

## Appendix1: List of Advantech Foundation's Achievements in 2020

In 2020, Advantech Foundation spent NT\$ 28,958,965 on cultivating IoT talents and NT\$ 44,456,274 on co-enriching the community. Focus items are listed in the table below:

Theme focus	Project name	Results in 2020	Goals for 2021
IoT innovative talent cultivation	AIoT InnoWorks	Over NT\$7.21 million in sponsorship Participants were 182 students from 14 universities worldwide, yielding 28 special topics.	Estimated to input NT\$22.11 million. <ul style="list-style-type: none"> <li>• InnoWorks Participate with 20 schools worldwide. Produce 2 A+ projects in Taiwan area.</li> <li>• Internship Invite 20–30 students to participate in internship project.</li> <li>• IoT Lab Promote 3 large-scale industry–academia projects</li> <li>• AIoT Academy Complete 10 A+ projects. Assist at least 500 students with obtaining WISE-PaaS certification.</li> </ul>
	Elite100 Internship	Over NT\$1.81 million in sponsorship Participants were 17 students in the summer internship, yielding five innovative proposals.	
	IoT Lab	Over NT\$10.72 million in sponsorship Cooperated in six research projects Sponsored 5 IoT industry elite PhD students and four industry–academia master's students.	
IoT industry application entrepreneur cultivation	IoT innovative entrepreneurship accelerator incubation platform	Input a budget of over NT\$498 million. <ul style="list-style-type: none"> <li>• Connected 9 start-up teams from Canada, the Netherlands, and Taiwan with our internal marketing and product consultant teams.</li> <li>• Assisted 2 Taiwan cases and 1 Dutch case in their product incubation and business expansion.</li> <li>• Sponsored 4 incubators and accelerators to Taiwan.</li> </ul>	Estimated to input NT\$6.4 million. IoT innovative entrepreneurship accelerator incubation platform Connect 5 start-ups with our corporate professional teams to further assist them in business expansion and product incubation.
Business and management case teacher talent cultivation	EACC Case Study	Input over NT\$1.54 million Generated and published in the traditional Chinese version of Harvard Business Review <ul style="list-style-type: none"> <li>• Five short case articles</li> <li>• One feature article</li> </ul>	Estimated to input NT\$1.02 million <ul style="list-style-type: none"> <li>• Develop two workshops on case teaching</li> <li>• Complete the cooperation project on short cases for the traditional Chinese version of Harvard Business Review</li> </ul>

Focused theme	Project	Results in 2020	Goals for 2021
Public welfare and care for education	Lita Tree Public Welfare Platform (which was integrated into the Sustainable Education Platform in 2020)	Invested over NT\$10 million. Sponsored 23 teams.	Estimated to input NT\$10 million. Discover at least 2 new teams to sponsor.
	Scholarship and Grants for Remote Areas in Hsinchu and Miaoli	Donated NT\$3 million.	Continue to input NT\$3 million to support the 37 schools. Estimated to input NT\$1 million.
	Benefited 1,596 people from 37 schools	Continue to input NT\$3 million to support the 37 schools.	Estimated to input NT\$1 million.
	ACT Dreamer	Invested over NT\$1.57 million.	Estimated to input NT\$2 million. Expand the scope to at least invite 8 schools to participate and to implement over 40 innovative proposals that benefit society.
Social enterprise innovation and incubation	iLab Incubation Project	Sponsored NT\$1 million. Held 2 iLab lectures at Advantech, which included 198 employees as participants. Provided tickets to 5 activities aimed at cultivating social enterprise skills. Invited 2 social enterprises to participate in Advantech's public welfare marketplace. The sponsorship was also used to support the operation of iLab and for consulting and coaching activities.	Estimated to input NT\$1 million. Continue to hold talks, participate in cultivation activities, invite social enterprises to participate in public welfare fair, and support activities related to iLab. Deepen the strategic cooperation between iLab and Advantech ESG.
	TIC100 Social Entrepreneurship Competition	Sponsored NT\$1 million. A total of 116 teams signed up for the competition, and 6 teams were awarded. Supported 1 workshop and 1 enterprise match-making event. A total of 449 people participated.	Estimated to input NT\$1 million.
	Social Innovation School (School28)	A new project in 2021.	Estimated to input NT\$2 million. Jointly support the cultivation of social innovation talents. Provide relevant information to Advantech employees so that young employees with 2–5 years of work experience and a passion for social enterprises have the opportunity for selection.
Arts and humanities development	Inheriting and Expanding Traditional Arts <ul style="list-style-type: none"> <li>• National Taiwan College of Performance Arts Talents Cultivation Project</li> <li>• Guo Guang Opera Company “Successor of Taiwan Peking Opera—Youth Talent Cultivation Project”</li> </ul>	Sponsored over NT\$2.05 million.	Estimated to input NT\$2.7 million.
	Arts and Culture Salon and other arts and culture events	Sponsored over NT\$3.6 million, Performed nearly 50 times. Over 1,900 employees and guests participated.	Estimated to input NT\$4 million.
	Public Service Art Gallery	Sponsored over NT\$370,000.	Estimated to input NT\$350,000.

## Appendix2 : Advantech’s ISO Certifications in Relation to SDGs

ISO Certification		Scope of certification			Corresponded SDGs
Category	Name of ISO	HQ	ATMU	AKMC	
Quality management	ISO 9001 Quality management systems	✓	✓	✓	
	ISO 13485 Medical devices – Quality management systems	✓	✓	✓	
	ISO 17025 General requirements for the competence of testing and calibration laboratories	✓	✓	✓	-
Environmental management	ISO14001 Environmental management systems	✓	✓	✓	
	ISO 14064 Greenhouse gas management and related activities	✓	✓	✓	
Safety management	ISO 45001 Occupational health and safety management systems	✓	✓	✓	
Information technology	ISO 27001 Information security management systems	✓	✓	✓	-

## Appendix3 : GRI Standards (2016 Version)Table

\* Voluntary disclosure

Universal Standards		Chapter	Page
<b>General Disclosures</b>			
102-1	Name of the organization	0.0 About Advantech's 2020 sustainability report	1
102-2	Activities, brands, products, and services	2.1 Operation performance and corporate governance framework	25
102-3	Location of headquarters	2.1 Operation performance and corporate governance framework	25
102-4	Location of operations	0.0 About Advantech's 2020 sustainability report 2.1 Operation performance and corporate governance framework 5.4 (Appendix) Employee composition	1, 25, 111
102-5	Ownership and legal form	0.0 About Advantech's 2020 sustainability report 2.1 Operation performance and corporate governance framework	1, 25
102-6	Markets served	2.1 Operation performance and corporate governance framework	25
102-7	Scale of the organization	2.1 Operation performance and corporate governance framework 5.4 (Appendix) Employee composition	25, 108
102-8	Information on employees and other workers	5.4 (Appendix) Employee composition	108
102-9	Supply chain	2.2 Supply chain sustainable management	31
102-10	Significant changes to the organization and its supply chain	None	31
102-11	Precautionary Principle or approach	2.3 Risk management mechanisms	42
102-12	External initiatives	None	-
102-13	Membership of associations	2.5 (Appendix) Guilds and associations	51, 52
102-14	Statement from senior decision-maker	1.1 Message from top management	5, 6

Universal Standards		Chapter	Page
<b>General Disclosures</b>			
102-16	Values, principles, standards, and norms of behavior	2.1 Operation performance and corporate governance framework 5.2 Employee development plan	27, 102
102-18	Governance structure	2.1 Operation performance and corporate governance framework	26, 27
102-33	Communicating critical concerns	1.2 Advantech ESG Governance	8
102-40	List of stakeholder groups	1.3 Stakeholder engagement	10
102-41	Collective bargaining agreements	No union	-
102-42	Identifying and selecting stakeholders	1.3 Stakeholder engagement	10
102-43	Approach to stakeholder engagement	1.3 Stakeholder engagement	10
102-44	Key topics and concerns raised	1.3 Stakeholder engagement 1.4 Sustainability objectives and topics	12, 14
102-45	Entities included in the consolidated financial statements	2.1 Operation performance and corporate governance framework	25, 26
102-46	Defining report content and topic boundaries	1.4 Sustainability objectives and topics	13, 21
102-47	List of material topics	1.4 Sustainability objectives and topics	21
102-48	Restatements of information	None	1
102-49	Changes in reporting	1.4 Sustainability objectives and topics	1, 9, 20
102-50	Reporting period	0.0 About Advantech's 2020 sustainability report	1
102-51	Date of most recent report	0.1 Table of contents	3
102-52	Reporting cycle	0.1 Table of contents	3
102-53	Contact point for questions regarding the report	0.1 Table of contents	3
102-54	Claims of reporting in accordance with the GRI Standards	0.0 About Advantech's 2020 sustainability report	1
102-55	GRI content index	Appendix 3. GRI Standards (2016 version) Table	125, 126, 127, 128, 129
102-56	External assurance	0.0 About Advantech's 2020 sustainability report	1

Topic-specific Standards			Chapter	Page
<b>Economic/Governance</b>				
Management Approach (Customer service and partner cocreation)	103-1	Explanation of the material topic and its Boundary	1.4 Sustainability objectives and topics 3.3 Customer service and partner cocreation	22
	103-2	The management approach and its components		22, 63
	103-3	Evaluation of the management approach		63
Management Approach (Innovative products and technologies)	103-1	Explanation of the material topic and its Boundary	1.4 Sustainability objectives and topics 3.1 Innovative products and technologies	22, 55
	103-2	The management approach and its components		22, 56
	103-3	Evaluation of the management approach		58
Management Approach (Information security management)	103-1	Explanation of the material topic and its Boundary	1.4 Sustainability objectives and topics 2.4 Information security management	22
	103-2	The management approach and its components		45
	103-3	Evaluation of the management approach		46
Management Approach (Supply chain sustainable management)	103-1	Explanation of the material topic and its Boundary	1.4 Sustainability objectives and topics 2.2 Supply chain sustainable management 2.3 Risk management mechanisms	22
	103-2	The management approach and its components		43
	103-3	Evaluation of the management approach		30
Economic Performance	201-2	Financial implications and other risks and opportunities due to climate change	4.1 Climate change strategies	68
Procurement Practices	204-1	Proportion of spending on local suppliers	2.2 Supply chain sustainable management	33
Anti-competitive Behavior	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	3.3 Customer service and partner cocreation	65
<b>Environmental</b>				
Management Approach (Sustainable intelligent solutions)	103-1	Explanation of the material topic and its Boundary	1.4 Sustainability objectives and topics 3.2 Sustainable intelligent solutions	22
	103-2	The management approach and its components		22
	103-3	Evaluation of the management approach		62

Topic-specific Standards			Chapter	Page
<b>Environmental</b>				
Management Approach (Eco design and product liability)	103-1	Explanation of the material topic and its Boundary	1.4 Sustainability objectives and topics 4.4 Eco design and product liability	23
	103-2	The management approach and its components		87
	103-3	Evaluation of the management approach		88, 89
Management Approach (Climate change strategies and energy management actions)	103-1	Explanation of the material topic and its Boundary	1.4 Sustainability objectives and topics 4.1 Climate change strategies 4.2 Energy management actions	23
	103-2	The management approach and its components		23, 68
	103-3	Evaluation of the management approach		67, 75
Energy	302-1	Energy consumption within the organization	4.1 Climate change strategies	71
	302-3	Energy intensity	4.1 Climate change strategies	71
Emissions	305-1	Direct (Scope 1) GHG emissions	4.1 Climate change strategies	69, 70
	305-2	Energy indirect (Scope 2) GHG emissions	4.1 Climate change strategies	70
	305-3	Other indirect (Scope 3) GHG emissions	4.1 Climate change strategies	71, 72
	305-4	GHG emissions intensity	4.1 Climate change strategies	69
	305-5	Reduction of GHG emissions	4.1 Climate change strategies	72
Effluents and Waste	306-2	Waste by type and disposal method*	4.3 Environmental management	81, 82
	306-3	Significant spills*	None. (4.3 Environmental management)	81
Environmental Compliance	307-1	Non-compliance with environmental laws and regulations*	None. (4.3 Environmental management)	78
Supplier Environmental Assessment	308-1	New suppliers that were screened using environmental criteria	2.2 Supply chain sustainable management	37

Topic-specific Standards			Chapter	Page
<b>Social</b>				
Management Approach (Employee development)	103-1	Explanation of the material topic and its Boundary	1.4 Sustainability objectives and topics 5.1 Employee attraction and retention 5.2 Employee development plan	23
	103-2	The management approach and its components		23, 97
	103-3	Evaluation of the management approach		97, 104
Management Approach (IoT education)	103-1	Explanation of the material topic and its Boundary	1.4 Sustainability objectives and topics 6.2 WISE-PaaS IoT education	23
	103-2	The management approach and its components		23
	103-3	Evaluation of the management approach		120
Management Approach (Community care)	103-1	Explanation of the material topic and its Boundary	1.4 Sustainability objectives and topics 6.1 Community care	23
	103-2	The management approach and its components		23
	103-3	Evaluation of the management approach		113
Employment	401-1	New employee hires and employee turnover	5.4 (Appendix) Employee composition	110
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	5.1 Employee attraction and retention 5.4 (Appendix) Employee composition	100, 111
	401-3	Parental leave	5.4 (Appendix) Employee composition	111
Training and Education	404-1	Average hours of training per year per employee	5.2 Employee development plan	102
	404-3	Percentage of employees receiving regular performance and career development reviews	5.1 Employee attraction and retention	99
Supplier Social Assessment	414-1	New suppliers that were screened using social criteria	2.2 Supply chain sustainable management	37
Customer Privacy	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	3.3 Customer service and partner cocreation	65



# Appendix4 : Assurance Statement



## ASSURANCE STATEMENT

### SGS TAIWAN LTD.'S REPORT ON SUSTAINABILITY ACTIVITIES IN THE ADVANTECH CO., LTD.'s CORPORATE SOCIAL RESPONSIBILITY REPORT FOR 2020

#### NATURE AND SCOPE OF THE ASSURANCE/VERIFICATION

SGS Taiwan Ltd. (hereinafter referred to as SGS) was commissioned by ADVANTECH CO., LTD. (hereinafter referred to as ADVANTECH) to conduct an independent assurance of the Corporate Social Responsibility Report for 2020 (hereinafter referred to as the Report). The scope of the assurance, based on the SGS Sustainability Report Assurance methodology, included the sampled text, and data in accompanying tables, contained in the report presented during on-site verification in the period of 5 February 2021 to 5 March 2021. SGS reserves the right to update the assurance statement from time to time depending on the level of report content discrepancy of the published version from the agreed standards requirements.

#### INTENDED USERS OF THIS ASSURANCE STATEMENT

This Assurance Statement is provided with the intention of informing all ADVANTECH's Stakeholders.

#### RESPONSIBILITIES

The information in the ADVANTECH's CSR Report of 2020 and its presentation are the responsibility of the directors or governing body (as applicable) and the management of ADVANTECH. SGS has not been involved in the preparation of any of the material included in the Report

Our responsibility is to express an opinion on the text, data, graphs and statements within the scope of verification with the intention to inform all ADVANTECH's stakeholders.

#### ASSURANCE STANDARDS, TYPE AND LEVEL OF ASSURANCE

The SGS ESG & Sustainability Report Assurance protocols used to conduct assurance are based upon internationally recognized assurance guidance, including the Principles contained within the Global Reporting Initiative Sustainability Reporting Standards (GRI Standards) 101: Foundation 2016 for report quality, and the guidance on levels of assurance contained within the AA1000 series of standards and guidance for Assurance Providers.

The assurance of this report has been conducted according to the following Assurance Standards:

Assurance Standard Options		Level of Assurance
A	SGS ESG & SRA Assurance Protocols (based on GRI Principles and guidance in AA1000)	n/a
B	AA1000ASv3 Type 2 (AA1000AP Evaluation plus evaluation of Specified Performance Information)	High

Assurance has been conducted at a high level of scrutiny.

#### SCOPE OF ASSURANCE AND REPORTING CRITERIA

The scope of the assurance included evaluation of quality, accuracy and reliability of specified performance information as detailed below and evaluation of adherence to the following reporting criteria:

Reporting Criteria Options	
1	GRI (Core) (2016)
2	AA1000 Accountability Principles Standard (2018)

- evaluation of content veracity of the sustainability performance information based on the materiality determination at a high level of scrutiny for ADVANTECH and moderate level of scrutiny for subsidiaries, and applicable aspect boundaries outside of the organization covered by this report;
- AA1000 Assurance Standard v3 Type 2 evaluation of the report content and supporting management systems against the AA1000 Accountability Principles (2018) at a high level of scrutiny; and
- evaluation of the report against the requirements of Global Reporting Initiative Sustainability Reporting Standards (100, 200, 300 and 400 series) claimed in the GRI content index as material and in accordance with.

#### ASSURANCE METHODOLOGY

The assurance comprised a combination of pre-assurance research, interviews with relevant employees, superintendents, CSR committee members and the senior management in Taiwan; documentation and record review and validation with external bodies and/or stakeholders where relevant.

#### LIMITATIONS AND MITIGATION

Financial data drawn directly from independently audited financial accounts. Task Force on Climate-related Financial Disclosures (TCFD) has not been checked back to source as part of this assurance process.

#### STATEMENT OF INDEPENDENCE AND COMPETENCE

The SGS Group of companies is the world leader in inspection, testing and verification, operating in more than 140 countries and providing services including management systems and service certification; quality, environmental, social and ethical auditing and training; environmental, social and sustainability report assurance. SGS affirm our independence from ADVANTECH, being free from bias and conflicts of interest with the organisation, its subsidiaries and stakeholders.

The assurance team was assembled based on their knowledge, experience and qualifications for this assignment, and comprised auditors registered with ISO 26000, ISO 20121, ISO 50001, SA8000, QMS, EMS, SMS, GPMS, CFP, WFP, GHG Verification and GHG Validation Lead Auditors and experience on the SRA Assurance service provisions.

#### VERIFICATION/ ASSURANCE OPINION

On the basis of the methodology described and the verification work performed, we are satisfied that the specified performance information included in the scope of assurance is accurate, reliable, has been fairly stated and has been prepared, in all material respects, in accordance with the reporting criteria.

We believe that the organisation has chosen an appropriate level of assurance for this stage in their reporting.

#### AA1000 ACCOUNTABILITY PRINCIPLES (2008) CONCLUSIONS, FINDINGS AND RECOMMENDATIONS

##### Inclusivity

ADVANTECH has demonstrated a good commitment to stakeholder inclusivity and stakeholder engagement. A variety of engagement efforts such as survey and communication to employees, customers, investors, suppliers,

media, community, and other stakeholders are implemented to underpin the organization's understanding of stakeholder concerns. For future reporting, ADVANTECH may proactively consider having more direct two-ways involvement of stakeholders during future engagement.

**Materiality**

ADVANTECH has established effective processes for determining issues that are material to the business. Formal review has identified stakeholders and those issues that are material to each group and the report addresses these at an appropriate level to reflect their importance and priority to these stakeholders.

**Responsiveness**

The report includes coverage given to stakeholder engagement and channels for stakeholder feedback.

**Impact**

ADVANTECH has demonstrated a process on identify and fairly represented impacts that encompass a range of environmental, social and governance topics from wide range of sources, such as activities, policies, programs, decisions and products and services, as well as any related performance. Measurement and evaluation of its impacts related to material topic were in place at target setting with combination of qualitative and quantitative measurements.

**GLOBAL REPORTING INITIATIVE REPORTING STANDARDS CONCLUSIONS, FINDINGS AND RECOMMENDATIONS**

The report, ADVANTECH's CSR Report of 2020, is adequately in line with the GRI Standards in accordance with Core Option. The material topics and their boundaries within and outside of the organization are properly defined in accordance with GRI's Reporting Principles for Defining Report Content. Disclosures of identified material topics and boundaries, and stakeholder engagement, GRI 102-40 to GRI 102-47, are correctly located in content index and report. For future reporting, it is recommended to have more descriptions of ADVANTECH's involvement with the impacts for each material topic (103-1), and how efforts were given to mitigate the impacts. More disclosures on the specific actions taken to achieve goals and targets of GRI 302-3 and 302-4 is recommended. More descriptions of the mechanisms for evaluating the effectiveness of the management approach. It is recommended to have more disclosures how Advantech integrate SDGs into Advantech's business strategies and how to identify potential opportunities related to SDGs which may have positive influence in enhancing the creating shared value of Advantech.

Signed:

For and on behalf of SGS Taiwan Ltd.



David Huang  
Senior Director  
Taipei, Taiwan  
21 April, 2021  
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