

Realtek Semiconductor Corp.
2025 Annual Shareholders' Meeting Notice
(Summary Translation)

The 2025 Annual Shareholders' Meeting will be held at 9:00 AM on Wednesday, May 28, 2025 at No.1, Industry East 2nd Road, HsinChu Science Park Life Hub, Rossini Conference Room.

1. Agenda for the 2025 Annual Shareholders' Meeting is as follows:

I. Report Items

- (1) Business report of 2024
- (2) Audit Committee's review report
- (3) To report 2024 employees' compensation and directors' remuneration
- (4) To report 2024 cash dividends distribution from retained earnings
- (5) To report 2024 related party transaction

II. Ratification Items

- (1) 2024 business report and financial statements
- (2) Distribution of 2024 retained earnings

III. Discussion Item

- (1) Proposal to amend the Company's Articles of Incorporation
- (2) Proposal for the issuance of 2025 new restricted employee shares
- (3) Proposal to release the non-compete restriction on a director

IV. Extraordinary Motions

2. The Board of Directors resolved that the 2024 cash dividends distribution from retained earnings is NT\$ 13,078,022,846, NT\$ 25.5 per share.
3. Please refer to the Attachment for details of the proposal for the issuance of 2025 new restricted employee shares.
4. Please refer to the website of MOPS at (<https://mops.twse.com.tw>) for essential contents of items specified under Article 172 of the Company Act.
5. For shareholders who will attend the meeting in person, please sign or stamp on the attendance sign-in form and bring it to the venue on the day of the meeting for registration and attendance. If an agent is entrusted to attend the meeting, the shareholder shall sign or stamp on the proxy form and personally fill in the name and address of the agent, then deliver the proxy form to the Transfer Agency Department of Chinatrust Commercial Bank at least 5 days prior to the day of the meeting for issuance and delivery of the attendance sign-in form to the entrusted agent.
6. If proxies are solicited by the shareholder(s), the Company shall compile solicitation information into a summary table and disclose such information on the Securities & Futures

Institute website by April 25, 2025. Shareholders who wish to inquire about such information can directly enter (<https://free.sfi.org.tw>) into the "Free Inquiry of Proxy Forms Announcement Data" system and input the search conditions.

7. The shareholders may exercise voting rights through electronic voting. The period of exercising voting rights starts from April 28, 2025 to May 25, 2025.
Please log in to Taiwan Depository & Clearing Corporation's "Shareholders' e-Voting Platform" website (<https://stockservices.tdcc.com.tw>), and follow the instructions to vote.
8. If new shareholders intend to submit shareholder chop forms, please download the chop forms from the website of the Company's Transfer Agent, Chinatrust Commercial Bank Trust Online Banking.
9. The Transfer Agency Department of Chinatrust Commercial Bank is the proxy counting and verification institution for this Meeting.
10. Shareholders' attention and compliance is kindly requested.

Sincerely,

Board of Directors
Realtek Semiconductor Corp.

Attachment

The details of the Proposal for the issuance of 2025 New Restricted Employee Shares are as follows:

1. To attract and retain key talents essential to the Company, and to incentivize employees to achieve the Company's operational goals, the Company proposes to issue New Restricted Employee Shares in accordance with Article 267 of the Company Act and the Regulations Governing the Offering and Issuance of Securities by Securities Issuers promulgated by the Financial Supervisory Commission, as well as other relevant regulations.
2. The contents of the issuance of New Restricted Employee Shares are as follows:
 - 2-1. Expected total amount of issuance: A maximum of 2,700,000 common shares will be issued, accounting for approximately 0.5% of the outstanding common shares of the Company. The par value per share is NT\$10, and the total amount is NT\$27,000,000. The issuance shall be completed by once or multiple times within two years from the date of receipt of the notice of effectiveness of the report from the competent authority. The actual number of shares issued and the related expenses will be calculated based on the share price at the time of grant. The actual number of shares issued will be determined by the Board of Directors in accordance with applicable laws and regulations, and will be announced separately.
 - 2-2. Conditions for issuance:
 - 2-2-1. Expected issue price: The shares will be issued free of charge, with an issuance price of NT\$0 per share.
 - 2-2-2. Vesting conditions:
 - 2-2-2-1. Employees must remain employed on each vesting date after being granted new restricted employee shares, and during the vesting period, must not violate the Company's labor contract, work rules, non-compete agreement, confidentiality agreement, or other contractual agreements with the Company. Additionally, they must meet the individual performance evaluation criteria set by their respective companies and the Company's operational goals. The vesting period is three years, with the vesting percentages on each annual vesting date as follows:
 - a. After one year, 33% of the shares vest.
 - b. After two years, an additional 33% of the shares vest.
 - c. After three years, the remaining 34% of the shares vest.
 - 2-2-2-2. Individual performance evaluation criteria: The evaluation rating for the most recent year before the vesting period expires must be A+ or above.
 - 2-2-2-3. Company operational goals: The performance indicators for the Company are pre-tax net profit margin, return on equity (ROE), and ESG. The weights and target conditions for each indicator are described in the table below. Each indicator has a set target value. For indicators that meet the target value, the vested share count for that year is calculated based on the corresponding weight. For indicators that do not meet the target value, the corresponding weight for the vested share count for that year is 0%. The performance indicator year refers to the fiscal year of the most recent audited financial statements before the vesting date. The performance indicators are calculated based on the consolidated financial statements audited and certified by accountants for the corresponding period required by the indicators.

Performance Indicators	weighting	Target
Pre-Tax Net Profit Margin	30%	Exceed the Company's three-year average Pre-Tax Net Profit Margin.
Return on Equity	30%	Exceed the Company's three-year average Return on Equity or the average Return on Equity of the top 10 weighted constituent stocks in the TIP Customized Taiwan IC Design Representatives Total Return Index.
ESG	40%	MSCI annual ESG rating is BBB or above. (Note)

Note: The MSCI ESG rating period aligns with the performance assessment period for the Pre-Tax Net Profit Margin and Return on Equity.

- 2-2-3. Measures to be taken when employees fail to meet the vesting conditions or in the event of inheritance: If an employee fails to meet the vesting conditions, the Company shall reclaim and cancel the shares without compensation. All other matters shall be handled in accordance with the issuance rules formulated by the Company.
- 2-2-4. Type(s) of shares issued: Common shares of the Company.
- 2-3. Qualification criteria for employees:
- 2-3-1. The applicable targets are full-time employees of the Company and its subsidiaries who are still employed on the date of granting new restricted employee shares, have achieved certain performance levels, and meet at least one of the following principles:
- Highly relevant to the Company's future strategic development.
 - Critical to the Company's business operations.
 - Key technical talent.
- 2-3-2. The number of new restricted employee shares granted to eligible employees will be determined based on factors such as position level, work performance, overall contributions, special achievements, and other management-related considerations. The list of recipients and the corresponding number of shares will be approved by the Chairman and submitted to the Board of Directors for final approval. However, grants to directors or officers require prior approval from the Remuneration Committee, while grants to employees who are neither directors nor officers require prior approval from the Audit Committee.
- 2-3-3. The number and proportion of new restricted employee shares granted to any individual employee shall comply with the Regulations Governing the Offering and Issuance of Securities by Securities Issuers.
- 2-4. The necessary reason for the issuance of New Restricted Employee Shares: To attract and retain key talents essential to the Company, motivate employees to achieve the Company's operational goals, and generate higher Company and shareholder benefits.
- 2-5. Estimated expense amount: The Company shall measure the fair value of the shares on the grant date and recognize the related expenses annually during the vesting period. Based on the vesting conditions, the total estimated expense is NT\$1,503,900 thousand. The estimated amounts to be expensed from 2025 to 2028 are NT\$124,072 thousand, NT\$496,287 thousand, NT\$500,047 thousand, and NT\$383,494 thousand, respectively.
- 2-6. Dilution impact on the Company's earnings per share : Based on the current number of

outstanding shares and the maximum number of new restricted employee shares to be issued, the estimated dilution in EPS from 2025 to 2028 is NT\$0.24, NT\$0.97, NT\$0.97, and NT\$0.75, respectively.

- 2-7. Other matters affecting shareholders' equity: No significant impact on shareholders' equity.
- 2-8. Restrictions on the rights of new restricted employee shares granted to employees before the vesting conditions are met: Except for inheritance, employees are not allowed to sell, pledge, transfer, gift, encumber, or otherwise dispose of the new restricted employee shares granted to them before the vesting conditions are met. For other cases where rights are restricted, the issuance rules shall apply.
- 2-9. Other important terms and conditions (including stock trust custody, etc.): The new restricted employee shares issued by the Company shall be placed under custodial trust.
3. The new restricted employee shares proposed in this issuance can be reported to the competent authority multiple issues within one year from the date of the shareholders' meeting resolution. These shares shall be issued by once or multiple times within two years from the date of receipt of the notice of approval and effectiveness of the report from the competent authority, depending on actual needs.
4. All relevant restrictions, important agreements, or any matters not covered in the proposal of this issuance shall be handled in accordance with relevant laws and regulations as well as the issuance rules formulated by the Company.
5. If any conditions stipulated for the new restricted employee shares proposed in this issuance need to be revised due to instructions from the competent authority, amendments to relevant laws and regulations, or in response to changes in financial market conditions or objective circumstances, it is proposed to request the shareholders' meeting to authorize the board of directors or its authorized person to handle all matters related to such revisions.