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Statement from GIGABYTE Regarding Recent News about

Hardware Security Violations

Taipei, Taiwan, 5^h October 2018 – In response to the October 4th news story from Bloomberg, <u>The Big Hack:</u> How China Used a Tiny Chip to Infiltrate U.S. Companies, GIGA-BYTE Technology Co., Ltd. ("GIGABYTE") would like to re-assure our customers that our manufacturing process and supply chain has not been compromised by any third party, and our products do not and have not been subject to or have the potential to be subject to any unauthorized modifications or contain any unauthorized components.

GIGABYTE is a 100% Taiwanese owned public company with R&D, product design and engineering fully located at our headquarters in Taiwan, and our electrical engineering and all other R&D, product design and engineering staff are all Taiwanese citizens.

The large majority of printed circuit boards (PCB) used for **GIGABYTE**'s motherboards are sourced from Taiwan from Taiwanese owned suppliers, with a small minority of lower complexity boards sourced from mainland Chinese suppliers. However, no matter from which supplier the PCB is sourced, the Gerber files provided to these suppliers for production are not allowed to be modified. The bare PCBs received from these suppliers are checked against our original Gerber files upon receipt to ensure they are 100% matching and without any unauthorized change or modification.

GIGABYTE's PCBA (motherboard) manufacturing (inc. SMT / DIP placement) and product assembly is performed either at our Nanping factory in Taiwan or our Ningbo or Dongguan factories in mainland China. These factories are 100% fully owned and managed by GIGABYTE. Furthermore, **GIGABYTE does not outsource any PCBA production or product assembly to any third parties** – all PCBA manufacturing and product assembly is done in house.

At no point during the design and manufacturing process are PCBA design or manufacturing files provided or exposed to any third party. At no point during the design or manufacturing process is any third party given the opportunity to alter the design or components of the PCBA. The manufactured PCBA is then checked by quality control to ensure it is 100% fully compliant to specifications and matching the original manufacturing design files.

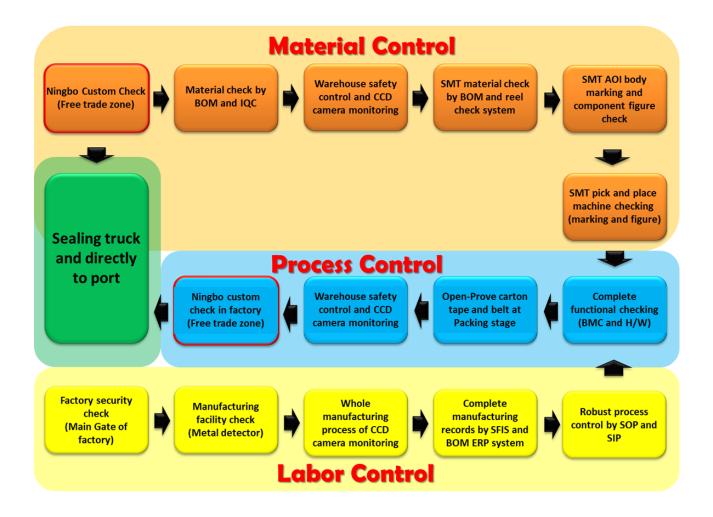
The PCBA is then **directly used for product assembly on site** and the final product is then shipped out direct to the customer or to a **GIGABYTE** owned and managed logistics hub. There is no chance at any stage of this process for any unauthorized alteration to be performed.

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Customers who still have any concerns about the security measures of **GIGABYTE**'s manufacturing and supply chain process or vulnerability of our products to any unauthorized modifications are welcome to contact your sales representative directly to discuss in further detail.

APPENDIX:

Manufacturing process control flow chart of GIGABYTE's Ningbo factory including security measures taken (material, process and labor control)



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