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# 5

## Employee Relations and Talent Cultivation

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# 5.1 Talent Cultivation and Development



Name of materiality	Please describe the importance of this materiality to Advantech	
<b>Talent cultivation and development</b>	<p>Advantech is dedicated to fostering a learning environment that empowers employees to grow and reach their full potential. From new employee hire orientation to the development of business management skills, we offer comprehensive training resources to support employees' steady development at every stage of their careers. Through the Advantech Academy's four academies (Management, Professional, General Education, and New Employee Hires) and a digital learning platform, employees can flexibly select courses based on their career needs to strengthen competencies, bolster expertise, and achieve personal growth.</p> <p>To highlight the importance of talent development, the Company's top HR management is also represented on the Board, directly involved in the formulation of relevant strategies. At the same time, to cultivate global talent, the Company also incorporates education and training indicators in the ESG KPIs of executive level supervisors in major overseas business units, focusing on the integration of sustainability and talent development.</p>	
<b>Management strategy</b>	<p>Each year, through the O&amp;PR (Organization &amp; People Review) and performance appraisal system, we integrate our corporate strategy with individual development plans to systematically understand employee potential and development needs. By combining diverse resources such as promotions, job rotations, and training courses, we build a comprehensive talent development mechanism. This strategy helps boost organizational performance while reinforcing continuous leadership development and ensuring a strong succession pipeline.</p>	
<b>Policy or commitment</b>	<p>◆ <b>【 Advantech employee development statement 】</b></p> <p>Advantech is committed to creating an employee-centric approach culture, continuously investing in talent development and fostering a culture of self-management and continuous learning. The Company not only values the achievement of employees' individual career goals, but also actively pursues the continuation of its business philosophy and core values, cultivating professional talent with leadership qualities to ensure the sustainable growth of the Company and its employees.</p>	
<b>Positive impact</b>	<p>Advantech considers talent cultivation and development the bedrock of corporate sustainable operations, delivering the following positive benefits for the Company and its employees through a systematic mechanism and abundant resources:</p> <ol style="list-style-type: none"> <li><b>1.Improve employees' competitiveness at the workplace:</b> Continue to improve employees' expertise and leadership potential through courses such as new employee hire orientation, competency reinforcement, and management capabilities.</li> <li><b>2.Foster individual and organizational growth:</b> By integrating the O&amp;PR annual organization and talent review mechanism, we help employees define their career plans and development directions, achieving a win-win situation for individual success and organizational goals.</li> <li><b>3.Form a positive corporate culture:</b> Encourage employees to engage in voluntary learning, be self-driven, and shape a learning organization to elevate overall adaptivity and resilience.</li> <li><b>4.Lower operational risk and cost:</b> Effectively lower the cost of external recruitment and the risk of employee turnover through internal cultivation of key talent, thereby increasing the efficiency of human resources deployment.</li> <li><b>5.Zero negative impact on the environment and human rights:</b> Current talent development behaviors do not pose a negative impact on the economy, environment, or human rights, and comply with the principle of responsible management.</li> </ol>	
<b>Negative impact</b>	<p>If we fail to engage in proactive talent cultivation and development, the Company may be exposed to the following potential risks and negative impacts. To address this, Advantech will adopt corresponding measures to prevent negative impacts.</p>	
	<b>Impact aspect</b>	<b>Negative impact content</b>
	<b>Economy</b>	<p>Without an employee cultivation mechanism, the Company may experience talent loss, rising recruitment costs, and a decline in productivity.</p>
	<b>Environment</b>	<p>Insufficient awareness of sustainability-related topics among employees may impact the Company's ESG implementation efforts and its corporate image.</p>
<b>People /Human Rights</b>	<p>Neglecting employees' career developments can lead to workplace inequality, low morale, and negative impacts on their psychological well-being.</p>	
<b>Prevention/handling method</b>	<p>Each year, through O&amp;PR and performance evaluations, we identify development gaps and formulate individual development plans. These plans are supported by internal and external training resources to enhance talent cultivation and growth.</p>	
	<p>Incorporate sustainability-related knowledge into general education and competency-based courses to enhance our colleagues' environmental awareness and promote sustainable practices.</p>	
	<p>Offer equitable learning resources based on competency and career development needs; regularly conduct satisfaction surveys and feedback mechanisms; strengthen supervisors' responsibility and cultivation behaviors towards their subordinates' development.</p>	

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<p><b>2024 target achievement overview</b></p>	Goals achieved:				
	<p><b>Development project management goals</b></p>	<p><b>2023 Goals</b></p>	<p><b>2023 achievement rate</b></p>	<p><b>2024 Goals</b></p>	<p><b>2024 achievement rate</b></p>
	<p><b>E-Learning global employee (indirect employee) participation rate</b></p>	<p>65%</p>	<p>82.68%</p>	<p>85%</p>	<p>70.95%</p>
	<p><b>Global APEX promotion success rate</b></p>	<p>20%</p>	<p>46.67%</p>	<p>40%</p>	<p>33.33%</p>
<p><b>2025 goals</b></p>	<p>Note: APEX Workout promotes outstanding supervisors at the management level and above.</p>				
	<p>1. The e-learning completion rate declined slightly in 2024, mainly due to a shift towards more diverse employee learning participation patterns after the pandemic, increasing the percentage of physical course participation.                  2. Global APEX promotion for excellent performance supervisors at management level and above.                  3. In 2024, Advantech renamed the LEAP Workout project as the Global APEX project.</p>				
<p><b>2030 goals</b></p>	<p>◆ The e-Learning global employee (indirect employee) participation rate reached 75%</p> <p>◆ The physical course satisfaction score was 4 (out of 5), and the physical participation rate reached 90%</p> <p>◆ Global APEX promotion success rate reached 40%</p>				
	<p>Note:</p> <p>1. In response to the post-pandemic shift in talent development toward a combination of online and physical courses, the 2025 targets have been adjusted to more accurately reflect actual training participation.                  2. In 2024, Advantech renamed the LEAP Workout project as the Global APEX project. Global APEX promotion for excellent performance supervisors at management level and above.                  3. To improve online learning participation and respond to future learning trends, the Company will focus on three aspects: platform optimization, establishing learning maps for different job categories, and formulating AI academy courses to boost learning motivation and resource introduction.</p>				
<p><b>Key action plans or programs in 2024</b></p>	<p>◆ The e-Learning global employee (indirect employee) participation rate reached 80%</p> <p>◆ The physical course satisfaction score was 4 (out of 5), and the physical participation rate reached 95%</p> <p>◆ Global APEX promotion success rate reached 40%</p> <p>* Note: In response to the post-pandemic shift in talent development toward a combination of online and physical courses, the 2030 targets have been adjusted to more accurately reflect actual training participation.</p>				
	<p>Recruiting outstanding talent is one of the drivers of corporate growth. Advantech has created the Elite recruitment project inspired by the core concept of "Right People on the Bus", by inviting outstanding talent who is highly compatible with and identify with Advantech's corporate spirit to join. It is expected that full-time employees recruited through this program will successfully adapt to the Company's corporate culture, achieve a retention rate of over 80%, and demonstrate better-than-average performance in performance appraisals.</p> <p>Additionally, to enhance employees' comprehensive capabilities and support the Company's long-term development, the Advantech Academy has established a four-academy framework: the Management Academy, the Professional Academy, the General Education Academy, and the New Employee Hires Academy. These academies focus on the learning needs of different fields, covering various career stages and development paths of employees. Key action plans of various academies are elaborated below:</p> <p><b>1. Management Academy: Cultivate competencies of senior, middle, and junior management.</b></p> <p>◆ <b>Senior management: Corporate operating framework transformation counseling program</b>                  To assist the Company in business structure transformation, Advantech organizes the "CST (Corporate Structure Transformation) Workshop", aimed at providing executive level supervisors with a framework for strategic planning and problem-solving. The course focuses on helping Sector teams develop systematic and comprehensive program plans, and assisting executive level supervisors to explore and resolve corporate transformation challenges.</p> <p>◆ <b>Middle management: Managing down</b>                  The importance of middle management lies in managing down, effectively leading teams, motivating subordinates, and empowering them to reach their full potential. In light of this, Advantech has launched the Leadership M' golf Program. Through hands-on, scenario-based training, the program equips middle management with the skills to deal with complex team dynamics and enhance their leadership effectiveness, enabling their teams to achieve corporate objectives.</p>				

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<p><b>Key action plans or programs in 2024</b></p>	<ul style="list-style-type: none"> <li>◆ <b>Junior management: Coaching-style counseling</b> The main challenge of junior management is team management and effective leadership. Advantech has implemented coaching-style counseling courses, focusing on applying coaching-style counseling techniques to build effective teamwork and help junior management improve their management skills.</li> <li>◆ <b>Potential talent training program: Global APEX Program</b> Advantech continues to advance the Advantech People of Excellence (APEX) Program, elevating it to the Global APEX Program. Aimed at developing domestic and international high-potential leaders and professionals, the program improves participants' strategic thinking and problem-solving capabilities through learning Advantech's core competencies and formulating solutions to real-world critical challenges. Taking the IoT Automation Sector as an example, by fostering consensus and focusing on strategies and action plans through the Global APEX Program, the Company delivered a 9.6% revenue growth for this business group in the second half of the year compared to the first half. To support participants in advancing their career development, the Program is integrated with Individual Development Plans (IDPs) to identify high-potential individuals, design personalized growth paths, and apply mentoring and coaching mechanisms that enhance the depth and practical impact of their continued development. Through this long-term cultivation mechanism, the Global APEX Program will serve as a main driver of key corporate talent development, laying a strong foundation for future leaders. <small>* Note: In 2024, Advantech renamed the LEAP Workout project as the Global APEX project.</small></li> <li><b>2. Professional Academy: Skills enhancement</b> To accelerate digital transformation and improve Advantech's core competitiveness, we have launched a professional academy to conduct in-depth training on AI technology and corporate growth strategies, ensuring the cultivation of key talent and internal application. Meanwhile, through systematic talent development programs, we help employees respond to digital transformation, mitigate the potential negative impacts of industrial transformations, and achieve the shared growth of the organization and our employees.</li> <li>◆ <b>AI Academy and certification course</b> <b>AI technical talent cultivation:</b> Advantech collaborates with external organizations to launch a systematic AI certification program, providing employees with the opportunity to learn the latest AI technologies. Upon completing the program, employees can take a certification exam to obtain relevant credentials and elevate their professional competitiveness.</li> <li>◆ <b>Internal AI social media platform:</b> Establish an interactive space for employees to exchange ideas on AI, Generative AI (GenAI), and IT applications, offering a platform for mutual support, learning, and co-creation, and fostering a company-wide advancement in AI capabilities.</li> <li>◆ <b>Establishment of the M&amp;A Academy</b> <b>Strengthen M&amp;A and investment abilities:</b> To support corporate growth, the M&amp;A (Mergers &amp; Acquisitions) Academy was launched to offer professional training to enhance the team's capabilities in aspects including M&amp;A transactions, investment valuation, and strategic planning.</li> <li>◆ <b>Advantech China (ACN) technology forum:</b> Advantech China hosts annual technology forums to promote internal technical discussions and cross-departmental collaborations, breaking down technical barriers and increasing overall R&amp;D efficiency.</li> <li><b>3. General Education Academy: Promotion of a culture of DEI</b></li> <li><b>3.1 Promotion of a DEI Culture</b> At Advantech, we vigorously promote a culture of diversity and inclusion and offer various courses and activities aimed at enhancing employees' understanding and acceptance of diverse cultures. The aim is to foster collaboration and trust in the workplace.</li> <li>◆ <b>Implicit bias course:</b> Through the course "Recognizing Implicit Bias and Shaping a Friendly Workplace", supervisors will be able to identify and minimize the impact of bias, thereby creating a more inclusive and equitable workplace.</li> <li>◆ <b>Cross-cultural communication workshop:</b> Advantech organizes cross-cultural communication and management workshops to strengthen the cross-cultural collaboration skills of supervisors and employees, particularly their understanding and respect for colleagues from diverse backgrounds, an essential element of multinational teams.</li> <li><b>3.2 Enhance Company-wide Sustainability Awareness</b> In responding to global environmental change and industrial transformation trends, Advantech continues to launch diverse sustainability courses such as eco product innovation, circular and renewable economy, and low-carbon manufacturing transition, to mitigate climate change and industrial transformation-related impacts. The course encompasses diverse aspects, including executive level supervisors ESG strategies, ESG general knowledge cultivation, carbon management, and biodiversity. The aim is to strengthen the organization's sustainability awareness and capacity for action through company-wide participation.</li> </ul>

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<p><b>Key action plans or programs in 2024</b></p>	<p><b>4. New Employee Hires Academy: Fast assimilation and a strong start to career development</b></p> <p>To help new employee hires quickly assimilate into Advantech and enhance their career development, the ACE Camp (Advantech Culture Experience Camp) has been upgraded. Besides introducing a corporate culture, organizational structure, vision and mission, the camp features career experience sharing by supervisors, enabling the new employee hires to understand the Company's core values. The ACE Camp also includes team-building activities and guided tours of the Company's facilities to foster cross-departmental integration and bolster their understanding of the Company's environment. Moreover, by integrating the Workday system, supervisors and new employee hires can track learning progress and probation assessment results in real-time, ensuring that new employee hire developments are in line with expectations. By introducing a mentor system, experienced supervisors and colleagues serve as counselors to help new employee hires adapt to the workplace more quickly. Combined with a probationary period assessment system and mandatory online courses, this system ensures that new employee hires can quickly deliver expected performances. Through these mechanisms, Advantech strives to provide new employee hires with a welcoming and efficient learning experience, helping them quickly assimilate and grow with the Company to embrace a sustainable future.</p> <p><b>5. Promotion of Digital Learning: Increase platform performance and course participation effectiveness</b></p> <p>To enhance digital learning effectiveness and employee user experience, Advantech launched an e-Learning optimization project in 2024, conducting a comprehensive review and reclassification of courses within Advantech Academy's four academies (Management, Professionalism, General Education, and New Employee Hires). Courses with outdated content or low participation rates were removed, core general knowledge and regulatory courses were re-established. At the same time, an automatic assignment system was implemented to assign mandatory content based on employees' job attributes, thereby elevating learning timeliness and accuracy.</p> <p>Through platform optimization and resource integration, management and employees can monitor learning progress and training outcomes in real time, thereby improving learning management efficiency. The overall optimization initiatives also contribute to increased platform usage and course participation, thereby laying a firm foundation for achieving the 2025 e-Learning goals.</p>
<p><b>Effectiveness assessment</b></p>	<p>To ensure the effectiveness of human resource management-related measures and sustainability goals, the Human Resources Department holds quarterly meetings to set targets for various departmental indicators, track progress, as well as explain and review implementation effectiveness. Through an ongoing evaluation and adjustment mechanism, we focus on goal-oriented management to ensure that relevant action plans are implemented effectively and improved continuously, thereby boosting overall sustainability management performance.</p> <p>Additionally, Advantech Academy's learning and development plans aim to facilitate the achievement of long-term sales goals and employee growth. To ensure the effectiveness and tangible impact of various learning programs, we have adopted the Kirkpatrick Model of Training Evaluation, which helps measure the success and benefits of training programs and implement continuous optimization and improvement. The specific levels evaluated are as follows:</p> <p><b>L1 Reaction: Through the satisfaction survey, we aim to make sure that the course design meets participants' needs, thereby enhancing the learning experience.</b></p> <ul style="list-style-type: none"> <li>◆ Tools and methods: Post-course feedback questionnaire, satisfaction survey, and course evaluation indicators.</li> <li>◆ Key indicator: Participant satisfaction with course content, the extent to which the course design meets learning needs, and feedback on instructors and learning methods.</li> </ul> <p><b>L2 Learning: Confirm if participants have successfully grasped key knowledge and skills through tests and practical evaluations.</b></p> <ul style="list-style-type: none"> <li>◆ Tools and methods: Post-course tests, practical evaluations, learning logs, and case study discussions.</li> <li>◆ Key indicator: Participants' performance in knowledge tests, skill proficiency, and practical evaluation results.</li> </ul> <p><b>L3 Behavior: Monitor participants' ability to apply acquired knowledge to practical work scenarios transform it into actions.</b></p> <ul style="list-style-type: none"> <li>◆ Tools and methods: Supervisor's feedback, behavior observation, subordinate feedback (pre- and post-training).</li> <li>◆ Key indicator: Whether employees have started to apply acquired leadership skills to their work, changes in their performance, and improvements in cross-departmental collaborations.</li> </ul> <p><b>L4 Results: Analyze the training's impact on sales performance and talent development to ensure that positive values are created through learning.</b></p> <ul style="list-style-type: none"> <li>◆ Tools and methods: Implementation of key topics, KPI tracking, employee promotion and development progress.</li> <li>◆ Key indicator: Improvements in employees' performance, achievement of sales targets, employee retention rate, as well as talent promotion and development status.</li> </ul>

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	Academy	Evaluation tools and indicators	L1	L2	L3	L4
Effectiveness assessment	Management	Numerous learning effectiveness evaluation tools are used based on the course requirements of various academies. Besides course satisfaction feedback questionnaires, post-course tests are also conducted, while pre- and post-training ability questionnaires are utilized to ensure the courses effectively improve participants' relevant skills. Also, the successful implementation of practical key topics and employee promotion results serve to demonstrate the value of training in corporate development.	●	●	●	●
	Professional		●	●	●	●
	General education		●	●		
	New employee Hires		●	●		
Stakeholders impacted by the material topic and actions implemented by Advantech	<p><b>[ Comprehensive evaluation and optimization ]</b></p> <p>Based on the evaluation results from the four levels, Advantech Academy conducts a comprehensive review and reflection and makes course adjustments and optimizations in response to specific needs. Through a cycle of learning and feedback, the Advantech Academy will continue to enhance the impact of talent development to ensure that it can continuously generate value for employees and the Company in a dynamic market environment.</p> <p><b>[ Corresponding goal measurement methods ]</b></p> <p>1. Online learning participation rate: Regularly review learning progress through the digital learning platform's usage records and course completion rate data.</p> <p>2. Physical course satisfaction and participation rate: This is monitored by consolidating feedback questionnaire data (L1 response level) and attendance records.</p> <p>3. Global APEX promotion success rate: The "talent promotion and development status" from the L4 results level is used as the main indicator, complemented by the IDP mechanism.</p>					
	<ul style="list-style-type: none"> <li>◆ Employees: Professional training courses are offered, followed by post-course satisfaction surveys. Feedback and development needs are gathered through performance reviews and the O&amp;PR (Objectives &amp; Performance Review) system every year. Individual development plans are formulated based on performance evaluations, serving as the basis for ongoing improvement of training effectiveness and learning resource allocation.</li> <li>◆ Customers: Education and training on product applications and solution implementation is provided to corporate customers to help increase operational efficiency and overall service experience. Satisfaction feedback and subsequent learning needs are gathered through questionnaires.</li> <li>◆ Suppliers: Advantech regularly holds supplier conventions to communicate and exchange information on the Company's sustainability policies, operating procedures, and collaboration guidelines. These sessions aim to enhance suppliers' understanding and execution of quality, environmental safety, and sustainability standards, fostering mutual growth and long-term partnerships.</li> </ul>					

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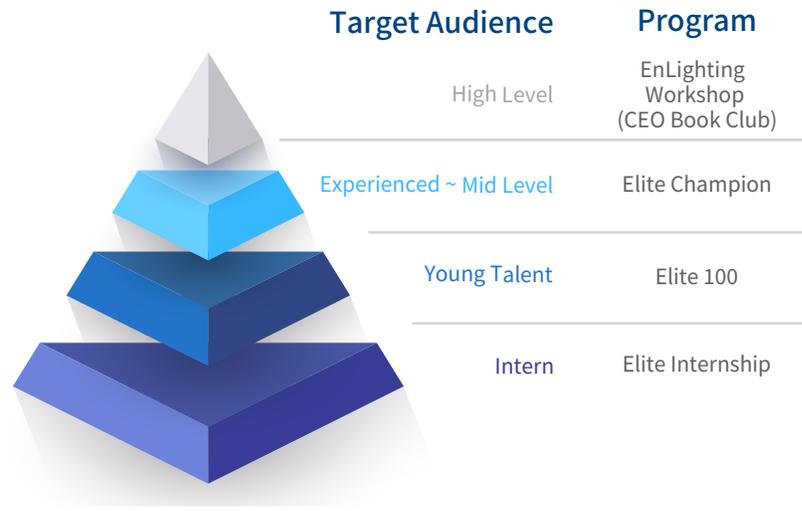
## 5.1.1 Talent Attraction and Retention

### Talent attraction

In response to various impacts and challenges, such as the aging population structure and the low birth rate, as well as values and career changes of the new generation of talent, Advantech has upheld the core concept "Right People on the Bus" to develop diverse and flexible recruitment methods. "First Who, Then What": The right key talent will work with Advantech to create the vision. Apart from professional competence, Advantech places even greater emphasis on the "altruistic passion" of talent. The Company attracts innovative professionals from diverse fields to join the Advantech family via diverse recruitment channels and flexible recruitment projects. The goal is to provide outstanding talent with unrestricted room for development and diverse career possibilities. Advantech will continue to optimize and promote different initiatives to attract, nurture, and retain talent with altruistic passion.

#### ■ Advantech's featured recruitment program - the Elite series

The Elite recruitment activities are inspired by the theme "Right People on the Bus", allowing Advantech and talent to gain a deeper mutual understanding, with the goal of finding key talent (A talent). Programs catering to varying levels of expertise are designed to accommodate everyone from interns to academia-industry collaborations, graduates entering the workforce, as well as seasoned industry elites. These Elite programs are designed to target key talent needed by Advantech, inviting them to join the Company through diverse recruitment initiatives.



#### ■ Elite program

##### - Elite Champion: Recruit high-potential elites with more than 3 years of experience

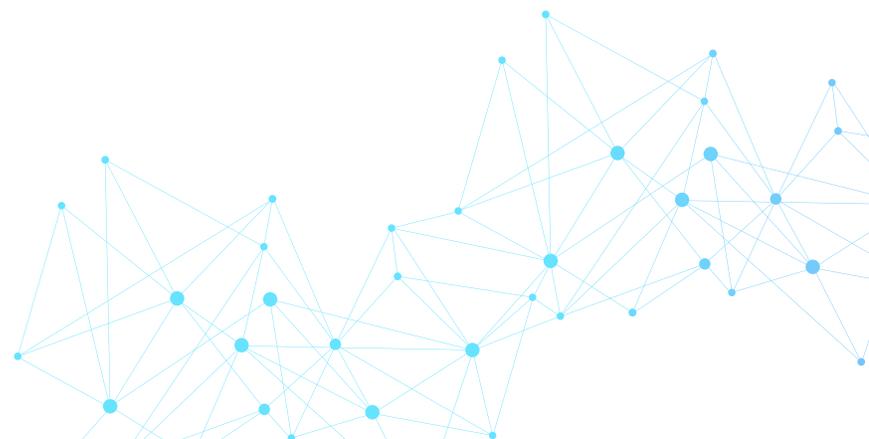
For the recruitment of high-potential industrial elites with more than 3 years of experience, talent identification will be conducted via phone interviews and pre-ranking before the event, and executive level supervisors will be invited to participate in on-site interviews on the day of the event to identify and recruit A talent.

##### - Elite100 - Recruitment and training of reserve talent with less than 3 years of work experience.

This is a recruitment and training program for junior talent or fresh graduates with under three years of work experience. The core focus is on executive level supervisors sharing Advantech's cultural values and career directions on the event day. Outstanding individuals from various job categories will be identified through group interviews (initial screening) to advance to the second interview, ultimately leading to the selection of top talent.

##### - Elite100 internship - Undergraduate junior, senior, and graduate internship project

The internship program for undergraduate juniors, seniors, and graduates allows Advantech to reach out to promising students in advance. By observing their performance during the internship, the Company can consider whether to extend their internship or offer them full-time positions.



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## Effectiveness of the Elite recruitment campaign

Year		區域	Elite Champion	Elite 100	Elite Internship	Overall effectiveness of Elite activities
			Elite Program conversion rate			
2021	Actual	Headquarters	22%	10%	17%	16%
	Actual	Headquarters	13%	8%	22%	17%
2023	Target	Headquarters	20%	10%	25%	20%
	Actual	Total (Headquarters and Advantech China)	-	11%	25%	21%
		Headquarters	-	11%	27%	22%
		Advantech China	-	-	8%	8%
2024	Target	Headquarters	20%	10%	25%	20%
	Actual	Headquarters	18%	15%	25%	24%
2025	Target	Headquarters	20%	10%	25%	20%

Note :

- (1) The effectiveness ratio of the Elite recruitment activities = number of targeted key talent joined through the Elite recruitment activities/total number of targeted key talent.
- (2) Considering that overseas locations have slightly different talent recruitment requirements compared to headquarters, the Elite recruitment activities are mainly held in Taiwan.
- (3) Employees hired through the 2023 Elite recruitment activities achieved a retention rate of 100% in 2024, and their last performance appraisal results were slightly better than the average.

## Internal employee referral

In response to the challenges of talent transformation among the new generation and the difficulty in manpower recruitment, Advantech also strives to diversify its talent recruitment channels and has devised improvement plans for its recruitment strategies. Recognizing the high suitability of candidates referred by internal employees, Advantech substantially increased the internal talent referral bonus at its headquarters in Taiwan in 2023. The referral bonus was raised from NTD 10,000~20,000 to NTD 15,000~30,000 (depending on the job position of the referred candidate).

We believe that, new employee hires referred by internal employees were better suited to their jobs than those recruited via other channels, making internal referrals an important talent source for the Company. Consequently, Advantech will continue to promote the program.

Through current employees' high degree of recognition of industry development and corporate culture, as well as the spontaneous invitation of professionals from diverse disciplines to join the Company's open development platform, besides showcasing employees' recognition of the Company, the analysis of the performance of new employee hires who come through internal referrals reveals that they tend to be more stable compared to new employee hires from other channels. The employee referral ratio in the past three years is illustrated in the table below. In 2023, the statistical internal referral data was expanded to cover six major regions. The percentage of internally referred employees in the six major regions was 13%, and the target is for internal referrals to reach 15% by 2025.

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### Internal employee referral bonus

	Assistant project manager/assistant managers and below	Project manager/managers and above
<b>Existing referral bonus</b>	NTD 15,000	NTD 30,000
<b>Original bonus</b>	NTD 10,000	NTD 20,000



### Percentage of internal employee referrals

Region			Direct employees	Indirect employees	All employees
2021	Actual	Headquarters	NA	24%	24%
	Actual	Headquarters	22%	34%	28%
2023	Target	Headquarters	25%	35%	30%
	Actual	Six significant locations of operation	24%	13%	16%
		Headquarters	13%	21%	19%
		Advantech China	26%	0%	12%
		Advantech Japan	NA	10%	10%
		Advantech Korea	0%	0%	0%
		Advantech Europe	100%	0%	12%
	Advantech USA	0%	33%	32%	
Target	Six significant locations of operation	25%	15%	15%	
2024	Actual	Six significant locations of operation	22%	12%	17%
		Headquarters	3%	23%	18%
		Advantech China	24%	4%	22%
	Actual	Advantech Japan	0%	0%	0%
		Advantech Korea	0%	3%	3%
		Advantech Europe	92%	0%	24%
Actual	Advantech USA	0%	11%	8%	
2025	Target	Six significant locations of operation	25%	15%	15%

※Note :

- (1) Percentage of internal employee referrals = number of new employee hires referred by internal employees/ total number of new employee hires
- (2) The total number of new employee hires only includes full-time employees (full-time and contract employees), excluding part-time employees (interns).
- (3) In 2023, the statistical scope of the internal referral ratio was expanded to include the six significant locations of operation (including Advantech Headquarters, Advantech China, Advantech Japan, Advantech Korea, Advantech USA, and Advantech Europe). The target value of internal employee referrals for 2024 and 2025 will be updated concurrently.

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## New employee hires

### New employee hires in 2024

Region	Item	Number and percentage of males		Number and percentage of females		Number and percentage of non-disclosed gender		Total number of qualified new employee hires	Total number of employees	New employee hires ratio by region	New employee hires ratio
		Number of new employee hires	Percentage	Number of new employee hires	Percentage	Number of new employee hires	Percentage				
Headquarters	Below 30 years old	56	8.8%	76	14.8%	-	-	344	3,531	10%	14%
	31 - 49 years old	100	2.9%	85	3.2%	-	-				
	Over 50 years old	18	1.9%	4	0.9%	-	-				
	Undisclosed	-	-	-	-	5	5.9%				
Advantech China	Below 30 years old	150	23.5%	91	17.7%	-	-	611	3,333	18%	
	31 - 49 years old	207	6.1%	157	5.9%	-	-				
	Over 50 years old	4	0.4%	1	0.2%	-	-				
	Undisclosed	-	-	-	-	1	1.2%				
Advantech Japan	Below 30 years old	1	0.2%	-	0.0%	-	-	34	225	15%	
	31 - 49 years old	10	0.3%	9	0.3%	-	-				
	Over 50 years old	11	1.2%	2	0.5%	-	-				
	Undisclosed	-	-	-	-	1	1.2%				
Advantech Korea	Below 30 years old	11	1.7%	7	1.4%	-	-	32	109	29%	
	31 - 49 years old	8	0.2%	6	0.2%	-	-				
	Over 50 years old	-	0.0%	-	-	-	-				
	Undisclosed	-	-	-	-	-	-				

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Region	Item	Number and percentage of males		Number and percentage of females		Number and percentage of non-disclosed gender		Total number of qualified new employee hires	Total number of employees	New employee hires ratio by region	New employee hires ratio
		Number of new employee hires	Percentage	Number of new employee hires	Percentage	Number of new employee hires	Percentage				
Advantech Europe	Below 30 years old	12	1.9%	8	1.6%	-	0.0%	50	516	10%	
	31 - 49 years old	17	0.5%	5	0.2%	-	0.0%				
	Over 50 years old	4	0.4%	3	0.7%	-	0.0%				
	Undisclosed	-	-	-	-	1	1.2%				
Advantech USA	Below 30 years old	4	0.6%	5	1.0%	3	75.0%	47	533	9%	14%
	31 - 49 years old	13	0.4%	13	0.5%	3	50.0%				
	Over 50 years old	4	0.4%	1	0.2%	1	20.0%				
	Undisclosed	-	-	-	-	-	0.0%				
Other regions	Below 30 years old	29	4.5%	17	3.3%	-	0.0%	94	436	22%	
	31 - 49 years old	26	0.8%	12	0.5%	-	0.0%				
	Over 50 years old	4	0.4%	2	0.5%	-	0.0%				
	Undisclosed	-	-	-	-	4	4.7%				

※Note :

- (1) New employee hires ratio by region = Number of new employee hires of various ethnic groups in the region/total number of employees of that ethnic group; overall new employee hires ratio = Number of new employee hires in the current year/ total number of employees.
- (2) The number of new employee hires only includes full-time employees (full-time and contract employees), and excludes part-time employees (interns). Refer to "Appendix 6: Employee Structure" for relevant definitions.
- (3) The denominator of the new employee hires ratio is the number of employees in service as of December 31, 2024, excluding those who had resigned.



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### New employee hires in the past four years :

Region	2021		2022		2023		2024		
	New Hire	Ratio of New Hire	New Hire	Ratio of New Hire	New Hire	Ratio of New Hire	New Hire	Total number of employees	Ratio of New Hire
Headquarters	487	15%	713	20%	367	10%	344	3,531	10%
Advantech China	1010	28%	669	18%	283	18%	611	3,333	18%
Advantech Japan	14	6%	23	10%	31	15%	34	225	15%
Advantech Korea	44	37%	47	37%	42	29%	32	109	29%
Advantech Europe	63	17%	113	23%	104	10%	50	516	10%
Advantech USA	-	-	105	21%	77	9%	47	533	9%
Other regions	-	-	-	-	87	22%	94	436	22%
<b>Total</b>	1618	21%	1670	19%	991	11%	1212	8683	14%

※Note :

(1) The number of new employee hires only includes full-time employees (full-time and contract employees), and excludes part-time employees (interns). Refer to "Appendix 6: Employee Structure" for relevant definitions.

### Average recruitment cost of new employee hires :

Region	2021	2022	2023	2024
	NTD	NTD	NTD	NTD
Headquarters	1,126	1,912	15,848	13,204
Advantech China	3,013	3,736	3,523	1,389
Advantech Japan	71,218	232,830	40,564	19,885
Advantech Korea	14,143	7,972	7,822	9,222
Advantech Europe	137,445	89,925	71,859	79,503
Advantech USA	-	37,710	17,961	28,511
Other regions	-	-	12,802	24,319
<b>Total average cost (NTD)</b>	8,572	13,568	18,536	11,521

※Note :

(1) Unit: NTD/person; formula: average recruitment cost of new employee hires = annual recruitment cost/number of new employee hires

(2) The recruitment expenses include advertising, recruitment bonus, and recruitment activity funds.

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## Talent Retention

Advantech's industrial characteristics of small volume and diverse products, emphasis on innovation, and flexibility, as well as its global presence, offer employees opportunities for cross-field transfers, cross-border collaboration, and overseas work, allowing them to benefit from diverse career choices. The Company will continue to optimize its promotion, performance evaluation, and employee development plan-related mechanisms to provide employees with a platform to pursue their careers. The Company will also develop comprehensive education and training courses to nurture and train outstanding talent. Furthermore, Advantech will engage in market salary surveys to provide employees with competitive remuneration. An outstanding employee selection event is held annually to acknowledge employees' exceptional performance and enhance their sense of belonging. Advantech is also committed to supporting employees' lives. Through the Advantech ABLE Club, employees are encouraged to innovate, learn, experience life, and give back to society after work (please refer to 5.2 Employee Communication and Benefits). Support employees' long-term development and growth through diverse programs.

## Diverse career development opportunities

### ◆ Cross-border cooperation/overseas job opportunities

Advantech boasts locations around the world to support the international development of employees and encourage employees to apply for vacancies at various global locations. In addition, they can keep up with the rest of the world by collaborating with employees from different countries, enriching their professional career and personal interests. Through engaging with international teams and sharing viewpoints, Advantech can foster talent that embraces diversity and broadens horizons, in turn becoming more innovative problem solvers and value creators. Advantech also encourages the implementation of cross-border projects that enable employees to gain valuable experiences.

### ◆ Internal transfers – My Career +

Advantech supports employees in their long-term career development within the Company. Senior management has taken the initiative to shape a corporate culture that encourages internal transfers. Since the official implementation of the global human capital management system, Workday, in 2023, the internal transfer mechanism, "My Career+", has become more streamlined, providing employees with channels for skill growth and expansion through a more open and transparent process. In turn, this helps them broaden their personal horizon, thereby cultivating cross-departmental talent. My Career+ facilitates the transition process, not only promoting internal talent mobility and training all-around outstanding talent but also furthering the objective of talent retention.

## Number of employees transferred and promoted

Region	2021			2022			2023			2024		
	Sum of Transfer & Promotion	Total Employee (IDL)	Percentage	Sum of Transfer & Promotion	Total Employee (IDL)	Percentage	Sum of Transfer & Promotion	Total Employee (IDL)	Percentage	Sum of Transfer & Promotion	Total Employee (IDL)	Percentage
Headquarters	296	2282	13%	824.00	3488	23.4%	740	3,588	21%	753	3,531	21%
Advantech China	410	1675	24%	361.00	1784	20.2%	1,502	3,357	45%	1,233	3,333	37%
Advantech Japan	12	231	5%	13.00	231	5.6%	12	232	5%	7	225	3%
Advantech Korea	22	95	23%	5.00	99	5.1%	11	129	9%	35	109	32%
Advantech Europe	-	-	-	0.00	491	0.0%	56	525	11%	70	516	14%
Advantech USA	-	-	-	58.00	512	11.33%	64	536	12%	29	533	5%
Other regions	-	-	-	-	-	-	-	-	-	44	436	10%
<b>Total</b>	<b>740</b>	<b>4283</b>	<b>17.28%</b>	<b>1215.00</b>	<b>6176</b>	<b>19.67%</b>	<b>2,385</b>	<b>8,367</b>	<b>29%</b>	<b>2,171</b>	<b>8,683</b>	<b>25%</b>

※Note: Unit: Person; Formula: Number of employees transferred or promoted in the year/number of employees in the year

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## Performance Appraisal and Promotion System

### ■ Goal management

Advantech's annual performance appraisal is aligned with the organization's annual strategy and guidelines. Performance appraisal is conducted biannually, at mid-year and year-end.

### ■ Diverse evaluation

The performance appraisal system includes diverse feedback questionnaires that supervisors can use to carry out performance appraisal. The feedback incorporates opinions from multiple parties and serves as a reference for the direct (evaluating) supervisor. By integrating the opinions of multiple parties, a more objective and fair performance appraisal outcome is expected.

### ■ Evaluation fairness

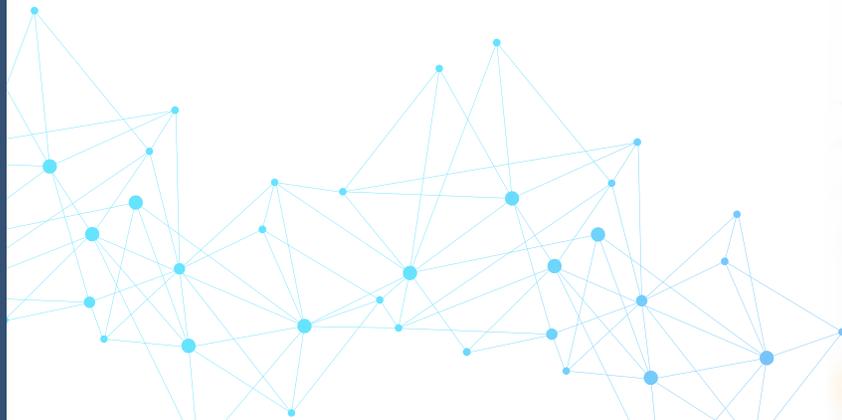
Implemented in 2023, the performance appraisal is conducted according to various job bands and groups. The purpose of this change is to improve the fairness and accuracy of horizontal comparisons among groups within the same job band and to ensure that each group receives appropriate incentives and rewards.

### ■ Agile dialogue

Supervisors conduct at least one performance evaluation with each employee annually. At year-end, after employees complete self-assessments, they engage in performance discussions with their supervisors to develop personal development plans. This process ensures that employees receive appropriate performance feedback and that performance appraisal outcome and personal development plans are adequately documented in the system. During the annual performance review cycle, supervisors are encouraged to communicate with employees at any time, regularly aligning directions and listening to employee feedback. By providing timely support, the goal is to achieve proper two-way communication and ensure that both parties have a mutual understanding of the performance appraisal results.

### ■ Team goals and remuneration

- Year-based: Advantech's performance appraisal not only focuses on individual job performance but also stresses the importance of teamwork. By setting KPIs and incentive systems that the team is jointly responsible for, the Company can uphold its core values of unleashing individual potential and teamwork. Advantech also sets group goals that apply to all employees and offers incentive bonuses. The group objectives were based on the performance of the respective business units and support units. The final evaluation determined the achievement rate, and corresponding rewards were given to employees affiliated with those business units, motivating them to achieve the team's common goals.
- Project-based: In response to the Company's material topics, such as ESG projects and digital transformation projects, project team members not only set personal goals but also team goals and corresponding rewards. The management-level and executive level supervisors were also assigned common KPIs. In addition to the goals for their respective business units and support units, they were also responsible for the Company's strategic KPIs.



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### Percentage of employee performance appraisals completed for four major job categories

Region	Four Major Categories	Performance Appraisal Participation rate of Male %	Performance Appraisal Participation rate of Female %	Percentage of employee performance appraisals completed for non-disclosed gender
Headquarters	R&D	96.8%	94.9%	-
	Marketing/Sales	96.4%	95.6%	-
	Administration	93.2%	95.0%	-
	Manufacture	97.3%	94.2%	91%
Advantech China	R&D	97.5%	99.6%	-
	Marketing/Sales	97.9%	99.0%	-
	Administration	98.4%	98.5%	100%
	Manufacture	94.9%	93.4%	100%
Advantech Japan	R&D	96.7%	66.7%	100%
	Marketing/Sales	100.0%	100.0%	100%
	Administration	85.7%	95.2%	100%
	Manufacture	95.6%	100.0%	100%
Advantech Korea	R&D	100.0%	75.0%	-
	Marketing/Sales	96.6%	96.2%	-
	Administration	100.0%	71.4%	-
	Manufacture	94.4%	-	-

Region	Four Major Categories	Performance Appraisal Participation rate of Male %	Performance Appraisal Participation rate of Female %	Percentage of employee performance appraisals completed for non-disclosed gender
Advantech Europe	R&D	97.5%	75.0%	100%
	Marketing/Sales	98.7%	98.8%	88%
	Administration	97.1%	96.7%	100%
	Manufacture	90.5%	86.7%	100%
Advantech USA	R&D	100.0%	100.0%	100%
	Marketing/Sales	100.0%	100.0%	100%
	Administration	100.0%	100.0%	100%
	Manufacture	100.0%	100.0%	100%
Other Regions	R&D	78.8%	66.7%	100%
	Marketing/Sales	88.2%	83.0%	78%
	Administration	85.0%	89.5%	83%
	Manufacture	94.6%	75.0%	100%
Total	R&D	96.3%	96.1%	100%
	Marketing/Sales	97.0%	96.7%	90%
	Administration	94.7%	95.9%	93%
	Manufacture	95.6%	93.8%	93%

※ Note :

- The denominator for the aforementioned performance appraisal percentages is the total number of regular employees, including those not required to participate in the appraisal (probationary period of less than three months, with separate regulations for Advantech Korea and Advantech China), those who left during the appraisal period, and those on leave without pay during the appraisal period.
- New colleagues at Advantech Korea who have not yet passed their six-month probationary period assessment or have been officially hired for less than six months are not required to participate in the performance appraisal. New colleagues at Advantech China who have not yet passed their six-month probationary period assessment are not required to participate in the performance appraisal.
- Employees of Advantech Japan, Advantech Korea, Advantech Europe, and Advantech's other regions are mainly engaged in marketing and sales. In Advantech Japan, Advantech Korea, and other Advantech regions, the proportions of R&D, administrative, and manufacturing personnel are relatively small. As a result, within these categories, even a few new employees who are exempt from appraisal due to not yet completing their three-month or six-month probationary period can have a considerable impact on the participation percentage. Nevertheless, as shown in Table 2 below, which presents the performance appraisal participation percentages by major functional areas, Advantech Japan, Advantech Korea, and other regions all maintain high overall participation percentages in performance appraisals.
- For some employees who chose not to disclose their gender, the column of "Non-disclosure of Gender" has been added.

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### Performance appraisal ratio for employees in the two job functions

Region	Management Level	Performance Appraisal Participation rate of Male %	Performance Appraisal Participation rate of Female %	Percentage of employee performance appraisals completed for non-disclosed gender
Headquarters	Executive level supervisor (F nad and above)	94.52%	90.00%	-
	Management-level supervisor (E1, E2)	97.95%	98.97%	-
	General Employees (D3 and below)	96.38%	94.43%	91%
Advantech China	Executive level supervisor (F nad and above)	95.45%	100.00%	-
	Management-level supervisor (E1, E2)	98.63%	100.00%	-
	General Employees (D3 and below)	96.15%	95.78%	100%
Advantech Japan	Executive level supervisor (F nad and above)	100.00%	100.00%	-
	Management-level supervisor (E1, E2)	94.12%	-	100%
	General Employees (D3 and below)	96.80%	96.92%	100%
Advantech Korea	Executive level supervisor (F nad and above)	100.00%	100.00%	-
	Management-level supervisor (E1, E2)	100.00%	100.00%	-
	General Employees (D3 and below)	96.15%	86.11%	-

Region	Management Level	Performance Appraisal Participation rate of Male %	Performance Appraisal Participation rate of Female %	Percentage of employee performance appraisals completed for non-disclosed gender
Advantech Europe	Executive level supervisor (F nad and above)	100.00%	100.00%	-
	Management-level supervisor (E1, E2)	97.56%	100.00%	100%
	General Employees (D3 and below)	96.32%	95.39%	90%
Advantech USA	Executive level supervisor (F nad and above)	100.0%	100.0%	100%
	Management-level supervisor (E1, E2)	100.0%	100.0%	100%
	General Employees (D3 and below)	100.0%	100.0%	100%
Other regions	Executive level supervisor (F nad and above)	88.89%	100.00%	-
	Management-level supervisor (E1, E2)	92.11%	91.67%	100%
	General Employees (D3 and below)	84.02%	84.11%	87%
Total	Executive level supervisor (F nad and above)	96.3%	97.0%	100%
	Management-level supervisor (E1, E2)	97.9%	98.9%	100%
	General Employees (D3 and below)	95.7%	94.9%	92%

※ Note :

- The denominator for the aforementioned performance appraisal percentages is the total number of regular employees, including those not required to participate in the appraisal (probationary period of less than three months, with separate regulations for Advantech Korea and Advantech China), those who left during the appraisal period, and those on leave without pay during the appraisal period.
- New colleagues at Advantech Korea who have not yet passed their six-month probationary period assessment or have been officially hired for less than six months are not required to participate in the performance appraisal. New colleagues at Advantech China who have not yet passed their six-month probationary period assessment are not required to participate in the performance appraisal.
- Advantech conducted the Global Job Band alignment in 2022, where global job bands were divided into A to H. Management-level supervisors (manager level) were classified as Job Band E, while executive level supervisors (including Assistant Vice President level and above) were classified as Job Band F and above.
- For some employees who chose not to disclose their gender, the column of "Non-disclosure of Gender" has been added.

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## Performance Reward System

Advantech engages in market salary surveys and provides employees with competitive remuneration. The remuneration structure can include year-end bonuses, personal performance bonuses, team bonuses, business performance bonuses, outstanding talent shares or cash dividends, etc., developing diverse rewards and applying various remuneration methods to motivate employees of different groups. This is to attract, develop, retain, and effectively reward talent who will continue to generate value alongside Advantech.

Advantech regularly reviews salary and remuneration-related indicators for various job categories and bands in different regions worldwide to ensure a diverse and equal workplace.

### ◆ Average gender gap analysis

Advantech's remuneration policy is based on employees' job responsibilities and duties, in compliance with local government labor regulations. Taking Taiwan as an example, this includes complying with laws such as the "Labor Standards Act", the "Gender Equality in Employment Act", and the "Employment Service Act". The salary structure is designed to prevent gender pay gap. In line with global talent management practices, Advantech conducts annual external salary surveys for routinely monitoring the market update and considers salary data from other market reports to align its compensation packages with prevailing market salary trends. The company also uses parameters such as job function and position to design a job salary range table (Pay Ranges), enabling the selection and retention of talent to more precisely benchmark market salary levels and provide reasonable and competitive compensation. The headquarters started developing and optimizing pay range tables (focusing on job functions and positions) in 2022, with plans to gradually incorporate all six significant locations of operation over the coming years. Advantech establishes pay range standards based on functions and positions to prevent gender pay gaps. However, it has been observed that many key roles are held by male employees. In the future, more internal emphasis will be placed on promoting female employees into such positions and encouraging female employees to take on these key roles. For external recruitment, efforts will focus on the diversity of candidates for these key positions, so as to increase the diversity of employee composition and facilitate the Company's diverse developments.

The following table illustrates Advantech's average gender pay gap at different job bands, with male average salaries serving as the benchmark at 1 for comparison purposes.

1. The gender pay gap at the headquarters is minimal, with female executives earning higher salaries than their male counterparts.
2. Among executive level supervisors, there are more males with roles directly related to profit-making, and performance bonuses are reflected in the bonus component of compensation, hence the overall compensation tends to be higher on average for males.
3. Among general employees, there are more male R&D engineers than female ones, while there are more females in administrative support-related roles. The gender pay gap is attributed to gender concentration within job functions.
4. The direct employees of the headquarters included foreign migrant workers who were mostly female, which accounted for the gender pay gap.
5. The sales locations in the five major regions are China, Japan, Korea, Europe, and the US. The employee competency category is predominantly profit-related, with higher salaries for profit-related roles, which are more often held male employees.
  - a. For the general indirect employees of the Kunshan plant in China, the pay gap originates from job function. The remuneration of key job functions (such as product engineering and intelligent automation technology) is higher than that of administrative functions. Moreover, critical functions have a higher proportion of male employees.
  - b. Within Japan's general indirect employees, the majority of employees in profit-related functional roles are male, and the salary differences stem from these functional differences.
  - c. In Advantech Korea, all management-level supervisors within administrative functions are held by females, while all management positions within profit-related functions are held by males. The salary differences arise from these functional differences.
  - d. Given that the overall employee coverage in Europe is broad, the salary differences arise not only from functional variations but also from the diverse nationalities of the employees, which introduces salary differences inherent to different countries.
  - e. In the US, among executive level supervisors and management-level supervisors, there is a predominance of male individuals in profit-related management roles, which leads to the pay gap.

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Average		Headquarters		China		Kunshan plant, China		Japan		Korea		Europe		United States		Six significant locations of operation	
Management Level	Basic/Total Package	Female average compensation	Male average compensation	Female average compensation	Male average salaries	Female average compensation	Male average compensation	Female average compensation	Male average compensation								
Executive level supervisor (F1 and Above)	Basic Salary	0.96	1.00	0.90	1.00	-	1.00	1.17	1.00	0.87	1.00	0.96	1.00	0.94	1.00	1.03	1.00
	Total Package =Basic Salary +Bonus + Allowance	1.00	1.00	1.02	1.00	-	1.00	1.12	1.00	0.92	1.00	0.85	1.00	0.63	1.00	0.91	1.00
Management-level supervisor(E1~E2)	Basic Salary	0.98	1.00	0.86	1.00	0.94	1.00	0.86	1.00	0.79	1.00	0.84	1.00	0.98	1.00	0.89	1.00
	Total Package =Basic Salary +Bonus + Allowance	1.03	1.00	0.89	1.00	0.94	1.00	0.78	1.00	0.79	1.00	0.90	1.00	0.74	1.00	0.89	1.00
General indirect employees Engineer/ Specialist ~ Assist. Manager (C1~D3)	Basic Salary	0.88	1.00	0.95	1.00	0.90	1.00	0.83	1.00	0.86	1.00	0.90	1.00	0.85	1.00	0.89	1.00
	Total Package =Basic Salary +Bonus + Allowance	0.88	1.00	0.89	1.00	0.88	1.00	0.82	1.00	0.85	1.00	0.85	1.00	0.85	1.00	0.87	1.00
(General direct employees A1~B2)	Basic Salary	0.86	1.00	-	1.00	0.90	1.00	-	1.00	-	1.00	-	1.00	0.93	1.00	1.10	1.00
	Total Package =Basic Salary +Bonus + Allowance	0.85	1.00	-	1.00	0.90	1.00	-	1.00	-	1.00	-	1.00	0.88	1.00	1.06	1.00

※ Note :

- (1) Advantech conducted the Global Job Band alignment in 2022, where global job bands were divided into A to H. Management-level supervisors (manager level) were classified as Job Band E, while executive level supervisors (including Assistant Vice President level and above) were classified as Job Band F and above.
- (2) The Kunshan plant in China is listed separately due to the difference in employee composition and salary structure.

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The table below presents an analysis of male and female employee compensation across six significant locations of operation, displayed in terms of average and median. Male compensation is set as 1 to serve as the benchmark for illustrating the difference.

Analysis of male and female compensation		Six significant locations of operation			
Management Level	Basic/Total Package	Female average compensation	Male average compensation	Female median compensation	Male median compensation
Executive level supervisor (F1 and Above)	Basic Salary	1.03	1.00	0.96	1.00
	Total Package =Basic Salary +Bonus + Allowance	0.91	1.00	1.00	1.00
Management-level supervisor (E1~E2)	Basic Salary	0.89	1.00	0.98	1.00
	Total Package =Basic Salary +Bonus + Allowance	0.89	1.00	1.03	1.00
General indirect employees Engineer/Specialist ~ Assist. Manager (C1~D3)	Basic Salary	0.89	1.00	0.88	1.00
	Total Package =Basic Salary +Bonus + Allowance	0.87	1.00	0.88	1.00
General direct employees A1~B2	Basic Salary	1.10	1.00	1.73	1.00
	Total Package =Basic Salary +Bonus + Allowance	1.06	1.00	1.49	1.00

※ Note :

(1) Advantech conducted the Global Job Band alignment in 2022, where global job bands were divided into A to H. Management-level supervisors (manager level) were classified as Job Band E, while executive level supervisors (including Assistant Vice President level and above) were classified as Job Band F and above.

(2) Non-management employees (including indirect and direct employees), the average base salary ratio of females to males is 0.83.

## Improvement Plan

Advantech's talent recruitment strategy is continuously adjusted according to market fluctuations. Advantech also continuously optimizes mechanisms including promotion, internal transfers, performance evaluations, employee development, education and training, outstanding employee commendation, compensation and benefits, and employee care. To adapt to rapid changes in the talent market and industry, there is a need for more agile and responsive digital tools. Furthermore, to constantly expand global locations, establishing a comprehensive global talent pool is gradually becoming more important and urgent. Emphasizing investment in the digital transformation of human resources, Advantech launched the Global Human Capital Management System in September 2022 and Workday in May 2023, while the Talent Optimization module was launched in January 2024 to progressively visualize Advantech's global talent needs.

Advantech upholds the philosophy of valuing talent and recognizes every employee as the bedrock of the Company's sustainable development. Advantech Taiwan conducts quarterly reviews of each business unit's turnover rate. Biannual comprehensive reviews of high-performing employee turnover rates are carried out to propose specific improvement measures in response to indicator changes, such as employee care initiatives, career development planning, and compensation and benefits optimization, all aimed at increasing the overall retention rate and employee satisfaction.

For overseas regions, the Human Resources Department also continues to monitor the turnover rate and the retention of high-performing employees in each region during their monthly global meetings. Retention strategies are adjusted and implemented according to the unique characteristics of each region. Moving forward, Advantech will continue to adopt a data-driven approach and focus on talent development, implementing a systematic talent management mechanism in a bid to create a stable and competitive environment for career development.

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### Employee attrition/turnover rate

Region	Classification	Item	Male		Female		Non-disclosure of gender		Total number of employees who have resigned	Total number of employees	Voluntary turnover rate by region	Overall turnover rate by region	Overall turnover rate
			Number of people	Percentage (voluntary)	Number of people	Percentage (voluntary)	Number of people	Percentage (voluntary)					
Headquarters	Job band	Executive level supervisors (F and above)	4	2.5%	2	6.1%	-	0.0%	291	3,531	7.70%	8.24%	13.18%
		Management-level supervisors (E1, E2)	26	3.5%	6	3.2%	-	0.0%					
		General employees (D3 and below)	121	2.7%	132	3.7%	-	0.0%					
	Age of employees	Below 30 years old	25	3.9%	22	3.7%	-	0.0%	291	3,531			
		31 - 49 years old	104	2.8%	96	3.6%	-	0.0%					
		Over 50 years old	22	1.9%	22	4.4%	-	0.0%					
		Undisclosed	-	-	-	-	-	0.0%					
China	Job band	Executive level supervisors (F and above)	-	0.0%	-	0.0%	-	0.0%	627	3,333	17.94%	18.81%	
		Management-level supervisors (E1, E2)	5	0.6%	1	0.0%	-	0.0%					
		General employees (D3 and below)	379	8.6%	242	6.8%	-	0.0%					
	Age of employees	Below 30 years old	125	18.7%	70	13.2%	-	0.0%	627	3,333			
		31 - 49 years old	248	7.0%	161	5.7%	-	0.0%					
		Over 50 years old	11	1.1%	12	2.6%	-	0.0%					
		Undisclosed	-	-	-	-	-	0.0%					
Japan	Job band	Executive level supervisors (F and above)	-	0.0%	-	0.0%	-	0.0%	21	225	9.33%	9.33%	
		Management-level supervisors (E1, E2)	2	0.3%	-	0.0%	-	0.0%					
		General employees (D3 and below)	12	0.3%	7	0.2%	-	0.0%					
	Age of employees	Below 30 years old	-	0.0%	1	0.2%	-	0.0%	21	225			
		31 - 49 years old	5	0.1%	5	0.2%	-	0.0%					
		Over 50 years old	9	1.0%	1	0.2%	-	0.0%					
		Undisclosed	-	-	-	-	-	0.0%					

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Region	Classification	Item	Male		Female		Non-disclosure of gender		Total number of employees who have resigned	Total number of employees	Voluntary turnover rate by region	Overall turnover rate by region	Overall turnover rate
			Number of people	Percentage (voluntary)	Number of people	Percentage (voluntary)	Number of people	Percentage (voluntary)					
Korea	Job band	Executive level supervisors (F and above)	-	0.0%	-	0.0%	-	0.0%	12	109	10.09%	11.01%	
		Management-level supervisors (E1, E2)	-	0.0%	-	0.0%	-	0.0%					
		General employees (D3 and below)	7	0.2%	5	0.1%	-	0.0%					
	Age of employees	Below 30 years old	2	0.3%	3	0.6%	-	0.0%	12	109			
		31 - 49 years old	5	0.1%	2	0.0%	-	0.0%					
		Over 50 years old	-	0.0%	-	0.0%	-	0.0%					
		Undisclosed	1	100.0%	1	100.0%	1	100.0%					
Europe	Job band	Executive level supervisors (F and above)	4	2.5%	-	0.0%	-	0.0%	56	516	6.20%	10.85%	13.18%
		Management-level supervisors (E1, E2)	2	0.2%	-	0.0%	-	0.0%					
		General employees (D3 and below)	29	0.3%	20	0.4%	1	1.1%					
	Age of employees	Below 30 years old	7	0.5%	2	0.2%	-	0.0%	56	516			
		31 - 49 years old	22	0.3%	15	0.5%	1	16.7%					
		Over 50 years old	6	0.3%	3	0.2%	-	0.0%					
		Undisclosed	-	0.0%	-	0.0%	-	0.0%					
United States	Job band	Executive level supervisors (F and above)	2	1.2%	1	3.0%	-	0.0%	52	533	7.88%	9.76%	
		Management-level supervisors (E1, E2)	1	0.0%	2	1.1%	-	0.0%					
		General employees (D3 and below)	30	0.6%	15	0.4%	1	0.0%					
	Age of employees	Below 30 years old	9	1.1%	2	0.4%	-	0.0%	52	533			
		31 - 49 years old	12	0.3%	13	0.5%	1	0.0%					
		Over 50 years old	12	0.8%	3	0.5%	-	0.0%					
		Undisclosed	-	0.0%	-	0.0%	-	0.0%					

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Region	Classification	Item	Male		Female		Non-disclosure of gender		Total number of employees who have resigned	Total number of employees	Voluntary turnover rate by region	Overall turnover rate by region	Overall turnover rate
			Number of people	Percentage (voluntary)	Number of people	Percentage (voluntary)	Number of people	Percentage (voluntary)					
Other regions	Job band	Executive level supervisors (F and above)	-	0.0%	-	0.0%	-	0.0%	85	436	15.14%	19.50%	13.18%
		Management-level supervisors (E1, E2)	5	0.8%	-	0.0%	-	0.0%					
		General employees (D3 and below)	56	1.0%	24	0.5%	-	0.0%					
	Age of employees	Below 30 years old	19	2.2%	6	1.2%	-	0.0%	85	436	15.14%	19.50%	13.18%
		31 - 49 years old	40	1.0%	17	0.4%	-	0.0%					
		Over 50 years old	2	0.1%	1	0.2%	-	0.0%					
		Undisclosed	-	0.0%	-	0.0%	-	0.0%					

※ Note :

- (1) Advantech conducted the Global Job Band alignment in 2022, where global job bands were divided into A to H. Management-level supervisors (manager level) were classified as Job Band E, while executive level supervisors (including Assistant Vice President level and above) were classified as Job Band F and above.
- (2) Individual turnover rate by age, job band, and gender = number of employees who have resigned in that area and group/ total number of employees in that group.
- (3) Total turnover rate = total number of employees who have resigned/total number of employees.
- (4) Only full-time employees who have resigned were included in the statistics, excluding contracted and part-time employees (interns).

- (5) For the period before and including 2022, only voluntary resignations were disclosed. Starting from the year 2023, involuntary resignations were also included.
- (6) Global data were disclosed for 2023–2024 (with expanded coverage to include additional regions). The scope of disclosure encompasses the entire Advantech organization.
- (7) Regions that are not considered significant locations of operation (except Headquarters, Advantech China, Advantech Japan, Advantech Korea, Advantech Europe, and Advantech USA) include Indonesia, Mexico, India, Czech Republic, Australia, Malaysia, Singapore, Thailand, Russia, Turkey, Brazil, United Arab Emirates, Vietnam, Canada, and Israel. "Other regions" mentioned below all have the same definition.

### Four-year employee turnover rate

Region	2021		2022		2023		2024	
	Total number of resigned employees (voluntary resignation)	Turnover rate (voluntary resignation)	Total number of resigned employees (voluntary resignation)	Turnover rate (voluntary resignation)	Total number of resigned employees	Total turnover rate	Total number of resigned employees	Total turnover rate
Headquarters	434	13.6%	585	16.8%	346	9.8%	291	8.2%
China	1597	43.6%	1101	29.6%	631	18.8%	627	18.8%
Japan	21	8.9%	25	10.8%	23	10.8%	21	9.3%
Korea	2	1.7%	18	14.1%	25	21.9%	12	11.0%
Europe	-	-	87	18.0%	44	8.4%	56	10.9%
United States	-	-	106	20.7%	63	12.0%	52	9.8%
Other regions	-	-	-	-	77	17.7%	85	19.5%
<b>Total</b>	<b>2054</b>	<b>26.8%</b>	<b>1922</b>	<b>22.4%</b>	<b>1209</b>	<b>13.9%</b>	<b>1144</b>	<b>13.2%</b>

※ Note :

- (1) The total turnover rate (involuntary resignation) for 2021-2022 is estimated. The turnover rates for 2021 and 2022 were 28.2% and 23.6%, respectively.
- (2) Global data were disclosed for 2023–2024 (other regions were also included), encompassing voluntary and involuntary resignations. The voluntary turnover rates for 2023 and 2024 were 13% and 12%, respectively.

- (3) Only full-time employees who have resigned were included in the statistics, excluding contracted and part-time employees (interns).

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## 5.1.2 Employee Development Plan

Employees are the drivers of corporate growth. Advantech considers talent cultivation and development a crucial strategy for sustainable operations, and we are building a comprehensive learning ecosystem through physical training and digital learning. Our training and development system not only emphasizes management leadership development, professional skills enhancement, and cross-departmental knowledge exchange, but also applies data analysis and learning effectiveness evaluation to ensure that training programs can deliver tangible results.

### Advantech Academy: Learning Framework of Four Major Academies

The Advantech Academy is structured around four main academies of "Management, Professional, General Education, and New Employee Hires". Based on employees' career development needs, we can offer corresponding learning resources and courses to guarantee adequate growth opportunities for every employee. The framework covers Advantech's global employees, including indirect, direct, part-time, and contract employees. The key projects of various academies in 2024 are described below.

#### 1. Management Academy: Cultivate management talent

To improve the professional competence of the management team, enhance competitiveness, and promote the long-term development of the organization, Advantech continuously plans and offers a series of management development courses. These courses aim to improve supervisors' managerial skills, including leadership, communication, problem-solving, and decision-making abilities. Through these courses, supervisors can learn and improve these key skills to manage the team more effectively, achieve goals, and enable team members to reach their full potential, thereby bolstering Advantech's corporate structure.

##### ◆ Global APEX Program: Cultivate future leaders and extraordinary talent

Advantech launched the Advantech People of Excellence (APEX) Program in 2023 to cultivate high-potential leaders and professional talent. In 2024, the Program was upgraded to the Global APEX Program by assembling 35 global elites. Three Presidents and Vice Presidents were appointed as mentors, while executive level supervisors, directors, and external experts were invited to conduct lectures. Through knowledge sharing and themed discussions, the program aims to strengthen participants' decision-making and leadership capabilities.

Advantech introduced practical exercises to this program, focusing on strategic analysis and proposing action plans for the Company's key sales issues, thereby enhancing the practicality of learning outcomes and organizational impact. Taking the IoT Automation Sector as an example, organizational transformation issues are addressed through the APEX Program, which helps the team clarify strategic priorities, establish cross-departmental collaboration mechanisms, and optimize the organizational operating model. This project effectively boosted growth momentum in the second half of 2024, resulting in a 9.6% increase in the IoT Automation

Sector's revenue compared to the first half of the year, demonstrating a clear positive correlation between talent development and sales performance.

Upon completion of the program, top performers are integrated into the Individual Development Plan (IDP) framework, supported by coaching and mentoring mechanisms to ensure that their learning achievements are effectively translated into long-term growth. Since the program was launched, 55 high-potential talented people have been cultivated, and 19 were successfully promoted in an effort to continue nurturing Advantech's future leaders!

##### ◆ Executive level supervisors: CST workshop - Corporate operating framework transformation counseling program

In 2024, Advantech launched the CST (Corporate Structure Transformation) 2032 project, promoting growth-driven systems, organizational operations, and digital transformation. To facilitate the Company's transformation, the CST workshop was held to cultivate executive level supervisors' strategic planning and problem-solving skills.

From April to July, 32 executive level supervisors from four major fields, including Automation, iHealthcare, IoT Mart, and iCity Service participated in three workshops and two project counseling sessions. They were able to fortify their transformation mindset, drive business innovation, and foster cross-departmental collaboration, laying a robust foundation for Advantech's future growth.

##### ◆ Middle management: Managing down

Advantech promotes managing down courses to strengthen middle management's goal setting, delegation management, and performance feedback skills, thereby enhancing teamwork and management performance. The courses utilize extensive case studies and scenario-based exercises to help supervisors master core skills such as adapting leadership styles, employee motivation, problem-solving, and effective communication.

In 2024, two sessions were held for 58 middle management. Training will be expanded in the future to cultivate outstanding leaders equipped with precise management skills, thereby promoting the stable development of the organization.



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◆ **Junior management: Coaching-style counseling**

Since 2023, Advantech has introduced coaching-style counseling courses to reinforce the communication and coaching abilities of junior and middle management, thereby enhancing team management effectiveness. The courses apply systematic instruction and case studies to train supervisors' key communication abilities in different situations and strengthen their leadership within diverse teams.

In 2024, two sessions were held for 65 middle and junior management. Training will be continued in the future to cultivate more competitive management teams, thereby promoting the long-term development of the organization.



◆ **100 Reading Program/100 Reading Club**

To fortify the eight core competencies (digital competency, strategic competency, leadership, operational competency, international perspectives, market insight, management competency, and innovation) of junior and middle management, Advantech officially introduced the CommonWealth Leader Campus (CWLC) in 2022, allowing supervisors to improve their skills anytime, anywhere. To enhance learning application, Advantech launched the "100 Reading Plan" in 2022, encouraging supervisors to utilize this platform and read 100 articles within a year. In 2024, the program was expanded to include general employees, and 71 supervisors completed the goal of reading 100 articles within a year. To extend the impact of the 100 Reading Plan and strengthen the implementation and application of digital and physical blended learning, nine "100 Reading Club" sessions were conducted in 2024, inviting the Company's executive level supervisors and external experts to share insights and exchange ideas on specific core management competencies. A total of 186 participants attended the reading club.

**2. Professional Academy: Reinforce professional skills**

Advantech unveiled the CST (Corporate Structure Transformation) project in 2024, with corporate growth-driven systems, organizational operating model upgrades, and digital transformation as its three core directions, forming the Company's future development blueprint. To ensure the effective implementation of the plan in cultivating key talent, Advantech has further established professional academies to provide systematic learning resources and reinforce the organization's core competitiveness.

The AI Academy, focusing on digital transformation goals, strives to cultivate internal AI technical talent, accelerating the application of AI technologies across various business units, and enhancing operational efficiency and decision-making capabilities. Meanwhile, the M&A Academy, in conjunction with the corporate growth-driven system, aims to strengthen the team's professional competencies in market expansion and corporate growth strategies through training in mergers and acquisitions and investment expertise.

◆ **AI Academy: AI certification course, GenAI internal contest**

To expedite AI technology development and drive digital transformation, Advantech has partnered with Microsoft and UCOM to launch AI certification courses. These courses systematically cultivate employees' AI expertise and offer opportunities to obtain certifications, thereby enhancing their professional competitiveness.

In 2024, 108 employees participated in the "Microsoft Azure AI Fundamentals" course, while 62 employees took the advanced "Designing and Implementing Azure AI Solutions" course. Those who pass the test can apply for rewards based on the HR certification management system. The certification test will be held in the first quarter of 2025, promoting the Company's AI technology strategy and elevating market competitiveness.

**Driving AI innovation through contests and accelerating technology applications**

To promote the practical application of AI technology, Advantech has launched a GenAI contest to inspire innovative thinking. The initiative encourages colleagues to apply GenAI technology to propose application for improving business efficiency and productivity, reducing costs, or driving innovation in products and solutions. The contest serves as a key catalyst for internal AI development, enabling the Company to explore a wider range of possibilities for AI applications.

The 2024 GenAI contest attracted 63 teams and resulted in 92 award recipients, including 12 A+ award winners and 24 A award winners, with a total prize of NTD 1.21 million. Currently, the AI team is formulating brand-new rules for 2025 to further optimize the competition mechanism and create more market value and innovative applications. Refer to the official contest website for relevant details: <https://campaign.advantech.online/tw/genaiwinwin/>

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Currently, the AI team is formulating new rules for the 2025 contest to further optimize its mechanism and promote more innovative solutions with market value, helping the Company move towards a new milestone in digital transformation.

To reinforce learning benefits and facilitate cross-functional exchanges, Advantech has established an AI technology social media platform that provides an interactive space for employees to share insights on AI, GenAI, and IT applications. Whether it's technical discussions on DaVinci technology or sharing of practical experiences in AI solutions, the social media platform offers colleagues a venue for mutual assistance, learning, and co-creation, thereby bolstering the Company's overall AI capabilities and striving toward a new milestone in digital transformations.



◆ Establishment of the M&A Academy

To bolster our mergers and acquisitions (M&A) expertise, Advantech officially launched the M&A Academy in Q4 of 2024 to cultivate key talent with strategic vision and investment management capabilities. The academy invited industry experts and business leaders to share their insights. The "Integration of Growth Strategies with M&A Transactions" course saw the attendance of 54 executive level supervisors and investment department supervisors, who engaged in in-depth discussions on M&A strategies and critical decision-making factors.

In 2025, the academy will kick off advanced courses covering post-merger integration, transaction management, and business valuation, and will use project exercises and industry counseling to help the Company seize development opportunities in the competitive market.

◆ Advantech China (ACN) technology forum

Advantech China (ACN) organizes an annual technology forum to promote internal technical exchange and collaboration, enhance employee expertise, and increase the Company's competitiveness and sustainable development.

Three major goals of the forum:

- (1) Benefits of technical training: Improve R&D capabilities and cross-departmental knowledge, optimize design efficiency and product competitiveness.
- (2) Break down technical barriers: Facilitate the experience transfer, minimize design pitfalls, and improve R&D efficiency and product quality.
- (3) Continue to bolster awareness: Encourage technology innovation and sharing, nurture professional growth, and promote corporate technology development.

4 technology forums were held in 2024, encompassing 4 technology-related sharing themes. These forums not only help to elevate the organization's internal technical standards and efficiency, but also foster sustainable development in the industry and, in turn, deliver long-term economic benefits.

Event time	Course theme	Participants	Number of participants	Effectiveness
December 18, 2024	New technology sharing by Hai Kwang & Byosoft	Hardware Software Department PM & RD	Around 130 people	Domestic new product performance achieved: 2025 H1 Rev 4.3M, YoY GR+70%
September 19, 2024	EMC/MTBF/Automotive Ethernet/Frequency Domain Testing/Thermal Design	Hardware Department PM & RD	Around 100 people	
March 28, 2024	Intel Solution Day	Hardware Software Department PM & RD	Around 150 people	AKTC's performance in the first half of the year reached 97.1%, representing a 6% growth
March 21, 2024	Energy Star 8.0/WiFi BT Testing/Resistive Touch Panel Electrostatic Discharge Failure Corrective Action Plan/Sharing of Road Vehicle Laboratory Validation Standards	Hardware Department PM & RD	Around 100 people	

**3. General Education Academy: Cultural diversity and soft power at the workplace**

Focusing on DEI (Diversity, Equity, and Inclusion), we aim to increase employees' understanding of our corporate culture and diversity management, thereby creating a more inclusive workplace. Key projects in 2024 are as follows:

◆ Understand implicit bias and create a friendly workplace

Implicit bias affects decision-making, team interaction, and talent development. To enhance supervisors' understanding of this topic, the course assists them in building a more inclusive team culture. Interactive discussions and case study analysis help supervisors understand the causes and impacts of bias and learn how to prevent bias in decision-making, communication, and teamwork.

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Two sessions were conducted in 2024 for 68 middle and senior management. It is hoped that every supervisor can become an internal DEI promoter in a bid to foster a fair, open work culture and allow the organization to continue growing!

◆ **Female career development workshop**

With the emerging DEI (Diversity, Equity, and Inclusion) trend, female career opportunities and challenges have come under the spotlight. In 2024, Advantech invited external experts to share career development strategies, leadership cultivation, and work-life balance tips through online and physical workshops for 105 supervisors. The workshops explored the cultivation of female leadership, strategies for breaking through glass ceilings, as well as offering practical experience and specific methods to help female employees increase their influence and achieve steady development. Advantech hopes to create a more inclusive workplace through these learning opportunities, allowing every colleague to reach their full potential and contribute to the Company's growth!

◆ **Ethnic and cultural communication training workshop**

To enhance employees' communication and collaboration skills in culturally diverse workplace, Advantech organized two themed workshops in 2024.

Session one: The parent-child communication workshop mainly focused on assisting employees to improve communication with their children. The workshop also explored differences in family cultures and intergenerational issues, attracting participation from 219 employees.

Session two: The cross-culture communication workshop emphasized the communication and management of multinational teams, helping employees respond to cultural challenges by providing them with multicultural team management skills. The workshop was attended by 74 employees.

Through these courses, Advantech aims to foster an inclusive workplace where employees can thrive in a culturally diverse environment and contribute to the Company's long-term development.



**4. New Employee Hires Academy: Fast assimilation into the workplace**

To improve new employee hires' adaptation and contribution, Advantech enhanced the new employee onboarding experience in 2024 which was integrated with the Workday system. This allows supervisors and new employee hires to track learning progress

and probationary period assessment results in real-time. During the probationary period, we optimized the comprehensive assessment mechanism to ensure that new employee hires can demonstrate their value and make meaningful contributions from the early stages of their employment. We also implemented a mentor system where experienced supervisors within the department serve as counselors, providing job guidance and cultural adaptation support to help new employee hires successfully reach their full potential and grow with the Company.

Additionally, to assist new employee hires quickly adapt to our corporate culture, the upgraded 2024 version of ACE Camp (Advantech Culture Experience Camp) provided an in-depth introduction to the Company's culture, organizational structure, and development direction. Through supervisors' career experience sharing, new employee hires can gain a quicker understanding of the Company's values and vision. Moreover, new team-building activities and guided tours of the Company's facilities foster cross-departmental integration and bolster their understanding of the Company's environment. Seven sessions were successfully held in 2024 for 276 participants, providing new employee hires with a solid starting point for their careers.

◆ **Learning effectiveness evaluation (L1~L4)**

To ensure the effectiveness and impact of training programs, Advantech employs the Kirkpatrick Model of Training Evaluation to comprehensively measure learning outcomes, from participant feedback to business results:

<b>L1 Reaction</b>	Through the satisfaction survey, we aim to make sure that the course design meets participants' needs, thereby enhancing the learning experience.
<b>L2 Learning</b>	Confirm if participants have successfully grasped key knowledge and skills through tests and practical evaluations.
<b>L3 Behavior</b>	Monitor participants' ability to apply acquired knowledge to practical work scenarios transform it into actions.
<b>L4 Results</b>	Analyze the training's impact on sales performance and talent development to ensure that positive values are created through learning.

Through the robust learning framework and effectiveness evaluation mechanism, Advantech continues to foster a high-impact learning culture, allowing every employee to engage in continuous improvement and strive for excellence and sustainable growth with the Company.

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Academy structure	Learning effectiveness evaluation
<b>Management Academy</b>	The average course satisfaction rating was 4.69, with a total of 412 participants. According to the pre- and post-course results of management behavior indicators, there was an average increase of 0.265.
<b>High-potential talent</b>	The average course satisfaction rating was 4.41, with a total of 55 participants. In particular, 19 employees received promotions, resulting in a promotion rate of 34.5%. Key business practice topics raised in the course will continue to be expanded and implemented.
<b>Professional Academy</b>	The courses and seminars were conducted for roughly 796 participants, including those from Advantech headquarters (Taiwan) and Advantech China. The GenAI contest featured 63 participating teams, resulting in 36 winning teams and a total of 92 award recipients, with prize money totaling NTD 1.21 million.
<b>General Education Academy</b>	The course saw participation from 466 employees, achieving an average satisfaction of 4.53.
<b>New Employee Hires Academy</b>	The course saw participation from 276 employees, achieving an average satisfaction of 4.58.

### Average training hours per employee

Region	Gender	Total training hours	Total number of employees <sup>(Note)</sup>	Each employee's average training hours
Headquarters	Male	246,563	1,934	127.5
	Female	140,845	1,562	90.2
	Undisclosed/omitted	196	35	5.6
	<b>Total</b>	<b>387,604</b>	<b>3,531</b>	<b>109.8</b>
Advantech China	Male	282,092	1,859	151.7
	Female	129,404	1,470	88.0
	Undisclosed/omitted	0	4	0.0
	<b>Total</b>	<b>411,496</b>	<b>3,333</b>	<b>123.5</b>
Advantech Japan	Male	10,601	149	71.1
	Female	4,086	68	60.1
	Undisclosed/omitted	0	8	0.0
	<b>Total</b>	<b>14,687</b>	<b>225</b>	<b>65.3</b>
Advantech Korea	Male	6,570	71	92.5
	Female	3,722	38	97.9
	Undisclosed/omitted	26	0	0
	<b>Total</b>	<b>10,318</b>	<b>109</b>	<b>94.7</b>

Region	Gender	Total training hours	Total number of employees <sup>(Note)</sup>	Each employee's average training hours
Advantech Europe	Male	7,256.41	332	21.9
	Female	3,340.51	169	19.8
	Undisclosed/omitted	85	15	5.7
	<b>Total</b>	<b>10,682</b>	<b>516</b>	<b>20.7</b>
Advantech USA	Male	8,205	338	24.3
	Female	2,178	182	12.0
	Undisclosed/omitted	335	13	25.8
	<b>Total</b>	<b>10,718</b>	<b>533</b>	<b>20.1</b>
<b>Total</b>	Male	561,287	4,683	119.9
	Female	283,576	3,489	81.3
	Undisclosed/omitted	642	75	8.6
	<b>Total</b>	<b>845,505</b>	<b>8,247</b>	<b>102.5</b>
<b>Data coverage scope</b>	In 2024, the total number of full-time employees (excluding interns and contract workers) across Advantech's Headquarters (including business units, logistics units, and Advantech Taiwan), China, Japan, South Korea, Europe, and North America, accounting for over 80% of the global workforce. Total training expenditures reached NTD 30,587,833, resulting in a per-employee training cost of NTD 3,708.96. The total training hours (combining online and physical courses) amounted to 845,505 hours, averaging 102.5 training hours per-employee.			

※ Note: The total number of employees is expressed in full-time equivalents (FTE) as of December 31, 2024

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### Average education and training hours by job category

Region	Job category	Total training hours	Total number of employees <sup>(Note)</sup>	Each employee's average training hours
Headquarters	R&D	238,210	1,556	153.1
	Marketing/Sales	42,109	292	144.2
	Administration	51,877	476	109.0
	Manufacture	54,763	1,207	45.4
	Undisclosed/omitted	645	-	-
	Total	387,604	3,531	109.8
Advantech China	R&D	12,914	682	18.9
	Marketing/Sales	10,292	492	20.9
	Administration	18,045	332	54.4
	Manufacture	369,727	1,827	202.4
	Undisclosed/omitted	519	-	-
	Total	411,496	3,333	123.5
Advantech Japan	R&D	2,997.7	34	88.2
	Marketing/Sales	6,214.8	83	74.9
	Administration	1,336.9	36	37.1
	Manufacture	4,137.6	72	57.5
	Undisclosed/omitted	-	-	-
	Total	14,687	225	65.3
Advantech Korea	R&D	1,471	20	73.6
	Marketing/Sales	4,656	55	84.7
	Administration	1,569	15	104.6
	Manufacture	2,596	19	136.6
	Undisclosed/omitted	26	-	-
	Total	10,318	109	94.7

Region	Job category	Total training hours	Total number of employees <sup>(Note)</sup>	Each employee's average training hours
Advantech Europe	R&D	2,873.78	90	31.9
	Marketing/Sales	4,889.61	247	19.8
	Administration	1,937.65	100	19.4
	Manufacture	800.88	79	10.1
	Undisclosed/omitted	180	-	-
	Total	10,682	516	20.7
Advantech USA	R&D	2,966	142	20.9
	Marketing/Sales	3,629	201	18.1
	Administration	809	98	8.3
	Manufacture	2,864	92	31.1
	Undisclosed/omitted	450	-	-
	Total	10,718	533	20.1
Total	R&D	261,432	2,524	103.6
	Marketing/Sales	71,790	1,370	52.4
	Administration	75,574	1,057	71.5
	Manufacture	434,888	3,296	131.9
	Undisclosed/omitted	1,820	-	-
	Total	845,505	8,247	102.5
Data coverage scope	In 2024, the total number of full-time employees (excluding interns and contract workers) across Advantech's Headquarters (including business units, logistics units, and Advantech Taiwan), China, Japan, South Korea, Europe, and North America, accounting for over 80% of the global workforce. Total training expenditures reached NTD 30,587,833, resulting in a per-employee training cost of NTD 3,708.96. The total training hours (combining online and physical courses) amounted to 845,505 hours, averaging 102.5 training hours per-employee.			

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### Average education and training hours by age group

Region	Age	Total training hours	Total number of employees <sup>(Note)</sup>	Each employee's average training hours
Headquarters	Below 30 years old	56,070	407	137.8
	31-49 years old	261,950	2,431	107.8
	Over 50 years old	69,388	658	105.5
	Undisclosed/omitted	196	35	5.6
	Total	387,604	3,531	109.8
Advantech China	Below 30 years old	43,954	505	87.0
	31-49 years old	336,017	2,668	125.9
	Over 50 years old	31,525	156	202.1
	Undisclosed/omitted	0	4	0.0
	Total	411,496	3,333	123.5
Advantech Japan	Below 30 years old	754.5	12	62.9
	31-49 years old	7,145.9	90	79.4
	Over 50 years old	6,786.7	115	59
	Undisclosed/omitted	0	8	0.0
	Total	14,687	225	65.3
Advantech Korea	Below 30 years old	3,516	30	117.2
	31-49 years old	5,157	60	86.0
	Over 50 years old	1,619	19	85.2
	Undisclosed/omitted	26	0	0
	Total	10,318	109	94.7

Region	Age	Total training hours	Total number of employees <sup>(Note)</sup>	Each employee's average training hours
Advantech Europe	Below 30 years old	1,412	51	27.7
	31-49 years old	6,151	292	21.1
	Over 50 years old	3,092	159	19.4
	Undisclosed/omitted	26	14	1.9
	Total	10,682	516	20.7
Advantech USA	Below 30 years old	393	48	8.2
	31-49 years old	5,382	268	20.1
	Over 50 years old	4,943	217	22.8
	Undisclosed/omitted	0	0	0
	Total	10,718	533	20.1
Total	Below 30 years old	106,100	1,053	100.8
	31-49 years old	621,803	5,809	107
	Over 50 years old	117,354	1,324	88.6
	Undisclosed/omitted	248	61	4.1
	Total	845,505	8,247	102.5
Data coverage scope	In 2024, the total number of full-time employees (excluding interns and contract workers) across Advantech's Headquarters (including business units, logistics units, and Advantech Taiwan), China, Japan, South Korea, Europe, and North America, accounting for over 80% of the global workforce. Total training expenditures reached NTD 30,587,833, resulting in a per-employee training cost of NTD 3,708.96. The total training hours (combining online and physical courses) amounted to 845,505 hours, averaging 102.5 training hours per-employee.			

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### Average education and training hours by age group and gender

Region	Age	Gender			
		Male	Female	Undisclosed/omitted	Total
Headquarters	Below 30 years old	28,736	27,334	0	56,070
	31-49 years old	165,600	96,349.5	0	261,949.5
	Over 50 years old	52,226.5	17,161.5	0	69,388
	Undisclosed/omitted	0	0	196	196
	Total	246,563	140,845	196	387,604
Advantech China	Below 30 years old	35,791	8,163	0	43,954
	31-49 years old	215,802	120,216	0	336,018
	Over 50 years old	30,499	1,025	0	31,524
	Undisclosed/omitted	0	0	0	0
	Total	282,092	129,404	0	411,496
Advantech Japan	Below 30 years old	612.28	142.22	0	754.5
	31-49 years old	4,783.32	2,362.58	0	7,145.9
	Over 50 years old	5,205.47	1,581.27	0	6,786.74
	Undisclosed/omitted	0	0	0	0
	Total	10,601.07	4,086.07	0	14,687.14
Advantech Korea	Below 30 years old	1,676	1,840	0	3,516
	31-49 years old	3,481	1,676	0	5,157
	Over 50 years old	1,413	206	0	1,619
	Undisclosed/omitted	0	0	26	26
	Total	6,570	3,722	26	10,318
Advantech Europe	Below 30 years old	921.09	491.13	0	1,412.22
	31-49 years old	3,919.17	2,219.06	13	6,151.23
	Over 50 years old	2,416.15	630.32	46	3,092.47
	Undisclosed/omitted	0	0	26	26
	Total	7,256	3,341	85	10,682

Region	Age	Gender			
		Male	Female	Undisclosed/omitted	Total
Advantech USA	Below 30 years old	286	107	0	393
	31-49 years old	4,084	1,181	117	5,382
	Over 50 years old	3,835	890	218	4,943
	Undisclosed/omitted	0	0	0	0
	Total	8,205	2,178	335	10,718
Total	Below 30 years old	68,023	38,077	0	106,100
	31-49 years old	397,669	224,004	130	621,803
	Over 50 years old	95,595	21,495	264	177,354
	Undisclosed/omitted	0	0	248	248
	Total	561,287	283,576	642	845,505



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### Training indicators

Item	Overview	Participants	Coverage rate
<b>E-Learning Advantech Academy Online Learning Platform</b>	Through online learning, employees worldwide can gain a deeper understanding of Advantech's business philosophy and corporate culture, while also engaging in self-paced learning and accessing the latest educational resources. This approach allows employees to overcome geographical and time constraints, enabling real-time learning and interaction with colleagues around the globe.	General employees (indirect employees)	Covers 70.95% of all global indirect employees (excluding direct employees)
<b>Integrity Business Code education and training</b>	Advantech's philosophy of integrity management and related regulations are provided to employees through online courses.	General employees (indirect employees)	Covers 97.21% of all global indirect employees (excluding direct employees)
<b>Occupational health and safety education and training</b>	Employees receive annual online training on the concepts of occupational health and safety, safety regulations and knowledge, emergency response procedures, common knowledge of fire safety, first aid, and drills. Employees receive regular annual training through online courses.	General employees	Covered 75.81% of employees in Taiwan (Including direct and indirect employees)
<b>Information and cyber security promotion course</b>	Common information and cyber security risks and case studies, basic principles of information and cyber security, as well as information and cyber security regulations that employees should comply with, are offered through online courses annually.	General employees	Covered 91.76% of global employees (Including direct and indirect employees)

In 2024, there was a significant decline in relevant training data. The related details are provided below:

◆ **E-Learning global employee (indirect employee) participation rate:**

In 2024, 156 new online courses were introduced, covering general education, management, and professional categories. However, the participation rate declined by 11.73% compared to last year. This may be attributed to the user experience of the digital learning platform; factors such as platform performance, ease of course discovery, and intuitive interface design can all influence employees' willingness to engage in learning.

■ **Improvement measures:**

- **Optimized platform experience:** Improve the system's performance, reduce loading time, and ensure that the learning process is not affected by technical problems.
- **Improve the course searching and recommendation mechanism:** The simplified search function allows employees to quickly find courses that are relevant to their work, while the intelligent recommendation function serves to increase learning efficiency.

- **Improve interface design and intuitive operation:** Optimize course classification, learning progress tracking, and navigation functions, enabling employees to operate the platform more intuitively and manager their learning content, lowering the usage threshold.

◆ **Integrity Business Code education and training:** The training completion rate is nearing 100%, but further efforts are needed to ensure employees can apply learning to work, preventing learning from becoming a mere formality.

◆ **Occupational health and safety education and training:** completion rate decreased by 5.06% compared to last year; information and cyber security promotion course: completion rate increased by 5.28% compared to last year.

- **Improvement measures:** To continue improving the participation rate of occupational health and safety education and training and information and cyber security promotion courses, we will require our employees to complete these mandatory courses from time to time. These courses are crucial for ensuring employees' work safety and information and cyber security. Consequently, we will strengthen the mandatory nature and participation in these courses through notifications, regular follow-ups, and the addition of new course content to enhance employee learning motivation and participation. In addition, for employees who have not completed the courses, reasonable completion deadlines will be set to make sure that every employee regularly updates relevant knowledge, thereby bolstering the Company's overall security awareness and prevention capabilities. Such measures not only improve participation rate but also protect employees' occupational safety and information and cyber security, allowing the Company to maintain stability and compliance amid increasingly complex work environments

### Summary

In response to the above situation, Advantech will optimize training experience, enhance learner support systems, and design more targeted learning models, aiming to improve employee learning engagement, practical application skills, and long-term benefits. In the future, we will continue to monitor various indicators to ensure that various education and training programs achieve their expected goals and will constantly adjust our strategies to address new challenges. Furthermore, to further enhance user experience, careful user interface (UI) adjustments will be implemented to make the learning process more intuitive, convenient, and effective. In 2025, we will optimize the interface structure and interaction methods, streamline operational processes, and enable employees to easily access the necessary courses and resources. By minimizing unnecessary clicks and search time, we aim to ensure that every employee can complete their training in a user-friendly and efficient learning environment, thereby enhancing overall learning motivation and engagement. These UI enhancements not only improve the learning experience but also reflect the Company's dedication to supporting employee growth and learning, in turn increasing satisfaction and learning effectiveness.

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## 5.2 Employee Communication and Benefits

### 5.2.1 Employee Relations

#### ABLE Club collaborates with Advantech Beautiful LiFE to create an altruistic and happy enterprise

"People orientation" is the essence of Advantech, while "work, study, and love" are the driving forces behind the growth of Advantech employees. Advantech's "ABLE Club" consolidates employee relations (ESR), the Foundation, and the Welfare Committee to encourage employees to engage in innovative learning, experience life, and contribute to society. From various aspects such as sports, wellness, health, arts and culture, education, and public welfare, the Company aims to enhance interactions among employees, their families, and the community, thereby fostering a sense of cohesion!

In 2024, to encourage everyone to maintain a good habit of exercising, walking, and passion for cultural and artistic experiences, we designated the year as the "Advantech Exercise and Health Year". Advantech has always believed that only happy employees with healthy minds and bodies can enhance the overall performance of the Company. In addition, Advantech encourages employees to extend their positive impact beyond the workplace by caring for communities and promoting public welfare. Through sharing and mutual support, the Company actively practices the philosophy of altruism and aims to inspire a fulfilling life.

#### Employee relations and communication

To foster harmonious and effective employee relations, Advantech has established numerous two-way communication channels. In addition to disseminating information, the Company actively listens to and responds to employee feedback in real time to continuously improve and optimize employee services, maintain a positive workplace atmosphere, and safeguard employees' rights and well-being.

	Channel	Description
Employee communication	Website	1. Employee Zone: To disseminate critical company information to colleagues, columns such as Corporate News, Office Bulletin, and Regional News were created based on information gathered from the employees. Additionally, providing detailed company policies and management procedures on the website ensures that employees can easily access the information at any time. 2. ABLE Club website: Eight major sections covering the topics of employee care, Welfare Committee, Foundation event information and registration, club information, employee health management system, authorized shops, event reports and highlights were set up to provide employees with an all-round digital platform to enjoy a fulfilling life.
	Video	We publish strategy and vision videos on our internal platform, where senior executives present—in both Chinese and English—the year's strategic priorities, financial outlook, sustainability commitments, innovation programs, and new-market opportunities. This ensures precise, timely delivery of our corporate strategy to Advantech employees worldwide and fosters effective, transparent communication.
	Email announcements	1. HR: Publish the monthly HR Express newsletter, featuring executive interviews, key company updates, training courses, internal job openings, news coverage, and event highlights. 2. ESR: Employee benefits and events-related information. The ABLE Club e-newsletter is distributed weekly, the health monthly is distributed monthly, and the ESR e-newsletter is distributed quarterly.
	Physical meetings	1. Biannual kick-off meetings are held to communicate the company's key development strategies and vision, ensuring that all employees understand the company's direction and grow together with Advantech. 2. Quarterly labor-management meetings are held at Advantech headquarters (Neihu) and the Linkou Industrial Park, addressing topics such as labor-management coordination, labor-management cooperation promotion, and labor condition issues. 3. Various departments convene their internal communication meetings on departmental directions, work progress updates, and sharing of new knowledge, thereby facilitating communication and interactions within different departments.
	Regular domestic and foreign periodicals	Edited and distributed by the PR unit, the content includes executive level supervisor's visions, key business practices, case studies, etc.

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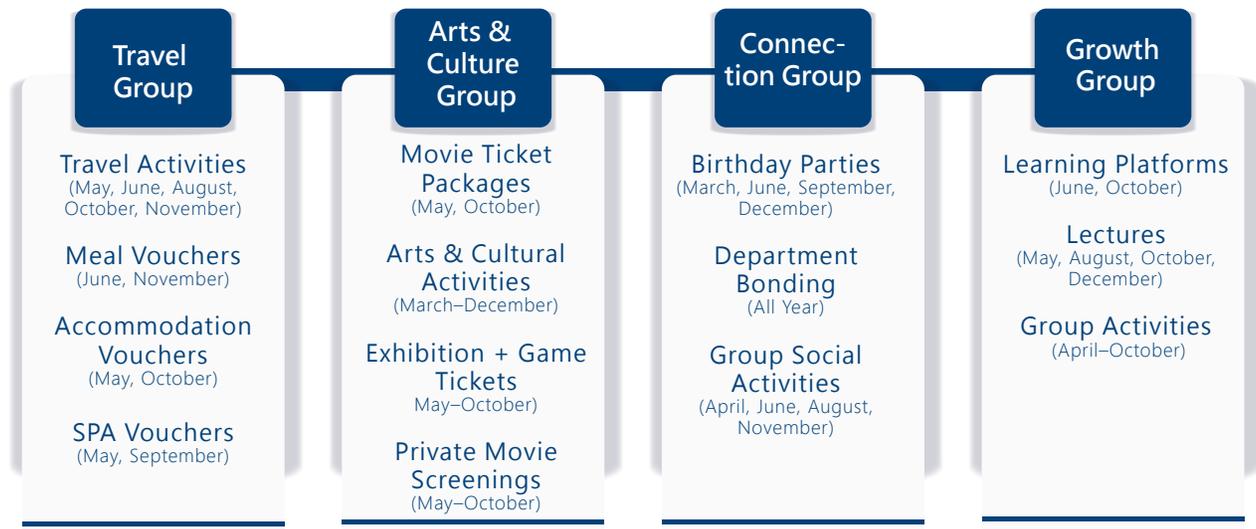
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	Channel	Description
<b>Employee communication</b>	Social media	ABLE Club on Facebook and Instagram: Announcement of event information, event photo albums, employee happiness feedback, and other text, audio and video highlights.
	Other	1. Communicate Advantech's corporate culture, spirit, and announcements on the Company's internal digital bulletin boards. 2. In addition to learning courses, the e-Learning website also features numerous videos that convey the Company's core values and culture. 3. Communication with migrant workers: Important messages from the Company are posted in English in the migrant workers' dormitory to increase message exposure, and keep migrant workers informed of the Company's policies. They are also encouraged to sign up for ABLE Club activities.
<b>Employee grievance</b>		Grievance channels: Grievance hotline, e-mail, suggestion box (EZ), or the HR unit of the business group. Please refer to Figure 5.4.2 Whistleblowing and Grievance Mechanism

Life is not just about work. Advantech hopes its employees can maintain physical/mental well-being and happiness, and embrace a wonderful life with their families. To this end, the Company offers diverse welfare programs such as a marriage allowance, maternity allowance, hospital condolence allowance, bereavement condolence allowance, emergency assistance fund, New Year festival benefits (Dragon Boat Festival/Moon Festival/birthday), as well as various statutory insurance benefits including pension contributions and group insurance, to ensure the safety and well-being of employees at work and in their personal lives. Furthermore, the Employee Welfare Committee and the Employee Services and Relations (ESR) Department continued planning various activities encompassing sports, leisure, health, arts and culture, education, and charity, resulting in a high execution rate of 95% for the Employee Welfare Committee's budget for 2024 (relevant implementation details are as follows), ensuring that colleagues receive balanced care to foster their physical and mental well-being.

### 2024 Welfare Committee Activities



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### Overview of benefits by region

Advantech provides social welfare programs that exceed legal requirements across its global locations of operation. The Company has established the "Advantech and Affiliates Emergency Relief Fund" to provide immediate assistance to employees and their families during major incidents. This social protection coverage for workers beyond public programs, reflecting the Company's emphasis on employee well-being and its commitment to offering more comprehensive support to strengthen their security in the face of emergencies.

	Headquarters	Advantech China	Advantech Japan	Advantech Korea	Advantech Europe	Advantech USA	Other regions
<b>Employee group insurance</b>	<ul style="list-style-type: none"> <li>◆ Term life insurance</li> <li>◆ Medical insurance</li> <li>◆ Injury insurance</li> </ul>	<ul style="list-style-type: none"> <li>◆ Accident injury insurance</li> <li>◆ Public transport accident insurance</li> <li>◆ Employer liability insurance</li> </ul>	No employee group insurance (the government offers labor insurance), but health insurance subsidies are provided	Accident insurance	Business travel insurance for the EU	Group insurance	Group insurance provided
<b>Health benefits</b>	<ul style="list-style-type: none"> <li>◆ Provide annual employee health checkups that are better than legal requirements*</li> <li>◆ Biennial subsidized health checkups for manager-level and above supervisors</li> </ul>	<ul style="list-style-type: none"> <li>◆ Annual employee health checkup</li> <li>◆ Kunshan: Employees at the assistant manager level and above are entitled to additional health checkup items</li> </ul>	Annual employee health checkup	Annual employee health checkup	Advantech UK has health insurance that covers 100% of emergency medical expenses	Health checkup benefits, compliant with local regulations and needs, are provided to all employees	Statutory health checkup benefits are provided to all Advantech employees based on the location of the Company's subsidiaries
<b>Marriage allowance</b>	V	V	V	V	-	-	V
<b>Maternity allowance</b>	V	V	V	V	-	-	V
<b>Hospital condolence allowance</b>	V	V	V	-	-	-	-
<b>Bereavement condolence allowance</b>	V	V	V	V	-	-	V
<b>Emergency assistance fund</b>	The Charity Society Committee provides emergency assistance fund support according to circumstances of individual case (up to NTD 200,000)	<p>"Advantech China"</p> <ul style="list-style-type: none"> <li>◆ <b>Poverty relief fund:</b> A one-time subsidy ranging from RMB 2,000 to 20,000 is provided to full-time employees or their immediate family members who face significant financial difficulties due to major illness.</li> <li>◆ <b>Emergency relief fund for critical illnesses:</b> Employees, their spouses, or children suffering from critical illnesses are provided with assistance ranging from RMB 10,000 to 100,000/person, depending on the severity of their condition. In the event of death due to illness or accident, employees, their spouses, or children will receive a relief fund of RMB 10,000/person.</li> </ul> <p>"Advantech Kunshan"</p> <ul style="list-style-type: none"> <li>◆ The foundation will provide emergency assistance funds (within RMB 10,000) to support employees, their children, or spouses suffering from serious injuries, illnesses, or emergencies.</li> </ul>	Accident/sickness allowance: 15% of daily salary x number of days	-	We are currently gathering information on group accident insurance to provide coverage for all European employees.	-	Internal units in Advantech join forces to launch the volunteer donation activity. In the event of a natural disaster, Advantech's local subsidiaries and the Human Resources Department will provide disaster assistance funds for employees affected by the disaster.
<b>New Year and festival benefits (Dragon Boat Festival/ Moon Festival/ birthday)</b>	V Indigenous employees can also apply for the "Indigenous Annual Festival Leave" according to the time of various tribal ceremonies.	V	-	V	V European Christmas - Dutch and German Carnival	-	V

※ Note :

- (1) According to Taiwan's Labor Health Protection Act, employers should conduct regular general health checkups for in-service workers based on the following regulations:
  - 1 ∙ One checkup for workers over 65 years old annually.
  - 2 ∙ Employees over 40 but under 65 years old are subject to a checkup every three years.
  - 3 ∙ Those under 40 years old receive a checkup every five years.

- Advantech provides a health checkup system that is better than legal requirements; employees are given a health checkup every year.
- (2) Regions that are not considered significant locations of operation (except Headquarters, Advantech China, Advantech Japan, Advantech Korea, Advantech Europe, and Advantech USA) include Indonesia, Mexico, India, Czech Republic, Australia, Malaysia, Singapore, Thailand, Russia, Turkey, Brazil, United Arab Emirates, Vietnam, Canada, and Israel. "Other regions" mentioned below all have the same definition.

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## Marriage and maternity cash gifts

- (1) All regular employees of Advantech, regardless of gender, are entitled to a wedding gift of NTD 10,000 per person. This policy ensures the rights of diverse gender marriages; colleagues only need to submit a wedding invitation or marriage certificate upon legal marriage to receive this benefit. In 2024, 74 headquarter employees applied for wedding gifts, with the total amount reaching NTD 740,000. Aside from the aforementioned policies, the Employee Services and Relations (ESR) Department conducts due diligence by regularly reviewing the Company's benefits system and benchmarking it against leading enterprises in the market. As a result, in September 2022, the Department proposed increasing the childbirth gift from NTD 3,600 to NTD 10,000, offering a benefit that surpasses legal requirements.
- (2) To apply for the childbirth gift, employees only need to submit the newborn's birth certificate. The gift amount is NTD 10,000 per baby, or NTD 20,000 for twins. In 2024, a total of 72 applications were received at the headquarters, including three sets of twins, resulting in a total disbursement of NTD 740,000. Currently, marriage and maternity cash gifts are available in Advantech China, Advantech Japan, and Advantech Korea.

## Parental leave

According to Article 16 of the Gender Equality in Employment Act in Taiwan, after being in service for six months, employees may apply for parental leave before any of their children reach the age of three. The period of this leave extends until the children reach the age of three, but may not exceed two years in length. Advantech Headquarters (Taiwan) employees are legally entitled to parental leave for a maximum of two years, in accordance with local regulations. In China, beyond the statutory maternity and paternity leave, the Company offers up to 6 months of paid breastfeeding leave (at 75-80% of their salary) before the child's first birthday. Additionally, after maternity leave, female employees receive one hour of breastfeeding time per working day until the child turns one. For multiple births, this breastfeeding time increases by one hour per additional infant. This benefit is available until the child reaches one year of age, with full salary paid during this period. Japanese labor laws also stipulate that employees can apply for childcare leave until the child reaches two years of age, during which time the Japanese government provides salary subsidies; South Korea, on the other hand, allows employees to apply for unpaid childcare leave for up to two years before the child turns eight.

In 2024, 20% of all employees (including male and female employees) at Advantech headquarters (Taiwan) applied for parental leave, with a return to work rate of 86%. In 2024, the retention rate of employees who returned to work after taking parental leave and continued working for more than one year was 60%. Compared to 2023, there has been an increase in both the application rate and return to work rate. The application status of Advantech China, Advantech Japan, and Advantech Korea in 2024 is shown in the table below.

### Parental leave-related statistics are shown in the following table:

Parental leave (by region)	Headquarters			Advantech China			Advantech Japan			Advantech Korea			Advantech Europe			Advantech USA		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
(a) Number of employees eligible for parental leave in 2024	109	80	189	32	27	59	3	2	5	15	4	19	10	5	15	331	183	514
(b) Number of people who applied for parental leave in 2024	7	30	37	32	27	59	3	2	5	2	1	3	10	5	15	0	3	3
(c) Number of people expected to return to work after parental leave in 2024	7	21	28	32	27	59	3	2	5	1	0	1	10	5	15	0	3	3
(d) Number of people who returned to work after parental leave in 2024	5	19	24	32	27	59	3	1	4	1	0	1	10	4	14	0	3	3

※ Note: In 2023, the parental leave application rate for all employees was 12%, and the return to work rate was 78%. In 2022, the retention rate of employees who returned to work after parental leave and continued working for more than one year was 91%.

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Parental leave (by region)	Headquarters			Advantech China			Advantech Japan			Advantech Korea			Advantech Europe			Advantech USA		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
(e) Number of people who returned to work after parental leave in 2023	0	20	20	7	17	24	0	2	2	1	1	2	8	3	11	0	2	2
(f) Number of employees who applied for parental leave and continued working for one year after returning work in 2023	0	12	12	7	15	22	0	2	2	1	1	2	8	2	10	0	2	2
Application rate for parental leave b/a	6%	38%	20%	100%	100%	100%	100%	100%	100%	13%	25%	16%	100%	100%	100%	0%	2%	1%
Return to work rate after parental leave d/c	71%	90%	86%	100%	100%	100%	100%	50%	80%	100%	0%	100%	100%	80%	93%	0%	100%	100%
Retention rate after parental leave f/e	0%	60%	60%	100%	88%	92%	0%	100%	100%	100%	100%	100%	100%	67%	91%	0%	100%	100%

### Family care leave/WFA (Work from Anywhere) system

Advantech has formulated the WFA mechanism to help employees maintain the flexibility to balance work and family responsibilities as society returns to normal routines. Indirect employees may apply for WFA for one day per week. Under special circumstances, the supervisors can adjust the number of WFA days based on the team's manpower conditions.

The provisional pandemic family care leave system established during the pandemic was discontinued after the pandemic control measures were lifted. In 2024, family care leave was listed as a formal leave category in accordance with legal regulations and will be integrated with personal leave.

Ratio	Headquarters			Advantech China			Advantech Japan			Advantech Korea			Advantech Europe			Advantech USA		
	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total	Male	Female	Total
Total number of indirect employees	1681	937	2618	1079	819	1898	134	62	196	63	42	105	283	160	443	295	171	466
Number of employees applying for family care leave (%)	9	15	24	0	0	0	3	2	5	0	0	0	4	7	11	0	3	3
Percentage of employees applying for family care leave (%)	0.5%	1.6%	0.9%	0.0%	0.0%	0.0%	2.2%	3.2%	2.6%	0.0%	0.0%	0.0%	1.4%	4.4%	2.5%	0.0%	1.8%	0.6%
Number of employees applying for WFA (%)	354	350	704	0	0	0	0	0	0	0	0	0	143	120	263	268	161	429
Percentage of employees applying for WFA (%)	21.1%	37.4%	26.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	50.5%	75.0%	59.4%	90.8%	94.2%	92.1%

※ Note :

- (1) Advantech China (including Kunshan) did not have a family care leave or work-from-home (WFH) application mechanism. During the pandemic, a mandatory WFH system was implemented in accordance with local government regulations. Advantech Korea does not have a family care or WFH application mechanism in place.
- (2) A family care and WFH mechanism has been established for Advantech Taiwan, Advantech Japan, Advantech Europe, and Advantech USA.
- (3) The numerator for the percentage (%) in the table represents the number of applications, while the denominator represents the total number of indirect employees in that region.

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### Retirement provision

- "Headquarters": There are two types of pension contributions. Monthly contributions shall be made in full according to the law.
  - (1) Under the old pension scheme, a monthly retirement reserve is allocated according to the regulations, which is managed by the Supervisory Committee of the Labor Retirement Reserve and deposited into a special account in Bank of Taiwan in the Committee's name.
  - (2) The new pension scheme contributes 6% of the employee's monthly salary to the employee's pension account. Employees may also voluntarily contribute 0%-6% of their monthly salary to their pension account. The Company will deduct the contributed amount from the employee's salary every month.
- "Advantech China": Implemented according to retirement laws and regulations in China. Employees who have paid the statutory social insurance for 15 years can collect a monthly pension after retirement. The retirement age is regulated by the Labor Standards Act: 60 for male employees, 55 for female management, and 50 for female employees. Starting January 1, 2025, the statutory retirement age will be gradually increased. For male employees and female employees whose original statutory retirement age was 55, the retirement age will increase by one month every four months reaching 63 and 58 years old, respectively. For female employees whose original statutory retirement age was 50, the retirement age will increase by one month every two months until reaching 55 years old.

Furthermore, Advantech China has a "Deferred Retirement Management Policy." Non-management female employees can delay retirement until the age of 55. After completing the retirement process at the age of 55, female management and non-management employees can apply for re-employment. executive level supervisors can apply for re-employment after the age of 60.

- "Advantech Japan": Contributes 9.15% of the employee's monthly salary to the government pension account according to the law, and contributes an additional 1.73%-2% of the total monthly salary to the bank's pension account.
- "Other overseas Advantech locations": Employee retirement is processed according to local laws and regulations.

### Employee Stock Ownership

To attract and retain outstanding talent in the Company, as well as to enhance employees' sense of belonging and loyalty to the Company, and to foster benefits for Advantech and shareholders, the issuance and subscription rules for employee stock options were formulated. This was done so in accordance with relevant regulations such as Article 28-3 of the Securities and Exchange Act and the "Regulations Governing the Offering and Issuance of Securities by Securities Issuers" promulgated by the Securities and Futures Bureau of the Financial Supervisory Commission (Taiwan, ROC), Executive Yuan. Please refer to the annual report for relevant information.

### Employee Assistance Programs (EAPs) :

In recent years, enterprises have often applied the "Employee Assistance Program (EAPs)" to help employees cope with work, life, and health-related issues, hoping to help employees solve problems by establishing a service system and consolidating resources. Advantech introduced the EAP service in December 2021 to provide unlimited 24-hour toll-free and email consultation services (total confidentiality), allowing Advantech employees to receive assistance through consultations when they encounter emotional and mental health-related difficulties. Advantech cares about the "spiritual" well-being of its colleagues!



### Employee health promotion (headquarters) :

#### I. Health Checkup and Disease Prevention

1. Health Checkup Service
  - Free itinerant health checkups are provided annually. In 2024, 11 health checkups were performed for 3,554 employees (including their family members).
  - Biennial in-hospital health checkups were provided for 414 supervisors.
  - A total of 3,968 employees (including their family members) received health checkups over the year.
2. Advanced Checkups and Disease Prevention
  - Health checkup items that go beyond regulatory requirements include ultrasound examinations and cancer screenings.
  - Each health checkup session includes "five cancer screenings," offering on-site Pap smears, mammography, and oral cancer screenings. In 2024, 479 employees received these services.
  - After health checkups, we provide comprehensive tracking and management of health issues detected, including: (1) Arrange for follow-up consultations with occupational physicians to assess health risks. (2) Occupational nurses provide individual health education and informational leaflets to encourage healthy behaviors.

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## II. Employee Engagement & Family-Inclusive Activities

### 1. Vision & Culture Communication

- To align with our corporate vision and evolving strategy, we hosted the year-end New Year & New Vision Gathering in late 2024. Over 4,000 employees, family members, and partners attended. Leadership shared Advantech's refreshed brand declaration and management direction, alongside live performances that strengthened team cohesion.

### 2. Employee Sports Participation

- Held "Taipei Dome Baseball Day" with 2,200+ employees, family, and partners. Chairman K.C. Liu delivered opening remarks, and NVIDIA founder & CEO Jensen Huang and IoT Platform BG General Manager Miller threw the ceremonial first pitch.
- Logged 12,107 total employee participations in health and sports activities—a record high.
- 1,454 employees joined the Taipei Tech Love the Earth Charity Run, ranking first in participation among companies in the Neihu Science Park

### 3. Health Promotion

- "Muscle Matters" weight-loss & strength-gain challenge: 215 participants; a cumulative 412.1 kg reduced; 6 muscle-gain award winners. The program built healthy eating and exercise habits, emphasizing fat loss and strength building in parallel.

### 4. Family & Diversity

- In partnership with our Foundation, ran the Arts & Culture Parent-Child Camp and Summer Basketball Camp, engaging 300+ colleagues and their children.
- Hosted the Advantech Talent Show, inviting employees and families to showcase their skills; 100+ participants joined, and winners performed at the annual gala.
- "Filial Piety Outdoor Day" drew 530 employees and their parents, promoting family wellness.
- Delivered maternal-health and mid-/older-age lectures and functional-fitness sessions.
- Offered EAP (Employee Assistance Program) seminars to support mental health and work-life balance.

## III. Health & Convenience Services and Emergency Preparedness

### 1. On-site Pharmacy Convenience

- Partnered with the "Call a Pharmacist" platform to provide office medication delivery and chronic-prescription pickup; 52 employees used the service in 2024, reducing clinic visits and fitting busy schedules.

### 2. First Aid & Training

- AEDs (automated external defibrillators) are installed at our facilities.
- AED operation training is conducted annually. In 2024, 64 employees participated in the course.

## Diverse club activities

To foster diverse interactions among our colleagues and help them achieve work-life balance, Advantech has long supported and encouraged the development of various social clubs. In 2024, 26 social clubs were established at the headquarters (with the addition of the Linkou Basketball Club), covering areas such as sports, LOHAS, arts and culture, and charity, attracting 1,284 participants.

There were 89 clubs in Advantech China (including various offices) with more than 2,300 participants, and seven clubs in Kunshan with 137 participants.

### 2024 Sports Clubs



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### Four major categories of corporate volunteers

Upholding the corporate spirit of “giving back to society,” Advantech encourages employees to participate in volunteer services. Through practical actions, we aim to promote social inclusion and cultivate diverse employee skills, thereby fulfilling our corporate social responsibility. To encourage more employees to engage in charitable activities, Advantech launched the “Volunteer Leave System” in 2023, where every employee is entitled to two days (16 hours) of paid volunteer leave per year, with a focus on four core ESG areas: Energy Conservation, Philanthropy (including Environment), Education, and Arts & Culture. Continuing the celebration of Advantech’s 40th anniversary, the health theme for 2024 was extended to encompass corporate culture and philanthropic service, encouraging employees to participate in fostering a sustainable society and promoting the shared prosperity of the Company and the environment. In 2024, 362 Taiwan Advantech employees contributed 1,338 hours of volunteer work. In particular, 210 employee volunteers and 152 of their families also contributed 762 hours and 576 hours of volunteer work, respectively. Besides employees’ enthusiastic participation in volunteer activities, their involvement also helped raise awareness among their family members and strengthened parent-child bonds. Volunteer activities incorporate diverse sustainable development-related fields including:

- **Social welfare:** The twice-yearly blood drives and support for food banks offer tangible assistance to underprivileged groups.
- **Environmental protection:** removal of invasive species, stream cleaning activities, local community ecological regeneration, afforestation, beach cleanup initiatives, and working together with the community to protect natural resources.
- **Education and promotion:** Enhance public's health awareness through health workshops and sharing of ecology-related knowledge.



2024/10/26 World Food Day



2024/10/21 Advantech Coastal Cleanup



2024/11/30 International Volunteer Day – Cultivating Native Seedlings for Forest Restoration



2024/12/01 International Volunteer Day – Terraced-Field Beekeeping

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## 5.2.2 Employee Living Wage

Advantech believes that adopting a living wage is essential to improving employees' living conditions and well-being. Guided by a people-centric philosophy, the Company ensures that employees can meet their basic needs through fair compensation. Advantech views a living wage as a fundamental labor right and is actively implementing measures to enhance employees' quality of life, while generating a positive social impact across communities.

The promotion of a living wage is also aligned with global sustainability trends. In 2011, the Organisation for Economic Co-operation and Development (OECD) introduced its Well-being Framework, which covers 11 core dimensions including Income & Wealth, Work & Job Quality, Health, Environmental Quality, and Work-Life Balance. Building on this, the Taskforce on Inequality and Social-related Financial Disclosures (TISFD) emphasized "Income & Wealth" and "Living Wage" as key indicators of worker and family well-being, highlighting the strong correlation between fair wages and overall quality of life.

According to the International Labour Organization (ILO), a living wage is the level of pay required for workers and their families to afford a decent standard of living. Advantech adopted this principle in 2022 and introduced a Living Wage Methodology, initially extending its implementation to six major operating locations: Taiwan (Headquarters), China, Japan, South Korea, the United States, and Europe. Through cross-functional workshops, localized living wage standards were established based on local cost of living, supported by internal training and system integration to ensure effective application.

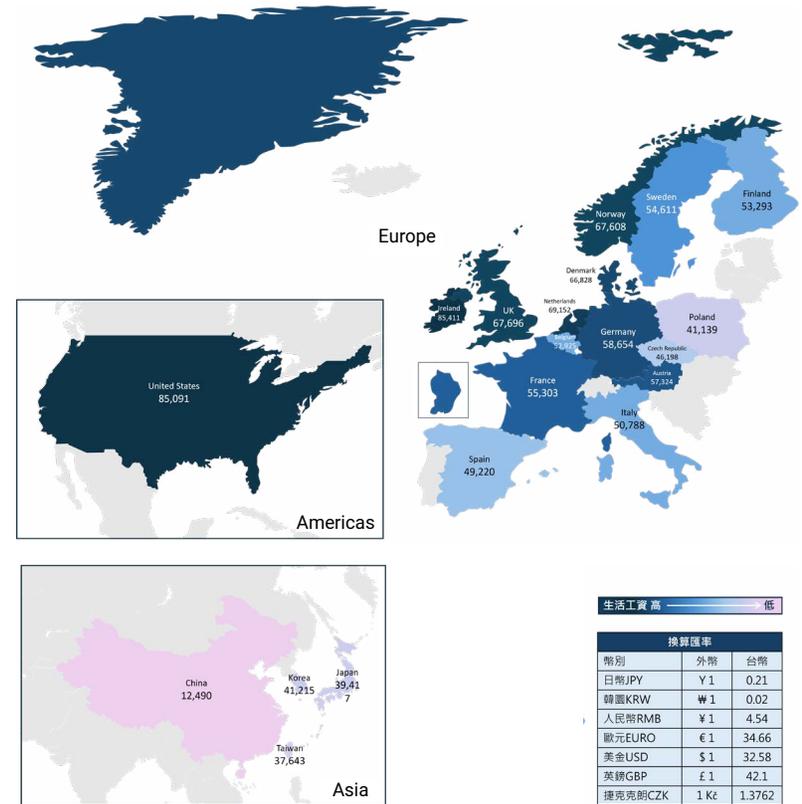
In 2024, Advantech further expanded its living wage assessment to 20 significant locations worldwide, covering 8,387 employees—95% of the Company's global workforce. The calculations were based on the Anker Living Wage Methodology and local cost-of-living data, including food, transportation, utilities and communication, and housing. The assessment confirmed that all employees across these 20 locations—including the Netherlands, Germany, Poland, France, Italy, Spain, the United Kingdom, Austria, Belgium, the Czech Republic, Ireland, Sweden, Denmark, Norway, Finland, the United States, China, South Korea, Japan, and Taiwan—receive wages that meet or exceed the local living wage standard.

Advantech defines a living wage as the minimum income earned during standard working hours, excluding bonuses and overtime pay, sufficient to cover essential expenses such as food, housing, clothing, and other basic needs. In addition to ensuring fair pay for its employees, Advantech also strives to extend living wage practices to suppliers and contractors, requiring them to uphold fair wage standards and thereby contributing to sustainable wage improvements across the industry value chain.

### Work hour and wage management

Advantech is committed to responsible work hour and wage management to ensure employee well-being and fair treatment. The Company provides employees with skills development and training programs to improve work efficiency and reduce unnecessary overtime. Monthly overtime is strictly monitored in accordance with Company regulations, and all eligible employees receive appropriate overtime pay.

In addition, Advantech grants paid annual leave in line with local labor laws to safeguard employees' right to rest. The Company continues to optimize its internal systems to reinforce compliance with work hour regulations and labor standards. Supervisors are also encouraged to manage team workloads proactively, provide timely support, and help maintain a healthy, balanced, and productive work environment.



※Remark

(1) The living wage data are calculated in NTD.

(2) For China, due to the distribution of labor and non-labor populations, the living wage calculation is based on each worker supporting an average family size of 1.56 individuals.

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◆ **The living wage methodology**

Advantech has adopted the Anker Living Wage Methodology, which defines a living wage as not only covering the basic cost of living but also including a margin for emergency savings to address unexpected expenses. In line with this principle, the Company's living wage calculation framework for the year is structured as:

Living Wage = Cost of Living (food, transportation, utilities & communication, and housing) + 5% emergency fund

To ensure accuracy and alignment with local realities, Advantech referenced the 2023 Family Income and Expenditure Survey published by Taiwan's Directorate-General of Budget, Accounting and Statistics, alongside international cost-of-living indices. Based on these data sources, the living wage benchmark for significant operating locations is calculated to support an average household size of 2.79 individuals per worker.

◆ **Living wage implementation process:**

Advantech conducted a comprehensive review of employees' base monthly salaries (excluding bonuses and overtime pay) across all operating locations, benchmarked against the calculated local living wage amounts. The results confirmed that 100% of employees in every location receive wages that meet or exceed the living wage standard.

To extend this commitment across the value chain, Advantech launched a Living Wage Questionnaire Survey in 2024 targeting Tier 1 suppliers. A total of 407 valid responses were received, of which approximately 99% (403 suppliers) reported having already assessed the living wages of their employees. The findings demonstrate that most suppliers are actively working to raise wage levels in line with living wage standards.

Currently, fewer than 0.01% of supplier employees are earning below the local living wage benchmark. Advantech will continue to promote living wage practices among suppliers by strengthening engagement, raising external awareness, and encouraging the adoption of structured living wage systems, thereby further improving wage standards across its supply chain.

**Medium- and long-term planning for promoting the living wage concept**

Aspect	Short-term (2025-2026)	Medium- to long-term (2030)
<b>Stakeholder Engagement</b>	<ul style="list-style-type: none"> <li>◆ We engaged with employees in Taiwan and China (covering over 75% of our total workforce) through questionnaire surveys across various job bands to collect actual cost of living data and relevant feedback.</li> <li>◆ In 2025, the living wage evaluation will be extended to all Advantech locations of operations in Taiwan and abroad.</li> </ul>	<ul style="list-style-type: none"> <li>◆ We will expand the use of questionnaires and in-depth interviews to more comprehensively understand employee needs and collect suggestions concerning living wage.</li> </ul>
<b>Employee compensation and benefits</b>	<ul style="list-style-type: none"> <li>◆ Optimize the compensation and benefits framework based on the engagement outcome to meet actual cost of living needs.</li> <li>◆ Make sure all employees (direct and indirect employees) are protected by wages that meet the living wage standards of other regions.</li> <li>◆ Introduce "Living wage + a 20% emergency fund" as an internal reference standard to enhance employees' protection against emergencies.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Analyze employees' living expenditure structure to strengthen the accuracy and practicality of our compensation and benefits measures.</li> </ul>
<b>Value chain initiatives</b>	<ul style="list-style-type: none"> <li>◆ Collaborate with international living wage-related NGOs and data platforms to introduce diverse cost of living data sources and increase evaluation accuracy.</li> </ul>	<ul style="list-style-type: none"> <li>◆ Publish the "Living Wage and Impact" Report and obtain third-party certification to enhance external credibility and the sustainability impact.</li> <li>◆ Formulate a supplier living wage initiative program, integrate it into supply chain management, encourage suppliers to sign commitment agreements, and help them to implement living wage practices.</li> </ul>

**Our Commitment:**

Advantech conducts regular assessments of living wage conditions and adjusts its compensation system annually to ensure that employee wages adequately reflect local cost-of-living standards. The Company also engages with stakeholders to integrate feedback into the continuous improvement of compensation and benefits policies.

By implementing living wage initiatives across its global operations and extending these standards to supply chain partners, Advantech seeks to strengthen labor rights, uphold fair compensation practices, and promote shared prosperity throughout its value chain.

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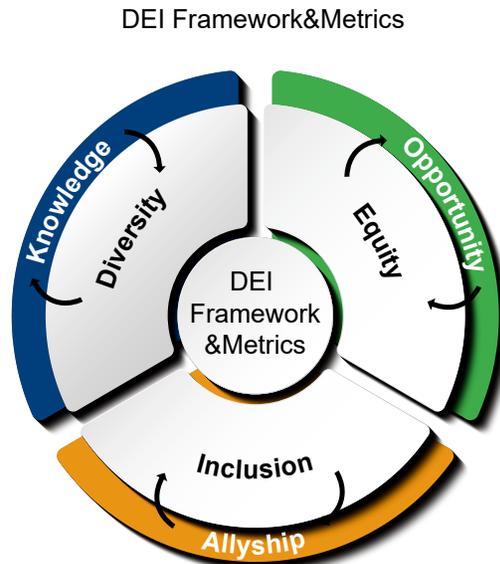
## 5.3 Diversity, Equality and Inclusive Workplace

### 5.3.1 Advantech global diversity and equality policy

To foster workplace diversity and work equality, Advantech has long been promoting global workplace gender equality through measures such as a gender-neutral salary system, fair and impartial performance evaluations and promotion systems, flexible work hours, support for women in management positions, and an emphasis on women's family care. The Company also continues to optimize workplace benefits, including increasing maternity leave to nine weeks (full pay) and paternity leave to ten days (full pay) in 2024.

At Advantech, we make sure that hiring conditions are not influenced by gender, race, religion, political stance, or marital status, and that salary structures are fair and equitable. We have stipulated clear global recruitment strategies to enhance employee diversity. Moreover, through internal diversity training and talent development channels, we continue to mitigate fundamental differences arising from physiological or psychological differences among employees. The Company regularly reviews salary and remuneration-related indicators across different regions and job categories or job bands to build a diverse and equitable workplace.

Advantech formed the Diversity, Equity, Inclusion (DEI) team in 2023 along with its DEI promotion strategy and blueprint.



- Raise Awareness**
  - Diversity**
    - Gender Balance
    - Ethnic Diversity
    - Disability Representation
- Provide Opportunities**
  - Equity**
    - Equal Pay for Equal Work
    - Equal Promotion Opportunities
- Create Belonging**
  - Inclusion**
    - Employee Satisfaction
    - Employee Engagement
    - Psychological Safety at Work



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◆ Advantech's DEI team initiatives are reviewed quarterly by the SDC(Sustainable Development Committee) to monitor the progress of various objectives and implementation efforts. The Company has also stipulated execution goals for the next one to three years. Please refer to the following table for Advantech's current DEI initiatives:

DEI category	Indicator	Projects implemented in 2024
Diversity Inclusion	"Ethnic diversity" "Employees' sense of belonging"	Cross-cultural communication workshop: Advantech organizes cross-cultural communication and management workshops to strengthen the cross-cultural collaboration skills of supervisors and employees, particularly their understanding and respect for colleagues from diverse backgrounds, an essential element of multinational teams.
Diversity	"Ethnic Diversity" LGBT	Regardless of gender, legally married employees are entitled to a wedding gift subsidy.
Diversity Equity	"Parent-friendly" Measures to help employees settle in and start their families	Through flexible working hours and the WFA policy, we intend to assist employees in increasing their work-hour flexibility/provide them with practical support to settle and start a family, thereby ensuring they can strike a healthy balance between family and career. Organize parent-friendly workshops in 2025 and invite global female colleagues to share their workplace experiences online on International Women's Day. Workplace benefits exceeding statutory requirements: Increased maternity leave to 9 weeks (full pay) and paternity leave to 10 days (full pay) in 2024.
Inclusion	"Employees' sense of belonging" Migrant workers	Regarding the hiring and care of migrant workers in Advantech's manufacturing centers, the Company subsidizes relevant pre-employment expenses (including handling fees and airfares) for foreign migrant workers to alleviate their financial burden of applying for a job in Taiwan. Our plants have adopted a bilingual policy to maintain smooth communication with foreign colleagues. At the same time, we have also planned Chinese language courses for the foreign migrant workers of our partners to improve communication quality. We organize Christmas parties for our Filipino migrant workers in the plants to foster a festive atmosphere.
Inclusion	"Employees' sense of belonging" Indigenous peoples	Indigenous employees can apply for leave according to the time of their respective tribal festivals.
Diversity Inclusion	"Employees' sense of belonging" People with disabilities	Advantech meets or exceeds the legally mandated quota for hiring employees with disabilities and actively supports their career development.

### Employee composition (nationality and management level)

Country	Number of employees	Percentage of employees	Number of supervisors	Percentage of supervisors
			(Manager level and above)	(Manager level and above)
Australia	27	0.31%	5	0.49%
Brazil	59	0.67%	5	0.49%
Canada	14	0.16%	4	0.39%
China	3,354	37.90%	120	11.66%
Czech Republic	72	0.81%	8	0.78%
France	26	0.29%	7	0.68%
Germany	150	1.70%	21	2.04%
India	87	0.98%	12	1.17%
Italy	42	0.47%	9	0.87%
Japan	204	2.31%	31	3.01%
Malaysia	62	0.70%	9	0.87%
Netherlands	147	1.66%	26	2.53%
Poland	55	0.62%	5	0.49%
Singapore	35	0.40%	7	0.68%
South Korea	125	1.41%	22	2.14%
Taiwan	3,404	38.47%	566	55.00%
Thailand	26	0.29%	4	0.39%
United Kingdom	44	0.50%	9	0.87%
United States of America	394	4.45%	133	12.93%
Vietnam	48	0.54%	5	0.49%
Do Not Declared	27	0.31%	3	0.29%
Others	447	5.05%	18	1.75%
Total	8,849	100.00%	1,029	100.00%

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◆ **Advantech USA's ethnicity/nationality distribution**

Disclose the employee distribution of Advantech USA in accordance with the Sustainability Accounting Standards Board (SASB) regulations.

Advantech USA		Asian	White	Hispanic or Latino	Nat HI or Oth Pac Island	Black or African American	Two or more Races	Declined to Identify	Total
<b>Management level</b>	Number of females	15	9	2	-	-	-	3	29
	Number of males	40	70	6	2	2	2	8	130
	Number of non-disclosed gender	1	2	1	-	-	-	-	4
	Total number of people	56	81	9	2	2	2	11	163
	Proportion	10.4%	15.0%	1.7%	0.4%	0.4%	0.4%	2.0%	30.2%
<b>Technical personnel (R&amp;D personnel)</b>	Number of females	19	4	-	-	-	-	1	24
	Number of males	50	24	4	1	1	1	11	92
	Number of non-disclosed gender	2	-	1	-	-	-	-	3
	Total number of people	71	28	5	1	1	1	12	119
	Proportion	13.2%	5.2%	0.9%	0.2%	0.2%	0.2%	2.2%	22.1%
<b>Other personnel</b>	Number of females	56	25	18	-	6	3	21	129
	Number of males	82	20	5	1	1	1	9	119
	Number of non-disclosed gender	3	2	3	-	-	-	1	9
	Total number of people	141	47	26	1	7	4	31	257
	Proportion	26.2%	8.7%	4.8%	0.2%	1.3%	0.7%	5.8%	47.7%
<b>Total</b>	Total number of people	268	156	40	4	10	7	54	539
	Proportion	49.7%	28.9%	7.4%	0.7%	1.9%	1.3%	10.0%	100.0%

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◆ Proportion of female employees/supervisors

As a high-tech manufacturer, Advantech recorded a slight increase in the percentage of female executive level supervisors and female employees in STEM (Science/Technology/Engineering/Mathematics) fields compared to the previous year. Since 2023, the statistical scope has been expanded to include global locations of operation, providing more comprehensive and representative data disclosure. In 2022, the scope was broadened to Advantech's six significant locations of operation (including South Korea, Europe, and the United States). Additionally, the definition of "supervisor" in 2022 became more rigorous compared to 2021, with the threshold for junior/management-level supervisors raised from Grade D (Section Manager/Assistant Manager) to Grade E (Manager level) and above.

More than one-fifth of Advantech's management team at our global headquarters (management team - Advantech) consists of female supervisors. In 2017, Ms. Linda Tsai was promoted to President of Intelligent System Sector, becoming one of the Company's three Presidents and our highest-ranking female supervisor. Exemplify the spirit of succession and gender equality among professional managers.

In 2024, two indicators met their targets: the "percentage of female in executive level management positions" and the "percentage of female in STEM-related positions". The remaining indicators exhibited a slight decrease compared to last year, primarily due to a rise in the percentage of employees who did not disclose their gender after the personal data disclosure consent procedure was implemented in 2024. In line with the DEI policy, Advantech respects employees' choice not to disclose their gender. The percentage of employees with undisclosed gender increased from 0.21% to 1.21%. Within various categories, the non-disclosure rate for "percentage of female supervisors", "percentage of female junior/management-level supervisors", and "percentage of female supervisors in profit-generating units" increased to 1.2%, 1.3%, and 1.2%, respectively, thereby leading to a slight decline in the reported figures.

Currently, female employees account for 41.5% of all Advantech employees. In particular, female supervisors account for 21.6% of Advantech's supervisors. In 2025, Advantech Taiwan's target is to increase the percentage of female employees to 42% and the percentage of female supervisors to 24%.

Region	Year	2021	2022	2023	2024	2025 Target
Advantech	Proportion of female employees	41.8%	42.7%	41.8%	41.5%	42.0%
	Proportion of female supervisors	28.0%	21.2%	22.1%	21.6%	24.0%
	Proportion of female junior/management-level supervisors	14.0%	23.6%	23.7%	22.7%	24.0%
	Proportion of female executive level supervisors	2.0%	12.8%	15.9%	17.0%	16.0%
	Proportion of female supervisors in for-profit units (excluding HR, IT, legal affairs, and other support units)	19.0%	16.0%	16.9%	15.9%	17.0%
	Proportion of female STEM positions (science/technology/engineering/mathematics)	22.0%	25.1%	23.4%	24.3%	23.5%

※Note :

- (1) Advantech disclosed data for three major regions (Headquarters, China, and Japan) in 2021; in 2022, it expanded the disclosure to six major regions (including Korea, Europe, and the United States); in 2023, it broadened the scope to include all global operating locations.
- (2) Advantech conducted the Global Job Band alignment in 2022, where global jobs were divided into bands A to H. Junior/management-level supervisors (manager level) were classified as Job Band E, while executive level supervisors (including Assistant Vice President level and above) were classified as Job Band F and above.
- (3) As of 2023, the scope of data disclosure was expanded globally to include other regions (including Indonesia, Mexico, India, Czech Republic, Australia, Malaysia, Singapore, Thailand, Russia, Turkey, Brazil, United Arab Emirates, Vietnam, Canada, and Israel). In these newly disclosed regions, the employee structure shows a relatively higher proportion of males in STEM positions, resulting in a lower overall proportion of female employees and a lower proportion of female employees in STEM positions in 2023 compared to 2022. Gradual optimization will be implemented in each region.

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### Diverse employment

Region	Employee diversity indicators		Number of employees	Total number of people	Percentage of employees
Advantech Taiwan	Number of people with disabilities		36	3600	1.00%
	Age distribution	Below 30 years old	465	3600	12.92%
		31-49 years old	2,438	3600	67.72%
		Over 50 years old	661	3600	18.36%
		Undisclosed	36	3600	1.00%
Advantech China	Number of people with disabilities		6	3347	0.18%
	Age distribution	Below 30 years old	508	3347	15.18%
		31-49 years old	2,670	3347	79.77%
		Over 50 years old	165	3347	4.93%
		Undisclosed	4	3347	0.12%
Advantech Japan	Number of people with disabilities		3	240	1.25%
	Age distribution	Below 30 years old	14	240	5.83%
		31-49 years old	95	240	39.58%
		Over 50 years old	123	240	51.25%
		Undisclosed	8	240	3.33%
Advantech Korea	Number of people with disabilities		33	124	26.61%
	Age distribution	Below 30 years old	39	124	31.45%
		31-49 years old	66	124	53.23%
		Over 50 years old	19	124	15.32%
		Undisclosed	0	124	0.00%
Advantech Europe	Number of people with disabilities		4	537	0.74%
	Age distribution	Below 30 years old	68	537	12.66%
		31-49 years old	294	537	54.75%
		Over 50 years old	159	537	29.61%
		Undisclosed	16	537	2.98%

Region	Employee diversity indicators		Number of employees	Total number of people	Percentage of employees
Advantech USA	Number of people with disabilities		11	539	2.04%
	Age distribution	Below 30 years old	48	539	8.91%
		31-49 years old	271	539	50.28%
		Over 50 years old	220	539	40.82%
		Undisclosed	0	539	0.00%

※Note : to comply with GDPR regulations, data on people with disabilities are neither investigated nor disclosed.

#### ◆ Employment of people with disabilities

According to Taiwan's "People with Disabilities Rights Protection Act", the number of employees with disabilities with the capability to work in a company shall be no less than 1% of the total number of employees. If the weighted total value fails to meet the standard, the Company must regularly pay the "differential subsidy fee" to the disabled employment fund of the competent labor authority. Advantech is legally required to employ 37 people with disabilities. As of the end of 2024, the Company employed 36 people with disabilities, resulting in a weighted employment ratio difference of one person. In light of potential fluctuations in the number of employees with disabilities, Advantech will voluntarily hire an additional two people with disabilities to exceed the 1% target. The Company also actively monitors resumes of people with disabilities through government employment assistance agencies to continue maintaining the proportion of employees with disabilities and fulfill its corporate responsibility of offering people with disabilities employment opportunities.

In addition, all employees with disabilities are actively involved in the Company's operations. Before reporting to work, Advantech assist them with commuting routes, work processes, and other practical aspects according to their respective disabilities. After reporting to work, adequate assistance in terms of personnel, equipment, and workplace is provided to them to ensure they can work with peace of mind and apply their skills.

#### ◆ Employee engagement survey

By upholding a management philosophy of actively caring for employees, Advantech values the opinions and feedback of each colleague and is committed to creating an open, inclusive, safe, and healthy workplace. The Company is consistently guided by its core values, targeting four key aspects such as people-oriented environment, integrity and honesty, excellent innovation, and altruistic contributions. Advantech continually enhances its focus on employee benefits and strengthens two-way communication between the organization and employees through annual employee satisfaction and engagement surveys. This approach fosters a people-oriented work culture and a comprehensive benefits system, shaping a corporate environment that nurtures potential and respects diversity.

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To ascertain employee needs and their overall engagement, Advantech was the first company to introduce an annual company-wide employee satisfaction survey mechanism in China in 2018, paving way for two-way dialogue between the organization and its employees. In 2021, the survey scope was expanded to include the European region (covering all non-management employees) and the Taiwan region (via a representative sample of 50 individuals), gradually establishing a global survey framework. Since the launch of the survey, the annual satisfaction and engagement index has remained consistently above 90%. In 2021, the survey achieved a global coverage rate of approximately 72.1%, serving as a critical foundation for the Company to enhance employee relations and optimize the workplace.

In 2023, Advantech consolidated and optimized survey mechanisms across its global locations, designing a standardized questionnaire comprising seven key aspect and 35 questions, available in four languages. The survey scope covered 20 countries/regions globally, including the six significant locations of operation: Advantech Headquarters, China, Japan, South Korea, Europe, and the United States.

In 2024, Advantech fine-tuned its survey planning by restructuring the assessment framework and commissioning a well-known consulting firm to conduct the employee engagement survey. The questionnaire design encompassed four major themes and twelve aspects (Figure 5.3.1) and was administered in ten languages across six significant locations of operation. The survey collected opinions and feedback from employees across all global plants/units, while the goals and outcome of relevant analyses will be disclosed as a valuable reference for continuously enhancing employee engagement and organizational cohesion. In the 2024 employee engagement survey, all regions were covered, with 8,890 employees invited to participate. A total of 7,116 responses were received, resulting in a response rate of 80% and an overall employee engagement score of 85%.

5.3.1: Employee engagement survey response conditions of various regions: by gender

Region	The number of people who should fill out the questionnaire	Number of respondents	Male	Female	Gender Undisclosed	Response rate	Engagement %
Headquarters (Taiwan)	3616	2970	1595	1325	50	82%	79
Advantech China	3323	2905	1553	1323	29	87%	96
Advantech Japan	242	194	132	55	0	80%	44
Advantech Korea	130	123	78	44	0	95%	73
Advantech Europe	622	353	230	107	16	57%	73
Advantech USA	535	275	173	82	20	51%	78
Other regions	422	296	191	96	9	70%	84
<b>Total</b>	<b>8890</b>	<b>7116</b>	<b>3952</b>	<b>3032</b>	<b>124</b>	<b>80%</b>	<b>85</b>

※Note :

- (1) The overall engagement statistics are the outcome of a weighted calculation: sum of (engagement by region \* number of respondents by region)/total number of respondents
- (2) The number of people who should fill out the questionnaire include all Advantech employees, including interns and cooperative education students. (This scope was included for the first time in 2024)
- (3) The engagement rate calculation method at Advantech China's Kunshan plant was revised in 2024.

Employee Engagement Survey Follow-up Refinement Plan

Item	Description
<b>Sustainable engagement</b>	Advantech Japan has demonstrated significantly poor performance in sustainable engagement. The Company will review market benchmark trends in employee benefits and its existing internal practices as a basis for planning and optimizing its engagement strategies and measures.
<b>Employee experience</b>	(1) In terms of various aspects of the employee experience, our colleagues outperform their peers in the global high-tech industry, particularly in their recognition of the Company's mission, vision, and strategy. Compared to other high-performing companies in the world, we can optimize the non-monetary rewards within our overall remuneration package and the communication of our benefits initiatives. (2) Advantech China colleagues demonstrate very high levels of recognition across all aspects of the employee experience. In addition to acknowledging the Company's effective change management, they also express significantly higher satisfaction with the overall remuneration package compared to peers in China's high-tech industry.
<b>Care for non-management employees</b>	More attention should be paid to the relatively lower engagement and retention intent among non-management employees. The interactive communication processes allows us to demonstrate our care for colleagues. Also, diverse training formats such as online courses, workshops, internal training, and external training are provided accommodate different learning styles and needs.
<b>Facilitate the development of middle-aged and senior/senior talent</b>	The challenges and needs faced by colleagues aged 50 and above in the workplace will be addressed through assistance in job skills and career development, with the aim of enhancing the overall employee experience.

Furthermore, in conjunction with the Corporate Strategy Transformation 2030 (CST 2030) vision, we are promoting a competency-based structured training system to better utilize talent.

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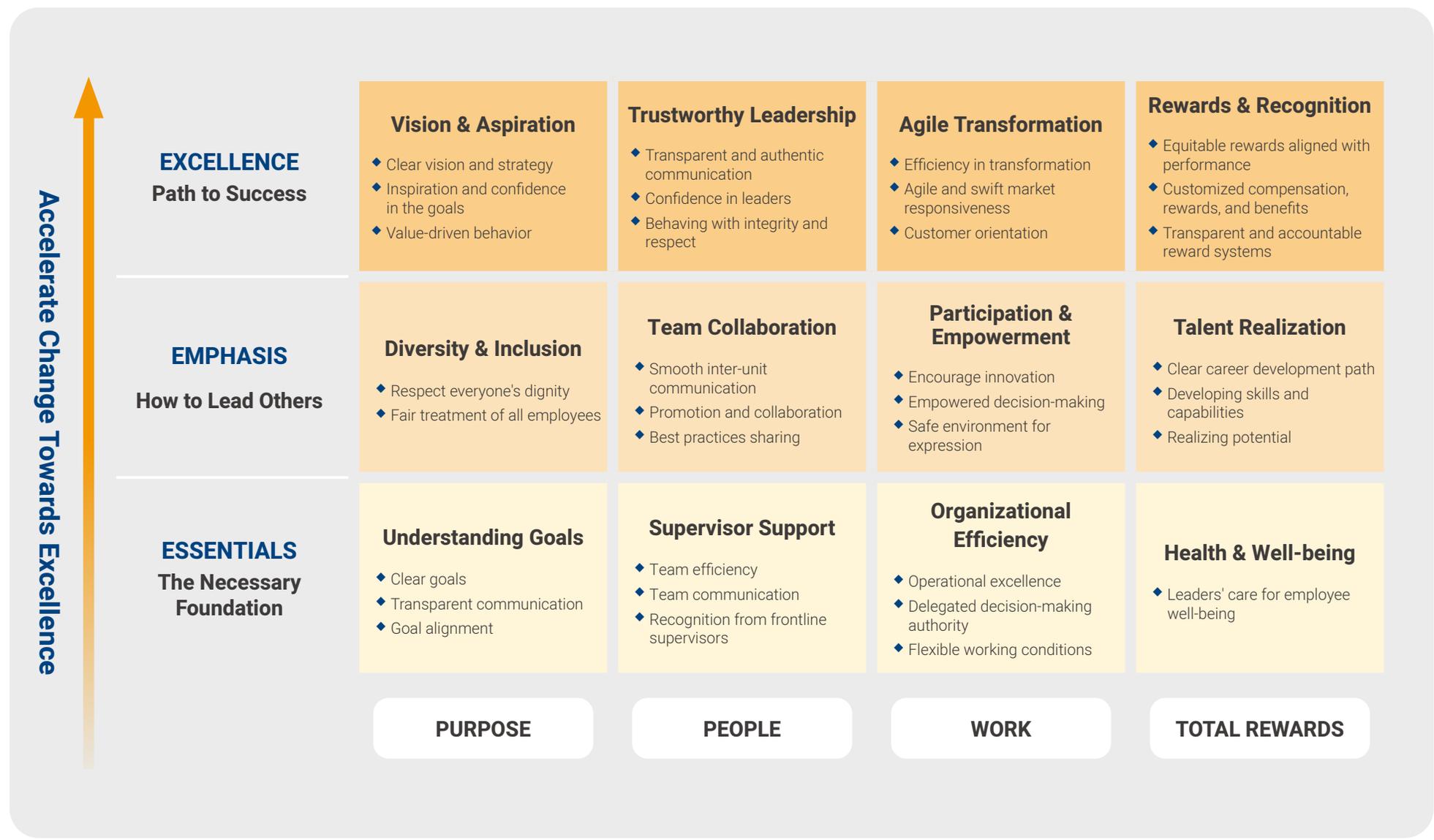
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Figure 5.3.1 The goal and theme of the 2024 employee engagement survey



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## 5.4 Human Rights Protection

### 5.4.1 Employee Human Rights and Employee Rights Protection

#### Human Rights Management and Commitment

Advantech has stipulated the "[Advantech Human Rights Policy](#)", which has been reviewed and approved by the top management to protect the fundamental human rights of all employees, suppliers, customers, and stakeholders. We take the international human rights framework, corporate development strategies, and external trends, including the "Universal Declaration of Human Rights", the "United Nations Global Compact", and the International Labor Organization's "Declaration of Fundamental Principles and Rights at Work" into consideration and complies with the local regulations of the countries where it operates. Furthermore, Advantech has formulated human rights policies based on the UN's "Guiding Principles on Business and Human Rights".

Advantech has devised human rights management processes and mechanisms (Figure 5.4.1), regularly conducting impact assessments and management improvements for relevant stakeholders. For the human rights risk survey, relevant risk topics (including "human rights risks") were selected by the Internal Audit Committee and other relevant units before reviewing the risk ratings of each topic, identifying high-risk groups for targeted management. In 2024, there were no reported cases of discrimination or harassment.

Meanwhile, Advantech employees must comply with the "[Advantech Code of Conduct Implementation Guidelines](#)", which includes labor standards, humane treatment, prohibition of child labor, and non-discrimination against employees, stipulating that employees must not engage in any discriminatory or other human rights-violating behaviors. To make sure that all employees understand and comply with the above policies, the Company conducts the "[Advantech Integrity Business Code](#)" and compliance education and training every year. These include provisions for the Company to provide proper whistleblowing channels for employees to report misconduct and disciplinary actions, and to strictly maintain the confidentiality of the whistleblower's identity and the reported content. In 2024, "[Advantech Integrity Business Code](#)" education and training reached 100% (indirect employees), achieving a training completion rate of 97.2% (for 6,185 global indirect employees). For employees who have not yet completed the training, the system will notify both them and their immediate supervisors at the beginning of each month, enabling supervisors to remind their subordinates to complete the training promptly.

In terms of direct employees, Advantech's Taiwan Manufacturing Center (plant) holds annual educational training on the "Employee Code of Conduct", including anti-discrimination and anti-harassment, achieving a coverage rate of 100%.

#### Freedom of Association

We support a wide range of employee self-organized clubs and unions at different levels (for instance: Advantech has established labor unions in Germany, the Netherlands, and Japan, as well as labor representatives in Japan and France) to promote rights such as employee equality in various regions. In 2024, Advantech's global freedom of association coverage rate reached 94.7% (100% was not achieved because information for other regions has not been collected Noteyet).

- In Europe, worker councils were started by employees in some regions of Advantech Germany (Advantech Europe BV and Advantech GmbH) and Advantech Netherlands. Employee representatives are elected regularly, and the council holds regular labor-management meetings with the Company to discuss employee-related issues. Advantech France also regularly elects labor representatives to speak out on employee-related issues and partake in labor-management meetings.
- In the U.S., employees of Advantech USA are entitled to freedom of association and are free to join or form labor unions. However, since Advantech USA continues to treat its employees well, they have not exercised their right to form a union. The Company regularly communicates with employees and collects feedback through HR newsletters.
- In Asia, all employees of Advantech Japan are entitled to freedom of association. In particular, ATJ (Advantech Technologies Japan Corp) has unionized while AJP (Advantech Japan. Co., Ltd.) regularly elects labor representatives to speak out on employee-related issues and partake in labor-management meetings. Advantech China (including plants) regularly discusses and resolves employee benefits-related issues through Employee Welfare Committee representatives. Advantech headquarters is equipped with an Employee Welfare Committee, and quarterly labor-management meetings are convened in various headquarters locations (Neihu Rui-Guang Headquarters, Neihu Yang-Guang Building, and Linkou plants) to communicate labor rights (including salary, attendance, and benefits), listen to colleagues' feedback, as well as discuss and decide on various key topics.

Advantech strives to minimize human rights, conflicts, hence it has implemented the following management measures on employees, suppliers, and customers. The relevant regulations are also disclosed. The investigation revealed that none of Advantech's locations of operation or suppliers are exposed to risks related to freedom of association and collective bargaining.

※Note: Regions that are not considered significant locations of operation (except Headquarters, Advantech China, Advantech Japan, Advantech Korea, Advantech Europe, and Advantech USA) include Indonesia, Mexico, India, Czech Republic, Australia, Malaysia, Singapore, Thailand, Russia, Turkey, Brazil, United Arab Emirates, Vietnam, Canada, and Israel. "Other regions" mentioned below all have the same definition.

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Figure 5.4.1 Human Rights Management Process and Mechanism

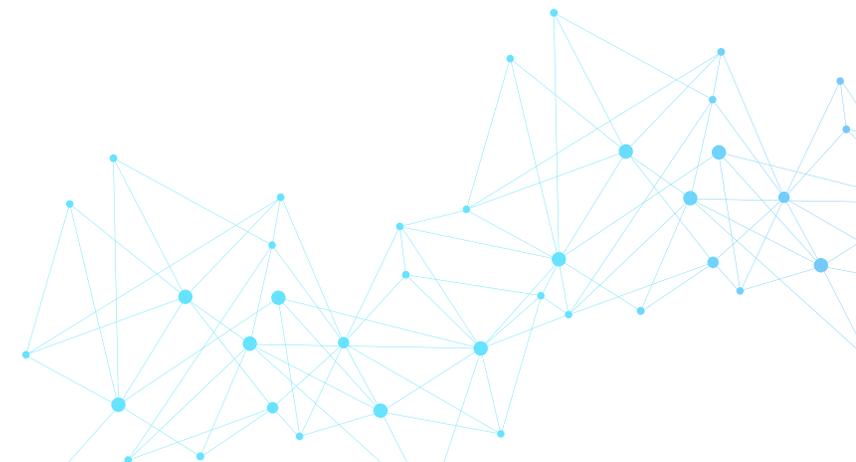


Figure 5.4.2 Reporting and Grievance Process

### Whistle-blowing and Grievance Mechanism

Since 2015, Advantech has formulated the "Prevention Plan for Unlawful Infringement During the Performance of Duties" according to the Occupational Safety and Health Administration (OSHA), MOL's guidelines for formulating the "Prevention Plan for Unlawful Infringement During the Performance of Duties". To prevent employees from being subjected to illegal abuse by their employers, supervisors, colleagues, or clients while performing their duties in the workplace (including commuting), and to protect them from external attacks (hereinafter referred to as workplace violence), which include physical, verbal, psychological abuse, and sexual harassment that may lead to physical or mental harm.

- Grievance mechanism: When employees experience unlawful physical or mental harm while performing their duties, they can fill out and submit the Unlawful Infringement in the Workplace Reporting and Handling Form to supervisors at all levels (or the HR unit), or lodge grievances through the grievance channels (telephone, fax, e-mail) on the company policy page of the Company's intranet website, which will be handled by dedicated personnel.
- Reporting and handling: The grievance or reporting process must ensure objectivity, fairness, and impartiality, as well as protect the rights, interests, and privacy of victims, complainants, and whistleblowers. Upon receiving a report, supervisors at all levels, personnel units, and labor safety personnel must complete the Unlawful Infringement in the Workplace Reporting and Handling Form within 24 hours. The process must follow the procedure for handling unlawful physical or mental harm while performing their duties, as outlined in Figure 5.4.2 Reporting and grievance process.



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## 5.4.2 Human Rights Due Diligence

Employees are the foundation on which corporate values are realized, and they are also an essential driving force behind Advantech's sustainable development. To fulfill corporate social responsibility and respond to the international emphasis on corporate human rights governance, Advantech follows international human rights standards such as the "United Nations Universal Declaration of Human Rights", the "United Nations Global Compact", the United Nations Guiding Principles on Business and Human Rights, and the "International Labour Organization's Declaration on Fundamental Principles and Rights at Work." Based on these, we have formed a comprehensive human rights due diligence system covering employees, suppliers, contractors, and joint ventures. The investigation outcome can be used as an important basis for identifying potential human rights-related risks, implementing mitigation measures, and bolstering the management system.

Advantech has established clear due diligence intervals and target groups. Assessments for employees, contractors, and joint venture companies are conducted every three years, while human rights risk assessments for tier 1 suppliers are carried out every two years. Since launching comprehensive human rights due diligence in 2022 for the first time, we have progressively strengthened our human rights governance practices. In 2025, we expect to broaden the scope of our human rights due diligence efforts.

### Human Rights Due Diligence: Employees

Firstly, Advantech, by referring to the United Nations and relevant international human rights topics, has identified a list of human rights risk topics relevant to stakeholders, including forced labor, child labor, privacy, freedom of association, protection of labor conditions, as well as non-discrimination, and diversity and inclusion.

List of human rights risk topics (employee)			
Forced labor	Freedom of association	Protection of labor conditions	Freedom of speech
Human trafficking	Equal pay for equal work	Right to health	Personal freedom and safety
Child labor	Non-discrimination, diversity, and inclusion	Privacy	

#### ◆ Questionnaire design and scope

The assessment tool is in the form of a questionnaire that covers two core evaluation aspects: "likelihood of occurrence of human rights risks" and "severity of impact". Eleven risk topics were systematically identified and assessed to construct a risk matrix as the basis for subsequent governance.

Item	Description	
<b>Assessment aspect</b>	1.Likelihood of occurrence 2.Severity of impact	
<b>Score description</b>	1.Likelihood of occurrence 1=Will not occur 2=Low probability (1-30%) 3=Moderate probability (31-60%) 4=High probability (above 61%)	2.Impact severity 1=No impact 2=Not severe 3=Severe 4=Very severe
<b>Survey participants</b>	Executive level supervisors at headquarters and HR representatives of subsidiaries (representing the entire workforce)	
<b>Number of questionnaires distributed</b>	31	
<b>Number of questionnaires received</b>	24	
<b>Response rate</b>	77%	
<b>Global region coverage rate</b>	94.8%	

The results of this survey indicate that the likelihood of human rights risks occurring at Advantech is low (averaging below level 2 in likelihood of occurrence) and not severe (averaging below level 3 in severity). This is particularly true at the main manufacturing sites—Linkou Plant in Taiwan, Kunshan Plant in China, and the Japan locations all of which have passed the RBA (Responsible Business Alliance) code of conduct certification further verifying the robustness of the human rights protection systems and the effectiveness of their implementation on-site.

To enhance risk visualization analysis, Advantech averages the sum of the likelihood of occurrence and the severity of impact for each human rights issue, using these averages as the X-axis (likelihood of occurrence) and Y-axis (severity) coordinates of a risk matrix. The relative position of each issue within this risk matrix is used to determine its relative risk level and identify high-priority management items.

Despite the relatively low overall risk distribution, Advantech continues to exercise prudence by highlighting the three risk topics with the highest scores below based on the assessment outcomes:

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Risk topic	Risk scenario des
<b>Privacy</b>	Due to vulnerabilities in information and cyber security systems, negligence in information control, or failure to provide adequate notification, the risk of employee personal data leakage has increased.
<b>Equal pay for equal work</b>	Employees with comparable skills and experience may face differential treatment based on factors such as gender, age, or geographical origin, resulting in inconsistent pay for equal work.
<b>Non-discrimination, diversity, and inclusion</b>	Providing unfair treatment unrelated to an individual's job performance during employee recruitment, promotion, and compensation. Treated unfairly based on criteria such as nationality, race, gender, age, political affiliation, and disability.

According to the survey outcome, Advantech has implemented a comprehensive human rights risk management system, which is being extended to global locations of operation and value chain partners to reinforce overall protection and response mechanisms.

In 2024, the Company did not discover any human rights-related violations or disputes, nor was there any need for compensatory actions, indicating that the existing system effectively performs its preventive and protective functions.

### Human Rights Due Diligence: Suppliers

#### ◆ Investigation methodology

To ensure the sustainable resilience of the supply chain and fulfill its human rights responsibilities, Advantech proactively identifies and manages potential human rights topics among PVL suppliers. The investigation follows international human rights standards and the "United Nations Guiding Principles on Business and Human Rights", led by the Supplier Sustainability Management Sourcing Department. Below is a list of identified supply chain-related human rights risk issues (excerpted from the Advantech Supplier ESG Risk Assessment Form). Potential human rights issue risks have been integrated into the supplier ESG self-evaluation form to further understand the supplier's management methods and improvement actions concerning human rights issues.

List of human rights risk topics (supplier)		
A0. Commitment, management system, and compliance	A2. Young workers (includes the topic of child labor)	A4. Salary and benefits
A1. Freedom to choose an occupation (includes the topic of freedom of association)	A3. Working hours (includes the topic of forced labor)	A5. Humane treatment and nondiscrimination

Suppliers must conduct self-assessments on the foregoing topics, outline their preventive measures and mitigation plans, and provide the necessary supporting documentation. Survey participants include all tier 1 suppliers, and the Advantech quality team will conduct document audits and risk confirmation for each one.

#### ◆ Respondents/coverage rate

- In 2022, 270 key Tier-1 suppliers were assessed, covering 100% of key Tier-1 suppliers that year.
- In 2024, the ESG assessment scope was expanded to all Tier-1 suppliers. 1,127 Tier-1 suppliers were included (100% coverage), with 873 completed responses received (77.5% of all Tier-1 suppliers). This includes 284 key/strategic Tier-1 suppliers, all of whom submitted responses (100% response rate).

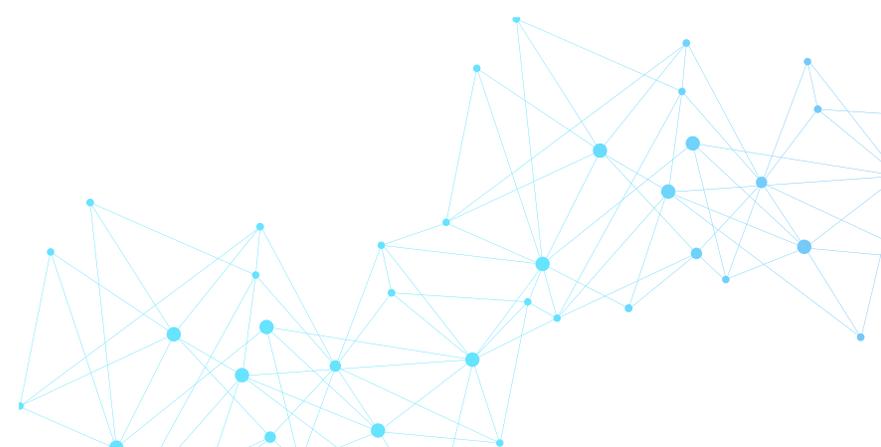
Year	Evaluation subjects	Total number of suppliers	Coverage rate
2022	Key Tier 1 suppliers	270	100%
2024	Tier 1 suppliers	1,127	100%

#### ◆ Survey results and improvements

Based on the 2024 assessment, three suppliers (0.34%) were classified as high human-rights risk. The main deficiencies are as follows:

Item code	Details of main deficiencies
<b>A1.1</b>	There are no requirements prohibiting the use of forced, bonded (including debt bondage), or compulsory labor; nor are there prohibitions against involuntary or exploitative prison labor, slavery, or human trafficking.

- All the above deficiencies have been effectively rectified and closed.
- Advantech will continue to conduct on-site audits for high-risk suppliers to ensure they undertake actions to address human rights risks.



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## Human Rights Due Diligence: Contractors

Advantech places great importance on the protection of human rights for all partners involved in its operations and includes contractors in its human rights due diligence process to ensure that outsourced operations comply with regulations and respect labor rights.

### ◆ Investigation methodology

First, Advantech's Corporate Quality and Management Department identifies a list of human rights risk issues relevant to contractors, based on the United Nations and other international human rights frameworks. Contractors must conduct self-assessments of their preventive measures and mitigation plans for these risks and provide the corresponding supporting documents. These documents are individually audited and reviewed by Advantech's Quality Team.

List of human rights risk topics (contractor)		
Commitment, management system, and compliance	Young workers (includes the topic of child labor)	Salary and benefits
Freedom to choose an occupation (includes the topic of freedom of association)	Working hours (includes the topic of forced labor)	Humane treatment and non-discrimination

Potential human rights issue risks have been integrated into the Contractor ESG self-evaluation form to further understand the contractors' management methods and improvement actions concerning human rights issues.

### ◆ Respondents/coverage rate

Year	Scope of evaluation subjects	Number of participants	Coverage rate
2022	All contractors	17	8.9% (17/192 contractors)

Advantech's triennial re-evaluation of human rights risks for employees, contractors, and joint ventures will be carried out in 2025.

### ◆ Survey results and improvements

According to the current survey results none of the assessed contractors were found to have human rights-related risks. Advantech will continue to strengthen audit intervals and early warning mechanisms to ensure that the implementation of human rights responsibilities extends to every aspect of its operations.

## Human Rights Due Diligence - Joint Ventures (JV)

In light of the increasing complexity of corporate investment activities, Advantech vigorously expands human rights considerations into the corporate governance of its joint ventures. The Company conducts systematic human rights risk identification and investigation to ensure that corporate values are consistently upheld across inter-company governance.

### ◆ Investigation methodology

First, Advantech's Corporate Quality and Management Department identifies a list of human rights risk issues relevant to joint ventures, based on the United Nations and other international human rights frameworks. Joint ventures must conduct self-assessments of their preventive measures and mitigation plans for these risks and provide the corresponding supporting documents. These documents are individually audited and reviewed by Advantech's Quality Team.

### ◆ Respondents/coverage rate

Year	Scope of evaluation subjects	Coverage condition
2023	Joint ventures with a shareholding ratio of 10% or more and an investment amount exceeding NTD 100 million	A total of 10 joint ventures were assessed, accounting for 37% of all joint ventures in 2022

List of human rights risk topics (joint ventures)		
Commitment, management system, and compliance	Young workers (includes the topic of child labor)	Salary and benefits
Freedom to choose an occupation (includes the topic of freedom of association)	Working hours (includes the topic of forced labor)	Humane treatment and non-discrimination

### ◆ Survey results and improvements:

Among the joint ventures assessed, no company was identified as having human rights risks. In the future, we will continue to ensure the fulfillment of responsibilities and the implementation of human rights protections across all levels of organizational governance.

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## Human Rights Risk Management (Mitigation and Remediation)

The table offers a global overview with supplementary information for specific regions.

Target audience	Topic identification	Current status of human rights issues (Due diligence)	Mitigation/management measures (Mitigation Actions)	Target management	Voluntary disclosure of location
Employee	Privacy	(Applicable globally) <a href="#">"Advantech Employee Code of Conduct"</a> (Identity protection, prevention of retaliation & data confidentiality)	(Applicable globally) 1. Annual information and cyber security online education and training 2. To enhance VPN connection security, employees are requested to install the Forestcut information and cyber security software 3. Personal data protection handbook	(Applicable globally) No leakage of employee and customer privacy data	(Applicable globally) 1. Advantech ESG official website <a href="#">"Advantech Human Rights Commitment and Policy"</a> 2. <a href="#">"Advantech Employee Code of Conduct"</a> 3. <a href="#">"Advantech Personal Data Protection and Management Measures"</a>
	Equal pay for equal work	(Applicable globally) Advantech's remuneration policy is based on employees' duties and responsibilities. The Company complies with local labor laws and regulations, and salary standards do not vary based on gender. Take Taiwan as an example, the laws regulations include the "Labor Standards Act", "Gender Equality in Employment Act", and "Employment Service Act". We have established the DEI Team, which reports to the Sustainable Development Committee every quarter.	(Applicable globally) 1. For new employee hires with work experience, their job band and salary can be determined by referencing the education and experience of current the Company's employees with similar backgrounds. 2. Annual salary adjustment & bonus: The HR Department formulates the annual salary budget and operational principles. After approval by the President, it will be submitted to various departmental supervisors for fair salary adjustments based on individual performance appraisals.	(Applicable globally) The salary job band system is designed to complement the Company's long-term strategies and also provide supervisors with more room in rewarding performance and abilities. The system evaluates the job rather than the individual, taking into consideration seven factors to ensure equal pay for equal work.	(Applicable to Taiwan) 1. Advantech Sustainability Report 2. Advantech makes announcements on recruitment websites (such as 104 Job Bank, etc.) 3. Remuneration and Bonus Management and Implementation Regulations 4. <a href="#">Recruitment and Employment Management Regulations</a> 5. Performance Management and Ranking Regulations
	Non-discrimination, diversity, and inclusion	(Applicable globally) In the global employee satisfaction survey, employee feedback on a workplace that is free from discrimination and sexual harassment is higher than average.  (Applicable to Taiwan) HR Dashboard monitors work diversity and workforce distribution data (e.g.: gender ratio, workforce age distribution, distribution by job category, etc.) • Maternity leave/paternity leave is better than the legal requirement • Race and cultural communication training course	(Applicable globally) 1. The non-discrimination clause in the Human Rights Guidelines provides for equal opportunities in terms of external public recruitment and internal transfers. 2. Advantech respects employees' equal opportunity in employment and career development, and employment opportunities will not be affected by discriminatory treatment or any form of discrimination based on an employee's gender, race, religious beliefs, political affiliation, sexual orientation, job band or position, nationality, or age.	(Applicable globally) Candidates were hired based on their education, experience, and ability, the hiring decisions were not affected by gender, race, religious beliefs, political affiliation, sexual orientation, job band, nationality, or age.	(Applicable globally) 1. Advantech ESG official website - <a href="#">"Advantech Human Rights Commitment and Policy"</a> 2. <a href="#">Advantech "Anti-discrimination and Anti-harassment Policy"</a> 3. Global employee engagement survey 4. RBA Validated Assessment Program (VAP) operations manual  (Applicable to Taiwan) 1. <a href="#">Advantech "Gender Equality in Employment Act"</a> 2. Labor Standards Act

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Target audience	Topic identification	Current status of human rights issues (Due diligence)	Mitigation/management measures (Mitigation Actions)	Target management	Voluntary disclosure of location
Female	Sexual harassment prevention & workplace Zero discrimination	(Applicable globally) Following the guidelines in the RBA Validated Audit Process (VAP) Operations Manual, Advantech regularly conducts internal and external audits, as well as supplier audits.	(Applicable to Taiwan) 1. According to the Advantech "Gender Equality in Employment Act", we have formed the Gender Equality in Employment Committee and formulated the "Regulations for the Prevention of Workplace Sexual Harassment, Grievance Procedures, and Disciplinary Actions". The regulations were promoted through meetings and emails. 2. Through the organization of labor (occupational) safety and health and occupational health personnel, we implemented the Advantech "Environmental and Occupational Health and Safety Policy" regulations and Advantech "Prevention Plan for Unlawful Infringement During the Performance of Duties."	(Applicable globally) In 2024, there were no reported cases of discrimination or harassment	(Applicable globally) "Advantech Employee Code of Conduct"  (Applicable to Taiwan) 1. "Regulations for the Prevention of Workplace Sexual Harassment, Grievance Procedures, and Disciplinary Actions" 2. "Prevention Plan for Unlawful Infringement During the Performance of Duties" and Unlawful Infringement in the Workplace Reporting and Handling Form
		(Applicable to Taiwan) Annual employee workplace health survey - includes questions related to the "Workplace Violence Hazard and Risk Survey", which monitors the risk of sexual harassment, discrimination, and violence at the workplace.			
		(Applicable to Taiwan) Advantech's remuneration policy is based on employees' duties and responsibilities. The Company complies with local labor laws and regulations, and salary standards do not vary based on race.			
Indigenous peoples	Non-discrimination, diversity, and inclusion	(Applicable to Taiwan) Advantech's remuneration policy is based on employees' duties and responsibilities. The Company complies with local labor laws and regulations, and salary standards do not vary based on race.	(Applicable to Taiwan) Advantech allowed indigenous employees to apply for public leave during the Indigenous Harvest Festival in accordance with the Labor Standards Act.	(Applicable to Taiwan) No complaints of discrimination against indigenous people were received	(Applicable to Taiwan) 1. Labor Standards Act 2. Advantech Sustainability Report 5.3 Diversity, Equality and Inclusive Workplace
Child & forced labor	Child labor was prohibited & there was no forced labor/human trafficking	(Applicable globally) Advantech regularly conducted internal and external audits and supplier audits in accordance with the guidelines in the RBA Validated Assessment Program (VAP) operations manual.	(Applicable globally) 1. Advantech verifies the resume and actual age of applicants prior to recruiting and hiring employees. Individuals under the age of 18 will not be hired. 2. All of Advantech's PVL suppliers and new suppliers must sign the "Advantech's Supplier Code of Conduct", which stipulates that suppliers should strive to protect labor human rights according to internationally recognized standards.	(Applicable globally) 1. In 2024, Advantech and its suppliers achieved zero child labor and zero forced labor 2. In 2024, all of Advantech's PVL suppliers and new suppliers were required to sign the "Advantech's Supplier Code of Conduct" 3. Passed internal and external audits and audits of existing suppliers in 2024	(Applicable globally) 1. Advantech ESG official website - "Advantech Human Rights Commitment and Policy" 2. Advantech supplier Code of Conduct 3. RBA Validated Assessment Program (VAP) operations manual

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Target audience	Topic identification	Current status of human rights issues (Due diligence)	Mitigation/management measures (Mitigation Actions)	Target management	Voluntary disclosure of location
People with disabilities	Employment of people with disabilities	(Applicable to Taiwan) Regularly monitored the number of employees with disabilities monthly according to labor laws and regulations	(Applicable globally) Advantech respects employees' equal opportunity in employment and career development, and employment opportunities will not be affected by discriminatory treatment or any form of discrimination based on an employee's gender, race, religious beliefs, political affiliation, sexual orientation, job band or position, nationality, or age.	(Applicable to Taiwan) According to Taiwan's "People with Disabilities Rights Protection Act", the number of employees with disabilities with the capability to work in a company shall be no less than 1% of the total number of employees. If the weighted total value fails to meet the standard, the Company must regularly pay the "differential subsidy fee" to the disabled employment fund of the labor competent authority.	(Applicable globally) 1. Advantech ESG official website - " <a href="#">Advantech Human Rights Commitment and Policy</a> " 2. Advantech ESG Report 5.3 Diversity, equality and inclusive workplace
Migrant workers	Zero discrimination in hiring / Hiring compliance	(Applicable globally) Advantech regularly conducted internal and external audits according to the guidelines in the RBA Validation Procedures (VAP) operation manual.	(Applicable globally) At Advantech, foreign migrant workers' employment opportunities are not affected by discriminatory treatment or any form of discrimination based on an employee's gender, race, religious beliefs, political affiliation, sexual orientation, job band, nationality, or age.	(Applicable globally) Zero discrimination in hiring foreign migrant workers Passed external RBA audit	(Applicable globally) 1. Advantech ESG official website - " <a href="#">Advantech Human Rights Commitment and Policy</a> " 2. Advantech Group Employee Handbook 3. Advantech Sustainability Report 5.3 Diversity, Equality and Inclusive Workplace
Employees of third-party contractors	Comply with the Supplier Code of Conduct	(Applicable globally) Advantech regularly conducted PVL suppliers and new supplier audits according to the guidelines in the RBA Validation Procedure (VAP) operation manual.	(Applicable globally) 1. Comply with various social responsibility standards and the regulations of local competent authorities 2. Prohibition of child labor and forced labor 3. Provide a healthy and safe workplace 4. Promote labor-management cooperation 5. Do not accept metals (Au, Ta, Sn, W, Co) from countries with conflict mining areas and trace the sources and smelters of metals used in parts. 6. Reject any form of corruption, extortion, blackmail, and bribery	(Applicable globally) Sign a Supplier Code of Conduct Agreement with third-party contractors	(Applicable globally) <a href="#">"Advantech's Supplier Code of Conduct"</a>



## 5.5 Occupational Health and Safety

Name of material topic	Describe the importance of this material topic to Advantech
<b>Occupational health and safety</b>	Advantech places great importance on occupational health and safety management, as it not only protects employees but also impacts the Company's operational efficiency and reputation.
<b>Management strategy</b>	<ul style="list-style-type: none"> <li>◆ Reinforce education and training, establish an occupational health and safety culture</li> <li>◆ Implement risk identification procedure and evaluate potential risks</li> <li>◆ Lower the hazard of potential risks and enhance the effectiveness of opportunity development</li> <li>◆ Increase the intensity of inspections at all plant and office locations</li> </ul>
<b>Policy or commitment</b>	The Company is dedicated to improving occupational health and safety, achieving zero occupational accident and total health care, fulfilling our responsibilities as a corporate citizen, and realizing corporate sustainability.
<b>Positive impact</b>	This allows us to enhance our risk management skills, implement effective safety and health measures, significantly minimize occupational injuries and diseases, and thereby elevate work efficiency and morale. At the same time, it can also increase our corporate reputation and brand image.
<b>Negative impact</b>	<p>Inadequate management can lead to negative impacts such as increased costs caused by property loss, employee dissatisfaction, lowered work efficiency, and damage to corporate reputation, etc.</p> <p>Advantech's countermeasures against potential negative impacts are outlined as follows:</p> <ul style="list-style-type: none"> <li>◆ Main production plants have all established and passed ISO 45001 management system certification</li> <li>◆ Provide mandatory education and training on occupational health and safety, and employees are required to complete the tests. Furthermore, occupational health and safety related lectures and briefings are held from time to time.</li> </ul>
<b>2024 target achievement overview</b>	<ul style="list-style-type: none"> <li>◆ Number of major occupational accidents: 0</li> <li>◆ No records of fines/penalties imposed by competent authorities due to occupational safety incidents.</li> <li>◆ No major nonconformities were identified in external audits</li> </ul>
<b>2025 Goals</b>	<ul style="list-style-type: none"> <li>◆ Number of major occupational accidents: 0</li> <li>◆ Main production plants have established and passed ISO 45001 management system certification</li> </ul>
<b>2030 Goals</b>	<ul style="list-style-type: none"> <li>◆ Number of major occupational accidents: 0</li> </ul>
<b>Key action plans or programs in 2024</b>	<ul style="list-style-type: none"> <li>◆ The headquarters (Linkou Plant, Taiwan) has launched a fire-related business continuity plan project, strengthening emergency response capabilities through scenario-based simulations and drills.</li> <li>◆ Expand the emergency response team and design regular emergency evacuation drills to familiarize employees with the emergency response plan, evacuation routes, roll call procedures, and other relevant protocols.</li> </ul>
<b>Effectiveness assessment</b>	<ul style="list-style-type: none"> <li>◆ Identify operations with higher risks through safety and health identification, propose feasible management solutions, implement improvement measures, and make sure they are completed by verifying their effectiveness.</li> <li>◆ Pass the external audit by a third-party verification company, maintaining compliance with ISO 45001:2018 for operations within the scope of implementation standard requirements.</li> <li>◆ The Headquarters in Taiwan holds quarterly occupational health and safety review meetings, attended by the President and Chief Operation Officer/COO.</li> </ul>

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Name of material topic	Describe the importance of this material topic to Advantech
<p><b>Stakeholders impacted by the material topic and actions implemented by Advantech</b></p>	<ul style="list-style-type: none"> <li>◆ Employees: We provide a mandatory online occupational health and safety course for our employees, and they must complete a test after the course. Moreover, the Company holds occupational health and safety-related workshops and briefings from time to time to facilitate internal communication.</li> <li>◆ Customers: Respond to customer questionnaires and audits, and provide relevant supporting records as necessary.</li> <li>◆ Suppliers and contractors: All suppliers are required to fill out the Environmental Safety and Health (ESH) Commitment Statement, as well as conduct hazard awareness education, training, and audits for contractors entering the plants.</li> <li>◆ Shareholders and investment institutions: Disclose the Company's occupational health and safety-related performance through the Annual Report and Sustainability Report.</li> <li>◆ Partners: Respond to partners' inquiries and provide supporting records as necessary.</li> <li>◆ Competent authorities: Respond to government agencies' inquiries and provide supporting records as necessary.</li> </ul>

### Shape an occupational health and safety culture

Through commitment and action, Advantech strives to create an occupational safety and health culture. Adopting a core strategy of promoting occupational health and safety management, the aim is to minimize workplace accidents by enhancing safety awareness, behaviors and habits, and fostering a strong safety culture. The headquarters not only complies with regulations in Taiwan but also pays attention to important global occupational health and safety-related topics to create a healthy and injury-free workplace, in turn decreasing impacts and risks on stakeholders. Therefore, the priority is to establish an occupational health and safety management system that controls risks and enhances employees' safety awareness, with the goal of creating a healthy, safe, accident-free, and high-quality workplace.

### Occupational health and safety management system (ISO 45001:2018)

Advantech is committed to providing a safe and healthy workplace. We have established and implemented an ISO 45001-compliant Occupational Health and Safety Management System (OHSMS) and, in 2024, required every plant to adopt systematic management in accordance with ISO 45001. Our Occupational Health and Safety Management Policy was approved by the Board of Directors, implemented company-wide, and publicly disclosed on our website.

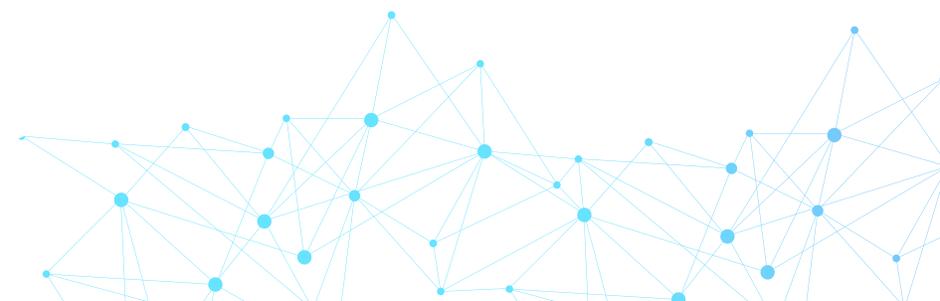
The OHSMS covers all workers, including Advantech employees and non-employee workers. From the corporate level down—and across regions—dedicated OHS personnel operate under the ISO 45001 framework, responsible for planning, implementation, supervision, and auditing to ensure the system's effective operation.

Figure 5.5.1 Certification of Advantech's global significant locations of operation

Factory	Headquarters (Taiwan)	Advantech Kunshan	Advantech Japan	Advantech Korea	Advantech USA	Advantech Europe
ISO 45001:2018	◎	◎	-	-	◎	◎

### Occupational health and safety committee

Committee members	Key initiatives	Management actions
<ul style="list-style-type: none"> <li>◆ Management representatives</li> <li>◆ Representatives of various plants</li> <li>◆ Meetings are convened quarterly</li> </ul>	<ul style="list-style-type: none"> <li>◆ Health and safety management</li> <li>◆ Education and training implementation</li> <li>◆ Health management and health promotion</li> <li>◆ Hazard prevention assessment</li> <li>◆ Occupational hazard investigation</li> </ul>	<ul style="list-style-type: none"> <li>◆ Health and safety audit</li> <li>◆ Machinery, equipment, or raw material hazard prevention</li> <li>◆ Health and safe proposal implementation</li> <li>◆ Education and training implementation plan (electrical safety, fire safety, etc.)</li> </ul>



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## Occupational health and safety performance indicators/measures

<b>Regulatory Identification</b>	Regulatory identification is carried out quarterly to identify new or revised regulations, the suitability and compliance of plants, as well as monitor and verify the improvement status..
<b>Occupational Injury Reporting</b>	Monthly reporting is performed with the goal of "zero occupational accidents". There were eight reported occupational accident cases in the Taiwan region in 2024 (excluding commuting accidents). Internal investigations were completed and necessary improvement measures were carried out within a month of each incident.
<b>Audits by competent authorities</b>	Throughout the year, no violations were identified during audits that required corrective actions before deadlines or resulted in any fines.
<b>Internal and External Audits</b>	In the current year, internal audits identified 12 nonconformities and 38 observations. External audits revealed 1 minor nonconformities and 18 observations. The relevant responsible units are actively implementing corrective actions to address these findings.
<b>Operating environment monitoring</b>	Biannual assessments were conducted regarding the work environment and the exposure of workers, including monitoring chemical factors such as isopropanol, acetone, xylene, hexane, and CO2, as well as physical such as noise and lighting.
<b>Contractor Management</b>	For contractors, standard operating procedures (SOPs) and inspection forms have been formulated for various stages, including plant entry applications, personnel hazard notifications, work applications, high-risk operation applications, as well as before-, during-, and after-work inspections. These procedures are also incorporated into routine inspection and audit checklists. This year, there were no contractor-related accidents in the workplace.
<b>Occupational safety and health education and training</b>	Confirmed the validity of the licenses of operations supervisors and professionals at all levels (including Occupational Health and Safety personnel, waste management personnel, health care personnel, first aid personnel, organic solvent operations supervisor, fire safety management personnel, and forklift operators). The headquarters organized safety and health education and training for new and in-service employees, including 6S management, hazardous chemical management, and AED education and training. In total, 8,633 employees received a total of 14,446.5 hours of training.
<b>Chemical Management</b>	Chemical management follows a tiered approach, involving regular reviews and evaluations of potential hazards and risks. This is complemented by self-inspections of organic solvent operations at worksites. In 2024, an online chemical management system was adopted to enable real-time monitoring of chemical inventory changes.
<b>Regular inspection of equipment and machinery</b>	Conduct regular, key, and operational inspections of machinery and equipment, as well as operations-related processes. By identifying potential defects through automated inspections in advance, preventive measures can be taken to avoid occupational accidents and ensure the workers' safety and health.
<b>Occupational health and safety inspection</b>	Occupational safety and health inspections are categorized into six areas: (1) contractor management, (2) chemical handling safety, (3) electrical safety, (4) workplace environment safety, (5) 6S environmental management, and (6) emergency preparedness (including fire safety). Inspections conducted from time to time help identify and rectify deficiencies, thereby fostering a safer working environment.
<b>Occupational Health and Safety Management review meeting</b>	Regularly convene management review meetings in accordance with the ISO 45001 management system. Report the occupational health and management achievements of various regions to the supervisor and propose relevant improvement measures.

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## Hazard Identification and Risk Assessment

To prevent occupational accidents, the Company has established a procedure for identifying environmental aspects and occupational health and safety risks and opportunities. This procedure evaluates the hazards and risks that operational activities may pose to employees, stakeholders, or the workplace, identifying risks that need to be controlled and opportunities for improvement. Based on the identified parameters, an occupational safety and health impact analysis is carried out. Based on the results of the risk identification and assessment, prioritize the risk and identify those requiring action plans, feasible and optimal control measures are determined in the following order: elimination, substitution, engineering control, administrative control, and personal protective equipment. Management plans and quantified targets are formulated to implement monitoring, control, and improvement. We have identified high-risk work environments, such as those involving hazardous chemicals, excessive noise, and ionizing radiation. For personnel operating in these environments, we provide appropriate personal protective equipment and conduct regular specialized health check-ups to monitor and safeguard their well-being. Regarding potential hazards and risks in the workplace, we also comply with Article 18 of the Occupational Safety and Health Act and Article 25 of the Enforcement Rules of the Occupational Safety and Health Act concerning the criteria for "potential imminent danger". Employees are informed that if they encounter a situation posing an imminent danger during work, they may, without penalty, evacuate to a safe location after reporting the danger immediately. This policy further reinforces our commitment to ensuring employee safety and health.

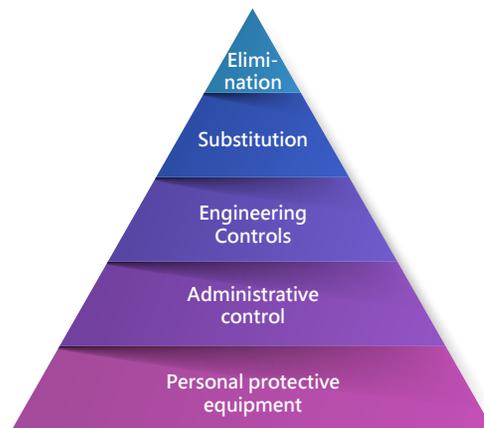
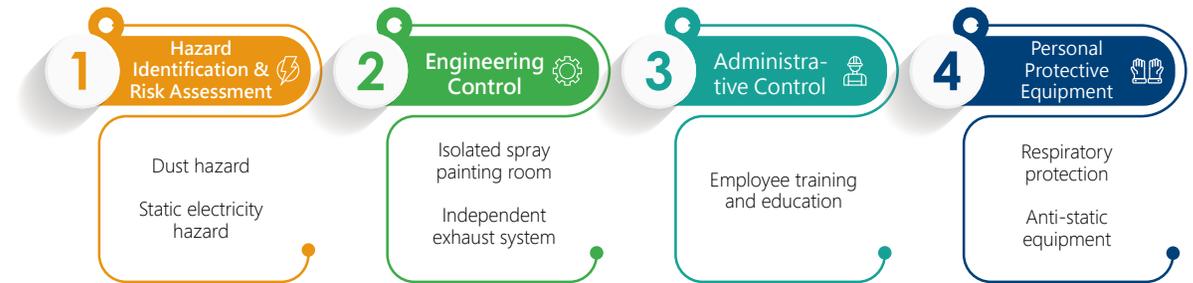


Figure 5.5.1 Risk assessment of Advantech China Kunshan plant's painting operation: transitioning from "wet coating operation" to "powder coating operation"



## Incident Reporting Investigation Procedures

Advantech strives to achieve the ultimate goal of "zero accidents in the workplace" and has established the "Occupational Incident Investigation and Handling Regulations" to regulate relevant procedures such as incident reporting, incident investigation responsibilities, subsequent improvement actions, and preventing similar accidents from occurring again.

Figure 5.5.2 Advantech incident reporting and investigation procedures



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### Advantech Employee Occupational Injury Statistics

2024	Headquarters (Taiwan)	Advantech China	Advantech Japan	Advantech Korea	Advantech Europe	Advantech USA
<b>Total Work Hours</b>	7,305,088	6,700,000	443,664	245,024	916,692.3323	1,083,680
<b>Total Number of Occupational Injuries</b>	11	4	0	0	2	0
<b>Occupational injury categories</b>	Cutting/Falling/Other	Contusion/Other	x	X	Rolling/Other	x
<b>Working days lost due to occupational injuries</b>	61	202	0	0	7	0
<b>Disabling injury frequency rate (FR)</b>	1.51	0.60	0	0	2.18	0
<b>Disability Injury Severity Rate (SR)</b>	8	30	0	0	8	0
<b>Occupational injury fatality rate</b>	0	0	0	0	0	0
<b>Occupational disease fatality rate</b>	0	0	0	0	0	0
<b>Severe occupational injury rate</b>	0	0	0	0	0	0

### Non-Advantech employee occupational injury statistics

2024	Headquarters (Taiwan)	Advantech China	Advantech Japan	Advantech Korea	Advantech Europe	Advantech USA
<b>Total Work Hours</b>	135,744	27,940	159,264	1,976	9,000	29,120
<b>Total Number of Occupational Injuries</b>	0	0	0	0	0	0
<b>Occupational injury categories</b>	X	X	X	X	X	X
<b>Working days lost due to occupational injuries</b>	0	0	0	0	0	0
<b>Disabling injury frequency rate (FR)</b>	0	0	0	0	0	0
<b>Disability Injury Severity Rate (SR)</b>	0	0	0	0	0	0
<b>Occupational injury fatality rate</b>	0	0	0	0	0	0
<b>Occupational disease fatality rate</b>	0	0	0	0	0	0

※ Notes:

- Total working hours (headquarters) = Total working hours are based on monthly reports from OSHA, MOL.
- Other regions/total working hours = Number of people in each region x number of workdays per year x number of hours worked per day
- FR = (Total number of injury losses x 1,000,000) ÷ Total hours worked (rounded to two decimal places)
- SR = (Total number of lost workdays due to injury x 1,000,000) ÷ Total hours worked (disregarding decimal places)
- Occupational injury fatality rate = Number of fatal occupational injuries ÷ Total number of occupational injuries
- Occupational disease fatality rate = Number of occupational disease-related fatalities ÷ Number of occupational disease cases
- Occupational diseases: Certified by occupational medicine physicians, local labor competent authorities, or OSHA, MOL.
- Occupational Injury Absenteeism Rate = (Total Number of Absenteeism Days Due to Occupational Injury/Total Number of Workdays) x 100%
- Serious occupational injury rate (AR) = Injuries where workers are unable to recover to their pre-injury health status within six months, excluding fatalities.
- The above data excludes commuting accidents.
- The end date for headcount statistics is December 31, 2024.

※ Notes:

- Non-Advantech employees: Security personnel, janitors, caterers, and temporary workers.
- Total working hours (headquarters) = Total working hours are based on monthly reports from OSHA, MOL.
- Other regions/total working hours = Number of people in each region x number of workdays per year x number of hours worked per day
- Occupational injury absentee rate = (Total absent days [injury leave]/total person-days) x 100%
- Serious occupational injury rate (AR) = Injuries where workers are unable to recover to their pre-injury health status within six months, excluding fatalities.
- Occupational diseases: Certified by occupational medicine physicians, local labor competent authorities, or OSHA, MOL.
- The headcount statistics are up to December 31, 2024.

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### Categories of occupational injuries for Advantech employees

2024 Occupational injury categories	Headquarters (Taiwan)		Advantech China		Advantech Europe	
	Number of injuries	Percentage of injuries	Number of injuries	Percentage of injuries	Number of injuries	Percentage of injuries
Falls	6	0.16667%	0	0.00000%	0	0.00000%
Collisions	0	0.00000%	0	0.00000%	0	0.00000%
Cuts and lacerations	2	0.05556%	0	0.00000%	0	0.00000%
Contusions	0	0.00000%	1	0.02988%	1	0.18622%
Other	3	0.08333%	3	0.08963%	1	0.18622%
Monthly average number of employees/ number of employees	3,600		3,347		537	

※ Notes:

- (1) Headquarters Injury Rate: Number of injured persons/average monthly headcount
- (2) Injury rate in other regions: Number of injured persons/number of employees
- (3) No occupational injuries occurred at Advantech USA, Advantech Korea, or Advantech Japan.

### Absentee rate statistics of Advantech employees

2024	Headquarters (Taiwan)	Advantech China	Advantech Japan	Advantech Korea	Advantech Europe	Advantech USA	Total
Total person-days	873,667	837,500	57,564	33,839	121,098	130,771	2,054,439
Lost work days due to official injury leave	61	202	0	0	7	0	270
Lost work days due to sick leave	2399.5	6126.44	0	53	2254	2982	13814.94
Total lost work days	2460.5	6328.44	0	53	2261	2982	14084.94
Absentee rate	0.28%	0.76%	0.00%	0.16%	1.87%	2.28%	0.69%

※Note:

- (1) Absentee rate calculation: (Total days of absence [official injury leave + unpaid sick leave]/total work days) x 100%
- (2) Employee absentee rate calculations do not include pre-planned or approved leave, such as personal leave, annual leave, maternity leave, paternity leave, and official leave.



### Occupational safety and health education, training and promotion



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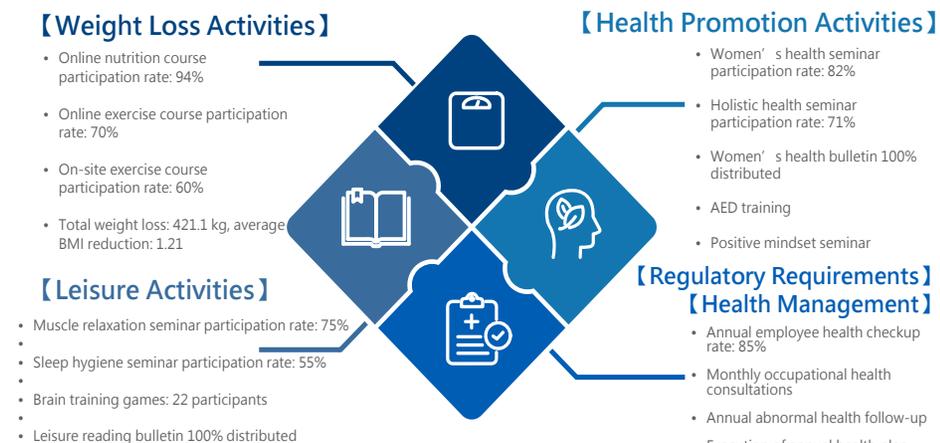
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## Health Management: Building a Workplace that supports employee well-being

In today's fast-changing workplace, businesses' care for employees has shifted from traditional remuneration and benefits to a more holistic approach focused on health management and overall well-being. Employees' physical and mental health not only affects their job performance but also has a direct impact on the Company's overall operations and long-term development. Ensuring employees' well-being goes beyond providing basic healthcare; it also encompasses mental health, work-life balance, as well as the care and support reflected in a company's corporate culture. This not only enhances employees' sense of well-being and loyalty but also reduces absentee rate and turnover, while boosting work efficiency and innovation. Therefore, integrating health management and employee well-being is a key aspect of corporate sustainability development. In particular, activities for mature-aged employees are organized according to OSHA's guidelines on the safety and health of middle-aged and older workers, providing a more supportive workplace.



Advantech China Kunshan plant free health check-up event

## Health promotion: Provide total health protection

The headquarters has hired four occupational health service nurses in accordance with the law, while the Kunshan plant exceeds regulatory requirements by hiring 2 occupational health management personnel. Moreover, our Taiwan, U.S., and Kunshan facilities all surpass the required health checkup intervals stipulated by the Occupational Safety and Health Act by offering annual health examinations to employees of all age groups. The headquarters also vigorously promotes health through diverse initiatives such as annual health workshops, blood drives, first aid training, and family activities. We enforce a smoke-free workplace policy and conduct regular environmental monitoring, as well as providing breastfeeding rooms, sports and leisure facilities, and a safe, healthy employee dining environment.



## Health management and monitoring: Tiered health checkup management

Health management follows a tiered management system. Based on the results of employee health examinations and relevant questionnaire responses, employees with abnormal findings receive targeted interventions at varying levels (such as health education, health monitoring, or consultations with occupational physicians). Ongoing follow-up and monitoring are conducted to enhance employees' health.

Principles of hierarchical management of health examinations				
Grading	A	B	C	D
Contents of the Health Checkup Report	normal	Abnormal, please pay attention	Abnormal, active measures are required	Abnormal, return to the hospital for follow-up immediately
Measures to be Taken	Health promotion Healthy diet	Health check completion reminder tracking announcement		
		Regular tracking	Provide individual health education	
		Keep track		Arrange an occupational doctor interview

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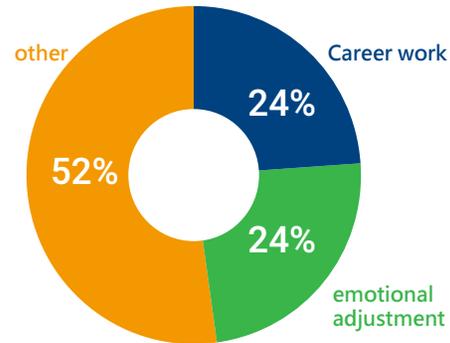
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### Healthy Workplace Certification: Health Promotion mark

By analyzing annual health checkup data, we will develop an Employee Assistance Program (EAP) to support our employees' physical, mental, and spiritual well-being. The overall satisfaction of EAP reached 96 points. Main topics involved include "career work" and "emotional adjustment". Other topics include family, gender, and interpersonal relationships.

Advantech's headquarters and Linkou plant were awarded the "Healthy Workplace Certification - Health Promotion Mark" by the Health Promotion Administration, MOHW, this year.



### Implement a healthcare resource map

Employees are the most important assets of an enterprise. Health promotion helps employees sound health concepts and lifestyle habits and improve their quality of life and work performance. The headquarters distributes monthly "Health E-newsletters" to all employees according to the solar terms and epidemics, in turn providing colleagues with the latest practical health and macrobiotics-related knowledge.

Automated External Defibrillators (AEDs) are installed in various government agencies and public venues. Advantech headquarters has also voluntarily installed AEDs in all its plants in Taiwan and conducted education and training for 64 colleagues in 2024.

In response to the digitalization trend in occupational health management, colleagues can browse individual health checkup reports, make an online appointment with the resident physician, access consultation records, and view their physiological metrics through LINE. Furthermore, on-site physicians provide colleagues with health consultations and offer high-risk colleagues health instruction, helping to look after their health. This year, a total of 382 employees received medical consultations.

