

CH4
Corporate Governance

MediaTek strengthens governance structure, protects stakeholder rights, and enhances internal audit and control functions.

4.1 Corporate Governance Structure
4.2 Financial Performance
4.3 Integrity and Legal Compliance
4.4 Internal Audit
4.5 Risk Management
4.6 Information Security Management
4.7 Investor Relations

THE GLOBAL GOALS For Sustainable Development

8 DECENT WORK AND ECONOMIC GROWTH

ESG Highlights

Top 5% in Corporate Governance Evaluation:
Continued to be top 5% ranking in Corporate Governance Evaluation (for the fifth consecutive year).

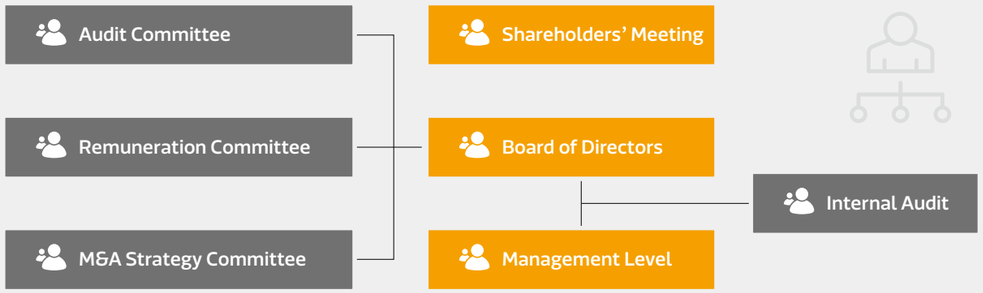
Half of the Board is Independent
Strengthened corporate governance by increasing the proportion of independent directors to one-half of all directors.

1st Place in TCSA
Won 1st place for TCSA Information Security Leadership Award (third consecutive year)

Ranked among top 3 in the Asia (ex-Japan) Executive Team
According to the 2024 Asia (ex-Japan) Executive Team rankings for the semiconductor industry, published by Institutional Investor Magazine, determined upon voting by the global investors, MediaTek was ranked top 3 in terms of Most Honored Companies, Best ESG, Best CEO, Best CFO, Best IR Professional, Best IR Team, and Best IR Program.

4.1 Corporate Governance Structure

Under the purview of the Board of Directors, MediaTek has established Audit Committee to strengthen the independence of corporate governance and serve as the highest supervision for company risk management. A Remuneration Committee has also been established to improve remuneration and continue to strengthen ESG practices. In addition to said functional committees required by laws, the Company has also established the non-mandatory M&A Strategy Committee, to evaluate and analyze Group's specific M&A cases and overall M&A strategy, if necessary.



All the Company's Board members exercise high level of self-discipline and prudence when offering objective opinions. Meanwhile, the Company's management is also committed to lead various departments to execute the annual ESG programs to implement measures targeting environmental, social and corporate governance issues to constantly improve MediaTek's ESG practices.

For more information on the Board of Directors of MediaTek and its operations, please see MediaTek's 2024 Annual Report.

4.1.1 Board Members, and their Work Experience and Functions

Members

MediaTek's Board members are elected under the candidate nomination system in accordance with the Articles of Incorporation. The Company elected 8 directors to the 10th Board of Directors in accordance with the "Regulations Governing Election of Directors." The 8 directors include 4 independent directors (one of whom is female). Chairman Ming-Kai Tsai doesn't serve as the Company's President concurrently. All MediaTek's Board members exercise high level of self-discipline and recuse themselves when involved in any conflict of interest. The requirements about conflict of interest have been expressly stated in the "Rules of the Procedure for Board of Directors' Meetings." Any director will, with respect to a matter bearing on the personal interest [Note] of him/her or their represented legal person, provide the statement about their personal interest pursuant to the Company Act and also recuse himself/herself from discussion and voting on the matter. Meanwhile, the Company had adopted the Board diversity policy. According to the policy, the composition of the Board of Directors should be determined by taking diversity into consideration. The directors who hold the diversified professional backgrounds and visions are elected based on the Company's business operations, operating dynamics, and development needs. The factors to be considered include but are not limited to gender, age, nationality, culture, educational background and professional background (e.g. laws, accounting, industry, finance, marketing or technology), expertise and industrial experience. For the list of Board members and their main educational background, please see Page 13 of MediaTek's 2024 Annual Report.

Frequency of meetings convened

At least one meeting per quarter. In 2024, seven meetings were convened and the attendance rate was 98.2%.

Responsibilities

- Establish effective and appropriate internal control system.
- Appoint and discharge the Company Managers.
- Review the management policies and operational planning of the Company.
- Prepare budget and financial reports.
- Supervise the Company in managing major risks.
- Prepare business report.
- Prepare earnings distribution or loss make-up proposal.
- Prepare capital increase or decrease proposal.
- Formulate major internal policies and contracts.
- Appoint independent auditors.

Note: The Corporate Governance Unit notifies and provides agenda before each board meeting to ensure that directors are aware and can recuse themselves if necessary.

4.1.2 Audit Committee

Members

Four independent directors.

Frequency of meetings convened

At least one meeting per year. In 2024, five meetings were convened and the attendance rate was 100%.

Responsibilities

- Establish or make amendments to internal control system
- Assess the effectiveness of internal control system
- Establish or amend major financial operational procedures such as acquisition or disposal of assets, derivative transactions, loans to others, provision of endorsements or guarantees.
- Handling matters pertaining to conflict of interest of Directors.
- Oversee transactions of major assets or derivatives.
- Oversee provision of major loans, endorsement or guarantee.
- Oversee fund raising, issuance or private placements of equity securities.
- Appoint, dismiss or review compensation of independent auditors.
- Appoint and dismiss financial accounting or internal audit executives.
- Review annual and semi-annual financial reports.
- Overseeing risk management

4.1.3 Remuneration Committee

Members

Two Independent Directors and one external independent expert.

Frequency of meetings convened

At least one meeting per year.

In 2024, three meetings were convened and the attendance rate was 100%.

Responsibilities

Mainly review and evaluate the performance of Directors and Managers, as well as review the relevant remuneration policies and offer objective and professional recommendations to the Board of Directors as reference. For more information, please see Pages 25-26 of MediaTek's 2024 Annual Report.

- Assess and formulate the salary and remuneration of Directors and Managers on a regular basis.
- Formulate and regularly review policies, systems, standards, and structures for director and manager performance evaluation and compensation.

4.1.4 M&A Strategy Committee

Members

Four directors (who possess expertise in business and commercial management, corporate finance, industrial technology, strategy, and organizational planning).

Frequency of meetings convened

In 2024, one meetings was convened in accordance with its organizational charter and attended by all members in person, with a 100% attendance rate.

Responsibilities

Perform strategic evaluation for the Group's M&A cases and report to the Board of Directors. To ensure the Group's sustainable operation, in addition to discussions on specific M&A cases, the M&A Strategy Committee regularly discusses the Group's overall M&A strategy, leverages the diverse expertise of directors to achieve the Company's short-, medium-, and long-term goals and sustainable development objectives. The establishment of the committee does not affect the performance of duty of Audit Committee. For matters which require resolutions of the Audit Committee as per the law and regulations, the Audit Committee would still perform the review in accordance with regulatory provisions.

4.1.5 ESG Committee

Members

The chairperson of the committee is served by Vice Chairman who holds concurrent position as the CEO. The conveners and members of the committee are served by executives from marketing, R&D, sales, human resources, supply chain management, legal, financial, internal audit departments and MediaTek Foundation.

Frequency of meetings convened

The chairperson reports to the Board of Directors on key ESG initiatives and performance key ESG initiatives for the year at the beginning of each year. The ESG Committee reports at least once a year, focusing on the annual corporate sustainable development themes, overall performance, and improvement plans.

Responsibilities

Corporate sustainable development is its highest guiding principle. It undertakes the planning for various departments and programs by closely monitoring the overall economic, social, environmental and climate change trends. Each task force is responsible for consolidating its operations and reporting to the chairperson. Yearly planning includes:

- Review the execution results of the previous year, formulate the principal axis and directions of the yearly corporate sustainable development and coordinate the communication between senior executive and various departments.
- Adjust various internal resources.
- Control the progress of projects.
- Verify audit and award applications.

6 Major Task Forces

Global Presence | Innovation | Talents | Corporate Governance | Environmental Management | Community Engagement

4.1.6 Corporate Governance Unit

Members

MediaTek has established its Articles of Incorporation and organizational framework in accordance with the Company Act, Securities and Exchange Act. The Board of Directors serves as the highest authority for corporate governance and appoints the head of legal department as Corporate Governance Officer to oversee the Corporate Legal Division, which is established as the designated unit for corporate governance responsible for the corporate governance affairs to protect shareholders' equity and strengthen the Board of Directors' functions.

Responsibilities

Undertakes matters pertaining to the Board of Directors meetings and shareholders' meetings in accordance with the law and regulations, e.g. prepare meeting minutes of the Board of Directors meetings and shareholders' meetings, assist the directors in taking office and continuing education, provide information that directors require to perform their duties, assist directors in legal compliance, report to the Board of Directors on the review results of independent director qualifications, complete the company registration and registration of changes, and conduct the performance appraisal on the Board of Directors in accordance with the Company's "Regulations Governing the Board of Directors' Performance Appraisal."

With the assistance of the Corporate Governance Unit, board members participated in diverse training courses, including "Strategies for Enterprises Facing Net-Zero Emissions (Parts 1 & 2)," "Understanding Corporate Governance Trends and Responses from Sustainable Development Action Plans (Corporate Governance 4.0) (Parts 1 & 2)," and "Latest Developments and Amendment Trends in International and Domestic Taxation (Parts 1 & 2)." These courses ensured continuous understanding of industry trends and effective functioning of the board. For details on board training, please refer to page 45 of MediaTek's 2024 Annual Report.

4.1.7 Corporate Governance Enhancements

MediaTek puts in concerted effort in the main undertaking of corporate governance, including maintaining shareholder interests, treating shareholders equally, strengthening Board structure and operation, enhancing the transparency of information, and implementing ESG practices, etc. MediaTek has established the Investor Relations section on the Company website to provide investors with annual report in both Chinese and English languages, financial reports, dividend information, shareholders' meeting details, and other relevant information. On the Corporate Governance section, the Articles of Incorporation, corporate governance regulations and other rules and procedures, and major Board resolutions are also disclosed, to help shareholders understand the Company's overview of operations.

Strengthening Board Diversity and Independence

- MediaTek fully understands and recognizes the importance of board independence. Thus, at the 2024 shareholders' meeting, all directors were re-elected, and one additional independent director was elected, achieving independent directors' representation of one-half of the board seats.

Strengthen Risk Management Oversight

- MediaTek's Board of Directors approved the elevation of the Risk Management Committee to a functional committee level of the board, with the Audit Committee assuming the former responsibilities of the Risk Management Committee.

Enhanced Board's Functions

- MediaTek amended the Company's "Board of Directors Self-Assessment of Performance" in 2021, in order to include the external performance evaluation mechanism, to be conducted once every three years. We commissioned an independent professional organization to conduct the first external performance evaluation of the entire board in 2022. Additionally, the Corporate Governance Unit conducts an internal performance evaluation annually. For criteria, methods, and results of performance evaluations for the board, functional committees, and individual directors, please refer to the Company's website or page 18 of MediaTek's 2024 Annual Report.

Strengthen Corporate Governance and Improve Shareholders' rights

- MediaTek disclosed the annual financial report audited and certified by external auditors within two months at the end of the fiscal year of 2024, and also convened the annual general meeting earlier, at the end of May.

Improving Information Disclosure

- Furthermore, each quarter, MediaTek convenes online investor conference, where the CEO and CFO inform institutional investors and the public in person on the business performance and long-term planning of the Company. Meanwhile, the online investor conference is also live-streamed on the Company website. The online investor conference, press release and relevant notices are also available for subsequent viewing for the convenience of investors in gaining an understanding of the Company. MediaTek seeks to improve information disclosure. The Company is a frontrunner in the rankings of corporate governance evaluation and Excellence in ESG of CommonWealth Magazine and therefore earned high recognition from institutional investors and relevant assessment institutions.

Strengthen the Audit Committee's Supervisory Functions over Financial Affairs

- MediaTek's quarterly financial statements for 2024 were approved by the Audit Committee and submitted to the Board of Directors for discussion and resolution.

Strengthen the Information Security Management Mechanism

- MediaTek established the Information Security Committee to review the implementation status of information security, product security and data security regularly, and report the status to the Board of Directors regularly. The Company appointed the chief information security officer in accordance with regulations, implemented the ISO 27001 information security management system standard, obtaining ISO 27001 certification. Furthermore, in 2023, it obtained the TISAX certification for automotive information security international standards.

Improve Intellectual Property Management

- MediaTek established the intellectual property management program that is connected to business goals and reports to the Board of Directors on a regular basis, and continuously pass the Taiwan Intellectual Property Management System (TIPS) Level A Certification reviewed by the Industrial Development Bureau in November 2024, valid until December 31, 2026.
- In 2024, AI tools were progressively integrated into the IP application process, to enhance IP application efficiency.

Promote the environment, society and corporate (ESG) sustainable development

- The Company has set forth the GHG accounting and verification schedule planning and reported it to the Board of Directors for control. The Company also reports and discloses to the public its 2050 net-zero GHG emission target. In 2024, an additional RMB 198 million (approx. NT$1.5 billion) was invested in green bonds, bringing the cumulative investment to approximately NT$1.5 billion.

4.1.8 Major Measures for Implementation of Corporate Governance

- Convened the shareholders' meeting earlier at the end of May.
- Uploaded the meeting handbook in Chinese and English versions simultaneously within 30 days prior to the meeting date.
- The Board of Directors announces material information in Chinese and English at the same time when the annual general meeting was convened, including the date, method and cause of the meeting and date for stopping changing the shareholder registry.
- Disclosure on corporate governance, CSR and risk control information is made on MediaTek official website.
- Adhering to the competent authority's IFRS Sustainability Disclosure Standards, MediaTek established a cross-departmental IFRS Sustainability Disclosure Standards project team in the fourth quarter of 2024. Moving forward, we will execute the project according to the Company's implementation plan and report to the Board of Directors quarterly for tracking. (Please refer to the Company's official website for details on the implementation plan.)
- IFRS Sustainability Disclosure Standards Project Team

Disclosure in Annual Report

- Uploaded both Chinese and English version of the annual report within 18 days prior to the annual general meeting.
- Execution of Shareholders' Meeting resolutions, procedures and results of performance evaluation of the Board of Directors, and corporate governance officer and operation.

4.2 Financial Performance

According to Gartner, the worldwide semiconductor revenue was US$656 billion in 2024, with MediaTek holding a global market share of 2.4%, ranking 10th in the industry. Additionally, TrendForce reported that MediaTek was ranked 5th among the global IC design houses in 2024.

	2021	2022	2023	2024
Operating revenue (NT$ hundred million)	4,934	5,488	4,334	5,306
Operating cost (NT$ hundred million)	2,618	2,779	2,261	2,672
Employee salary and benefit (NT$ hundred million)	843	992	864	1,012
Income tax expenses (NT$ hundred million)	150	169	96	124
Net income (NT$ hundred million)	1,119	1,186	772	1,071
Earnings per share (NT$)	70.56	74.59	48.51	66.92
Return On Shareholder Equity	27.66%	27.06%	18.89%	27.49%
Cash dividend per share (NT$)	73	76	55	54

4.3 Integrity and Legal Compliance

MediaTek is committed to practicing ethical management and legal compliance, and promotes the Company's core values regularly and organizes internal training courses at the same time, e.g. intellectual property right information management and business secret infringement prevention, to improve employees' awareness toward and execution of ethical management and also corporate governance. Legal compliance wise, MediaTek consistently pays attention to domestic and overseas policies and regulations that may potentially affect the operation and financial position of the Company. Concurrently, the Company has also established various corporate governance regulations and procedures. The Internal Audit Division shall inspect the execution of legal compliance in accordance with regulations and make amendments to internal policies and regulations where necessary. For example, in accordance with the Company's "Ethical Corporate Management Best Practice Principles" and "Code of Business Conduct," the Company established the "Procedures for Whistleblowing" to delineate the whistleblowing avenue and investigation procedures and protect the whistle-blower's rights.

The Company adopts a zero-tolerance attitude toward bribery, unfair competition, leaks, tortious actions and insider trading. If an employee is found to have violated the Code of Business Conduct or Insider Trading Policy, via a whistleblowing report or verification of the internal audit unit, the violation shall be documented, investigated and penalized as per the relevant regulations to protect the reputation of the Company as a fair and honest entity. MediaTek has had no fines or penalties for violations of economic, environmental, or labor-related regulations over the past two years. In 2024, there were no major violations (a major violation is determined by comprehensively evaluating whether the event has a significant impact on the Company's finances, operations, shareholder equity, or stock price). For relevant regulations, please refer to the Corporate Governance section of MediaTek's official website.





Whistleblowing Management Procedures

If an employee found any violation of ethical conduct or provisions of internal regulations, he or she may report to his or her direct supervisor or to the Internal Audit Division. The identity of the whistle-blower and the content of the report will be kept confidential and investigated by dedicated internal auditors.

- Tel. number: +886-3-603-0011 (Head of Audit Division)
- Email: ethics.reporting@mediatek.com (automatically forwarded to the Head of Audit Division)
- Address: Head of Internal Audit Division, No. 1, Duxing 1st Rd., East Dist., Hsinchu City (Head of Audit Division)

Training Courses Attended by Employees

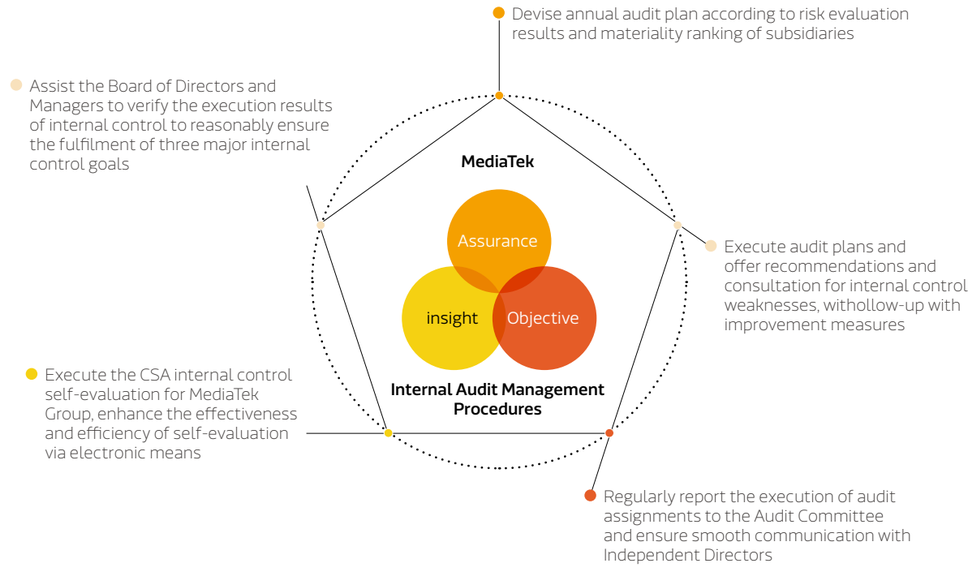
Training course in 2024	Participants of completing training	Total training hours	Training completion rate
Code of Business Conduct	666	224	100%
Prevention of insider trading	666	224	100%
Prevention of trade secret violation (Annual Training)	22,014	2,344.06	100%
IP information management (Annual Training)	22,014	2,344.06	100%

4.4 Internal Audit

In accordance with the law and regulations, MediaTek has established an internal control system that consistently seeks improvement and Internal Audit Division that reports to the Board of Directors. The Internal Audit Division reports to the Board of Directors and Audit Committee to ensure its independence and professionalism. Dedicated auditors annually formulate an audit plan based on risk assessment results, for the approval by the Board of Directors and the Audit Committee, before proceeding to execute routine or special audits. Theaudit results are reported to the Board of Directors and the Audit Committee periodically or as needed, while simultaneously providing improvement recommendations and performing follow-ups until improvement measures are fully implemented.

MediaTek has announced the "Procedures for Whistleblowing" on its company website for processing the whistleblowing cases rapidly, fairly and objectively, and protecting the whistle-blower's identity during the reporting and investigation processes, so as to facilitate the functioning of corporate governance mechanism.

Core Values of Internal Audit



Note: CSA = Control Self Assessment

Internal Audit Expertise

Professional Licenses	Certified Public Accountant (CPA), Certified Internal Auditor (CIA), Certified Information Systems Auditor (CISA), Certified Fraud Examiner (CFE), ISO 27001 Information Security Management Lead Auditor
External Continuing Education Hours	96 hours
External Training Contents	Professional courses provided by organizations such as the Institute of Internal Auditors and the Accounting Research and Development Foundation, including "Risk-Oriented Internal Audit Methods and Practices," "Legal Responsibilities of Employee Fraud and Internal Control/Audit Practices," "Operational System Audit Focus and Integration of Cycles and Operations," "How to Use Big Data to Enhance Audit Operations," "In-depth Analysis of the Latest Global Internal Audit Standards," and "Practical Workshop on Information Business Audits".

Internal Control Implementation Results

Measurement of internal control implementation results	—	—	—
	Effectiveness and efficiency of operations Including profitability, performance and protection of asset safety, etc.	Compliance with applicable laws, regulations, and bylaws	Reliability, timeliness, transparency, and regulatory compliance of reporting

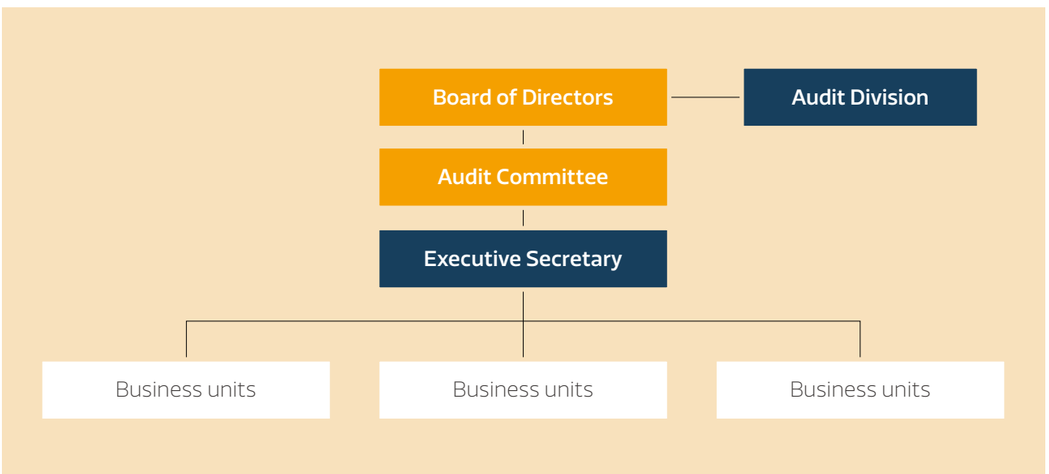
Incorporation of Sustainability Information into Internal Control

MediaTek follows the "Reference Items for Judging the Effectiveness of Internal Control Systems" released by the competent authority, and incorporates sustainability information management into its internal control system. We have also established relevant operational procedures and documents, including management regulations for "Sustainability Report Preparation and Assurance," "Material Issue Identification and Assessment," and "Climate Change and Greenhouse Gas Inventory," to ensure the completeness, accuracy, and reliability of sustainability information reporting.

4.5 Risk Management

Risk Management Organizational Framework

To ensure the sound operation of the Company and implement the board's risk management oversight function, the Company has established a "Risk Management Policy and Procedures" as the highest guiding principle for risk management for all units. To further strengthen corporate governance, the Company's Board of Directors resolved in July 2023 to revise the "Risk Management Policy and Procedures," to elevate the unit in charge of the Company's risk management oversight to the Audit Committee. The Audit Committee is designated as the highest governing body for the Company's risk management. It should report at least once a year to the Board of Directors on the operation and effectiveness of risk management.



Risk Management Scope and Opportunity Benefits

Management Approach	Response	Opportunity Benefit
Risk Dimension: Governance		
Risk Issue: Business risks		
Impact: Affect the safety of MediaTek employees and equipment, causing interruptions in internal operation.		
Business Continuity Plan (BCP)	Preventive measures for emergency accidents: Perform predictions on emergency accidents (e.g. pandemic, fire or typhoon, etc.) that may affect employees, equipment, environment and other operational matters and formulate preventive measures beforehand to reduce the possibility of occurrence. The measures include signs and illustration installed and real-time control of the working environment, access control, regular training, real-time communication, etc., to reduce the possibility of occurrence.	Proper management of business risks can protect important assets—our employees. Meanwhile, the Company seeks to increase the confidence of stakeholders in MediaTek, especially customers and suppliers to ensure that the interests of the business collaboration only suffer minimal losses.
	Emergency response management procedures: In the event that emergency accident occurs in the office area or emergency disaster occurs in office nearby, in which the magnitude is expanding and threatening the environmental and personnel safety, and property losses, the department executives shall take the positions as response members and undertake rescue measures. They shall leverage on the mutual-aiding group function to reduce the loss of disaster to the minimum.	
	Procedures for reporting of emergency accidents (casualties) and occupational hazard identification: In the event that accidents occur at the workplace, on way to work or after work, during business trip or a false alarm, a set of procedures shall be put in place for employees to follow so that the damage is reduced to the minimum. Afterward, review shall be performed to examine the causes of the accidents and preventive measures to forestall similar occurrence.	
	Back-up management procedures for disaster: To ensure that when disaster occurs, the backup mechanism can be initiated promptly so that the Company can stay unaffected and maintain operation.	
	Disaster reporting and response procedures for vendors: In the event that emergency disaster occurs to vendor, the relevant personnel shall undertake the reporting and response measures as per the procedures so that the Company is able to monitor, report and adjust production and deliveries. Determine the disaster level, collect disaster data, determine the influence on production and deliveries, offer response measures, follow up until the emergency circumstances are removed and restored to normalcy.	Strengthen the collaboration between MediaTek and suppliers to effectively monitor the conditions of suppliers.
Risk Issue: Foreign exchange rate fluctuation		
Impact: Related to operational activities (revenue earned or expenses incurred in currencies which are not the functional currency of the Company) and net investment of overseas operating entities.		
Forward exchange contracts	Regularly review the difference between assets and liabilities in non-functional currencies. Use forward exchange contracts to manage foreign exchange rate fluctuation. The amount of forward exchange contracts is depending on the position required by MediaTek for different currencies.	Effectively control the effect of foreign exchange rate fluctuation on the cash flow and asset value of MediaTek.
Risk Issue: Interest rate fluctuation		
Impact: Originate from floating interest rate investments, and borrowings in fixed and floating rates.		
Interest rate sensitivity analysis	The interest rate sensitivity analysis is performed on items exposed to interest rate risk as of the end of the reporting period, including floating rate investments and borrowings. It analyzes the impact on the Company's profit or loss in the event of an increase or decrease of 10 basis points in interest rate for a reporting period.	Forecast the impact of the interest rate fluctuation on the financial position of the Company.

Management Approach	Response	Opportunity Benefit
Risk Issue: Information security		
Impact: Cyberattacks, product security concerns, and information leaks can harm reputation and intellectual property protection, leading to severe issues, such as business disruption, financial losses, or legal/contractual violations. In the long term, these issues can profoundly damage corporate image and customer relationships, thereby affecting the foundation of the Company's sustainable development.		
Information Security Committee	The Co-COO and the Executive Vice President & CFO serve as conveners. The Committee is dedicated to reviewing the information security, product security and data security implementation status regularly, and reporting the information security inspection results to the Board of Directors regularly. The Information Security Committee shall convenes a meeting at least per six months, and may convene a meeting whenever it is required by the information security risk management. The Information Security Committee convener shall report to the Board of Directors on behalf of the Information Security Committee for once per year.	Observe information security policies, IP information and product security management regulations. Review the effectiveness of information security management system on a regular basis. Strengthen MediaTek's resilience and response capabilities in tackling cyber attacks. Apart from preventing property losses, and regulatory or contractual violations, establish a steady and ethical customer relationship and branding image.
Information Security Management	In order to strengthen the cyber security management, MediaTek observes and reviews its own information security condition, and takes into account the cyber security framework of the National Institute of Standards and Technology (NIST) to establish the cyber security protection and control measures including 1 identification, 2 protection, 3 detection, 4 response and 5 recovery.	
IP Information Management	The scope of IP information management is implemented in accordance with internal regulations. A total of 14 provisions delineate the behavior, target audience, region and confidentiality labeling under the governance of the regulations to prevent important information and assets from being damaged, exposed, lost, tampered with, inappropriately accessed, copied, transmitted or used intentionally or unintentionally. Various regions or units shall conduct security training or promotion pertaining to the needs of different types of assignment to enhance employee safety awareness, including incorporating IP information management into the orientation training for new recruits and conducting a campaign to raise awareness at least once a year. Each month, the Internal Audit Division undertakes audit review on information security. The results of the audit review shall be reported to executives and the committee. The Internal Audit Division also undertakes yearly audit review pertaining to important technologies, documentation categorization and R&D environment to assist business units and IT department in strengthening information security mechanism.	
Product Security Management	According to the Company's "MediaTek Product Security Management Policy," the Product Security Office collaborates with product security teams across all product lines. We fully implement the Product Security Development Life Cycle (PSDLC) procedure across different product development stages—from requirements, design, coding, testing, delivery, to maintenance—and conduct regular audits to achieve our product security quality objectives. ▸ Requirements stage: We conduct security requirements analysis, risk assessment, and third-party software review and management. ▸ Design stage: We confirm secure design specifications and conduct secure architecture and threat model analysis. ▸ Development stage: We define secure coding specifications and perform secure code reviews. ▸ Testing stage: We execute static code scanning, open-source third-party vulnerability scanning, dynamic security testing, and fuzz testing. ▸ Delivery stage: We confirm security configuration and integrity, and deliver the products to the customers through secure channels. ▸ Maintenance stage: We perform vulnerability remediation and disclosure after mass production, implement vulnerability reward programs, conduct vulnerability analysis management, gather and analyze vulnerability intelligence, and manage post-mass production changes. Furthermore, for automotive products with higher security demands, MediaTek has developed relevant procedures in accordance with the "Automotive Cybersecurity Standard (ISO/SAE 21434" and obtained process certificate to meet the compliance needs of the automotive market and customers. We also continue the promotion of internal training to strengthen all employees' product security awareness and standard development procedures of product security.	

Risk Dimension: Environment

Risk Issue: Climate change		
Impact: To reduce the occurrence of extreme weather, the global community pays much attention to whether corporates comply with environmental protection trends or standards.		
Environmental, occupational safety and health management and green product policies	Each year, the Company reviews international environmental protection trends and formulates the environmental protection measures according to its operational needs. Furthermore, the Company also conducts internal education and training to raise employee awareness on the impact of climate change, and informs employees on the principal axis of the yearly environmental protection effort so that they are able to carry out the environmental protection policies when conducting business activities. This issue is identified and managed by the ESG Committee in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. For more details, please refer to 5.2 Climate Risk and Opportunity Management.	Enhance the green competitiveness of MediaTek and create differentiation in value.

Risk Dimension: Social

Risk Issue: Human rights risks		
Impact: We regularly undertake human rights risk assessment for employees to prevent illegal activities and the deterioration of labor-management relations.		
International Human Rights Conventions, local labor law and regulations, and labor-management meetings	MediaTek recognizes and supports the spirit and principles of International Bill of Human Rights concerning human rights protection (such as the Universal Declaration of Human Rights). We have formulated the "MediaTek Human Rights Policy" to prevent and address human rights infringements, be committed to our responsibility to protect human rights, and strictly comply with local government regulations. Regarding labor-management relations, we regularly convene labor-management meetings where both parties discuss and build consensus on human rights policy implementation, work environment and conditions, and policy and compensation-related issues, to ensure transparent information and smooth communication between labor and management.	Provide employees with opportunities to realize their potential while compensated with reasonable salaries and bonuses, as well as fostering the brand image of MediaTek as a good employer by establishing a friendly and inclusive workplace.



4.6 Information Security Management

4.6.1 Information Security Management Framework

To manage information security risks, the Company established the Information Security Committee, chaired by Co-COO, Corporate Executive Vice President and CFO, to regularly review the implementation of information security, product security, and data security, and reports the inspection results to the Board of Directors on a regular basis. The Information Security Committee meets at least once every six months and may convene meetings at any time as needed for risk management. The chairman of the Information Security Committee represents the Committee and reports to the Board of Directors once a year.



4.6.2 Information Security Management Strategy

MediaTek has set up the dedicated information security unit to ensure the effectiveness of information security incident resolution, and demands that all suppliers should follow MediaTek information security policies, regularly assess supplier information security levels, and establish effective supplier information security engagement channels. Meanwhile, MediaTek also incorporates information security requirements and regulations in its information system outsourcing contracts, delineating regulations on vulnerability patching to prevent vulnerabilities in outsourced system affecting its business operation, hoping to establish an environment which an enterprise may trust.

In order to formulate the information security control measures, MediaTek takes into account the NIST Cybersecurity Framework (CSF) standards and integrates the control measures for identification, protection, detection, response and recovery into the routine operating procedures, including formulation of information security regulations, formulation and implementation of corresponding defense measures, establishment of a mechanism for real-time detection of information security incidents and alarms, organization of a response team and formation of data backup plans. Said information security control measures are established to ensure that the products are free from any concerns about security or privacy and to strengthen the resilience of information security.

Furthermore, with the advent of the widespread application of AI, the Company's Information Security Committee regularly discusses AI application security issues, with an aim to establish a comprehensive AI governance framework in the future to ensure the Company's information security.

4.6.3 Practicing of the Management System and Management Results

Since 2020, the Company has continued to verify the information security implementation status. With multiple information security technologies, including implementation of red team drills, the Company inspected the corporate network boundaries to strengthen endpoint access security and identify protection blind spots in the corporate framework to perfect the cloud information security protection and improve the control measures. Beginning in 2024, we are progressively implementing a Zero Trust Architecture (ZTA) to further enhance corporate network environment security. Meanwhile, the Company values the information security protection of upstream and downstream segments in the supply chain. The Company evaluates the suppliers' information security management policy regularly. Further, the Company has organized supplier information security forum annually since 2022, and invited professional consultants to share information security governance indicators with experts from the industry, to improve the suppliers' information security ability step by step. In 2024, we invited 13 subsidiaries and suppliers, all of whom provided positive feedback.

MediaTek received 1st place in TCSA Information Security Leadership Awards in 2024, marking our third consecutive year at the top. Due to our endeavors in the process of obtaining international TISAX automotive information security standard certification, we were also awarded the 2024 Automotive Information Security Management Excellence Award by SGS. Therefore, MediaTek plays a benchmarking and leading role in improving information security technology ability and strengthening corporate information security awareness. Externally, MediaTek continues to support the Ministry of Education's information security talent training project in the academic-industry cooperation, to train information security talents needed by the industry in multiple ways and demonstrate itself as a role model of corporate information security.

4.7 Investor Relations

4.7.1 Shareholder Service

In 2024, MediaTek participated in more than 30 domestic and international forums and roadshows, convened 4 online investor conferences, conducted more than 350 meetings with institutional investors, and served more than 8,000 global investors. MediaTek has repeatedly received awards from an international institution, Institutional Investor Magazine, in recognition for our exceptional shareholder services.

According to the 2024 Asia (ex-Japan) Executive Team rankings for the semiconductor industry, published by Institutional Investor Magazine, a globally authoritative magazine, determined upon voting by the global investors, MediaTek was ranked top 3 in terms of Most Honored Companies, Best ESG, Best CEO, Best CFO, Best IR Professional, Best IR Team, and Best IR Program.

MediaTek pays close attention to the feedback from global investors. Apart from establishing a spokesperson system, the Company has also designated personnel to collect and disclose information of the Company for the reference of stakeholders. Meanwhile, via domestic forums, roadshows, and meetings with institutional investors, the Company interacts with investors and takes their advices which serve as an important reference for future development strategies.

Each year, MediaTek convenes Shareholders' Meeting and undertakes matters in the meeting agenda in accordance with the resolution results to protect shareholders' interests. To maintain a smooth two-way communication channel with global shareholders and investors, since 2012, MediaTek has implemented electronic voting. Furthermore, MediaTek also seeks to cater to the visitation needs of domestic and foreign investors and collect shareholders and investors' opinion in a comprehensive manner.

Spokesperson System

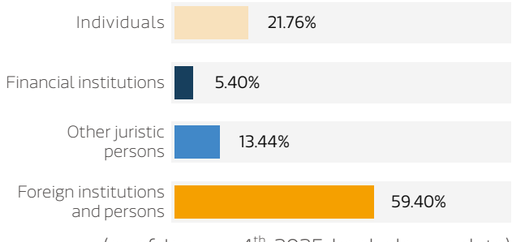
Spokesperson	Acting spokesperson	Collection and disclosure of company information
David Ku	Jessie Wang	Jessie Wang Telephone number 886-3-567-0766 Email ir@mediatek.com

4.7.2 Dividend Policy

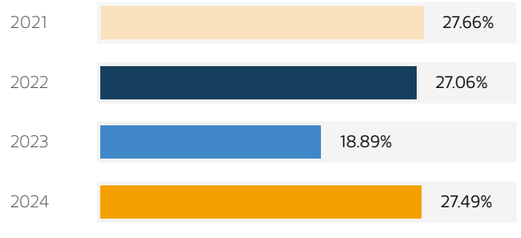
According to the Articles of Incorporation of MediaTek, the dividend distribution is dependent on the current and future investment environment, capital needs, domestic and international competition and capital budgeting of the Company. The dividend policy must accommodate shareholder interests and a balance between dividend distribution and long-term financial planning of the Company. In accordance with the law and regulations, the Board of Directors shall prepare the dividend distribution proposal and submit to the Shareholders' Meeting or report it to a shareholders' meeting for resolution. The Company may consider to fully distribute the distributable earnings or otherwise depending on the financial, operational and business factors. Among the other things, the shareholder bonus may be distributed in cash or in the form of stock. Nevertheless, the cash dividend proportion must not be lower than 10% of the total shareholder dividend.

Per the Board of Directors' resolution given based on said Articles of Incorporation, and in conjunction with the financial and business development goals and planning, in the event of no other special consideration, the dividend distributed shall be 80% to 85% of the net profit after tax for the current period on principle.

Dividend Distribution Percentage



Return on Shareholder Equity



(as of January 4th, 2025, book closure date)