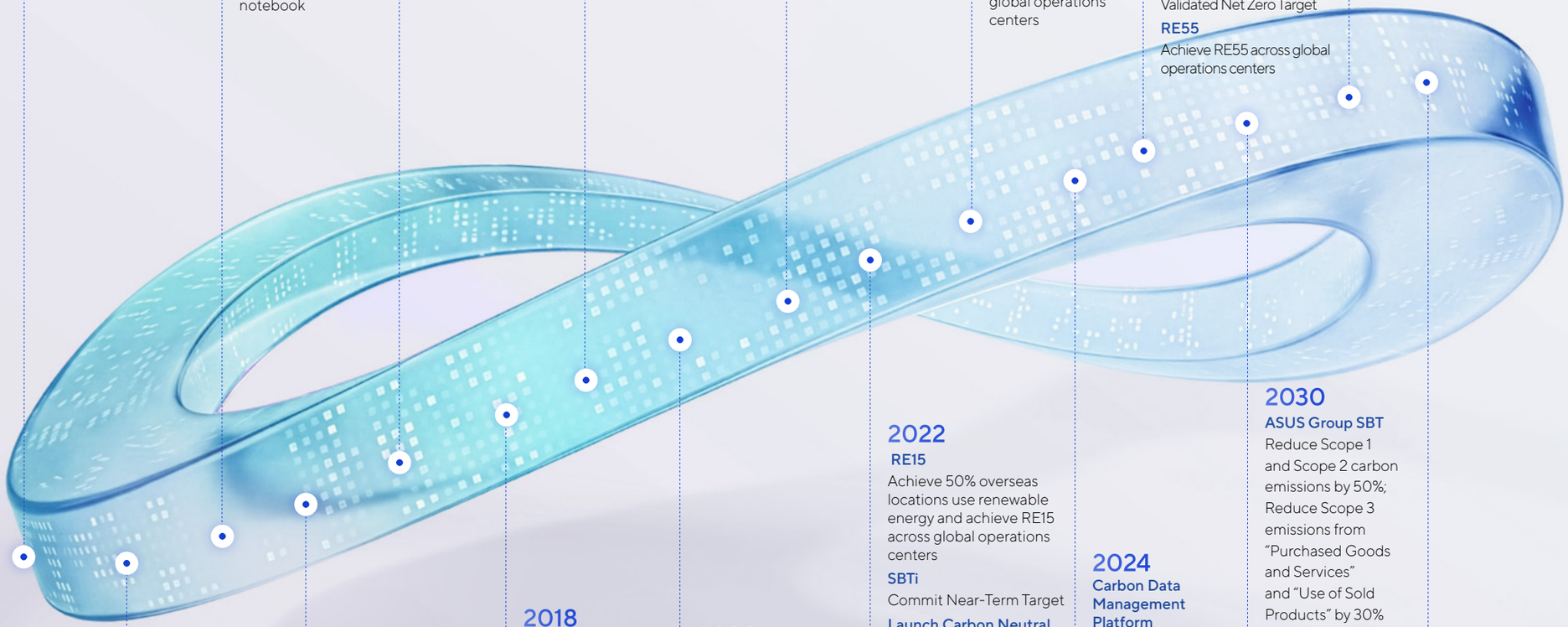
About This Report

This is the 2025 Climate-related Financial Disclosures Report published by ASUS Group. The reporting period is from January 1 to December 31, 2025.

This report has been prepared in accordance with the four core elements of the IFRS Sustainability Disclosure Standards (IFRS S1/S2): governance, strategy, risk management, and metrics and targets. The disclosure boundary covers ASUS and the subsidiaries included in its consolidated financial statements, including Askey Computer Corp., AAEON Technology Inc., Onyx Healthcare Inc., ASMedia Technology Inc., and Jetway Information Co., Ltd., to provide a complete picture of the financial impacts of climate-related risks and opportunities across the Group.

The primary reporting period is 2025. To keep readers informed of the latest governance and management developments, certain sections also cover significant interim achievements made during the report preparation period in 2026.

Milestones for Climate Action



2004
GreenASUS and SERASUS
Establishment of the GreenASUS & SERASUS Committee

2007
GHG Inventory
First Greenhouse Gas Inventory

2009-2012
Product Carbon Footprint
Released a Type III environmental declaration and launched the world's first PAS 2050-verified carbon-neutral notebook

2010
CDP
Joined the CDP Carbon Disclosure Program

2015
ISO 50001
The corporate headquarters obtained the ISO 50001 energy management system certification

2018
TCFD
Followed the TCFD framework to reveal actions in response to climate change

2019
LEED
LEED Platinum Certification of the ASUS New Headquarters Green Building

2020
GHG
Proposed the second phase of greenhouse gas reduction targets

2021
RE100
Joined the RE100 Initiative

2022
RE15
Achieve 50% overseas locations use renewable energy and achieve RE15 across global operations centers
SBTi
Commit Near-Term Target
Launch Carbon Neutral Products
World's first commercial laptops achieve carbon footprint and carbon neutral verification

2023
SBTi
Validated the Near-Term Target
Commit Net Zero Target
RE30
Achieve RE30 across global operations centers

2024
Carbon Data Management Platform
Establish carbon management platform for ASUS Group, subsidiaries and supply chain

2025
Corporate Sustainability Committee
Implemented group-wide sustainability management and established the Corporate Sustainability Committee
SBTi
Validated Net Zero Target
RE55
Achieve RE55 across global operations centers

2030
ASUS Group SBT
Reduce Scope 1 and Scope 2 carbon emissions by 50%; Reduce Scope 3 emissions from "Purchased Goods and Services" and "Use of Sold Products" by 30%
RE100 TW
Achieve 100% usage of renewable energy in Taiwan-based operations centers

2035
RE100 Global
Achieve 100% usage of renewable energy in global operations centers

2050
Net Zero
Lead the value chain to net zero

01 Governance

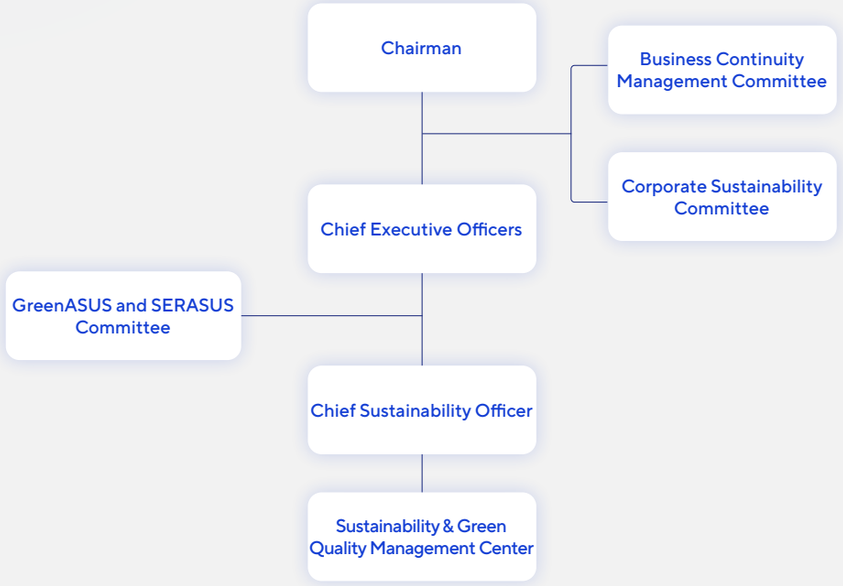
To enable investors and all stakeholders to fully understand ASUS Group's climate response, ASUS applies the IFRS Sustainability Disclosure Standards (IFRS S1/S2) to disclose the four core elements of its response to climate change: governance, strategy, risk management, and metrics and targets. ASUS reviews the operating models of its own operations and supply chain, identifies and ranks short-, medium-, and long-term climate-related risks and opportunities, and assesses their financial impacts on ASUS Group to continually strengthen corporate resilience.

ASUS's climate change governance and management framework is directly overseen by the Board of Directors. The Chairman has designated the Co-CEOs as the highest-level executives responsible for climate change and sustainability management. The Sustainability and Green Quality Management Center serves as the responsible unit, with the Chief Sustainability Officer (CSO) acting as its management representative. The Center helps the Group stay abreast of global sustainability developments, analyzes governance, environmental, and social sustainability issues, integrates these issues with core operations, product innovation, and services, and establishes strategic sustainability objectives and programs. To respond to evolving sustainability trends and capture the resulting opportunities while addressing related challenges, the ASUS Board of Directors approved the establishment of the Corporate Sustainability Committee in May 2025 as the Group's highest-level sustainability governance body. Sustainable development is also included as one of the Taskforce Units under the Business Continuity Management (BCM) Committee, which reports quarterly on climate-related risk management indicators and implementation performance.

Board of Directors

ASUS's sustainability policy and climate change response strategies are approved by the Chairman. Since 2022, progress on greenhouse gas inventories and carbon reduction actions has been reported to the Board of Directors quarterly.

To strengthen sustainability governance, the variable remuneration of the Co-CEOs has been linked to sustainability performance since 2023, using progress toward ASUS's global operations RE100 target and the Group's SBT reduction targets as performance metrics.



Corporate Sustainability Committee

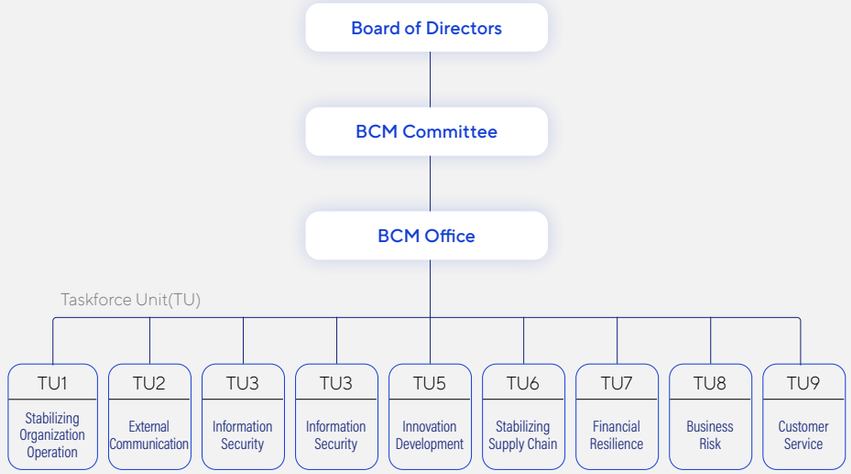
To respond to evolving sustainability trends and capture the resulting opportunities while addressing related challenges, the ASUS Corporate Sustainability Committee was established in May 2025. Comprising five Independent Directors and the two Co-CEOs, it is ASUS's highest-level sustainability governance body. The Committee oversees the management of the four major sustainability issues across ASUS Group, including all subsidiaries within the consolidated financial reporting boundary, including progress toward the Group's SBT reduction targets. It reviews the Group's sustainability management operations and implementation progress. Each quarter, the Co-CEOs review the Group's climate risk management and subsidiaries' progress toward their emissions reduction targets; following review by the Committee, the results are reported to the Board of Directors.

Under the Committee, the Sustainability and Green Quality Management Center brings together sustainability management representatives from each subsidiary for quarterly meetings to jointly formulate and implement action plans for Group-wide sustainability issues. In response to the IFRS Sustainability Standards implementation plan, the Group identifies climate-related risks and opportunities and assesses material financial information based on its consolidated financial reporting boundary.

Business Continuity Management (BCM) Committee

The Business Continuity Management Committee, or BCM Committee, is designed to identify and manage the various risks that the Company may encounter and that could lead to business interruption. It comprises the Board of Directors, the BCM Committee, the BCM Office, and the various Taskforce Units (TUs), thereby ensuring that sound protective mechanisms are established in day-to-day operations.

ASUS has included sustainable development as a Taskforce Unit under the BCM Committee to assess climate change-related risks, focusing on the impacts of carbon issue management on operations and green products. Each Taskforce Unit reports on risk management implementation progress quarterly to the Co-CEOs and COO, and annually to the BCM Committee, whose members are Independent Directors of the Board. The BCM Committee also reports the results of its risk management reviews to the Board of Directors at least once a year.



Sustainability and Green Quality Management Center

The Sustainability and Green Quality Management Center is ASUS's dedicated sustainability unit. It monitors global sustainability developments, analyzes governance, environmental, and social sustainability issues, integrates these issues with core operations, product innovation, and services, and establishes strategic sustainability directions and programs. The Chairman has designated the Chief Executive Officer as the Center's highest-level executive, responsible for overseeing sustainability programs and the achievement of targets for material issues. The CSO serves as the Center's management representative and is responsible for monitoring and analyzing global sustainability developments and managing sustainability policies, objectives, and actions. The Center reports to the Board of Directors regularly each year, submitting policy objectives, key sustainability initiatives, and performance results for review and approval. The Board oversees implementation directions and provides recommendations.

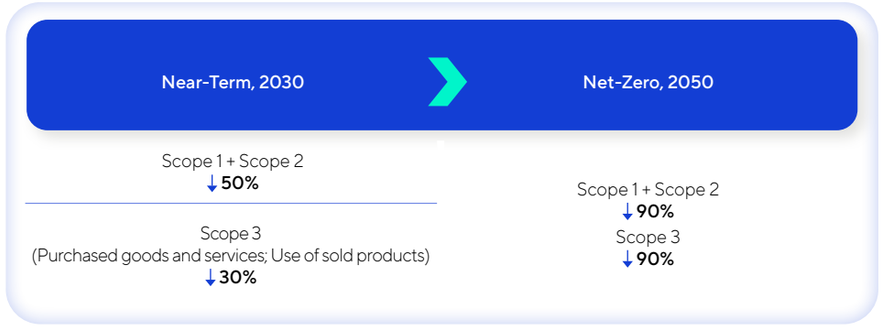
Using Digitized Data and Scientific Management Practices to Support Sustainability Value through Core Competencies

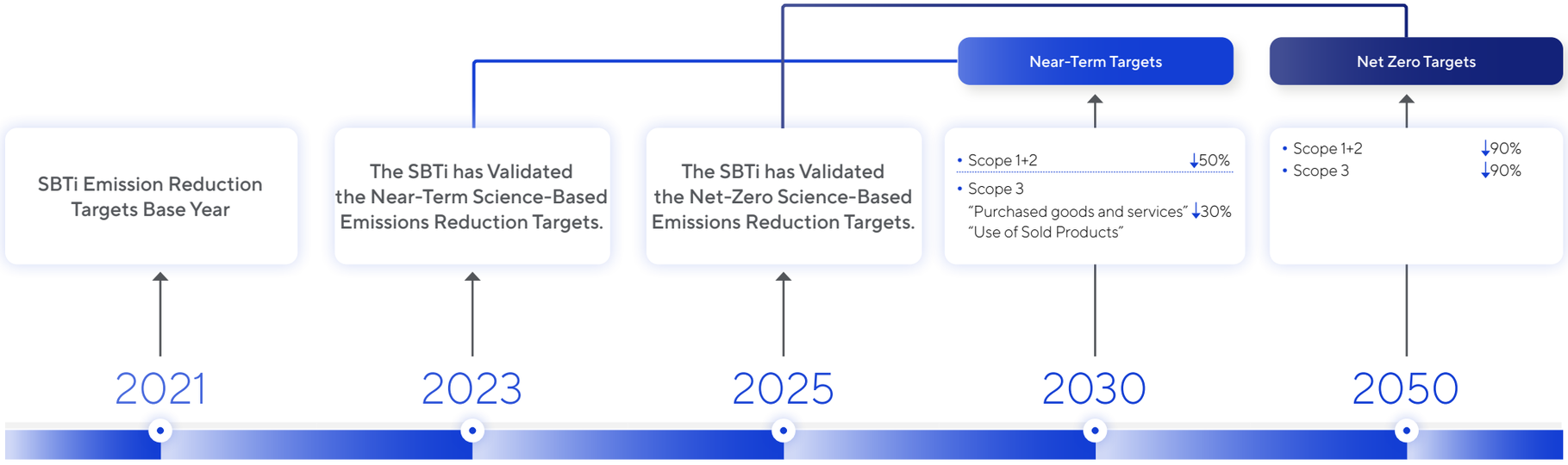
02 Greenhouse Gas Inventory

2.1 SBTi Science-Based Emissions Reduction Targets

In accordance with SBTi standards, ASUS defines the organizational boundary as ASUS Group, aligned with the subsidiaries included in its consolidated financial statements—including Askey Computer Corp., AAEON Technology Inc., Onyx Healthcare Inc., ASMedia Technology Inc., and Jetway Information Co., Ltd.—and applies the operational control approach. Subsidiaries established for investment, financial, or tax purposes are excluded.

Following a 1.5°C emissions reduction pathway and using 2021 as the base year, ASUS's Science Based Targets initiative (SBTi) Near-Term targets were validated in 2023. By 2030, ASUS commits to reducing Scope 1 and Scope 2 carbon emissions by 50%, and Scope 3 carbon emissions from Purchased goods and services and Use of sold products by 30%. In 2025, based on the latest subsidiary boundary in the consolidated financial statements, ASUS set and obtained validation for the more ambitious SBTi Net-Zero target. By 2050, ASUS commits to reducing Scope 1 and Scope 2 carbon emissions by 90% and Scope 3 carbon emissions by 90%, advancing the entire Group toward its net-zero emissions vision.





2.2 Group-wide Greenhouse Gas Inventory

Since 2007, ASUS has conducted an annual greenhouse gas inventory and has defined its organizational boundary using the operational control approach. In 2022, to demonstrate its commitment to carbon reduction, ASUS adopted the international GHG Protocol standard to calculate emissions for Group companies within the consolidated financial reporting boundary, expand its sphere of influence and value chain coverage, and commit to the Science Based Targets initiative.

ASUS Group's total carbon emissions in 2025 were 5,102,383.49 metric tons of CO_2e. Based on the market-based method, Scope 1 accounted for 0.07%, Scope 2 for 0.62% (based on the market-based approach), and Scope 3 for 99.31%, showing that the Group's emissions are highly concentrated in the value chain. Within Scope 3, the two largest categories were Purchased goods and services (supply chain), at 54.77%, and Use of sold products, at 41.26%. Together they represented more than 96% of the Group's total emissions and are therefore the two emission hotspots that the Group's reduction strategy must prioritize. Other categories accounted for comparatively smaller shares, including Upstream transportation and distribution (1.30%), Downstream transportation and distribution (1.22%), Employee commuting (0.17%), Fuel- and energy-related activities (0.24%), and Capital goods (0.12%).

Scope	Carbon emissions (metric tons CO_2e)	Share
Scope 1	3,579.34	0.07%
Scope 2	31,750.91	0.62%
Scope 3	5,067,053.24	99.31%
Total Group emissions	5,102,383.49	100%

Distribution of ASUS Group Emissions:

Company	Carbon emissions (metric tons CO_2e)	Share of Group total
ASUS*	3,694,703.15	72.41%
Askey Computer Corp.	927,208.64	18.17%
AAEON Technology Inc.	379,789.07	7.44%
Onyx Healthcare Inc.	14,302.20	0.28%
Jetway Information Co., Ltd.	24,029.22	0.47%
ASMedia Technology Inc.	56,931.18	1.12%
Other subsidiaries	5,420.03	0.11%
Total Group emissions	5,102,383.49	100.00%

* The carbon emissions of ASUS Group (parent company) shown in this table were calculated in accordance with the GHG Protocol methodology and differ in emissions-scope classification from the parent company emissions disclosed in the Sustainability Report under ISO 14064-1. ISO 14064-1 applies the operational control approach and focuses on material and controllable emission sources, whereas the GHG Protocol fully discloses all Scope 3 categories within the consolidated financial reporting boundary. The results calculated under the two approaches therefore are not identical.

Progress toward Science Based Targets (SBT)

Using 2021 as the base year, all major categories of the Group's 2025 greenhouse gas emissions declined: Scope 1 and Scope 2 emissions decreased by 35.44%; Scope 3 Category 1, Purchased goods and services, decreased by 17.30%; and Scope 3 Category 11, Use of sold products, decreased by 8.06%. The Group will continue to deepen its reduction strategies and advance each emissions source toward achievement of the SBT by 2030.

Scope	Base year 2021 (metric tons CO_2e)	2025 emissions (metric tons CO_2e)	Change from base year
Scope 1 + Scope 2	54,727.44	35,330.25	↓ 35.44%
Scope 3 (C1 Purchased goods and services)	3,379,555.64	2,794,743.47	↓ 17.30%
Scope 3 (C11 Use of sold products)	2,289,750.55	2,105,263.34	↓ 8.06%
Scope 3 (C1 + C11 total)	5,669,306.19	4,900,006.81	↓ 13.57%

2.3 Responding to SBTi Targets and Developing Emissions Reduction Strategies

Following validation of ASUS Group's SBTi science-based emissions reduction targets, the Group uses data-driven management as its foundation, collaborates internally across subsidiaries and externally with the supply chain, and continues to evaluate forward-looking technologies to expand carbon reduction performance. The Group undertakes both vertical communication and reduction initiatives and horizontal sharing and collaboration:

- **Vertical communication and reduction initiatives:** Continue and expand existing emission reduction project, extend SBTi targets and reduction thinking throughout the Group, build employees' awareness of carbon reduction, and translate that awareness into daily work and product research and development.
- **Horizontal sharing and collaboration:** Work with external organizations—including government agencies, industry alliances, universities, and private companies—to review and assess carbon reduction solutions, introduce suitable solutions into the Group's internal organizations and production and sales activities, and accelerate corporate emissions reduction.

Six Focus Areas of the Group's Reduction Strategy:

(1) Operational Decarbonization
Introduce renewable energy and enhance energy efficiency to reduce Scope 1 and Scope 2 carbon emissions. Measures include replacing energy-intensive equipment and signing Corporate Power Purchase Agreement (CPPA) to secure renewable electricity and reduce energy consumption.

(2) Supply Chain Decarbonization
Promote supplier carbon management and renewable energy adoption to reduce Scope 3 supply chain emissions. Require suppliers to set science-based emissions reduction targets, adopt renewable electricity or install related facilities, address emission hotspots and enhance energy efficiency, undergo environmental audits, and receive support in implementing external carbon reduction solutions.

(3) Low-Carbon Product Innovation
Integrate circular economy thinking into product design and services; use environmentally friendly materials, enhance energy efficiency, and extend product lifecycles to advance low-carbon product development. In the short term, procure recycled materials and improve product energy efficiency so products meet low-carbon standards. In the long term, pursue zero-carbon products through technology innovation projects involving zero-carbon materials and high energy efficiency.

(4) Carbon Data Management
Establish a Carbon Data Management Platform to improve data quality, traceability, and disclosure credibility—an essential prerequisite and key foundation for the Group's carbon reduction efforts.

(5) Carbon Reduction Support Program for Group Subsidiaries
Help subsidiaries build greenhouse gas inventory capabilities, set reduction targets and pathways, and plan joint renewable energy procurement strategies. In 2025, ASUS held a Group reduction strategy briefing to help subsidiaries plan their reduction strategies and review electricity consumption patterns. Through newsletters, low-carbon lifestyle campaigns, and other channels, the Group regularly shares carbon reduction knowledge and action initiatives—such as sustainability trend articles, feature stories, and electricity- and water-saving campaigns. These efforts are complemented by subsidiary carbon reduction training and IFRS implementation briefings to strengthen climate awareness and engagement across the Group and promote participation by all employees.

(6) Evaluation of Carbon Reduction Technologies
Evaluate forward-looking and carbon removal technologies—including forest carbon credits, biochar, small hydropower, geothermal energy, and hydrogen fuel cells—to accelerate practical implementation of innovative solutions.

03 Risk Assessment and Management

3.1 Risk Management Framework

To strengthen the Board of Directors' oversight of Group risk management and make risk management more comprehensive and routine, ASUS established the Business Continuity Management (BCM) Committee to continuously monitor and manage climate risks and demonstrate organizational resilience through integration with operating practices. ASUS incorporates climate action into the scope of the Sustainable Development Taskforce Unit under the BCM Committee, which is responsible for risk monitoring and preventive risk management. Through ongoing business continuity reviews, ASUS dynamically adjusts material issues requiring attention and effectively integrates internal and external resources, strengthening the Group's ability to anticipate, prepare for, respond to, and adapt to continuing environmental changes while minimizing their impacts and the duration of disruptions.

Risk Identification	Risk Control and Mitigation	Risk Monitoring and Reporting
Use a risk matrix to assess material climate events, identify the frequency and impact of risk events, and determine the financial impacts of priority physical and transition risks.	Include climate risks among key business continuity management issues; formulate response strategies and monitoring mechanisms for climate risks.	Through the BCM Committee, continuously monitor and manage climate risks and demonstrate organizational resilience by integrating risk management with operating practices.

3.2 Identification of Climate-related Risks and Opportunities

Identification Methodology

In accordance with IFRS S1/S2 disclosure requirements, ASUS has established a list of climate-related risk and opportunity topics for the Group and a methodology for assessing financial materiality. The following four-stage process is used to identify material climate-related risks and opportunities in operations and the value chain and to further assess their financial impacts on the Group:

Stage 1 Establish a list of climate-related risks and opportunities	Stage 2 Qualitative and quantitative materiality analysis	Stage 3 Set materiality thresholds	Stage 4 Collect financial impact data
Integrate SASB, ESRS, GRI, the OECD Guidelines for Multinational Enterprises, and industry practices; inventory sustainability topics; and consider the Group's operating characteristics, business model, and value chain impacts to identify and confirm ASUS Group's climate-related risks and opportunities.	Under IFRS S1, apply dual-track assessment. • Qualitative indicators include internal Group management, investor attention, industry consensus, compliance requirements, customer attention, and trade union and NGO attention. • Quantitative materiality is assessed as Impact × Likelihood, with impact levels based on financial thresholds and separate scenarios for risks and opportunities; likelihood criteria differ for transition risks/opportunities and physical risks.	Set qualitative and quantitative materiality thresholds to identify material climate-related risks and opportunities with potentially high financial impacts.	Compile financial impact data for risks and opportunities and map them to the corresponding accounting line items for inclusion in IFRS S2 disclosures.

Material Sustainability Risks and Opportunities for the Group

Identification of the Group's Climate-related Risks and Opportunities

In line with SASB, as required by IFRS S2, and other major international sustainability standards, ASUS inventories sustainability topics and, based on those topics, considers the Group's overall operating characteristics, business model, and value chain impacts to identify and confirm ASUS Group's climate-related risks and opportunities.

Climate topic	Climate-related risk or opportunity	Category	Description
Carbon inventory and disclosure	Carbon inventory and disclosure	Transition risk	Tighter carbon management regulations and increased investor attention require stronger carbon management capabilities.
	Carbon pricing		Suppliers pass through carbon costs arising from local carbon taxes, while CBAM increases operating costs.
Energy management	Rising fossil fuel prices		Rising fossil fuel prices increase electricity costs.
	Insufficient energy efficiency		Failure to replace aging equipment results in low energy efficiency and higher energy costs.
	Regulations for major electricity users		Entities subject to major electricity users regulations may face fines if they fail to meet the required renewable energy share.
Physical impacts of climate change	Impacts of extreme weather and natural disasters on the value chain	Physical risk	Extreme weather events or natural disasters affect the value chain and undermine operational stability.
Business model resilience	Climate innovation	Opportunity	Climate transition drives growth in demand for carbon management and emissions reduction solutions, opening new markets and creating operating revenue.
Value chain management mechanisms	Joint value chain decarbonization		Jointly advance carbon reduction innovation projects with the value chain to enhance sustainability synergies.

Materiality Assessment

(1) Qualitative Materiality

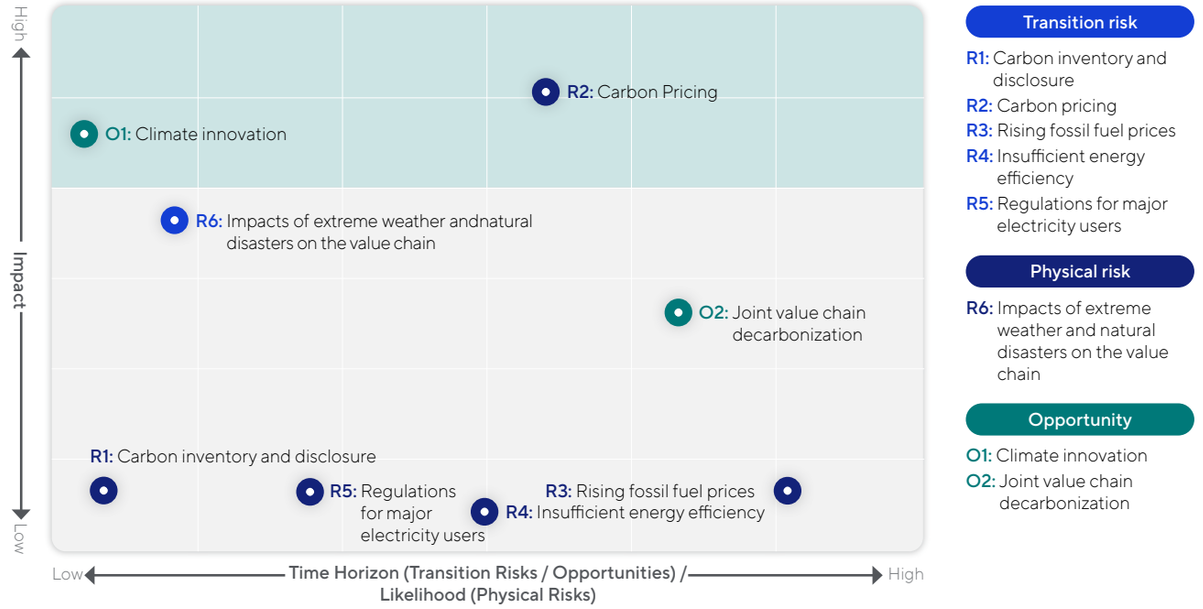
ASUS Group conducts a qualitative materiality assessment of candidate climate-related risks and opportunities using indicators such as internal Group management, investor attention, industry consensus, and compliance requirements.

Climate-related risk or opportunity	Sources of qualitative materiality concern
Carbon inventory and disclosure	Compliance and reporting requirements; investor focus; industry focus; inclusion in supplier selection criteria; alignment with ASUS's sustainability strategy; legally required annual report disclosures.
Climate innovation	Investor focus; industry focus; alignment with ASUS's sustainability strategy; legally required annual report disclosures.
Impacts of extreme weather and natural disasters on the value chain	Compliance and reporting requirements; investor focus; industry focus; alignment with ASUS's sustainability strategy; legally required annual report disclosures.

(2) Quantitative Materiality

Quantitative materiality is assessed as Impact (severity) × Likelihood (time to occurrence).

- Impact: Relevant financial disclosure thresholds established by the competent authorities and internal Group financial-reporting materiality criteria are used to define financial impact bands and separately assess the impact severity of risk and opportunity scenarios.
- Time Horizon/Likelihood:
  - Transition risks and opportunities: classified by time to occurrence as 1–3 years, 3–10 years, or more than 10 years.
  - Physical risks: classified as already occurred or almost certain, very likely, possible under some circumstances, or only in exceptional circumstances.



(3) Materiality Assessment Results

ASUS Group combines the qualitative and quantitative materiality assessment results. Any topic determined to be material under either dimension is included among the Group's material climate-related risks and opportunities. The integrated assessment identified four material climate-related sustainability risks and opportunities for the Group.

Category		Climate-related risk or opportunity	Time horizon[1]	Assessment	Value chain scope	Description and response
Risk	Transition	Carbon inventory and disclosure	Short term	Qualitative	Upstream; own operations; downstream	Accelerating global net-zero transition, tighter carbon management regulations, potential fines for non-compliant reporting, and increased investor attention require stronger GHG management capabilities. ASUS conducts GHG inventories and verification and has established a carbon management platform to improve carbon data management and quality.
		Carbon pricing	Medium term	Quantitative	Upstream; own operations	Expansion of national carbon pricing mechanisms and growth in product demand and operating scale driven by AI applications increase carbon costs and operating costs. ASUS promotes renewable energy use, low-carbon supply chain management, and green product management.
	Physical	Impacts of extreme weather and natural disasters on the value chain		Qualitative	Upstream; own operations; downstream	Extreme weather events may damage operating locations, while impacts on the value chain may undermine production stability. ASUS invests in supply chain risk management and business continuity management to reduce the impacts of production disruptions.
Opportunity		Climate innovation		Qualitative / quantitative	Own operations	Climate transition increases demand for carbon data management, renewable energy, and carbon credit solutions. ASUS develops emissions reduction solutions to expand into new markets and create operating revenue. It continues investing in carbon management platform R&D, carbon credit and renewable energy technologies, low-carbon solutions, and renewable energy implementation plans to strengthen service capabilities and commercialization.

1 ASUS Group defines the time horizons for climate-related risks and opportunities in line with its strategic decision-planning cycle: short term, 1–3 years; medium term, 3–10 years; and long term, more than 10 years. These horizons are aligned with the Group's annual operating plans, medium-term capital expenditure plans, and the timing of its SBTi 2030/2050 emissions reduction targets.

3.3 Financial Impacts of Climate-related Risks and Opportunities

Based on the four material sustainability risks and opportunities identified above, ASUS Group discloses below the current and anticipated effects of each on its financial position, financial performance, and cash flows.

Table 3.3-1 Current Financial Impacts of Climate-related Risks and Opportunities

Category		Climate-related risk or opportunity	Current financial effects	Financial effects of current response measures
Risk	Transition	Carbon inventory and disclosure	No fines arising from GHG inventory activities were incurred during the current period.	The Group invested 11,096 thousand in GHG inventory activities.*
		Carbon pricing	No direct carbon fee or carbon tax expense was incurred during the current period.	The Group invested 111,745 thousand in GHG inventories, SBTi target validation, circular economy, energy management, supply chain management, and related initiatives.
Risk	Physical	Impacts of extreme weather and natural disasters on the value chain	No material financial losses arising from extreme weather or natural disasters were incurred during the current period.	The Group incurred costs for natural disaster insurance, equipment maintenance (periodic inspection and servicing), supply chain risk management, and business continuity management, increasing operating expenses.
Opportunity		Climate innovation	Commercialization revenue has not yet been realized and there was no material positive impact on current financial performance.	The Group invested 12,812 thousand in carbon credit procurement, platform technology development, and related initiatives.

*This expense is the same GHG inventory expenditure presented under the Carbon pricing topic.

Table 3.3-2 Anticipated Financial Impacts of Climate-related Risks and Opportunities

Category		Climate-related risk or opportunity	Anticipated financial performance effects (revenue / cost)	Anticipated financial position effects (assets / liabilities)	Anticipated cash flow and cost of capital effects
Risk	Transition	Carbon inventory and disclosure	• Fines and inventory costs increase operating expenses. • Operation and management platform increases operating expenses.	• Fines increase current liabilities operation.	• Fines and platform maintenance costs increase operating cash outflows.
		Carbon pricing	• Carbon taxes/fees increase operating costs. • Reduction response measures increase operating expenses. • Depreciation increase.	• Carbon fees are recognized as payables,increasing liabilities. • Renewable energy installations and carbon management platform upgrades increase fixed assets and intangible assets.	• Carbon taxes/fees and response costs increase operating cash outflows. • Energy asset construction and increase investing cash outflows.
Risk	Physical	Impacts of extreme weather and natural disasters on the value chain	• Damage to sites increases repair expenditures for property, plant and equipment and raises operating expenses.	• Contractual compensation increases liabilities. • Emergency inventory deployment or backup capacity construction increases inventories and property, plant and equipment.	• Contractual penalties increase operating cash outflows. • Capital expenditure for capacity deployment or geographic diversification increases investing cash outflows.
Opportunity		Climate innovation	• Revenue from Carbon Partner Services, platform subscriptions, and consulting services increases. • Carbon credit procurement and platform operations and maintenance increase operating expenses.	• Platform services increase receivables. • Carbon credit inventories increase current assets.	• Revenue from Carbon Partner Services, platform subscriptions, and consulting increases operating cash inflows. • Carbon credit procurement and platform management and maintenance increase operating cash outflows. • Carbon credit projects or platform development increase investing cash outflows.

04 Climate Action Goals

4.1 Net-Zero Vision and SBT Reduction Targets

The Group's Net-Zero Vision

As the threat of climate change intensifies, achieving net-zero emissions by 2050 has become the central global consensus for climate action. According to the United Nations Environment Programme's Emissions Gap Report 2024, greenhouse gas emissions caused by human activities have reached a record high. Without aggressive emissions reductions, global warming is projected to reach 2.5°C by the end of this century. Nearly 140 countries, representing 88% of global carbon emissions, have committed to achieving net-zero emissions by 2050, showing that the world is accelerating toward this goal.

Under this global decarbonization trend, carbon management has evolved from an environmental issue into a business strategy. ASUS believes that, as carbon pricing mechanisms become more widespread, carbon management will directly affect corporate costs and competitiveness. The Group's climate strategy is based on a science-based reduction pathway and follows a three-stage approach—improving energy efficiency, expanding renewable energy use, and investing in innovative technologies to remove residual emissions—to gradually lead the entire Group value chain toward net zero.

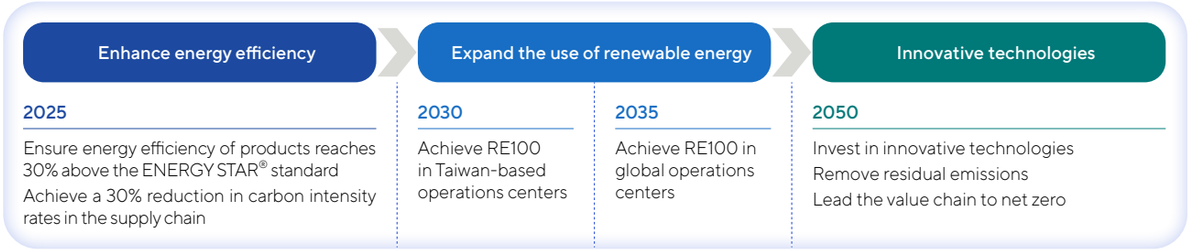
SBTi 1.5°C Reduction Pathway

Near-Term

- Reduce Scope 1 and Scope 2 emissions by 50% from the 2021 baseline. -2030: Reduce Scope 3 emissions from the procurement of C1 purchased goods and services and the use of C11 sold products by 30% from the 2021 baseline.

Long-Term

- 2050: Reduce Scope 1 and Scope 2 emissions by 90% from the 2021 baseline.
- 2050: Reduce Scope 3 emissions by 90% from the 2021 baseline.



SBT Reduction Targets

The Science Based Targets initiative (SBTi), co-founded by organizations including the United Nations Global Compact and CDP, provides a climate science-based methodology to help companies establish and validate emissions reduction targets consistent with limiting global warming to 1.5°C.

Achieving net-zero emissions is ASUS Group's most important climate goal. Since committing in 2022 to establish science-based emissions reduction targets in accordance with SBTi, the Group has proactively followed the SBT framework to define reduction pathways and targets, align the organizational boundary with the companies included in its consolidated financial statements, and advance a Group-wide 1.5°C reduction pathway. In 2023, the Group's SBTi Near-Term targets were validated, committing to reduce Scope 1 and Scope 2 carbon emissions by 50% by 2030 and Scope 3 emissions from Purchased goods and services and Use of sold products by 30%. In 2025, using the latest subsidiary boundary covered by its consolidated financial statements, the Group established and obtained validation for the more ambitious SBTi Net-Zero target, committing to reduce Scope 1 and Scope 2 emissions by 90% and Scope 3 emissions by 90% by 2050, thereby advancing the Group-wide net-zero vision.

Addressing Residual Emissions: SBTi v2.0 Ongoing Emissions Responsibility (OER)

The Group recognizes that value chain emissions reductions are constrained by factors such as technological maturity, commercial viability, and supplier cooperation, and that certain technologies with emissions reduction potential still face technical or cost barriers. Participation in emissions reduction activities beyond the value chain is therefore necessary and important to achieve the net-zero target.

With reference to the SBTi Corporate Net-Zero Standard v2.0 formally released in June 2026, ASUS Group dynamically adjusts its carbon removal strategy in line with the latest requirements and adopts an approach that prioritizes actual emissions reductions and recognizes Ongoing Emissions Responsibility (OER), replacing the former Beyond Value Chain Mitigation (BVCM) guidance framework. The Group gives priority to actual value chain reductions through renewable energy adoption, energy efficiency improvements, and recycled material applications. For ongoing emissions that cannot be eliminated within the planning period because of technological or commercial constraints, ASUS plans to make rolling adjustments in line with SBTi recommendations and gradually increase the volume of removal-based carbon credits each year, with the goal of neutralizing residual emissions using high-quality removal-based carbon credits by 2050.

To safeguard environmental integrity and reduce greenwashing risks, ASUS Group has established the ASUS Carbon Credit Quality Guidelines with reference to frameworks developed by international carbon credit quality initiatives such as the Integrity Council for the Voluntary Carbon Market (ICVCM) and the Voluntary Carbon Markets Integrity Initiative (VCMI). The Guidelines serve as a basis for carbon credit investment and procurement decisions. Procurement plans prioritize high-quality carbon credit projects with robust governance, transparent information disclosure, meaningful stakeholder participation, and social co-benefits. Carbon credits must demonstrate core quality attributes such as additionality, permanence, and measurability, and potential impacts on stakeholders, local communities, and the value chain must be carefully identified. The Group will position itself early in high-quality carbon credits and use its internal carbon pricing mechanism to direct capital toward highly durable carbon removal projects, building a robust and forward-looking net-zero investment portfolio.

In accordance with the SBTi Corporate Net-Zero Standard v2.0, the Group will neutralize residual emissions that remain after actual reductions by retiring the corresponding quantity of removal-based carbon credits. Residual emissions and removal volumes will be disclosed based on actual offset data.

4.2 Actions Taken

Before implementing climate transition measures—such as carbon reduction requirements for subsidiaries and suppliers, renewable energy adoption, low-carbon product design, and investment in innovative technologies—ASUS follows the principles of a just transition. It proactively identifies affected parties, assesses core capability and resource needs, and uses diverse engagement and communication channels to reduce potential social and environmental risks.

Internal Carbon Pricing

Internal Carbon Pricing (ICP) is a mechanism that internalizes external costs and helps the Group incorporate carbon costs into decision-making and investment assessments. Taking ASUS and Askey as examples, given that their production models primarily rely on outsourced contract manufacturing, Scope 1 and Scope 2 emissions are not the major sources of greenhouse gas emissions. Instead, the majority of emissions arise from Scope 3 value chain emissions, particularly supplier emissions and emissions from product use, which together account for more than 90% of total emissions. Accordingly, the Group uses product carbon footprint as the basis for its internal carbon pricing. The pricing basis is assessed with reference to the EU Emissions Trading System (EU ETS) allowance calculation methodology and industry benchmarks, and the internal carbon price is set at US$80 per metric ton of CO_2e.

Group Carbon Reduction Support

Carbon Reduction Support Program for Group Subsidiaries

Since 2022, ASUS has implemented a Group GHG inventory support program to help subsidiaries establish reduction targets and pathways and to integrate Group reduction needs and resource allocation. In 2025, it held a Group reduction strategy briefing to help subsidiaries plan reduction strategies, review electricity consumption patterns, and develop a joint renewable energy procurement strategy. Newsletters, low-carbon lifestyle campaigns, subsidiary carbon reduction training, and IFRS implementation briefings regularly communicate carbon reduction knowledge and action initiatives and strengthen climate awareness and participation across the Group.

After committing to SBT in 2022, ASUS launched the GHG inventory support program to build comprehensive inventory capabilities across the Group. It formally launched the Carbon Data Management Platform, whose one-click inventory register and report generation functions accelerate preparation for third-party external verification, enable quarterly emissions performance monitoring, and support a seed-trainee program to cultivate internal carbon management professionals.

Operational Decarbonization

1. Expanding Renewable Energy Use

In 2025, ASUS achieved RE55 across its global operations centers. In Taiwan, ASUS signed a power purchase agreement for renewable electricity. Its U.S. location installed a rooftop solar power system for on-site self-consumption, while its Netherlands and Switzerland locations signed clean energy purchase agreements with local utilities. ASMedia launched a renewable energy adoption assessment project involving cross-functional regulatory feasibility reviews, green electricity contract reviews, and financial cost-benefit analyses, and completed the signing of a green electricity wheeling contract in 2025. Jetway's Zhangzhou plant in China completed solar generation facilities and generated 1,194,620 kWh in 2025, of which 779,973 kWh was consumed on site and the balance was sold back through its partner utility. Askey's Wujiang plant in China completed solar generation facilities with annual generation of approximately 5.28 million kWh, equivalent to a Scope 2 reduction of approximately 3,055 metric tons of CO_2e. Across these initiatives, ASUS Group's overall renewable energy use reached RE32 in 2025.

2. Improving Operational Energy Efficiency

ASUS applies the ISO 50001 energy management system and regularly identifies and measures the performance of energy-intensive hotspot areas and equipment. It has launched a three-year energy efficiency improvement plan covering chiller replacement at operating headquarters, environmentally friendly refrigerants, variable-frequency and temperature-differential controls for cooling water pumps and towers, and a central smart energy management system. The total investment is 27 million. After equipment replacement, annual electricity use is expected to decrease by approximately 3.8 million kWh, saving about 13% of annual electricity costs at operating headquarters and reducing Scope 2 emissions by approximately 1,800 metric tons of CO_2e.

ASMedia's operating emissions arise entirely from electricity used in office operations, and it continues replacing lighting and air-conditioning equipment with energy-efficient alternatives. AAEON replaced lighting with high-efficiency LED fixtures, lowering installed lighting capacity from 63,948 W to 35,685 W—a saving of 28,263 W, or approximately 44.2%. Jetway's Zhangzhou plant has implemented ISO 50001, continues replacing aging production equipment with new high-efficiency equipment, and is phasing out diesel and fuel-intensive transport equipment in favor of outsourced electric-vehicle transportation. Askey's Bac Ninh plant in Vietnam optimized air-conditioning systems and retrofitted lighting, saving approximately 2 million kWh annually, equivalent to 1,067 metric tons of CO_2e.

Supply Chain Decarbonization

Since 2021, ASUS has implemented a carbon reduction support program for key suppliers and pursued the sustainability target of reducing GHG emissions intensity among key suppliers by 30% by 2025. Support mechanisms include a large-enterprise-led technical program, carbon management platform training, and the AI Carbon Coach, helping resource-constrained suppliers progressively build GHG inventory, carbon management, and emissions reduction capabilities. ASMedia has planned a supply chain product carbon reduction program and set supplier renewable energy targets of RE13 in 2026, RE20 from 2027 to 2029, and RE25 in 2030. Centered on emissions reduction, Askey and its partners held a Supplier Carbon Reduction Advocacy Conference focused on supply chain environmental responsibility, communicated the Group's long-term vision of net-zero emissions by 2050, and built supplier consensus on carbon reduction.

Low-Carbon Product Innovation

ASUS external power supplies use the market's highest energy-efficiency rating, Level VI. New notebook models sold in 2025 were on average 46.6% more energy efficient than the ENERGY STAR® standard, avoiding approximately 90,651 metric tons of CO_2e [2]over the products' lifecycles compared with products that merely met the standard.[2] ASMedia adopted advanced packaging technology with high heat dissipation to improve product energy efficiency and support downstream emissions reduction requirements, using next-generation advanced processes that deliver different power savings in logic cells depending on product design. At AAEON, low-power green products represented 51% of new products. Onyx Healthcare incorporated power management and low-energy features into product design, achieved electronic power supply efficiency above 85%, and selected the lowest-energy CPUs within the same performance class, with minimum power consumption of 2–7 watts. Subsidiary groups also use thermal simulation analysis to assess energy consumption trends under different operating conditions and optimize designs to reduce energy use, improve product efficiency, and extend service life.

Investment in Carbon Reduction Technologies

According to the IEA Net Zero report, apart from mature commercial technologies such as wind power, solar photovoltaic generation, and electric vehicles, most technologies needed to achieve net zero by 2050 remain at the prototype stage. Through its Innovation Development Office, ASUS brings in external academic and industry resources and continues assessing the investment feasibility of forward-looking and removal-based technologies, including small hydropower, biochar, hydrogen fuel cells, forest carbon credits, and geothermal energy.

AI-enabled Sustainability Governances

ASUS transformed its carbon and supply chain management experience into a digital solution—the ASUS Carbon Data Management Platform. Its cloud architecture integrates emissions data from Group subsidiaries and supply chain partners and incorporates international standards including the GHG Protocol, ISO 14064-1, and ISO 14067. On the reporting side, the ASUS Enterprise Carbon Coach and AI Emission Factor Recommendation functions help users identify data gaps and lower reporting barriers. On the review side, OCR and AI automatically extract and compare supporting documents such as electricity bills, invoices, and equipment nameplates, flag anomalies, and support batch review. Internal testing showed that AI-assisted review can reduce processing time by approximately 80% compared with conventional manual review. The platform can also generate GHG inventory registers and reports with one click, improving data quality, traceability, and third-party verification efficiency.

In addition to core carbon functions, the platform provides six advanced management modules covering SBTi target management and reduction scenario simulation, renewable energy management, EU Carbon Border Adjustment Mechanism (CBAM) reporting management, SASB disclosure management, internal carbon pricing, and PACT product carbon footprint data exchange. The modules extend carbon data collection and inventory work into reduction strategy planning and decision management for Group subsidiaries, supply chain partners, and corporate users, forming a one-stop enterprise carbon management solution.

Six Advanced Management Modules:

SBTi Management and Simulation

Set 1.5°C science-based targets, simulate reduction pathways and benefits, and track progress on dashboards.

RE Renewable Energy Management

Track RE procurement costs and benefits; manage self-built generation, RECs, and PPAs; display renewable energy shares in real time.

EU CBAM management

Calculate embedded carbon in regulated products and automatically generate documents and data reports required for CBAM declarations.

SASB Disclosure Management

Provide SASB metrics and revenue management and automatically map green revenue disclosure requirements.

Internal Carbon Pricing

Set a corporate internal carbon price, quantify carbon risks, and support management's carbon cost assessments

PACT Carbon Data Exchange Management

Exchange product carbon footprint data and emission factors across platforms.

2 Calculation basis: the difference in lifetime electricity consumption of sold products, estimated from the extent to which their energy efficiency exceeds the standard.

Appendix

Appendix I: Historical Greenhouse Gas Inventory Data

Historical Carbon Emissions of ASUS Group

(Unit: metric tons CO_2e)

Scope	2021	2022	2023	2024	2025
Scope 1	4,019.18	3,631.89	3,925.11	4,074.14	3,579.34
Scope 2 (location-based)	50,708.26	45,859.95	43,399.67	41,709.13	46,474.83
Scope 2 (market-based)	50,708.26	40,297.83	37,006.50	32,895.93	31,750.91
Scope 3	5,902,566.51	5,483,173.62	4,527,206.81	5,206,474.45	5,067,053.24
Total Group emissions (location-based)	5,957,293.95	5,532,665.46	4,574,531.59	5,252,257.72	5,117,107.42
Total Group emissions (market-based)	5,957,293.95	5,527,103.34	4,568,138.42	5,243,444.52	5,102,383.49

2025 Group Scope 3 Carbon Emissions by Category

(Unit: metric tons CO_2e)

Category	Emissions	Share
C1 Purchased goods and services	2,794,743.47	54.77%
C2 Capital goods	5,976.92	0.12%
C3 Fuel- and energy-related activities	11,994.14	0.24%
C4 Upstream transportation and distribution	66,174.78	1.30%
C5 Waste generated in operations	291.46	0.006%
C6 Business travel	3,510.01	0.07%
C7 Employee commuting	8,535.88	0.17%
C8 Upstream leased assets	403.99	0.01%
C9 Downstream transportation and distribution	62,391.13	1.22%
C10 Processing of sold products	511.55	0.01%
C11 Use of sold products	2,105,263.34	41.26%
C12 End-of-life treatment of sold products	6,651.86	0.13%
C13 Downstream leased assets	604.69	0.01%
C14 Franchises	0	0%

Appendix II: IFRS S2 Index

Governance

Paragraph	Summary of disclosure requirement	Corresponding section
S2.6(a)	Identify the governance body or individual responsible for oversight of climate-related risks and opportunities.	01 Governance
S2.6(a)(i)	Explain how responsibilities for climate-related risks and opportunities are reflected in the governance body's terms of reference.	01 Governance
S2.6(a)(ii)	Explain how the governance body determines and develops appropriate skills and competencies.	01 Governance The Board continually develops knowledge and expertise in corporate governance, market trends, and sustainability through training provided by external organizations.
S2.6(a)(iii)	Frequency with which the governance body is informed about climate-related risks and opportunities.	01 Governance
S2.6(a)(iv)	How the governance body considers trade-offs associated with climate-related risks and opportunities when overseeing strategy and decisions on major transactions.	01 Governance
S2.6(a)(v)	How the governance body oversees target-setting and progress, including whether performance metrics are incorporated into remuneration policies.	01 Governance
S2.6(b)	Management's role in governance processes, controls, and procedures.	01 Governance

Strategy

Paragraph	Summary of disclosure requirement	Corresponding section
S2.9	Overall objective of strategy disclosures.	03 Risk Assessment and Management
S2.10(a)	Describe climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects.	3.2 Identification of Climate-related Risks and Opportunities
S2.10(b)	State whether each risk is a physical risk or a transition risk.	3.2 Identification of Climate-related Risks and Opportunities
S2.10(c)	Specify the time horizon—short, medium, or long term—for each risk and opportunity.	3.2 Identification of Climate-related Risks and Opportunities
S2.10(d)	Define short-, medium-, and long-term horizons and explain their links to planning horizons.	3.2 Identification of Climate-related Risks and Opportunities
S2.13(a)	Current and anticipated effects of climate-related risks and opportunities on the business model and value chain.	3.2 Identification of Climate-related Risks and Opportunities
S2.13(b)	Where risks and opportunities are concentrated in the business model and value chain.	3.2 Identification of Climate-related Risks and Opportunities
S2.14(a)(i)	Current and anticipated changes to the business model, including resource allocation.	3.3 Financial Impacts of Climate-related Risks and Opportunities Impacts; 4.2 Actions Taken
S2.14(a)(ii)	Current and anticipated direct mitigation and adaptation efforts.	4.2 Actions Taken
S2.14(a)(iii)	Current and anticipated indirect mitigation and adaptation efforts.	4.2 Actions Taken
S2.14(a)(iv)	Climate-related transition plan, including key assumptions and elements.	4.1 Net-Zero Vision and SBT Reduction Targets
S2.14(a)(v)	How the entity plans to achieve climate-related targets.	4.1 Net-Zero Vision and SBT Reduction Targets
S2.14(b)	How resources are provided for the activities described above.	All funding for the Group's climate strategy is internally financed.
S2.14(c)	Quantitative and qualitative information on progress against plans disclosed in prior reporting periods.	2.2 Group-wide Greenhouse Gas Inventory
S2.15(a)	Effects of climate-related risks and opportunities on financial position, performance, and cash flows during the reporting period (current effects).	3.3 Financial Impacts of Climate-related Risks and Opportunities
S2.15(b)	Anticipated effects of climate-related risks and opportunities on short-, medium-, and long-term financial performance.	3.3 Financial Impacts of Climate-related Risks and Opportunities
S2.16(a)–(d)	Detailed quantitative and qualitative requirements for current and anticipated financial effects.	3.3 Financial Impacts of Climate-related Risks and Opportunities
S2.21(a)–(c)	Details of anticipated financial effects and explanations of uncertainty.	3.3 Financial Impacts of Climate-related Risks and Opportunities
S2.22	Assessment of climate resilience through scenario analysis.	The relevant assessment results will be disclosed in next year's report.

Risk Management

Paragraph	Summary of disclosure requirement	Corresponding section
S2.25(a)	Processes and policies used to identify, assess, prioritize, and monitor climate-related risks.	3.1 Risk Management Framework; 3.2 Identification of Climate-related Risks and Opportunities
S2.25(b)	Processes used to identify, assess, prioritize, and monitor climate-related opportunities.	3.2 Identification of Climate-related Risks and Opportunities
S2.25(c)	How the foregoing processes are integrated into the overall risk management process.	3.1 Risk Management Framework

Metrics and Targets

Paragraph	Summary of disclosure requirement	Corresponding section
S2.28	Overall objective of metrics and targets disclosures.	2.1 SBTi Science-Based Emissions Reduction Targets
S2.29(a)	Greenhouse gas emissions.	2.2 Group-wide Greenhouse Gas Inventory
S2.29(b)	Climate-related transition risks.	The relevant assessment results will be disclosed in next year's report
S2.29(c)	Climate-related physical risks.	The relevant assessment results will be disclosed in next year's report
S2.29(d)	Climate-related opportunities.	The relevant assessment results will be disclosed in next year's report
S2.29(e)	Capital deployment.	ASUS-built solar generation facilities and replacement of energy-intensive equipment.
S2.29(f)	Internal carbon pricing.	4.2 Actions Taken
S2.29(g)	Remuneration.	01 Governance
S2.33	Characteristics of climate-related targets.	2.1 SBTi Science-Based Emissions Reduction Targets Targets; 4.1 Net-Zero Vision and SBT Reduction Targets
S2.34	Detailed requirements for GHG emissions targets.	2.1 SBTi Science-Based Emissions Reduction Targets
S2.36	Additional information on how the entity plans to achieve its GHG emissions targets.	4.1 Net-Zero Vision and SBT Reduction Targets

Appendix III: Industry-based Metrics

Sustainability Disclosure Topics and Metrics — Product Lifecycle Management

Topic	Code	Metric	Content / explanation
Group-wide Greenhouse Gas Inventory	TC-HW-410a.1	Percentage of products by revenue that contain IEC 62474 declarable substances	In addition to substances restricted or prohibited by regulation, ASUS integrates international environmental label requirements and electronics industry standard IEC 62474. All products disclose and declare relevant substance use in accordance with IEC requirements and applicable laws. In 2025, 100% of ASUS products complied with mandatory directives such as RoHS, and no products were recalled because of safety or health issues.
	TC-HW-410a.2	Percentage of eligible products, by revenue, meeting the requirements for EPEAT registration or equivalent	Eco-label products certified under EPEAT or equivalent standards accounted for 50.2% of annual revenue. • Numerator: Revenue of products are or have been certified with EPEAT, TCO, Taiwan Green Mark and China Environment Labelling as of December 31, 2025 • Denominator: Total revenue of products that could apply for EPEAT, TCO, Taiwan Green Mark and China Environment Labelling in 2025
	TC-HW-410a.3	Percentage of eligible products, by revenue, meeting ENERGY STAR® criteria	Products certified under the ENERGY STAR® energy-efficiency program accounted for 86% of annual revenue. • Numerator: Net revenue from products that are or have been ENERGY STAR® certified as of December 31, 2025.. • Denominator: Total revenue of products that could apply for ENERGY STAR® in 2025.
	TC-HW-410a.4	Weight of end-of-life products and e-waste recovered; percentage recycled	1. Weights of end-of-life products and electronic waste: 12,891 t. 2. The total volume of products recycled during the year represented 16% of the total weight of ASUS products sold worldwide, and after accounting for the average product lifecycle when devices are traded in for new ones or directed to recycling, the calculated recycling rate is 19%. Based on available audit reports from countries reporting WEEE 3R ratios, recyclers achieved a 99% material recovery rate.

Activity Metrics

Code	Metric	Content / explanation
TC-HW-000.A	Number of units produced by product category	ASUS's primary economic activities are the sales and customer service of computers and peripheral equipment. Consequently, product sales volume is the main focus of their information disclosure. The company publicly discloses the sales volume and revenue proportion of each product in its annual reports and investor conferences: ASUS Investors Relation Our products are divided into: • System products: PCs and smartphones • Open platform: motherboards, graphics cards, servers and other component products • AIOT products: Mini PC, Industrial Computer (IPC) & AI solutions.
TC-HW-000.B	Area of manufacturing facilities	All ASUS products are manufactured by EMS. Given that not all production lines in EMS are dedicated to ASUS products, statistics on area of manufacturing facilities are not representative
TC-HW-000.C	Percentage of production from owned facilities	All ASUS products are manufactured by EMS.; ASUS owns no manufacturing facilities.