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Vision and Objectives on Sustainability

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1.1 Message from Top Management

Chairman

At the 2021–2025 Five-year Vision Planning Meeting we held in September 2020, we decided on environmental, social, and corporate governance (ESG) as one of Advantech's most important directions. This shift from implementing CSR-based projects to ESG is a substantial change that has full support from the Board of Directors, management, and general employees. It is my hope that 2021 marks a successful beginning for Advantech to adopt and implement ESG as a basis for gauging the sustainability and social impact of our operations.

I believe that 2021 will be a watershed that channels our learnings from CSR into this new ESG era. The main differences I see for Advantech are:

- By expanding our perspective from the mindset of being a corporation that fulfills its social responsibilities, such as conducting social welfare and charity activities, we will now move on to formally realize the Lita (altruism) concept as a foundation of our corporate culture. This will allow us to cooperate more closely with the communities in which we operate, co-enriching them and forming a cycle of reciprocity.
- By adopting a broader perspective of social governance and using specific KPIs to measure performance, we will be able to systematically drive the long-term implementation of ESG. Looking immediately to 2021, some of the items we will be incorporating include (1) energy-consumption management, (2) green operations, (3) IoT education, and (4) corporate governance.
- We have established a designated ESG & Corporate Sustainability Office and have hired external consultants for specific special projects. We have also incorporated Advantech Foundation into the scope of our ESG strategy, making it easier and more efficient to leverage resources and talents.
- We will be proactive in planning and establishing ESG-centered business groups. This will include building energy management, energy storage, and new smart energy solution projects. We have also expanded our IoT platform to further facilitate sharing and co-creation between industry and academia, and to provide solutions for smart factories and hospitals. In 2021, these

business groups will be basing their strategies on ESG and working to co-enrich society and industrial operations.

- We have integrated employee care and social co-enrichment to develop human-oriented strategies into our long-term goals.

In recent years, the media and investors have emphasized ESG as an emerging trend. As one of the founders and the Chairman of Advantech, I profoundly agree with this observation and am determined to steer Advantech's future toward becoming a company that adopts an ESG model to realize the spirit of Lita and co-enrichment.

Advantech has been established for 38 years, and I have reached an age where I am considering passing on the torch. It is thus my wish to succeed with ESG in the long run and plant the seeds of corporate sustainability into the systems we develop and talents we nurture.

Advantech Chairman
KC Liu




President of General Management

Advantech has held the vision of “enabling an intelligent planet.” Based on the Lita spirit, we have been cooperating with our suppliers and partners to build up the IoT industry. The principle of reciprocity in our Lita-based operations has been explained in our previous CSR reports. We have also defined our core abilities, making sure our operations are in line with our CSR direction. Collectively, these efforts have paved the foundation for our sustainable operations.

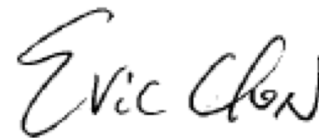
The year 2020 was largely disrupted by the COVID-19 pandemic. In September, Advantech held the 2021–2025 Five-year Vision Planning Meeting, where we decided to add ESG to the existing CSR scope. We expect that we will be in a position to leverage our unique AIoT core ability to align the company's strategies with the United Nations Sustainable Development Goals (SDGs) and work together to overcome global challenges.

Since 2021, we have already taken action on several sustainability topics, described as follows:

- We have established the ESG & Corporate Sustainability Office, to which we have designated personnel to promote ESG. We have hired consultants for specific special projects such as Science Based Targets (SBTi)
- We have communicated with stakeholders and confirmed our ten major sustainability topics, such as green operations and product innovation. We have also established goals that can be implemented in the coming 3 years.
- We will improve our publicly disclosed ESG information so that it is better structured. This will include updated reporting via our website. This way, our actions toward sustainability and ESG can be comprehensively and transparently updated for employees, partners, and other stakeholders.
- We have leveraged our core products to proactively realize new smart energy management solutions. Through our IoT education platform, WISE-PaaS@Education, we are able to share and co-create with industry and academia worldwide.

Advantech has been working in the IoT industry for over 30 years. We have been assisting clients with industrial applications in a broad range of fields to help realize Industry 4.0, including the development of smart medicine and smart transportation to make the world more intelligent and sustainable. In recent years, ESG has been a strong point of emphasis by people in many different fields, and I believe that based on the corporate visions of the Lita spirit and co-enrichment as well as building a more sustainable world, Advantech and all of our employees will work together on the journey of making Advantech a model company for ESG.

Advantech President of
General Management
Eric Chen

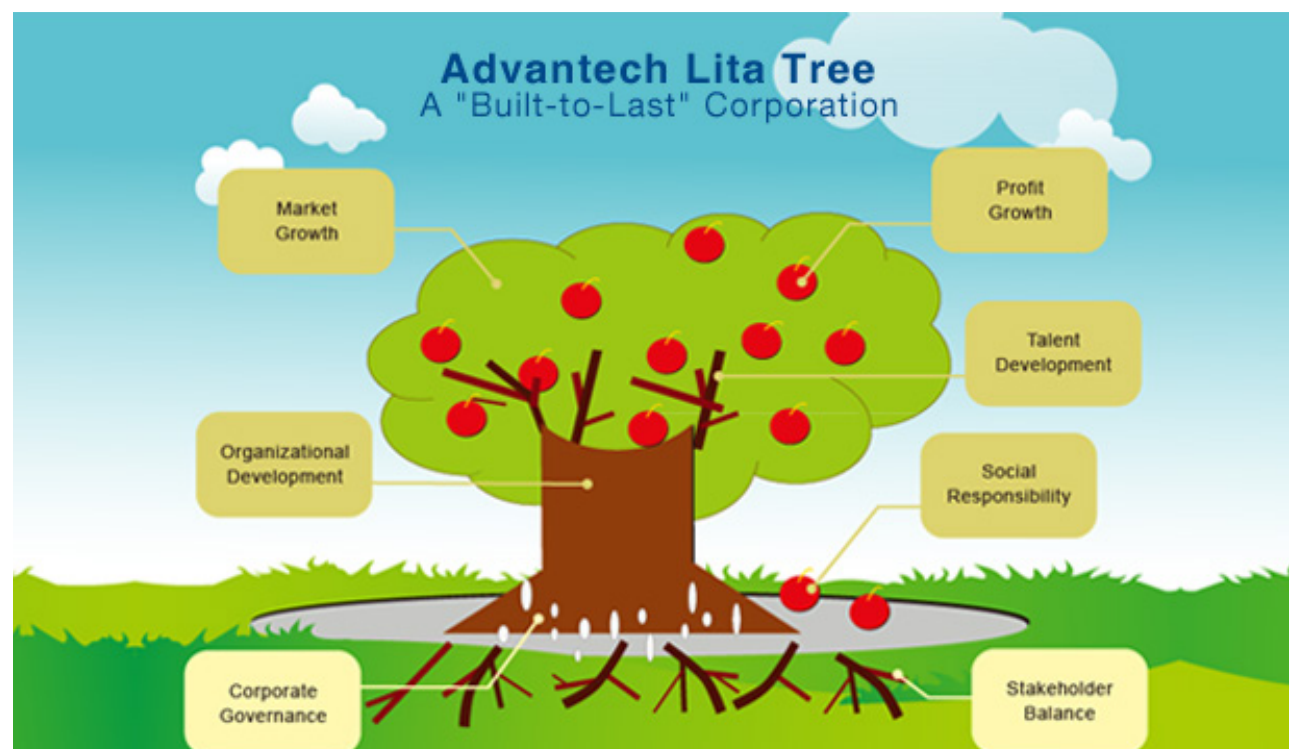


1.2 Advantech ESG Governance

The philosophy of the Lita Tree

Advantech believes that rigorous corporate governance and striving for the perfect balance between stakeholders are the foundations for sustainable corporate management. In the past few years, we have begun viewing our internal operations and relationship with society as a Lita tree. Society provides the nutrients for the tree to grow while comprehensive corporate governance and stakeholder balance ensure that the tree's roots are deep and provide a strong corporate foundation. Sound organizational development strengthens the trunk to support our operations, while cultivating proactive talent enables us to branch out and give shade and shelter to promote market growth. The fruits that these branches bear represent our profits; the nourishment from the fruit falling to the ground symbolizes us sharing our success with our stakeholders and fulfilling our responsibility as a social citizen.

Fig. 1.2.1 Advantech Lita Tree



Shifting from CSR to ESG

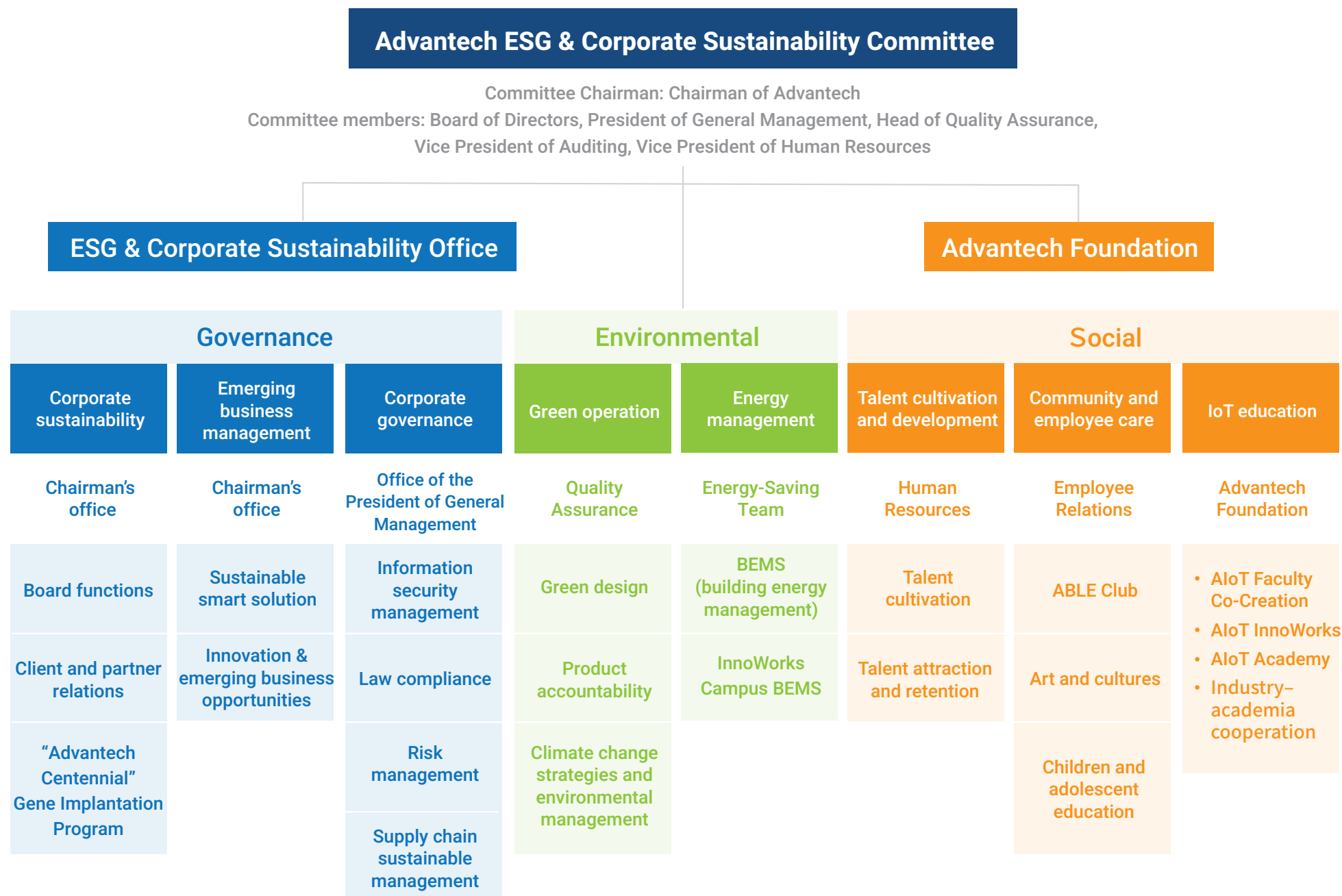
Advantech released the company's first CSR report in 2013. Related matters have been led by the Chairman, with CSR special projects reported to the Board of Directors by the Presidents. Each year, the board has been responsible for reviewing the company's annual CSR report. While performing this review in 2020, we considered our past efforts, the resources we have used, and international trends in CSR to determine the degree to which our CSR special projects align with our core development strategies. This led us to establish the ESG & Corporate Sustainability Committee and Office, through which we hope that by considering the environmental, social, and governance aspects of our operations, we can more comprehensively cover management items that have a substantial influence on our sustainable development.

The Advantech ESG & Corporate Sustainability Committee consists of six members: the Chairman of Advantech (also the founder of the company), one external director (Donald Chang was first to serve, selected for his management experience in cross-country corporate operations and his specialty in the environment), the President of General Management, the head of Quality Assurance, the VP of Auditing, and the VP of Human Resources (Fig. 1.2.2).

The ESG Office establishes plans annually. Each year, in January, April, July, and October, it holds committee meetings to propose relevant special project plans and report on the progress of ongoing special projects or other major topics. For new special projects, work begins after the committee confirms the objectives, expected results, responsible teams, and timetable. The ESG Office regularly tracks its results and reports to the committee for improvement plans. Each year, the ESG Office also regularly reports to the Board of Directors on the issuing of the annual sustainability report, progress on critical special projects, and future plans. At the time this CSR report was compiled, the most recent committee meetings had been held in October 2020 and January 2021. The motions discussed at these meetings included Advantech ESG development strategies, improvements in energy-saving technologies in Taiwan and China, building energy management systems, carbon disclosure and carbon reduction objectives, talent cultivation and development, and IoT education.



Fig. 1.2.2 Advantech sustainability governance



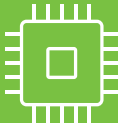


1.3 Stakeholder Engagement

Based on Advantech's daily operations and our substantial topic selection mechanism, the Advantech ESG Office invites employees from different departments to identify key stakeholders. Based on the five major principles of the AA1000 Stakeholder Engagement Standard—dependency, responsibility, tension, influence, and diverse perspectives—we identify priority communication issues and respond to topics that are of key concern. We preliminarily identify seven types of key stakeholders: employees, clients and cooperating partners, suppliers, shareholders/investment organizations, the media, guilds and associations, and communities and nonprofit organizations.

In addition to maintaining interaction with stakeholders during daily operations, we also utilize various channels to engage with them, such as via our CSR mailbox (csr@advantech.com.tw), phone calls, meetings, satisfaction surveys, onsite visits, and participating in guilds and associations.

Table 1.3.1 Advantech stakeholders' communication channels








Stakeholders	Communication channels	Frequency
 Employees	Employee Welfare Committee	Ongoing
	In-person and online employee meetings	Semi-annual
	Internal employee website and social media website	Ongoing
	Employee e-newsletters	Seasonal
	Global electronic billboard	Ongoing
	Mailbox for employee complaints	Ongoing
	CSR education training	New employee orientation
 Clients and cooperating partners	ABLE Line community	Ongoing
	Key Account quarterly business review	Seasonal
	Advantech Connect (online conference)	Irregular
	Assistance from local sales representatives and engineers	In time
	Activity satisfaction surveys	Irregular
	MyAdvantech magazine	Seasonal
	Client CSR audits	Irregular
 Suppliers	Designated zone for CSR on the company website	Ongoing
	Supplier CSR promotion and assessment	Annual
	Supplier environmental protection assessment	Annual
	Supplier meetings	Irregular
	Supplier assessment	Annual
	Anti-corruption report mailbox	Ongoing

Stakeholders	Communication channels	Frequency
 Shareholders/ Investment organizations	Investor service mailbox and phone number on the company website	Ongoing
	Public information observation station	Ongoing
	Shareholder meeting	Annual
	Institutional investor conferences	Semi-annual
	Conferences involving domestic and foreign investment institutions as well as face-to-face meetings	Irregular
	Annual report	Annual
	Company news releases on the company website	Irregular
	Designated zone for investors on the company website	Ongoing
 Media/ Guilds and associations	Interview or phone interview	Irregular, on average once a month
	Media luncheons	Irregular, on average once every 6 months
	Announce revenue information	Monthly
	Press conferences	Irregular, on average four sessions a year
	Press releases	Irregular, on average one per month or more
	Specific company activities	Irregular
	Designated public relations personnel	Regular
	Institutional investor conferences specifically for the media	Annual
 Communities and nonprofit organizations	Designated units responsible for communicating with the community	Irregular
	CSR mailbox on the company website	Ongoing
	Disclosing information about the CSR report on the company website	Ongoing



Besides, we conducted stakeholder degree of concern survey and went through materiality analysis accordingly. Detailed methodology and result please refer to 1.4 Sustainability objectives and topics.

Table 1.3.2 Stakeholders and the topics they concern

Stakeholders	Topics	Chapters
 Clients and cooperating partners	<ul style="list-style-type: none"> • Client and partner relations • Information security management • Supply chain sustainable management 	CH3 Innovation and Services CH2 Corporate Management and Governance
 Employees	<ul style="list-style-type: none"> • Talent cultivation and retention • Employee–employer relations and equality • Economic performance 	CH5 Employee Development CH2 Corporate Management and Governance
 Shareholders/ Investment organizations	<ul style="list-style-type: none"> • Risk management • Economic performance • Eco design and product responsibility 	CH2 Corporate Management and Governance CH4 Commitment to Green Operations
 Media	<ul style="list-style-type: none"> • Innovative products and technology • Sustainable intelligent solutions • Economic performance 	CH3 Innovation and Services CH2 Corporate Management and Governance
 Suppliers	<ul style="list-style-type: none"> • Innovative products and technology • Economic performance • Client and partner relations 	CH3 Innovation and Services CH2 Corporate Management and Governance
 Communities and nonprofit organizations	<ul style="list-style-type: none"> • Talent cultivation and retention • IoT education 	CH5 Employee Development CH6 Lita and Coenriching Society
 Guilds and associations	<ul style="list-style-type: none"> • Sustainable intelligent solutions • Client and partner relations • Innovative products and technology 	CH3 Innovation and Services

1.4 Sustainability Objectives and Topics

Identify materiality topics and their boundaries

We identify sustainability topics related to our operations through our Stakeholder Degree of Concern Survey, and the degree of their impact and influence is then assessed by upper management. This allows us to conduct a materiality analysis from two dimensions. The Sustainability Committee then reviews the criticalness of each topic identified in the analysis. The results are used as a reference for information disclosure, sustainability strategy development, and special project planning.

Fig. 1.4.1 Process of establishing suitability objectives and strategies



▲ Sources of Advantech sustainability topics

Advantech’s procedure for identifying materiality topics is guided by the GRI Standards for sustainability reporting. Because sustainability topics cover a wide scope, we seek input from both internal and external sources to ensure that we are considering the widest range of possibilities.

Table 1.4.1 Sources of sustainability topics

External	Internal
<ul style="list-style-type: none">• Aspects and indicators in the GRI Standards• Opinions and feedback from stakeholders• SDGs	<ul style="list-style-type: none">• Corporate sustainable development goals (Advantech’ 2025 Vision Declaration)• Corporate operating strategies and development goals

Advantech’s 2025 vision declaration and the United Nations Sustainable Development Goals (SDGs)



In August–September 2020, Advantech ran the 2025 Vision Planning Workshop. In September, we officially established the 2025 Vision Declaration, and ESG is a critical part of this. Advantech’s ESG Vision Declaration is as follows: “Emphasize environmental, social, and corporate governance topics, implement Lita co-enrichment, and enable an intelligent and sustainable planet.”

Advantech’s ESG vision began with our corporate vision of “Enabling an intelligent planet.” Considering our core competitiveness, key development strategies, and response to the UN SDGs, we aim to leverage our AIoT core competencies and smart solutions to assist in realizing SDG 7 and SDG 13 for improved energy efficiency, energy-saving in buildings and in manufacturing, and low carbon emissions in logistics and retail. Through our open, innovative environment and education efforts aimed at popularizing IoT platforms and solutions, we seek to provide outstanding education (SDG 4) and promote partnerships (SDG 17).

Fig. 1.4.2 Advantech 2025 Vision and our focuses on UN SDGs



Based on the external opinions, reference indices, and international initiatives (Table 1.4.1), as well as our internal development strategies and goals (Fig. 1.4.2), the ESG & Corporate Sustainability Office selected 17 sustainability topics for 2020 and planned the survey content accordingly.

Table 1.4.2 Sustainability topics in Advantech 2020 survey

Governance	Environmental	Social
<p>No.01 Economic performance</p> <p>No.02 Innovative products and technology</p> <p>No.03 Supply chain sustainable management</p> <p>No.04 Client and partner relations</p> <p>No.05 Risk management</p> <p>No.06 Information security management</p> <p>No.07 Anti-corruption and anti-competition</p>	<p>No.08 Climate change strategies and environmental management</p> <p>No.09 Eco design and product responsibility</p> <p>No.10 Energy management</p> <p>No.11 Waste and water treatment</p> <p>No.12 Sustainable intelligent solutions</p>	<p>No.13 Employee–employer relations and equality</p> <p>No.14 Talent cultivation and retention</p> <p>No.15 Occupational safety and health</p> <p>No.16 IoT education</p> <p>No.17 Community care</p>

Materiality analysis

In 2020, we conducted our first survey of our overseas branches. It was the first time we studied materiality topics and their degree of influence and impact on our operations by surveying the opinions of upper management. Table 1.4.2 details the survey content for the 17 sustainability topics we identified.

Stakeholders Degree of Concern Survey

We surveyed our stakeholders via an online questionnaire to collect their opinions.

Upper management survey

The ESG & Corporate Sustainability Office used online questionnaires and emails to survey the Board of Directors as well as local and overseas upper management (directors and higher).

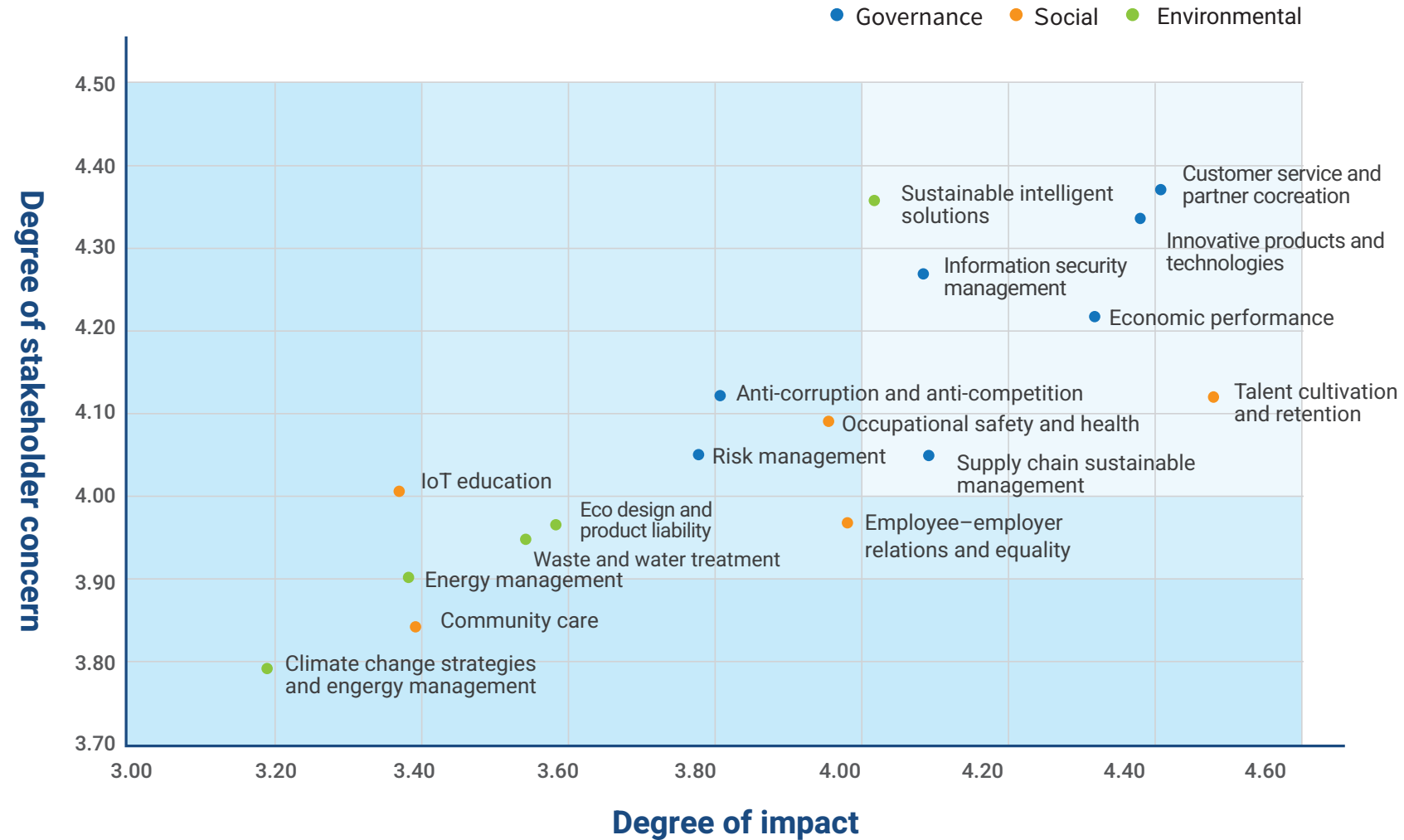
A total of 339 valid questionnaires were returned (282 from the stakeholder survey and 57 from the upper management survey).

Because the number of valid questionnaires varied between the different stakeholder groups, we calculated the mean within each group for each questionnaire item. This was done to prevent the results from being biased by the number of individuals in each stakeholder group, effectively giving each stakeholder group the same weight. The preliminary results of the materiality analysis are presented in the Figure 1.4.3.

Table 1.4.3 Questionnaire statistics for Advantech's 2020 materiality analysis

Survey aspect	No. of valid questionnaires returned	Taiwan	Other overseas branches	Total
Degree of concern of stakeholders	Employees	139	22	161
	Clients and partners	34	10	44
	Suppliers	15	0	15
	Shareholders and investment institutions	17	3	20
	Media	14	3	17
	Guilds and associations	5	0	5
	Communities	20	0	20
Survey of upper management	Board of Directors and Executives	46	11	57
Total		307	49	339

Fig. 1.4.3 Preliminary materiality analysis results



As shown in the figure above, in the original analysis, items exceeding 4.00 on the degree of impact of operations and the degree of stakeholder concerns are considered the original results of our materiality topics.

The preliminary analysis results were handed to the ESG Office, who evaluated the company's core development strategies and coordinated with the Committee to advise on any necessary adjustments. The major adjustments of topics and their justifications are explained as follows:

1. Add climate change strategies and energy management

Climate change is an international topic with wide public concern. As an industry leader, we are expected to respond to concerns on climate change, and so we must carefully assess the opportunities and risks that it has brought about. Because demonstration and promoting energy-saving in buildings and operations are key themes in our ESG, we have merged our climate change strategies and energy management and included it in our materiality analysis.

2. Add eco design and product responsibility

Innovation is one of Advantech's key strengths and has always been a driver of the company's progress. Eco design has now been incorporated into our innovation process. In 2021, we plan to promote green innovation at our headquarters and as such have included it in our materiality analysis for disclosure and management.

3. Add community care

We hope to be more systematic in providing art sponsorships based on the level of employee interest. We also plan to run special education projects for children and adolescents.

4. Add IoT education

IoT education is one of Advantech's 2025 visions and a critical direction in our ESG strategy.

5. Remove economic performance

Advantech is a listed company. Complete financial and economic performance data are disclosed in the company's annual report (Chapter VI. Financial Information).

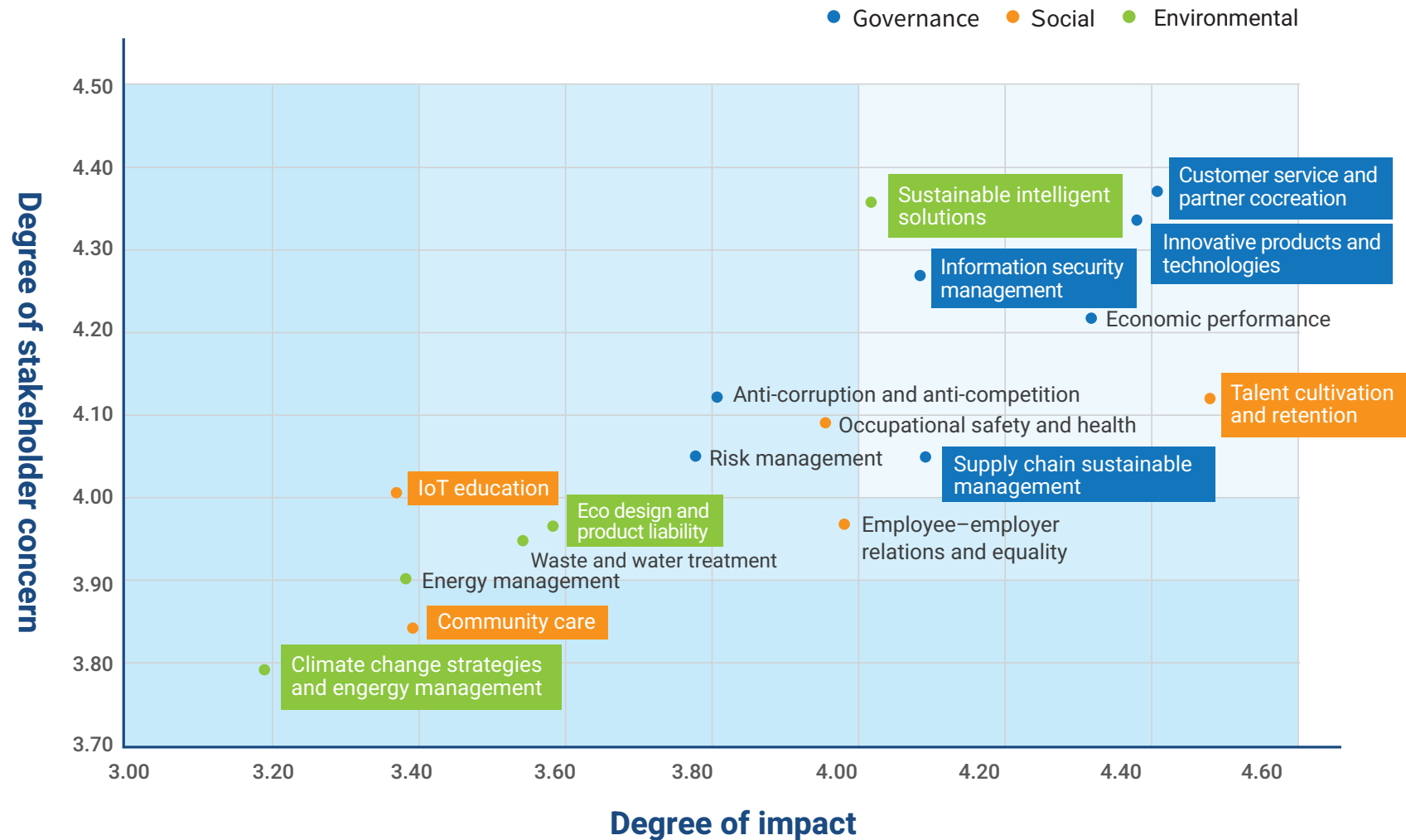
Materiality topics in the 2019 CSR Report contained two topics of wastewater and waste as well as emissions; in 2020, they were merged into waste and water treatment. Although they no longer identified as materiality topics in the materiality analysis, we voluntarily disclose them in Chapter 4.3. Market status was also merged with economic performance and disclosed in our annual report. Labor-employment relationships and labor-management relationships were merged into labor-employment relationships and equality. Occupational health and safety was renamed to occupational safety and health. After the materiality analysis



was conducted, these three items were not identified as materiality topics, but they are voluntarily disclosed in Chapters 5.1 and 5.4. Training and education were adjusted as employee development planning, which belongs to talent cultivation and retention under materiality, and it is disclosed in Chapter 5.2.

The descriptions of other topics have been modified slightly based on our ESG development strategies. Figure 1.4.4 shows the 10 materiality topics in the 2020 report that were reviewed and adjusted by the Advantech ESG & Corporate Sustainability Committee.

Fig. 1.4.4 Ten major materiality topics in the current report



Identify the boundary of topics

For each materiality topic, we assessed its impact and determined whether its effects are internal or external. Table 1.4.4 shows the boundaries of each topic within and outside of the organization.

Table 1.4.4 Boundaries of critical materiality topics

Aspect of consideration	Boundary	Internal		External	
		Advantech Taiwan	Advantech Kunshan	Suppliers	Customers
Economic Governance	Customer service and partner cocreation	●	●		●
	Innovative products and technology	●	●		
	Information security management	●	●		
	Supply chain sustainable management	●	●	●	
Environmental	Sustainable intelligent solutions	●	●		●
	Eco design and product responsibility	●	●	●	
	Climate change strategies and energy management	●	●		
Social	Talent cultivation and retention	●	●		
	WISE-PaaS IoT education	●	●		
	Community care	●	●		

● Can be fully disclosed in this report ● Can be partially disclosed in this report

Materiality management approach

The ESG office collaborates with departments or units responsible for each materiality topics (please refer to Fig. 1.2.2 Advantech sustainability governance) to establish management approach and set goals for materiality topics. After the committee confirms the adequacy in written form, the ESG office implements and follow-up on the performance. In addition to SDG4, 7, 13, and 17, we responded to other SDG in different materiality topics. Among the ten identified materiality topics, this year's newly established ones were innovative products and technology, information security management, sustainable intelligent solutions, WISE-PaaS IoT education, and community care. They correspond to GRI103.

Table 1.4.5 Goals and management approach for materiality topics

Materiality topic	Materiality	Management strategy	Achievement status in 2020	Goals for 2021	Goals for 2025	Corresponded SDGs	Related chapters in this report
Customer service and partner cocreation	Favorable client relations can increase our competitiveness. Outstanding partnerships can also enhance overall creativity across the entire IoT industry.	View clients as partners. Cocreate products or services with clients and co-operate the market.	<ul style="list-style-type: none"> Started 19 cocreation projects in places such as Taiwan, China, and Switzerland. Held 95 global online talks. 	Increase brand value by double digits.	Increase global client satisfaction rate by 10%.	SDG 17. Partnership for the goals	3.3
Innovative products and technology	Innovative ability is the key to Advantech's competitiveness. Technology innovation reduces R&D cost and resource wastage while increasing overall performance.	Run various innovation projects across different business groups to promote interdepartmental collaboration technology and emerging business opportunities.	<ul style="list-style-type: none"> 17 products received A+ product nominations. Completed three cross-business unit R&D technology sharing projects. 	<ul style="list-style-type: none"> Establish EBO (Emerging Business Opportunities) mechanism. Incubate at least one potential emerging business. 	<ul style="list-style-type: none"> At least 80% of A+/A standard items to reach an annual sales of USD 10M. Establish at least 3 new business units via EBO. 	9. Industry, Innovation, and Infrastructure	3.1
Information security management	With the emergence of RaaS (Ransomware-as-a-Service), information security is now a critical risk. This has made effective risk management even more critical to maintaining employee and client privacy.	Strengthen information security management through implementing policies on auditing designated information security units, data preservation, endpoint protection, and network framework adjustment	Added to materiality in 2020.	<ul style="list-style-type: none"> Key IT services (ERP, PLM, Mail) to operate normally 99.9% of the time. Disaster recovery time to be reduced to less than 24 hours. 			2.3 2.4
Supply chain sustainable management	Establish and develop stable and friendly relations with supply chain partners to ensure consistent quality, reduce risk, and fulfill social responsibilities together.	<ul style="list-style-type: none"> Require suppliers to comply with our Supplier Code of Conduct. Regularly identify suppliers for high risk on meeting our sustainability standards. We conduct audits them and require any improvements to be made within a reasonable time limit in order to reduce the risk level to medium to low. 	Key suppliers: 100% met our Corporate Social Responsibility Commitment; 100% signed an agreement to not to use conflict minerals.	<ul style="list-style-type: none"> Key suppliers: 100% to meet our Supplier Code of Conduct and agree to not use conflict minerals. Zero environmental pollution, incidents of human rights violations, or major occupational hazards. Suppliers with high sustainable risks: 100% to obtain ISO 14001 certification. 	<ul style="list-style-type: none"> Key suppliers: 100% to complete ESG risk assessment Suppliers with high sustainable risks: flaw improvement rate to reach 70% or above. 	17. Partnership for the goals	2.2 2.3
Sustainable intelligent solutions	Our software, hardware, and integrated solutions are designed to enhance competitiveness while promoting sustainability.	Include the philosophy of sustainability in our strategy blueprint for business groups to develop new products. Establish quantifiable goals and continue to develop solutions aimed at greater sustainability.	15.79% of revenue came from products for sustainable purposes.	18% of revenue to come from products for sustainable purposes.	25% of revenue to come from products for sustainable purposes.	7. Affordable and clean energy	3.2

Materiality topic	Materiality	Management strategy	Achievement status in 2020	Goals for 2021	Goals for 2025	Corresponded SDGs	Related chapters in this report
Eco design and product responsibility	Launching more products that are environmentally friendly will enhance our competitiveness while reducing losses from failure to meet clients' environmental standards.	In response to the company's ESG initiative, we have incorporated the Green Mark into our innovative design procedures.	Added to materiality in 2020.	Green design: 10% of standard products of new projects must meet the four major aspects set out in our Eco Design Guidelines	Green design: 80% of standard products of new projects must meet the four major aspects set out in our Eco Design Guidelines	9. Industry, Innovation, and Infrastructure 12. Responsible consumption and production	4.4
Climate change strategies and energy management	Climate change is a critical topic for humans. Our global operations are exposed to potential risks that may result from climate change. We strive to proactively fulfill our responsibility to protect the global environment and create a sustainable green industry.	<ul style="list-style-type: none"> • Meet all environmental regulations. Achieve zero pollution and zero violations. • Identify potential risks resulting from climate change and respond accordingly. • Establish short-, mid-, and long-term goals for energy-saving and carbon reduction. Develop actual practices and promote them. 	<ul style="list-style-type: none"> • Ranked in the B List in the 2020 Climate Disclosure Project climate change questionnaire evaluation. • Implemented an environmental management system for regular inspection of performance; no problems pertaining to environmental protection required amendment in 2020. • Overall GHG emission density per unit revenue was reduced by 2.1% compared to 2019. 	<ul style="list-style-type: none"> • Introduce a building energy management system (BEMS) at Linkou and Kunshan • Kunshan plant to continue to obtain green factory certification. • Linkou solar panel power generation to account for 4.5% of total electricity use. 	<ul style="list-style-type: none"> • The proportion of green power use in China and Taiwan to reach 20% • Linkou solar panel power generation to account for 6.5% of total electricity use 	7. Affordable and clean energy 13. Climate action	4.1 4.2
Talent cultivation and retention	Due our industry's high demand for low volume/ high variety products that deliver on innovation and flexibility, we require both domain-specific and cross-domain talents. Talent attraction, cultivation, and retainment are thus paramount for our operations.	<ul style="list-style-type: none"> • Right People on Bus recruitment mechanism: First attract outstanding talents and then find suitable positions for them. • Offer interdisciplinary, cross-national, and diverse job opportunities as well as comprehensive learning courses to cultivate outstanding talents. 	<ul style="list-style-type: none"> • In 2020, the Right People on Bus channel accounted for approximately 11.6% of all new employees in Taiwan. • In 2020, we identified 49 talents with high potential. The development plan achieve rate was 93.6%, and the retention rate was 98%. 	Establish the HCM (Human Capital Management) digital talent database.	<ul style="list-style-type: none"> • At least 25% of AVP levels or above have been through rotation process. • Use HCM to realize the visibility of global talents. • 15% of global new employees to be recruited through the Right People On Bus channel. 	8. Decent work and economic growth	5.1 5.2
WISE-PaaS IoT education	Reducing the gap between industry and academia and cultivating outstanding and innovative talents are critical to our sustainable operation in the future.	Use various industry-academia projects, internships, and accelerator projects to cultivate IoT talents and start-ups.	<ul style="list-style-type: none"> • 14 universities worldwide participated in InnoWorks. • 17 students participated in summer internships, which yielded five innovative proposals. • We cooperated in six research projects and sponsored five IoT industry-academia elite PhDs and four industry-academia master's. 	<ul style="list-style-type: none"> • InnoWorks: 20 schools worldwide to participate. Two A+ projects to be yielded from Taiwan. • Internship: 20-30 students to participate in internships. • IoT Lab: Three large-scale industry-research projects to be conducted. • AIoT Academy: Complete 10 A+ projects. Assist over 500 students in obtaining WISE-PaaS certification. 	Over 50 schools worldwide to cooperate with us in industry-academia projects.	4. Quality education	6.2
Community care	The Lita concept is a part of our corporate DNA. For this reason, community care is a materiality for the company.	With the two major themes of arts and culture as well as a sustainable education platform, we invite employees and their families to participate in the activities and to coenrich the community.	We input over NT\$10 million and sponsored 23 NGOs or social enterprises.	Expand children sustainable education on the education platform: ACT Dreamer (from two schools to eight schools.)		4. Quality education 11. Sustainable cities and communities	6.1