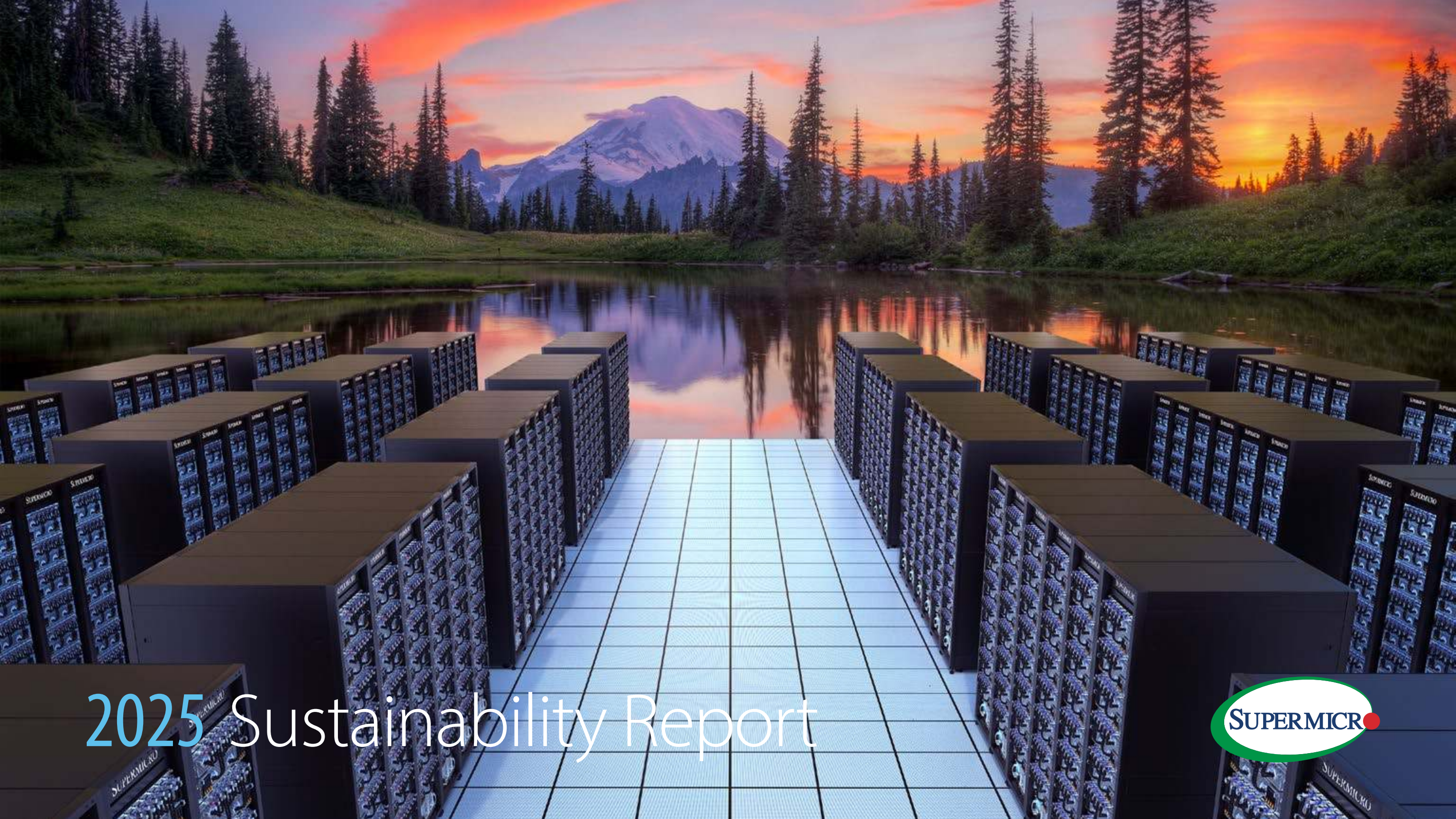




2025 Sustainability Report



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CEO LETTER

Delivering Measurable Progress in Sustainable Computing

At Supernova, our mission has always been to deliver first-to-market innovation while advancing environmentally responsible computing. As we present our third annual Sustainability Report, I am proud of how we continue to align rapid technological advancement with measurable progress toward a more energy-efficient and sustainable future.



Charles Liang
Founder, President,
Chief Executive
Officer, Chairman
of the Board

In the past few years, artificial intelligence (AI) has reshaped the global technology landscape. In keeping with our Green Computing Strategy, we introduced a comprehensive portfolio of solutions designed to support rapidly increasing computing workloads while minimizing energy demands. We also expanded our edge and IoT portfolio with compact, low-power systems and broadened our storage offerings with AI-optimized and enterprise-grade scale-up solutions to meet the demands of large-scale AI training.

This year marked the launch of our Data Center Building Block Solutions® (DCBBS), a key milestone for our Company. This integrated, rack-scale offering simplifies deployment of both air-cooled and liquid-cooled AI factories. DCBBS brings together servers, storage, networking, racks, liquid cooling infrastructure, software, services, and support into a unified solution.

We also rolled out our upgraded Direct Liquid Cooling solution, DLC-2. Engineered to reduce power and water consumption, noise, and spatial requirements, DLC-2 can lower electricity costs by up to 40% compared to air-cooled environments and reduce the total cost of ownership (TCO) by up to 20%. By designing and manufacturing complete rack-scale liquid-cooled solutions, we help customers maximize performance while lowering both TCO and total cost to the environment (TCE). These continued product advancements exemplify our commitment to sustainable innovation.

Our global operating model supports this innovation at scale. With manufacturing and logistics operations across the United States, Taiwan, the Netherlands, and Malaysia, we are well positioned to meet global computing demands. We began construction on our third Silicon Valley campus, expected to create hundreds of new jobs in the Bay Area.

Key Sustainability Achievements in FY 2025

- Validated our greenhouse gas (GHG) reduction targets with the Science Based Targets initiative (SBTi), reported scope 1, 2, and 3 emissions, and completed our eighth consecutive CDP Climate Change questionnaire.
- Earned Electronic Product Environmental Assessment Tool (EPEAT) certification for 36 systems
- Received ENERGY STAR® certification for 18% of our products
- Recognized by SGS (a global leader in testing, inspection, and certification) for advancing green product innovation.

None of this progress would be possible without our employees, whose dedication we support through ongoing employee engagement and development, rooted in a culture of integrity and responsibility. Through industry collaboration and continued innovation, we remain committed to building the most efficient, scalable, and sustainable computing infrastructure for the next generation of computing and beyond.

Charles Liang
CEO

About Supermicro

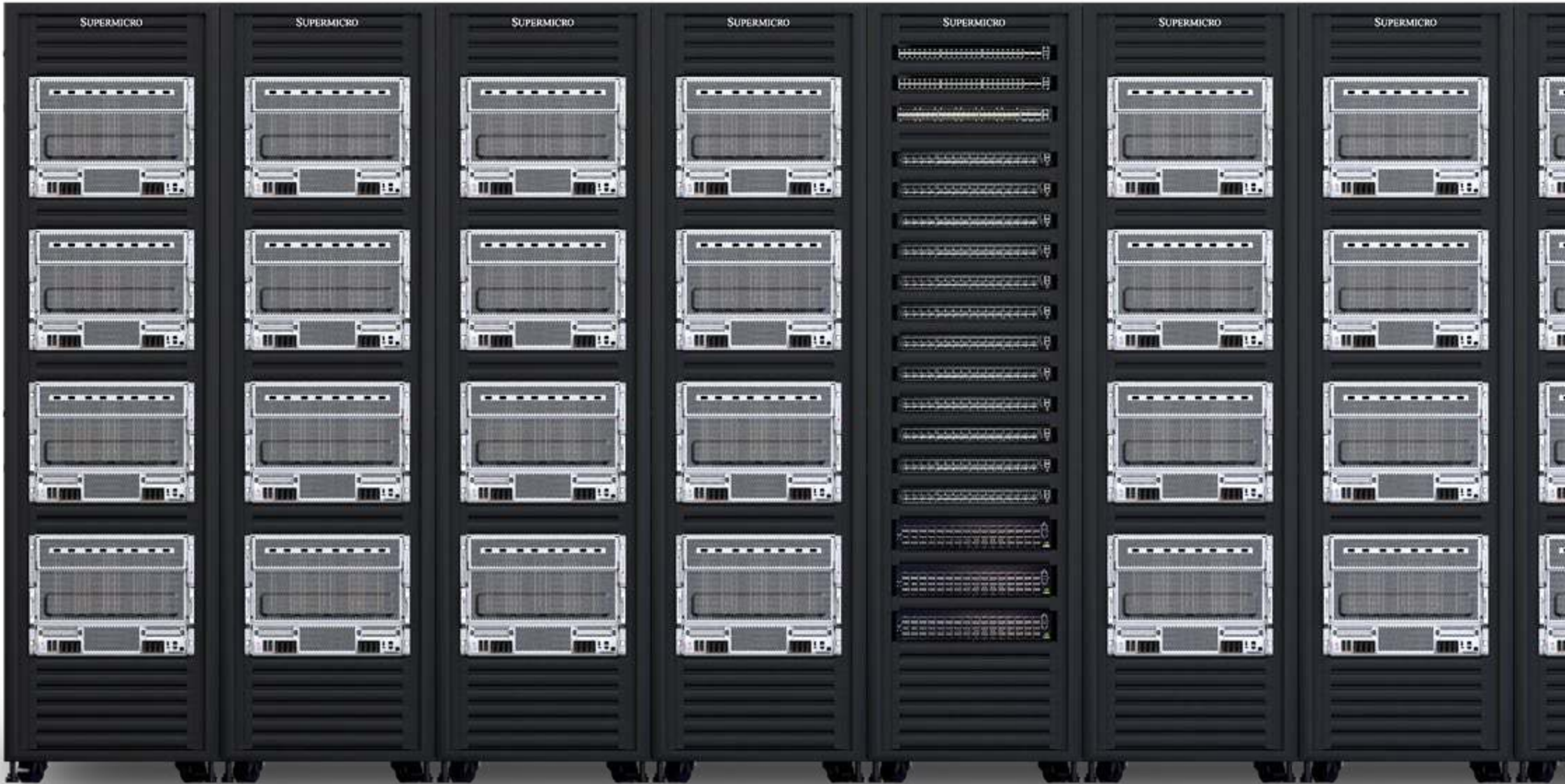


YEARS IN BUSINESS	CUSTOMERS		EMPLOYEES		LOCATIONS
REVENUE IN FY2025					

Our Products and Industries Served

Supermicro offers a broad range of cluster- and rack-scale solutions, including accelerated computing platforms such as application-optimized server solutions, rackmount and multi-node servers, storage, network switches, subsystems, and accessories. These can be used to build complete data centers and state-of-the-art servers and storage systems. We design these Total IT Solutions to serve a variety of markets, such as AI, high-performance computing (HPC), enterprise data centers, cloud computing, and 5G/edge telco computing.

We believe there are significant opportunities in each of these rapidly developing markets, driven by stringent application design requirements that often call for the latest technologies. We rise to these occasions by leveraging our capabilities in product innovation, superior time-to-market, and portfolio breadth.



Our Value

Supermicro emphasizes continuously improving customer satisfaction and green computing. We believe it is possible to design and manufacture state-of-the-art IT solutions while preventing unnecessary environmental harm.

FIRST-TO-MARKET INNOVATION

We bring value by rapidly incorporating the latest technological innovations into our products. We work closely with technology partners to deliver the latest generation of cutting-edge solutions across server, storage, and networking platforms.

TOTAL SOLUTIONS

Based on our Data Center Building Block Solutions, we offer a broad range of application-optimized server solutions for various markets, including AI, cloud computing, data centers, enterprises, HPC, 5G, IoT, embedded, and edge computing.

WE KEEP IT GREEN®

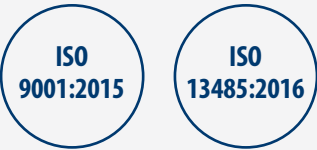
As a leader in energy-efficient computing, we encourage customers to adopt and deploy technologies that can reduce costs and impact on the environment at scale. Resource-saving architecture continues our tradition of green computing innovation and provides TCO savings for our customers by reducing energy consumption and space requirements.

U.S.-BASED ENGINEERING AND MANUFACTURING

We are a leading server and storage vendor, designing, developing, and manufacturing our products in the United States at our headquarters in San Jose, California.



INTERNATIONAL ORGANIZATION FOR STANDARDIZATION (ISO) CERTIFICATIONS



Quality Management System
certified to [ISO 9001:2015](#) and [ISO 13485:2016](#) standards



Environmental Management System
certified to [ISO 14001:2015](#) standard



Information Security Management System
certified to [ISO/IEC 27001:2022](#) at our
Taiwan and U.S. facilities for six years

Our Approach to ESG

STRATEGY

Supermicro incorporates sustainability principles and best practices across our operations and within our product design. As a leader in energy-efficient computing, Supermicro offers servers, switches, towers, workstations, edge solutions, and related IT solutions that enable high-performance, high-efficiency data centers and distributed processing environments.

We are committed to protecting the environment through our We Keep IT Green initiative, and we recognize the critical importance of talent and culture to our success and ability to fulfill this vision.



▶ See our [data center white paper](#) outlining practical strategies to improve energy efficiency, reduce environmental impact, and optimize performance.

SUCCESSES TO DATE



Recognized as **Best Partner for Eco-Label Awards: Advancing Green Product Innovation** at the SGS Sustainability Achievement Conference, showcasing Taiwan's green capabilities



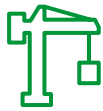
Provided restricted stock units (RSUs) to select employees, promoting employee retention and Company ownership



Reported scope 1, 2, and 3 GHG emissions data and completed the CDP Climate Change Questionnaire for eight consecutive reporting years



Received **ENERGY STAR certification** on 18% of products



Began construction on our third campus in Silicon Valley, which is expected to generate hundreds of new jobs across multiple sectors, including engineering, production, and corporate roles



Earned **EPEAT certification** for 36 products



Validated our GHG emissions reduction targets through the SBTi, reflecting Supermicro's commitment to minimizing the Company's carbon footprint



Volunteered and led industry consortia programs, including the **Open Compute Project Immersion Cooling Project**, and championed **The Green Grid Liquid Cooling Total Cost of Ownership** and **Liquid Cooling Coalition Liquid Risk Analysis**, collaborating with computing companies to develop the most efficient, scalable, and cost-effective computing infrastructure

Stakeholder Engagement

OPEN COMPUTE PROJECT

We actively participate in industry organizations to promote more efficient and responsible infrastructure investment decisions. [The Open Compute Project Foundation](#) (OCP) is a collaborative, open-source community organization focused on designing hardware technology to support the growing operational demands for computer infrastructure efficiency. Within this global collaboration, thousands of computing professionals create best practices, guidelines, and standards, and share technical expertise to innovate data center-scale solutions focused on reducing power consumption, lowering operational costs, and minimizing environmental impact. As part of our industry outreach objectives, dozens of Supermicro employees volunteer in OCP and collaborate weekly with more than 7,000 other volunteers to consider new alternatives for potential productization. Our subject matter experts are often invited to speak at OCP summits around the world.

Our Products



Supermicro products reduce power consumption in the following ways:



Disaggregated Server Architecture

Reduces e-waste by allowing for subsystem upgrades as technology improves, extending product lifecycles



Sharing Resources

Reduces power consumption by sharing fans and power supplies, resulting in a more optimized operation and reducing electricity use by an estimated 10% in our multi-node systems



Systems Designed for Free-Air Cooling and Higher Inlet Temperatures

Supermicro servers enable maximum airflow, allowing CPUs to operate at higher temperatures



Servers Optimized for Liquid Cooling

A wide range of Supermicro servers are engineered for Liquid cooling, which reduces fan speed and the need for HVAC, thus reducing the entire data center’s power usage effectiveness (PUE)



Data centers equate high energy and water use with cost; IT managers increasingly prefer suppliers of high-performance, cost-effective, energy-efficient products. Supermicro offers product lines with cooling and power subsystems that can share energy, saving valuable space and power compared to general-purpose rackmount servers. This approach to overall architecture balances data center power and water requirements, cooling, shared resources, and refresh cycles that reduce energy intensity and provide TCO savings for our customers.

We continue to invest in reducing our design and manufacturing costs and improving the performance, cost-effectiveness, and power- and space-efficiency of our Total IT Solutions.

Our Research and Development teams focus on new and enhanced products to support emerging technological and engineering innovations while achieving high overall system performance. We work closely with processor vendors, including NVIDIA, Intel, Ampere, Qualcomm, and AMD, to develop products compatible with the latest generation of industry-standard technologies, enhance system performance, and reduce system-level issues.

CERTIFICATIONS AND RECOGNITION



EPEAT: Supermicro has earned EPEAT certification on 36 products. Managed by the Global Electronics Council, EPEAT is the world's premier ecolabel for electronics, providing a reputable certification measuring the social and environmental impacts of products from extraction to end-of-life.



OCP Inspired: Supermicro has more OCP Inspired Systems than any other Tier 1 vendor. The Open Compute Project recognizes products as OCP Inspired if they comply with OCP specifications and demonstrate four or more of the following OCP tenets: efficiency, openness, impact, and scale.



Energy Star: Supermicro earned ENERGY STAR Certification on 18% of its products.

CE, FCC, and UL Certified: All Supermicro SuperServer systems must pass a high-quality control process.

Additional certifications may be acquired upon customer request.

Product Efficiency

As the demand for computing power continues to increase, creating more efficient computers means fewer resources are used for a given workload, less energy is consumed, and less space is required, resulting in less overall environmental impact.

To reduce the high operating costs and address power and cooling constraints in data centers, customers seek high-performance, cost-effective, energy-efficient products. Our resource-saving architecture supports our efforts to lead in innovation, offering product lines designed to share common computing resources, saving both valuable space and power compared to general-purpose rackmount servers. We believe an overall architecture that balances data center power requirements, cooling, shared resources, and refresh cycles minimizes TCE, reduces TCO, and supports our customers as they strive to achieve their own sustainability goals.

Supermicro considers the following factors for environmental responsibility when designing our rack-scale solutions:



Energy Efficiency



Power Consumption



Cooling Capacity



Heat Dissipation



Space Efficiency



E-waste Reduction



Total Cost to the Environment

SGS Awards Supermicro Best Partner for Eco-Label Award: Advancing Green Product Innovation



Supermicro received the SGS Group's Best Partner for Eco-Label Awards: Advancing Green Product Innovation during the second annual Green Sustainability Achievement

Conference. This award recognizes companies that have embraced innovative technologies to enhance product design, material selection, and energy efficiency, demonstrating environmental responsibility and setting industry benchmarks.

Product Spotlights

From the most powerful AI systems to compact edge servers that must operate in challenging environments, we provide the broadest portfolio of solutions for today's most demanding workloads, including liquid-cooling solutions that reduce data center power consumption and increase performance.

Supermicro designs and manufactures a wide range of servers, many of which are optimized for AI workloads. We incorporate the latest CPUs and GPUs from our partners, AMD, Intel, and NVIDIA. The latest servers from Supermicro include Intel Xeon 6 CPUs, AMD EPYC™ CPUs, AMD EPYC Instinct GPUs, and the NVIDIA Blackwell platform.

These key products demonstrate our commitment to sustainable design principles.

FLEXTWIN™

The [Supermicro FlexTwin with Liquid Cooling](#) is a high-density, multi-node server solution engineered for large-scale HPC environments.

Designed for expansion, the system incorporates direct-to-chip liquid cooling, effectively removing up to 90% of server-generated heat, enhancing performance and energy efficiency. Its modular design allows for optional components, ensuring cost effectiveness by enabling users to pay only for what they need. Front-accessible, hot-swappable nodes improve serviceability, making the FlexTwin particularly well-suited for HPC data centers, financial services, manufacturing, climate and weather modeling, oil and gas exploration, and scientific research. With additional component cooling (DLC-2), up to 98% of the heat is removed (based on Supermicro internal simulations).



SUPERBLADE®

Supermicro's high-performance, density-optimized, and energy-efficient [X14 SuperBlade](#), built with Intel Xeon 6 processors can significantly reduce initial capital and operational expenses for many organizations.

The Supermicro SuperBlade utilizes shared, redundant components, including cooling, networking, power, and chassis management, to deliver the computing performance of an entire server rack in a much smaller physical footprint. These systems support GPU-enabled blades and are optimized for AI, data analytics, HPC, cloud, and enterprise workloads. Compared to industry-standard servers, a cable reduction of up to 95% reduces costs, lowers power usage, and improves energy efficiency.

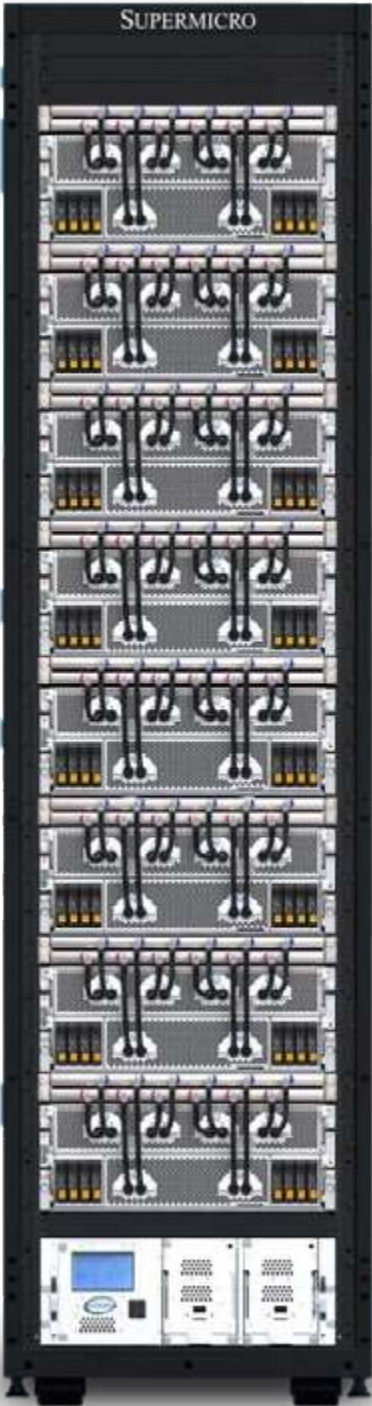


STORAGE OFFERINGS

Our latest [storage offerings](#) include an AI-optimized storage solution built for large-scale AI training workloads, as well as new, enterprise-grade scale-up storage products.

DATA CENTER BUILDING BLOCK SOLUTIONS® (DCBBS)

[DCBBS](#) is an integrated offering that simplifies the deployment of liquid-cooled AI factories. This solution includes all critical infrastructure components—servers, storage, networking, racks, liquid cooling infrastructure, software, services, and support.



Liquid Cooling

Supermicro designs, builds, tests, validates, and delivers efficient products to our customers. This includes, but is not limited to, several types of efficiency: cost, space, water, power, carbon, noise, and the time required to deploy systems. By reducing power consumption with Supermicro’s liquid-cooling capabilities, customers can better meet their carbon-reduction goals and fit more computing power into a given footprint.

In 2025, we unveiled our next-generation Direct Liquid Cooling solution, DLC-2. Engineered to significantly reduce power and water consumption, noise, and spatial requirements in data centers, DLC-2 can lower electricity costs by up to 40% compared to air-cooled setups and reduce TCO by up to 20%.

Supermicro provides total liquid cooling solutions. With the constant increase in the Thermal Design Power (TDP) of CPUs and GPUs, air cooling is no longer able to effectively cool these components. Liquid cooling is a more effective and efficient way to cool servers and reduce electricity consumption, as direct liquid cooling significantly reduces the energy required to cool IT equipment. Because liquids offer much better thermal transfer than air, the cost to our customers to cool a rack cabinet of IT equipment can be one-tenth of what an air-cooled system would be over its useful life. Supermicro’s liquid-cooled racks are optimized for high coolant temperatures, offering industry-leading efficiency.



LOWER PUE

LESS POWER IS USED

outside of the IT equipment (servers, storage, and networking infrastructure)

MORE COMPUTE POWER

With reduced power consumption (lower PUE),

MORE SERVERS can be installed within the **SAME CAPEX + OPEX BUDGET**

for a given input power to the data center

FASTER COMPUTING

Liquid cooling keeps the CPU cooler, allowing it to

RUN AT “BOOST” RATE FOR LONGER

with no throttling

IMPROVED EFFICIENCY

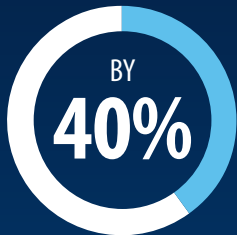
Direct-to-chip liquid cooling removes



of server-generated heat

REDUCED COSTS

Reduce data centers’ electricity costs



Our industry-leading Direct Liquid Cooling solutions are ideal for hyper-dense AI rack deployments, helping lower energy costs and reduce environmental impact. We have continued to improve our DLC solutions and can now set our liquid cooling inlet temperature up to 45°C. Because our system can withstand higher liquid or air temperatures, less energy is required to cool the system, reducing the total power needed for operations.



When properly designed and deployed, liquid cooling solutions can help data centers reduce PUE to as low as 1.05, approaching the ideal efficiency of 1.0 PUE, significantly reducing the electricity required for cooling.

The solution can sustain a 100% server uptime with Supermicro's Coolant Distribution Unit, which integrates redundant and hot-swappable pump modules and power supplies. The integrated software suite lets customers control the entire system from a single interface. This solution also comes with best-in-class after-sales services by our local experts. We pass on the energy savings to our customers, effectively reducing their costs and lowering carbon emissions, helping them achieve their sustainability goals.



Product Quality and Safety

ISO
9001

We define and perform various product development tests to ensure product safety and security. We take all customer requirements seriously, recognizing and incorporating their standards where practical.

ISO
14001

Supermicro's dedicated ISO team maintains ISO certifications and corresponding management systems to manage risk. Each of our teams maintains Quality and Environmental Management System certification according to ISO 9001, ISO 14001, and/or ISO 13485 standards. Our suppliers and contract manufacturers must support the same standards to maintain consistent product and service quality and demonstrate continuous environmental performance improvement.

ISO
13485

We identify, mitigate, and manage risks associated with our products, facilities, and operations. We mitigate risks throughout the product lifecycle by:



Conducting material, energy management, and safety testing



Requiring supplier conformance with applicable standards



Designing systems for energy efficiency, ease of replacement, and waste reduction

Supermicro strictly manages cybersecurity practices throughout our entire supply chain system:

Sourcing

- Supplier Management
- Visual Inspections
- X-Ray checks of motherboards
- Supplier ISO certifications

Manufacturing

- Secure Global
- Production
- Made in the USA
- Resilient Manufacturing

Supply Chain Protection

- Attestation
- Delivery Services
- Traceability Tracking
- DFARS for US Federal
- Intrusion Detection

Run-Time Security

- Root of Trust
- NIST 800-193
- AMD SEV and SME
- Intel SGX
- Enforced Strong Passwords

End of Life

- Recycling
- NIST 800-88 Erase
- Forensics Assistance
- Data management retention

Product Security

Our Supermicro Security Center is our source for product security updates and information. We strive for continuous improvement in our security practices.

We place the highest priority on customer security and implement measures to safeguard the operation of increasingly versatile yet complex Supermicro servers and storage systems. In collaboration with threat actors, Supermicro is developing defense mechanisms to protect users and customers and to bring our security knowledge to the highest level in the industry. Supermicro recognizes that customers expect to deploy products that meet high security standards, and our response ensures the highest level of protection.



Supermicro recommends that all customers follow security best practices, including keeping operating systems up to date and running the latest firmware and software.



Environment

Our operations are ISO 14001:2015 Environmental Management Systems certified, which commits us to enhancing environmental performance, fulfilling compliance obligations, preparing emergency action plans, and achieving environmental objectives.



Product Sustainability and Energy Efficiency

Product sustainability and energy efficiency drive product design and engineering. Supermicro started as a company designing efficient power supplies and evolved to provide a broader set of solutions, becoming one of the first companies to promote high-efficiency computing systems.

SERVERS

Our servers set industry standards for high efficiency, an advantage to our business, our customers, and the environment. Supermicro servers improve power efficiency and generate less heat, reducing the energy required to cool the systems and making the product more reliable with a longer lifespan. We continue to design multi-node servers that share power and cooling components for greater efficiency. In addition, our liquid-cooled servers reduce power and water consumption and PUE in a data center.

PRODUCT ATTRIBUTES TO IMPACT ALGORITHM

Supermicro leverages the Product Attributes to Impact Algorithm (PAIA), a tool that calculates the environmental footprint of information and communication technology products. Developed through a collaboration between the Massachusetts Institute of Technology (MIT) and Quantis, PAIA efficiently performs quantitative environmental evaluations of each product, helping our customers calculate GHG emissions, conduct life cycle assessments, and fulfill other environmental reporting needs.

MATERIALS

Supermicro follows the International Electrotechnical Commission (IEC) 62474 Material Declaration Standard to report the use of materials of concern and demonstrate compliance with various environmental regulations.

Climate (Energy, GHG)

GHG EMISSIONS

We calculate our scope 1, 2, and applicable scope 3 categories emissions and report our climate change data and disclosures to the CDP Climate Change Questionnaire.

	2024	2023	2022	2021	2020
Scope 1 (MTCO ₂ e)	6,596	6,448	4,223	3,154	3,722
Scope 2 (MTCO ₂ e)	10,409	7,685	6,910	4,491	4,604
Scope 3 (MTCO ₂ e)	3,479,956	3,773,453	3,856,181	–	–

Due to increased manufacturing and overall operations expansion, our scope 1 and 2 GHG emissions increased year-over-year. As we continue to grow, we will aim to identify energy-efficiency opportunities to reduce our emissions and achieve our emissions-reduction goals.

Through our engagement with Constellation, we purchase Renewable Energy Certificates (RECs) generated by wind and solar energy facilities to offset our scope 2 emissions.

We recognize that most of our emissions are considered scope 3; over 90% of Supermicro’s GHG emissions occur during the use phase of our sold products. By designing efficient products, we are successfully reducing our scope 3 emissions each year.



For the eighth consecutive year, we reported on our GHG emissions, climate-related risks and opportunities, and strategies to mitigate our climate impact through the CDP Climate Change Questionnaire.

SCIENCE BASED TARGETS INITIATIVE EMISSIONS REDUCTION TARGETS

In September 2024, the Science Based Targets initiative (SBTi) approved Supermicro's near-term targets to reduce GHG emissions by 2032. By setting a 1.5°C-aligned target, Supermicro is aligning its GHG emissions to the latest climate science, and we are reporting our progress and status annually through our CDP disclosure. SBTi's validation of our emissions reduction targets reflects Supermicro's commitment to minimizing our carbon footprint. Our SBTi-validated near-term science-based targets include:

Scope 1 and 2 Target

Emissions produced directly by the company and its energy purchases

Commits to reduce absolute scope 1 and 2 emissions by 50.4% by 2032 from a 2022 base year.

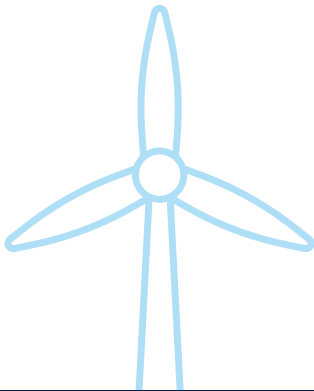
Scope 3 Target

Emissions consisting of upstream emissions from the company's supply chain and downstream emissions from the use of products

Commits to reduce scope 3 emissions from the use of sold products by 58.2% per thousand U.S. Dollars value added within the same timeframe.

CLIMATE RISK ASSESSMENT

In 2025, we completed a climate risk assessment to better understand potential climate-related risks and opportunities for our business and prepare for anticipated climate-related reporting. The results of the climate risk assessment, as well as additional information regarding potential climate-related risks and opportunities for our business, are detailed in the [Task Force on Climate-related Financial Disclosures \(TCFD\)](#) index in the Appendix of this report.



ELECTRIC CHARGING

We have almost 30 electric vehicle charging stations available for employees to recharge their own and Company-owned electric vehicles. Supermicro uses several electric vehicles as part of its Company fleet.

Building Efficiency

SAN JOSE, CALIFORNIA

Our Green Park Campus in San Jose utilizes a 3MW Bloom Energy Server. This more efficient energy source generates power from fuel without combustion, resulting in near-zero GHG and particulate matter emissions. For the rest of our California facilities, we purchase electricity from wind-powered facilities through the Direct Access Program, with the balance of our electricity supplied by San Jose Clean Energy as part of the Community Choice Aggregation (CCA) program.

In FY25, we began construction on our third campus in Silicon Valley, which will be Leadership in Energy and Environmental Design (LEED) certified and is expected to generate hundreds of new jobs across multiple sectors, including engineering, production, and corporate roles as the Company scales to deliver an increase in products, solutions, and services.





Waste

To reduce our environmental impact across our business operations, we consider the entire lifecycle of our products when identifying opportunities to minimize waste and leverage recyclability.

We partner with Republic Services, which handles all our waste streams, including organic and non-organic garbage and wood pallets. We partner with Greif to collect and process our baled cardboard to be repulped and made into various recycled paper products.

SUSTAINABLE PACKAGING

We maintain strict guidelines for suppliers and vendors providing our packing and shipping materials, as we use only 100% recyclable carton, paper, or wood packing material.

 Visit our [Packaging Recycling website](#) for additional details.

MINIMIZING PACKAGING

When possible, Supermicro ships racks with servers and other IT equipment already installed, reducing packaging material and overall shipping weight, compared to shipping the servers separately from the rack.

ELECTRONIC WASTE

We partner with several waste management partners to ensure our electronic waste is properly recycled or disposed of. We engaged the European Advanced Recycling Network (EARN) throughout the European Union to manage the end-of-life products process. Additionally, we are registered for Waste Electrical and Electronic Equipment (WEEE) programs in Germany, the United Kingdom, the Netherlands, Luxembourg, and Italy. We engage Prism Electronics in the United States to handle end-of-life products and recycling and ensure proper data security practices during refurbishment or disposal of our assets.

We provide customers with instructions for proper server disassembly to prepare our products for electronic recycling at the end of their usable life. For more information about our recycling efforts, visit our [Packaging Recycling website](#).

Water

While we do not use a significant amount of water in our operations, we encourage our employees to minimize their water use where possible to reduce water waste.

Our products’ liquid cooling designs minimize water use compared to traditional HVAC systems, saving tens of millions of liters of water globally each year.

Our People



Our Approach



Talent Strategy and Employee Development

Our talent strategy focuses on attracting skilled, engaged employees who contribute the capabilities critical to our innovative and forward-looking business. Our recruiting process sources candidates with professional qualifications and growth potential. To facilitate a smooth transition into our global workforce, we launched a new hire buddy program that pairs new employees with experienced colleagues to build meaningful connections, gain practical insight into our business, and maximize their impact from day one.

For existing talent, we conduct goals-based performance reviews and set clear expectations to motivate employees toward Company objectives and personal growth. We provide role-based and product-related training to ensure our employees have the knowledge and skills to maintain our competitive industry advantage. Our Marketing team conducts frequent training sessions to educate employees about new Supermicro products and solutions. All employees enjoy a free LinkedIn Learning subscription to promote ongoing professional development.



In June 2025, we launched a global learning management and communication system for compliance along with other mandatory training courses to ensure our global workforce stays current on a wide range of relevant topics. We also provide function-specific training for teams, including Finance, Compliance, Information Technology, and Sales, to deepen expertise and equip our employees with the specialized skills needed to deliver outstanding results across our organization.

Our HR team identifies opportunities by tracking and analyzing data from various sources, such as annual performance reviews, to assess progress in placing critical talent in appropriate roles and recognizing high-performing employees.

Throughout our talent pipeline, we closely adhere to our policy to ensure equal employment opportunity for all applicants and employees without regard to prohibited considerations of race, color, religion, sex (including pregnancy, gender identity, and sexual orientation), national origin, age, disability or genetic information, marital status, or any other classification protected by applicable local, state, or federal laws.

Employee Engagement

We believe a workplace that encourages different voices, perspectives, and backgrounds creates better teams, smarter solutions, and faster innovation.

We strive to create a culture that promotes inclusion and belonging to boost team dynamics, productivity, and innovation within the organization. Employees should expect to be treated fairly and respectfully and should feel comfortable contributing, knowing that their perspectives are heard and valued.

Benefits

We believe that our success depends upon contributions at all levels of our organization.

Our total rewards program is designed to attract and reward talented individuals who possess the skills necessary to support our business objectives, help achieve our strategic goals, and create long-term value for our stockholders.

Compensation packages include base salary, bonus programs, and equity grants to eligible employees.

HEALTH INSURANCE



Medical, dental, vision, life, short- and long-term disability, and mental health services

PAID TIME OFF



Sick days and vacation, paid holidays per local laws and customs

401(k) PLAN



VOLUNTARY BENEFITS



Group whole life, accident, pet insurance, and more

WELLNESS INCENTIVE PROGRAM*



Reimbursement for preventive health checkup/screening, gift card reward for vaccination or flu shot, stipends for gym equipment or fitness classes, wellness programming and webinars

DEDICATED VOLUNTEER TIME



Outside the U.S., we provide benefits in line with local requirements and needs.

Health and Safety

We are committed to providing a safe workplace that protects against and limits personal injury and environmental harm. We follow international standards and regulations for product safety and security. Our health and safety programs emphasize personal accountability, professional conduct, and regulatory compliance, while our culture fosters proactivity, caution, and communication.

During product development, we define and conduct tests to ensure product safety and security. We evaluate risks using both government-required procedures and best practices to ensure we understand residual risk and appropriately protect our employees, contractors, and temporary labor.

Our Safety Committee oversees our health and safety efforts. Meeting quarterly, the committee promotes ongoing communication regarding health, safety, and emergency response procedures and helps implement improvements to our work areas and practices. The Safety Committee reviews investigations of occupational accidents and incident causes and, where appropriate, may submit suggestions to management to prevent future incidents.

We engage in proactive efforts to prevent occupational illnesses and injuries, allowing us to maintain a safe, healthy, and secure workplace.

We conduct job hazard assessments to better identify potential job-site risks. We conducted training courses on physical safety, including best practices on topics such as proper lifting techniques and appropriate use of personal protective equipment. We provide training on preventing workplace violence and maintain an emergency drill response system to quickly account for employees in the event of an emergency.

HEALTH AND SAFETY DATA*

Total Recordable Incident Rate (TRIR)
0.48

of Employee Fatalities
0

Near Miss Frequency Rate
0

Nonfatal Occupational Injuries and Illnesses
15

Incident Rate and Days Away from Work, Job Transfer or Restriction
0.06



*Health and Safety Data represent CY 2025

Implementation and Risk Management

Supervisors at all levels are accountable for conducting Employee Health and Safety (EHS) risk assessments, preventing harmful incidents, and considering and implementing employee suggestions to maintain a safe and healthy working environment. All supervisors must ensure that their teams receive health and safety training appropriate to their role.

LABOR RIGHTS

Supermicro does not tolerate child labor, forced labor, physical punishment, or abuse. We recognize employees' lawful rights to free association and collective bargaining. We comply with the employment laws of every country in which we operate and expect those with whom we do business to do the same.

We make all employees aware of how to anonymously report EHS concerns, and we share information on our whistleblower protections. We conduct regular internal and external audits of our operations to ensure compliance with our business principles, policies, and standards. Over the past year, department leaders across our organization conducted emergency drills in all buildings.

Supermicro is cognizant of communities impacted by our operations and exercises caution to serve the community interest, including constructing buildings and sites that reduce our environmental impact.

All employees are trained in the Environmental, Health, and Safety policy, as well as identifying risks like:



Hazards and unsafe work practices



Wearing required personal protective equipment



Where to report concerns



Emergency response

Community Engagement



STUDENT CAREER SHADOWING OPPORTUNITY

Supermicro invited high school students to visit the campus, meet with various Supermicro teams, and learn about career opportunities in computer engineering.

AMERICAN RED CROSS

At our San Jose, California, headquarters, we hosted blood drives with the American Red Cross. By offering this volunteer opportunity to our employees, we encouraged them to support making life-saving donations.



Supply Chain Management



OUR SUPPLIER CODE OF CONDUCT COVERS:

- Anti-kickback
- Anti-corruption and anti-bribery
- Related party disclosures
- Anti-slavery and human trafficking
- Forced labor prevention
- Insider trading
- Cybersecurity*

Responsible Business

Supermicro adheres to the RBA guidelines, which define the fundamental practices for safe working conditions in the electronics industry. The guidelines help create environmentally responsible and ethical business operations.

Human Rights

Supermicro protects human rights globally, and we believe that our actions and values can set an example for promoting respect for human rights.

Our corporate policies clearly outline our expectations to protect human rights. Supermicro respects international principles of human rights, including those expressed in the United Nations Universal Declaration of Human Rights, the United Nations Guiding Principles on Business and Human Rights, the Organization for Economic Cooperation and Development’s (OECD) Guidelines for Multinational Enterprises, and the eight fundamental conventions of the International Labor Organization.

Supermicro seeks to do business with suppliers who demonstrate the highest standards of ethical business conduct. We take steps to ensure that our key suppliers understand the standards that we apply to ourselves and expect from those who do business with us.

While we believe that it is the role of government to safeguard human rights, as the UN Guiding Principles on Business and Human Rights articulate, we believe that business has a unique ability to promote respect for human rights.



Our human rights approaches incorporate the views of stakeholders across our Company and business partners, within our industry, the investor community, the countries in which we operate, and the communities in which we work.



Supermicro incorporates human rights into our management systems, including our [Ethics Hotline](#). Through this channel, available 24/7 and in all local languages, whistleblower reports or concerns are brought to the attention of executive-level staff and, potentially, to the Board of Directors if material to shareholders or the public. We evaluate human rights risks in our immediate operations, the operations of our supply chain, and in the operations of other business partners to the extent practical.

Supply Chain Labor Standards

Our suppliers must certify that they do not and will not engage in child labor, slavery, forced labor, human trafficking, or similar activities in violation of the laws, regulations, codes of conduct (legal or industry-mandated), or prohibited human trafficking laws.

- Our suppliers certify that all materials in their products and all suppliers within their supply chain shall not violate any prohibited human trafficking laws.
- By requiring suppliers to acknowledge Supermicro’s Supplier Code of Conduct (which incorporates the principles of the RBA), Supermicro helps ensure suitable EHS standards are embedded in our products.

All parties may provide feedback, ask questions related to our supply chain, or anonymously report suspected violations of the [Supplier Code of Conduct](#) to the [Supermicro Ethics Hotline](#).

RESPONSIBLE SOURCING AND CONFLICT MINERALS

Supermicro is committed to complying with legislation addressing responsible mineral sourcing and continues toward the goal of **100% conflict-free products**.

Supermicro has considered existing and forthcoming laws and regulations, incorporated due diligence guidance from the Organisation for Economic Co-operation and Development (OECD), and continues participation in the Responsible Minerals Initiative and other stakeholder groups to implement our conflict minerals program.

As part of our Supplier Assessment Form, suppliers must disclose if their products contain conflict minerals, and if so, provide a completed Responsible Minerals Initiative (RMI) Conflict Minerals Reporting Template (CMRT). Upon Supermicro’s request, suppliers must disclose, to the extent known or discoverable, the smelters and/or refiners of all minerals contained in the products they provide.

Governance

List of Policies

A full list of our policies is available on our [website](#).

POLICIES

REPORTING AND DISCLOSURE

We regularly update our corporate governance charters to reflect changes in the responsibilities and expectations of our Board committee members.





ESG Oversight

The Nominating and Corporate Governance Committee oversees and conducts quarterly meetings on ESG matters.

As part of its ESG responsibilities, this committee:

- Periodically assesses, reports, and provides guidance to management and the full Board on our practices concerning environmental, social, and corporate governance issues, including monitoring climate-related matters, as well as review of any environmental sustainability performance report
- Provides guidance and recommendations to the Board regarding legal compliance matters, as appropriate, relating to current environmental public policy trends

ENTERPRISE RISK MANAGEMENT

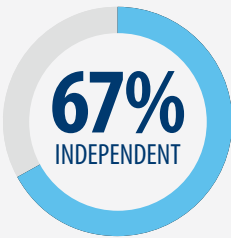
Our Enterprise Risk Council (ERC) leads our enterprise risk management process. The ERC works to integrate business activities and processes to support decision-making, enhance performance, and best utilize our resources. The current membership of the council includes Governance Programs (Internal Audit/IT Security, Information Security and IT Governance/Compliance), Executive (Legal, Sales, IT, HR, and Finance), and Working Committee(s).



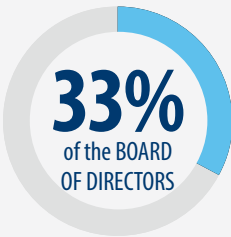
Our Compliance Department provides oversight of policy updates, public Company filings, and the development of our ESG agenda.

GOVERNANCE HIGHLIGHTS

The Board of Directors is



Women represent



Single equity class and **One Share, One Vote** structure



Say-on-pay proposal submitted annually

Risk mitigation provisions in place, such as claw back on executive compensation

Business Ethics and Integrity

Supermicro’s Code of Business Conduct and Ethics outlines the expectations of all Supermicro employees, officers, and directors, and includes the following principles:

- Honest and ethical conduct, including fair dealing and the ethical handling of actual or apparent conflicts of interest
- Full, fair, accurate, timely, and understandable disclosures
- Compliance with applicable governmental laws, rules, and regulations
- Prompt internal reporting of any violations of law or the Code
- Accountability for adherence to the Code, including fair process by which to determine violations
- Consistent enforcement of the Code, including clear and objective standards for compliance
- Protection for persons reporting any such questionable behavior

Leadership reviews the Code annually. Whenever we identify ethical risks or incidents of noncompliance with the Code, we determine the controls in place to remediate them. Supermicro conducts web-based and face-to-face employee training to reinforce the importance of acting with integrity, in compliance with our Code, and in accordance with the law.

Supermicro maintains measures to deter noncompliance with the Code and reduce exposure to risks related to unethical behavior. Our Ethics Hotline, EthicsPoint®, incident investigations, and the mandatory annual Code of Conduct and Insider Trading training work together to ensure our Company is operating ethically.

INSIDER TRADING

Supermicro adheres to our Insider Trading policy, which prohibits employees from trading securities while in possession of material nonpublic information.

GIFTS AND ENTERTAINMENT

We maintain strict guidelines and approval processes for the giving and receiving of gifts from our stakeholders, as outlined in our [Gifts and Entertainment policy](#).



Anti-Slavery and Human Trafficking

We understand that our biggest exposure to modern slavery is in our product supply chains, where we have taken steps to minimize the risk.

To maintain our high ethical standards, existing and new suppliers and their sites may be subject to due diligence checks through ethical/compliance audits. If issues are identified, appropriate investigative and remedial actions will be taken.

WHISTLEBLOWER

We encourage our suppliers, employees, and customers to report any suspected unethical incidents anonymously or confidentially in one of the following ways:



Mailing our
Audit Committee Chair



Submitting a report through
our third-party service
provider, [EthicsPoint](#)



Calling the Ethics Hotline,
available in multiple
local languages

Parties located in other countries can find hotline numbers for their countries on the EthicsPoint website listed above. Depending on the country, operators who speak English, Spanish, Dutch, Cantonese, and Mandarin are available to assist.

Supermicro will anonymously investigate any suspected violations of the Code. Depending on the nature of the offense, the Compliance Officer or the Chair of the Audit Committee shall assess the situation and determine the appropriate course of action.

The Company will not retaliate, nor permit any person to retaliate, against any person who reports alleged violations while acting in good faith. If any person were to retaliate, that person may be subject to civil, criminal, and administrative penalties, as well as disciplinary action, up to and including termination of employment.

If a violation has been reported to the Audit Committee or another committee of the Board, that committee shall be responsible for determining appropriate disciplinary action. If a violation has been reported to the Compliance Officer, the Compliance Officer, after consultation with the Legal Department, shall be responsible for implementing the appropriate disciplinary action in accordance with the Company's policies and procedures for any employee who is found to have violated the Code.

Any violation of applicable law or any deviation from the standards embodied in the Code will result in disciplinary action, up to and including termination of employment.

Cybersecurity

We proactively and reactively address risks from cybersecurity threats through dedicated infrastructure, systems, policies, and procedures.

Our information security management program seeks to follow recognized industry standards and processes, and we evaluate and evolve our security measures as appropriate. We maintain a cybersecurity incident response plan that we periodically practice and update as needed.

Our overall enterprise risk management program integrates cybersecurity, including the identification, assessment, and management of these risks, with ultimate oversight by the Board. The Audit Committee receives updates on cybersecurity risk from management, including our Director of Information Security, and reviews the adequacy and effectiveness of our information security policies, practices, and internal controls. The Board also receives periodic reports on cybersecurity risks from our Director of Information Security.

Our Directors of Information Security and Information Technology take the lead in managing cybersecurity risk, putting their decades of experience in public company cybersecurity to work. They are supported by a cross-functional Cybersecurity Committee, consisting of executive-level leadership with representatives from Finance, Marketing, IT, Legal, Internal Audit, and other teams. The committee meets periodically to review cybersecurity risks, incidents, and assess emerging threats and stays informed of our responses to such risks, incidents, and threats.

We consult with external parties, such as third-party cybersecurity firms, to provide system monitoring, threat intelligence, employee cybersecurity training, and more. We also utilize third-party services to support our risk management processes through security assessments.

Our vendor risk assessment process identifies and oversees risks associated with cybersecurity threats stemming from our use of third-party service providers. These processes involve distributing and reviewing risk identification questionnaires and periodically auditing the cybersecurity practices of certain third-party service providers. While there have been cyber incidents in the past, none of these incidents, individually or in aggregate, have had a material adverse effect on our business strategy, operations, or financial conditions. Refer to Risk factors in Item 1A of our most recent [Form 10-K](#) for additional information about cybersecurity-related risks.

Our cybersecurity incident response plan contains mechanisms to notify executive management of cybersecurity incidents. As part of the plan, a Computer Security Incident Response team and an Extended Management team may be activated and can direct our response efforts, including mitigation and remediation activities, when appropriate.

We employ proactive protective measures, including:



Integrated anti-virus and endpoint detection and response technologies



Mandatory annual training of employees and contractors concerning cybersecurity



Separate wireless networks for employees and guests on Supernova campuses



Firewalls



Annual penetration tests



Periodic phishing training, email recognition testing, and tailgating/piggybacking prevention



Vulnerability management



VPN access when outside of the Supernova campus

ISO
27001

Supernova has maintained ISO 27001 certification for five years and complies with NIST 800-171. As part of our ISO certification, we conduct annual internal cyber audits. Globally, we conduct external audits of policies and procedures, and we complete supplier audits to ensure compliance with cybersecurity standards. If we identify incidents of nonconformance, we implement corrective actions to make sure issues are resolved promptly. As we continually strive for improvement, we engage outside counsel specializing in cybersecurity to ensure robust and comprehensive cybersecurity measures.



Data Privacy

Supermicro upholds privacy rights and protects personal data. Supermicro’s Privacy Statement describes our privacy practices as required by the General Data Protection Regulation (GDPR) and other data protection laws in the locations where we do business.

The [Privacy Statement](#) outlines how Supermicro collects, shares, transfers, retains, and protects personal data and the rights individuals can exercise regarding their information. We strongly protect any personal information we collect, and we offer customers a means to request deletion of their data from our records through our Data Subject Rights Report portal.

Suppliers attest that the collection, access, use, storage, disposal, and disclosure of personal data comply with all aspects of Supermicro’s Privacy Statement and with all applicable federal and state privacy and data protection laws and regulations.



Supermicro products and services may store, process, and use data, some of which contains personal information, subject to laws and regulations regarding privacy, data protection, and other matters. For more information on product security, please see the [Product Security](#) section of this report.

AI GOVERNANCE

We are committed to responsible, transparent use of data and AI that aligns with all applicable laws and regulations in every country where we operate. Building on our enterprise data protection program, we maintain internal policies and procedures that govern AI use, asset management, and information security, with controls that prevent confidential and restricted data from being shared outside the company. Our Legal and Information Security teams

jointly manage our data protection and AI governance practices, including role based access, third party risk management, incident response, and continuous monitoring for bias and model drift. Through this integrated approach, we safeguard stakeholder trust, improve the accuracy and efficiency of our disclosures, and ensure that innovation advances in step with ethics, privacy, and regulatory expectations.

About This Report

CONTACT US

Supermicro appreciates connecting with our stakeholders.
We welcome feedback on this report or any of our ESG
initiatives at sustainability@supermicro.com.



Supermicro SASB Disclosures

Hardware Sustainability Accounting Standard for the Technology & Communications sector

Topic	Metric	Category/ Unit of Measure	Code	SMCI Response
Product Security	Description of approach to identifying and addressing data security risks in products	Discussion and Analysis	TC-HW-230a.1	Product Security, page 15 Additional details on data security risks are provided in our most recent Form 10-K, Section 1C, on Cybersecurity .
Employee Diversity & Inclusion	Percentage of (1) gender and (2) diversity group representation for (a) executive management, (b) non-executive management, (c) technical employees, and (d) all other employees	Quantitative, %	TC-HW-330a.1	Information not disclosed.
Product Lifecycle Management	Percentage of products by revenue that contain IEC 62474 declarable substances	Quantitative, %	TC-HW-410a.1	The majority of Supermicro products contain certain IEC 62474 declarable substances due to their prevalence in electronic devices.
	Percentage of eligible products, by revenue, meeting the requirements for EPEAT registration or equivalent	Quantitative, %	TC-HW-410a.2	Certifications and Recognition, page 11 36 Supermicro products currently have EPEAT certification.
	Percentage of eligible products, by revenue, certified to an energy efficiency certification	Quantitative, %	TC-HW-410a.3	Certifications and Recognition, page 11 18% of our products are EnergyStar certified.
	Weight of end-of-life products and e-waste recovered; percentage recycled	Quantitative, Metric tons (t), %	TC-HW-410a.4	Electronic Waste, page 19
Supply Chain Management	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	Quantitative, %	TC-HW-430a.1	Responsible Business, page 26
	Tier 1 suppliers' (1) nonconformance rate with the RBA Validated Audit Process (VAP) or equivalent, and (2) associated corrective action rate for (a) priority nonconformances and (b) other nonconformances	Rate	TC-HW-430a.2	Responsible Business, page 26
Materials Sourcing	Description of the management of risks associated with the use of critical materials	Discussion and Analysis	TC-HW-440a.1	Responsible Sourcing and Conflict Minerals, page 27 Supermicro does not currently report on other critical materials.
Business Metrics	Number of units produced by product category	Number	TC-HW-000.A	Details and relevant business metrics are provided in our most recent Form 10-K .
	Area of manufacturing facilities	Square Meters	TC-HW-000.B	As of June 30, 2025, we own approximately 3,157,000 square feet and lease approximately 1,539,000 square feet of office and manufacturing space.
	Percentage of production from owned facilities	Percentage	TC-HW-000.C	Details and relevant business metrics are provided in our most recent Form 10-K .

Task Force on Climate-related Financial Disclosures

The following index details Supernova’s processes for assessing and managing climate-related risks, aligned with the recommendations established by the Task Force on Climate-related Financial Disclosure (TCFD).

References in this report to “we,” “our,” “us,” “the Company” and similar terms refer to Supernova.

1) GOVERNANCE

(a) Describe the board’s oversight of climate-related risks and opportunities.

The Nominating and Corporate Governance Committee of the Board of Directors periodically assesses, reports, and provides guidance to management and the full Board on our practices concerning environmental, social, and corporate governance issues, including monitoring climate-related matters, as well as review of any environmental sustainability performance report, as outlined in the committee charter.

Supernova’s full Board of Directors receives quarterly updates on ESG issues, including climate-related risks and opportunities.

(b) Describe management’s role in assessing and managing climate-related risks and opportunities.

The Enterprise Risk Management process at the Company is led by the Enterprise Risk Council (ERC). The ERC works to integrate business activities and processes to support decision making, enhance performance, and best utilize our resources. The current membership of the council includes Governance Programs (Internal Audit/ IT Security and IT Governance/ Compliance), Executive (Legal, Sales, IT, HR, and Finance), and Working Committee(s).

Additionally, Supernova’s operations in the United States, Taiwan, and the Netherlands, San Jose, California, are ISO 14001:2015 Environmental Management Systems certified, which commits us to enhancing environmental performance, fulfilling compliance obligations, preparing emergency action plans, and achieving environmental objectives.

2) STRATEGY

(a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.

PHYSICAL RISKS	
Risk	Description
Acute Risks	Facility and supply chain disruption: Supernova’s facilities are exposed to acute physical climate risks, including wildfires, droughts, heat and cold waves, coastal and riverine flooding, and winter weather events, all of which may disrupt production and regular business operations. Due to physical risks from climate change, Supernova’s operations may be sensitive to supply chain disruptions. As Supernova’s offices are spread across an extensive geographic range, supply chain disruptions due to natural hazards may pose material risks to its business.
Chronic Risks	Long-term climatic changes: Supernova’s facilities are exposed to chronic physical risks, including the increased drought severity, wildfires, sustained higher temperatures, rising sea levels, and precipitation changes. With global climate change increasing the frequency and severity of these events, Supernova will likely face more significant physical risks associated with climate change in the future. Due to physical risks from climate change, Supernova’s operations may be sensitive to supply chain disruptions. As Supernova’s offices are spread across an extensive geographic range, supply chain impacts due to natural hazards may pose material risks to its business.

TRANSITION RISKS	
Risk	Description
Regulatory Risks	Carbon pricing & reporting: Supermicro’s products may be subject to the Carbon Border Adjustment Mechanism (CBAM), a carbon tariff on products imported into the European Union. This may affect direct costs starting in 2026, as Supermicro could be required to pay higher prices for products imported into the EU (e.g., steel, aluminum, and electricity). Other carbon pricing mechanisms may increase costs for Supermicro’s products. Additional climate-related regulations in the U.S. may increase compliance costs for auditing and reporting our company and supply chain emissions data, including calculating scope 3 emissions and getting scope 1, 2, and 3 emissions assured. Other regulations, such as the EU Corporate Sustainability Reporting Directive (CSRD), may increase compliance costs as they will require reporting on material topics, which will likely entail enhanced climate-related reporting.
Market Risks	Demand & input cost shifts: The transition to a low-carbon economy may result in higher demand for certain products with lower embedded emissions due to carbon pricing schemes or other market forces. There may also be reduced demand for Supermicro’s products due to changing customer preferences towards less emissions-intensive products, such as more energy-efficient data servers. As Supermicro uses external vendors for many of its raw materials and components, the Company has limited control over climate risk mitigation measures within its supply chain. Our supply chain may face increased production costs associated with climate-related regulations and carbon taxes, especially for products that are imported across national borders. Raw materials in Supermicro’s products, including various metals such as copper and aluminum, may become increasingly expensive due to energy costs associated with mining and refining the materials.
Technology Risks	Pace of innovation: To maintain our status as an industry leader, Supermicro must stay at the forefront of technological advancements associated with the energy transition. The continued success of Supermicro’s business requires continuous innovation to ensure that our products continue to align with the demands of a low-carbon economy. Customers and regulatory bodies increasingly seek climate-related certifications for Supermicro’s products. If Supermicro fails to keep up with the demand for lower-energy products compared to peers, customers could seek products that use less energy. Additionally, failing to meet customer requirements regarding product certifications could adversely impact business and financial conditions.
Reputational Risks	Stakeholder expectations & delivery risk: Severe weather events and other climate-related hazards may impact shipments of raw materials for Supermicro’s products. These supply chain disruptions could result in product delivery delays, potentially damaging Supermicro’s reputation. Supermicro relies on a limited number of suppliers for specific components used in manufacturing our products. Interruptions in the global supply chain due to climate-related hazards could lead to shortages from this limited supplier base. Supermicro’s stakeholders (including customers, investors, and suppliers) have expectations around addressing climate-related risks. Supermicro must be prepared to meet these expectations by disclosing climate-related information, such as direct and indirect GHG emissions, and continuing emissions reduction efforts to meet our reduction targets. Failure to do so could discredit Supermicro’s reputation and put us at a competitive disadvantage. Failing to satisfy customer requirements for developing products that help mitigate climate change, and document how they contribute to such change, may have a material adverse impact on Supermicro’s business, including the brand’s reputation and financial performance.
CLIMATE-RELATED OPPORTUNITIES	
Risk	Description
Resource Efficiency	Facility energy improvements: Improve energy efficiency and increase renewable energy use at facilities to reduce operating costs and GHG emissions and meet GHG reduction targets.
Market	Product diversification and growth: Diversification and expansion of Supermicro’s product lines may help increase revenues and create new lines of business. Continued development of high-efficiency servers and innovation around AI infrastructure may lead to additional market opportunities throughout the transition to a low-carbon economy.
Product/Services	Low emissions solutions: Supermicro innovates to develop low-emissions products, specifically our liquid cooling solutions, which significantly lower electricity usage at data centers, serving as a competitive advantage in the industry. Climate-related product certifications, such as the Electronic Product Environmental Assessment Tool (EPEAT) registry requirements help Supermicro stay ahead of its competitors and prepare to meet the needs of a low-carbon future.

(b) Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning.

Although some of Supermicro’s facilities are likely to face adverse physical climate events, the direct financial impact on Supermicro is expected to be low. To date, Supermicro has not experienced significant disruptions due to climate-related hazards or severe weather events. The future risk of potential financial losses due to physical climate-related hazards is low to moderate.

As Supermicro relies on a limited number of suppliers for its purchases, any supply chain disruptions due to climate-related risks may disproportionately impact the company if a key supplier is impacted. Additionally, climate-related requirements or requests from key suppliers may increase Supermicro’s compliance costs.

Supermicro purchases product components through arrangements with a limited number of key suppliers located across the globe and depends on these suppliers to source materials for critical components of Supermicro’s servers and other solutions. The transportation and storage of materials can be sensitive to climate-related risks due to the lack of resiliency in global supply chains. Supermicro’s supply chain may also face increased production costs associated with climate-related regulations and carbon taxes, especially for products that are imported across national borders.

(c) Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

In 2024, Supermicro conducted climate scenario analysis, leveraging frameworks from the U.S. Federal Reserve stress testing, the Intergovernmental Panel on Climate Change (IPCC), and the International Energy Agency (IEA) scenario analysis frameworks.

Scenario	Description	Expected temperature rise	Primary risk focus
IEA Sustainable Development Scenario	Delayed policies require very aggressive action starting in 2030	Below 2°C	Transition
RCP 2.6	Stringent climate action, emissions decline to net zero by 2100	Below 2°C	Physical
RCP 4.5	Some climate action, emissions peak ~2040 then decline	~2.4°C (1.7–3.2°C)	Physical
RCP 8.5	No climate action, emissions continue to rise	~4.3°C (3.2–5.4°C)	Physical

As an organization, Supermicro is optimized to be resilient to the effects of climate change, weather hazards, and the socio-economic implications of transitioning to a low-carbon economy.

Supermicro maintains work-from-home procedures in the event of an emergency and is installing on-site energy generation capabilities at company facilities in San Jose and Taiwan. Many facilities made infrastructure upgrades and energy retrofits to improve climate resilience. Additionally, Supermicro’s facilities in the United States, Taiwan, and the Netherlands, San Jose, California, are certified to ISO standard 14001:2015, which supports environmental performance enhancement, compliance obligation fulfillment, and environmental objectives achievement.

The largest potential impacts to Supermicro include increased operating costs from carbon taxes and rising renewable energy prices, as well as potential disruptions from more frequent extreme weather events. Our continued innovation in energy-efficient products presents an opportunity to drive product demand. Based on the scenario analysis results, we will continue our pursuit of climate-resilient efforts, including reducing operational emissions, enhancing supply chain resilience, and investing in efficient product design.

3) RISK MANAGEMENT

(a) Describe the organization’s processes for identifying and assessing climate-related risks.

Supermicro conducted a comprehensive climate risk assessment to understand potential climate-related risks and to integrate climate-related risks and opportunities into the Company’s overall enterprise risk assessment and strategic planning.

The climate risk assessment integrated multiple data sources, including the report “Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures”, the Network for the Greening of Financial Services (NGFS), IPCC guidance, the U.S. Federal Emergency Management Agency’s (FEMA) National Risk Index for Natural Hazards, and Climate Impact Lab models, which evaluated the likelihood of Supermicro’s exposure to climate-related physical and transition risks and opportunities.

The key steps of the evaluation included:

1. Risk identification: Identified material climate-related risks for Supermicro, including chronic/acute physical risks and transition risks.
2. Scenario Selection: Selected appropriate climate transition scenarios and physical climate scenarios to represent a range of potential future outcomes.

3. **Scenario Implementation:** Assessed asset-level climate-related impacts through climate-adjusted security and portfolio risk metrics.
4. **Business Impact Evaluation:** Evaluated potential impacts on Supermicro’s strategic and financial position under each defined scenario.
5. **Risk Management:** Reviewed disclosed information demonstrating Supermicro’s ability to mitigate potential business and financial impacts from future climate and weather-related hazards.

The results of this analysis are included in the Strategy section of this index.

The climate risk assessment results provided direction for our Enterprise Risk Council on how to assess and prioritize the criticality of the identified risks. The climate risk assessment also informs ongoing response, reporting and internal discussion of climate-related risks.

(b) Describe the organization’s processes for managing climate-related risks.

Adaptation	Description
Operations and Supply Chain	Supermicro’s facilities are moderately optimized to withstand the effects of climate change, weather hazards, and the socio-economic impacts of a transition to a low-carbon economy. Supermicro’s operations cover a broad geographic range, ensuring that any singular climatic event would not significantly disrupt the business’s operations. Supermicro has a complex supply chain and is actively working to build supply chain resilience. We will continue to proactively engage with suppliers to evaluate potential risks and opportunities associated with each vendor.
Employees	Supermicro has taken steps to ensure the safety of our workforce during climate-related events and other emergencies. Facility upgrades such as LEED certification and climate proofing (e.g., green roofs, rainwater collection) improve the resiliency of Supermicro’s operations and help to ensure our employees are protected against future climate-related hazards.

Adaptation	Description
Product Innovation	Supermicro has improved the adaptive capacity of our products and developed innovative solutions that will meet the needs of a low-carbon future. Supermicro’s Direct Liquid Cooling (DLC) product line significantly reduces the amount of electricity required compared to traditional air-cooled systems. These innovations can reduce operating expenditures (OPEX) by up to 40% and allow data centers to run more efficiently with lower electricity consumption and associated GHG emissions.
Environmental Management	Supermicro has taken steps to quantify its environmental impact, including measurement of scope 1, 2, and 3 emissions. Supermicro continues to prioritize climate-related risk management, specifically identifying and addressing GHG reduction opportunities to meet Supermicro’s Science-based Targets Initiative (SBTi)-approved GHG targets. Efforts may include (but are not limited to): • Continuing development of high-efficiency data servers to reduce energy consumption from the use of sold products (Scope 3) • Installing energy-efficient lighting and equipment (Scope 2) • Powering operations with renewable energy (Scope 1 and 2) Supermicro received ISO 14001:[2015] certification for its facilities, which further improves the organization’s resilience to climate-related events. ISO 14001 specifies requirements for environmental management systems (EMS), and helps improve resource efficiency, reduce waste, and improves an organization’s overall environmental impact.

(c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization’s overall risk management.

Supermicro’s climate risk assessment serves to understand potential climate-related risks and integrate climate-related risks and opportunities into the Company’s overall enterprise risk assessment and strategic planning.

As a company, we have integrated climate risk management into our enterprise risk framework with oversight from the Nominating and Corporate Governance Committee and cross-functional efforts from across the organization in areas including operations, supply chain, and product design and innovation.

4) METRICS AND TARGETS

(a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

Supermicro tracks the following climate-related metrics to align our sustainability strategy and risk management processes:

- **Scope 1 GHG emissions**
- **Scope 2 GHG emissions** (market and location based)
- **Scope 3 GHG emissions**
- **Energy consumption**, including renewable energy usage

(b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.

Metric	FY2024 result
Scope 1	6,596 metric tons CO ₂ e
Scope 2 (location based)	17,680 metric tons CO ₂ e
Scope 2 (market based)	10,409 metric tons CO ₂ e
Scope 3	3,479,956 metric tons CO ₂ e

(c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

Supermicro has set GHG reduction targets that were approved by the Science-based Targets Initiative (SBTi) in 2024. These targets include:

- Reduce absolute scope 1 and 2 GHG emissions 50.4% by FY2032 from a FY2022 base year.
- Reduce scope 3 GHG emissions from the use of sold products 58.2% per thousand USD value added within the same timeframe.

Our scope 1 and 2 target is currently off track due to the growth of our business, however, we are pursuing methods to achieve this target by FY2032. We plan to achieve this target by purchasing renewable energy credits, increasing energy efficiency, and exploring alternative fuel sources.

We are currently on track to meet our scope 3 target, as this target is measured on an intensity basis. Our scope 3 emissions intensity has decreased since FY2022. Supermicro plans to achieve this target through improvements to our data servers’ efficiency and revenue growth that is not tied to emissions from the use of sold products.

