

# 1

## Sustainability Vision and Goals

- 1.1 ESG Governance Structure
- 1.2 Stakeholder Engagement
- 1.3 Sustainability Goals and Material Topics



ADVANTECH

## 1.1 ESG Governance Structure

Advantech's corporate mission is to enrich the smart world with IoT technology, and our sustainability mission is to become a catalyst for a sustainable planet by leveraging our core strengths. As a multinational corporation based in Taiwan with a global perspective, Advantech adheres to policies of international responsible business conduct, which align with various declarations and guidelines including, but not limited to, the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy of the International Labour Organization (ILO), the Universal Declaration of Human Rights, and, despite not being a UN member state, also considers the United Nations Global Compact, the United Nations Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, and the Responsible Business Alliance Code of Conduct (RBA Code of Conduct) in its operational management and implementation of ESG policies. Related policies and documents, see: [Sustainability Report - ESG \(advantech.com\)](https://www.advantech.com/sustainability-report)

Advantech's highest governance unit and ESG governance unit oversee due diligence, identify sustainability materiality themes annually, manage progress, and track goals, aiming to determine the positive and negative impacts of Advantech's operations on the economy, environment, and society. If there is no negative impact, the supervision will continue to be positive and preventive measures will be implemented. Adopt mitigation or remedial measures if there are negative impacts. Relevant information can be found in the management approach table descriptions in each material topic chapter.

Advantech's commitment:

- Improve corporate governance performance and strictly comply with the business ethics plan and related laws and policies.
- Enhance the all-round value of the Company, continue to bring positive influence and create positive value to various stakeholders.
- Combining core strengths, we actively invest in innovative research and development to provide smart products and solutions that contribute to environmental development and social impact; continue to increase the proportion of revenue from sustainable intelligent solution, reduce environmental impact at operating locations, and improve own green operation performance.
- Emphasizing the long-term development of employees, building a DEI workplace with Diversity, Equality, and Inclusion, and providing employees with a healthy and safe working environment, reasonable compensation, employee care and benefits, and promoting the value addition of talents.
- Encourage employees to participate in charitable causes with an altruistic spirit and establish a "volunteer leave system" to promote employees' contribution to the community and society.
- Progressively enhance the cooperation and education and training on the three ESG dimensions with external suppliers each year, and work together with suppliers to create sustainable value and low-carbon business opportunities.

Advantech has published the Sustainability Report since 2013. In terms of ESG governance mechanisms, we improve the governance mechanisms year by year by researching domestic and international sustainability trends and the practices of its benchmark companies.

Personnel or Units	Role
Chairperson	The top leader of sustainable development; leading Advantech's global corporate sustainable strategy and development.
Board of Directors	Regularly review corporate sustainability performance, review the report's sustainability materiality topics, review the pre-release and post-release versions of the sustainability report, and discuss major ESG proposals.
Corporate Sustainability Committee at the Board of Directors Level -SDC Sustainability Development Committee	<ul style="list-style-type: none"> <li>Chairman K.C. Liu (convenor), Director Jeff Chen, and Director Ji-Ren Lee, a total of three members, discussed annual agenda items including climate change strategy, corporate carbon management and carbon pricing, diversity, equality and inclusive workplace development, biodiversity protection, performance evaluation and incentive mechanisms for ESG KPIs among senior management, EU sustainable disclosure topic, social impact assessments, globalization strategies, corporate organizational development and transformation, business inheritance, global talent cultivation and rotation, compensation optimization, RE100, EU carbon tariff response strategy, annual ESG performance evaluation and verification, and corporate occupational health and safety among other topics.</li> <li>Corporate Sustainability Committee at the Board of Directors Level-SDC Sustainability Development Committee meets once a quarter, for a total of four times a year.</li> <li>Climate-related issues are included on the agenda of the Board of Directors at least once a year, and the Sustainability Committee is the responsible unit for managing climate change.</li> </ul>
ESG Corporate Sustainability Development Office	<ul style="list-style-type: none"> <li>The main leader is the President of General Management, who gives instructions and suggestions to the ESG Corporate Sustainability Development Office.</li> <li>Responsible for identifying Advantech sustainable development issues, formulating annual development goals and plans, convening quarterly corporate sustainable development meetings, and inviting Board members, external experts, and benchmarking companies depending on the theme for feedback. ESG projects are carried out by the responsible team, and the ESG Corporate Sustainability Development Office regularly monitors the results and proposes improvement plans.</li> <li>The ESG Corporate Sustainability Development Office reports to the Chairman the planning and progress of relevant projects from time to time. The Chairperson gives direction and strategic advice and the President is invited to participate in important meetings and decision-making.</li> </ul>

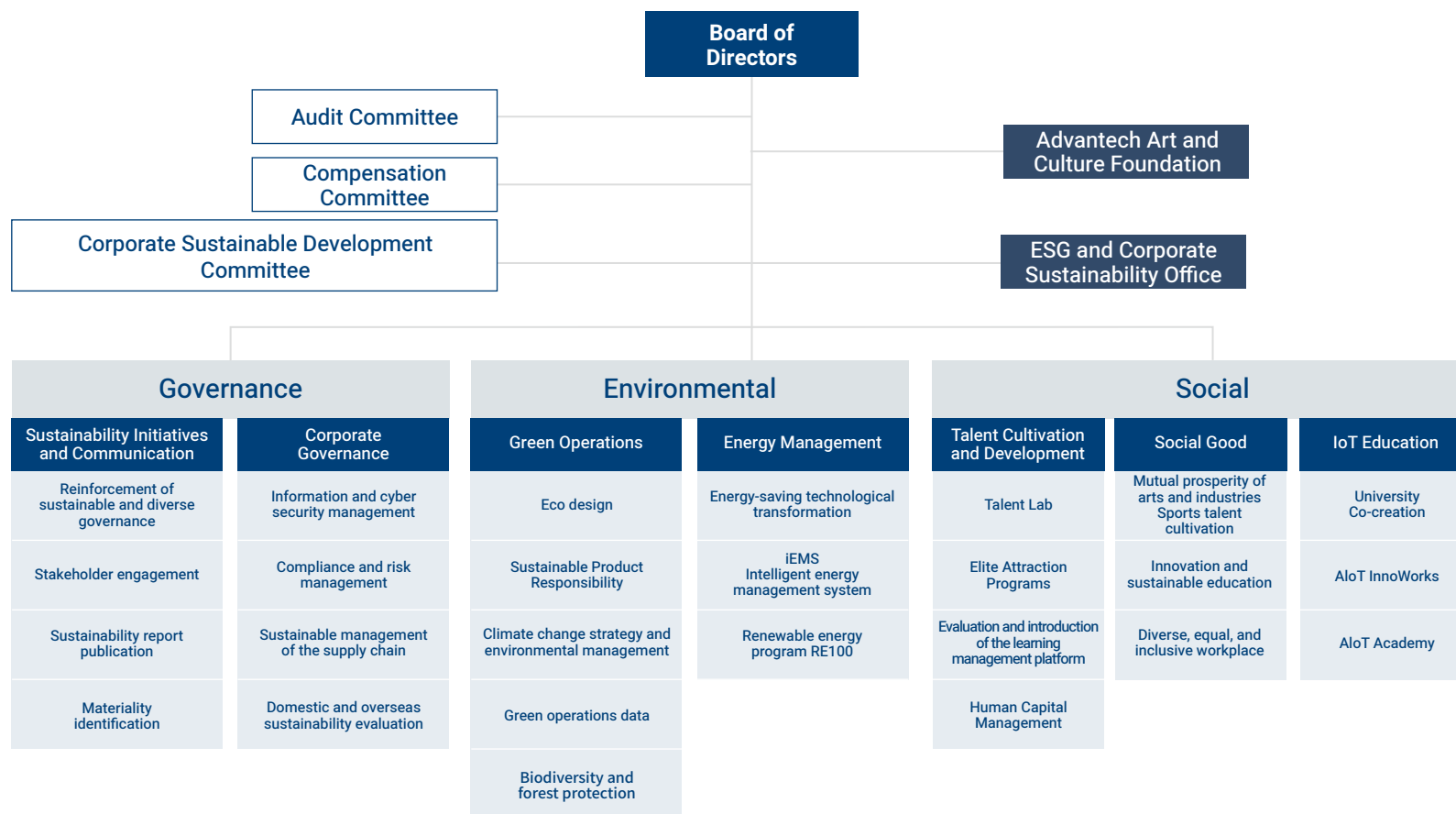


Figure 1.1.1: Advantech ESG organizational structure

Advantech's sustainability performance advanced significantly in 2023, as evidenced by its numerous outstanding accomplishments at domestic and international sustainability assessment fairs. Advantech shall persist in striving for the utmost levels of excellence, assume the position of an industry pioneer in low-carbon sustainability, and advance our endeavors ceaselessly.

Award	Category or Group	Accolade	Award	Category or Group	Accolade
Selected for Yunta FTSE4Good TIP Taiwan ESG ETF, the TW CG100 IDX, and the TIP Taiwan Environmental Sustainability Index			Taiwan's Excellence in Corporate Social Responsibility Award	Large enterprise group	12 <sup>th</sup> place
Taiwan Excellence Awards	Compact Industrial Computer System IPC-320		Global Views ESG Corporate Sustainability Award	Electronic technology industry comprehensive performance group Outstanding Project Education Promotion Group	Model Award
	Fanless Edge AI Inference System		Dow Jones Sustainability Index	Company by All Industries	Top 5%
	USC-365 POS Computer Smart Retail Terminal		EcoVadis	-	Bronze Medal
Interbrand, an International Brand in Taiwan	-	5 <sup>th</sup> place	CDP Carbon Disclosure Program	Climate change questionnaire	B Level
TWSE Corporate Governance Evaluation	Listed company	Top 5%			

## 1.2 Stakeholders Engagement

The ESG Corporate Sustainability Development Office utilized the operational status of the Company as well as annual international sustainability trends, internal operational developments, the sustainable development progress of relevant peers, and discussions with the Company's top sustainability executives to lay the groundwork for reporting in previous years' sustainability reports and written reports. The primary stakeholder groups, as per the AA1000 SES (AA1000 Stakeholder Engagement Standard), will persist in their previous iterations. These groups comprise employees, customers, business partners, universities and research institutions, suppliers and contractors, the media, public associations and the government, shareholders and investment institutions, the communities, and non-profit organizations are the eight primary categories of stakeholders.

We interact with stakeholders through various channels, including telephone communications, online customer service (Live Chat), physical and online meetings/forums, event satisfaction surveys, customer satisfaction surveys, customer visits, supplier audits, participation in public association initiatives, etc. Additionally, contact information is publicly available on the ESG Corporate Sustainability Official website at [Contact Us - ESG \(advantech.com\)](https://www.advantech.com/contact-us-esg), where units respond to stakeholder concerns and provide feedback.



### Expanding the Influence of Sustainability Issues


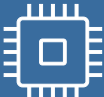

In 2023, Advantech's ESG Corporate Sustainability Development Office participated in multiple internal and external sustainability communication events to communicate with major stakeholders on key sustainability issues. The Advantech Group released four editions of its ESG quarterly newsletter in 2023. The purpose of these newsletters was to enhance internal stakeholders' (employees) comprehension of sustainability issues and to aid external stakeholders in evaluating Advantech's sustainability performance and offering constructive feedback. This endeavor additionally aids Advantech in its pursuit of environmentally friendly, low-carbon business prospects and in bolstering the sector's sustainable competitiveness.



Stakeholder	Form of communication	Sustainable communication topics
Employee	<ul style="list-style-type: none"> <li>Exchange meeting</li> <li>Quarterly ESG report</li> <li>Education and training</li> </ul>	<p><b>Environmental aspect:</b> Issues such as climate action, energy conservation and carbon reduction, RE100 and Net Zero target roadmap, internal carbon pricing (ICP), product carbon footprint, biodiversity, and Advantech's overall sustainable development strategy.</p> <p><b>Social aspect:</b> Enhance employee satisfaction, improve employee turnover rate, and build a diversity, equity, inclusion (DEI) workplace.</p> <p><b>Governance aspect:</b> Sustainability evaluation results, Advantech's future development strategies, and the diversity of the Board of Directors governance team were discussed.</p>
Customer	<ul style="list-style-type: none"> <li>Exchange meeting</li> <li>Written reports and exchanges</li> <li>Thematic sessions</li> </ul>	
Business partners, universities, research institutions	<ul style="list-style-type: none"> <li>Exchange meeting</li> <li>Special sustainability seminar</li> </ul>	
Suppliers and contractors	<ul style="list-style-type: none"> <li>Exchange meeting</li> <li>Education and training</li> </ul>	
Media, associations, government	<ul style="list-style-type: none"> <li>Thematic visits</li> <li>Workshop</li> <li>Exchange meeting</li> <li>Sponsorship</li> </ul>	
Shareholders and investment institutions	<ul style="list-style-type: none"> <li>Exchange meeting</li> <li>Written reports and exchanges</li> </ul>	
Community, social groups, non-profit organizations	<ul style="list-style-type: none"> <li>Thematic visits</li> <li>Exchange meeting</li> <li>Written reports and exchanges</li> <li>Sponsorship</li> </ul>	
Chairperson, Board member, middle and senior management	<ul style="list-style-type: none"> <li>Exchange meeting</li> <li>Newsletter</li> <li>Education and training</li> </ul>	

Table 1.2.1: 2023 Achievements of Advantech and various stakeholders in expanding sustainable influence

Table 1.2.2: Advantech's performance in communication and interaction with stakeholders in 2023

Stakeholders	Significance of stakeholders to Advantech	Methods of communication and negotiation with stakeholders	Frequency of communication	Content or topics of concern to stakeholders	Advantech's response	Communication or negotiation outcome, highlights
 Employee	<p>Employees are Advantech's most important asset. Among Advantech's four core values, "People-oriented Environment" emphasizes the following:</p> <ul style="list-style-type: none"> <li>• Create a stage for open management and allow talents to exert themselves to the fullest</li> <li>• Trust and respect talents</li> <li>• Build a happy and open social environment</li> </ul>	Employee Welfare Committee	Permanent	<ul style="list-style-type: none"> <li>• Evaluation, promotion, training and development</li> <li>• Employee relations and communication</li> <li>• Salary and benefits</li> <li>• Human rights</li> <li>• Occupational safety and health</li> </ul>	<ol style="list-style-type: none"> <li>1. The Employee Welfare Committee convenes at least once a quarter, and the chairperson summons all the representative members to attend the meeting.</li> <li>2. The purpose of the biannual Kick-off Meeting is to disseminate the Company's vision and key development strategies so that all employees are cognizant of the Company's future prospects and can progress in tandem with Advantech.</li> <li>3. Employee Zone: In order to facilitate synchronous comprehension among colleagues regarding critical company information, distinct categories such as Corporate News, Office Bulletin, and Regional News are created in accordance with the nature of the data. Additionally, the website provides colleagues with easy access at all times to comprehensive information regarding the Company's systems, regulations, and diverse management approaches.</li> <li>4. ABLE Club website: Eight special sections covering the topics of employee care, welfare committee and foundation event information and registration, club information, authorized shops, event reports and tidbits, etc., are set up to provide employees with a comprehensive digital platform for a happy life.</li> <li>5. ABLE Club FB: Announcement of event information, event photo albums, employee happiness feedback, and other text, audio and video tidbits.</li> <li>6. Weekly electronic report: activities related to employee welfare and sent every week.</li> <li>7. Quarterly electronic report: Compile employee benefit-related policy information and annual key event forecasts and send them out on a quarterly basis.</li> <li>8. Advantech has set up an employee complaint mailbox for employees with disabilities or special needs. No complaints were filed in 2023.</li> <li>9. Advantech has established a Suggestion Box. A total of 60 pieces of feedback were received in 2023; of these, 46 were processed and resolved by the corresponding units, for a 77% completion rate. Furthermore, in order to address urgent circumstances, a LINE community has been established, and an annual employee satisfaction survey is carried out to gather insights regarding feedback regarding the implementation trajectory of different policies.</li> <li>10. Advantech's employee assistance program (EAPs) is available 24 hours a day. Assist colleagues to resolve emotional difficulties and psychological pressure.</li> </ol>	<ol style="list-style-type: none"> <li>1. The budget implementation rate for employee welfare activities in 2023 was 90.07%.</li> <li>2. In 2023, all employees participated in the ABLE Club website an average of four times, and recorded more than 15,000 registrations.</li> <li>3. 2023 was the first year that Advantech introduced the volunteer leave system. We provided employee training and ESG education through various channels as well as advocate the volunteer leave system. The number of volunteer hours throughout the year reached 1,062.</li> </ol>
		Physical and virtual employee conferences	Half-yearly			
		Employee intranet and social media website	Permanent			
		Newsletter	Weekly, quarterly			
		Global electronic signage	Permanent			
		Employee complaint mailbox	Normal state			
		ESG education and training	New employee training			
		ABLE Line community	Permanent			
 Customer	<p>Operation revenue is generated by Advantech's clients. We are cognizant of industry developments and attentive to customer requirements. We are dedicated to delivering high-quality products and services to our valued customers, and we eagerly anticipate establishing productive partnerships with clients.</p>	<p>Comprehensive channels of communication are employed to facilitate understanding of customer needs and feedback. These channels include customer meetings, online seminars, customer satisfaction surveys, online and offline media platforms, customer audit communications, quarterly meetings with key accounts, dedicated customer service lines and customer email boxes.</p>	<p>Real-time communication and response</p>	<ul style="list-style-type: none"> <li>• Sustainable smart product and solution quality</li> <li>• Overall ESG performance</li> <li>• Carbon reduction path</li> </ul>	<p>Identify the items that are not satisfactory to customers, make rectification and follow up on the improvement, or those who inquire about the company's sustainable performance results and development, request the corresponding units to complete the response within the deadline.</p>	<p>By conducting numerous in-person meetings with clients to update them on our progress towards sustainable development and the carbon reduction of our products, we established ourselves as the foremost option for customers concerned with sustainability. For details, see 3.4 Customers and partners co-creation.</p>

Stakeholders	Significance of stakeholders to Advantech	Methods of communication and negotiation with stakeholders	Frequency of communication	Content or topics of concern to stakeholders	Advantech's response	Communication or negotiation outcome, highlights
 <p>Business partners, universities, research institutions</p>	With their R&D capabilities in cutting-edge technologies and expertise in a variety of fields, our business partners, universities, and research institutions are able to aid businesses in their innovative R&D efforts to increase their market competitiveness.	Directly communicate with partners or research institutions through the project manned window.	<ul style="list-style-type: none"> <li>Symposium (as needed)</li> <li>Cooperation in technology development (annually)</li> <li>Industry-academia collaboration project meeting (monthly)</li> <li>Campus promotion of IoT (annually)</li> </ul>	<ul style="list-style-type: none"> <li>Information and cyber security management</li> <li>IoT application, promotion and education</li> <li>Eco design and sustainability liability of product</li> <li>Innovative mechanism</li> </ul>	<ol style="list-style-type: none"> <li>For the key technologies required by Advantech to improve product strength, cooperate in industrial technology development through technology transfer or commissioned research.</li> <li>Cultivate the talents and technologies required by the enterprise with research institutions by providing research funding sponsorship or establishing joint R&amp;D centers.</li> <li>Sponsor competitions and courses to jointly create and promote universal education on the IoT and cultivate industry talents.</li> </ol>	<ol style="list-style-type: none"> <li>Cooperated with the Industry Academia Innovation School of National Yang Ming Chiao Tung University on 8 projects including: key technology innovation, campus IoT application development, industry-academia-master's-doctoral program, and internship.</li> <li>The Innworks competition was promoted in 7 countries, with 224 student teams and 850 students participating.</li> <li>We collaborated with teachers from colleges and universities in Taiwan and China to offer 7 IoT-related internship courses.</li> </ol>
 <p>Suppliers and contractors</p>	Suppliers play a key role for Advantech in realizing the sustainable supply chain ecosystem of the IoT. By establishing smooth communication channels, we ensure the stability and quality of the supply chain and strengthen operational resilience.	<p>Supplier ESG evaluation</p> <p>Supplier ESG promotion</p> <p>Supplier conference</p> <p>Supplier evaluation</p> <p>Reporting mailbox</p>	<p>Yearly</p> <p>Yearly</p> <p>From time to time</p> <p>Yearly</p> <p>Normal state</p>	<ul style="list-style-type: none"> <li>Information and cyber security</li> <li>Customer and partner co-creation</li> <li>Eco design and product sustainability responsibility</li> <li>Sustainable management of the supply chain</li> </ul>	<p>For more information, see:</p> <ul style="list-style-type: none"> <li>2.3 Sustainable management of the supply chain</li> <li>2.1.2 Corporate governance</li> </ul>	<ol style="list-style-type: none"> <li>Expanded investigation and conducted ESG sustainability risk assessments, with a total of 1,127 suppliers identified.</li> <li>Encouraging 6 suppliers to take action on energy conservation, joint carry out energy conservation and carbon reduction projects.</li> <li>Added 146 new suppliers and approved 140 new suppliers.</li> <li>Planned to conduct audits on 61 existing suppliers, and completed audits on 61 companies in total.</li> <li>The training courses on supplier code of conduct were attended by 716 people.</li> </ol>
 <p>Media, associations, government</p>	<ul style="list-style-type: none"> <li>Assist in the real-time transmission of Advantech's important strategies and messages to the market</li> <li>Work together to promote and educate the market, and convey important industry perspectives and regulations</li> <li>Sharing of viewpoints on future industrial policy</li> </ul>	<ul style="list-style-type: none"> <li>Press release, exhibition management, exclusive interviews</li> <li>Visit reception</li> <li>Participation in various public associations</li> </ul>	<ul style="list-style-type: none"> <li>30+ press releases throughout the year</li> <li>Quarterly earning call</li> <li>Annual shareholders' meeting</li> <li>Quarterly or monthly communication with the association</li> <li>Annual council attendance</li> <li>Communication and planning for the annual forum</li> </ul>	<ul style="list-style-type: none"> <li>Advantech's financial directions</li> <li>Future trend perspectives</li> <li>Advantech's sustainability and heritage planning</li> <li>Important issues, norms, standards, etc. of the industry</li> </ul>	<ol style="list-style-type: none"> <li>Regular media exclusive earning call once a quarter, and revenue news once a month.</li> <li>Arrangement of one-on-one media interviews (face-to-face, phone interview, video conference) 15-20 sessions.</li> <li>Actively participates in 15-20 key conferences of associations and drives different industry partners to introduce smart solutions, and even joins Advantech as a partner in promoting IoT solutions and co-creation.</li> </ol>	<p>View <a href="https://www.advantech.com/news">News &amp; Archives - Advantech (advantech.com)</a></p>

Stakeholders	Significance of stakeholders to Advantech	Methods of communication and negotiation with stakeholders	Frequency of communication	Content or topics of concern to stakeholders	Advantech's response	Communication or negotiation outcome, highlights
 Shareholders and investment institutions	Advantech's institutional investor structure consists of mainly international long-term investors who agree with Advantech's strategic direction and business philosophy and are willing to share external insights such as international sustainability trends and industry observations. Maintaining a positive two-way interaction helps optimize the Company's strategy and promote long-term development.	Annual shareholders' meeting	Yearly	<ul style="list-style-type: none"> <li>Information and cyber security</li> <li>Eco design and product</li> <li>Risk foresight and crisis management</li> <li>Corporate heritage and succession</li> </ul>	<ol style="list-style-type: none"> <li>We responded to investors' concerns about sustainable material topics with written documents and ESG conferences.</li> <li>Consistent disclosure of the Company's sustainability strategy implementation status and results in press releases, official website, and sustainability reports.</li> </ol>	<ol style="list-style-type: none"> <li>Results of high-frequency and efficient meetings: In 2023, a total of 152 communications meetings were held; with more than 600 (Chinese/English) communicators, foreign shareholders attended the shareholder meetings in person to interact with the Chairperson and Independent Directors, implementing shareholder activism.</li> <li>Positive recognition from corporate entities: The service quality of Advantech's investor team and the high availability of senior management team have been highly recognized by foreign investors in the United States and Europe, and have been recognized repeatedly in international competitions.</li> </ol>
		Large earnings call	Quarterly			
		Seminar for domestic and overseas investment institutions	From time to time			
		Physical/video corporate exchange meeting	Every day			
		Sustainability report/sustainability website	Yearly			
		Corporate website/financial reports/shareholder service email	Normal state			
		Market observation post system	Normal state			
 Community, social groups, non-profit organizations	We all regard it as our responsibility to promote sustainability, encourage innovation, energy, education and sustainability, enhance the development of arts and cultural industries, and foster talent cultivation so that arts and businesses can co-prosper with cultural sustainability.	Exchange activities	Immediate and regular response	<ul style="list-style-type: none"> <li>Promotion of SDGs</li> <li>PBL teaching model</li> <li>Demonstration of diverse learning processes</li> <li>Development of arts and cultural industries</li> <li>Cultivation of creative talents</li> <li>Improvement of humanistic quality</li> </ul>	<ol style="list-style-type: none"> <li>Advantech invests heavily in sustainable education and promotes the "ACT Dreamer Program" to directly lead to the implementation of SDGs with PBL, and is committed to cultivating global citizens with sustainability awareness.</li> <li>We supported innovative education in taking root, and sponsored multiple non-profit organizations to promote flipped education.</li> <li>Organized the annual "Art Salon" in support of the team's performance.</li> <li>Collaborate with professional schools in the top talent cultivation project to train potential creative and performing talents to enhance the soft power of Taiwan's art.</li> <li>The "Art and Literature Podcast" was independently funded and produced fortnightly. It was broadcasted simultaneously on the Cheng Sheng Radio Station.</li> <li>Set up art galleries in the lobby of the Company, promote reading, and hold cultural lectures.</li> </ol>	<ol style="list-style-type: none"> <li>The documentary film of the ACT sharing session was viewed by nearly 8,000 people.</li> <li>The "Sustainable Action! Generations Annual Conference" was jointly announced by 41 schools, and more than 800 people attended the annual conference.</li> <li>Published three promotional articles on "CommonWealth Education, Parenting Family Lifestyle" magazine which received over 75,000 page views.</li> <li>Recorded 90 episodes of "Art and Literature Podcast," which was listened by 30,233 people in total.</li> <li>Collaborated with the Institute of Performing Arts, National Taiwan Normal University on top-notch programs, facilitating cross-field collaboration with more than 100 students.</li> <li>Support the GuoGuang Opera's Youth Succession Plan and train young traditional opera performers.</li> <li>The Company sponsored the first FOCASA International Circus Festival, which attracted over 80,000 visitors.</li> <li>The Company sponsored over 130 performances throughout the year, attracting an audience of 5,500 seats.</li> </ol>
		Sponsorship	Yearly			
		Exhibition and Media	Bi-weekly and monthly			

## Annual Stakeholder Survey

Through the annual stakeholder survey, we are able to understand the sustainability issues that our stakeholders are concerned about. In order to obtain more comprehensive and in-depth insights, in 2023, our survey scope, questionnaire distribution, and collection scope are consistent with the boundaries of this report, and we will conduct an impact survey on Advantech's global middle and senior executive.

To encourage more stakeholders to participate in the questionnaire response, a donation of NT\$100 will be made to forest protection for each valid questionnaire collected. A total of 1,105 copies of the 2023 annual stakeholder survey were collected, and a total of NT\$110,500 was donated in total; donated to forest conservation units as promised to fulfill our sustainability responsibilities. Details are as follows: In terms of forest protection work, we pledged to donate to Taiwan Forestry Restoration Association's restoration activities in shallow mountain areas in Taichung. Two reclamation lands were adopted, with one area being restored with 52 species of 500 native seedlings and the other with 125 species of 1,000 native seedlings. For details on how to identify materialities and the questionnaire analysis results, please refer to **1.3 Sustainability goals and material topics**.

Scope of Investigation	Advantech Taiwan Ruiguang, Sunshine, Donghu, Linkou (collectively referred to as ACL) and Advantech Kunshan Manufacturing Center, AKMC). Overseas operating bases include: Advantech Corporation (ANA), Advantech Europe B.V. (AEU), Advantech Japan Co., Ltd (AJP), Advantech KR Co., Ltd (AKR), Beijing Advantech Electronic Technology Co., Ltd. (ACN).	
Stakeholders	Investigation aspects	Valid questionnaires collected
Employees	<ul style="list-style-type: none"><li>• Positive and negative impact</li><li>• Probability of positive and negative impacts</li></ul>	733
Customers		70
Business partners		84
Universities and Research Institutions		14
Suppliers and Contractors		110
Media, Public Associations, Government		33
Community, Non-profit Organizations		23
Shareholders and Investment Institutions	<ul style="list-style-type: none"><li>• Positive and negative impact</li><li>• Probability of positive and negative impacts</li><li>• Financial impact</li></ul>	9
Chairperson, Board member, Directors and senior executives		29
Total number of valid questionnaires collected		1,105

Table 1.2.3: 2023 Annual stakeholder survey

## 1.3 Sustainability Goals and Material Topics

### 1.3.1 Identification of Material Topics

The Sustainability Report is one of Advantech's main channels for communicating ESG issues to stakeholders. To this end, in addition to routine stakeholder communication media, we engage stakeholders through the material topic analysis process. Advantech adheres to the reporting principles of the GRI 2021 Standards, which incorporate the European Union's concept of Double Materiality. This methodology distinguishes between the "impact on sustainable development concerning the economy, environment, and people (human rights)" and the "financial impact on organizational operations." This methodology identifies significant, impactful topics, with a focus on long-term challenges and opportunities that can be concretely realized through operational essence. This enables the observation of sustainability trends, the response to stakeholder expectations and suggestions, and the tracking of progress toward long-term sustainability goals.

Conduct an annual survey to identify Advantech-related sustainability issues, inventory the positive and negative impacts of sustainability issues, and disclose the relevant information in the sustainability report after ranking the issues to fully convey the essence of Advantech's management of various material sustainability topics and performance.

In order to confirm the objectivity of the analysis results, in addition to the perspectives of stakeholders and Advantech's ESG priorities in recent years, the materiality was verified through internal and external consultants and the Sustainable Development Committee, and the results were reported to the Board, as well as the basis for developing sustainability strategies and planning sustainability-related projects.



Figure 1.3.1: Advantech's sustainability goal setting and strategy development process

## Collect/Identify Advantech-Related Sustainability Issues

Prior to conducting the stakeholder survey, we improved the process of gathering feedback from stakeholders. For example, we held numerous communication sessions with investment institutions and customers and actively participated in external sustainability-related meetings. During these interactions, we learned about the importance of various issues such as human capital and associated risks, product energy consumption standards, eco design, and Advantech's overall carbon reduction goals. As a result, we elaborated on these topics in the questionnaire. In addition, we proactively reached out to responsible units within our organization (including units of business, public relations, employee relations, investor relations, emerging business development, supply chain, etc.) to gather feedback. Based on the initial draft of issues identified through this process, we sought feedback from middle and senior managers in each unit on additional topics they wanted to include or discuss. This enabled us to better understand the perspectives of key stakeholders involved in the process on questionnaire design and Advantech's key sustainability themes.

On the other hand, in accordance with Advantech's ESG vision - "Enable an Intelligent and Sustainable Planet," we believe that Advantech's core IoT technologies and solutions, as well as its corporate culture of open innovation, co-creation with partners, and deep industry-academia IoT development. Collaboration allows us to effectively use our core competencies to address the United Nations Sustainable Development Goals (SDGs). For details, see the Material Management Approach. For the management policies of material topics, please refer to the relevant chapters of each material topic.

Step 1	Identification of stakeholders	Based on the operational nature and through the five principles of the Stakeholder Engagement Standard (AA1000 SES): Dependency, Responsibility, Tension, Influence, and Diverse Perspectives, identifying 8 key stakeholder groups: employees, customers, business partners, universities and research institutions, suppliers and contractors, media and public associations and government, shareholders and investment institutions, communities and non-profit organizations.	8 key stakeholder groups
Step 2	Sustainability topics collection	<ul style="list-style-type: none"> <li>Based on the GRI Standards, the United Nations Sustainable Development Goals (SDGs), the Responsible Business Alliance (RBA), and the Sustainable Accounting Standards Board (SASB) and issues of concern to responsible investment institutions: Dow Jones Sustainability Indices (DJSI) and MSCI ESG Ratings, Carbon Disclosure Project (CDP), Task Force on Climate-related Financial Disclosures (TCFD) and other information disclosure frameworks as the basis for sustainability issue collection.</li> <li>Mid-level and senior executives who have close contact with stakeholders are asked about the draft issues in advance using the aforementioned processes through each unit in charge of stakeholders (sales, public relations, employee relations, investor relations, emerging business development units, supply chain, etc.). The goal is to determine whether they want to include any additional topics or investigate specific issues, as well as to understand their perspective on questionnaire design and the importance of these issues to Advantech.</li> </ul>	8 major sustainability topics sources
Step 3	Sustainability topics convergence	The members of the Sustainability Report Team of the Sustainability Development Committee and the opinions of external experts gather and converge various issues.	17 sustainability topics
Step 4	Evaluate internal and external impacts and possibilities	<ul style="list-style-type: none"> <li>Collect opinions from stakeholders. In 2023, online questionnaires were used to collect opinions from 1,105 internal and external stakeholders. Most of these stakeholders have communication or collaboration with Advantech and have a certain degree of understanding of Advantech's business. In addition, we also send questionnaires to Advantech's middle and senior management to confirm the executives' opinions on sustainability topics based on the Executive management's importance and ranking of the topics.</li> <li>The questionnaire design took into account the principle of double materiality and collected stakeholders' assessment of "the impact of material topics on society, the environment, and people." Assessment of the "impact/extent of material topics on Advantech's operations (financial)" by the invested institutions and the Executive management.</li> </ul>	
Step 5	Analysis and ranking of material topics	Using the spirit of GRI 3 and double materiality analysis, by measuring the financial impact and impact possibility of substantial subjects, the results of expert consultation meetings and the focus of the Sustainability Development Committee will be used as the basis for materiality adjustments, which ultimately be decided by the members of the Board. In 2023, we identified 10 material topics and 7 minor topics.	10 material topics
Step 6	Determining the list of material topics and the content of Advantech's 2023 Sustainability Report	Following analysis, this report discloses information on 10 material topics. Related material topics will also be disclosed based on the recommendations of the GRI Topic Guidelines; the Sustainability Development Committee will continue to track the progress of the 7 minor topics. The information is disclosed in this report in detail to meet the stakeholders' expectations of the Company. To ensure the report's contents are transparent, reasonable, and well-balanced, we will continue to assess the relative significance of each sustainability issue in the future and make timely adjustments to the report's material topics in response to the insightful feedback of stakeholders.	

Table 1.3.1: Advantech's Material Topic Survey Context

## Methodology of Material Topics in 2023's Sustainability Report

Based on the opinions of stakeholders, external reference indicators and international initiatives (Table 1.3.1 Advantech material topic survey context), and internal development strategies and goals (Figure 1.3.2 Advantech's ESG Vision: Enabling an intelligent planet), 17 sustainability issues were identified by ESG Corporate sustainability development office in 2023 (Table 1.3.3: Advantech's sustainability issues list in 2023), and the survey contents were formulated accordingly. The feedback of stakeholder survey and material topics were defined and ranked to be proposed for discussion by the Sustainable Development Committee in the second quarter. Reported to the Board for approval.

### 01 Gather Sources on Material Topics

Material topics are gathered and identified through a variety of channels, with an emphasis on literature published by reputable organizations, concerns expressed by benchmark companies, and correspondence with critical stakeholders. The sources are listed below.

- Regulations and standards of authoritative institutions: 2023 Sustainability Yearbook of the Dow Jones Sustainability Index, CDP, SASB, GRI, SDGs.
- Material Topics Publicly Disclosed in Advantech's 2022 Sustainability Report.
- Engage with stakeholders (e.g. shareholders, investment institutions, and customers) to understand topics of concern and sustainability trends.
- Conducted issue consultation and questionnaire survey for Advantech's directors and senior executives, members of the Board, Sustainable Development Committee, and members of the ESG Office, which were also referred to as the Company's management strategies.
- Survey material topics covered by international benchmark companies.

### 02 Perform Double Materiality Analysis

Advantech adheres to the European Union's Double Materiality principle and the GRI Standards (2021) four-stage process of materiality identification in order to identify highly significant issues that also have a substantial impact "on Advantech" and "on the external economy, environment, and people." "Double Materiality" refers to issues that must be prioritized for management by considering the perspectives of stakeholders and the impact of issues on corporate profitability, reputation, and business risks. In addition, Advantech incorporates the analysis results into the organization's enterprise risk management (ERM) as consideration for corporate sustainable operation (see 2.4 Risk foresight and crisis management in Chapter 2), which helps Advantech integrate our sustainability strategy and corporate governance. The management policy is to make ESG performance bring long-term influence to the Company.

### 03 Discussion and Approval of Material Topics

- Conduct written discussions and hold meetings with middle and senior executives, members of the Board of Directors, the Sustainable Development Committee, and the ESG Corporate Sustainability Development Office to review and revise the findings of the material topic analysis.
- The annual material topics are launched after negotiation and adjustment.
- Submitted to the Chairman and the Board of Directors in the second quarter and received their approval.

Table 1.3.2: Advantech's material topic Identification process in 2023

# Advantech's ESG Vision: Enabling an Intelligent and Sustainable Planet

## Employee and Community Enrichment

- Materialize employee care and common good for the community through the ABLE CLUB platform
- Implement the Diversity, Equity, Inclusion (DEI) strategic blueprint to create an inclusive, happy, and equal workplace.
- Digitalization of talent development performance management and global talent training
- Focused on educational innovation, sports development, and the mutual prosperity of arts and industries.

## AIoTT Popularization and mutual benefit

- AIoT Academy
- AIoT InnoWorks Industry-academia co-creation
- Co-creation of IoT ecosystem partners

**Target for 2025:** Co-creation partnerships established with 50 universities worldwide

## Green operations

- Climate change strategy and energy management
- Eco design and sustainable products
- Sustainable intelligent solutions

- 2021 Announced science-based carbon reduction targets (SBTi)
- 2022 Published climate-related financial disclosure reports (TCFD)
- 2023 Included in the Dow Jones Sustainability Index (DJSI)
- 2025 Achieve A for the CDP carbon disclosure score
- 2030 AKMC and ACL use at least **50%** renewable energy
- 2040 Advantech's global renewable energy usage reaches **100%**
- 2050 Net zero target



**ADVANTECH**

Figure 1.3.2: Advantech ESG Vision: Enable an Intelligent and Sustainable Planet

Environmental	Social	Governance
<ul style="list-style-type: none"> <li>• Climate Change Strategy and Management</li> <li>• Eco Design and Sustainability Liability of Product</li> <li>• Biodiversity and forestation protection</li> <li>• GHG Inventory and Energy Management</li> </ul>	<ul style="list-style-type: none"> <li>• Industry Talent Cultivation and Development</li> <li>• Diversity, Equality and Inclusive Workplace</li> <li>• Application Advocacy and Education of IoT</li> <li>• Occupational Health and Safety</li> <li>• Human Rights</li> <li>• Neighborhood and Community Care</li> </ul>	<ul style="list-style-type: none"> <li>• Information and cyber security management</li> <li>• Co-creation of Customers and Partners</li> <li>• Sustainable Management of the Supply Chain</li> <li>• Risk Foresight and Crisis Management</li> <li>• Innovative Mechanism</li> <li>• Policy and public campaign</li> <li>• Sustainable Intelligent Solutions</li> </ul>

Table 1.3.3: Advantech's sustainability issues list in 2023

## Stakeholder Survey, Impact Survey, Materiality Analysis

Prior to the stakeholder reconciliation and materiality questionnaire survey, the ESG Office also adjusted the material issues (including consolidation, deletion, addition, and name change) for relevant senior executives. After the investigation and stakeholder discussions, ultimately no issues of deletion, consolidation, or name change. However, there are some new survey topics due to the sustainable development trend. The results of the adjustments are shown in Table 1.3.4. Changes in the sustainability issues list in 2023 (new additions, name changes, or consolidation).

Reasons for including new sustainability topics in the questionnaire	<b>Biodiversity and forestation protection:</b> Biodiversity and forestation protection issues have gradually emerged as sustainability concerns in response to global ESG developments. Apart from relying on the natural environment's operational resources, Advantech leverages its technological advantages, collaborates with ecological partners, explores potential business opportunities, and develops AIoT for Nature. This initiative aims to provide sustainable products and solutions, identify stakeholders in energy conservation and carbon reduction, and foster coexistence and prosperity with the Earth.
	<b>Occupational Health and Safety:</b> Advantech operates three major manufacturing centers and has a presence in over 27 countries with hundreds of operational locations worldwide. Advantech is committed to achieving zero workplace accidents and considers the occupational safety and health of its employees as a significant priority. Internally, we implement occupational safety and health concepts, provide education and training, set issue-specific goals, and get our occupational health and safety management system related certified.
	<b>Policy and public campaign:</b> Advantech engages in diverse external relationships, actively participating in domestic and international industry-related associations to empower industry development and expand connections within the industry ecosystem. Furthermore, Advantech participates in non-profit organization platforms related to climate change, biodiversity conservation, corporate sustainability development, RE100, and more. This involvement allows the Company to stay updated on the latest corporate sustainability trends and continuously improve its sustainable development efforts.

## Explanation of the 2023 Materiality Impact Assessment Process and Results

The method for prioritizing sustainability issues is explained as follows:

The ESG issues should be assessed and ranked in accordance with the EU's Double Materiality framework and "the level of impact that Advantech has on the economy, environment, and society in the process of providing products or services through its business relationships and activities." Furthermore, the evaluation of "Financial Materiality" pertains to the influence that environmental, economic, and social concerns have on the internal financial and accounting statements of the Company.

- Level of impact of the material topic = Positive impact + Negative impact
- Probability of occurrence of the material topic = Positive impact probability + Negative impact probability

Advantech's 2023 materiality analysis results were ranked through the following three steps:

1. Multiply the probability of impact on economy/environment/people by the level of impact on economy/environment/people for each sustainability topic, and rank the results according to the results.
2. Rank the results of each sustainability topic by "level of financial impact on the Company".
3. Cross-considered the ranking results of the above two points and judged them based on the level of double material impact of the materiality topic matrix.

In 2023, 1,105 valid internal and external questionnaires were gathered. To ensure that the assessment results are representative, important stakeholders' opinions are obtained through external communication meetings with key customers, suppliers, and experts, as well as internal sustainable development committee meetings.

Identify the impact and extent of each issue through statistical and quantitative analysis to generate the preliminary material topic matrix.

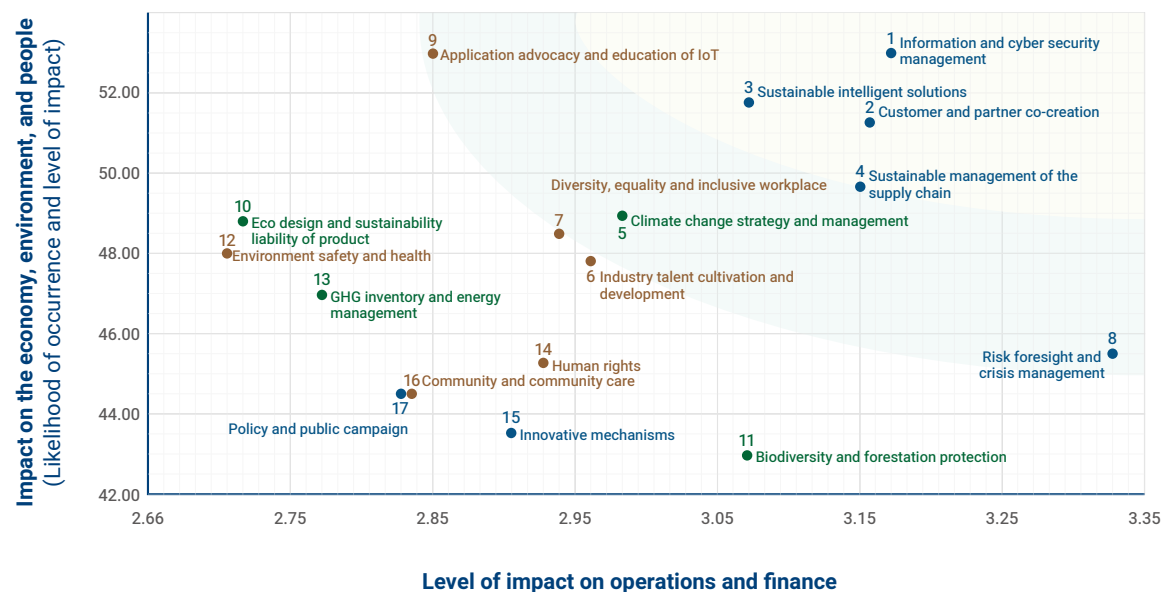


Figure 1.3.3: Material topic matrix

## List of 2023 material topics and description of changes

As explained in 1.2 Engagement of Stakeholders, in 2023, Advantech conducted its impact survey on stakeholders and senior executive, a total of 1,105 valid questionnaires were collected. The contents covered were the 17 sustainability issues (as shown in the table above) and the details of each issue description. The degree of impact and probability of occurrence of material topics on the economy/environment/people (including human rights) are graded from 1 to 5. The Sustainable Development Committee's working group compiles the scores from each relevant unit.

Given the disparity in the number of valid questionnaires received among stakeholders, we first averaged the survey results of each stakeholder group and then assigned weights based on the stakeholder's level of relationship with Advantech. Senior executives communicate and negotiate with one another, evaluate the characteristics of the company and the industry, and refer to the content of the S&P Sustainability Yearbook 2023, and industry benchmarks for name changes and adjustments to major issues.

Ranking of material issues	Name of material issue	Aspect of material issue	Changes in the ranking of material issues	Meaning to the organization	Note
01	Information and cyber security management	G	—	Advantech recognizes that information and cyber security issues are critical to the Company's operational stability, product safety, and brand value as a global leader in the IoT. These factors are critical for stakeholders such as employees, customers, and investors.	
02	Co-creation of customers and partners	G	▲	Strong customer relationships enhance Advantech's corporate competitiveness, while high-quality partnerships contribute to the overall creativity of the IoT industry.	
03	Sustainable intelligent solutions	G	▲	Advantech's hardware and software products and integrated solutions can be applied to the growing markets of renewable energy, climate mitigation, climate adaptation, telemedicine, and education. Continuously developing products for sustainable applications not only enhances Advantech's corporate competitiveness, but also contributes to sustainability.	
04	Sustainable management of the supply chain	G	▲	Advantech's primary manufacturing process involves purchasing components from upstream component manufacturers, assembling them in-house, and delivering the finished products to customers. With a diverse and highly customized range of products, Advantech regularly conducts supplier assessments and ESG management evaluations. The concept of "corporate social responsibility and sustainable management of the supply chain" is integrated into assessment standards, aiming for a win-win scenario fostering sustainable value and service quality.	
05	Climate change strategy and management	E	▲	Advantech has included climate change as one of the major risks in corporate sustainability, and manages it according to two major aspects: "mitigation" and "adaptation." We actively identify risks, build adaptation capabilities, research and analyze opportunities for climate change, continue to invest in green energy, energy-saving products and solutions, and integrate energy management core business to promote energy conservation and sustainability.	
06	Industry talent cultivation and development	S	▲	The characteristics of our industry (High-mix Low-volume, innovation, and high demand for flexibility) make the need for various professionals and cross-disciplinary talents essential. Attracting, nurturing, and retaining talent are crucial for Advantech's operations.	
07	Diversity, equality and inclusive workplace	S	—	The diversity of Advantech's talents facilitates the incorporation of EDI (Equity / Diversity / Inclusion) elements into the workplace. Pay attention to employee communication and welfare, respect the diversity and differences of each employee, support employees in suitable positions to give full play to their strengths, and give employees a sense of accomplishment and belonging.	Rename

Ranking of material issues	Name of material issue	Aspect of material issue	Changes in the ranking of material issues	Meaning to the organization	Note
08	Risk foresight and crisis management	G	▼	Risk management aims to safeguard and enhance Advantech's value by structurally and systematically assessing existing and potential risks. It involves making timely decisions that align with the Company's operational objectives, ensuring goal achievement, and facilitating continuous improvement. As a global leader in its industry, Advantech consistently focuses on and drives significant strategic and operational risk management initiatives.	
09	Promotion and education of IoT applications	S	▼	With the vision of popularizing and deepening IoT education, we have implemented various industry-academia projects. Achieve universal IoT education, IoT project-based learning and innovation, IoT career exploration, and IoT research and long-term collaborations to bridge the industry-academia gap and cultivate the new generation of IoT talent and innovative energy.	
10	Eco design and sustainability liability of product	E	▼	Implement eco design standards and provide environment-friendly products. From raw materials, product design, manufacturing, to environmental management, we gradually set goals and introduce various standards. We are willing to do our best to improve the environment, reduce environmental impact, and produce environmentally friendly products.	
11	Biodiversity and forestation protection	E		Biodiversity and forestation protection issues have gradually emerged as sustainability concerns in response to global ESG developments. Apart from relying on the natural environment's operational resources, Advantech leverages its technological advantages, collaborates with ecological partners, explores potential business opportunities, and develops AIoT for Nature. This initiative aims to provide sustainable products and solutions, identify stakeholders in energy conservation and carbon reduction, and foster coexistence and prosperity with the Earth.	New Topic
12	Occupational health and safety	S		Advantech operates three major manufacturing centers and has a presence in over 27 countries with hundreds of operational locations worldwide. Advantech is committed to achieving zero workplace accidents and considers the occupational safety and health of its employees as a significant priority. Internally, we implement occupational safety and health concepts, provide education and training, set issue-specific goals, and get our occupational health and safety management system related certified.	New Topic
13	GHG inventory and energy management	E	—	We are committed to reducing greenhouse gas emissions and using energy and resources more efficiently in order to meet our publicly stated carbon reduction targets. To ensure the co-existence and co-prosperity of environmental protection and corporate sustainable development.	
14	Human rights	S	▼	Fulfill our responsibilities for upholding corporate human rights and protect the fundamental human rights and related rights and interests of all employees, customers, and stakeholders. Comply with domestic and international human rights laws, regulations, norms, or standards.	
15	Innovative mechanism	G	▼	Actively invests in product and technological innovations, fostering mechanisms for collaborative prosperity with R&D and business ecosystem partners.	
16	Neighborhood and community care	S	▼	Sustainability and altruism is one of Advantech's corporate spirits. Advantech has used IoT technology to create smart healthcare by focusing on its core competencies to help achieve SDG 3 - Good Health and Well-being, and respond to SDG 9 - Industrial Innovation and Infrastructure, and SDG 4 - Quality Education. This long-term support for IoT education and various innovative education aims to provide learning opportunities and benefits to Taiwanese children and youth.	
17	Policy and public campaign	G		Advantech engages in diverse external relationships, actively participating in domestic and international industry-related associations to empower industry development and expand connections within the industry ecosystem. Furthermore, Advantech participates in non-profit organization platforms related to climate change, biodiversity conservation, corporate sustainability development, RE100, and more. This involvement allows the Company to stay updated on the latest corporate sustainability trends and continuously improve its sustainable development efforts.	New Topic

Table 1.3.5: 2023 Sustainability topics list and description of changes



In this year's material topic survey, based on the questionnaire results and communication with senior executives. This year's human rights topics and innovation mechanisms did not make the top 10 major topics in the ranking of impact and significance. It is estimated that Advantech does not have significant negative impacts on human rights issues, the Company regularly conducts human rights due diligence checks to improve its performance, and Advantech complies with the relevant international human rights policies or commitments of the countries or regions where it operates. Therefore, it is estimated that Advantech does not have a strong significance according to survey results. Secondly, "innovation" is in the DNA of all Advantech companies and is deeply embedded in our operation and maintenance management process. As one of the material topics of "Customer and partner co-creation," it also connotes a high degree of innovation and co-creation. Therefore, the "Innovative mechanisms" topic is slightly behind and does not make the top 10 list this time.

Ranking of material issues		Aspects	Changes	Ranking of material issues		Aspects	Changes
01	Information and cyber security management	G	—	06	Industry talent cultivation and development	S	▲4
02	Customer and partner co-creation	G	▲3	07	Diversity, equality and inclusive workplace	S	—
03	Sustainable intelligent solutions	G	▲1	08	Risk foresight and crisis management	G	▼2
04	Sustainable management of the supply chain	G	▲2	09	Application advocacy and education of IoT	S	▼5
05	Climate change strategy and management	E	▲8	10	Eco design and sustainability liability of product	E	▼8

Table 1.3.6: 10 Material Topics Addressed by This Report

## Description of the 2023 material topic boundaries and corresponding GRI topics

For each material topic, based on the associated activities, products, services, and related impacts, we assess the extent of the impacts and whether impacts occur inside or outside the organization, and define the boundaries of the value chain. Table 1.3.7 Defines the relationship between each material topic and Advantech's value chain and the corresponding GRI topic

Icons	Description
	May fully disclosed in this report
	May partially disclosed in this report

Sustainability aspect	Material topics	Importance to Advantech	Where the impact occurs in the value chain						GRI
			Advantech	Subsidiaries	Suppliers	Investors	Customers	Society	
Governance	Information and cyber security management	Advantech recognizes that information security issues are critical to the Company's operational stability, product safety, and brand value as a global leader in the IoT. These factors are critical for stakeholders such as employees, customers, and investors.	●	●			●		3-3
	Customer and partner co-creation	Strong customer relationships enhance Advantech's corporate competitiveness, while high-quality partnerships contribute to the overall creativity of the IoT industry.	●	●			●		3-3
	Sustainable intelligent solutions	Advantech's hardware and software products and integrated solutions can be applied to the growing markets of renewable energy, climate mitigation, climate adaptation, telemedicine, and education. Continuously developing products for sustainable applications not only enhances Advantech's corporate competitiveness, but also contributes to sustainability.	●	●	●		●	●	3-3
	Sustainable management of the supply chain	Advantech's primary manufacturing process involves purchasing components from upstream component manufacturers, assembling them in-house, and delivering the finished products to customers. With a diverse and highly customized range of products, Advantech regularly conducts supplier assessments and ESG management evaluations. The concept of "corporate social responsibility and sustainable supply chain management" is integrated into assessment standards, aiming for a win-win scenario fostering sustainable value and service quality.	●	●	●	●	●	●	3-3 204-1 308-1
	Risk foresight and crisis management	Risk management aims to safeguard and enhance Advantech's value by structurally and systematically assessing existing and potential risks. It involves making timely decisions that align with the Company's operational objectives, ensuring goal achievement, and facilitating continuous improvement. As a global leader in its industry, Advantech consistently focuses on and drives significant strategic and operational risk management initiatives.	●	●		●	●	●	3-3

Table 1.3.6: Relationships between material topics and Advantech's value chain, and corresponding GRI topics

Sustainability aspect	Material topics	Importance to Advantech	Where the impact occurs in the value chain						GRI
			Advantech	Subsidiaries	Suppliers	Investors	Customers	Society	
Social	Industry talent cultivation and development	The characteristics of our industry (High-mix Low-volume, innovation, and high demand for flexibility) make the need for various professionals and cross-disciplinary talents essential. Attracting, nurturing, and retaining talent are crucial for Advantech's operations.	●	●				●	2-7 3-3 401-1 405-2
	Diversity, equality and inclusive workplace	The diversity of Advantech's talents facilitates the incorporation of EDI (Equity / Diversity / Inclusion) elements into the workplace. Pay attention to employee communication and welfare, respect the diversity and differences of each employee, support employees in suitable positions to give full play to their strengths, and give employees a sense of accomplishment and belonging.	●	●				●	2-7 3-3 404-3
	Application advocacy and education of IoT	With the vision of popularizing and deepening IoT education, we have implemented various industry-academia projects. Achieve universal IoT education, IoT project -based learning and innovation, IoT career exploration, and IoT research and long-term collaborations to bridge the industry-academia gap and cultivate the new generation of IoT talent and innovative energy.	●	●			●	●	3-3
Environmental	Climate change strategy and management	Advantech has included climate change as one of the major risks in corporate sustainability, and manages it according to two major aspects: "mitigation" and "adaptation." We actively identify risks, build adaptation capabilities, research and analyze opportunities for climate change, continue to invest in green energy, energy-saving products and solutions, and integrate energy management core business to promote energy conservation and sustainability.	●	●	●	●	●	●	3-3 201-2 302-4
	Eco design and sustainability liability of product	Implement eco design standards and provide environment-friendly products. From raw materials, product design, manufacturing, to environmental management, we gradually set goals and introduce various standards. We are willing to do our best to improve the environment, reduce environmental impact, and produce environmentally friendly products.	●	●	●	●	●	●	3-3