

# ESG Factsheet

# Super Micro Computer, Inc. (NASDAQ: SMCI)

Supermicro is a global technology leader committed to delivering first-to-market best-in-class innovation for Enterprise, Cloud, HPC, AI, Accelerated Computing, and 5G Telco/Edge IT Infrastructure with a design based on our building blocks methodology. We are a leading Total IT Solutions provider with environmentally friendly and energy-saving systems, including servers, storage, GPUs, networking, workstations, racks for the data center, cooling, software, and professional services. Supermicro is committed to best practices on environmental, social, and governance (ESG) issues. Our mission is to adhere to and practice our principles, requiring our internal and external stakeholders to observe them daily. Our value proposition is *“Green Computing can be free... with a big bonus”*.

## Company At-a-Glance

- Founded in 1993 and headquartered in San Jose, California, USA.
- Operations/Manufacturing in the United States, Taiwan, and the Netherlands.
- As a leader in energy-efficient computing, Supermicro servers and related IT solutions enable high-efficiency data centers.
- Focused on making all solutions Energy Star Certified before the end of FY 2023.
- Innovative Resource-Saving Architecture™ offers 40-45% savings in hardware refresh costs<sup>1</sup> with a significant reduction of e-waste and up to 50% electricity/carbon footprint.
- Committed to reducing the total cost to the environment (TCE) of a data center.
- Using factory automation, process, and alternative energy sources such as solar to support and set IT industry green manufacturing and green datacenter standards.
- Heading the liquid cooling workgroup at The Green Grid, an industry-wide consortium working to improve the efficiency of data centers.
- Robust company policies on anti-corruption, human rights, responsible minerals sourcing, and supplier practices.



## Achievements & Recognitions

- 10 server product lines with ENERGY STAR certification
- 3 LEED-Gold Certified buildings at the San Jose campus
- Engaged with multiple Environmental Charitable Foundations for forest propagation around the world.
- Founded *Green Earth Foundation* focusing on drought-resistant forest propagation around the world



## We Keep IT Green®

Supermicro is committed to protecting the environment through its “We Keep IT Green®” initiative. We provide our customers with the most energy-efficient, environmentally-friendly racks-scale Total IT Solutions to the market.

### Cost & E-Waste Reduction

Supermicro’s Server Building Block® Architecture and green design emphasis enable modular replacement and upgrades, extending the PCB, chassis, and subsystems’ useful lifespan, which includes motherboards, networking, storage, cooling fans, and power supplies. By disaggregating compute, networking, and storage inside and outside the system, each resource can be upgraded and optimized independently while reducing acquisition costs, TCO costs, and e-waste of datacenters

### Free-air and Liquid Cooling

Supermicro servers are designed to function with optimized air-cooling, are capable of handling high-temperature operations, and support 100% free-air-cooled data centers. Liquid cooling solutions co-developed with data center customers are providing ultra-low power usage effectiveness (PUE ~1.05), which can address the rising TDP from the latest generation of microprocessors from Intel, AMD, and NVIDIA while further improving performance and saving energy costs. Supermicro solutions are enabling customers to perform more compute per watt than ever before.



#### Disaggregated Architecture

40%-45% Savings in Hardware Refresh Costs



#### Free Air & Liquid Cooling

Up to 60% PUE Improvement



#### Pooled Resources

Up to 75% savings in HVAC costs due to dynamic resources allocation



#### Rack Scale Design

Open industry standard rack scale management

Supermicro’s products can reduce overall carbon footprint in the following categories:

- Electricity Generated or Purchased for operations (Scope 1 and/or2)
- Waste Generated in Operations (Category 5, Scope3)
- End-of-life treatment of sold products (Category 12, Scope3)

# 48%<sup>2</sup>

### Emissions Reduction in 2021

Achieved since 2019 on scope 1 & 2 emissions. Supermicro is on track to meet its goal in 2034

# 66%<sup>2</sup>

### GHG Emissions Reduction

by 2034 - Supermicro’s goal for global operations (2019 base year), in line with the 1.5° C Scenario by the UN

## Corporate ESG Highlights

### Sustainability

- Scope 1, 2 & 3 GHG emissions data Disclosed and CDP Disclosure
- Board oversight on ESG-related issues (Nominating & Governance Committee)
- Purchasing renewable energy credits (RECs) for carbon-free wind energy
- Responsible Mineral Sourcing and Environmental Management Systems (EMS)
- Member of The Green Grid Consortium and Chair of the Liquid Cooling Group
- Taiwan Campus partially powered with solar panels with more Green investments under study
- **Estimated \$10B in energy savings and equivalent to preserve 8 billion trees for carbon offset if using Supermicro Green Computing solutions.**<sup>3</sup>

### Human Capital

- Targeted Recruitment (veterans and underrepresented ethnicities)
- More than 60% of employees have access to restricted stock compensation

### Governance

- Board of Directors is 71% independent
- Women represent nearly 30% of the Board of Directors
- Single Equity Class and “One Share, One Vote” structure
- Say-on-Pay Proposal Submitted Annually
- Risk mitigation provisions in place, such as clawback on executive compensation

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Footnote 1: <https://www.intel.com/content/www/us/en/it-management/intel-it-best-practices/green-computing-at-scale-paper.html>

Footnote 2: Based on 2022 CDP Submission (<https://www.cdp.net/en/scores>)

Footnote 3: [https://s25.q4cdn.com/632471818/files/doc\\_financials/2022/q4/Earnings-Deck-Q4FY22-V6.pdf](https://s25.q4cdn.com/632471818/files/doc_financials/2022/q4/Earnings-Deck-Q4FY22-V6.pdf)